CLERKS' OF COURT
RETIREMENT & RELIEF FUND

ACTUARIAL VALUATION AS OF
JUNE 30, 2008

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G. S. CURRAN & COMPANY, LTD.

Actuarial Services

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

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

October 27, 2008

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, 2008. Our report is based on the actuarial assumptions specified and relies on the data supplied by the system's administrators and accountants. This report was prepared at the request of the Board of Trustees of the 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, 2009, to recommend the net direct employer contribution rate for fiscal 2010, and to provide information for the system's financial statements. This report was prepared exclusively for the 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
Gary Curran, F.C.A., M.A.A.A., A.S.A.

By: Gregory Curran
Gregory Curran, M.A.A.A., A.S.A.

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

		June 30, 2008	June 30, 2007
Valuation Date:		June 30, 2008	June 30, 2007
Census Summary:	Active Members (including DROP)	2,408	2,364
	Retired Members and Survivors	849	825
	Terminated Due a Deferred Benefit	101	102
	Terminated Due a Refund	303	266
Payroll:		$ 83,637,009	$ 78,384,249
Benefits in Payment (excluding DROP accruals):		$ 15,861,293	$ 15,032,502
Frozen Unfunded Actuarial Accrued Liability:		$ 85,215,896	$ 84,072,966
Market Value of Assets:		$ 331,865,504	$ 348,448,803
Actuarial Asset Value (AVA):		$ 356,502,864	$ 325,278,452
Actuarial Accrued Liability (as defined by GASB-25)		$ 441,718,760	$ 409,351,418
Ratio of Net AVA to GASB – 25 Accrued Liability:		80.71%	79.46%

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	FISCAL 2009	FISCAL 2008
Employer Normal Cost (July 1):	$ 10,510,147	$ 9,302,972
Amortization Cost (July 1):	$ 5,414,903	$ 5,169,358
Interest Adjusted Gross Employer Actuarially Required Contribution Including Estimated Administrative Costs:	$ 16,929,997	$ 15,338,917
Projected Ad Valorem Taxes and Revenue Sharing Funds	$ 6,897,827	$ 6,142,133
Net Direct Employer Actuarially Required Contributions	$ 10,032,170	$ 9,196,784
Actuarially Required Net Direct Employer Contribution Rate	11.80%	11.41%
Actual Net Direct Employer Contribution Rate:	11.75%	11.75%

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Minimum Recommended Net Direct Contribution Rate: For Fiscal 2010: 11.75%

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 investment securities adjusted to average in asset earnings above or below the assumed rate of return over a five-year period.

Changes in Valuation Methods, Assumptions, and/or Amortization Periods: Change in the rates of disability and DROP entry to reflect changes in benefit structure.

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

COMMENTS ON DATA

For the valuation, the administrative staff of the system furnished a census on magnetic diskette derived from the system's master data processing file indicating each active covered employee's sex, date of birth, service credit, annual salary, and accumulated contributions. Information on retirees detailing dates of birth of retirees and beneficiaries, as well as option categories and benefit amounts, was provided in 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 2,408 active members in the system of whom 962 have vested retirement benefits including 102 participants in the Deferred Retirement Option Plan (DROP); 849 former system members or their beneficiaries are receiving retirement benefits. An additional 404 terminated members have contributions remaining on deposit with the system; of this number, 101 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 $331,865,504 as of June 30, 2008. Net investment income for fiscal 2008 measured on a market value basis amounted to a loss of $22,008,328. Contributions to the fund for the fiscal year totaled $23,247,026; benefits and expenses amounted to $17,821,997.

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 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 use the excess funds collected, if any, to reduce the frozen unfunded actuarial accrued liability. 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.

The actuarial assumptions utilized for the report are outlined on pages thirty-five through thirty-eight. In the aggregate the assumptions represent our "best estimate" of future long-term experience for the fund. The assumptions are the same as those used for the prior year, except where changes were necessitated to account for changes in the plan benefit structure. Hence, DROP and disability rates were modified to conform to the new benefits.

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

CHANGES IN PLAN PROVISIONS

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

Act 90 extends the term of the three directors of the Louisiana Clerks of Court Association who are elected to be members of the board of trustees of the Clerks' of Court Retirement and Relief Fund from three to five years.

Act 445 provides that, notwithstanding the provisions of R.S. 11:103, 104 and 105, 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 addition, the act provides that in any fiscal year during which the net direct employer contribution rates would otherwise be decreased, the board of trustees is authorized to set the employer contribution rate at any point between the previous year's employer contribution rate and the decreased rate that would otherwise occur. Any excess funds resulting from the additional contributions will be applied as provided in R.S. 11:105(C).

Act 784 provides that a member will be eligible to receive disability retirement benefits from the fund if they are certified to be totally and permanently disabled pursuant to R.S. 11:218 and one of the following applies:

1) the member's disability was caused solely as a result of injuries sustained in the performance of their official duties
2) the member has at least ten years of service credit

A member who has been certified as totally and permanently disabled will be paid monthly disability retirement benefits equal to the greater of:

1) forty percent of their monthly average final compensation
2) seventy-five percent of their monthly regular retirement benefit computed pursuant to R.S. 11:1521(C)

The provisions of this act will apply to any disability retiree whose application for disability retirement is approved on or after July 1, 2008. The provisions related to the calculation of benefits will apply to any disability retiree whose application for disability retirement was approved before July 1, 2008, for benefits due and payable on or after January 1, 2008.

Act 853 eliminates the requirement that a member must be an active contributing member for one full year after becoming eligible for a service retirement allowance to participate in the Deferred Retirement Option Plan (DROP). Under the provisions of this act, any member who is eligible for a service retirement allowance under R.S. 11:1521 may elect to participate in DROP.

The effect of the above acts of the 2008 legislative session which changed the benefit structure of the fund was to increase the normal cost accrual rate by 1.5177%.

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.

	Actuarial Value	Market Value
1999	14.9%	10.5%
2000	11.0%	4.2%
2001	4.2 %	-1.5%
2002	-0.3%	-3.0%
2003	-0.9%	2.9%
2004	2.9%	12.3%
2005	7.2%	8.7%
2006	* 16.7%	11.5%
2007	10.2%	14.3%
2008	7.9%	-6.3%

* 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.

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 2008, the fund earned $4,027,827 of dividends, interest and other recurring income. During the same period, the Fund had net realized and unrealized capital losses on investments of $24,574,228. In addition, the Fund had $1,461,927 of investment expense. The geometric mean of the market value rates of return measured over the last ten years was 5.1%.

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 all interest, dividends, and recognized capital gains 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. 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 2008 the system experienced net actuarial investment earnings of $435,720 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 0.0615%.

DEMOGRAPHICS AND LIABILITY EXPERIENCE

A reconciliation of the census for the system is given in Exhibit X. The average active member is 46 years old with 11.90 years of service and an annual salary of $34,733. The system's active membership increased during the fiscal year by 44 members. The plan has experienced an increase in the active plan population of 75 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 portion of members with less than 10 years of service has remained constant. The percentage of members with service in the ten to nineteen year range has decreased. The percentage of members with service of at least twenty years has increased.

The average retiree is 71 years old with a monthly benefit of $1,604. The number of retirees and beneficiaries receiving benefits from the system increased by 24 during the fiscal year. Over the last five years, the number of retirees has increased by 133; during this same period, annual benefits in payment increased by $4,469,617.

Plan liability experience for fiscal 2008 was favorable. The biggest contributors to this favorable experience were retirements below projected levels, withdrawals above projected levels, and retiree deaths above projected levels. Partially offsetting these factors were an average increase in salaries above expected levels and DROP entries which were slightly above projected levels. These factors tend to increase costs. In aggregate, plan liability experience decreased the normal cost accrual rate by 0.4430%.

FUNDING ANALYSIS AND RECOMMENDATIONS

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

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

The derivation of the actuarially required contribution for the current fiscal year is given in Exhibit I. The normal cost for fiscal 2009 as of July 1, 2008, is $10,510,147. The amortization payment on the fund's frozen unfunded actuarial accrued liability as of July 1, 2008, is $5,414,903. The total actuarially required contribution is determined by adjusting these two values for interest (since payments are made throughout the fiscal year) and adding estimated administrative expenses. As given on line 14 of Exhibit I the total actuarially required contribution for fiscal 2009 is $16,929,997. When this amount is reduced by projected tax contributions and revenue sharing funds, the resulting employers' net direct actuarially required contribution for fiscal 2009 is $10,032,170. This is 11.80% of the projected payroll for fiscal 2009.

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

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

Normal Cost Accrual Rate – Fiscal 2008	12.2271%
Factors Increasing the Normal Cost Accrual Rate:	
Benefit Loss	1.5177%

COLA Loss	0.1961%
Asset Experience	0.0615%
Factors Decreasing the Normal Cost Accrual Rate:	
Contribution Gain	0.1750%
New Members	0.2225%
Liability Experience	0.4430%
Normal Cost Accrual Rate – Fiscal 2009	13.1619%

In addition to the above factors, payroll growth affects plan costs to the extent that payments on the system's unfunded liability are on a schedule that varies from actual trends in payroll growth or decline. If payroll changes at rates not consistent with the amortization schedule the result will be costs that change as a percentage of payroll. For fiscal 2009, the net effect of the change in payroll on amortization costs was to decrease such costs by 0.04% of payroll. Required net direct employer contributions are also affected by the 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 2009 will increase by 0.50% of payroll.

Although the actuarially required net direct employer contribution rate for fiscal 2009 is 11.80%, the actual employer contribution rate for fiscal 2009 is 11.75% of payroll. Since the contribution rate for fiscal 2009 was 11.75%, any shortfall in employer contributions collected in the fiscal year will increase the Fund's normal cost accrual rate. We estimate this surplus will result in an increase of 0.01% to the normal cost accrual rate in fiscal 2010. 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 11.75% for fiscal 2010.

Recent capital market conditions have resulted in asset experience losses for the Fund that will likely significantly increase its cost structure. These market conditions may be temporary or it may indicate that future return expectations should be reduced. In order to illustrate the impact of a reduction in return expectations, we have performed an alternative valuation at an assumed valuation interest rate of 7.5% with all other assumptions unchanged. Lowering the valuation interest rate by 0.50% would significantly increase required funding. The employer normal cost accrual rate would be increased by 5.67%, although there would be a small offset resulting from lower amortization payments on the frozen unfunded accrued liability. The total employer actuarially required contribution would be increased by $4,425,821 to $21,355,868. The actuarially required net direct employer contribution rate for fiscal 2009 would increase from 11.80% to 17.01%. We estimate that the contribution shortfall in fiscal 2009 would result in an increase of 0.59% to the normal cost accrual rate in fiscal 2010. Based on these numbers, lowering the valuation interest rate from 8% to 7.50%, with all other assumptions unchanged, in fiscal 2009 would result in a recommended minimum net direct employer contribution rate of 17.50% for fiscal 2010. Whether or not the system's valuation interest rate will ultimately need to be adjusted will depend on the actual performance and future long-term expectation for the capital markets in general.

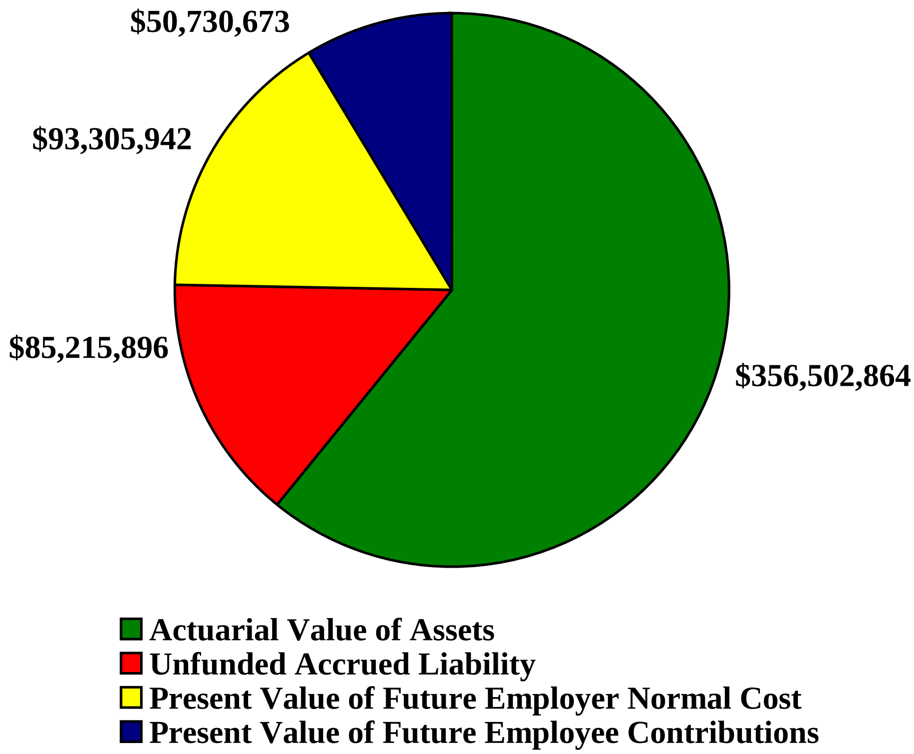
Please note that the above results are only intended to serve as an illustration of the impact of a change in the valuation interest rate. Any actual change in the valuation interest rate should only be effected with a review of all other plan assumptions. The impact of such other changes in assumptions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

COST OF LIVING INCREASES

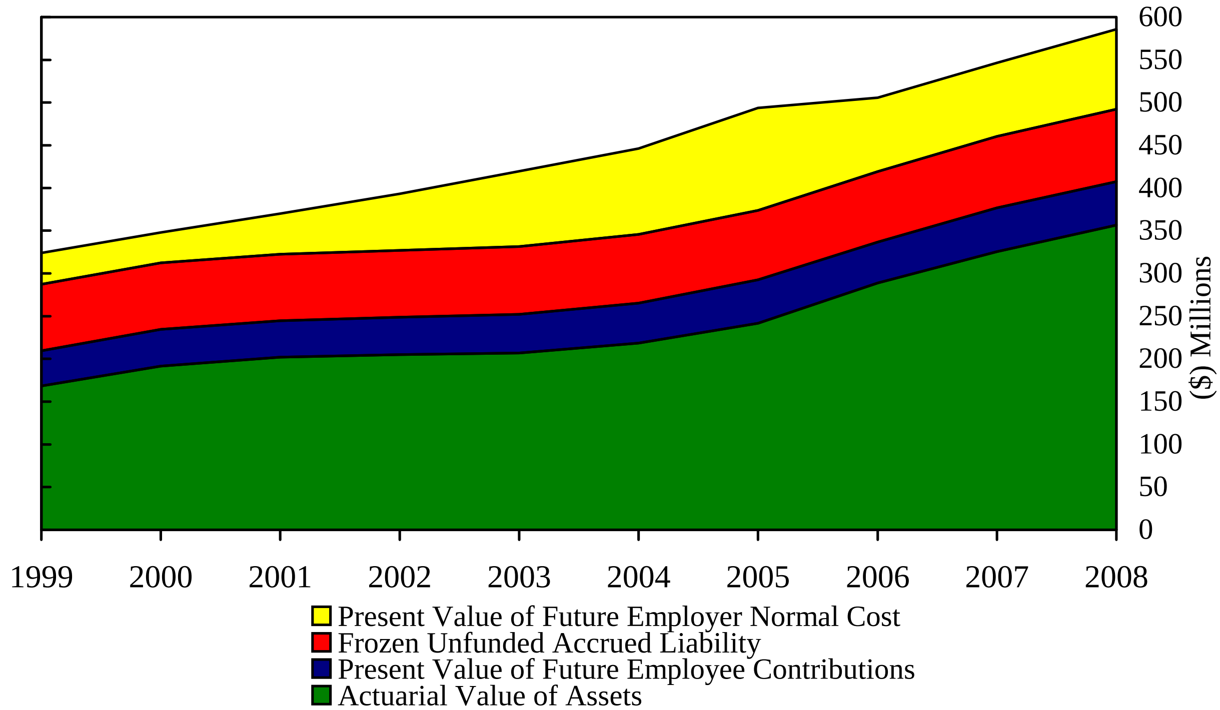
During fiscal 2008, the actual cost of living (as measured by the US Department of Labor CPI-U) increased by 5.02%. Cost of living provisions for the system are detailed in R.S. 11:1549 and R.S. 11:246. The former statute allows the board to grant annual cost of living increases of 2.5% of each retiree's 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 $\$X \times (A+B)$ 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 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 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. However, for fiscal 2008 the fund has not met the necessary target ratio, and plan investment experience was below assumptions. Therefore, the Fund is unable to grant COLAs to regular retirees at this time.

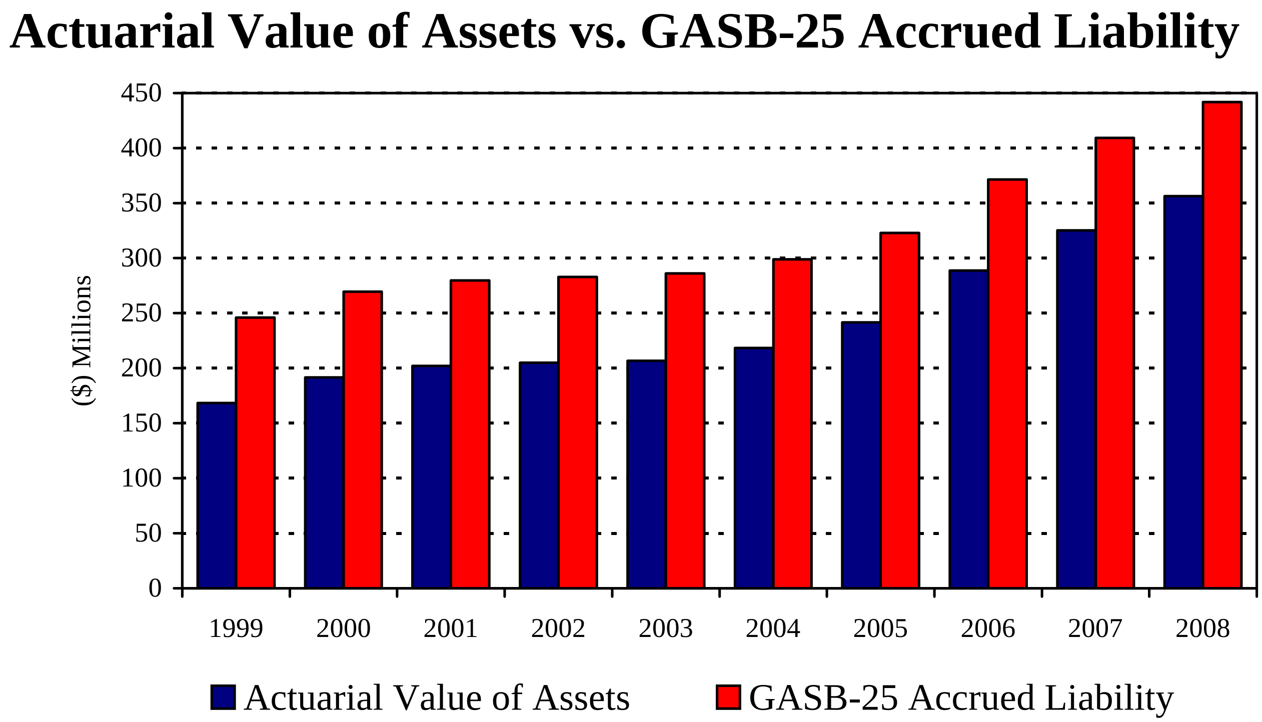
Components of Present Value of Future Benefits

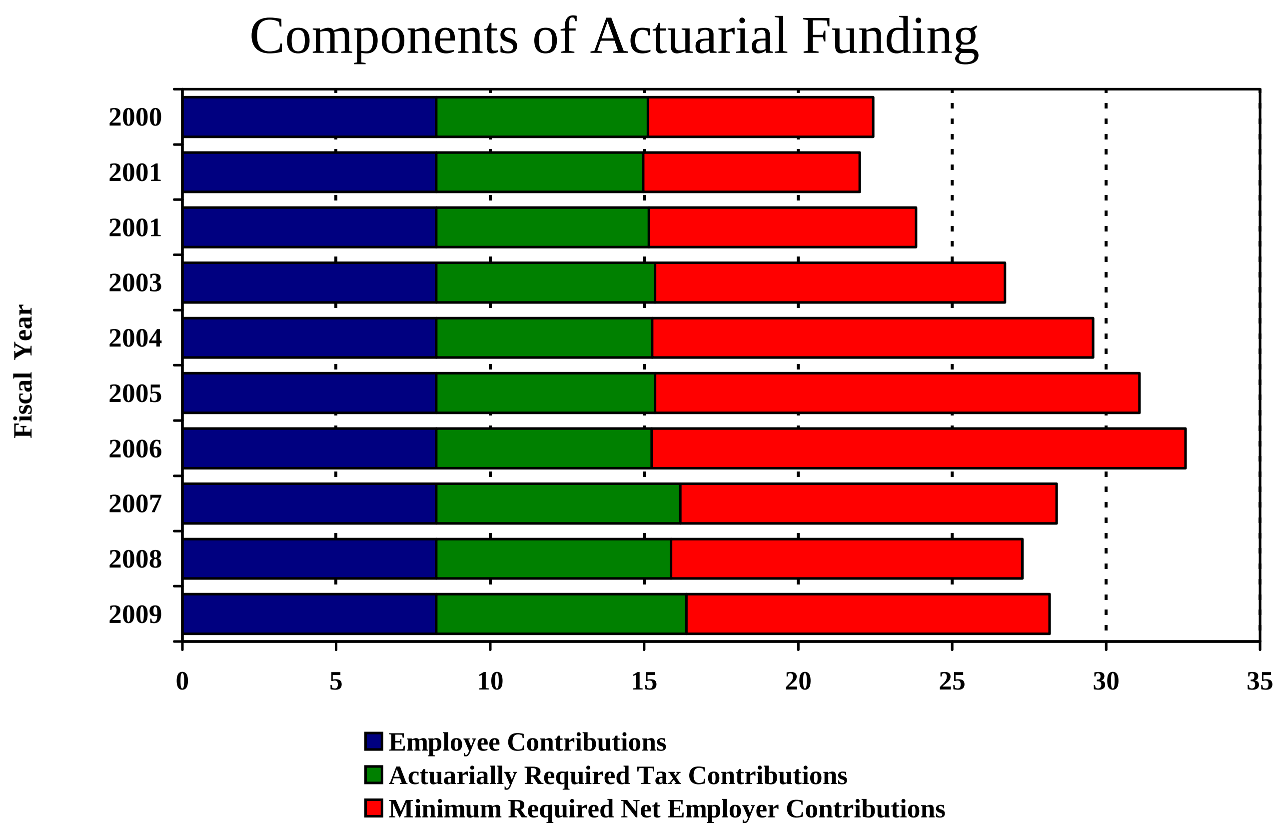
June 30, 2008



Components of Present Value of Future Benefits

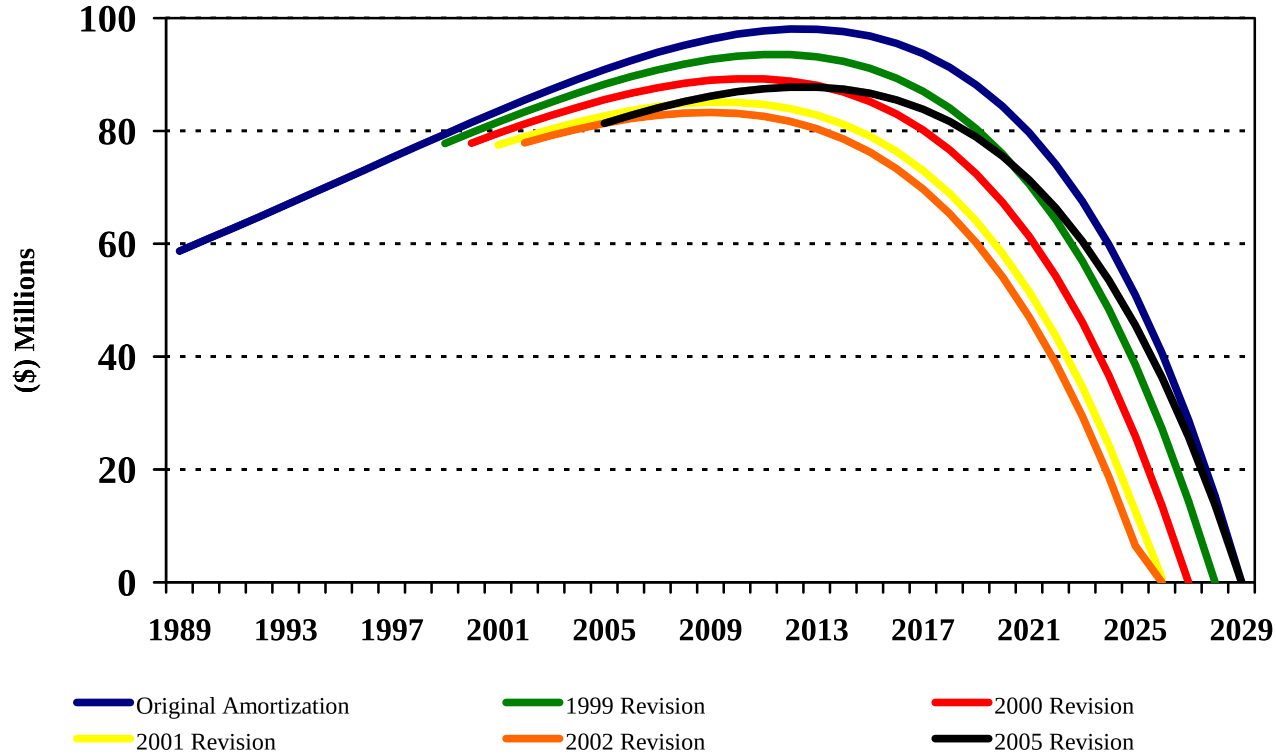




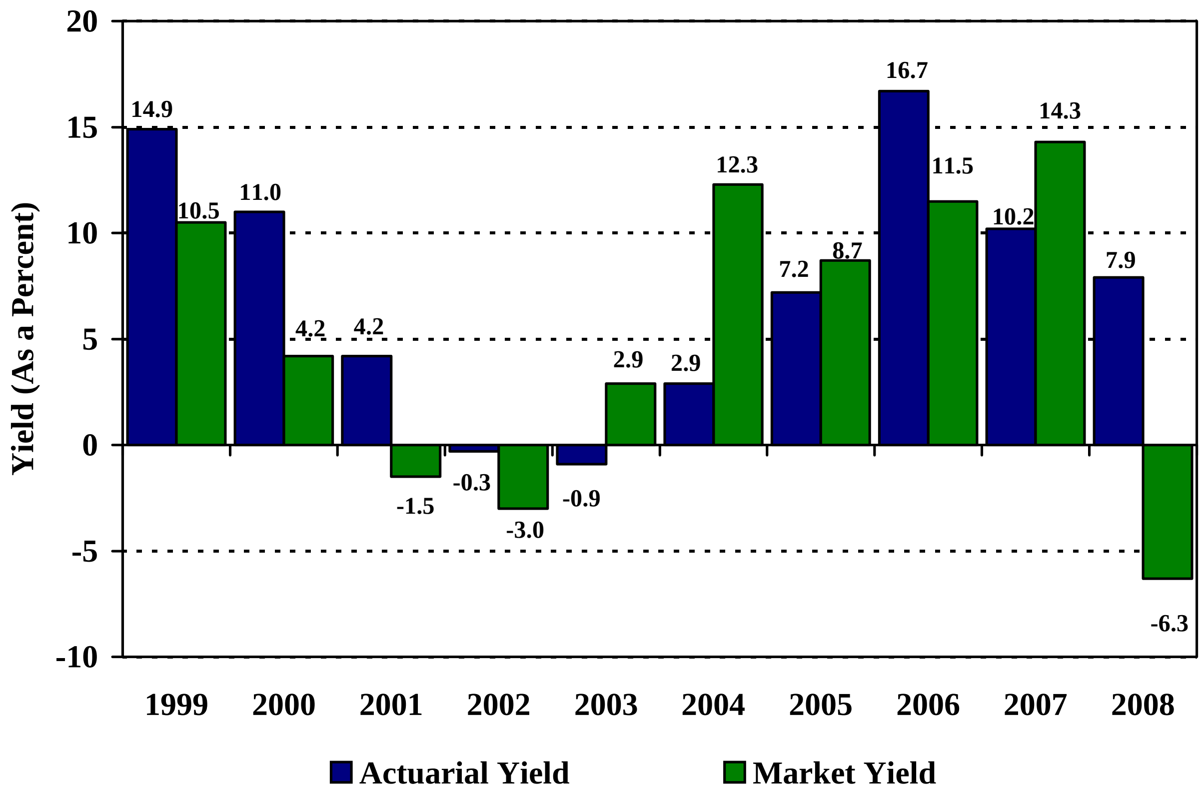


Actuarially Required Tax Contributions consist of the lesser of Actuarially Required Contributions and the amount of taxes available divided by the projected payroll.

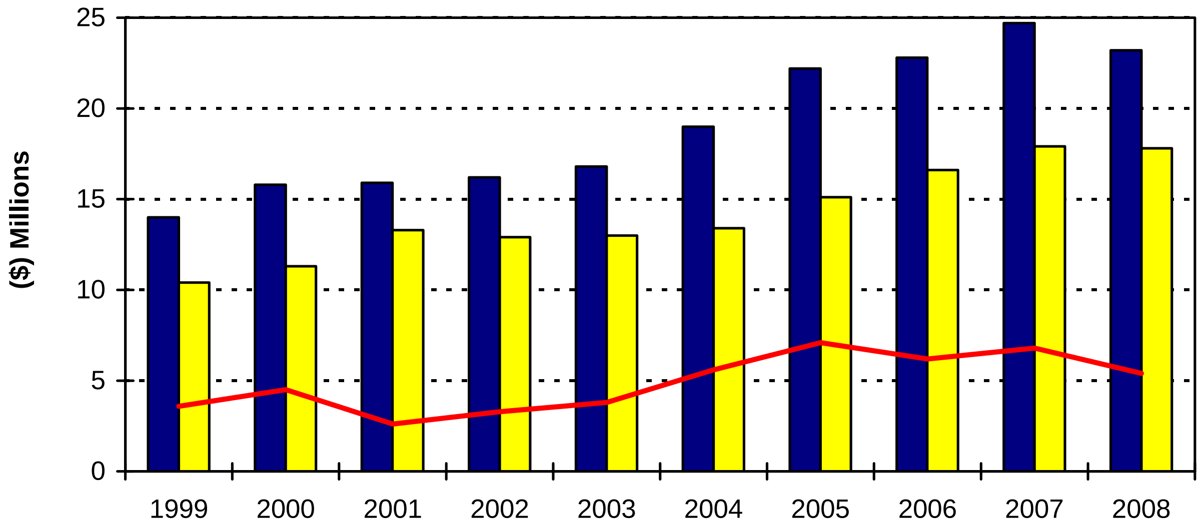
Frozen Unfunded Actuarial Accrued Liability



Historical Asset Yields



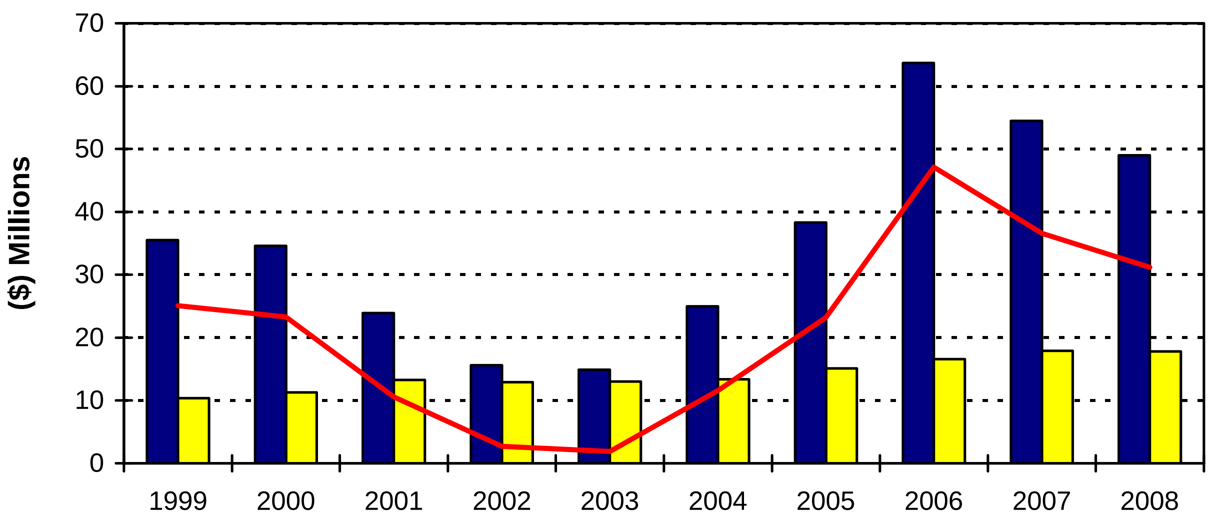
Net Non-Investment Income



	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Non-Investment Income ($Mil)	**14.0**	**15.8**	**15.9**	**16.2**	**16.8**	**19.0**	**22.2**	**22.8**	**24.7**	**23.2**
Benefits and Expenses ($Mil)	**10.4**	**11.3**	**13.3**	**12.9**	**13.0**	**13.4**	**15.1**	**16.6**	**17.9**	**17.8**
Net Non-Investment Income ($Mil)	**3.6**	**4.5**	**2.6**	**3.3**	**3.8**	**5.6**	**7.1**	**6.2**	**6.8**	**5.4**

Total Income vs. Expenses

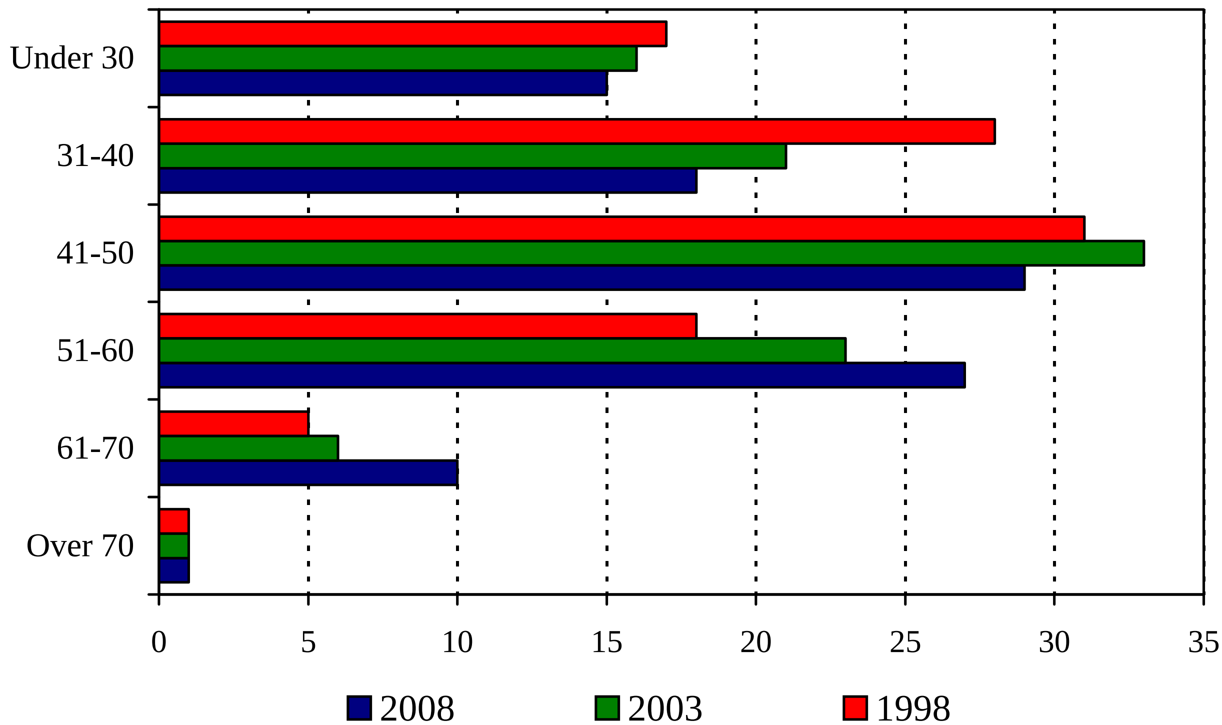
(Based on Actuarial Value of Assets)



	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Total Income ($Mil)	**35.5**	**34.6**	**23.9**	**15.6**	**14.9**	**25.0**	**38.3**	**63.7**	**54.5**	**49.0**
Benefits and Expenses ($Mil)	**10.4**	**11.3**	**13.3**	**12.9**	**13.0**	**13.4**	**15.1**	**16.6**	**17.9**	**17.8**
Net Change in AVA ($Mil)	**25.1**	**23.3**	**10.6**	**2.7**	**1.9**	**11.6**	**23.2**	**47.1**	**36.6**	**31.2**

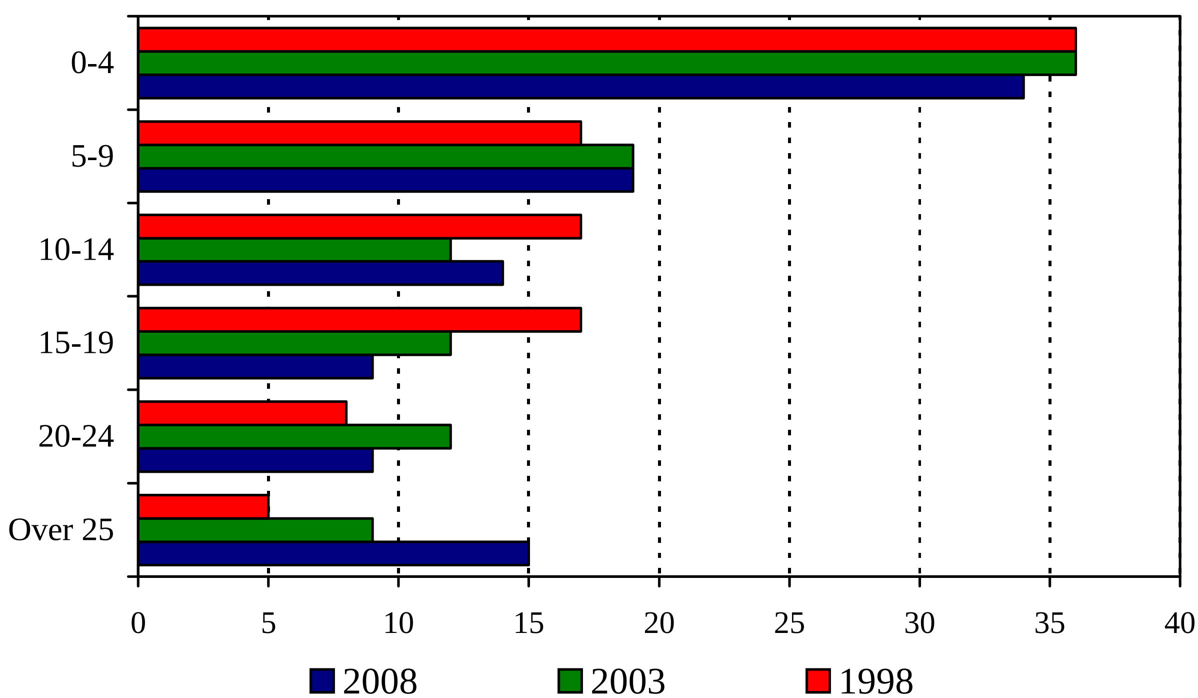
Active – Census By Age

(as a percent)



Active – Census By Service

(as a percent)



EXHIBITS

EXHIBIT I
ANALYSIS OF ACTUARIALLY REQUIRED CONTRIBUTIONS

1.	Present Value of Future Benefits	$ 585,755,375
2.	Frozen Unfunded Actuarial Accrued Liability	$ 85,215,896
3.	Actuarial Value of Assets	$ 356,502,864
4.	Present Value of Future Employee Contributions	$ 50,730,673
5.	Present Value of Future Employer Normal Costs (1-2-3-4)	$ 93,305,942
6.	Present Value of Future Salaries	$ 708,909,689
7.	Employer Normal Cost Accrual Rate (5÷6)	13.161894%
8.	Projected Fiscal 2009 Salary for Current Membership	$ 79,852,849
9.	Employer Normal Cost as of July 1, 2008 (7 x 8)	$ 10,510,147
10.	Amortization Payment on Frozen Unfunded Accrued Liability	$ 5,414,903
11.	TOTAL Employer Normal Cost and Amortization Payment (9 + 10)	$ 15,925,050
12.	Employer Normal Cost and Amortization Payment Interest Adjusted for Midyear Payment	$ 16,549,797
13.	Estimated Administrative Cost for Fiscal 2009	$ 380,200
14.	TOTAL Employer Actuarially Required Contribution for Fiscal 2009 (12 + 13)	$ 16,929,997
15.	Projected Ad Valorem Tax Contributions for Fiscal 2009	$ 6,573,388
16.	Projected Revenue Sharing Funds for Fiscal 2009	$ 324,439
17.	Net Direct Employer Actuarially Required Contribution for Fiscal 2009 (14 - 15 - 16)	$ 10,032,170
18.	Projected Payroll (July 1, 2008 to June 30, 2009)	$ 84,996,295
19.	Employer's Minimum Net Direct Actuarially Required Contribution as a % of Projected Payroll for Fiscal 2009 (17÷18)	11.80%
20.	Actual Employer Contribution Rate for Fiscal 2009	11.75%
21.	Contribution Shortfall (Excess) as a Percentage of Payroll (19-20)	0.05%
22.	Increase (Reduction) to Following Year Payment for Contribution Shortfall (Excess)	0.01%
23.	Minimum Recommended Net Direct Employer Contribution Rate for Fiscal 2010 (19+22, Rounded to nearest .25%)	11.75%

EXHIBIT II
PRESENT VALUE OF FUTURE BENEFITS

Present Value of Future Benefits for Active Members:

Retirement Benefits	$ 393,013,378		
Survivor Benefits	6,548,162		
Disability Benefits	5,665,989		
Vested Deferred Termination Benefits	19,611,934		
Contribution Refunds	5,499,801		
TOTAL Present Value of Future Benefits for Active Members		$	430,339,264

Present Value of Future Benefits for Terminated Members:

Terminated Vested Members Due Benefits at Retirement	$ 11,957,807		
Terminated Members with Reciprocals Due Benefits at Retirement	96,202		
Terminated Members Due a Refund	1,146,919		
TOTAL Present Value of Future Benefits for Terminated Members		$	13,200,929

Present Value of Future Benefits for Retirees:

Maximum	73,973,648			
Option 1	0			
Option 2	33,854,567			
Option 3	17,516,324			
Option 4	1,682,349			
Option 5	2,343,840			
TOTAL Regular Retirees		$ 129,370,728		
Disability Retirees		1,895,635		
Survivors & Widows		10,948,819		
Drop Account Balances Payable to Retirees		0		
TOTAL Present Value of Future Benefits for Retirees & Survivors			$	142,215,182
TOTAL Present Value of Future Benefits			$	585,755,375

EXHIBIT III – Schedule A
MARKET VALUE OF ASSETS

Current Assets:				
Cash	$	1,136,421		
Contributions Receivable from Members		489,142		
Contributions Receivable from Employers		737,352		
Accrued Interest and Dividends		1,108,222		
Miscellaneous		6,815		
TOTAL CURRENT ASSETS			$	3,477,952
Equipment and Fixtures			$	13,330
Investments:				
Large Cap Domestic Equity Fund	$	84,194,628		
Index Bond Fund		61,270,442		
Common Stock		30,147,877		
International Equities Fund		44,092,786		
Real Estate Fund		39,699,920		
Hedge Funds		30,110,643		
Domestic Stock Fund		18,260,198		
Cash Equivalents		21,473,380		
TOTAL INVESTMENTS			$	329,249,874
TOTAL ASSETS			$	332,741,156
Current Liabilities:				
Purchased Investments Payable	$	426,659		
Accounts Payable		448,993		
TOTAL CURRENT LIABILITIES			$	875,652
NET MARKET VALUE OF ASSETS			$	331,865,504

EXHIBIT III – SCHEDULE B
ACTUARIAL VALUE OF ASSETS

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

Fiscal year 2008	$	(50,097,059)
Fiscal year 2007		19,043,663
Fiscal year 2006		9,228,992
Fiscal year 2005		1,612,459
Fiscal year 2004		8,765,211
Total for four years	$	(11,446,734)

Deferral of excess (shortfall) of invested income:

Fiscal year 2008 (80%)	$	(40,077,647)
Fiscal year 2007 (60%)		11,426,198
Fiscal year 2006 (40%)		3,691,597
Fiscal year 2005 (20%)		322,492
Fiscal year 2004 (0%)		0
Total deferred for year	$	(24,637,360)

Market value of plan net assets, end of year	$	331,865,504
Preliminary actuarial value of plan assets, end of year	$	356,502,864

Actuarial value of assets corridor

90% of market value, end of year	$	298,678,954
110% of market value, end of year	$	365,052,054

Final actuarial value of plan net assets, end of year	$	356,502,864

EXHIBIT IV
PRESENT VALUE OF FUTURE CONTRIBUTIONS

Employee Contributions to the Annuity Savings Fund	$	50,730,673
Employer Normal Contributions to the Pension Accumulation Fund		93,305,942
Employer Amortization Payments to the Pension Accumulation Fund		85,215,896
TOTAL PRESENT VALUE OF FUTURE CONTRIBUTIONS	$	229,252,511

EXHIBIT V
CHANGE IN FROZEN UNFUNDED ACTUARIAL ACCRUED LIABILITY

Prior Year Frozen Unfunded Accrued Liability			$	84,072,966
Interest on Frozen Unfunded Accrued Liability	$	6,725,837		
Employer Normal Cost for Prior Year		9,302,972		
Interest on the Normal Cost		744,238		
Administrative Expenses		303,009		
Interest on Expenses		11,887		
TOTAL Increases to Frozen Unfunded Accrued Liability			$	17,087,943
Direct Employer Contributions	$	9,988,745		
Interest on Employer Contributions		391,863		
Ad Valorem Taxes and Revenue Sharing Funds		6,547,844		
Interest on Ad Valorem Taxes and Revenue Sharing Funds		256,875		
Contribution Shortfall (Excess)		(1,193,493)		
Interest on Contribution Shortfall (Excess)		(46,821)		
TOTAL Decreases to Frozen Unfunded Accrued Liability			$	15,945,013
NET Change in Frozen Unfunded Accrued Liability			$	1,142,930
CURRENT YEAR FROZEN UNFUNDED ACCRUED LIABILITY			$	85,215,896

EXHIBIT VI
ANALYSIS OF INCREASE IN ASSETS

Actuarial Value of Assets: (June 30, 2007)		$ 325,278,452
Income:		
Member Contributions	$ 6,635,522	
Employer Contributions	9,988,745	
Ad Valorem Tax Funds	6,086,308	
Revenue Sharing Tax Funds	461,536	
Contributions for Purchased or Transferred Service	74,915	
SUBTOTAL of all contributions		$ 23,247,026
Net Appreciation in Fair Value of Investments	$ (24,574,228)	
Dividends on Stock	2,962,075	
Interest Income	924,255	
Securities Lending	141,497	
Investment Expense	(1,461,927)	
SUBTOTAL of all market investment income		$ (22,008,328)
TOTAL Income		$ 1,238,698
Expenses:		
Retirement and Survivor Benefits	$ 15,365,238	
Disability Benefits	109,936	
Refunds of Contributions	737,085	
DROP Disbursements	1,091,116	
Administrative Expenses	303,009	
Funds Transferred to Another System	215,613	
TOTAL Expenses		$ 17,821,997
Net Market Income for Fiscal 2008 (Income - Expenses)		$ (16,583,299)
Adjustment for Actuarial Smoothing		$ 47,807,711
Actuarial Value of Assets: (June 30, 2008)		$ 356,502,864

EXHIBIT VII
FUND BALANCE AND ASSET RECONCILIATION

Present Assets of the System Creditable to:

Annuity Savings Fund	$	55,958,095
Annuity Reserve Fund		142,215,182
Pension Accumulation Fund		120,584,346
DROP Account		13,107,881
NET MARKET VALUE OF ASSETS	$	331,865,504
ADJUSTMENT FOR ACTUARIAL SMOOTHING		24,637,360
NET ACTUARIAL VALUE OF ASSETS	$	356,502,864

EXHIBIT VIII
PENSION BENEFIT OBLIGATION

Present Value of Credited Projected Benefits Payable to Current Employees	$	295,065,909
Present Value of Benefits Payable to Terminated Employees		13,200,929
Present Value of Benefits Payable to Current Retirees and Beneficiaries		142,215,182
TOTAL PENSION BENEFIT OBLIGATION	$	450,482,020
NET ACTUARIAL VALUE OF ASSETS	$	356,502,864
Ratio of Net Actuarial Value of Assets to Pension Benefit Obligation		79.14%

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:		49.99%
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%	
TOTAL Adjustments		(1.53%)
Amortization of Adjustments in Funded Ratio over 30 years:		
Changes for Fiscal 1988	(3.93%)	
Changes for Fiscal 1993	0.71%	
Changes for Fiscal 1995	1.09%	
Changes for Fiscal 1998	1.33%	
Changes for Fiscal 2001	0.27%	
Changes for Fiscal 2005	0.20%	
Changes for Fiscal 2006	(0.24%)	
TOTAL Amortization of Adjustments		(0.57%)
Target Ratio for Current Fiscal Year		79.72%
Actuarial Value of Assets Divided by PBO as of Fiscal 2008		79.14%

EXHIBIT X
CENSUS DATA

	Active	Terminated with Funds on Deposit	DROP	Retired	Total
Number of members as of June 30, 2007	2,277	368	87	825	3,557
Additions to Census					
Initial membership	264	13			277
Death of another member			(1)	1	
Omitted in error last year					
Change in Status during Year					
Actives terminating service	(103)	103			
Actives who retired	(25)			25	
Actives entering DROP	(40)		40		
Term. members rehired	8	(8)			
Term. members who retire		(10)		10	
Retirees who are rehired					
Refunded who are rehired	3	4			7
DROP participants retiring			(10)	10	
DROP returned to work	14		(14)		
Omitted in error last year					
Eliminated from Census					
Refund of contributions	(92)	(66)			(158)
Deaths				(22)	(22)
Included in error last year					
Adjustment for multiple records					
Number of members as of June 30, 2008	2,306	404	102	849	3,661

ACTIVES CENSUS BY AGE:

Age	Number Male	Number Female	Total Number	Average Salary	Total Salary
16 - 20	4	15	19	16,427	312,106
21 - 25	31	119	150	20,407	3,061,017
26 - 30	29	167	196	25,201	4,939,329
31 - 35	25	164	189	28,343	5,356,887
36 - 40	29	205	234	30,553	7,149,423
41 - 45	42	248	290	32,997	9,569,210
46 - 50	51	362	413	36,624	15,125,842
51 - 55	50	337	387	40,254	15,578,249
56 - 60	42	227	269	38,136	10,258,580
61 - 65	39	120	159	41,117	6,537,527
66 - 70	22	49	71	55,366	3,931,001
71 - 75	5	14	19	44,814	851,464
76 - 80	3	5	8	65,102	520,816
81 - 85	0	2	2	91,538	183,076
86 - 90	1	1	2	131,241	262,482
TOTAL	373	2,035	2,408	34,733	83,637,009

THE ACTIVE CENSUS INCLUDES 962 ACTIVES WITH VESTED BENEFITS, INCLUDING 102 DROP PARTICIPANTS AND 72 ACTIVE FORMER DROP PARTICIPANTS.

TERMINATED MEMBERS DUE A DEFERRED RETIREMENT BENEFIT:

Age	Number Male	Number Female	Total Number	Average Benefit	Total Benefit
31 - 35	0	2	2	10,570	21,140
36 - 40	3	10	13	14,009	182,112
41 - 45	3	16	19	16,317	310,017
46 - 50	6	25	31	17,219	533,782
51 - 55	3	29	32	20,472	655,116
56 - 60	0	2	2	9,102	18,203
61 - 65	0	1	1	2,970	2,970
76 - 80	0	1	1	13,788	13,788
TOTAL	15	86	101	17,199	1,737,128

TERMINATED MEMBERS DUE A REFUND OF CONTRIBUTIONS:

Contributions Ranging From		To	Number	Total Contributions
0	-	99	52	1,885
100	-	499	45	12,758
500	-	999	35	26,226
1000	-	1999	42	62,217
2000	-	4999	52	156,364
5000	-	9999	41	301,899
10000	-	19999	28	383,878
20000	-	99999	8	201,692
		TOTAL	303	1,146,919

REGULAR RETIREES:

Age	Number Male	Number Female	Total Number	Average Benefit	Total Benefit
51 - 55	3	5	8	19,187	153,495
56 - 60	16	91	107	25,265	2,703,307
61 - 65	21	103	124	22,366	2,773,340
66 - 70	25	120	145	17,734	2,571,398
71 - 75	30	97	127	18,104	2,299,172
76 - 80	30	74	104	17,115	1,780,005
81 - 85	23	60	83	16,958	1,407,496
86 - 90	4	24	28	13,957	390,809
91 - 99	3	14	17	12,884	219,034
TOTAL	155	588	743	19,244	14,298,056

DISABILITY RETIREES:

Age	Number Male	Number Female	Total Number	Average Benefit	Total Benefit
36 - 40	0	1	1	12,725	12,725
41 - 45	0	1	1	6,685	6,685
46 - 50	0	3	3	11,281	33,844
51 - 55	2	5	7	14,051	98,359
61 - 65	1	1	2	9,268	18,536
66 - 70	0	1	1	8,907	8,907
TOTAL	3	12	15	11,937	179,056

SURVIVORS:

Age	Number Male	Number Female	Total Number	Average Benefit	Total Benefit
0 - 25	2	2	4	6,934	27,734
26 - 30	0	1	1	9,834	9,834
41 - 45	1	2	3	3,955	11,866
46 - 50	0	1	1	3,971	3,971
51 - 55	1	4	5	17,158	85,792
56 - 60	2	1	3	24,561	73,684
61 - 65	2	5	7	17,290	121,029
66 - 70	4	8	12	19,794	237,529
71 - 75	2	8	10	11,344	113,438
76 - 80	3	18	21	17,159	360,337
81 - 85	3	11	14	14,795	207,124
86 - 90	1	6	7	15,216	106,514
91 - 99	0	3	3	8,443	25,329
TOTAL	21	70	91	15,211	1,384,181

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	13	6										19
21 - 25	65	43	18	9	11	4						150
26 - 30	40	43	19	19	13	55	7					196
31 - 35	22	29	15	15	6	61	36	5				189
36 - 40	32	31	15	8	16	55	50	24	3			234
41 - 45	24	20	8	9	5	67	56	26	49	26		290
46 - 50	27	19	15	13	10	77	57	56	51	81	7	413
51 - 55	23	21	11	10	9	48	51	45	51	65	53	387
56 - 60	8	17	7	6	12	57	43	21	34	35	29	269
61 - 65	10	13	6	7	5	22	26	22	18	15	15	159
66 - 70	2		2	3	2	11	11	10	6	8	16	71
71 & Over	2	1			1	2	4	3	4	1	13	31
Totals	268	243	116	99	90	459	341	212	216	231	133	2408

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	15,456	18,529										16,427
21 - 25	18,444	19,932	21,625	26,061	26,307	22,976						20,407
26 - 30	22,410	24,558	22,412	25,366	25,380	28,407	26,689					25,201
31 - 35	22,937	24,018	25,361	28,129	25,246	31,243	29,725	45,205				28,343
36 - 40	20,337	25,655	34,828	26,961	29,848	33,109	33,453	35,381	48,282			30,553
41 - 45	20,565	24,444	23,096	27,363	28,334	31,738	33,509	39,542	41,032	37,401		32,997
46 - 50	22,046	24,243	30,669	31,752	37,029	32,856	34,896	39,925	47,326	41,224	45,621	36,624
51 - 55	26,186	28,887	24,758	43,328	28,808	34,212	38,088	41,748	49,610	43,795	48,385	40,254
56 - 60	32,143	25,429	29,914	39,019	44,332	30,071	32,773	35,929	40,427	48,310	56,914	38,136
61 - 65	21,111	33,587	26,027	29,490	27,549	30,938	44,811	39,086	52,796	41,167	74,399	41,117
66 - 70	61,670		48,626	22,221	24,530	26,407	51,361	45,114	34,835	40,386	109,750	55,366
71 & Over	22,566	52,999			22,359	25,702	40,096	35,208	30,433	134,486	86,440	58,640
Average	21,565	24,667	26,706	29,835	30,675	31,408	35,300	39,570	45,161	42,962	64,135	34,733

TERMINATED MEMBERS DUE A DEFERRED RETIREMENT BENEFIT:

Attained Ages	Years Until Retirement Eligibility 0	1	2	3	4	5- 9	10-14	15-19	20-24	25-29	30&Over	Total
0 - 30												0
31 - 35									2			2
36 - 40								13				13
41 - 45							19					19
46 - 50						30	1					31
51 - 55	2	5	7	12	6							32
56 - 60	1				1							2
61 - 65	1											1
66 - 70												0
71 - 75												0
76 - 80	1											1
81 & Over												0
Totals	5	5	7	12	7	30	20	13	2	0	0	101

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

Attained Ages	Years Until Retirement Eligibility 0	1	2	3	4	5- 9	10-14	15-19	20-24	25-29	30&Over	Average Benefit
0 - 30												0
31 - 35									10,570			10,570
36 - 40								14,009				14,009
41 - 45							16,317					16,317
46 - 50						17,504	8,653					17,219
51 - 55	34,245	17,202	24,844	17,149	20,153							20,472
56 - 60	13,852				4,350							9,101
61 - 65	2,970											2,970
66 - 70												0
71 - 75												0
76 - 80	13,788											13,788
81 & Over												0
Average	19,820	17,202	24,844	17,149	17,895	17,504	15,934	14,009	10,570	0	0	17,199

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	6		1			1						8
56 - 60	21	20	29	16	11	10						107
61 - 65	7	14	15	15	8	57	7	1				124
66 - 70	6	5	3	11	7	55	51	4	2	1		145
71 - 75	3	2	3	4	4	34	27	42	8			127
76 - 80			2	1	3	14	16	28	38	1	1	104
81 - 85				1	1	5	11	7	23	30	5	83
86 - 90						1	2	1	10	5	9	28
91 & Over								1	1	4	11	17
Totals	43	41	53	48	34	177	114	84	82	41	26	743

AVERAGE ANNUAL BENEFITS PAYABLE TO 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	Average Benefit
0 - 50												0
51 - 55	18,933		28,946			10,950						19,187
56 - 60	22,825	27,297	25,431	29,861	17,569	26,948						25,265
61 - 65	26,582	23,001	24,637	30,375	22,099	19,096	22,363	18,286				22,366
66 - 70	16,509	17,212	14,934	26,536	13,208	20,277	15,161	9,586	10,417	9,479		17,734
71 - 75	12,261	19,879	22,557	49,170	15,617	16,691	18,603	17,566	11,034			18,104
76 - 80			13,705	6,008	12,713	15,267	18,048	17,249	18,397	18,412	5,463	17,115
81 - 85				5,177	7,847	36,149	26,202	17,845	18,582	11,225	7,290	16,958
86 - 90						17,129	23,227	20,570	15,537	18,743	6,397	13,957
91 & Over								27,133	33,368	15,239	8,871	12,884
Average	21,275	24,238	24,073	29,858	16,793	19,566	18,030	17,262	17,370	12,666	7,579	19,244

DISABILITY RETIREES:

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

AVERAGE ANNUAL BENEFITS PAYABLE TO DISABILITY RETIREES:

Attained Ages	0	1	2	3	4	5- 9	10-14	15-19	20-24	25-29	30&Over	Average Benefit
	Completed Years Since Retirement											
0 - 35												0
36 - 40		12,725										12,725
41 - 45				6,685								6,685
46 - 50			9,096		12,979	11,769						11,281
51 - 55	34,876		7,647		18,038	10,120	7,440					14,051
56 - 60												0
61 - 65	11,317						7,219					9,268
66 - 70						8,907						8,907
71 & Over												0
Average	23,096	12,725	8,372	6,685	15,508	10,207	7,329	0	0	0	0	11,937

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			2				1					3
21 - 25			1									1
26 - 30	1											1
31 - 35												0
36 - 40												0
41 - 45						3						3
46 - 50							1					1
51 - 55			1			3		1				5
56 - 60		1		1	1							3
61 - 65						4	1	1	1			7
66 - 70		1	1		1	2	4	1	1		1	12
71 - 75					1	2	3	2	1		1	10
76 - 80				1		3	3	3	9	2		21
81 - 85							1	1	7	2	3	14
86 - 90								2	1	2	2	7
91 & Over								1			2	3
Totals	1	2	5	2	3	17	14	12	20	6	9	91

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				2,249					3,261
21 - 25			17,950									17,950
26 - 30	9,834											9,834
31 - 35												0
36 - 40												0
41 - 45						3,955						3,955
46 - 50							3,971					3,971
51 - 55			6,471			25,388		3,156				17,158
56 - 60		42,454		25,352	5,878							24,561
61 - 65						17,595	6,826	15,456	28,365			17,290
66 - 70		37,182	12,675		10,917	20,869	25,718	15,612	14,559		1,975	19,794
71 - 75					4,934	9,609	20,796	4,661	11,384		6,192	11,344
76 - 80				10,392		33,146	20,281	14,558	14,198	9,107		17,159
81 - 85							23,335	8,946	17,232	9,570	11,693	14,795
86 - 90								22,585	15,417	10,635	12,329	15,216
91 & Over								19,673			2,828	8,443
Average	9,834	39,818	8,926	17,872	7,243	18,753	18,749	13,417	15,906	9,771	8,173	15,211

EXHIBIT XI
YEAR-TO-YEAR COMPARISON

	Fiscal 2008	Fiscal 2007	Fiscal 2006	Fiscal 2005
Number of Active Members	2,408	2,364	2,227	2,386
Number of Retirees & Survivors	849	825	817	776
Number of Terminated Due Deferred Benefits	101	102	100	92
Number Terminated Due Refund	303	266	274	204
Active Lives Payroll	$ 83,637,009	$ 78,384,249	$ 70,935,731	$ 73,542,403
Retiree Benefits in Payment	$ 15,861,293	$ 15,032,502	$ 14,133,920	$ 12,936,610
Market Value of Assets	$ 331,865,504	$ 348,448,803	$ 298,451,085	$ 261,821,679
Ratio of Actuarial Value of Assets to GASB-25 Accrual Liability	80.71%	79.46%	77.71%	74.80%
Actuarial Value of Assets	$ 356,502,864	$ 325,278,452	$ 288,606,478	$ 241,537,822
Frozen Unfunded Actuarial Accrued Liability	$ 85,215,896	$ 84,072,966	$ 82,780,287	$ 81,359,582
Present Value of Future Employer Normal Cost	$ 93,305,942	$ 85,994,867	$ 86,249,033	$ 119,947,430
Present Value of Future Employee Contributions	$ 50,730,673	$ 51,293,939	$ 48,105,080	$ 50,894,701
Present Value of Future Benefits	$ 585,755,375	$ 546,640,224	$ 505,740,878	$ 493,739,535

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	Fiscal 2009	Fiscal 2008	Fiscal 2007	Fiscal 2006
Employee Contribution Rate	8.25%	8.25%	8.25%	8.25%
Proj. Tax Contribution as % of Projected Payroll	8.12%	7.62%	7.92%	7.00%
Minimum Actuarially Req'd Net Direct Employer	11.80%	11.41%	12.22%	16.57%
Actual Net Direct Employer Contribution Rate	11.75%	11.75%	16.75%	15.75%

	Fiscal 2004	Fiscal 2003	Fiscal 2002	Fiscal 2001	Fiscal 2000	Fiscal 1999
	2,356	2,333	2,272	2,233	2,171	2,195
	743	716	694	672	645	627
	83	74	75	78	77	69
	221	181	172	173	190	141
	$ 70,699,191	$ 67,515,714	$ 64,135,719	$ 61,034,631	$ 58,317,401	$ 55,025,037
	$ 11,863,330	$ 11,391,676	$ 10,694,711	$ 10,212,193	$ 9,453,060	$ 9,002,400
	$ 234,052,785	$ 203,267,112	$ 193,897,318	$ 196,439,189	$ 196,856,689	$ 184,421,047
	73.10%	72.30%	72.45%	72.29%	71.10%	68.39%
	$ 218,345,837	$ 206,768,548	$ 204,897,570	$ 202,157,690	$ 191,573,966	$ 168,274,548
	$ 80,357,648	$ 79,202,081	$ 77,914,593	$ 77,480,423	$ 77,857,156	$ 77,786,233
	$ 100,729,458	$ 88,389,983	$ 66,233,967	$ 47,649,687	$ 35,247,272	$ 36,389,668
	$ 46,759,949	$ 45,462,833	$ 43,996,636	$ 42,624,535	$ 43,032,062	$ 41,307,192
	$ 446,192,892	$ 419,823,445	$ 393,042,766	$ 369,912,235	$ 347,710,456	$ 323,757,641

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	Fiscal 2005	Fiscal 2004	Fiscal 2003	Fiscal 2002	Fiscal 2001	Fiscal 2000
	8.25%	8.25%	8.25%	8.25%	8.25%	8.25%
	7.10%	7.01%	7.10%	6.90%	6.72%	6.87%
	15.73%	14.32%	11.36%	8.68%	7.03%	7.31%
	14.50%	11.50%	10.00%	10.00%	10.00%	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 be applied as provided in R.S. 11:105(C). 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. 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 whose first employment making them eligible for system membership began before July 1, 2006, 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.

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.

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. 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. 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×(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: Invested assets are valued at market value adjusted to defer four-fifths of all earnings above or below the valuation interest rate in the valuation year, three-fifths of all earnings above or below the valuation interest rate in the prior year, two-fifths of all earnings above or below the valuation interest rate from two years prior, and one-fifth of all earnings above or below the valuation interest rate from three years prior. The actuarial value of assets is also subjected to minimum and maximum values such that the actuarial value of the assets will not be less than 90% nor more than 110% of the actual market value.

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

ANNUITANT MORTALITY: 1994 Uninsured Pensioner Mortality Table (1-year setback for both Males and Females)

RETIREE COST OF LIVING 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 21%.

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: 25% 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. 10% of total disabilities are assumed to be in the line of duty.

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
18	0.00046	0.00028	0.00000	0.00000	0.00038
19	0.00050	0.00029	0.00000	0.00000	0.00038
20	0.00052	0.00030	0.00000	0.00000	0.00038
21	0.00054	0.00031	0.00000	0.00000	0.00038
22	0.00057	0.00031	0.00000	0.00000	0.00038
23	0.00060	0.00031	0.00000	0.00000	0.00038
24	0.00063	0.00031	0.00000	0.00000	0.00038
25	0.00067	0.00031	0.00000	0.00000	0.00038
26	0.00071	0.00031	0.00000	0.00000	0.00038
27	0.00075	0.00032	0.00000	0.00000	0.00038
28	0.00078	0.00032	0.00000	0.00000	0.00038
29	0.00081	0.00034	0.00000	0.00000	0.00038
30	0.00084	0.00036	0.00000	0.00000	0.00038
31	0.00086	0.00038	0.00000	0.00000	0.00038
32	0.00088	0.00040	0.00000	0.00000	0.00038
33	0.00090	0.00043	0.00000	0.00000	0.00038
34	0.00091	0.00045	0.00000	0.00000	0.00038
35	0.00091	0.00048	0.00000	0.00000	0.00043
36	0.00091	0.00051	0.00000	0.00000	0.00048
37	0.00093	0.00055	0.00000	0.00000	0.00053
38	0.00096	0.00059	0.00000	0.00000	0.00060
39	0.00101	0.00064	0.00000	0.00000	0.00068
40	0.00107	0.00070	0.00000	0.00000	0.00078
41	0.00115	0.00076	0.00000	0.00000	0.00088
42	0.00124	0.00083	0.00000	0.00000	0.00098
43	0.00135	0.00089	0.00000	0.00000	0.00110
44	0.00145	0.00094	0.00000	0.00000	0.00125
45	0.00157	0.00099	0.00000	0.00000	0.00143
46	0.00170	0.00105	0.00000	0.00000	0.00163
47	0.00185	0.00111	0.00000	0.00000	0.00183
48	0.00204	0.00120	0.00000	0.00000	0.00208
49	0.00226	0.00130	0.00000	0.00000	0.00235
50	0.00250	0.00141	0.00000	0.00000	0.00268
51	0.00277	0.00154	0.00000	0.00000	0.00305
52	0.00309	0.00169	0.00000	0.00000	0.00345
53	0.00345	0.00186	0.00000	0.00000	0.00392
54	0.00385	0.00205	0.00000	0.00000	0.00445
55	0.00428	0.00224	0.17000	0.34000	0.00505
56	0.00476	0.00247	0.05500	0.17000	0.00575
57	0.00532	0.00276	0.05500	0.17000	0.00653
58	0.00600	0.00314	0.05500	0.17000	0.00740
59	0.00677	0.00361	0.05500	0.17000	0.00843
60	0.00762	0.00415	0.05500	0.17000	0.01220
61	0.00858	0.00477	0.05500	0.24000	0.01220
62	0.00966	0.00548	0.05500	0.24000	0.01220
63	0.01091	0.00627	0.05500	0.24000	0.01220
64	0.01233	0.00718	0.12500	0.34000	0.01220
65	0.01391	0.00819	0.12500	0.34000	0.01220

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.

NOTES