



CURRAN ACTUARIAL
— CONSULTING, LTD. —

**Actuarial Valuation
September 30, 2025**

**Louisiana Assessors'
Retirement Fund**



March 16, 2026

Board of Trustees
Louisiana Assessors' Retirement Fund
P.O. Box 14699
Baton Rouge, Louisiana 70898-4699

Ladies and Gentlemen:

We are pleased to present our report on the actuarial valuation of the Louisiana Assessors' Retirement Fund for the fiscal year ending September 30, 2025. 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 Louisiana Assessors' Retirement Fund of the State of Louisiana. The primary purposes of this report are to determine the actuarially required contribution for the retirement system for the fiscal year ending 2026, and to recommend the net direct employer contribution rate for Fiscal 2027.

This report does not contain the information necessary for accounting disclosures as required by Governmental Accounting Standards Board (GASB) Statement 68; that information is provided separately to system auditors. This report was prepared exclusively for the Louisiana Assessors' Retirement Fund for a specific limited purpose. It is not for the use or benefit of any third party for any purpose.

In our opinion, all assumptions on which this valuation is based are reasonable individually and in the aggregate. Both economic and demographic assumptions are based on our expectations for future experience for the fund. These assumptions are based upon the September 30, 2025 Experience Study and described within that separate report, unless stated otherwise.

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 actuary is a member of the American Academy of Actuaries, has met the qualification standards for the American Academy of Actuaries to render the actuarial opinions incorporated in this report, and is available to provide further information or answer any questions with respect to this valuation.

Sincerely,

CURRAN ACTUARIAL CONSULTING, LTD.

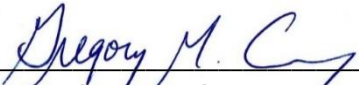
By: 
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Senior Consulting Actuary

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SUMMARY OF VALUATION RESULTS ASSESSORS' RETIREMENT FUND

	September 30, 2025	September 30, 2024
Census Summary: Active Members	738	745
Retired Members and Survivors	609	592
Terminated Due a Deferred Benefit	17	18
Terminated Due a Refund	137	121
Payroll:	\$ 52,094,715	\$ 50,785,496
Benefits in Payment:	\$ 29,019,613	\$ 26,913,640
Present Value of Future Benefits	\$ 752,724,940	\$ 730,215,645
Actuarial Accrued Liability (EAN):	\$ 577,276,715	\$ 556,418,074
Funding Deposit Account Credit Balance	\$ 51,954,505	\$ 51,738,292
Actuarial Value of Assets (AVA):	\$ 585,002,593	\$ 547,750,865
Market Value of Assets (MVA):	\$ 637,416,319	\$ 581,898,337
Ratio of AVA to EAN Actuarial Accrued Liability:	101.34%	98.44%
	Fiscal 2025	Fiscal 2024
Market Rate of Return:	11.0%	19.8%
Actuarial Rate of Return:	8.3%	7.2%
Assumed Rate of Return/Valuation Interest Rate:	5.5%	5.5%
	Fiscal 2026	Fiscal 2025
Employers' Normal Cost (Mid-year):	\$ 15,214,396	\$ 16,637,459
Estimated Administrative Cost	\$ 391,830	\$ 439,337
Projected Ad Valorem Tax Contributions	\$ (17,402,811)	\$ (18,108,591)
Projected Revenue Sharing Funds	\$ (339,367)	\$ (357,069)
Net Direct Employer Actuarially Required Contributions:	\$ 0	\$ 0
Projected Payroll:	\$ 53,247,304	\$ 51,695,227
Actuarially Required Net Direct Employer Contribution Rate:	0.00%	0.00%
Board Adopted Net Direct Employer Contribution Rate:	5.00%	5.00%
Statutory Employee Contribution Rate:	8.00%	8.00%
	Fiscal 2027	Fiscal 2026
Minimum Recommended Net Direct Employer Contribution Rate:	0.00%	0.00%
Ad Valorem Tax Rate †	0.2034%	0.2312%

† Percent of the aggregate amount of the ad valorem tax shown to be collected by the tax roll of each respective parish. State Revenue Sharing Funds are allocated based on the ad valorem tax rate.

GENERAL COMMENTS

The values and calculations in this report were determined by applying statistical analysis and projections to system data and the assumptions listed. There is sometimes a tendency for readers to either dismiss results as mere "guesses" or alternatively to ascribe a greater degree of accuracy to the results than is warranted. In fact, neither of these assessments is valid. Actuarial calculations by their very nature involve estimations. As such, it is likely that eventual results will differ from those presented. The degree to which such differences evolve will depend on several factors including the completeness and accuracy of the data utilized, the degree to which assumptions approximate future experience, and the extent to which the mathematical model accurately describes the plan's design and future outcomes.

Data quality varies from system to system and year to year. The data inputs involve both asset information and census information of plan participants. In both cases, the actuary must rely on third parties; nevertheless, steps are taken to reduce the probability and degree of errors. The development of assumptions is primarily the task of the actuary; however, information and advice from plan administrators, staff, and other professionals may be factored into the formation of assumptions. The process of setting assumptions is based primarily on analysis of past trends, but modification of historical experience is often required when the actuary has reason to believe that future circumstances may vary significantly from the past. Setting assumptions includes but is not limited to collecting past plan experience and studying general population demographics and economic factors from the past. The actuary will also consider current and future macro-economic and financial expectations as well as factors that are likely to impact the particular group under consideration. Hence, assumptions will also reflect the actuary's judgment regarding future changes in plan population and decrements in view of the particular factors which impact participants. Thus, the process of setting assumptions is not mere "guess work" but rather a process of mathematical analysis of past experience and of those factors likely to impact the future.

One area where an actuary has limited ability to develop accurate estimates is the projection of future investment earnings. The difficulties here are significant. First, the future is rarely like the past, and the data points available to develop stochastic trials are far fewer than the number required for statistical significance. In this area, some guess work is inevitable. However, there are tools available to lay a foundation for making estimates with an expectation of reliability. Although past data is limited, the available data is likely to provide some insight into the future. This data consists of general economic and financial values such as past rates of inflation, rates of return variance, and correlations of returns among various asset classes along with the actual asset experience of the plan. In addition, the actuary can review the current asset market environment as well as economic forecasts from governmental and investment research groups to form a reasonable opinion regarding probable future investment experience for the plan.

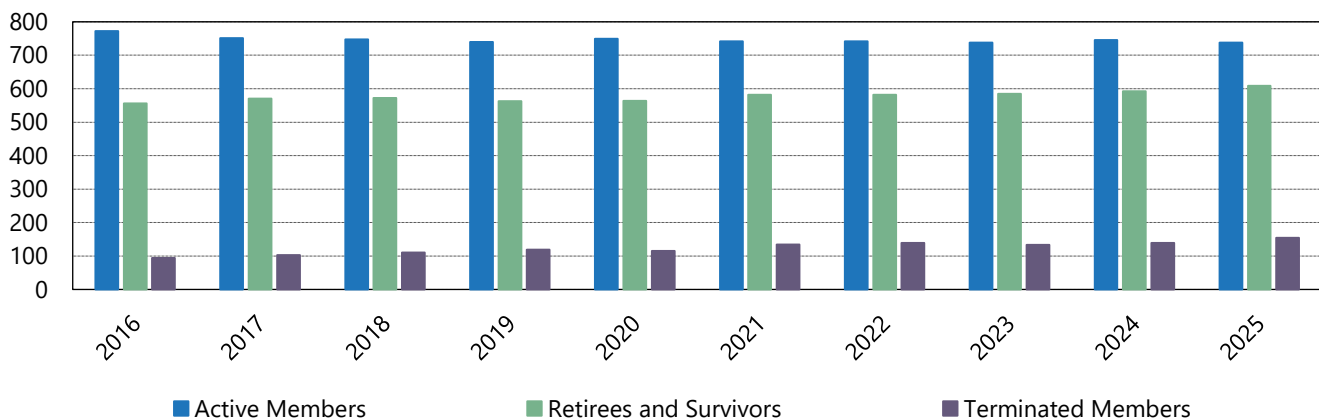
All the above efforts would be in vain if the assumption process was static, and the plan would have to deal with the consequences of actual experience differing from assumptions after forty or fifty years of compounded errors. However, actuarial funding methods for pension plans all allow for periodic corrections of assumptions to conform with reality as it unfolds. This process of repeated correction of estimates produces results which although imperfect is nevertheless a reasonable approach to determine the contribution levels which will provide for the future benefits of plan participants.

Despite this, future results may materially differ with this actuarial valuation. Employer contribution rates and other funding measures presented in this report will differ as the system is impacted by the following: changes in plan membership, plan liability or investment experience inconsistent with plan assumptions, future changes in plan assumptions or future changes in plan provisions. An analysis of the range of such deviations is outside the scope of this report.

COMMENTS ON DATA

For the valuation, the administrative staff of the system furnished a census on electronic media 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, beneficiary dates of birth, retiree and beneficiary sex, optional form of benefit chosen, along with original and current benefit amounts, was provided in a similar manner. In addition, data was supplied on former employees who are vested or who have contributions remaining on deposit. As illustrated in Appendix B, there are 738 active members in the system of whom 374 members have vested retirement benefits; 609 former members or their beneficiaries are receiving retirement benefits. An additional 154 terminated members have contributions remaining on deposit with the system; of this number, 17 have vested rights for future retirement benefits. **Figure 1** shows the membership counts over the past ten years.

Figure 1. Membership Counts



Census data submitted to our office is tested for errors and changes are made when errors are identified. 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. 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 with 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. Records identified by this review as questionable are checked against data from prior valuations, are reviewed against information on the system’s membership database, and may be included in a detailed list of items sent to the system’s administrative staff for verification and/or correction. Once the identified data has been researched and verified or corrected, the final data is used 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.

A member's salary is an important component of projecting future cash flows and computing normal costs and accrued liabilities. Our modeling requires the entry of annual salary for this purpose. For individuals who have not completed a full year of service during the measurement period, we use an estimate of their service during the fiscal year to annualize salaries. (New hire salaries are subject to a minimum level equal to the 20th percentile of salaries for members in the second duration.)

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 Hawthorne, Waymouth, and Carroll, L.L.P. As indicated in the system's audit report, the net market value of system's assets was \$637,416,319 as of September 30, 2025. Net investment income for Fiscal 2025 measured on a market value basis was \$63,406,921. Contributions to the system for the fiscal year totaled \$25,300,142; benefits and expenses amounted to \$33,189,081. With benefits and expenses slightly exceeding contributions to the system, system staff must periodically raise funds from the investment portfolio to meet cash flow needs.

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.

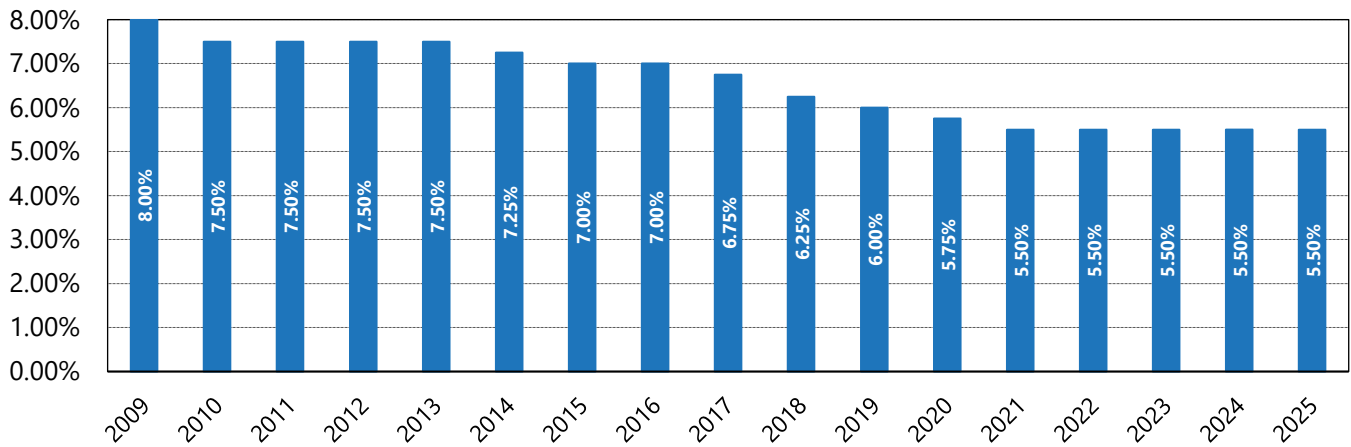
COMMENTS ON ACTUARIAL METHODS AND ASSUMPTIONS

The system's actuarial funding method is set by R.S. 11:22. The system was previously funded under the Frozen Attained Age Normal Cost Method. The Frozen Unfunded Accrued Liability was fully amortized in Fiscal 2019. According to R.S. 11:22(D), for the Fiscal 2019 valuation, the system's funding method was changed to the Aggregate Actuarial Cost Method. This method does not develop an unfunded actuarial liability. Under the Aggregate 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 current year actuarial assumptions utilized for this report are based on the results of an actuarial experience study for the period October 1, 2019 – September 30, 2024, unless otherwise specified in this report. This study included a review of all plan decrements in addition to salary scale experience and other demographic factors which impact plan costs. Details related to the study are contained within the 2025 Assessors' Retirement Fund Experience Study Report. The results of the actuarial valuation rely on the assumptions set by this experience study.

Beginning with Fiscal 2010, the Board of Trustees began reducing the long-term rate of return assumption from 8.0%. Over the period from 2010 through 2021, the assumption was reduced to the current rate of 5.50%. **Figure 2** shows the timing of each of these changes.

Figure 2. Assumed Rate of Return



Despite the changes in the valuation interest rate, we continue to review this important assumption. A review of responses from a sample of investment consultants in early 2025 showed modest changes in capital market assumptions for common asset classes. Therefore, we elected to not create a 2025 set of consultant average capital market assumptions. We believe that the development of 10,000 stochastic trials in early 2024 spanning the next 30 years remains reasonable. These trials were performed based on the assumption that portfolio returns are normally distributed based on the expected rate of return and standard deviation of returns inherent in modeling based on our firm’s 2024 consultant average capital market assumptions and the system’s 2024 target asset allocation. These stochastic trials were then used to determine return levels for each percentile. The reasonable range boundaries were set based on the 40th and 60th percentile expected return levels. Based upon these assumptions and the stochastic simulations, the 2024 review set a reasonable range of 5.62% to 6.58%. The resulting percentiles suggested that there was approximately a 62.50% probability that the system will have long-term earnings at or above 5.50% and a 50% probability that the system will have long-term investment earnings at or above 6.09%.

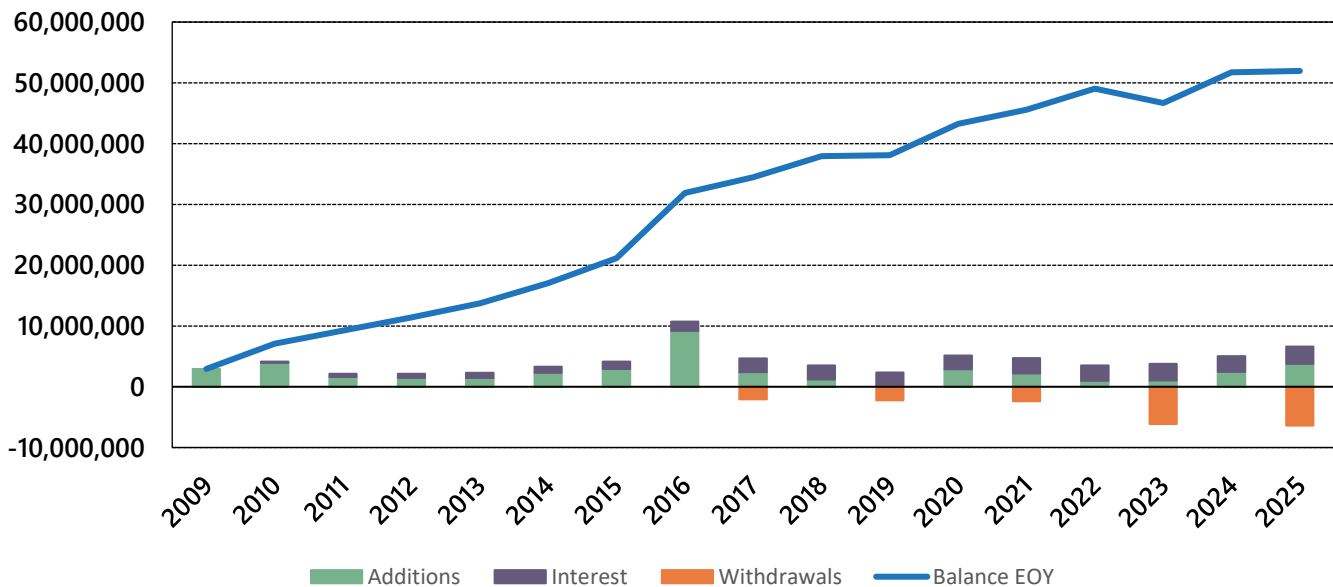
The system’s 5.50% valuation interest rate remains slightly below the actuary’s reasonable range. Actuarial standards of practice allow the rate to be set below the actuary’s reasonable range if the Board of Trustees elects to do so to account for adverse deviation. We recommend no change in the current level of the assumption because the reasonable range has changed in a material way over the recent few years. We believe that it is reasonable to maintain conservatism in this assumption to offset the potential for adverse deviation given the amount of change in capital market assumptions since the pandemic.

Prior to the passage of Act 296 in the 2009 legislative session, as detailed by R. S. 11:105, in any year in which the net direct employer contribution was scheduled to decrease, the Board of Trustees could freeze the net direct employer contribution rate and use the excess funds collected, if any, to reduce the frozen unfunded actuarial accrued liability. Also, in any year in which the Board elected to increase contributions pursuant to R.S. 11:106 the excess funds, if any, were used to reduce the system’s frozen unfunded actuarial accrued liability. Notwithstanding such a decrease, payments were made according to the regular amortization schedule, thereby reducing the amortization period. Such additional unfunded liability payments of \$791,748; \$101,831; \$538,661; \$1,020,879; \$2,890,530; and \$7,988,122 were made in Fiscal 1999, Fiscal 2000, Fiscal 2003, Fiscal 2006, Fiscal 2007, and Fiscal 2008, respectively. As a result of these additional payments, the frozen unfunded actuarial accrued liability was fully amortized as of

September 30, 2019, ten years ahead of the original schedule. No future payments will be due on the frozen unfunded actuarial accrued liability and the system is now funded on the Aggregate Actuarial Cost Method. In addition, the Board of Trustees voted to maintain the net direct employer contribution rate at 13.50% for fiscal years 2009 through 2016, 10% for 2017, 8% for fiscal years 2018 through 2021, 5% for 2022, 3.5% for 2023, and 5% for Fiscal 2024 and Fiscal 2025 instead of lowering the rate to the minimum recommended employer contribution rate for those years. Except for Fiscal 2019, these freezes resulted in additional collections which under the provisions of R.S. 11:105 were credited to the Funding Deposit Account. For Fiscal 2025, the contribution rate was set at 5.00%, which exceeded the minimum recommended rate of 1.25%. The additional funds collected, amounting to \$3,771,905, were credited to the Funding Deposit Account.

A history of the Funding Deposit Account is shown in **Figure 3**.

Figure 3. Funding Deposit Account History



Although the Board of Trustees has authority to grant ad hoc Cost of Living Increases (COLAs) under limited circumstances, in our opinion the system’s practice of using the Funding Deposit Account to pre-fund ad hoc COLAs and its consistent practice of collecting contributions in excess of the minimum set by valuation makes the inclusion of potential future COLAs in plan liabilities inappropriate. Therefore, the present value of benefits excludes COLAs not previously granted by the Board of Trustees.

The current year actuarial assumptions utilized for the report are outlined at the end of this report. All assumptions used are based on estimates of future long-term experience for the system as described in the system’s 2025 Experience Study report. All calculations, recommendations, and conclusions are based on the assumptions specified. To the extent that prospective experience differs from that assumed, adjustments to contribution levels will be required. Such differences will be revealed in future actuarial valuations. For Fiscal 2025, plan assumptions were changed. A list of updated assumptions is found in Appendix D. The net effect of the changes in liability assumptions on the normal cost accrual rate was a decrease of 0.7538%.

RISK FACTORS

Defined benefit pension plans are subject to several risks. These risks can be related either to plan assets or liabilities. To pay benefits, the plan must have sufficient assets when benefits become due. Several factors can lead to asset levels that are below those required to pay promised benefits. The following categories describe several key risks and provide measurements related to a few.

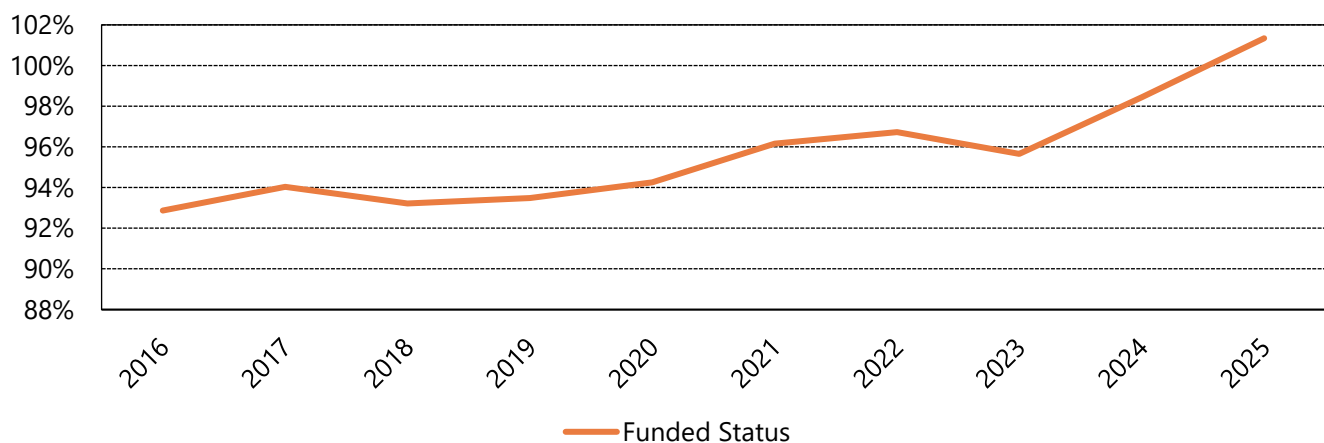
Contribution Policy Risk

The first risk in this regard is the failure to contribute adequate funds to the plan. In some ways, this is the greatest risk since other risks can usually be addressed by adequate actuarial funding. Louisiana constitutional and statutory provisions greatly limit this risk by requiring that state and statewide plans maintain funding on an actuarial basis. The state constitution sets forth general requirements with specific funding parameters specified in the state statutes. This results in a funding policy that is expected to achieve a 100% funded status in time.

Funded Status

Beyond identifying risk categories, it is possible to quantify some risk factors. One fairly well-known risk metric is the funded ratio of the plan. The rate is given as plan assets divided by plan liabilities. However, the definition of each of these terms may vary. The two typical alternatives used for assets are the market and actuarial value of assets. There are several alternative measures of liability depending on the funding method employed. The Governmental Accounting Standards Board (GASB) specifies that, for financial reporting purposes, the funded ratio is determined by using the market value of assets divided by the entry age normal accrued liability. This value is given in Appendix A. Alternatively, we have calculated the ratio of the actuarial value of assets to the entry age normal accrued liability. The ratio is 101.34% for the plan as of September 30, 2025.

Figure 4. Historical Funded Status



This value gives some indication of the financial strength of the plan; however, it does not guarantee the ability of the system to pay benefits in the future or indicate that, in the future, contributions are likely to be less than or greater than current contributions. In addition, the ratio cannot be used in isolation to

compare the relative strength of different retirement systems. However, the trend of this ratio over time can give some insight into the financial health of the plan. Even in this regard, caution is warranted since market fluctuations in asset values and changes in plan assumptions can distort underlying trends in this value. **Figure 4** gives a history of this value for the last ten years. Note that the underlying trend is somewhat disguised since the system has significantly reduced the valuation interest rate over this period. Absent the reduction in this rate, the current ratio would be significantly higher.

Following are several risks and risk measures related to system assets:

Inflation Risk

All pension plans are subject to the uncertainty of asset performance, of which inflation is a major component. The total nominal rate of return on assets is comprised of the real rates of return earned on the portfolio of investments plus the underlying inflation rate. High levels of inflation pose a risk to plan members in that they reduce the purchasing power of plan benefits. Were the plan to attempt to offset inflation by providing COLAs (often in the form of permanent benefit increases), minimum contribution rates would typically increase unless provisions are made to prefund such adjustments. Since the Board has used the Funding Deposit Account to prefund COLAs over the last nine years, the minimum employer contribution rates have not been affected. Very low inflation typically reduces the nominal rate of return on assets; deflation can potentially reduce the capital value of trust assets. During the decade preceding 2020, inflation levels remained in a fairly narrow range. Since 2020, inflation significantly increased. So far, Federal Reserve efforts to fight inflation have not had the desired effect of returning inflation measures to their 2% target level. Forecasters seem to believe that long-term average rates of future inflation may remain higher than the target level. There is always the possibility that high inflation will remain a problem in the future or that the country will experience a deflationary period; however, most expert opinion currently assesses these alternatives as unlikely in the near term.

Reinvestment Risk

Another element of asset risk is reinvestment risk. Interest rate declines can subject pension plans to an increase in this risk. As fixed income securities mature, investment managers may be forced to reinvest funds at decreasing rates of return. Reinvestment risk was significantly mitigated in recent years as the Federal Reserve increased the Federal Funds Rate. In September 2024, the Federal Reserve changed that policy by reducing that rate for the first time since March 2020. Should Federal Reserve policy continue to reverse the recent cycle of increased interest rates by bringing down the Federal Funds Rate, reinvestment risk will increase.

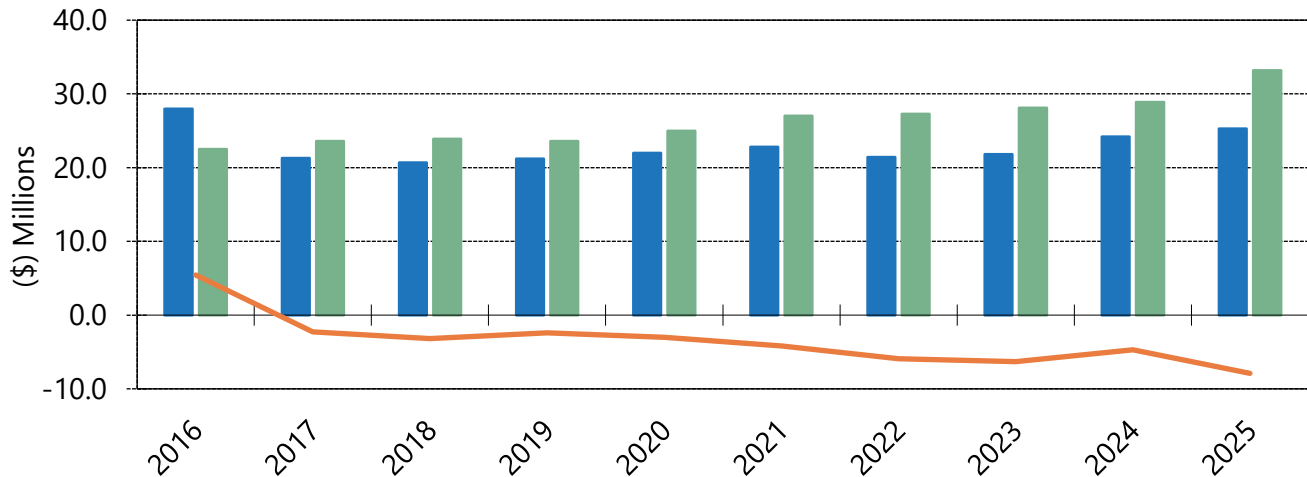
Asset Return Volatility Risk

Long-term asset performance depends not only on average returns but also on the volatility of returns. Two portfolios of identical size with identical average rates of return will accumulate different levels of assets if the volatility of returns differs, since increased volatility reduces the accumulation of assets. Volatility of returns will be determined by both market conditions and the asset allocation of the investment portfolio. If the system's investment portfolio has a substantial allocation to assets that have low price stability, the risk of portfolio volatility will increase, although low correlations among asset classes can mitigate this risk.

Cash Flow Risk

The system is also exposed to risk related to cash flows. Where benefit payments exceed contributions to a plan, the plan will be required to use investment income or potentially investment capital to pay benefits. In cases where it is necessary to use investment income to pay retirement benefits, investment market downturns place additional stress on the portfolio and make the recovery from such downturns more difficult since funds available for reinvestment are reduced by benefit payments. The historical cash flow graph and demonstration given below in **Figure 5** compares the total contribution income to benefits and expenses to determine the noninvestment cash flow of the system over the last ten years. In the years since 2017, annual benefit payments have slightly exceeded annual contributions (including funds from ad valorem taxes). Should the actual employer contribution rate decrease, the size of negative non-investment cash flows will increase, and portfolio construction will become more important. Negative non-investment cash flows may require the Board to consider maintaining a larger level of liquidity within the portfolio.

Figure 5. Annual Net Non-Investment Cash Flows



		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Contribution Income (\$Mil)	■	28.0	21.3	20.7	21.2	22.0	22.8	21.4	21.8	24.2	25.3
Benefits and Expenses (\$Mil)	■	22.5	23.6	23.9	23.6	25.0	27.0	27.3	28.1	28.9	33.2
Net Non- Inv. Cash Flow (\$Mil)	—	5.5	-2.3	-3.2	-2.4	-3.0	-4.2	-5.9	-6.3	-4.7	-7.9

Future net non-investment cash flows for the system will be determined based upon both the system maturity and future contribution levels. Hence, increases in future contributions due to adverse actuarial experience will tend to mitigate the potential of negative cash flows arising from the natural maturation of the system, whereas reduced contribution levels resulting from positive experience or a decision by the Board to lower the actual employer contribution rate will tend to increase the scale of negative cash flows. Absent a significant increase in either the active membership of the system or the employer contribution rate, the trend of higher proportions of retired membership may continue and over time higher levels of negative non-investment cash flows could occur.

Sensitivity to Investment Gains/Losses

Every retirement system is subject to investment return risk. When the rate of return on the actuarial value of assets does not equal the assumed rate of return, the system experiences investment gains or losses. These can cause contribution rate requirements to be more volatile. We have determined that based on current assets and demographics, for each percentage under (over) the assumed rate of return on the actuarial value of assets, there will be a corresponding increase (decrease) in the actuarially required contribution as a percentage of projected payroll of 0.99% for the fund.

Sensitivity to Changes in Valuation Interest Rate

Regarding the economic assumptions, we have determined that a reduction in the valuation interest rate by 1% (without any change to other collateral factors) would increase the actuarially required employer contribution rate for Fiscal 2026 by 16.91% of payroll. Future adjustments to the future assumed rates of return may be required; however, the likelihood of such an event is difficult to gauge since it requires assigning probabilities to future capital market scenarios.

Following are several risks and risk measures related to system liabilities:

Maturity Risk

The ability of a system to recover from adverse asset or liability performance is related to the maturity of the plan population. In general, plans with increasing active membership are less vulnerable to asset and liability gains and losses than mature plans since changes in plan costs can be partially allocated to new members. If the plan has a large number of active members compared to retirees, asset or liability losses can be more easily addressed. As more members retire, contributions can only be collected from a smaller segment of the overall plan population. Often, population ratios of actives to annuitants are used to measure the plan's ability to adjust or recover from adverse events since contributions are made by or on behalf of active members but not for retirees. Thus, if the plan suffers a mortality loss through increased longevity, this will affect both actives and retirees, but the system can only fund this loss by contributions related to active members. A measure of risk related to plan maturity is the ratio of total benefit payments to active payroll. For Fiscal 2025, this ratio is 56%; ten years ago this ratio was 44%.

Assumption Risk

One other area of exposure the plan faces is the possibility that plan assumptions will need to be revised to conform to changing actual or expected plan experience. Such assumption revisions may relate to economic or demographic factors. Regarding the economic assumptions, there is always the possibility that market expectations will require an adjustment to the assumed rate of return. Market expectations related to the assumed rate of return do not currently suggest that a further decrease in the assumption is warranted. We will continue to monitor capital market assumptions and the Board's decisions related to asset mix. We will advise the Board if the reasonable range changes in any material way in the future.

Noneconomic assumptions such as mortality or other rates of decrement such as withdrawal, retirement, or disability are also subject to change. In general, such changes tend to affect plan costs less than

adjustments to the assumed rates of return. Quantifying the probability or magnitude of such changes is beyond the scope of this report.

In summary, there is a risk that future actuarial measurements may differ significantly from current measurements presented in this report due to factors such as the following: plan experience differing from that anticipated by the economic or demographic assumptions, changes in economic or demographic assumptions, and changes in plan provisions or applicable law. Ordinarily, variations in these factors will offset to some extent. However, even with the expectation that not all variations in costs will likely travel in the same direction, factors such as those outlined above have the potential on their own accord to pose a significant risk to future cost levels and solvency of the system.

Data Error Risk

Liability risk also includes items such as data errors. No actuarial valuation can provide accurate figures without accurate data on plan members, former members, retirees, and survivors. Significant errors in plan data can distort or disguise plan liabilities. When data corrections are made, the plan may experience unexpected increases or decreases in liabilities.

Liability Duration Risk

Each pension plan has its own unique benefit structure and demographic profile. As a result, each plan will respond to changes in interest rates in a unique way. As the expected rate of return on investments changes and the interest rate used to discount plan liabilities is adjusted, the shift in plan liabilities will depend upon the duration of the liabilities (which can be understood as the plan's sensitivity to the change in the interest rate). A slightly different measure of the duration for the plan can also be understood as an indicator of the plan's maturity. When a pension plan is first established, all participants are active members; as members retire and the plan matures, the duration of the plan decreases. A determination of the liability duration gives some insight into the investment time horizon of the plan. Thus, the liability duration of a closed plan can be thought of as the weighted "center of gravity" of plan benefit cash flows with expected cash flows occurring both before and after the duration value. For open plans with a continuous flow of new entrants, this measure is somewhat less informative since the duration horizon keeps changing as new members enter the plan. For this plan we have estimated the effective liability duration as 10.35 years when measured based on the interest sensitivity of the fund's entry-age normal accrued liability.

Other Liability Risks

Other liability risks include such things as longevity risk (the risk that retirees will live longer than expected), termination risk (the risk that fewer than the anticipated number of members will terminate service prior to retirement), and other factors that may have an impact on the liability structure of the plan. In a general sense, the short-term effects of these risks on the cost structure of the plan are somewhat limited since changes in these factors tend to be gradual and follow long-term secular trends. Final average compensation plans are also vulnerable to unexpectedly large increases in salary for individual members near retirement. The effect of such events frequently relates to pay plan revisions where salaries catch up after several years of slow growth. Revisions of this type usually depend on

general economic conditions and can result in liability losses. However, they generally are infrequent and are more of a short-term issue.

Even natural disasters and dislocations in the economy or other unforeseen events can present risks to the plan. These events can affect member payroll and plan demographics, both of which impact costs. The risk associated with either of these factors can vary depending upon the severity of the event and cannot be easily forecast.

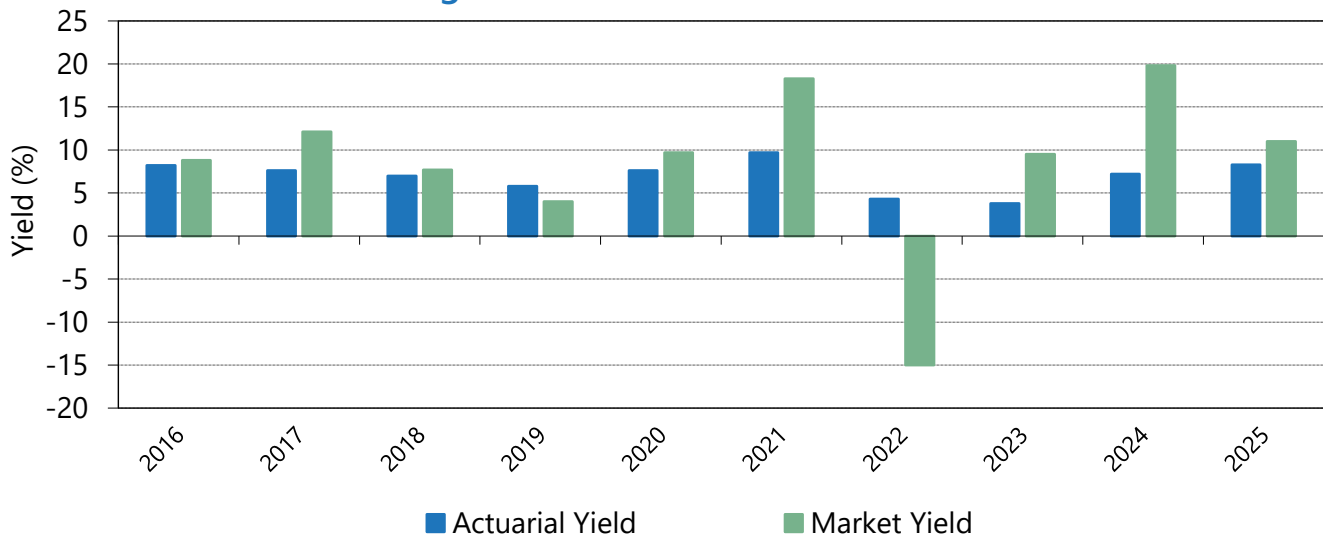
CHANGES IN PLAN PROVISIONS

There were no changes in plan provisions during the 2025 Regular Session of the Louisiana Legislature.

ASSET EXPERIENCE

The actuarial and market rates of return for the past ten years are given below (Figure 6). These investment rates of return were determined by assuming a uniform distribution of income and expense.

Figure 6. Historical Asset Yields



	Market Yield	Actuarial Yield
2016	8.8%	8.2%
2017	12.1%	7.6%
2018	7.7%	7.0%
2019	4.0%	5.8%
2020	9.7%	7.6%
2021	18.3%	9.7%
2022	-15.0%	4.3%
2023	9.5%	3.8%
2024	19.8%	7.2%
2025	11.0%	8.3%

Geometric Average Market Rates of Return		
5-year average	(Fiscal 2021 – 2025)	7.9%
10-year average	(Fiscal 2016 – 2025)	8.2%
15-year average	(Fiscal 2011 – 2025)	7.9%
20-year average	(Fiscal 2006 – 2025)	7.0%
25-year average	(Fiscal 2001 – 2025)	6.4%
30-year average	(Fiscal 1996 – 2025)	7.0%

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 and dividends. 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 2025, the fund earned \$10,585,013 of dividends, interest and other recurring income. Net income was increased by realized and unrealized capital gains of \$54,864,486. Investment expenses reduced income by \$2,042,578.

The actuarial rate of return is presented for comparison to the assumed long-term rate of return of 5.50% in effect for Fiscal 2025. This rate is calculated based on the actuarial value of assets and the market value income adjusted for actuarial smoothing as given in Appendix A. 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. In the future, yields in excess of the 5.50% assumption will reduce future costs; yields below 5.50% will increase future costs. For Fiscal 2025, the system experienced net actuarial investment earnings of \$15,228,412 more than the actuarial assumed earnings rate of 5.50% in effect for Fiscal 2025. This surplus in earnings produced an actuarial gain, which decreased the normal cost accrual rate by 2.5788%.

DEMOGRAPHICS AND LIABILITY EXPERIENCE

A reconciliation of the census for the system is given in Appendix B. The average active member is 50 years old with 12.8 years of service and an annual salary of \$70,589. The system’s active membership decreased during the fiscal year by 7 members. The plan has experienced a decrease in the active plan population of 11 members over the last five years.

The average regular retiree is 73 years old with an annual benefit of \$49,037. The average age at retirement for regular retirees is 61. The number of retirees and beneficiaries receiving benefits from the system increased by 17 during the fiscal year. Over the last five years, the number of retirees has increased by 45; during this same period, annual benefits in payment increased by \$6,790,037.

Plan liability experience for Fiscal 2025 was unfavorable. Retirements above projected levels, fewer deaths than projected, and average salary increases above projected levels tend to increase costs. Withdrawals exceeding projected levels offset these losses. In aggregate, liability losses increased the normal cost accrual rate by 0.5603%.

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 applying a cost allocation procedure to the results of an actuarial valuation of liabilities based on rates of mortality, termination, disability, and retirement, as well as investment return and other statistical measures specific to the particular group. The allocation of costs also depends on an asset smoothing method described in the assumptions section at the end of this report.

To establish the actuarially required contribution in any given year, it is necessary to define the assumptions and funding method. Thus, the determination of what contribution is actuarially required depends upon the funding method 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.

According to the system's funding method, the actuarially required employer contribution is determined based on the sum of the normal cost and the projected administrative expenses for the upcoming fiscal year. Gains or losses from plan liability experience, asset experience, and contribution experience (if not allocated to the Funding Deposit Account) along with the impact of changes in assumptions or benefit provisions will affect future normal costs.

R.S. 11:103 governs the calculation of the annual actuarially determined employer contribution rate for statewide retirement systems. This statute describes the components of the employer contribution rate found in Exhibit I. We believe that the minimum recommended net direct employer contribution rate developed within this report represents a Reasonable Actuarially Determined Contribution (or RADDC) under the terms set forth in the actuarial standards of practice. We believe that the cost allocation procedure set forth in the statutes reasonably balances benefit security and intergenerational equity. The consistent payment of actuarially determined contributions based on Louisiana's constitutional requirements significantly improves the benefit security of plan members and retirees. The system's funding methodology seeks intergenerational equity by spreading actuarial costs over the future working lifetime of members. With the use of reasonable actuarial assumptions, the system's contribution allocation procedure should produce reasonably stable and predictable results. The system's annual valuation directly calculates the present value of future benefits for each member and former member. This measure accounts for expected future benefit payments and the expected duration of those payments. The valuation results are based on plan provisions in effect as of the valuation date. Therefore, results will be affected if plan provisions are changed in the future.

Liability and asset experience as well as changes in assumptions and benefits can increase or decrease plan costs. In addition to these factors, any COLA granted without an offsetting withdrawal from the system's Funding Deposit Account in the prior fiscal year will increase required contributions. New entrants to the system can also increase or decrease costs as a percentage 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 system's normal cost makes up the largest component of annual cost. The following table tracks the annual impact of gains and losses on the normal cost accrual rate:

RECONCILIATION OF THE NORMAL COST ACCRUAL RATE	
Employer's Normal Cost Accrual Rate – Fiscal 2025	32.7963%
Factors Increasing the Normal Cost Accrual Rate:	
Plan Liability Experience Loss	0.5603%
Cost-of-living Increase	1.0840%
Factors Decreasing the Normal Cost Accrual Rate:	
Assumption Changes	0.7538%
Asset Experience Gain	2.5788%
New Members	0.8237%
Contribution Gain/FDA offset for COLA	1.0840%
Employer's Normal Cost Accrual Rate – Fiscal 2026	29.2003%

Under the fund's spread gain funding method, the employer normal cost percentage is affected annually by actuarial gains and losses. The chart shown below shows how gains and losses have affected the employer's normal cost accrual rate over the most recent fiscal year. **Figure 7A** graphically shows the impact of gains and losses on the normal cost accrual rate over the most recent ten year period. Losses cause an increase in the employer's normal cost percentage while gains cause decreases.

Figure 7A. Historical Gains and Losses

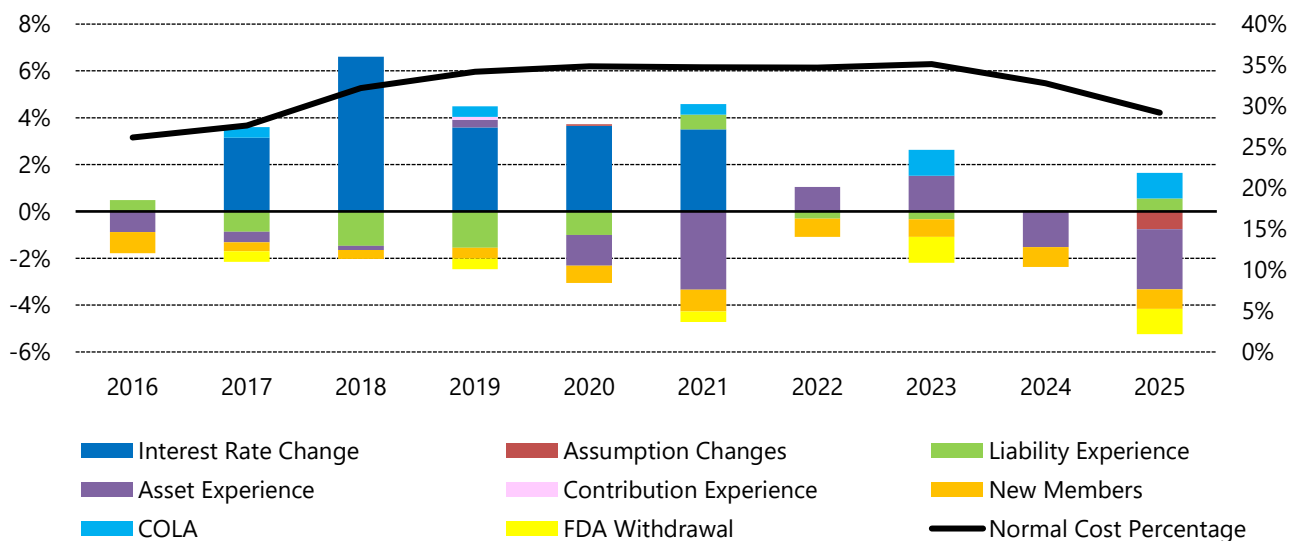
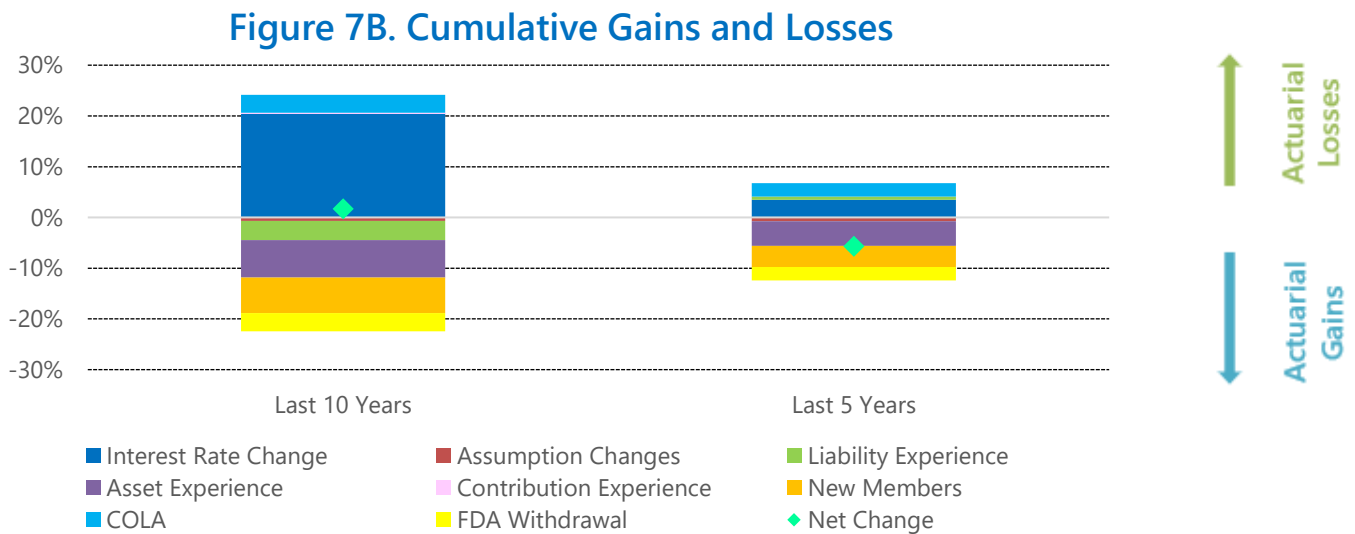


Figure 7B accumulates these gains and losses over the last 5 years and 10 years and shows whether the fund experienced more gains or losses during that period. As seen in this figure, over the last ten years, the fund has experienced slightly fewer gains than losses. During the last five years, the system has experienced greater levels of gains than losses. The largest source of losses during this period was changes in the system’s assumed rate of return. Savings from new members and asset experience offset the potential cost impact of the interest rate changes. With no further reductions in the assumed rate of return since Fiscal 2021, the Fund has experienced consistent net gains since.



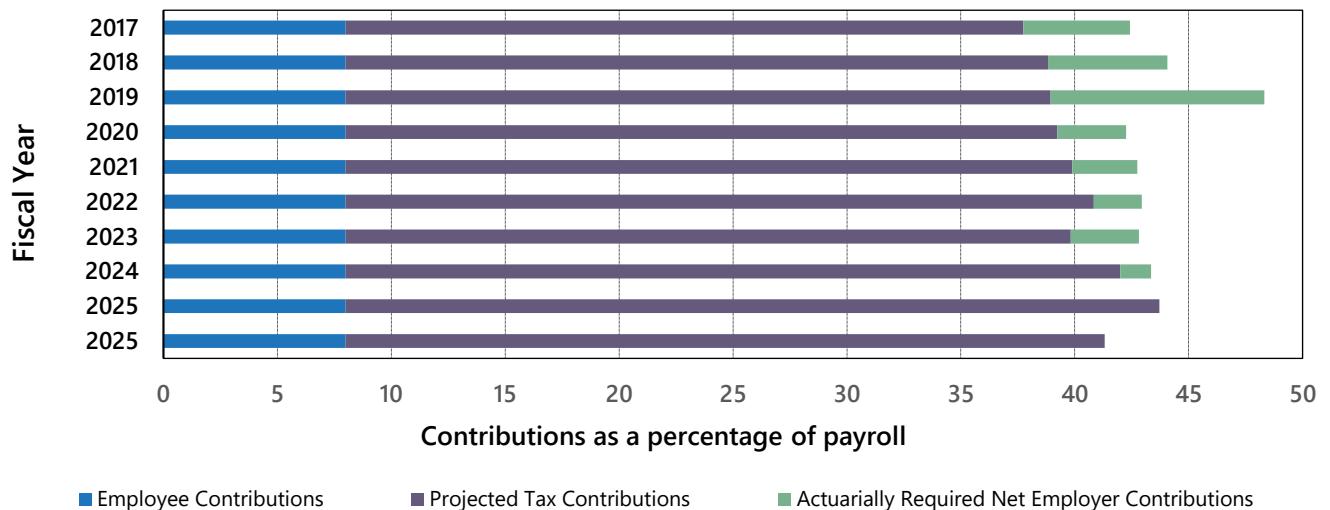
The derivation of the actuarially required contribution for the current fiscal year is given in Exhibit I. The employer normal cost for Fiscal 2026 adjusted with interest for mid-year payment is \$15,214,396. Since the Frozen Unfunded Accrued Liability was fully amortized in 2018, there are no further payments due, and that line item was removed from Exhibit I. The total actuarially required contribution is determined by adding estimated administrative expenses to the employer normal cost value. As given on line 12 of Exhibit I the total actuarially required contribution for Fiscal 2026 is \$15,606,226. When this amount is reduced by projected ad valorem tax contributions and revenue sharing funds, the resulting employers’ net direct actuarially required contribution for Fiscal 2026 is \$0 or 0.00% of projected payroll because projected tax contributions and revenue sharing funds exceeded the required contribution level.

The cost of providing benefits to current and former members is borne by employees and employers and relies in part on dedicated ad valorem taxes and revenue sharing funds. **Figure 8** shows the breakdown of annual costs as a percentage of payroll over the past ten years. 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 will decrease by 2.40% of payroll in Fiscal 2026.

The system granted a cost-of-living adjustment to qualifying retirees and beneficiaries effective October 1, 2025. These additional benefits increased the normal cost accrual rate by 1.0840%. The Board elected to release funds from the Funding Deposit Account to offset the cost of this COLA. Thus, the withdrawal

of \$6,401,298 from the Funding Deposit account lowered the normal cost accrual rate by a like amount, directly offsetting the cost of the COLA.

Figure 8. Components of Actuarial Funding



Although the actuarially required net direct employer contribution rate for Fiscal 2025 was 0.00%, the Board of Trustees voted to maintain the employer contribution at 5.00%. For Fiscal 2025, this system experienced a contribution gain of \$3,771,905. In accordance with R.S. 11:107.1, these additional contributions were credited to the system’s Funding Deposit Account as of September 30, 2025. Although the actuarially required net direct employer contribution rate for Fiscal 2026 is 0.00%; the board adopted employer contribution rate for Fiscal 2026 is 5.00% of payroll. Since the contribution rate for Fiscal 2026 was held at 5.00% by the Board, any surplus in employer contributions collected during the fiscal year will be credited to the Funding Deposit Account.

Furthermore, 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 0.00% for Fiscal 2027. Under the provisions of R.S. 11:105, R.S. 11:106 and R.S. 11:107, the Board of Trustees may set the net direct employer contribution for Fiscal 2027 at any level between the minimum recommended employer contribution rate of 0.00% and 5.00%. If the Board sets the net direct employer contribution rate above the minimum rate, any excess funds collected will be deposited into the Funding Deposit Account. Funds in this account can be used to reduce future required contributions in a particular year, to reduce the normal cost accrual rate, or to grant a cost-of-living increase to retirees.

LOW-DEFAULT RISK OBLIGATION MEASURE (LDROM)

The retirement system’s annual actuarial funding valuation determines the employer’s minimum contribution rate based upon a set of actuarial assumptions found to be reasonable individually and in the aggregate for the purpose of the measurement. For a system like the Assessors’ Retirement Fund that is open to new members and expected to exist in perpetuity, boards of trustees generally elect to invest system assets in a basket of asset classes that subject the system to a number of investment risks,

including the risk of default. Such risks are generally mitigated through diversification among the asset classes and through portfolio construction within each asset class. When considering expert opinions about expectations of future returns, generally called capital market assumptions, and when considering historical evidence, it is generally found that a portfolio composed of a combination of asset classes (including risky assets such as equities, fixed income assets, real estate investments, and other alternative investments) earns a larger return than risk-free or low-default-risk fixed income assets provide. (With recent Federal Reserve actions increasing interest rates, the difference in return expectations has lessened.) The larger expected return is often referred to as a risk premium as investors generally require a larger return to accept the added risk. It is precisely this exchange of return for added risk that is at the heart of the low-default-risk obligation measure (LDROM) defined within Actuarial Standard of Practice #4. Were the system to simply invest in low-default-risk fixed income securities, in most economic environments the system would be expected to earn less from investment markets but would also expect less portfolio return volatility and less chance of investment default. Since investment income directly offsets the contributions owed by the system's employers, building a portfolio that includes risky assets is generally a strategy to lower the long-term requirement for employer contributions, but in doing so, employers accept certain investment risks.

The LDROM can help to quantify both the impact of investing in a portfolio that includes risky assets and using a long-term expected rate of return from such a portfolio to discount liabilities. In addition, the LDROM can help stakeholders understand how much liabilities would increase if the system was measured using a discount rate that did not include the risk premium for assets with higher default risk. The volatility associated with high quality fixed income investments over the past year has made this measure less informative than expected.

The standard of practice requires the following when determining the LDROM:

- The actuary should use an immediate gain actuarial cost method.
- The actuary should select a discount rate or rates derived from low-default-risk fixed income securities whose cash flows are reasonably consistent with the pattern of benefits expected to be paid in the future.
- Other than the discount rate or rates, the actuary may use the same assumptions used in the funding valuation for this measure.

The biggest decision in making LDROM calculations is the discount rate or rates to use. The standard discusses several possibilities. We have elected to base our LDROM calculations on discount rates derived from high-quality corporate bonds, which we believe best represent low-default-risk fixed income investments. For the purpose of these calculations, we have used the U.S. Department of the Treasury's High-Quality Market (HQM) Corporate Bond Yield Curve weighted according to the closed fund cash flows developed for the most recently completed system specific GASB 67 analysis. The LDROM calculations have been performed based on the Entry Age Normal funding method.

The U.S. Treasury HQM Corporate Bond Yield Curve is developed using regression variables, projects yield curves beyond the longest maturity date and makes use of bond market characteristics to help generate a stable curve. It represents spot yields of corporate bonds rated AAA, AA, or A and is available monthly on the IRS website. When the September 2025 HQM Corporate Bond Yield Curve is weighted based on the GASB 67 cash flows, the effective single discount rate derived from the analysis is 5.56%. Interestingly,

this effective single discount rate is very close to the long-term assumed rate of return being used for the system’s actuarial valuation.

In the following section, we will disclose an LDROM-based actuarial accrued liability, which can be compared to the entry age normal actuarial accrued liability, and an LDROM-based funded ratio, which can be compared to the system’s funded ratio determined based on the entry age normal actuarial accrued liability. Our calculations are based on the effective single discount rate derived from the U.S. Treasury HQM Corporate Bond Yield Curve of 5.56%. All other assumptions match those used to determine funding liabilities.

LDROM Comparison	Funding Valuation	LDROM Valuation
Discount Rate	5.50%	5.56%
Accrued Liability for Active Members	\$ 263,967,033	\$ 261,902,687
Accrued Liability for Terminated Members	\$ 6,229,820	\$ 6,181,797
Accrued Liability for Retired Members	\$ 307,079,862	\$ 305,642,269
Total Actuarial Accrued Liability (AAL)	\$ 577,276,715	\$ 573,726,753
Funded Ratio (AVA/AAL)	101.34%	101.97%

Typically, the differences in the measures shown above can be viewed within the risk/return framework. At this time, the assumed rate of return used in the system’s annual funding valuation is similar to the rate of return found appropriate for the LDROM valuation. Although the Board does not simply invest in low default risk fixed income securities, their diversified portfolio is expected to earn a rate of return similar to a corporate bond portfolio.

COST OF LIVING INCREASES

During Fiscal 2025 the actual cost-of-living (as measured by the US Department of Labor CPI-U) increased by 3.0%.

RELEVANT COLA STATUTES	
Statute	Description
R.S. 11:1461(A)	Allows the Board of Trustees to provide a cost-of-living increase from excess interest earnings to members who have been retired for at least one full calendar year. The increase cannot exceed the lesser of 3% of the retiree’s original benefit or an increase of \$300 per year for each year of retirement.
R.S. 11:1461(B)	Special authorization to provide a single cost-of-living increase for retirees or their beneficiaries eligible in R.S. 11:1461(A) under this section. The increase shall not exceed 3% of the retiree or beneficiary’s current benefit but shall not be less than \$20 per month.

RELEVANT COLA STATUTES (Continued)

Statute	Description
R.S. 11:246	Provides supplemental 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. Applies to those retired for at least one year. Such increase shall be payable from interest earnings on investments in excess of normal requirements of from funds deposited in the system's Funding Deposit Account.
R.S. 11:241	Provides for cost-of-living benefits payable based on a formula equal to up to \$1 times the total of the number of years of credited service accrued at retirement or at death of the member or retiree plus the number of years since retirement or since death of the member or retiree to the system's fiscal year end preceding the payment of the benefit increase. Applies to those retired for at least one year.

To grant a COLA, the system must meet the funded ratio criteria specified in R.S. 11:243. For purposes of COLAs payable under R.S. 11:1461(A), R.S. 11:246, or R.S. 11:241, the system must have investment earnings in excess of the valuation interest rate sufficient to offset the additional liability due to the cost of the COLA or fund the COLA out of the Funding Deposit Account.

The limitations on timing of COLAs given in R.S. 11:243 are as follows:

- The system has a funded ratio of 90% or more and has not granted a benefit increase to retirees, survivors, and beneficiaries in the most recent fiscal year.
- The system has a funded ratio of 80% or more and has not granted a benefit increase to retirees, survivors, and beneficiaries in the two most recent fiscal years.
- The system has a funded ratio of 70% or more and has not granted a benefit increase to retirees, survivors, and beneficiaries in the three most recent fiscal years.

Since the Board granted a cost-of-living increase effective October 1, 2025 under R.S. 11:241 and R.S. 11:246, the Fund is not authorized under R.S. 11:243 to grant a cost-of-living increase in Fiscal 2026 for regular retirees.

COLA HISTORY SINCE 2000

October 1, 2025	COLA paying \$1 times the number of years of credited service at retirement plus the number of years since retirement; for those retired at least 1 year. In addition, supplemental COLA equal to 2% of benefit in payment on October 1, 1977, or the date the benefit originally received if commenced subsequently; for retirees and survivors over age 65
October 1, 2023	COLA paying \$1 times the number of years of credited service at retirement plus the number of years since retirement; for those retired at least 1 year. In addition, supplemental COLA equal to 2% of benefit in payment on October 1, 1977, or the date the benefit originally received if commenced subsequently; for retirees and survivors over age 65

COLA HISTORY SINCE 2000 (Continued)

October 1, 2021	COLA paying \$1 times the number of years of credited service at retirement plus the number of years since retirement; for those retired at least 1 year.
October 1, 2019	COLA paying \$1 times the number of years of credited service at retirement plus the number of years since retirement; for those retired at least 1 year.
October 1, 2017	COLA paying \$1 times the number of years of credited service at retirement plus the number of years since retirement; for those retired at least 1 year.
October 1, 2014	COLA paying \$1 times the number of years of credited service at retirement plus the number of years since retirement; for those retired at least 1 year.

EXHIBITS

EXHIBIT I ANALYSIS OF ACTUARIALLY REQUIRED CONTRIBUTIONS

1.	Present Value of Future Benefits	\$ 752,724,940
2.	Actuarial Value of Assets	\$ 585,002,593
3.	Funding Deposit Account Credit Balance	\$ 51,954,505
4.	Present Value of Future Employee Contributions.....	\$ 47,241,486
5.	Present Value of Future Employer Normal Costs (1 - (2 - 3) - 4)	\$ 172,435,366
6.	Present Value of Future Salaries	\$ 590,525,746
7.	Employer Normal Cost Accrual Rate (5 ÷ 6).....	29.200313%
8.	Projected Fiscal 2026 Salary for Current Membership.....	\$ 50,727,208
9.	Employer Normal Cost as of October 1, 2025 (7 × 8).....	\$ 14,812,504
10.	Employer Normal Cost Interest Adjusted for Mid-year Payment.....	\$ 15,214,396
11.	Estimated Administrative Cost for Fiscal 2026.....	\$ 391,830
12.	GROSS Employer Actuarially Required Contribution for Fiscal 2026 (10 + 11)	\$ 15,606,226
13.	Projected Ad Valorem Tax Contributions for Fiscal 2026.....	\$ (17,402,811)
14.	Projected Revenue Sharing Funds for Fiscal 2026.....	\$ (339,367)
15.	Employer's Net Direct Employer Actuarially Required Contribution for Fiscal 2026 (12 + 13 + 14, At least 0).....	\$ 0
16.	Projected Payroll for Fiscal 2026.....	\$ 53,247,304
17.	Employers' Minimum Net Direct Actuarially Required Contribution as a % of Projected Payroll for Fiscal 2026 (15 ÷ 16).....	0.00%
18.	Board Adopted Employer Contribution Rate for Fiscal 2026	5.00%
19.	Minimum Recommended Net Direct Employer Contribution Rate for Fiscal 2027 (17, Rounded to nearest 0.25%)	0.00%

EXHIBIT II PRESENT VALUE OF FUTURE BENEFITS

PRESENT VALUE OF FUTURE BENEFITS FOR ACTIVE MEMBERS:

Retirement Benefits	\$ 416,168,520
Survivor Benefits	8,779,008
Disability Benefits	3,610,805
Vested Termination Benefits	9,068,615
Refunds of Contributions	1,788,310
 TOTAL Present Value of Future Benefits for Active Members	 \$ 439,415,258

PRESENT VALUE OF FUTURE BENEFITS FOR TERMINATED MEMBERS:

Terminated Vested Members Due Benefits at Retirement.....	\$ 5,049,034
Terminated Members with Reciprocals	
Due Benefits at Retirement	0
Terminated Members Due a Refund.....	1,180,786
 TOTAL Present Value of Future Benefits for Terminated Members.....	 \$ 6,229,820

PRESENT VALUE OF FUTURE BENEFITS FOR RETIREES:

Regular Retirees	
Maximum	\$ 94,102,321
Option 1	35,502,079
Option 2	111,745,003
Option 3	38,603,997
Option 4	1,862,225
 TOTAL Regular Retirees.....	 \$ 281,815,625
Disability Retirees.....	0
Survivors & Widows.....	22,747,829
DROP & Back-DROP Account Balances Payable to Retirees	2,516,408
 TOTAL Present Value of Future Benefits for Retirees & Survivors	 \$ 307,079,862
 TOTAL Present Value of Future Benefits.....	 \$ 752,724,940

EXHIBIT III ACTUARIAL VALUE OF ASSETS

Excess (Shortfall) of Invested Income For Current and Previous 4 Years:

Fiscal year 2025.....	\$ 31,616,555
Fiscal year 2024.....	69,890,540
Fiscal year 2023.....	18,027,715
Fiscal year 2022.....	(110,124,640)
Fiscal year 2021.....	57,341,336
Total for Five Years.....	\$ 66,751,506

Deferral of Excess (Shortfall) of Invested Income:

Fiscal year 2025 (80%).....	\$ 25,293,244
Fiscal year 2024 (60%).....	41,934,324
Fiscal year 2023 (40%).....	7,211,086
Fiscal year 2022 (20%).....	(22,024,928)
Fiscal year 2021 (0%).....	0
Total Deferred for Year.....	\$ 52,413,726

Market Value of Plan Net Assets, End of Year..... \$ 637,416,319

Preliminary Actuarial Value of Plan Assets, End of Year..... \$ 585,002,593

Actuarial Value of Assets Corridor

85% of Market Value, End of Year.....	\$ 541,803,871
115% of Market Value, End of Year.....	\$ 733,028,767

Final Actuarial Value of Plan Net Assets, End of Year..... \$ 585,002,593

**EXHIBIT IV
PRESENT VALUE OF FUTURE CONTRIBUTIONS**

Employee Contributions to the Annuity Savings Fund	\$	47,241,486
Employer Normal Contributions to the Pension Accumulation Fund		172,435,366
Funding Deposit Account Debit (Credit) Balance.....		(51,954,505)
TOTAL PRESENT VALUE OF FUTURE CONTRIBUTIONS	\$	167,722,347

**EXHIBIT V
RECONCILIATION OF CONTRIBUTIONS**

Direct Employer Contributions	\$	2,631,515
Interest on Employer Contributions		71,398
Ad Valorem Taxes and Revenue Sharing.....		18,092,468
Interest on Ad Valorem Taxes and Revenue Sharing Funds		490,884
TOTAL Interest Adjusted Employer Contributions	\$	21,286,265
Employer Normal Cost for Prior Year.....	\$	16,197,977
Interest on the Normal Cost.....		890,889
Administrative Expenses		414,254
Interest on Expenses.....		11,240
TOTAL Interest Adjusted Actuarially Required Contributions.....	\$	17,514,360
CONTRIBUTION SURPLUS/(SHORTFALL).....	\$	3,771,905

EXHIBIT VI FUNDING DEPOSIT ACCOUNT

Funding Deposit Account Balance as of September 30, 2024	\$ 51,738,292
Interest on Opening Balance at 5.50%	2,845,606
Contributions to the Funding Deposit Account.....	3,771,905
Withdrawals from the Funding Deposit Account.....	(6,401,298)
Funding Deposit Account Balance as of September 30, 2025	\$ 51,954,505

EXHIBIT VII – Schedule A PENSION BENEFIT OBLIGATION

Present Value of Credited Projected Benefits Payable to Current Employees	\$ 256,711,614
Present Value of Benefits Payable to Terminated Employees	6,229,820
Present Value of Benefits Payable to Current Retirees and Beneficiaries	307,079,862
TOTAL PENSION BENEFIT OBLIGATION	\$ 570,021,296
NET ACTUARIAL VALUE OF ASSETS	\$ 585,002,593
Ratio of Net Actuarial Value of Assets to Pension Benefit Obligation	102.63%

EXHIBIT VII – Schedule B ENTRY AGE NORMAL ACCRUED LIABILITIES

Accrued Liability for Active Employees	\$ 263,967,033
Accrued Liability for Terminated Employees.....	6,229,820
Accrued Liability for Current Retirees and Beneficiaries.....	307,079,862
TOTAL ENTRY AGE NORMAL ACCRUED LIABILITY	\$ 577,276,715
NET ACTUARIAL VALUE OF ASSETS	\$ 585,002,593
Ratio of Net Actuarial Value of Assets to Entry Age Normal Accrued Liability.....	101.34%

EXHIBIT VIII YEAR-TO-YEAR COMPARISON

	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022
Number of Active Members	738	745	738	742
Number of Retirees & Survivors	609	592	585	582
Number of Terminated Due Deferred Benefits	17	18	16	17
Number Terminated Due Refunds	137	121	117	122
Active Lives Payroll	\$ 52,094,715	\$ 50,785,496	\$ 48,544,396	\$ 47,050,664
Retiree Benefits in Payment	\$ 29,019,613	\$ 26,913,640	\$ 26,051,988	\$ 25,080,912
Market Value of Assets	\$ 637,416,319	\$ 581,898,337	\$ 489,878,538	\$ 453,406,301
Entry Age Normal Accrued Liability	\$ 577,276,715	\$ 556,418,074	\$ 538,874,563	\$ 519,649,573
Ratio of AVA to EAN Accrued Liability	101.34%	98.44%	95.66%	96.73%
Actuarial Value of Assets	\$ 585,002,593	\$ 547,750,865	\$ 515,476,581	\$ 502,658,527
Frozen Unfunded Actuarial Accrued Liability	\$ 0	\$ 0	\$ 0	\$ 0
Present Value of Future Employer Normal Cost	\$ 172,435,366	\$ 188,277,282	\$ 192,814,590	\$ 186,144,749
Present Value of Future Employee Contrib.	\$ 47,241,486	\$ 45,925,790	\$ 43,920,641	\$ 42,934,677
Funding Deposit Account Balance	\$ 51,954,505	\$ 51,738,292	\$ 46,701,984	\$ 49,069,632
Present Value of Future Benefits	\$ 752,724,940	\$ 730,215,645	\$ 705,509,828	\$ 682,668,321
	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2023
Employee Contribution Rate	8.00%	8.00%	8.00%	8.00%
Estimated Tax Contribution as a % of Payroll	33.32%	35.72%	34.00%	31.82%
Ad Valorem Tax Rate	0.2312%	0.25%	0.25%	0.25%
Minimum Recommended Net Direct Employer Contribution Rate	0.00%	1.25%	3.00%	2.00%
Actual Employer Contribution Rate	5.00%	5.00%	5.00%	3.50%

Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017	Fiscal 2016
742	749	740	747	751	772
582	564	563	572	570	556
16	12	17	16	13	10
118	103	102	94	90	84
\$ 46,020,108	\$ 46,282,404	\$ 44,362,164	\$ 43,686,762	\$ 42,948,488	\$ 43,573,217
\$ 24,553,313	\$ 22,229,576	\$ 21,785,575	\$ 21,566,139	\$ 21,114,760	\$ 19,561,454
\$ 539,947,818	\$ 460,417,168	\$ 422,565,188	\$ 408,441,921	\$ 382,197,366	\$ 343,233,124
\$ 507,071,744	\$ 475,694,775	\$ 448,943,386	\$ 427,882,294	\$ 399,744,486	\$ 378,520,063
96.16%	94.26%	93.48%	93.22%	94.03%	92.87%
\$ 487,574,856	\$ 448,403,309	\$ 419,658,788	\$ 398,857,013	\$ 375,876,564	\$ 351,549,680
\$ 0	\$ 0	\$ 0	\$ 3,429,455	\$ 6,658,938	\$ 9,593,206
\$ 183,671,333	\$ 177,545,550	\$ 167,763,619	\$ 154,438,730	\$ 125,942,737	\$ 117,204,572
\$ 42,308,632	\$ 40,735,979	\$ 39,242,505	\$ 38,389,814	\$ 36,486,315	\$ 35,833,133
\$ 45,565,433	\$ 43,246,189	\$ 38,100,032	\$ 37,949,749	\$ 34,439,283	\$ 31,866,114
\$ 667,989,388	\$ 623,438,649	\$ 588,564,880	\$ 557,165,263	\$ 510,525,271	\$ 482,314,477
Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017
8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
32.83%	31.90%	31.24%	30.94%	30.83%	29.74%
0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
2.75%	3.00%	1.50%	5.25%	4.75%	4.75%
5.00%	8.00%	8.00%	8.00%	8.00%	10.00%

APPENDIX A GASB 67 AND 82 INFORMATION

GASB INTRODUCTION

Appendix A provides information necessary to prepare financial statements which comply with Governmental Accounting Standards Board (GASB) Statement 67 and 82. This appendix has been prepared in accordance with generally accepted actuarial principles and practices to the extent that there is no conflict with GASB statement 67 and 82, and to the best of our knowledge and belief, fairly reflects the actuarial present values and liabilities stated herein. The findings in this report are based on data and other information through September 30, 2025.

As of September 30, 2025, pension plan membership consisted of the following:

Active plan members	738
Inactive plan members or beneficiaries currently receiving benefits	609
Inactive plan members entitled to but not yet receiving benefits	<u>154</u>
	<u>1,501</u>

Because the Louisiana Assessors' Retirement Fund is funded using the Aggregate Actuarial Cost method and GASB prescribes the use of the Entry Age Normal Funding Method for financial disclosures, the method used to determine values within the funding valuation differ with those in the GASB valuation. In addition to the prescribed funding method, differences between the presentation of funding valuation results provided earlier in this report and the GASB valuation values shown in Appendix A arise from the terminology used by GASB for financial statements. These differences include GASB's use of the system's market value of assets (termed Fiduciary Net Position) without the application of actuarial smoothing methods used to determine funding values.

For funding purposes, the system's Funding Deposit Account is excluded from the system's assets in determining the actuarially required contributions. However, GASB calculations are made on the audited financial statements and all assets, including those collected to Funding Deposit Account, are included in the system's total assets (Fiduciary Net Position). Because funds within the Funding Deposit Account may be used for funding, we do not include an offsetting liability for the Funding Deposit Account balance in the system's total liabilities (Total Pension Liability). Thus, for financial reporting purposes these funds help to lower the system's Net Pension Liability.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such facts as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; changes in the demographic composition of the group; completion of amortization payments or credit schedules; and changes in plan provisions or applicable law.

Fiduciary Net Position

The total market value of assets (or Fiduciary Net Position) can be broken down into several separate accounts. As of September 30, 2025 these subaccounts are valued as follows:

Annuity Savings Fund	\$ 42,939,667
Annuity Reserve Fund	304,563,454
Pension Accumulation Fund	235,285,966
DROP/Back-DROP Account	2,672,727
Funding Deposit Account	51,954,505
Total Fiduciary Net Position	\$ 637,416,319

Annuity Savings Fund - The Annuity Savings Fund represents employee contributions held on behalf of members and former members who have not yet begun receiving benefits.

Annuity Reserve Fund - The Annuity Reserve Fund represents the present value of future annuity benefits owed to retirees and survivors based on current plan assumptions.

Pension Accumulation Fund - The Pension Accumulation Fund represents the remaining amount of plan assets that have been accumulated to fund benefits (in excess of a return of employee contributions) for active members and vested former members. The Pension Accumulation Fund can be positive or negative. A negative figure would indicate a lack of funding for such future benefits. A positive figure represents an amount set aside for such future benefits.

DROP / Back-DROP Account - The DROP / Back-DROP Account contains funds left on deposit by former members who completed DROP/Back-DROP and elected to leave their lump sum balance in the care of the retirement system following their retirement along with investment earnings allocated to those accounts.

Funding Deposit Account – The Funding Deposit Account is a side fund that contains surplus contributions made by employers pursuant to R.S. 11:107.1. When the Board of Trustees elects to set the net direct employer contribution rate higher than the minimum recommended actuarially determined employer contribution rate pursuant to R.S. 11:105, R.S. 11:106, and R.S. 11:107, all surplus funds collected by the system (when combined with the system’s contribution gain or loss) are credited to the system’s Funding Deposit Account. The account earns interest annually at the Board-approved actuarial valuation interest rate. The funds in the account may be used for the following purposes: (1) to reduce the present value of future normal costs, (2) to pay all or a portion of any future net direct employer contributions, (3) to provide for permanent benefit increases.

Total Pension Liability

The Total Pension Liability (called the actuarial accrued liability in the funding report) as stated in this report is based on the Individual Entry Age Normal actuarial cost method as described in Statement 67 of the Government Accounting Standards Board (GASB 67). Calculations were made as of September 30, 2025 and were based on September 30, 2025 data.

The measurement of total pension liability as of September 30, 2025 has been completed using the same actuarial assumptions as those used in determining funding valuation figures. These assumptions are enumerated in the Actuarial Assumptions section of this report.

Pension Liability for Active Members	\$	263,967,033
Pension Liability for Terminated Members		6,229,820
Pension Liability for Retirees & Survivors		307,079,862
Total Pension Liability	\$	577,276,715

Net Pension Liability

The components of the net pension liability (or Unfunded Actuarial Accrued Liability) as of September 30, 2025 determined using the market value of assets (Plan Fiduciary Net Position) instead of the smoothed Actuarial Value of Assets used in the funding valuation, are as follows:

Total Pension Liability	\$	577,276,715
Less: Plan Fiduciary Net Position		637,416,319
Net Pension Liability (Asset)	\$	(60,139,604)

Sensitivity of Net Pension Liability to Differences in Discount Rate

The following presents the net pension liability of the system calculated using the discount rate of 5.50%, as well as what the system's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (4.50%) or one percentage point higher (6.50%) than the current rate (assuming all other assumptions remain unchanged):

	<u>1% Decrease (4.50%)</u>	<u>Current Discount Rate (5.50%)</u>	<u>1% Increase (6.50%)</u>
Net Pension Liability (Asset)	\$4,364,148	\$(60,139,604)	\$(115,119,299)

Collective Pension Expense

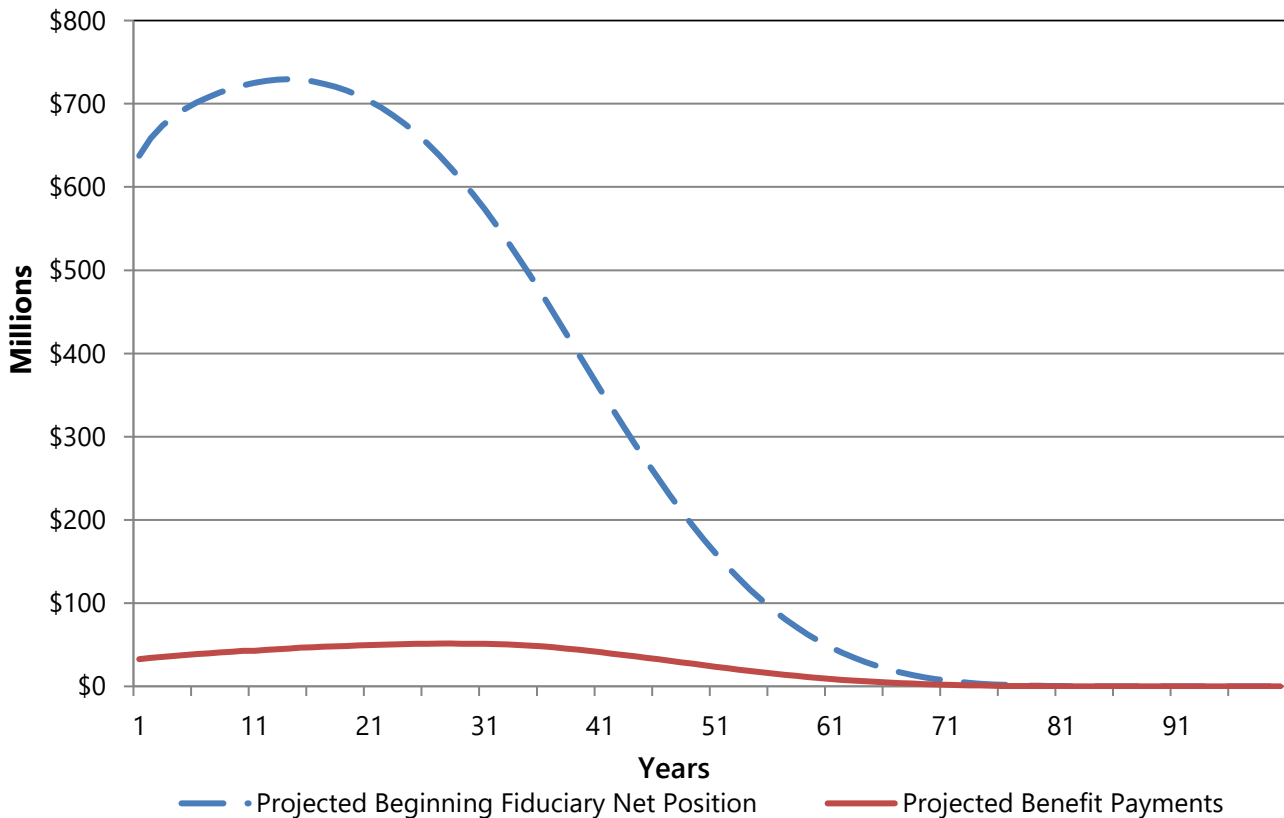
The collective pension expense is the total pension expense recognized by a cost-sharing plan under GASB 67, reflecting all changes in liabilities, assets, and deferrals before allocation to employers. For the year ended September 30, 2025, the Collective Pension Expense for the system is \$7,300,880.

Crossover Testing

GASB 67 requires the system's actuary to perform a crossover test to determine whether a public pension plan should discount its liabilities using the long-term expected rate of return on plan investments or, in part, based on a tax-exempt, high-quality municipal bond index rate. The purpose of this test is to assess whether the system's projected plan assets, together with future contributions, will be sufficient to cover all projected benefit payments.

Within this crossover test, projected assets were found to meet or exceed projected benefit payments. Therefore, all liabilities have been discounted using the long-term expected rate of return.

Projection of the Fiduciary Net Position for Crossover Testing



Amortization of Deferred Inflows and Outflows

GASB 67 requires the amortization of deferred inflows and outflows. This amortization is not an amortization that recognizes the time value of money, but instead simply recognizes the impact of inflows and outflows for certain gains and losses equally over a specified amortization period by dividing the gain/loss over the amortization period. The following table describes the changes that are amortized and the amortization period to be used.

Source of Change	Basis of Amortization Period	Current Amortization Period
Differences between expected and actual experience (demographic/economic factors such as turnover, salary, mortality)	Expected remaining service life of active and inactive members	6
Changes in actuarial assumptions (e.g., discount rate, retirement age, inflation)	Expected remaining service life of active and inactive members	6
Differences between projected and actual investment earnings on plan assets	5 years (fixed, closed)	5

STATEMENT OF FIDUCIARY NET POSITION
AS OF SEPTEMBER 30, 2025 AND 2024

	2025	2024
Current Assets:		
Cash & Cash Equivalents in Banks	\$ 4,228,069	\$ 6,022,135
Contributions Receivable	877,493	914,917
Accrued Interest and Dividends	1,800,238	1,541,592
Investments Receivable	0	24,138
TOTAL CURRENT ASSETS	\$ 6,905,800	\$ 8,502,782
Property, Plant & Equipment	\$ 1,601,800	\$ 1,642,942
Investments:		
Cash & Cash Equivalents	\$ 9,865,192	\$ 10,656,674
Equities	343,766,649	312,746,461
Fixed Income	188,759,168	165,191,978
Real Estate	43,277,061	44,722,106
DROP Account Assets (Outside System Portfolio)	445,328	425,770
Other Investments	43,235,742	38,336,641
TOTAL INVESTMENTS	\$ 629,349,140	\$ 572,079,630
Current Liabilities:		
Accounts Payable	\$ 358,829	\$ 327,017
Investments Payable	81,592	0
TOTAL CURRENT LIABILITIES	\$ 440,421	\$ 327,017
FIDUCIARY NET POSITION	\$ 637,416,319	\$ 581,898,337

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
BEGINNING OF YEAR FIDUCIARY NET POSITION:	\$ 581,898,337	\$ 489,878,538
Income:		
Regular Member Contributions	\$ 4,220,684	\$ 4,081,904
Regular Employer Contributions	2,631,515	2,551,013
Ad Valorem Taxes & Revenue Sharing	18,092,468	17,349,492
Transfers from Other Plans / Systems	288,188	197,058
Other Income	67,287	7,443
TOTAL CONTRIBUTIONS	<u>\$ 25,300,142</u>	<u>\$ 24,186,910</u>
Net Appreciation of Fair Value of Investments	\$ 54,864,486	\$ 88,685,320
Dividends, Interest and Recurring Income	10,585,013	9,890,799
Investment Expense	(2,042,578)	(1,869,424)
NET INVESTMENT INCOME	<u>\$ 63,406,921</u>	<u>\$ 96,706,695</u>
TOTAL INCOME	<u>\$ 88,707,063</u>	<u>\$ 120,893,605</u>
Expenses:		
Retirement Annuity Benefits	\$ 28,088,406	\$ 26,487,729
DROP & Back-DROP Disbursements	4,232,946	1,512,567
Refund of Contributions	444,106	391,433
Funds Transferred to Other Systems	9,369	70,447
Administrative Expenses	414,254	411,630
TOTAL EXPENSES	<u>\$ 33,189,081</u>	<u>\$ 28,873,806</u>
NET MARKET INCOME (INCOME – EXPENSES)	<u>\$ 55,517,982</u>	<u>\$ 92,019,799</u>
END OF YEAR FIDUCIARY NET POSITION	<u><u>\$ 637,416,319</u></u>	<u><u>\$ 581,898,337</u></u>

SCHEDULE OF PENSION EXPENSE

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (c) = (a) - (b)	Collective Deferred Inflows (d)	Collective Deferred Outflows (e)	Collective Pension Expense (f) = (c) + (d) - (e) + (g)	Revenue Excluded from Pension Expense* (g)
Beginning Balance:	\$ 556,418,074	\$ 581,898,337	\$ (25,480,263)	\$ 81,078,757	\$ 53,040,770	N/A	N/A
Service Cost	14,957,871		14,957,871			\$ 14,957,871	
Interest on Total Pension Liability	30,546,077		30,546,077			30,546,077	
Changes in Benefit Terms	6,401,298		6,401,298			6,401,298	
Differences Between Expected and Actual Experience with Regard to Economic or Demographic Assumptions	3,938,193		3,938,193	0	3,938,193		
Current Year Amortization				(1,245,437)	(1,475,030)	229,593	
Changes in Assumptions About Future Economic or Demographic Factors or Other Inputs	(2,565,446)		(2,565,446)	2,565,446	0		
Current Year Amortization				(427,574)	(4,540,713)	4,113,139	
Benefit Payments	(32,321,352)		(32,321,352)			(32,321,352)	
Refunds of Contributions	(444,106)		(444,106)			(444,106)	
Other	346,106		346,106			346,106	
Contributions – Member		4,220,684	(4,220,684)			(4,220,684)	
Contributions – Employer*		2,631,515	(2,631,515)				\$ 2,631,515
Contributions – Nonemployer Contributing Entities*		18,092,468	(18,092,468)				18,092,468
Projected Earnings on Pension Plan Investments		31,790,366	(31,790,366)			(31,790,366)	
Difference Between Projected and Actual Earnings on Pension Plan Investments		31,616,555	(31,616,555)	31,616,555	0		
Current Year Amortization				(35,375,230)	(22,024,928)	(13,350,302)	
Benefit Payments		(32,321,352)	32,321,352			32,321,352	
Refunds of Contributions		(444,106)	444,106			444,106	
Administrative Expenses		(414,254)	414,254			414,254	
Other		346,106	(346,106)			(346,106)	
Net Increase (Decrease)	\$ 20,858,641	\$ 55,517,982	\$ (34,659,341)	\$ (2,866,240)	\$ (24,102,478)	\$ 7,300,880	\$ 20,723,983
Ending Balance	\$ 577,276,715	\$ 637,416,319	\$ (60,139,604)	\$ 78,212,517	\$ 28,938,292	N/A	N/A

For the year ended September 30, 2025, the Collective Pension Expense for the system is \$7,300,880.

* Contributions from employers and non-employer contributing entities are excluded from Pension Expense and are reported as revenue as per paragraphs 58 and 71(c) of GASB 68.

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS FOR THE YEARS 2016 – 2025

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Total Pension Liability:				
Service Cost	\$ 14,957,871	\$ 14,382,310	\$ 14,000,770	\$ 13,746,229
Interest	30,546,077	29,662,443	28,599,445	27,915,397
Changes of Benefit Terms	6,401,298	0	6,126,086	0
Differences Between Expected and Actual Experience	3,938,193	1,756,433	(1,809,791)	(2,193,284)
Changes of Assumptions	(2,565,446)	0	0	0
Benefit Payments	(32,321,352)	(28,000,296)	(27,275,935)	(26,507,501)
Refunds of Member Contributions	(444,106)	(391,433)	(414,063)	(320,798)
Other	346,106	134,054	(1,522)	(62,214)
Net Change in Total Pension Liability	<u>\$ 20,858,641</u>	<u>\$ 17,543,511</u>	<u>\$ 19,224,990</u>	<u>\$ 12,577,829</u>
Total Pension Liability – Beginning	<u>\$ 556,418,074</u>	<u>\$ 538,874,563</u>	<u>\$ 519,649,573</u>	<u>\$ 507,071,744</u>
Total Pension Liability – Ending (a)	<u><u>\$ 577,276,715</u></u>	<u><u>\$ 556,418,074</u></u>	<u><u>\$ 538,874,563</u></u>	<u><u>\$ 519,649,573</u></u>
Plan Fiduciary Net Position:				
Contributions – Member	\$ 4,220,684	\$ 4,081,904	\$ 3,916,305	\$ 3,839,950
Contributions – Employer	2,631,515	2,551,013	1,727,395	2,397,157
Contributions – Nonemployer Contributing Entities	18,092,468	17,349,492	16,101,005	15,004,105
Net Investment Income	63,406,921	96,706,695	42,793,552	(80,589,013)
Benefit Payments	(32,321,352)	(28,000,296)	(27,275,935)	(26,507,501)
Refunds of Member Contributions	(444,106)	(391,433)	(414,063)	(320,798)
Administrative Expenses*	(414,254)	(411,630)	(374,500)	(303,203)
Other	346,106	134,054	(1,522)	(62,214)
Net Change in Plan Fiduciary Net Position	<u>\$ 55,517,982</u>	<u>\$ 92,019,799</u>	<u>\$ 36,472,237</u>	<u>\$ (86,541,517)</u>
Plan Fiduciary Net Position – Beginning	<u>\$ 581,898,337</u>	<u>\$ 489,878,538</u>	<u>\$ 453,406,301</u>	<u>\$ 539,947,818</u>
Plan Fiduciary Net Position – Ending (b)	<u><u>\$ 637,416,319</u></u>	<u><u>\$ 581,898,337</u></u>	<u><u>\$ 489,878,538</u></u>	<u><u>\$ 453,406,301</u></u>
Net Pension Liability (Asset) – Ending (a) – (b)	<u>\$ (60,139,604)</u>	<u>\$ (25,480,263)</u>	<u>\$ 48,996,025</u>	<u>\$ 66,243,272</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	110.42%	104.58%	90.91%	87.25%
Covered Payroll	\$ 52,630,300	\$ 51,020,260	\$ 49,354,143	\$ 47,943,140
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(114.27%)	(49.94%)	99.27%	138.17%

* Includes Deferred Inflows, Deferred Outflows, and the allocated share of Collective Pension Expense due to participation in LASERS. In addition, fiscal 2018 includes \$118,371 in prior period adjustment for the cumulative effect of a change in accounting principle under GASB 75.

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
\$ 13,158,138	\$ 12,344,631	\$ 11,529,081	\$ 10,296,787	\$ 9,938,825	\$ 9,581,168
27,363,896	26,946,871	26,751,418	26,902,647	26,397,302	25,299,167
2,376,933	0	2,221,576	0	2,075,489	0
3,155,549	(3,469,558)	(7,561,327)	(6,147,609)	(3,600,687)	2,933,747
11,607,943	15,636,346	11,248,225	20,434,309	9,513,340	0
(26,538,194)	(24,331,796)	(22,955,491)	(23,266,461)	(22,995,202)	(21,402,863)
(178,698)	(138,960)	(132,463)	(229,006)	(201,835)	(120,216)
431,402	(236,145)	(39,927)	147,141	97,191	(365,752)
<u>\$ 31,376,969</u>	<u>\$ 26,751,389</u>	<u>\$ 21,061,092</u>	<u>\$ 28,137,808</u>	<u>\$ 21,224,423</u>	<u>\$ 15,925,251</u>
<u>\$ 475,694,775</u>	<u>\$ 448,943,386</u>	<u>\$ 427,882,294</u>	<u>\$ 399,744,486</u>	<u>\$ 378,520,063</u>	<u>\$ 362,594,812</u>
<u>\$ 507,071,744</u>	<u>\$ 475,694,775</u>	<u>\$ 448,943,386</u>	<u>\$ 427,882,294</u>	<u>\$ 399,744,486</u>	<u>\$ 378,520,063</u>
\$ 3,747,974	\$ 3,694,681	\$ 3,623,498	\$ 3,548,870	\$ 3,534,872	\$ 3,508,927
3,725,505	3,698,751	3,577,565	3,547,160	4,417,302	5,912,689
14,936,934	14,597,293	13,847,451	13,506,509	13,232,681	18,272,818
83,697,209	40,855,298	16,487,917	29,357,768	41,232,074	27,531,480
(26,538,194)	(24,331,796)	(22,955,491)	(23,266,461)	(22,995,202)	(21,402,863)
(178,698)	(138,960)	(132,463)	(229,006)	(201,835)	(120,216)
(291,482)	(287,142)	(285,283)	(367,426)	(352,841)	(366,487)
431,402	(236,145)	(39,927)	147,141	97,191	(365,752)
<u>\$ 79,530,650</u>	<u>\$ 37,851,980</u>	<u>\$ 14,123,267</u>	<u>\$ 26,244,555</u>	<u>\$ 38,964,242</u>	<u>\$ 32,970,596</u>
<u>\$ 460,417,168</u>	<u>\$ 422,565,188</u>	<u>\$ 408,441,921</u>	<u>\$ 382,197,366</u>	<u>\$ 343,233,124</u>	<u>\$ 310,262,528</u>
<u>\$ 539,947,818</u>	<u>\$ 460,417,168</u>	<u>\$ 422,565,188</u>	<u>\$ 408,441,921</u>	<u>\$ 382,197,366</u>	<u>\$ 343,233,124</u>
\$ (32,876,074)	\$ 15,277,607	\$ 26,378,198	\$ 19,440,373	\$ 17,547,120	\$ 35,286,939
106.48%	96.79%	94.12%	95.46%	95.61%	90.68%
\$ 46,568,813	\$ 46,234,388	\$ 44,719,563	\$ 44,339,500	\$ 44,173,020	\$ 43,797,696
(70.60%)	33.04%	58.99%	43.84%	39.72%	80.57%

SCHEDULE OF NET PENSION LIABILITY FOR THE YEARS 2016 – 2025

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Total Pension Liability	\$ 577,276,715	\$ 556,418,074	\$ 538,874,563	\$ 519,649,573
Plan Fiduciary Net Position	<u>637,416,319</u>	<u>581,898,337</u>	<u>489,878,538</u>	<u>453,406,301</u>
Net Pension Liability (Asset)	<u>\$ (60,139,604)</u>	<u>\$ (25,480,263)</u>	<u>\$ 48,996,025</u>	<u>\$ 66,243,272</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	110.42%	104.58%	90.91%	87.25%
Covered Payroll	\$ 52,630,300	\$ 51,020,260	\$ 49,354,143	\$ 47,943,140
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(114.27%)	(49.94%)	99.27%	138.17%

SCHEDULE OF CONTRIBUTIONS FOR THE YEARS 2016 – 2025

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Actuarially Determined Contribution (Determined as of the Prior Fiscal Year) *	\$ 19,123,539	\$ 18,308,523	\$ 16,277,719	\$ 16,762,854
Contributions in Relation to the Actuarially Determined Contribution *	<u>20,723,983</u>	<u>19,900,505</u>	<u>17,828,400</u>	<u>17,401,262</u>
Contribution Deficiency (Excess)	<u>\$ (1,600,444)</u>	<u>\$ (1,591,982)</u>	<u>\$ (1,550,681)</u>	<u>\$ (638,408)</u>
Covered Payroll	\$ 52,630,300	\$ 51,020,260	\$ 49,354,143	\$ 47,943,140
Contributions as a Percentage of Covered Payroll	39.38%	39.01%	36.12%	36.30%

* Includes contributions from employers and non-employer contributing entities.

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
\$ 507,071,744	\$ 475,694,775	\$ 448,943,386	\$ 427,882,294	\$ 399,744,486	\$ 378,520,063
539,947,818	460,417,168	422,565,188	408,441,921	382,197,366	343,233,124
<u>\$ (32,876,074)</u>	<u>\$ 15,277,607</u>	<u>\$ 26,378,198</u>	<u>\$ 19,440,373</u>	<u>\$ 17,547,120</u>	<u>\$ 35,286,939</u>
106.48%	96.79%	94.12%	95.46%	95.61%	90.68%
\$ 46,568,813	\$ 46,234,388	\$ 44,719,563	\$ 44,339,500	\$ 44,173,020	\$ 43,797,696
(70.60%)	33.04%	58.99%	43.84%	39.72%	80.57%

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
\$ 16,558,914	\$ 14,847,493	\$ 16,126,312	\$ 15,649,526	\$ 15,338,358	\$ 16,255,078
18,662,439	18,296,044	17,425,016	17,053,669	17,649,983	24,185,507
<u>\$ (2,103,525)</u>	<u>\$ (3,448,551)</u>	<u>\$ (1,298,704)</u>	<u>\$ (1,404,143)</u>	<u>\$ (2,311,625)</u>	<u>\$ (7,930,429)</u>
\$ 46,568,813	\$ 46,234,388	\$ 44,719,563	\$ 44,339,500	\$ 44,173,020	\$ 43,797,696
40.07%	39.57%	38.97%	38.46%	39.96%	55.22%

APPENDIX B CENSUS DATA

	Active	Terminated with Funds on Deposit	Retired	Total
Number of members as of September 30, 2024	745	139	592	1,476
Additions to Census				
Initial membership	50	13		63
Omitted in error last year				
Death of another member			3	3
Adjustment for multiple records				
Change in Status during Year				
Actives terminating service	(17)	17		
Actives who retired	(33)		33	
Actives entering DROP				
Term. members rehired				
Term. members who retire		(1)	1	
Retirees who are rehired				
Refunded who are rehired				
DROP participants retiring				
DROP returned to work				
Omitted in error last year				
Eliminated from Census				
Refund of contributions	(7)	(13)		(20)
Deaths		(1)	(20)	(21)
Included in error last year				
Adjustment for multiple records				
Number of members as of September 30, 2025	738	154	609	1,501

Actives Census by Age:

Age	Number Male	Number Female	Total Number	Average Salary	Total Salary
16 - 20	1	1	2	33,550	67,100
21 - 25	7	15	22	41,977	923,492
26 - 30	10	20	30	45,566	1,366,973
31 - 35	21	30	51	54,282	2,768,372
36 - 40	21	54	75	60,210	4,515,758
41 - 45	27	78	105	63,596	6,677,626
46 - 50	36	58	94	76,245	7,167,053
51 - 55	26	55	81	73,617	5,962,956
56 - 60	32	61	93	81,967	7,622,923
61 - 65	33	64	97	81,370	7,892,938
66 - 70	28	28	56	76,795	4,300,505
71 - 75	9	13	22	91,987	2,023,704
76 - 80	6	3	9	83,085	747,765
81 - 85	1	0	1	57,550	57,550
Total	258	480	738	70,589	52,094,715

* The active census includes 374 actives with vested benefits, including 1 active former DROP participant.

Terminated Members Due a Deferred Retirement Benefit:

Age	Number Male	Number Female	Total Number	Average Benefit	Total Benefit
41 - 45	3	3	6	30,244	181,462
46 - 50	2	0	2	34,761	69,522
51 - 55	4	5	9	26,229	236,057
Total	9	8	17	28,649	487,041

Terminated Members Due a Refund of Contributions:

Contributions Ranging		Number	Total
From	To		Contributions
0	- 99	4	247
100	- 499	12	3,441
500	- 999	20	15,694
1,000	- 1,999	17	23,812
2,000	- 4,999	23	74,283
5,000	- 9,999	22	155,297
10,000	- 19,999	17	235,554
20,000	- 99,999	22	672,458
Total		137	1,180,786

Regular Retirees:

Age	Number Male	Number Female	Total Number	Average Benefit	Total Benefit
46 - 50	1	0	1	59,154	59,154
51 - 55	2	3	5	82,693	413,464
56 - 60	7	22	29	44,106	1,279,084
61 - 65	17	54	71	62,086	4,408,120
66 - 70	26	82	108	48,409	5,228,128
71 - 75	39	75	114	50,655	5,774,649
76 - 80	40	64	104	50,815	5,284,768
81 - 85	21	39	60	41,034	2,462,041
86 - 90	14	14	28	34,385	962,789
91 - 95	3	11	14	30,737	430,311
96 - 100	0	4	4	19,844	79,375
Total	170	368	538	49,037	26,381,883

Survivors:

Age	Number Male	Number Female	Total Number	Average Benefit	Total Benefit
56 - 60	0	1	1	16,564	16,564
61 - 65	1	2	3	76,879	230,637
66 - 70	0	7	7	74,101	518,709
71 - 75	6	7	13	41,503	539,535
76 - 80	3	10	13	37,369	485,792
81 - 85	1	14	15	27,368	410,527
86 - 90	0	11	11	23,059	253,649
91 - 95	0	8	8	22,790	182,317
Total	11	60	71	37,151	2,637,730

Active Members:

Attained Ages	Completed Years of Service								Total
	0 - 1	1 - 5	5 - 10	10 - 15	15 - 20	20 - 25	25 - 30	Over 30	
0 - 20	2	-	-	-	-	-	-	-	2
21 - 25	8	14	-	-	-	-	-	-	22
26 - 30	1	23	6	-	-	-	-	-	30
31 - 35	5	14	18	14	-	-	-	-	51
36 - 40	6	15	15	24	13	2	-	-	75
41 - 45	8	27	18	22	22	7	1	-	105
46 - 50	4	17	14	16	18	24	1	-	94
51 - 55	4	8	12	20	16	9	9	3	81
56 - 60	4	13	14	13	21	10	12	6	93
61 - 65	5	7	12	21	22	10	12	8	97
66 - 70	2	5	7	10	16	5	8	3	56
71 & Over	-	2	3	6	4	5	4	8	32
Total	49	145	119	146	132	72	47	28	738

Average Annual Salary of Active Members:

Attained Ages	Completed Years of Service								Average
	0 - 1	1 - 5	5 - 10	10 - 15	15 - 20	20 - 25	25 - 30	Over 30	
0 - 20	33,550	-	-	-	-	-	-	-	33,550
21 - 25	39,026	43,663	-	-	-	-	-	-	41,977
26 - 30	33,550	45,295	48,606	-	-	-	-	-	45,566
31 - 35	51,761	48,968	54,726	59,925	-	-	-	-	54,282
36 - 40	47,279	46,666	58,093	67,990	68,052	72,127	-	-	60,210
41 - 45	60,585	55,886	57,275	66,144	64,709	102,190	58,975	-	63,596
46 - 50	41,715	52,893	81,686	79,454	81,017	90,494	56,000	-	76,245
51 - 55	53,130	56,154	71,802	64,011	79,255	100,707	75,307	102,383	73,617
56 - 60	85,425	54,849	78,614	79,343	77,625	85,566	97,828	129,400	81,967
61 - 65	52,889	66,845	76,307	72,135	78,473	75,655	111,943	112,974	81,370
66 - 70	37,726	48,936	54,974	69,484	90,549	105,633	84,954	81,384	76,795
71 & Over	-	42,903	62,433	75,563	85,327	63,904	136,042	112,193	88,407
Average	51,041	51,085	65,317	69,670	77,131	88,857	96,463	111,751	70,589

Terminated Members Due a Deferred Retirement Benefit:

Attained Ages	Years until Retirement Eligibility								Total
	0 - 1	1 - 2	2 - 3	3 - 5	5 - 10	10 - 15	15 - 20	Over 20	
0 - 30	-	-	-	-	-	-	-	-	-
31 - 35	-	-	-	-	-	-	-	-	-
36 - 40	-	-	-	-	-	-	-	-	-
41 - 45	-	-	-	-	-	6	-	-	6
46 - 50	-	-	-	-	2	-	-	-	2
51 - 55	2	2	2	3	-	-	-	-	9
56 - 60	-	-	-	-	-	-	-	-	-
61 - 65	-	-	-	-	-	-	-	-	-
66 - 70	-	-	-	-	-	-	-	-	-
71 & Over	-	-	-	-	-	-	-	-	-
Total	2	2	2	3	2	6	-	-	17

Average Annual Benefits of Terminated Members Due a Deferred Retirement Benefit:

Attained Ages	Years until Retirement Eligibility								Average
	0 - 1	1 - 2	2 - 3	3 - 5	5 - 10	10 - 15	15 - 20	Over 20	
0 - 30	-	-	-	-	-	-	-	-	-
31 - 35	-	-	-	-	-	-	-	-	-
36 - 40	-	-	-	-	-	-	-	-	-
41 - 45	-	-	-	-	-	30,244	-	-	30,244
46 - 50	-	-	-	-	34,761	-	-	-	34,761
51 - 55	17,610	33,372	19,214	31,889	-	-	-	-	26,229
56 - 60	-	-	-	-	-	-	-	-	-
61 - 65	-	-	-	-	-	-	-	-	-
66 - 70	-	-	-	-	-	-	-	-	-
71 & Over	-	-	-	-	-	-	-	-	-
Average	17,610	33,372	19,214	31,889	34,761	30,244	-	-	28,649

Service Retirees:

Attained Ages	Completed Years Since Retirement								Total
	0 - 1	1 - 2	2 - 3	3 - 5	5 - 10	10 - 15	15 - 20	Over 20	
0 - 50	1	-	-	-	-	-	-	-	1
51 - 55	1	1	1	2	-	-	-	-	5
56 - 60	7	6	2	6	8	-	-	-	29
61 - 65	7	3	9	15	18	17	2	-	71
66 - 70	9	6	3	14	29	35	11	1	108
71 - 75	5	3	4	11	22	34	30	5	114
76 - 80	4	-	-	6	17	34	24	19	104
81 - 85	-	-	-	-	6	13	14	27	60
86 - 90	-	-	-	1	-	-	7	20	28
91 & Over	-	-	-	-	-	-	4	14	18
Total	34	19	19	55	100	133	92	86	538

Average Annual Benefits Payable to Service Retirees:

Attained Ages	Completed Years Since Retirement								Average
	0 - 1	1 - 2	2 - 3	3 - 5	5 - 10	10 - 15	15 - 20	Over 20	
0 - 50	59,154	-	-	-	-	-	-	-	59,154
51 - 55	58,939	94,405	74,056	93,032	-	-	-	-	82,693
56 - 60	39,249	61,934	32,947	30,134	48,256	-	-	-	44,106
61 - 65	75,692	71,575	45,183	78,130	53,540	59,958	50,971	-	62,086
66 - 70	57,936	69,565	37,451	45,361	47,928	44,896	50,387	26,393	48,409
71 - 75	79,132	42,103	32,949	57,459	53,374	54,415	43,276	33,244	50,655
76 - 80	45,768	-	-	69,183	63,812	52,252	47,512	36,050	50,815
81 - 85	-	-	-	-	48,530	53,950	48,613	29,219	41,034
86 - 90	-	-	-	163,844	-	-	28,871	29,842	34,385
91 & Over	-	-	-	-	-	-	52,113	21,517	28,316
Average	59,495	64,444	41,618	61,543	52,899	52,020	45,499	29,821	49,037

Surviving Beneficiaries of Former Members:

Attained Ages	Completed Years Since Retirement								Total
	0 - 1	1 - 5	5 - 10	10 - 15	15 - 20	20 - 25	25 - 30	Over 30	
0 - 30	-	-	-	-	-	-	-	-	-
31 - 35	-	-	-	-	-	-	-	-	-
36 - 40	-	-	-	-	-	-	-	-	-
41 - 45	-	-	-	-	-	-	-	-	-
46 - 50	-	-	-	-	-	-	-	-	-
51 - 55	-	-	-	-	-	-	-	-	-
56 - 60	-	1	-	-	-	-	-	-	1
61 - 65	-	2	1	-	-	-	-	-	3
66 - 70	-	-	2	3	1	1	-	-	7
71 - 75	-	2	2	3	-	5	1	-	13
76 - 80	-	-	2	5	2	1	1	2	13
81 & Over	-	-	-	3	7	9	8	7	34
Total	-	5	7	14	10	16	10	9	71

Average Annual Benefits Payable To Survivors of Former Members:

Attained Ages	Completed Years Since Retirement								Average
	0 - 1	1 - 5	5 - 10	10 - 15	15 - 20	20 - 25	25 - 30	Over 30	
0 - 30	-	-	-	-	-	-	-	-	-
31 - 35	-	-	-	-	-	-	-	-	-
36 - 40	-	-	-	-	-	-	-	-	-
41 - 45	-	-	-	-	-	-	-	-	-
46 - 50	-	-	-	-	-	-	-	-	-
51 - 55	-	-	-	-	-	-	-	-	-
56 - 60	-	16,564	-	-	-	-	-	-	16,564
61 - 65	-	92,969	44,700	-	-	-	-	-	76,879
66 - 70	-	-	24,573	122,956	19,230	81,467	-	-	74,101
71 - 75	-	40,871	46,238	62,944	-	30,786	22,555	-	41,503
76 - 80	-	-	33,772	50,398	25,694	46,221	36,273	16,189	37,369
81 & Over	-	-	-	31,076	26,200	25,446	21,390	24,247	24,897
Average	-	56,848	36,266	64,494	25,402	31,915	22,995	22,456	37,151

APPENDIX C

SUMMARY OF PRINCIPAL PLAN PROVISIONS

The Louisiana Assessors' Retirement Fund is a defined benefit pension plan that provides retirement allowances and other benefits for the assessors and their permanent, full-time employees. The plan was established by Act 91 of the 1950 Louisiana Legislative Session. Provisions of the plan are set forth in the Louisiana Revised Statutes (R.S. 11:1401 through R.S. 11:1483). The following summary of plan provisions is for general informational purposes only and does not constitute a guarantee of benefits.

MEMBERSHIP

Membership in the fund is allowed only to assessors, full-time permanent employees of assessors, the secretary and regular employees of the Assessors' Retirement Fund, and permanent employees of the Louisiana Assessors' Association and Louisiana Assessors' Insurance Fund. Full-time, permanent employees as used herein mean those employed on a full twelve-month basis within each calendar year; provided, however, that members may be granted leaves of absence, with no creditable service to be allowed for time on leave. Membership is not allowed on a part-time, temporary, or intermittent basis.

CONTRIBUTION RATES

Under the provisions of R.S. 11:62 and 11:103, the fund is financed by employee contributions of 8% of earnable compensation as determined by the Board of Trustees. Each assessor has the option of electing to pay all or a portion of their employees' contribution into the retirement fund. This election remains in effect for 1 year and can be rescinded only upon written notice to the retirement system. In addition, the fund receives revenue sharing funds as appropriated each year by the legislature. Also, under R.S. 11:82, each sheriff and ex-officio tax collector remits the employers' share of the actuarially required contribution to fund the system up to a maximum of 0.25% of the aggregate amount of the tax shown to be collected by the tax roll of each respective parish, including that shown on the tax rolls to be exempted by virtue of homestead exemptions. Should employee contributions and tax funds collected from ad valorem taxes and revenue sharing funds be insufficient to provide for the gross employer actuarially required contribution, the employer is required to make direct contributions as determined by the Public Retirement Systems' Actuarial Committee. Under R.S. 11:106, 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. Under R.S. 11:105 and R.S. 11:107, 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 credited to the Funding Deposit Account defined in R.S. 11:107.1.

FUNDING DEPOSIT ACCOUNT

If the contribution rate is set above the minimum recommended rate pursuant to R.S. 11:105, 11:106 or 11:107, the surplus contributions collected, if any, are credited to the Funding Deposit Account defined in R.S. 11:107.1. The funds in the account earn interest annually at the Board-approved actuarial valuation interest rate, and such interest is credited to the account at least once a year. The Board of Trustees may, in any fiscal year, direct that funds from the account be charged for the following purposes: (1) to reduce

the unfunded accrued liability; (2) to reduce the present value of future normal costs for systems using an aggregate funding method; (3) to pay all or a portion of any future net direct employer contributions; or (4) to provide for cost-of-living increases, in accordance with applicable law. In no event will the funds charged from the account exceed the outstanding account balance. If the Board of Trustees of the system elects to utilize funds from the funding deposit account to pay all or a portion of any future net direct employer contributions, the percent reduction in the minimum recommended employer contribution rate otherwise applicable is determined by dividing the interest-adjusted value of the charges from the funding deposit account by the projected payroll for the fiscal year for which the contribution rate is to be reduced. For funding purposes, any asset value utilized in the calculation of the actuarial value of assets of a system excludes the funding deposit account balance as of the asset determination date for such calculation. For all purposes other than funding, the funds in the account are considered assets of the system.

RETIREMENT BENEFITS

For members hired before October 1, 2013 – Members with thirty years of creditable service may retire at any age and members with at least twelve years of service may retire at age fifty-five. The benefit accrual rate is three and one-third percent for all years of service. The normal retirement benefit for individuals hired prior to October 1, 2006, will be equal to three and one-third percent of the highest monthly average final compensation received during any thirty-six consecutive months while employed in an assessor's office or other creditable employment times the number of years of the member's creditable service not to exceed one hundred percent of the member's monthly average final compensation after taking into account the reduction arising from any optional retirement selected. The normal retirement benefit for individuals hired on or after October 1, 2006, will be equal to three and one-third percent of the highest monthly average final compensation received during any sixty consecutive months while employed in an assessor's office or other creditable employment times the number of years of the member's creditable service not to exceed one hundred percent of the member's monthly average final compensation after taking into account the reduction arising from any optional retirement selected.

For members hired on or after October 1, 2013 – Members with twelve or more years of creditable service may retire at age sixty and members with thirty or more years of creditable service may retire at age fifty-five. The normal retirement benefit for members with less than thirty years of creditable service will be equal to three percent of the highest monthly average final compensation times the number of years of creditable service. The normal retirement benefit for members with at least thirty years of creditable service will be equal to three and one-third percent of the highest monthly average final compensation times the number of years of creditable service. Only transferred service with an accrual rate of at least three and one-third percent will be used to meet the thirty-year requirement. Benefits are calculated using the highest sixty-month average compensation. Monthly benefits may not exceed 100% of the monthly average final compensation.

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 that is the actuarial equivalent of the maximum benefit. If, upon retirement, a member selects their spouse as their beneficiary under Option 2 or Option 3 or Option 4, the option

reduction factor will be based on the ages of the member and his or her beneficiary as of the member's sixtieth birthday. If a participant selects an option 4 for someone other than their spouse, the option reduction factor is based on the ages of the member and beneficiary as of the later of the date of the member's retirement or the member's sixtieth birthday.

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 surviving spouse will continue to receive the same reduced benefit.

Option 3 – Upon retirement, the member receives a reduced benefit. Upon the member's death, the surviving spouse will receive one-half of the member's reduced benefit.

Option 4 – Upon retirement, the member may elect to receive a Board-approved benefit that is actuarially equivalent to the maximum benefit.

EXCESS BENEFIT PLAN

Under the provisions of this excess benefit plan a member may receive a benefit equal to the amount by which the member's monthly benefit from the fund has been reduced because of the limitations of Section 415 of the Internal Revenue Code.

DISABILITY BENEFITS

Disability benefits are awarded to active members who are totally disabled with twelve or more years of creditable service. In addition, any member with twenty years of service who withdraws from service prior to reaching retirement age is eligible for disability benefits. The disability benefit is equal to the lesser of the member's applicable retirement accrual rate times the final average compensation multiplied by the number of years of creditable service (but not less than forty-five percent) or the retirement benefit which would be payable assuming accrued creditable service plus additional accrued service, if any, to the earliest normal retirement age.

SURVIVOR BENEFITS

If a member dies in service with less than twelve years of service credit, his accumulated contributions are paid to the surviving spouse. If a member dies with twelve or more years of creditable service and is not eligible for retirement, the surviving spouse receives an automatic option 2 benefit that ceases on remarriage. If a member dies who is eligible for retirement, the surviving spouse receives an automatic option 2 benefit that does not terminate on remarriage. The minor children or handicapped children of a member with no spouse who dies in the line of duty or with four years of creditable service receives \$50 per month for the first child and \$10 per month for each additional child.

Back-DROP

In lieu of receiving a service retirement allowance any member of the fund who has more than sufficient service for a regular service retirement may elect to receive a "Back-DROP" benefit. The Back-DROP benefit is based upon the Back-DROP period selected and the final average compensation prior to the period selected. The Back-DROP period is the lesser of three years or the service accrued between the time a member first becomes eligible for retirement and his actual date of retirement. At retirement the member's maximum monthly retirement benefit is based upon his service, final average compensation, and plan provisions in effect on the last day of creditable service immediately prior to the commencement of the Back-DROP period. In addition to the monthly benefit at retirement, the member receives a lump-sum payment equal to the maximum monthly benefit as calculated above multiplied by the number of months in the Back-DROP period.

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 benefits in the system. If the total of all benefits paid to a retiree and all benefits paid on the retiree's account after their death is less than the retiree's accumulated employee contributions, the remaining accumulated employee contributions shall be paid to the retiree's beneficiary or to their estate if they do not have a designated beneficiary. Upon the death of a member or former member who has not been paid any benefits from the fund and who is not survived by any person eligible for any benefits from the fund, the accumulated employee contributions of the member or former member shall be paid to their designated beneficiary or to their estate if they do not have a designated beneficiary.

COST OF LIVING INCREASES

Cost-of-living provisions for the system are detailed in R.S.11:1461, R.S. 11:246, R.S. 11:241, and R.S. 11:243. R.S. 11:1461 allows the Board of Trustees to provide a cost-of-living increase from excess interest earnings to members who have been retired for at least one full calendar year. The increase cannot exceed the lesser of 3% of the retiree's original benefit or an increase of \$300 per year for each year of retirement. 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. 11:241 provides for cost-of-living benefits payable based on a formula equal to up to \$1 times the total of the number of years of credited service accrued at retirement or at death of the member or retiree plus the number of years since retirement or since death of the member or retiree to the system's fiscal year end preceding the payment of the benefit increase. The provisions of R.S. 11:241 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. In addition, Act 113 of the 2008 Regular Legislation Session provides for a COLA of 3% of the normal monthly benefit but not less than \$20 per month. Although this COLA is permanent, it may only be granted once.

In order to grant a COLA, the system must meet the funded ratio criteria specified in R.S. 11:243. For purposes of COLAs payable under R.S. 11:1461(A), R.S. 11:246, or R.S. 11:241, the system must have investment earnings in excess of the valuation interest rate sufficient to offset the additional liability due to the cost of the COLA or fund the COLA out of the Funding Deposit Account.

The limitations on timing of COLAs given in R.S. 11:243 are as follows:

1. The system has a funded ratio of 90% or more and has not granted a benefit increase to retirees, survivors, and beneficiaries in the most recent fiscal year.
2. The system has a funded ratio of 80% or more and has not granted a benefit increase to retirees, survivors, and beneficiaries in the two most recent fiscal years.
3. The system has a funded ratio of 70% or more and has not granted a benefit increase to retirees, survivors, and beneficiaries in the three most recent fiscal years.

APPENDIX D 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

Aggregate Actuarial Cost Method with allocation based on earnings.

VALUATION INTEREST RATE

5.50% (Net of Investment Expense) – Represents both the discount rate and the assumed rate of return

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.

Note: All deferrals are based on the valuation interest rate in effect as of the beginning of the fiscal year for each individual year.

ANNUAL SALARY INCREASE RATE

5.00% (2.10% inflation /2.90% merit)

ACTIVE MEMBER MORTALITY

Pub-2016 Public Retirement Plans Mortality Table for General Employees multiplied by 120% for males and 115% for females, each with full generational projection using the appropriate MP2021 scale.

ANNUITANT AND BENEFICIARY MORTALITY

Pub-2016 Public Retirement Plans Mortality Table for General Healthy Retirees multiplied by 120% for males and 115% for females, each with full generational projection using the appropriate MP2021 scale.

DISABLED LIVES MORTALITY

Pub-2016 Public Retirement Plans Mortality Table for Non-safety Disabled Retirees multiplied by 120% for males and 115% for females, each with full generational projection using the appropriate MP2021 scale.

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. All such persons not previously retired or deceased are assumed to retire at age 81.

RETIREMENT LIMITATIONS

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

RETIREMENT RATES FOR ACTIVE FORMER DROP PARTICIPANTS

The rate for all ages is assumed to be 33%.

Back-DROP BENEFITS

Members eligible for Back-DROP benefits are assumed to elect the benefit form with the greatest present value.

DISABILITY RATES

60% of the disability rates of the 2025 Louisiana Local Government Non-Safety Disability Table. The table of these rates is included later in the report.

RATES OF WITHDRAWAL

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

Service Duration (\leq)	Factor	Service Duration (\leq)	Factor
1	0.060	6	0.040
2	0.060	7 - 9	0.030
3	0.050	10 - 15	0.020
4	0.050	16 - 21	0.010
5	0.040	>21	0.005

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

VESTING ELECTING PERCENTAGE

90% of those vested elect deferred benefits in lieu of contribution refunds.

MARRIAGE AND OPTION SELECTION

70% of members are assumed to be married. Wives are assumed to be 2 years younger than their husbands. Seventy-five percent of married members who retire with up to 30 years of service are assumed to select a Joint and 100% Survivor Annuity form of optional benefits and twenty-five percent are assumed to select the Maximum. All members with more than 30 years of service are assumed to select a Joint and 100% Survivor Annuity form of option benefits.

FAMILY STATISTICS

Assumptions utilized in determining the costs of various survivor benefits as listed below, are derived from the information provided in the 2023 Table F1: Family Households, by Type, Age of Own Children, Age of Family Members, and Age of Householder provided by the U.S. Census Bureau:

Member's Age	% With Children	Number of Children	Average Age	Remarriage Rates
25	56%	1.89	3	0.04566
35	80%	2.11	6	0.02636
45	63%	1.76	12	0.01355
55	11%	1.55	16	N/A
65	2%	1.60	16	N/A

ACTUARIAL TABLES AND RATES

Age	Pre 9/30/2013 Retirement Rates	Post 10/1/2013 Retirement Rates	Disability Rates
18	0.00	0.00	0.00019
19	0.00	0.00	0.00019
20	0.00	0.00	0.00019
21	0.00	0.00	0.00019
22	0.00	0.00	0.00019
23	0.00	0.00	0.00019
24	0.00	0.00	0.00019
25	0.00	0.00	0.00019
26	0.00	0.00	0.00019
27	0.00	0.00	0.00019
28	0.00	0.00	0.00019
29	0.00	0.00	0.00019
30	0.00	0.00	0.00019
31	0.00	0.00	0.00019
32	0.00	0.00	0.00019
33	0.00	0.00	0.00019
34	0.00	0.00	0.00019
35	0.00	0.00	0.00019
36	0.00	0.00	0.00019
37	0.00	0.00	0.00019
38	0.00	0.00	0.00042
39	0.00	0.00	0.00049
40	0.00	0.00	0.00053
41	0.00	0.00	0.00053
42	0.00	0.00	0.00047
43	0.00	0.00	0.00045
44	0.00	0.00	0.00056
45	0.00	0.00	0.00086
46	0.20	0.00	0.00130
47	0.20	0.00	0.00173
48	0.20	0.00	0.00199
49	0.20	0.00	0.00200
50	0.25	0.00	0.00185
51	0.25	0.00	0.00179
52	0.25	0.00	0.00200
53	0.25	0.00	0.00244
54	0.15	0.00	0.00289
55	0.07	0.10	0.00322
56	0.08	0.10	0.00327
57	0.09	0.10	0.00320
58	0.10	0.15	0.00340
59	0.10	0.15	0.00409
60	0.11	0.11	0.00501
61	0.11	0.11	0.00578
62	0.11	0.11	0.00617
63	0.12	0.12	0.00617
64	0.13	0.13	0.00592
65	0.14	0.14	0.00565
66	0.15	0.15	0.00565
67	0.17	0.17	0.00565
68	0.18	0.18	0.00565
69	0.19	0.19	0.00565
70	0.19	0.19	0.00565
71	0.30	0.30	0.00565
72	0.30	0.30	0.00565
73	0.30	0.30	0.00565
74	0.30	0.30	0.00565
75	0.30	0.30	0.00565

PRIOR YEAR ASSUMPTIONS

ANNUAL SALARY INCREASE RATE

5.25% (2.10% inflation /3.15% merit)

ACTIVE MEMBER MORTALITY

Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 120% for males and 120% for females, each with full generational projection using the appropriate MP2019 scale.

ANNUITANT AND BENEFICIARY MORTALITY

Pub-2010 Public Retirement Plans Mortality Table for General Healthy Retirees multiplied by 120% for males and 120% for females, each with full generational projection using the appropriate MP2019 scale.

DISABLED LIVES MORTALITY

Pub-2010 Public Retirement Plans Mortality Table for Non-safety Disabled Retirees multiplied by 120% for males and 120% for females, each with full generational projection using the appropriate MP2019 scale.

RATES OF RETIREMENT

The table of these rates is included later in the report. These rates apply only to those individuals eligible to retire. All such persons not previously retired or deceased are assumed to retire at age 81.

DISABILITY RATES

40% of the disability rates used for the 27th 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.

RATES OF WITHDRAWAL

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

Service Duration (\leq)	Factor	Service Duration (\leq)	Factor
1	0.060	6	0.040
2	0.060	7	0.030
3	0.050	8 - 17	0.020
4	0.050	18 - 22	0.010
5	0.040	>22	0.005

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

VESTING ELECTING PERCENTAGE

60% of those vested elect deferred benefits in lieu of contribution refunds.

MARRIAGE AND OPTION SELECTION

70% of members are assumed to be married. Wives are assumed to be 3 years younger than their husbands. Fifty-five percent of married members who retire with less than 30 years of service are assumed to select a Joint and 100% Survivor Annuity form of optional benefits and forty-five percent are assumed to select the Maximum. All members with more than 30 years of service are assumed to select a Joint and 100% Survivor Annuity form of option benefits.

FAMILY STATISTICS

Assumptions utilized in determining the costs of various survivor benefits as listed below, are derived from the information provided in the 2019 Table F1: Family Households, by Type, Age of Own Children, Age of Family Members, and Age of Householder provided by the U.S. Census Bureau:

Member's Age	% With Children	Number of Children	Average Age	Remarriage Rates
25	60%	1.77	4	0.04566
35	82%	2.11	8	0.02636
45	63%	1.75	11	0.01355
55	11%	1.42	14	N/A
65	2%	1.50	14	N/A

PRIOR YEAR ACTUARIAL TABLES AND RATES

Age	Pre 9/30/2013 Retirement Rates	Post 10/1/2013 Retirement Rates	Disability Rates
18	0.00	0.00	0.00048
19	0.00	0.00	0.00048
20	0.00	0.00	0.00048
21	0.00	0.00	0.00048
22	0.00	0.00	0.00048
23	0.00	0.00	0.00048
24	0.00	0.00	0.00048
25	0.00	0.00	0.00048
26	0.00	0.00	0.00048
27	0.00	0.00	0.00048
28	0.00	0.00	0.00048
29	0.00	0.00	0.00048
30	0.00	0.00	0.00048
31	0.00	0.00	0.00048
32	0.00	0.00	0.00048
33	0.00	0.00	0.00048
34	0.00	0.00	0.00048
35	0.00	0.00	0.00052
36	0.00	0.00	0.00052
37	0.00	0.00	0.00052
38	0.00	0.00	0.00056
39	0.00	0.00	0.00060
40	0.00	0.00	0.00064
41	0.00	0.00	0.00068
42	0.00	0.00	0.00072
43	0.00	0.00	0.00080
44	0.00	0.00	0.00084
45	0.00	0.00	0.00096
46	0.18	0.00	0.00104
47	0.18	0.00	0.00116
48	0.18	0.00	0.00132
49	0.20	0.00	0.00152
50	0.21	0.00	0.00172
51	0.20	0.00	0.00196
52	0.18	0.00	0.00228
53	0.15	0.00	0.00264
54	0.13	0.00	0.00308
55	0.11	0.11	0.00360
56	0.10	0.10	0.00424
57	0.10	0.10	0.00500
58	0.10	0.10	0.00592
59	0.10	0.10	0.00700
60	0.11	0.11	0.00956
61	0.12	0.12	0.01164
62	0.12	0.12	0.01288
63	0.12	0.12	0.01352
64	0.13	0.13	0.01028
65	0.13	0.13	0.00828
66	0.14	0.14	0.00208
67	0.15	0.15	0.00208
68	0.17	0.17	0.00208
69	0.19	0.19	0.00208
70	0.21	0.21	0.00208
71	0.25	0.25	0.00208
72	0.30	0.30	0.00208
73	0.34	0.34	0.00208
74	0.39	0.39	0.00208
75	0.42	0.42	0.00208

GLOSSARY

ACCRUED BENEFIT

The pension benefit that an individual has earned as of a specific date 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.