LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM
JUNE 30, 1999
ACTUARIAL VALUATION

Hall Actuarial Associates

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Enrolled Actuary

1433 Hideaway Court
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September 11, 1999

Board of Trustees
LOUISIANA STATE EMPLOYEES'
RETIREMENT SYSTEM
Post Office Box 44213
Baton Rouge, Louisiana 70804-4213

Ladies and Gentlemen:

This report presents the results of the actuarial valuation of assets and liabilities, as well as funding requirements, for the Louisiana State Employees' Retirement System as of June 30, 1999.

This report has been prepared in accordance with generally accepted actuarial principles and practices and to the best of my knowledge, fairly reflects the actuarial present value of accrued benefits of the Louisiana State Employees' Retirement System.

In preparing this valuation, I have relied upon the information provided regarding plan provisions, plan membership, plan assets and other matters as detailed in the exhibits of this report. In particular, I have relied upon the statement of assets as audited by Postlethwaite & Netterville, Certified Public Accountants.

The present values shown herein have been calculated on the basis of the actuarial cost methods as specified in Louisiana Revised Statutes Title 11 Section 22(6). The Actuarial Assumptions, which have been approved by the Board of Trustees, are appropriate for the purposes of this valuation, are reasonable in the aggregate, and when applied in combination represents my best estimates of the anticipated experience under the plan.

Board of Trustees
LASERS
September 11, 1999

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

		June 30, 1999	Prior Years June 30, 1998	Prior Years June 30, 1997
I.	Membership Census			
	1) Retirees	30,310	29,420	28,796
	2) Actives	67,680	69,949	69,444
	3) DROP	2,316	2,766	2,562
II.	Annual Benefits	$ 380,451,933	$ 351,847,577	$ 324,926,306
III.	Total Payroll	1,736,963,422	1,653,863,410	1,607,371,721
IV.	Valuation Assets	5,466,705,865	4,972,079,610	4,453,189,233
V.	Experience Account	365,143,591	255,079,268	212,947,917
VI.	Investment Yield			
	Market Value	8.44%	12.06%	16.92%
	Actuarial Value	13.10%	12.97%	14.03%
VII.	Cost to Fund Annual Pension Accruals	248,945,409	232,806,045	220,968,688
	(Normal Costs)	14.33%	14.08%	13.75%
VIII.	Unfunded Actuarial Accrued Liability	2,116,151,098	1,981,016,859	2,036,171,904
IX.	Funded Percentage	72.1%	71.5%	68.6%
X.	Funding Requirements to Pay (Mid-year payment)			
	1) Employee Contribution	137,614,795	129,012,943	125,292,071
	Rate	7.674%	7.677%	7.670%
	2) Employer Contribution	228,583,900	208,203,728	205,934,238
	Rate - Current Year	12.7%	12.4%	12.6%
	3) Projected Employer	240,620,254	216,917,918	212,705,471
	Contribution - Next Year	13.0%	12.3%	12.4%

The above funding requirements measure the cost of benefits that were in effect on June 30, 1999, plus Acts of the 1999 Legislative Session which have prospective effects on current active members.

Board of Trustees
LASERS
September 11, 1999

Current Funding

The Actuarial Valuation for the plan year ending June 30, 1999 discloses an expected increase in the value of the plan's unfunded accrued liability as well as prospective funding requirements. It is generally appropriate for the current valuation process to disclose the source or cause of any significant changes in the plan from year to year. Changes that occur are usually the result of changes in actuarial assumptions, gains or losses resulting from actual experience which differs significantly from expected plan experience.

The basic elements of the annual required contribution are the normal cost and amortization of the Unfunded Actuarial Liability (UAL). The normal cost is the annual cost to provide an additional year of benefit accrual. The normal cost is divided into two parts, the employee portion and the employer portion, both expressed as a percentage of payroll. Act 81 of the 1988 Legislative Session provides for the amortization of the initial UAL, plus subsequent changes in benefits, methods or gain/loss experience.

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

CHANGE IN UNFUNDED LIABILITY

Unfunded Liability 6/30/98		$ 1,981,016,859
INCREASES		
Interest on Unfunded Liability	$ 163,433,890	
Experience Account Allocation	119,571,018	
Experience Loss	212,212,304	
Incurred Increases	495,217,212	
DECREASES		
Investment Gains	239,142,036	
Employer Amtz. Payment	116,285,080	
Employer Credit	4,655,857	
Incurred Decreases	360,082,973	
Unfunded Liability 6/30/99		$ 2,116,151,098

Board of Trustees
LASERS
September 11, 1999

The employer contribution rate established by the Public Retirement Systems' Actuarial Committee for the 1999-2000 plan year was 12.3%. The actual employer contribution rates determined by this valuation for the current plan year is 12.7%. The current adjusted rate is greater than the required employer's contributions when compared to the projected rates. Since the contribution rate is attributable to many factors, the following sections address the source and respective impact to the required employer contribution rate.

Actuarial Assets/Valuation Assets

The Actuarial Value of assets represents the gross actuarial assets determined in accordance with the methodology set forth in Exhibit 6 to fund all liabilities of the pension plan as well as side-fund accounts dedicated for other programs. This year, the Asset Valuation Method has been changed to a four year weight average of the unrealized gain/loss in the value of all assets at market. The Valuation Assets exclude the side-fund accounts for purposes of determining the employer contribution rate as illustrated on page 12 of Exhibit 2.

The side-fund accounts excluded are as follows:

- **Texaco Settlement Fund**: The purpose of this fund is to accumulate Texaco settlement contributions as a separate account invested at LASERS' actuarial rate of return. Once the accumulated value of the account equals the outstanding balance of the initial unfunded actuarial liability, the account and initial liability will be liquidated. The current account balance is $108,252,044.

- **Experience Account Fund**: The purpose of this fund is to accumulate 50% of the excess investment gain or loss relative to the actuarial valuation rate of 8.25%. The account can be used to fund retiree COLA's. The benefit granted must be funded at 100% of actuarial cost. The current balance is $365,143,591.

Investment Experience

The investment yield on the actuarial value of assets during the last five (5) years has been as follows for plan years ending June 30:

1995	1996	1997	1998	1999	5 Yr. Aver.
9.49%	12.34%	14.03%	12.97%	13.10%	12.37%

Board of Trustees
LASERS
September 11, 1999

The net actuarial rate of return assumed in the valuation was 8.25%. For the plan year ending June 30, 1999, the net realized actuarial rate of return was greater than the long-term investment assumption used to project benefits. The result was a net investment experience gain of $239,142,036 above projected investment income.

Plan Experience

The actuary is charged with making the best estimate of future plan experience to properly fund future benefits. If the actual experience differs from the projected plan experience, a gain or loss occurs. This gain or loss is then amortized over the later of the year 2029 or a fifteen year period to make a mid-course adjustment in future funding requirements. During the 1998-1999 plan year, the system incurred a $212,212,304 experience loss from sources other than investments.

Funding as a Percentage of Payroll

The funding requirements mandated by Act 81 require the employee to contribute 7.5% of payroll for the plan year beginning in 1989. The employer will pay a percentage of the normal cost plus a dollar amount sufficient to amortize the unfunded liability over a 40 year period. However, in no event can the employer contribution rate drop below 12% without regard to employer credits without a corresponding adjustment to the employee contribution rate. To convert the dollar amortization payment to a percentage of payroll would suggest that the aggregate employer contribution rate would remain level as a percentage of pay provided aggregate salaries increase in unison with the rate of increase in annuity payments. This would imply that aggregate salaries should increase at a rate of at least 4.5% during the next thirty-one (31) years. To determine whether this is a reasonable expectation, aggregate salary growth during the past nine (9) years is illustrated as follows:

June 30	Payroll/$1000	Percent Increase
1991	1,368,480	11.6%
1992	1,454,370	6.3%
1993	1,504,147	6.2%
1994	1,546,465	5.7%
1995	1,547,977	0.1%
1996	1,584,357	2.4%
1997	1,607,371	1.5%
1998	1,653,863	2.9%
1999	1,736,963	5.0%

During the last eight (8) years the aggregate salaries have increased at an annualized rate of 3.0%. If this trend continues, the percentage of pay required to amortize the unfunded liability can be expected to slightly increase in the absence of other experience gains or losses.

Board of Trustees
LASERS
September 11, 1999

Comments and Disclosures

Exhibit 3, "Pension Accounting and Financial Disclosure", contains disclosure of the accrued liabilities under the Entry Age Normal Actuarial Cost Method required by the Governmental Accounting Standards Board Statement No. 25. Pension Benefit Obligation financial disclosure continues to be reported in Exhibit 7, Legislative Auditor's Report.

The format of this report was designed with the intent of highlighting the pertinent results of the valuation's funding requirements. Should you have any questions or comments, please do not hesitate to contact me.

Sincerely,

Charles G. Hall

Charles G. Hall, FCA,MAAA,ASA
Actuary

CGH/tt

Enclosure

TABLE OF CONTENTS

		Pages
EXHIBIT 1	**DEVELOPMENT OF COSTS, LIABILITIES & CONTRIBUTIONS** Provides a detail by benefit type of the cost to accrue annual pension benefits, liabilities accrued to date, and funding requirements	8 - 9
EXHIBIT 2	**FINANCIAL SUMMARY** Contains the statement of revenues and expenses as well as assets available to pay pension benefits	10 - 12
EXHIBIT 3	**PENSION ACCOUNTING AND FINANCIAL DISCLOSURE** NCGA STMT 6 changes in credited projected benefits	13 - 15
EXHIBIT 4	**CENSUS DATA** Describes the employee data, data processing for valuation purposes and depicts employee profiles by classification, age and service	16 - 161
EXHIBIT 5	**PRINCIPLE PROVISIONS OF THE RETIREMENT SYSTEM** Restates in summary outline form the basic plan provisions which were incorporated in the projected retirement pension benefit	17 - 23
EXHIBIT 6	**ACTUARIAL COST METHODS AND ASSUMPTIONS** Discloses rates of mortality, disability, retirement termination and other assumptions which are presumed to reflect the experience of the retirement system in aggregate	24 - 28
EXHIBIT 7	**LEGISLATIVE AUDITOR'S REPORT** Actuarial disclosures to the Legislative Auditor's Office	29
EXHIBIT A	**AMORTIZATION SCHEDULE**	30

EXHIBIT 1

DEVELOPMENT OF
COSTS, LIABILITIES AND CONTRIBUTIONS

Normal Costs and Accrued Liabilities are calculated in accordance with the Projected Unit Credit Cost Method, and the Actuarial Assumptions outlined in Exhibit 6 based on the Provisions of the Plan as summarized in Exhibit 5.

	June 30, 1999		---Prior Year--- June 30, 1998	
	Dollar Amount	% of Salary	Dollar Amount	% of Salary
I. Normal Costs				
Active Members with Complete Data				
a) Retirement Benefits	$ 194,539,177	11.20%	$ 178,588,791	10.80%
b) Disability Benefits	8,665,965	.50%	8,512,778	.51%
c) Survivor Benefits	10,128,969	.58%	9,877,943	.60%
d) Voluntary Termination	29,611,298	1.70%	29,126,533	1.76%
e) Expenses	6,000,000	.35%	6,700,000	.41%
TOTAL	248,945,409	14.33%	232,806,045	14.08%
II. Actuarial Accrued Liability				
a) Active Members				
1) Retirement Benefits	3,061,010,437		2,778,473,813	
2) Disability Benefits	118,147,071		114,682,942	
3) Survivor Benefits	112,866,037		109,220,773	
4) Voluntary Termination	190,285,233		188,297,459	
	3,482,308,778		3,190,674,987	
b) Retired and Inactive Members				
1) Regular Retirees	2,745,098,445		2,512,698,275	
2) Disabled Retirees	92,219,099		85,442,531	
3) Survivors	354,626,382		331,175,383	
4) Vested Deferred	45,394,332		45,400,235	
5) Contributions Refunded	19,514,992		17,780,958	
6) DROP Deferral	648,349,658		575,046,101	
7) DROP Deposits	115,018,920		110,873,566	
	4,020,221,828		3,678,417,049	
c) SUB TOTAL	7,502,530,606		6,869,092,036	

Exhibit 1 (Continued)
Costs, Liabilities & Contributions

	June 30, 1999	---Prior Year--- June 30, 1998
II. Actuarial Accrued Liability		
c) SUB TOTAL (Preceding page)	$ 7,502,530,606	$ 6,869,092,036
d) Adjustments to Regular Plan		
1) Active Judges	72,920,378	77,246,820
2) Active Legislators	7,405,979	6,757,613
Adjusted TOTAL	7,582,856,963	6,953,096,469
III. Valuation Assets	5,466,705,865	4,972,079,610
IV. Unfunded Actuarial Accrued Liabilities - Projected Unit Credit[1]	2,116,151,098	1,981,016,859
a) Change over prior year	135,134,238	-55,155,045
b) Funded Percentage	72.1%	71.5%
V. Employer Contributions		
To Fund Current Plan Year[1]		
a) Employer Portion of Normal Cost	113,198,469	100,736,399
b) Amortization Payments	119,686,525	110,007,832
c) Prior Contribution Variance	-4,301,094	2,540,503
TOTAL Required Contribution	228,583,900	208,203,728
	12.7%	12.4%
Plus State Appropriation	4,492,201	4,298,757
Actuarial Forecast Rate[2]	12.3%	12.4%
Employer Normal Cost Rate	6.3126%	5.9938%
VI. Projected Employer Contributions		
To Fund Next Plan Year[1]		
a) Employer Portion of Normal Cost	116,702,679	105,519,723
b) Amortization Payments	124,685,355	114,571,121
c) Prior Contribution Variance	-767,780	-3,172,926
TOTAL Projected Contribution	240,620,254	216,917,918
	13.0%	12.3%
Plus State Appropriation	4,694,350	4,492,201
VII. Current Payroll	1,736,963,422	1,653,863,410
Projected Payroll - Mid Year	1,793,217,786	1,680,512,484
Projected Payroll - Next Year	1,848,729,248	1,760,309,224

[1]Dollar Amounts reflect estimated payments due mid-year on January 1st per Act 81.
[2]Constitutional Minimum is 12% without regards to Employer Credits.

EXHIBIT 2

FINANCIAL SUMMARY
STATEMENT OF REVENUES AND EXPENSES
FOR FISCAL YEAR ENDING

	June 30, 1999	---------Prior Years--------- June 30, 1998	June 30, 1997
OPERATING REVENUES:			
1. Contribution Income			
Member	$ 135,479,230	$ 129,724,456	$ 126,793,791
Employer	218,929,941	219,680,934	204,985,747
2. Other Income			
Legislative Appropriations	4,298,757	4,113,643	3,936,500
Miscellaneous	4,876,291	6,039,951	4,963,350
TOTAL CONTRIBUTIONS	363,584,219	359,558,984	340,679,388
3. Investment Income			
Investments[1]	486,276,546	481,932,100	500,838,741
Less, investment expenses	-16,071,796	-17,162,772	-15,143,892
TOTAL INVESTMENT INCOME	470,204,750	464,769,328	485,694,849
4. Total Revenues	833,788,969	824,328,312	826,374,237
OPERATING EXPENSES:			
1. General Administration	6,011,305	6,703,504	4,531,466
Other Expenses	2,778,584	2,501,942	2,242,442
2. Benefits Paid			
a) Pension Benefits	397,966,405	359,625,826	340,052,578
b) Return of Contrib.	31,851,567	32,156,373	28,945,409
TOTAL BENEFITS PAID	429,817,972	391,782,199	368,997,987
3. Total Operating Expenses	438,607,861	400,987,645	375,771,895
NET INCOME:	395,181,108	423,340,667	450,602,342

[1]Prior to June 30, 1999, reported realized investment income. A change in Asset Valuation Method now reports realized and unrealized investment income at market (see Exhibit 6, page 26).

EXHIBIT 2 (Continued)
Financial Summary

FINANCIAL SUMMARY
STATEMENT OF ASSETS
FOR FISCAL YEAR ENDING

	June 30, 1999	---------Prior Years--------- June 30, 1998	June 30, 1997
ASSETS[1]:			
1. Short Term Assets			
Cash/Cash Equivalencies	$ 33,613,748	$ 25,337,788	$ 23,396,887
Short-term Investments	81,532,677	50,976,160	88,958,503
2. Bonds (at amortized cost)[1]			
Bonds - Government/Agency	538,763,961	512,637,512	515,580,316
Bonds - Municipal/Other	59,374,136	53,328,971	45,695,727
U.S. Government Obligations	184,723,362	239,462,226	376,428,049
Corporate Foreign Issues	1,221,122,416	1,120,923,483	1,166,956,965
3. Equities			
Common Stock	2,700,148,424	1,895,864,116	1,197,413,638
Foreign Stock	972,218,352	731,583,847	632,526,281
Preferred Stock	5,413,851	3,891,446	0
4. Other Assets			
Fixed Assets	7,073,482	9,807,478	8,120,205
Mortgages - Real Estate	184,430,016	131,464,339	134,573,851
5. Receivables - Payables	15,300,570	51,950,308	214,236,585
TOTAL ASSETS			
Equities at Cost	5,313,803,853	4,827,227,674	4,403,887,007
Equities at Market	N/A	5,568,262,649	5,041,143,224
Market Value	6,003,714,995	5,608,533,887	5,044,261,699
INVESTMENT YIELD:			
Yield to Actuarial Value	13.10%	12.97%	14.03%
Five Year Actuarial Value	12.37%	11.52%	10.85%
Yield to Market Value	8.44%	12.06%	16.92%
DROP Account Yield	12.60%	12.47%	13.53%

[1]Effective June 30, 1999, Assets reported at Market Value. Prior years reported at Cost Value.

EXHIBIT 2 (Continued)
Financial Summary

FINANCIAL SUMMARY
STATEMENT OF ASSETS
FOR FISCAL YEAR ENDING

		---------Prior Years---------	
	June 30, 1999	**June 30, 1998**	**June 30, 1997**
ACTUARIAL VALUE OF ASSETS:			
TOTAL ASSETS	$ 6,003,714,995	$ 5,568,262,649	$ 5,041,143,224
Change in Unrealized (G/L)			
Plan Year - 2 (wt. 1/4)	246,776,152	190,182,775	60,698,290
Plan Year - 1 (wt. 2/4)	140,931,521	240,016,660	190,182,775
Plan Year (wt. 3/4)	-91,395,071	103,778,758	240,016,660
Actuarial Value of Assets	5,940,101,500	5,322,874,557	4,750,864,769
TEXACO SETTLEMENT FUND:			
Prior Year Ending Balance	95,715,679	84,727,619	73,620,589
+ Current Year Allocation[1]	0	0	682,619
+ Accumulated Interest	12,536,365	10,988,060	10,424,411
Fund Balance - Year End	108,252,044	95,715,679	84,727,619
EXPERIENCE ACCOUNT FUND:			
Prior Year Ending Balance	255,079,268	212,947,917	84,818,098
+ Experience Account Allocation	119,571,018	104,560,398	116,230,215
- Benefit Disbursements	42,915,713	90,045,598	0
+ Accumulated Interest	33,409,018	27,079,268	11,899,604
Fund Balance - Year End	365,143,591	255,079,268	212,947,917
DEVELOPMENT OF ACTUARIAL VALUATION ASSETS:			
Total Actuarial Value of Assets Adjusted for:	5,940,101,500	5,322,874,557	4,750,864,769
Texaco Settlement Fund	-108,252,044	-95,715,679	-84,727,619
Experience Account Fund	-365,143,591	-255,079,268	-212,947,917
Valuation Assets	5,466,705,865	4,972,079,610	4,453,189,233

[1]The June 30, 1994 initial allocation was under-reported by $555,012. The current allocation for June 30, 1997 is the under-reported amount plus interest accumulated to June 30, 1996.

EXHIBIT 3

PENSION ACCOUNTING
AND
FINANCIAL DISCLOSURE

The Governmental Accounting Standards Board (GASB) was established as an arm of the Financial Accounting Foundation in April, 1984 by amendment to the Foundation's certificate of incorporation and by-laws. GASB's objective is to promulgate standards of financial accounting and reporting relative to the activities and transactions of state and local governmental entities. The following disclosures and statistical tables are in accordance with the GASB's Statement No. 25.

SCHEDULE OF FUNDING PROGRESS
(Dollar amounts in thousands)

Actuarial Valuation Date	Actuarial Value of Assets[1] (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL)[1] (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Payroll ((b-a)/c)
1990	2,321,259	4,210,107	1,888,848	55.1	1,226,065	154.1
1991	2,516,742	4,499,312	1,982,570	55.9	1,368,480	144.9
1992	2,802,667	4,884,509	2,081,842	57.4	1,454,371	143.1
1993	3,044,727	5,123,410	2,078,683	59.4	1,504,147	138.2
1994	3,347,602	5,403,394	2,055,792	61.9	1,546,465	132.9
1995	3,665,863	5,696,909	2,031,046	64.3	1,547,977	131.2
1996	4,114,461	6,254,405	2,139,944	65.8	1,584,357	135.1
1997	4,537,917	6,489,361	1,951,444	69.9	1,607,371	121.5
1998	5,067,795	6,953,096	1,885,301	72.9	1,653,863	114.0
1999	5,574,958	7,582,856	2,007,898	73.5	1,736,963	115.6

The total actuarial accrued liability determined using the Projected Unit Credit cost method increased by $629,760,494 from June 30, 1998 to June 30, 1999. There were deminimus changes in benefit provisions during the year. There was a net experience loss of $92,641,287 after allocating $119,571,018 of excess investment income to the Experience Account in accordance with Act 1031. A COLA was granted to retirees on July 1, 1999 which reduced the Experience Account $42,915,713.

[1]UAAL differs from the UFAL for funding purposes. UFAL for funding purposes excludes Texaco Settlement Fund Assets which appears on page 5.

EXHIBIT 3 (Continued)
Pension Accounting & Financial Disclosure

SUPPLEMENTARY INFORMATION

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Fiscal Year	Actuarial Required Contribution	Percent Contributed	Annual Pension Cost (APC)	Actual Contribution	Percentage of APC Contributed	Net Pension Obligation*
1991	106,397,079	101.2	102,478,348	107,700,340	105.1	1,303,263
1992	198,167,515	105.5	199,470,778	208,989,801	104.8	-11,259,859
1993	183,507,210	98.5	186,235,605	180,708,603	97.0	- 6,438,324
1994	189,566,536	98.7	191,589,377	187,058,006	97.6	- 2,254,901
1995	196,931,081	103.5	198,321,499	203,773,245	102.7	- 8,113,103
1996	203,762,677	99.3	206,878,066	202,316,644	97.8	- 4,036,582
1997	212,221,189	98.4	214,971,990	208,924,646	97.3	1,922,284
1998	221,933,246	104.9	221,250,489	232,843,174	105.2	- 9,670,401
1999	226,387,848	102.1	228,233,262	231,043,705	101.2	-12,480,844

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

The difference between the Actuarial Required Contribution and the APC is the amortization payment for the Net pension Obligation (see Exhibit A page 24).

DEVELOPMENT OF NET PENSION OBLIGATION

(1)	Actuarial Required Contribution	226,387,848
(2)	Interest on Net Pension Obligation	-797,808
(3)	Amortization of Net Pension Obligation	-2,643,222
(4)	Annual Pension Cost (1)+(2)-(3)	228,233,262
(5)	Employer Contribution	231,043,705
(6)	Increase (decrease) in Net Pension Obligation	-2,810,443
(7)	Net Pension Obligation Beginning of Year	-9,670,401
(8)	Net Pension Obligation End of Year (6)+(7)	-12,480,844

*Actuarial Contributions, the Annual Pension Cost (APC), and the actual employer contribution made have been adjusted with interest at the valuation rate to the end of the fiscal year in accordance with GASB's Statement No. 27, paragraph 21.

EXHIBIT 3 (Continued)
Pension Accounting & Financial Disclosure

STATISTICAL DATA

COMPARATIVE SUMMARY OF REVENUES BY SOURCE AND EXPENSES BY TYPE

Revenues by Source

Fiscal Year	Members Contribution	Employer Contribution[1]	Investment Income	Total
1990	92,339,927	99,536,184	206,633,219	398,509,330
1991	104,020,927	149,859,389	225,267,421	479,147,276
1992	110,481,391	214,125,413	273,259,377	598,259,377
1993	114,443,629	186,827,419	179,402,382	480,673,430
1994	118,255,907	227,669,691	238,487,231	584,412,829
1995	123,370,058	217,590,817	317,004,128	657,965,003
1996	126,073,816	236,967,776	328,419,628	691,461,220
1997	126,793,791	213,885,597	485,694,849	826,374,237
1998	129,724,456	229,834,528	464,769,328	824,328,312
1999	135,479,230	228,104,989	470,204,750[2]	833,788,969

Expenses by Type

Fiscal Year	Benefits	Refunds	Administrative Expenses[3]	Total
1990	234,066,890	26,880,996	2,577,670	263,525,556
1991	240,622,226	22,955,119	3,145,390	266,722,735
1992	250,765,789	23,820,931	3,494,170	278,080,890
1993	261,822,720	21,720,224	4,702,924	288,245,868
1994	275,503,281	23,955,748	5,724,497	305,183,526
1995	288,641,870	25,072,191	6,465,576	320,179,637
1996	317,340,115	27,222,153	6,668,955	351,231,223
1997	340,052,578	28,945,409	6,773,908	375,771,895
1998	359,625,826	32,156,373	9,205,446	400,987,645
1999	397,966,405	31,851,567	8,789,889	438,607,861

[1]Includes transfers and purchases and the annual employer contribution.

[2]Prior to 6/30/99, reported realized investment income. A change in Asset Valuation Method now reports realized and unrealized investment income at market (see Exhibit 6, page 26).

[3]Includes other expenses, not related to the administration of daily operation.

EXHIBIT 4

CENSUS DATA

The data contained in this valuation is summarized on the following pages with exceptions noted below. The profile depicted in the cellular graphs represents "error-free data," which serves as the basis for determining costs and liabilities. Active members are allocated to cells based upon attained age and years of service. Retirees and Survivors are allocated to cells based upon attained age and years elapsed since retirement or commencement of benefits.

The validity of the results of any actuarial valuation is dependent upon the accuracy of the data base. Prior to processing, suspicious data and data containing errors were purged from the data base and processed separately based on the following error types:

-missing sex code
-missing or invalid date of birth
-missing or invalid date of employment
-missing or invalid salary
-invalid retirement dates.

There were numerous records purged from the data base containing errors or categorized as suspicious data which is not necessarily significant. These records had the basic characteristic of a terminated non-vested participant which have balances of $50 or less in their accumulated employee contribution account. Suspicious data are not necessarily errors, but data which falls outside the parameters of the editing process for further checking. There were 24,397 records for terminated non-vested members due a refund.

Salary data contained in the profiles and valuation report exceed the amount reported by internal audit due to salary annualization. In the valuation process, membership data with fractional service in the first year of employment annualizes the salary. The following is a summary by plan of the data submitted for valuation:

	---1999--- Census	---1998--- Census
Active Members	67,680	69,949
Regular Retirees	23,124	22,314
Disability Retirees	1,146	1,110
Survivors	5,013	4,902
Vested & Reciprocals	1,027	1,094
Due Refunds	24,397	23,451
DROP Participants	2,316	2,766
TOTAL	124,703	125,586

MEMBERSHIP PROFILE
CATEGORIZED BY AGE AND YEARS EMPLOYED

STATE EMPLOYEES' SYSTEM
ACTIVE REGULAR MEMBERS

CELLS DEPICT - MEMBER COUNT
TOTAL SALARY

VALUATION DATE 6/30/1999

Age/Years	(0-1)	[1-5)	[5-10)	[10-15)	[15-20)	[20-25)	[25-30)	[30-35)	[35-)	Total
[0 - 19)	325	108	0	0	0	0	0	0	0	433
	1599495	1416005	0	0	0	0	0	0	0	3015500
[20 - 24)	1051	1049	2	0	0	0	0	0	0	2102
	7040638	16372393	37106	0	0	0	0	0	0	23450137
[25 - 29)	1431	3273	514	17	0	0	0	0	0	5235
	12659451	68604633	11304921	357770	0	0	0	0	0	92926775
[30 - 34)	1071	2789	2024	651	71	0	0	0	0	6606
	9600769	61014423	52920435	16562911	1805984	0	0	0	0	141904522
[35 - 39)	1021	2309	2449	1488	1748	211	0	0	0	9226
	9073366	51196279	62557110	43139888	49125128	6069524	0	0	0	221161294
[40 - 44)	797	2387	2040	1439	2465	1863	141	0	0	11132
	7370796	53123353	54787933	40654484	77616416	58353967	4257398	0	0	296164348
[45 - 49)	640	1822	2103	1304	1753	2302	1300	12	0	11236
	6184884	40910477	56757425	38094795	54889200	82397166	45482834	468705	0	325185488
[50 - 54)	378	1385	1458	999	1234	1545	1412	135	2	8548
	3508272	31808312	39995594	29621409	39076301	51542158	52434676	4619766	62252	252668739
[55 - 59)	142	528	1000	618	806	785	174	177	12	4242
	1472233	11984359	26337770	18096746	23967667	25322122	5728452	6679231	360318	119948899
[60 - 64)	22	128	485	208	218	167	117	64	16	1425
	167427	3272052	13178367	5829206	7174644	5062044	4245572	2405706	579246	41914264
[65 - 69)	7	29	99	80	79	65	29	12	8	408
	102250	1220835	3062066	2740093	2498013	1918730	892957	487993	402733	13325670
[70 - 74)	5	16	12	41	56	42	21	8	13	214
	81882	494696	543668	1248927	1542912	1156821	697256	238333	443971	6448466
Total	6890	15823	12186	6845	8430	6980	3194	408	51	60807
Total	58861463	341417819	321482395	196346229	257696265	231822532	113739146	14899734	1848520	1538114103

AVERAGES : Attained Age 42.67
Service Years 10.45
Active Salary 25,295

MEMBERSHIP PROFILE
CATEGORIZED BY AGE AND YEARS EMPLOYED

STATE EMPLOYEES' SYSTEM
ACTIVE LEGISLATORS

CELLS DEPICT - MEMBER COUNT
TOTAL SALARY

VALUATION DATE 6/30/1999

Age/Years	(0-1)	[1-5)	[5-10)	[10-15)	[15-20)	[20-25)	[25-30)	[30-35)	[35-)	Total
[0 - 19)	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0
[20 - 24)	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0
[25 - 29)	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0
[30 - 34)	0	4	0	0	0	0	0	0	0	4
	0	134967	0	0	0	0	0	0	0	134967
[35 - 39)	0	1	5	1	0	0	0	0	0	7
	0	33231	161584	31045	0	0	0	0	0	225860
[40 - 44)	0	3	5	0	1	0	0	0	0	9
	0	98186	167315	0	66338	0	0	0	0	331839
[45 - 49)	0	3	11	0	2	0	0	0	0	16
	0	101895	441018	0	82003	0	0	0	0	624916
[50 - 54)	0	4	4	2	2	2	1	0	0	15
	0	135320	126059	65941	67585	66139	34039	0	0	495083
[55 - 59)	0	1	1	3	4	1	2	0	0	12
	0	35635	34112	101422	161254	36795	66843	0	0	436061
[60 - 64)	0	3	2	1	1	0	0	0	0	7
	0	99887	72130	35122	34435	0	0	0	0	241574
[65 - 69)	0	1	5	0	0	0	0	0	0	6
	0	35583	170474	0	0	0	0	0	0	206057
[70 - 74)	0	0	1	0	0	0	1	0	0	2
	0	0	17703	0	0	0	36051	0	0	53754
Total	0	20	34	7	10	3	4	0	0	78
Total	0	674704	1190395	233530	411615	102934	136933	0	0	2750111

AVERAGES : Attained Age 50.64
Service Years 34.91
Active Salary 35,258

MEMBERSHIP PROFILE
CATEGORIZED BY AGE AND YEARS EMPLOYED

STATE EMPLOYEES' SYSTEM
ACTIVE JUDGES

CELLS DEPICT - MEMBER COUNT
TOTAL SALARY

VALUATION DATE 6/30/1999

Age/Years	(0-1)	[1-5)	[5-10)	[10-15)	[15-20)	[20-25)	[25-30)	[30-35)	[35-)	Total
[0 - 19)	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0
[20 - 24)	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0
[25 - 29)	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0
[30 - 34)	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0
[35 - 39)	1	21	3	1	0	0	0	0	0	26
	62426	1776236	282968	139329	0	0	0	0	0	2260959
[40 - 44)	3	25	19	6	2	0	0	0	0	55
	92561	2252292	1639610	494599	158256	0	0	0	0	4637318
[45 - 49)	3	29	36	10	8	2	0	0	0	88
	135953	2558141	3248526	889387	683901	185040	0	0	0	7700948
[50 - 54)	2	12	20	15	15	7	2	0	0	73
	92520	979984	1772340	1248514	1393608	621592	192105	0	0	6300663
[55 - 59)	1	10	8	6	7	8	1	0	0	41
	46260	934548	690763	546080	627549	723332	114129	0	0	3682661
[60 - 64)	0	7	3	3	6	5	1	0	0	25
	0	647640	277560	277560	560866	368446	100091	0	0	2232163
[65 - 69)	0	0	1	3	2	2	0	0	0	8
	0	0	97928	277560	187744	145625	0	0	0	708857
[70 - 74)	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0
Total	10	104	90	44	40	24	4	0	0	316
Total	429720	9148841	8009695	3873029	3611924	2044035	406325	0	0	27523569

AVERAGES : Attained Age 49.96
Service Years 9.13
Active Salary 87,100

MEMBERSHIP PROFILE
CATEGORIZED BY AGE AND YEARS EMPLOYED

STATE EMPLOYEES' SYSTEM
ACTIVE WILDLIFE AGENTS

CELLS DEPICT - MEMBER COUNT
TOTAL SALARY

VALUATION DATE 6/30/1999

Age/Years	(0-1)	[1-5)	[5-10)	[10-15)	[15-20)	[20-25)	[25-30)	[30-35)	[35-)	Total
[0 - 19)	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0
[20 - 24)	8	3	0	0	0	0	0	0	0	11
	73120	65733	0	0	0	0	0	0	0	138853
[25 - 29)	8	29	10	0	0	0	0	0	0	47
	65967	682472	289495	0	0	0	0	0	0	1037934
[30 - 34)	5	13	18	4	0	0	0	0	0	40
	51026	331648	553890	116501	0	0	0	0	0	1053065
[35 - 39)	1	5	18	6	4	0	0	0	0	34
	17317	134694	571539	207398	163028	0	0	0	0	1093976
[40 - 44)	0	2	5	8	12	3	0	0	0	30
	0	53487	143398	255915	457595	128233	0	0	0	1038628
[45 - 49)	1	1	3	1	13	7	2	0	0	28
	9140	26370	88397	36886	489521	281422	99655	0	0	1031391
[50 - 54)	0	0	0	5	12	5	0	0	0	22
	0	0	0	179107	452230	215760	0	0	0	847097
[55 - 59)	0	0	0	0	1	1	1	0	0	3
	0	0	0	0	33845	33267	68024	0	0	135136
[60 - 64)	0	0	0	0	1	2	0	0	0	3
	0	0	0	0	36718	76953	0	0	0	113671
[65 - 69)	0	0	0	0	0	1	0	0	0	1
	0	0	0	0	0	37704	0	0	0	37704
[70 - 74)	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0
Total	23	53	54	24	43	19	3	0	0	219
Total	216570	1294404	1646719	795807	1632937	773339	167679	0	0	6527455

AVERAGES : Attained Age 37.96
Service Years 9.73
Active Salary 29,806

MEMBERSHIP PROFILE
CATEGORIZED BY AGE AND YEARS EMPLOYED

STATE EMPLOYEES' SYSTEM
CORRECTIONS before 1986

CELLS DEPICT - MEMBER COUNT
TOTAL SALARY

VALUATION DATE 6/30/1999

Age/Years	(0-1)	[1-5)	[5-10)	[10-15)	[15-20)	[20-25)	[25-30)	[30-35)	[35-)	Total
[0 - 19)	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0
[20 - 24)	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0
[25 - 29)	0	0	0	1	0	0	0	0	0	1
	0	0	0	17932	0	0	0	0	0	17932
[30 - 34)	0	0	0	27	8	0	0	0	0	35
	0	0	0	790308	236290	0	0	0	0	1026598
[35 - 39)	0	0	0	54	135	1	0	0	0	190
	0	0	0	1625762	4142223	29383	0	0	0	5797367
[40 - 44)	0	0	0	47	152	30	3	0	0	232
	0	0	0	1385601	4736445	978498	95552	0	0	7196096
[45 - 49)	0	0	0	29	143	43	26	0	0	241
	0	0	0	839932	4500093	1683830	1166840	0	0	8190695
[50 - 54)	0	0	0	43	109	21	23	2	0	198
	0	0	0	1247477	3402558	645324	1068076	99713	0	6463148
[55 - 59)	0	0	0	22	66	10	8	7	1	114
	0	0	0	621261	2001472	312027	297485	348079	35304	3615627
[60 - 64)	0	0	0	1	23	7	1	1	2	35
	0	0	0	43087	700659	224586	47253	34315	114995	1164895
[65 - 69)	0	0	0	1	3	4	0	0	1	9
	0	0	0	24042	82437	127838	0	0	72108	306424
[70 - 74)	0	0	0	0	1	0	0	0	1	2
	0	0	0	0	27826	0	0	0	76763	104589
Total	0	0	0	225	640	116	61	10	5	1057
Total	0	0	0	6595401	19830002	4001485	2675206	482107	299170	33883371

AVERAGES : Attained Age 46.85
Service Years 18.15
Active Salary 32,056

MEMBERSHIP PROFILE
CATEGORIZED BY AGE AND YEARS EMPLOYED

STATE EMPLOYEES' SYSTEM
CORRECTIONS after 1986

CELLS DEPICT - MEMBER COUNT
TOTAL SALARY

VALUATION DATE 6/30/1999

Age/Years	(0-1)	[1-5)	[5-10)	[10-15)	[15-20)	[20-25)	[25-30)	[30-35)	[35-)	Total
[0 - 19)	188	0	0	0	0	0	0	0	0	188
	868727	0	0	0	0	0	0	0	0	868727
[20 - 24)	278	274	1	0	0	0	0	0	0	553
	1731004	4650218	20569	0	0	0	0	0	0	6401791
[25 - 29)	257	472	129	2	0	0	0	0	0	860
	1664769	8918629	2879925	49970	0	0	0	0	0	13513293
[30 - 34)	184	298	286	99	0	0	0	0	0	867
	1302344	5650846	6901855	2517034	0	0	0	0	0	16372079
[35 - 39)	157	203	196	85	0	0	0	0	0	641
	1141353	3778333	4769511	2194333	0	0	0	0	0	11883530
[40 - 44)	92	152	153	79	0	0	0	0	0	476
	678397	2926977	3693998	2026897	0	0	0	0	0	9326269
[45 - 49)	68	115	139	67	0	0	0	0	0	389
	483023	2172445	3433438	1735459	0	0	0	0	0	7824365
[50 - 54)	31	94	99	55	0	0	0	0	0	279
	181789	1831130	2376548	1429352	0	0	0	0	0	5818820
[55 - 59)	9	38	54	24	0	0	0	0	0	125
	56064	740542	1292937	599091	0	0	0	0	0	2688634
[60 - 64)	5	11	24	9	0	0	0	0	0	49
	38044	212980	574438	232204	0	0	0	0	0	1057666
[65 - 69)	1	1	5	1	0	0	0	0	0	8
	7206	33280	121076	24062	0	0	0	0	0	185624
[70 - 74)	0	1	0	0	0	0	0	0	0	1
	0	17392	0	0	0	0	0	0	0	17392
Total	1270	1659	1086	421	0	0	0	0	0	4436
Total	8152720	30932774	26064296	10808402	0	0	0	0	0	75958191

AVERAGES : Attained Age 35.18
Service Years 4.11
Active Salary 17,123

MEMBERSHIP PROFILE
CATEGORIZED BY AGE AND YEARS RETIRED

STATE EMPLOYEES' SYSTEM
REGULAR RETIREES

CELLS DEPICT - MEMBER COUNT
TOTAL BENEFITS

VALUATION DATE 6/30/1999

Age/Years	(0-1)	[1-2)	[2-3)	[3-4)	[4-5)	[5-10)	[10-15)	[15-20)	[20-)	Total
[0 - 39)	13	1	0	0	0	0	0	0	0	14
	161394	12188	0	0	0	0	0	0	0	173582
[40 - 44)	45	32	21	14	3	5	0	0	0	120
	479026	343169	206408	181907	49596	79153	0	0	0	1339259
[45 - 49)	65	63	45	57	10	24	0	0	0	264
	911233	799981	522612	689077	153822	339894	0	0	0	3416619
[50 - 54)	193	139	129	138	28	60	12	0	0	699
	3921003	2713420	2359336	2187064	530455	1135679	164677	0	0	13011635
[55 - 59)	357	238	229	342	171	238	170	6	1	1752
	7676514	5135735	5121503	6274315	3584516	4840568	2848134	76473	16170	35573927
[60 - 64)	488	414	455	467	308	754	1124	90	21	4121
	6845166	6136383	8044295	7211129	5283210	13176542	18284816	1065260	144766	66191567
[65 - 69)	164	241	319	310	386	1297	1513	343	62	4635
	2193128	3337216	5362843	4253625	5250816	16333899	22525499	5171679	607493	65036197
[70 - 74)	32	61	86	111	123	1075	1971	799	259	4517
	510381	972214	1892050	1836295	2184206	13016896	23476995	12352292	3400344	59641672
[75 - 79)	9	11	19	22	25	311	1280	1382	550	3609
	109334	280294	355787	414724	439094	4069080	15010112	15646037	7193626	43518088
[80 - 84)	0	2	2	5	4	28	253	844	883	2021
	0	18113	29707	85084	92173	515020	3421519	8416882	9285195	21863693
[85 - 89)	0	0	0	0	0	2	10	93	867	972
	0	0	0	0	0	20523	160977	1005714	7771051	8958265
[90 - 99)	0	0	0	0	0	1	1	1	397	400
	0	0	0	0	0	7674	22561	8209	3215435	3253879
Total	1366	1202	1305	1466	1058	3795	6334	3558	3040	23124
Total	22807179	19748713	23894541	23133220	17567887	53534928	85915290	43742545	31634080	321978384

AVERAGES : Attained Age 70.16
Years Retired 11.17
Annual Benefit 13,924

MEMBERSHIP PROFILE
CATEGORIZED BY AGE AND YEARS RETIRED

STATE EMPLOYEES' SYSTEM
DISABILITY RETIREES

CELLS DEPICT :- MEMBER COUNT
TOTAL BENEFITS

VALUATION DATE 6/30/1999

Age/Years	(0-1)	[1-2)	[2-3)	[3-4)	[4-5)	[5-10)	[10-15)	[15-20)	[20-)	Total
[0 - 39)	4	2	3	4	4	8	2	0	0	27
	30227	16106	21888	19181	21461	48998	9737	0	0	167598
[40 - 44)	19	16	17	13	13	20	6	1	0	105
	225078	162309	149094	132229	114634	126191	31906	3871	0	945312
[45 - 49)	47	32	30	23	29	66	17	5	0	249
	542124	333863	348084	260563	308411	563894	121965	31758	0	2510662
[50 - 54)	44	30	36	34	36	105	57	14	2	358
	550775	320772	448272	409102	404117	918267	456159	114979	8912	3631355
[55 - 59)	29	24	41	36	29	124	80	35	7	405
	349642	251363	406689	325590	261036	1005363	657251	271810	49663	3578407
[60 - 64)	0	0	0	0	0	1	0	0	0	1
	0	0	0	0	0	39774	0	0	0	39774
[65 - 69)	0	0	0	0	0	0	0	1	0	1
	0	0	0	0	0	0	0	21977	0	21977
[70 - 74)	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0
[75 - 79)	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0
[80 - 84)	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0
[85 - 89)	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0
[90 - 99)	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0
Total	143	104	127	110	111	324	162	56	9	1146
Total	1697846	1084413	1374027	1146665	1109659	2702487	1277018	444395	58575	10895085

AVERAGES :

Attained Age	52.08
Years Retired	5.94
Annual Benefit	9,507

MEMBERSHIP PROFILE
CATEGORIZED BY AGE AND YEARS RETIRED

STATE EMPLOYEES' SYSTEM
SURVIVOR BENEFITS

CELLS DEPICT - MEMBER COUNT
TOTAL BENEFITS

VALUATION DATE 6/30/1999

Age/Years	(0-1)	[1-2)	[2-3)	[3-4)	[4-5)	[5-10)	[10-15)	[15-20)	[20-)	Total
[0 - 39)	5	8	7	4	11	14	14	7	1	71
	119966	139816	103168	72341	151934	190048	187328	46726	6483	1017810
[40 - 44)	8	6	8	9	6	21	13	1	5	77
	129213	106981	187404	148167	101601	306483	159884	5610	33594	1178937
[45 - 49)	17	8	13	16	7	49	36	10	4	160
	358010	140930	207589	290486	98107	688655	442488	79724	18094	2324083
[50 - 54)	14	13	14	19	12	68	51	35	10	236
	362205	239045	217056	334873	198933	963017	550944	403781	55788	3325642
[55 - 59)	15	20	19	11	15	76	71	52	24	303
	356824	291001	283453	203392	209452	1099971	833208	539036	156283	3972620
[60 - 64)	9	18	8	18	22	104	150	91	60	480
	101602	256515	81779	262524	266907	1414157	1637390	776055	444614	5241542
[65 - 69)	7	9	12	12	17	99	204	172	121	653
	74313	85731	129442	136591	223440	1109315	2046924	1690962	891985	6388703
[70 - 74)	3	4	2	6	4	62	201	286	293	861
	74960	101896	10455	62635	32846	672333	1876253	2563901	2150957	7546236
[75 - 79)	0	3	4	2	1	21	137	289	426	883
	0	29072	36450	19413	11232	237180	1434991	2460344	3012452	7241134
[80 - 84)	0	2	1	1	1	3	41	128	512	689
	0	21953	57862	13003	10759	16591	470847	990808	3614388	5196211
[85 - 89)	0	0	0	0	0	0	3	30	365	398
	0	0	0	0	0	0	35711	259470	2543233	2838414
[90 - 99)	0	0	0	0	0	0	1	2	199	202
	0	0	0	0	0	0	8074	26972	1272087	1307133
Total	78	91	88	98	96	517	922	1103	2020	5013
Total	1577093	1412940	1314658	1543425	1305211	6697749	9684041	9843389	14199958	47578464

AVERAGES : Attained Age 71.53
Years Retired 17.46
Annual Benefit 9,491

MEMBERSHIP PROFILE
CATEGORIZED BY AGE AND YEARS EMPLOYED

STATE EMPLOYEES' SYSTEM
TERM-VESTED/RECIPROCAL

CELLS DEPICT - MEMBER COUNT
TOTAL BENEFITS

VALUATION DATE 6/30/1999

Age/Years	(0-1)	[1-5)	[5-10)	[10-15)	[15-20)	[20-25)	[25-30)	[30-35)	[35-)	Total
[0 - 19)	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0
[20 - 24)	0	1	0	0	0	0	0	0	0	1
	0	23	0	0	0	0	0	0	0	23
[25 - 29)	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0
[30 - 34)	0	0	1	17	1	0	0	0	0	19
	0	0	516	59880	7514	0	0	0	0	67910
[35 - 39)	0	1	3	45	45	3	0	0	0	97
	0	51	17177	222019	345925	23016	0	0	0	608188
[40 - 44)	0	1	1	61	84	45	0	0	0	192
	0	27	428	445243	712513	414704	0	0	0	1572915
[45 - 49)	0	1	3	44	69	78	36	0	0	231
	0	66	16468	282989	696726	900915	374905	0	0	2272069
[50 - 54)	0	0	0	39	69	49	49	17	2	225
	0	0	0	373782	794000	574914	619675	201981	40723	2605075
[55 - 59)	0	1	2	40	54	36	35	17	6	191
	0	640	15129	376759	583363	355742	427353	135908	35491	1930385
[60 - 64)	0	0	2	3	8	5	3	1	4	26
	0	0	11826	13805	67891	51797	29246	8569	22149	205283
[65 - 69)	0	0	1	4	3	2	2	2	1	15
	0	0	582	23985	11977	6044	24974	14342	2578	84482
[70 - 74)	0	1	0	0	1	2	5	10	11	30
	0	849	0	0	5669	16800	52152	51222	32521	159213
Total	0	6	13	253	334	220	130	47	24	1027
Total	0	1656	62126	1798462	3225578	2343932	1528305	412022	133462	9505543

AVERAGES : Attained Age 49.88
Service Years 19.62
Annual Benefit 9,256

MEMBERSHIP PROFILE
CATEGORIZED BY AGE AND YEARS RETIRED

STATE EMPLOYEES' SYSTEM
DROP PARTICIPANTS

CELLS DEPICT - MEMBER COUNT
TOTAL BENEFITS

VALUATION DATE 6/30/1999

Age/Years	(0-1)	[1-2)	[2-3)	[3-4)	[4-5)	[5-10)	[10-15)	[15-20)	[20-)	Total
[0 - 39)	5	4	2	0	0	0	0	0	0	11
	73235	62550	27019	0	0	0	0	0	0	162804
[40 - 44)	19	19	19	0	0	0	0	0	0	57
	308993	266921	260828	0	0	0	0	0	0	836742
[45 - 49)	50	33	22	0	0	0	0	0	0	105
	1126370	678776	420971	0	0	0	0	0	0	2226117
[50 - 54)	160	170	140	0	0	0	0	0	0	470
	4330141	4198492	3450486	0	0	0	0	0	0	11979119
[55 - 59)	248	252	220	0	0	0	0	0	0	720
	5720507	5793535	5096639	0	0	0	0	0	0	16610681
[60 - 64)	258	283	217	0	0	0	0	0	0	758
	3384449	3894632	3224755	0	0	0	0	0	0	10503836
[65 - 69)	24	58	63	0	0	0	0	0	0	145
	380818	997696	1057092	0	0	0	0	0	0	2435606
[70 - 74)	6	13	26	0	0	0	0	0	0	45
	85144	182154	376077	0	0	0	0	0	0	643375
[75 - 79)	3	1	1	0	0	0	0	0	0	5
	26783	12092	12354	0	0	0	0	0	0	51229
[80 - 84)	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0
[85 - 89)	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0
[90 - 99)	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0
Total	773	833	710	0	0	0	0	0	0	2316
Total	15436440	16086848	13926221	0	0	0	0	0	0	45449508

AVERAGES : Attained Age 57.88
Years Retired 1.47
Annual Benefit 19,624

MEMBERSHIP PROFILE
CATEGORIZED BY AGE AND YEARS EMPLOYED

STATE EMPLOYEES' SYSTEM
ACTIVE AFTER DROP

CELLS DEPICT - MEMBER COUNT
TOTAL SALARY
DROP BENEFITS

VALUATION DATE 6/30/1999

Age/Years	(0-1)	[1-2)	[2-3)	[3-4)	[4-5)	[5-10)	[10-15)	[15-20)	[20-)	Total
[0 - 34)	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0
[35 - 39)	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0
[40 - 44)	13	0	0	0	0	0	0	0	0	13
	420193	0	0	0	0	0	0	0	0	420193
	201591	0	0	0	0	0	0	0	0	201591
[45 - 49)	25	7	2	1	0	0	0	0	0	35
	913671	336943	67090	68605	0	0	0	0	0	1386309
	430425	144718	29786	18181	0	0	0	0	0	623110
[50 - 54)	74	12	6	2	0	0	0	0	0	94
	2356705	465369	258760	101207	0	0	0	0	0	3182041
	1680836	262416	120288	42868	0	0	0	0	0	2106408
[55 - 59)	136	37	24	8	0	1	0	0	0	206
	4418760	1366460	933222	318620	0	26252	0	0	0	7063314
	3246184	847966	549576	193904	0	15408	0	0	0	4853038
[60 - 64)	129	44	27	9	11	1	0	0	0	221
	3914706	1807861	1231038	386169	335770	21029	0	0	0	7696573
	2156106	1079188	716715	226278	225192	11720	0	0	0	4415199
[65 - 69)	54	32	38	9	1	0	0	0	0	134
	1430538	1045198	1392763	346212	19536	0	0	0	0	4234247
	641682	465632	650370	195975	7439	0	0	0	0	1961098
[70 - 74)	15	14	16	10	5	4	0	0	0	64
	491385	388438	483403	443492	175841	137472	0	0	0	2120031
	260610	180110	193888	208320	59100	72980	0	0	0	975008
Total	446	146	113	39	17	6	0	0	0	767
Total	13945959	5410269	4366276	1664305	531147	184753	0	0	0	26102709
Total	8617434	2980030	2260623	885526	291731	100108	0	0	0	15135452

AVERAGES :

Attained Age	60.72
Post Drop Years	1.23
Active Salary	34,032
Annual Benefit	19,733

EXHIBIT 5

PRINCIPLE PROVISIONS OF THE PLAN
(Including Acts of 1999 Regular Session)

EFFECTIVE DATE:

July 1, 1947; last amendment date - July 1, 1999.

EMPLOYEE:

Any person legally occupying a position in the state service.

EMPLOYER:

The State of Louisiana or any of its boards, commissions, departments, agencies and courts which are contributing members and those approved for membership by the legislature from which any employee receives his compensation.

ELIGIBILITY FOR PARTICIPATION:

Condition of employment in state service except the following: elected or appointed officials or employees who are contributing members of any other state system; public officials and state employees who receive a per diem in lieu of compensation; persons employed prior to 1/1/73 who work on a part-time basis and elect not to participate; patient or inmate help in state charitable, penal or correctional institutions; part-time students, interns and resident physicians; independent contractors; employees who are age 60 or older at time of employment; retirees of the retirement system who return to work under certain conditions; judges who failed to elect membership prior to 10/2/76; civilian employees who on 11/1/81 were within five years of retirement eligibility in the Federal Civil Service Retirement and Disability Fund; teachers employed after 9/10/82; nurses employed from employment pools at state charity hospitals; temporary, seasonal, part-time employees of DOCT, or as defined in federal law.

SERVICE:

Service as an "Employee", defined above.

CREDITABLE SERVICE:

For service prior to January 1, 1973: 1/4 year granted for each 89 day interval of service, not to exceed 1 credit per fiscal year. Minimum 50 days required for 1st Quarter credit.

For service on or after January 1, 1973, a member shall receive credit based on the ratio of actual pay to the annual base per calendar year. Fractional service shall be rounded to the next highest 1/10th, not to exceed 100 percent per year.

EXHIBIT 5 (Continued)
Principle Provisions

ADDITIONAL
CREDITABLE SERVICE:

1. Credit for service canceled by withdrawal of accumulated contributions may be restored by member by paying into system the amount withdrawn plus interest at the Actuarial Valuation rate.

2. Maximum of 4 years of credit for military service may be obtained for each member with at least 2 years service, contingent on payment of Actuarial Cost.

3. Credit for educational leave or any period of training, up to a maximum of three years, for which a stipend was paid and the member was bound to return to the employ and does return to the employ of such agency.

4. Credit for service which was classified as a job appointment or emergency appointment not to exceed 2 years credit.

5. At retirement, all accumulated unused sick and annual leave shall be credited based on the following schedule:

1 - 26 Days	10% of a Year
27 - 52 Days	20% of a Year
53 - 78 Days	30% of a Year
79 - 104 Days	40% of a Year
105 - 130 Days	50% of a Year
131 - 156 Days	60% of a Year
157 - 182 Days	70% of a Year
183 - 208 Days	80% of a Year
209 - 234 Days	90% of a Year
235 - 260 Days	100% of a Year

Actuarial Equivalent Lump-sum is available after August 15, 1993.

EARNABLE COMPENSATION:

The base pay earned by an employee for a given pay period as reported by the employing agency including the full amount earned, expense allowances, overtime paid to employees of the legislative branch, per diem paid to members of the legislature, the clerk or sergeant-at-arms of the house and the president and secretary of the senate.

AVERAGE FINAL COMPENSATION
FOR BENEFIT PURPOSES:

The average annual earned compensation for the thirty-six highest months of successive employment, or the highest thirty-six successive joined months where interruption of service occurred; part-time employees use the base pay the part-time employee would have received had employment been full-time.

EXHIBIT 5 (Continued)
Principle Provisions

ACCUMULATED CONTRIBUTIONS:

The sum of all amounts deducted from the earned compensation of a member and credited to the individual account in the employee's savings account, together with regular interest credited prior to July 1971.

EMPLOYEE CONTRIBUTIONS:

		After June 30, 1989
Individual Employees	7% of Compensation	7.5%
Agents of DOC	8.5% of Compensation	9.0%, 7.5% after DROP
WildLife Agents	8% of Compensation	8.5%
Legislators, Judges	11% of Compensation	11.5%

EMPLOYER CONTRIBUTIONS:

9% of Compensation by statute; 9.2% effective 8/1/80; 10.2% effective 7/1/84; 11.2% effective 9/11/85. Act 81 of 1988 requires employer rate to be actuarially determined and set annually.

RETIREMENT BENEFIT:

NORMAL RETIREMENT:

Eligibility:

Written application to the Board and,
1. Member has attained age 60 and 10 years of accredited service, or age 55 and 25 years of accredited service, or at any age and 30 years of accredited service.
2. Certain members of the Department of Public Safety and Corrections, 20 years of accredited service at any age (age 50 if employed after August 15, 1986, or 25 years of service at any age).
3. Service as a judge or court officer, 18 years of creditable service regardless of age, or age 50 and 20 years of accredited service, or age 55 and 12 years of accredited service, or age 70 without regard to accredited service.
4. Members of the legislature, governor, lieutenant governor and state treasurer, 16 years of such service without regard to age, or age 50 with 20 years of accredited service with 12 years of such service, or age 55 with 12 years of such service.

Benefit:

1. Annual pension equal to 2 1/2 percent of average compensation for each year of creditable service, plus $300 supplemental benefit.
2. Annual pension equal to 2 1/2 percent of average compensation for each year of creditable service, plus $300 supplemental benefit.

EXHIBIT 5 (Continued)
Principle Provisions

3. Annual pension equal to 3 1/2 percent of average compensation for each year of creditable service as a judge or court officer, plus benefit described in (1) above for other state service.
4. Annual pension equal to 3 1/2 percent of average compensation for each year of creditable service as a legislator, governor, lieutenant governor, employees of the legislature or state treasurer, plus benefit described in (1) above for other state service.

NOTE:

A. Benefit not to exceed 100% of average earnable compensation.

B. Retiree who returns to work shall have benefits suspended while so re-employed; benefit in same amount shall resume after re-employment ceases, but shall include any Cost-of-Living benefits or increases granted during suspension (these are not retroactive). Retirees who return to work during a July 1 to June 30 year will not have his benefits reduced if his compensation does not exceed 50% of his annual benefit.

C. The $300 annual supplemental benefit is discontinued to persons who become members of the retirement system after 6/30/86 (Act 608 of 1986).

D. For members employed after January 1, 1990, the annual pension cannot exceed the maximum benefit provided under Section 415(b)(2)(F) of the Internal Revenue Service Code as adjusted for inflation and form of benefit other than life annuity or qualified joint and survivor annuity for retirement ages as follows:

AGE	MAXIMUM	AGE	MAXIMUM	AGE	MAXIMUM
48	$24,721	56	$51,626	64	$116,464
49	27,027	57	56,856	65	130,000
50	29,569	58	62,694	66	139,486
51	32,375	59	69,226	67	149,835
52	35,476	60	76,551	68	161,138
53	38,907	61	84,787	69	173,498
54	42,710	62	94,070	70	187,033
55	46,931	63	104,564		

EARLY RETIREMENT:

Eligibility:

20 years of service credit regardless of attained age.

Benefit:

Normal retirement benefit based upon service accrued to date, actuarially reduced from the earliest date member would be eligible if employment had continued, to the earliest normal retirement date.

EXHIBIT 5 (Continued)
Principle Provisions

COST-OF-LIVING BENEFITS:

Act 572 of 1992 establishes an Experience Account which is credited with 50% of the excess investment experience gain and debited with 50% of the net investment experience loss. Balances in the experience account accrue interest at the average actuarial yield for the System portfolio. Act 402 of 1999 establishes that once the balance of the Experience Account accumulates to a sum sufficient to grant retirees a COLA, the Board shall grant such COLA not to exceed the lesser of the CPI-U or 2%. Benefits are restricted to those retirees who have attained the age of 55 and have been retired for at least one year.

DISABILITY RETIREMENT:

Eligibility:

10 years of creditable service; certification of disability by medical board (medical examination may be required once in every year for the first 5 years of disability retirement, and once in every 2 years thereafter, until age 60.)

Benefit:

1) The disability retirement annuity shall be equivalent to the regular retirement formula without reduction by reason of age for all classes of membership.

2) For judges and court officers, the benefit in (1) but not less than 50% of current salary.

3) For certain WildLife agents; partial disabilities not eligible for (1) above receive 75% of the benefit in (1); total disability in-line-of-duty receive 60% of average compensation.

SURVIVOR'S BENEFITS:

Eligibility:

1. Surviving spouse with minor children, legally married 2 years prior to date of death of a member with 5 years of service credit, 2 of which were earned immediately prior to death, or 20 years of service.

2. Surviving spouse, legally married 2 years prior to death, of a deceased member with 10 years of service credit, 2 of which were earned immediately prior to death, or 20 years of service regardless of date earned.

3. Surviving minor child, with no spouse of a deceased member with 5 years of service credit, 2 of which were earned immediately prior to death, or 20 years of service regardless of date earned.

4. Surviving handicapped or mentally retarded children.

EXHIBIT 5 (Continued)
Principle Provisions

5. Surviving spouse of a judge or court officer.

6. Beneficiary not eligible for (1), (2), (3), (4) or (5).

Benefit:

1. Greater of 75% of member's average compensation or $300 per month. One-third of the benefit is designated for survivor, two-thirds for minor children.

2. Greater of 50% of member's average compensation or $200 per month.

3. Greater of 75% of member's average compensation or $300 per month.

4. Continuation of minor child's benefit described above in (1) or (3) whichever is applicable.

5. Survivor's benefit described in (1) or (2), but not less than the greater of 1/3 the member's compensation or 50% of the retirement pay which such member was entitled or receiving prior to death.

6. Return of member's accumulated contributions.

OPTIONAL FORMS OF BENEFIT:

In lieu of receiving normal retirement benefit, member may elect to receive actuarial equivalent of retirement allowance in a reduced form as follows:

Option 1 - If a member dies before receiving present value of annuity in monthly payments, balance paid to designated beneficiary.

Option 2 - Reduced retirement allowance, if member dies, to be continued to designated beneficiary for his lifetime.

Option 3 - 1/2 of reduced retirement allowance, if member dies, to be continued to designated beneficiary for his lifetime.

Option 4 - Other benefits of equal actuarial value may be elected with approval of board.
A. 90% of the maximum retirement allowance to member; if member dies, 55% of the maximum retirement allowance continued to beneficiary.

B. 90% of the maximum retirement allowance to member; if member dies, 55% of the maximum retirement allowance continues to beneficiary adjusted based on the age and relationship of the beneficiary to the member.

Initial Benefit Option - Maximum benefit actuarially reduced for partial lump-sum equal to not more than 36 months of maximum monthly pension.

EXHIBIT 5 (Continued)
Principle Provisions

C. Special reversionary annuities to Options 2, 3, and 4. Member's reduced benefit reverts to the maximum if the beneficiary predeceases the annuitant.

If divorced after retirement, optional benefit can revert to maximum benefit with actuarial adjustment.

REFUND OF CONTRIBUTIONS:

If a member ceases to be a member, except by death or retirement, he shall be paid such part of the amount of the accumulated contributions credited to his individual account in annuity savings fund as he shall demand, plus any accumulated interest thereon as of 6/30/71; if member of legislature, no interest. No interest credited after 6/30/71. Death prior to retirement - accumulated contributions credited to individual account in annuity savings fund are returnable to designated beneficiary, if any; otherwise, to his estate.

WITHDRAWAL AFTER 10 YEARS OF CREDITABLE SERVICE:

Any member with credit for 10 years of service who withdraws from service may elect to leave accumulated contributions in system until age 60, when he may apply for retirement and begin receiving a retirement benefit based on the credits he had at date of withdrawal.

EXHIBIT 6

ACTUARIAL COST METHODS AND ASSUMPTIONS

COST METHOD:

The individual "Projected Unit Credit" cost method was used to calculate the funding requirements of the retirement system. Under this cost method, the actuarial present value of projected benefits of each individual included in the valuation is accumulated from the participant's attained age to the anticipated retirement dates. That portion of the actuarial present value attributable to current year benefit accruals is called the Normal Cost. The actuarial present value of future benefits in proportion to service accrued on the date of valuation is called the actuarial accrued liability.

ACCOUNTING DISCLOSURE:

The Governmental Accounting Standards Board Statement No. 25 requires the disclosure of certain Actuarial Liabilities for Public Employees Retirement Systems. The disclosures illustrated in Exhibit 3 were developed using the Projected Unit Credit cost method. The statement of assets provided by the audit staff was the final draft prior to publication. Should the statement of assets received differ from the final audit report, a revised actuarial statement will be issued, but only to the extent that any difference in reporting affects the employer's contribution rate or the yield to the Actuarial Value of Assets.

MORTALITY ASSUMPTIONS:

Pre-retirement deaths and post-retirement life expectancies were projected in accordance with the experience of the 1983 Sex Distinct Graduated Group Annuity Mortality Table, with female age set at attained age plus one.

DISABILITY ASSUMPTION:

Rates of total and permanent disability were projected by age in accordance with the 1981-86 disability experience study of the Retirement System. For mortality after disability, rates were on the Eleventh Actuarial Valuation of the Railroad Retirement Systems for permanent disabilities.

RETIREMENT ASSUMPTION:

Retirement without reduction in benefits can occur at any given age after satisfying the service eligibility requirements. Absent from the plan is a traditional "Normal Retirement Age". Since the age and service requirements are varied, the frequency of retirements will depend on the exposure plus intangibles such as health, economy, Social Security and other work patterns. The retirement rates were projected based on the 1981-86 experience study of the Retirement System.

EXHIBIT 6 (Continued)
Cost Methods & Assumptions

TERMINATION ASSUMPTIONS:

Voluntary termination or withdrawal rates were derived from the 1981-86 termination experience study of the Retirement System. During the first five years of employment, the probability of voluntarily terminating is a multiple of the attained age rate as follows:

	Regular Members	Corrections & Wildlife
1st year	1.3x	1.6x
2nd year	1.0x	1.2x
3rd year	1.0x	1.1x
4th year	1.0x	1.1x
5th year	1.0x	1.0x

Furthermore, for members terminating with ten (10) or more years of service, it is assumed that 80% will not withdraw their accumulated employee contributions.

SALARY GROWTH:

The rate of annual salary growth is based on the 1981-86 salary growth experience study of the Retirement System.

FAMILY STATISTICS:

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

Age at Death	Number of Minor Chn.	Years for Youngest Child to Attain Majority
25	1.3	17
30	1.8	15
35	2.2	13
40	2.1	10
45	1.7	8
50	1.2	4

EXHIBIT 6 (Continued)
Cost Methods & Assumptions

ASSUMPTION FOR INCOMPLETE DATA:

Records identified as containing suspicious data or errors in data were assumed to possess the same characteristics of "good data" in the same cohort.

INVESTMENT EARNINGS:

An effective annual rate of 8 1/4%, net expenses.

ASSET VALUATION:

For Plan Year ending prior to June 30, 1999, equities were valued on a four year weighted average. The computation of the average actuarial value of assets was the sum of the bonds at amortized cost, plus a weighted average of the change in the unrealized losses or (gains) in the market value of equities offset against the market value of equities.

Effective June 30, 1999, the Board of Trustees approved a change in the Asset Valuation Method. The Actuarial Value is the market value of assets adjusted for a four year weighted average of the unrealized gain or loss in the value of all assets. This value is determined in accordance with Reg. 1.412(c)(2)-1-(6) & (7) of the Internal Revenue Service Code and is subject to the Corridor Limits defined therein.

As a result of the change in the Asset Valuation Method, the reporting of realized income has been changed to realized, plus unrealized income for valuations beginning on June 30, 1999 and thereafter.

ADMINISTRATIVE EXPENSES:

Expenses are included in Aggregate Normal Cost and are assumed to be $6,000,000 per year. Investment Manager fees are not included in Normal Cost but are treated as a direct offset to investment income. The Employer portion of the Normal Cost excludes an allocation for administrative expenses.

COST-OF-LIVING:

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

ACTUARIAL TABLES AND RATES
(STATE EMPLOYEES' ASSUMPTIONS)

Age	- Death Rates - Male	Female	Remarriage Rates	Disability Rates	Retirement Rates	Dur	Termination Rates	Salary Scale
20	.00042	.00022	.09350	.00000	.00000	1	.27500	1.11750
21	.00044	.00024	.09152	.00000	.00000	2	.32400	1.10750
22	.00045	.00025	.08954	.00000	.00000	3	.16400	1.09750
23	.00047	.00027	.08757	.00000	.00000	4	.13700	1.08250
24	.00049	.00028	.08569	.00000	.00000	5	.11800	1.07750
25	.00052	.00030	.08402	.00000	.00000	6	.11000	1.07250
26	.00054	.00032	.08225	.00000	.00000	7	.10100	1.07050
27	.00057	.00034	.08028	.00000	.00000	8	.08500	1.06850
28	.00060	.00036	.07802	.00000	.00000	9	.07100	1.06650
29	.00064	.00038	.07556	.00000	.00000	10	.05800	1.06350
30	.00067	.00040	.07281	.00020	.00000	11	.03200	1.06050
31	.00072	.00043	.06976	.00020	.00000	12	.02400	1.05750
32	.00076	.00046	.06652	.00030	.00000	13	.02000	1.05450
33	.00082	.00049	.06308	.00030	.00000	14	.02000	1.05150
34	.00087	.00053	.05945	.00040	.00000	15	.01700	1.04850
35	.00096	.00056	.05582	.00050	.00000	16	.01700	1.04550
36	.00101	.00060	.05230	.00060	.00000	17	.01300	1.04250
37	.00107	.00064	.04890	.00080	.00000	18	.01300	1.04250
38	.00115	.00069	.04570	.00100	.00000	19	.01300	1.04250
39	.00125	.00074	.04271	.00120	.00000	20	.01300	1.04250
40	.00138	.00080	.03993	.00130	.50000	21	.01200	1.04250
41	.00152	.00086	.03769	.00140	.50000	22	.01200	1.04250
42	.00170	.00094	.03480	.00150	.50000	23	.01200	1.04250
43	.00191	.00102	.03256	.00170	.50000	24	.01200	1.04250
44	.00215	.00112	.03037	.00200	.65000	25	.01100	1.04250
45	.00243	.00124	.02822	.00240	.65000	26	.01100	1.04250
46	.00275	.00137	.02632	.00280	.32000	27	.00800	1.04250
47	.00310	.00152	.02455	.00320	.32000	28	.00700	1.04250
48	.00349	.00167	.02303	.00360	.42000	29	.00600	1.04250
49	.00390	.00183	.02154	.00450	.43000	30	.01400	1.04250
50	.00434	.00199	.02019	.00540	.43000	31	.01300	1.04250
51	.00480	.00217	.01889	.00670	.42000	32	.01300	1.04250
52	.00528	.00236	.01808	.00800	.42000	33	.02000	1.04250
53	.00578	.00257	.01733	.00670	.42000	34	.01500	1.04250
54	.00629	.00282	.01671	.00540	.42000	35	.01500	1.04250
55	.00681	.00311	.01622	.00670	.47000	36	.01500	1.04250
56	.00735	.00345	.01596	.00920	.34000	37	.01500	1.04250
57	.00793	.00383	.01584	.01040	.32000	38	.01500	1.04250
58	.00858	.00425	.01589	.01140	.32000	39	.00000	1.04350
59	.00932	.00471	.01622	.01040	.32000	40	.00000	1.04550
60	.01018	.00523	.01682	.00400	.32000	41	.00000	1.04850
61	.01118	.00579	.01764	.00330	.27000	42	.00000	1.05150
62	.01237	.00641	.01906	.00250	.27000	43	.00000	1.05450
63	.01377	.00710	.02061	.00250	.27000	44	.00000	1.05750
64	.01541	.00785	.02239	.00300	.27000	45	.00000	1.05750
65	.01732	.00869	.02446	.00400	.44000	46	.00000	1.05750
66	.01953	.00965	.02684	.00000	.32000	47	.00000	1.05750
67	.02200	.01078	.02952	.00000	.32000	48	.00000	1.05750
68	.02470	.01214	.03209	.00000	.32000	49	.00000	1.05750
69	.02757	.01376	.03504	.00000	.42000	50	.00000	1.05750

ACTUARIAL TABLES AND RATES
(JUDGES & LEGISLATORS ASSUMPTIONS)

Age	- Death Rates - Male	Female	Remarriage Rates	Disability Rates	Retirement Rates	Dur	Termination Rates	Salary Scale
20	.00042	.00022	.09350	.00000	.00000	1	.27500	1.04750
21	.00044	.00024	.09152	.00000	.00000	2	.32400	1.04750
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30	.00067	.00040	.07281	.00020	.00000	11	.03200	1.04750
31	.00072	.00043	.06976	.00020	.00000	12	.02400	1.04750
32	.00076	.00046	.06652	.00030	.00000	13	.02000	1.04750
33	.00082	.00049	.06308	.00030	.00000	14	.02000	1.04750
34	.00087	.00053	.05945	.00040	.00000	15	.01700	1.04750
35	.00096	.00056	.05582	.00050	.00000	16	.01700	1.04750
36	.00101	.00060	.05230	.00060	.00000	17	.01300	1.04750
37	.00107	.00064	.04890	.00080	.00000	18	.01300	1.04750
38	.00115	.00069	.04570	.00100	.00000	19	.01300	1.04750
39	.00125	.00074	.04271	.00120	.00000	20	.01300	1.04750
40	.00138	.00080	.03993	.00130	.50000	21	.01200	1.04750
41	.00152	.00086	.03769	.00140	.50000	22	.01200	1.04750
42	.00170	.00094	.03480	.00150	.50000	23	.01200	1.04750
43	.00191	.00102	.03256	.00170	.50000	24	.01200	1.04750
44	.00215	.00112	.03037	.00200	.65000	25	.01100	1.04750
45	.00243	.00124	.02822	.00240	.65000	26	.01100	1.04750
46	.00275	.00137	.02632	.00280	.32000	27	.00800	1.04750
47	.00310	.00152	.02455	.00320	.32000	28	.00700	1.04750
48	.00349	.00167	.02303	.00360	.42000	29	.00600	1.04750
49	.00390	.00183	.02154	.00450	.43000	30	.01400	1.04750
50	.00434	.00199	.02019	.00540	.43000	31	.01300	1.04750
51	.00480	.00217	.01889	.00670	.42000	32	.01300	1.04750
52	.00528	.00236	.01808	.00800	.42000	33	.02000	1.04750
53	.00578	.00257	.01733	.00670	.42000	34	.01500	1.04750
54	.00629	.00282	.01671	.00540	.42000	35	.01500	1.04750
55	.00681	.00311	.01622	.00670	.47000	36	.01500	1.04750
56	.00735	.00345	.01596	.00920	.34000	37	.01500	1.04750
57	.00793	.00383	.01584	.01040	.32000	38	.01500	1.04750
58	.00858	.00425	.01589	.01140	.32000	39	.00000	1.04750
59	.00932	.00471	.01622	.01040	.32000	40	.00000	1.04750
60	.01018	.00523	.01682	.00400	.32000	41	.00000	1.04750
61	.01118	.00579	.01764	.00330	.27000	42	.00000	1.04750
62	.01237	.00641	.01906	.00250	.27000	43	.00000	1.04750
63	.01377	.00710	.02061	.00250	.27000	44	.00000	1.04750
64	.01541	.00785	.02239	.00300	.27000	45	.00000	1.04750
65	.01732	.00869	.02446	.00400	.44000	46	.00000	1.04750
66	.01953	.00965	.02684	.00000	.32000	47	.00000	1.04750
67	.02200	.01078	.02952	.00000	.32000	48	.00000	1.04750
68	.02470	.01214	.03209	.00000	.32000	49	.00000	1.04750
69	.02757	.01376	.03504	.00000	.42000	50	.00000	1.04750

EXHIBIT 7

LEGISLATIVE AUDITOR'S REPORT

6 Actuarial information for **LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM**.

(a) Most recent actuarial valuation date: June 30, 1999.

(b) This valuation sets forth information concerning contributions applicable to the plan fiscal year beginning July 1, 1999, and ending June 30, 2000.

(c) Data used in this valuation

(i) Number of participants as of the valuation date:	
Active members	67,680
Regular retirees + DROP	25,440
Disability retirees	1,146
Survivors receiving benefits	5,013
Terminated due benefits upon attaining retirement age	1,027
(ii) Payroll of active members on the valuation date	1,736,963,422
(iii) Annual benefits in payment on the valuation date	380,451,933

(d) Funding Method Projected Unit.

Unfunded Accrued Liability as of the end of fiscal 1988	1,825,421,035
Amortization Method Increasing Annuity.	
Remaining Unamortized Portion of the initial unfunded liability	2,548,205,775
Current Unfunded Accrued Liability under this method	2,116,151,098
Actuarially required employer contribution: (at Mid-Year)	
(i) Employer Normal Cost	113,198,469
Amortization Payments for Previous Years (Detail on Exhibit A):	
(ii) Previous year's unpaid underpayment or (overpayment)	-4,301,094
(iii) Initial Unfunded Liability (Excludes $4,492,201 appropriation)	136,212,913
(iv) Changes due to COLA's	8,601,429
(v) Changes in plan provisions, Assumptions & Experience	-25,127,817
(vi) Total employer contribution required (Sum of 6(d)(i) - (v)	228,583,900
(vii) Estimated projected payroll for the coming fiscal year	1,793,217,786
(viii) Required Employer Contribution Rate (6(d)(vi)/6(d)(vii))	12.7%
+ Appropriation	4,492,201

(e) Not Applicable.

(f) Average yield on investments last fiscal year. 13.10%

(g) PBO for accounting purposes (GASB 5 results)

(i) Present retirees and beneficiaries	3,955,312,504
(ii) Terminated due benefits at retirement age	45,394,332
(iii) Terminated due a refund of their contributions	19,514,992
(iv) Active Members:	
(1) Accumulated employee contributions	1,067,537,624
(2) Employer-financed vested portion	1,992,156,013
(3) Employer-financed nonvested portion	502,941,498
(v) Total PBO (sum of 6(g)(i) through 6(g)(iv))	7,582,856,963
Actuarial value of assets (GROSS)	5,574,957,909
Unfunded (Assets in Excess of) Pension Benefit Obligation	2,007,899,054

EXHIBIT A

AMORTIZATION OF UNFUNDED
ACTUARIAL ACCRUED LIABILITY
JUNE 30, 1999

DATE 6/30	DESCRIPTION	AMTZ. METHOD	AMTZ. PERIOD	INITIAL LIABILITY	YEARS REMAIN	REMAINING BALANCE	MID-YEAR PAYMENT
1993	Initial Liability	I	36	2,155,232,774	30	2,548,205,775	136,212,913
1993	Change in Liability	I	36	-219,552,151	30	-259,584,053	-14,333,538
1993	Change in Liability	I	36	105,002,368	30	124,147,908	6,855,116
1993	Change in Liability	I	36	47,088,257	30	55,674,064	3,074,173
1992	Legislative COLA	L	12	66,577,000	5	35,497,384	8,601,429
1993	Change in Liability	I	36	1,651,904	30	1,953,103	107,845
1993	Change in Liability	I	36	-67,422,552	30	-79,716,000	-4,401,705
1994	Change in Liability	I	35	-48,680,987	30	-55,862,304	-3,084,567
1995	Change in Liability	I	34	-57,826,272	30	-64,449,081	-3,558,706
1996	Change in Liability	I	33	70,910,540	30	76,818,940	4,241,737
1997	Change in Liability	I	32	-239,190,250	30	-252,071,570	-13,918,719
1998	Change in Liability	I	31	-92,217,582	30	-94,623,511	-5,224,857
1999	Change in Liability	I	30	92,641,287	30	92,641,287	5,115,404
	TOTAL OUTSTANDING BALANCE					2,128,631,942	119,686,525

EMPLOYERS' CREDIT BALANCE

1995	Contribution Variance	L	5	-7,118,810	1	-1,657,936	-1,724,970
1996	Contribution Variance	L	5	1,504,500	2	674,077	364,558
1997	Contribution Variance	L	5	3,429,831	3	2,218,378	831,088
1998	Contribution Variance	L	5	-10,909,927	4	-9,059,506	-2,643,602
1999	Contribution Variance	L	5	-4,655,857	5	-4,655,857	-1,128,168
	TOTAL CREDIT BALANCE					-12,480,844	-4,301,094

TOTAL UNFUNDED ACTUARIAL ACCRUED LIABILITY 2,116,151,098

***Note**: LSU and Unfunded Judges equals 3.192635% of the Initial Liability mid-year payment. The appropriation is $4,492,201.

Effective July 1, 1992, Amortization Periods changed in accordance with Act 257.