



Cavanaugh Macdonald
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**Report on the Annual Valuation of the
Supplemental Legislative
Retirement Plan of Mississippi**

Prepared as of June 30, 2014





Cavanaugh Macdonald

CONSULTING, LLC

The experience and dedication you deserve

October 21, 2014

Board of Trustees
Public Employees' Retirement System of Mississippi
429 Mississippi Street
Jackson, MS 39201-1005

Ladies and Gentlemen:

Presented in this report are the results of the annual actuarial valuation of the Supplemental Legislative Retirement Plan of Mississippi. The purpose of the valuation was to measure the Plan's funding progress and to determine the unfunded accrued liability amortization period beginning July 1, 2014. The results may not be applicable for other purposes.

The date of the valuation was June 30, 2014.

The valuation was based upon data, furnished by the Executive Director and the PERS staff, concerning active, inactive and retired members along with pertinent financial information. While not verifying data at the source, the actuary performed tests for consistency and reasonableness. The complete cooperation of the PERS staff in furnishing materials requested is hereby acknowledged with appreciation.

Your attention is directed particularly to the presentation of contribution rates on page 1 and the comments on page 8.

To the best of our knowledge, this report is complete and accurate. The valuation was performed by, and under the supervision of, independent actuaries who are members of the American Academy of Actuaries with experience in performing valuations for public retirement systems. The undersigned meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

The valuation was prepared in accordance with the principles of practice prescribed by the Actuarial Standards Board. We have reviewed the actuarial methods, including the asset valuation method, and continue to believe they are appropriate for the purpose of determining employer contribution levels.

Future actuarial results may differ significantly from the current results presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. Since the potential impact of such factors is outside the scope of a normal annual actuarial valuation, an analysis of the range of results is not presented herein.

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Board of Trustees
October 21, 2014
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The actuarial calculations were performed by qualified actuaries according to generally accepted actuarial procedures and methods. The calculations are based on the current provisions of the plan, and on actuarial assumptions that are, in the aggregate, internally consistent and reasonably based on the actual experience of the plan.

Respectfully submitted,

A handwritten signature in blue ink, reading 'Thomas J. Cavanaugh'.

Thomas J. Cavanaugh, FSA, FCA, EA, MAAA
Chief Executive Officer

A handwritten signature in blue ink, reading 'Edward A. Macdonald'.

Edward A. Macdonald, ASA, FCA, MAAA
President

A handwritten signature in blue ink, reading 'Edward J. Koebel'.

Edward J. Koebel, FCA, EA, MAAA
Principal and Consulting Actuary

A handwritten signature in blue ink, reading 'Jonathan T. Craven'.

Jonathan T. Craven, ASA, EA, FCA, MAAA
Senior Actuary

TJC/EAM/EJK/JTC:kc



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**REPORT ON THE ANNUAL VALUATION OF THE
SUPPLEMENTAL LEGISLATIVE RETIREMENT PLAN OF MISSISSIPPI
PREPARED AS OF JUNE 30, 2014**

SECTION I – SUMMARY OF PRINCIPAL RESULTS

1. This report, prepared as of June 30, 2014, presents the results of the annual actuarial valuation of the Plan. For convenience of reference, the principal results of the valuation and a comparison with the preceding year's results are summarized below. The current valuation and reported benefits amount reflect any benefit increases granted to retirees as of July 1, 2014. Based on the funding policy adopted by the Board in 2012, the employer contribution rate is to be set at 7.40% of annual compensation and the amortization period calculated on an open basis.

SUMMARY OF PRINCIPAL RESULTS

VALUATION DATE	June 30, 2014	June 30, 2013
Active members included in valuation		
Number	175	175
Annual compensation	\$ 6,917,939	\$ 6,695,359
Retirees		
Number	187	188
Annual allowances	\$ 1,139,477	\$ 1,121,404
Assets		
Market related actuarial value	\$ 14,899,000	\$ 13,554,000
Market value	\$ 16,453,000	\$ 14,374,000
Unfunded accrued liability	\$ 5,340,757	\$ 6,423,584
Funded Ratio	73.6%	67.8%
Fiscal Year End	June 30, 2016	June 30, 2015
Employer contribution rate		
Normal Cost*	2.67%	2.82%
Accrued liability	<u>4.73</u>	<u>4.58</u>
Total	7.40%	7.40%
Anticipated accrued liability payment period	25.0 years	39.6 years
Unfunded accrued liability based on		
Market value of assets	\$ 3,786,757	\$ 5,603,584
Funded Ratio	81.3%	72.0%
Payment period	15.2 years	30.3 years

* Includes load for administrative expenses. See page 10 for more contribution rate detail.



2. The valuation balance sheet showing the results of the valuation is given in Section III.
3. Comments on the valuation results are given in Section IV, comments on the experience and actuarial gains and losses during the valuation year are given in Section V and the rates of contribution payable by employers are given in Section VI.
4. There were no changes to the actuarial assumptions or methods since the last valuation.
5. There were no changes to the benefit provisions since the last valuation.
6. Schedule A of this report presents the development of the actuarial value of assets. Schedule B details the actuarial assumptions and methods employed. Schedule C gives a summary of the benefit and contribution provisions of the plan.
7. The table on page 3 provides a ten-year history of some pertinent figures.
8. The Governmental Accounting Standards Board issued Statement No. 67 (GASB 67) in June 2012 and is effective for plan years beginning after June 15, 2013, which is the year ending June 30, 2014 for the Retirement System. GASB 67 replaces GASB 25 for plans and a separate GASB 67 report will be prepared for the Board. However, GASB 27 is still in effect for employers and should any of your employers need this information, we have provided some supplemental disclosure information and tables in Section VIII.



Supplemental Legislative Retirement Plan of Mississippi

Comparative Schedule

Valuation Date June 30	Active Members				Retired Lives				Valuation Results (\$ thousands)		
	Number	Payroll (\$ thousands)	Average Salary	% increase from previous year	Number	Active/ Retired Ratio	Annual Benefits (\$ thousands)	Benefits as % of Payroll	Accrued Liability	Valuation Assets	UAAL
2005	175	\$6,530	\$37,315	12.7%	114	1.5	\$ 582.6	8.9%	\$13,402	\$10,634	\$2,768
2006	173	6,354	36,726	(1.6)	122	1.4	629.2	9.9	14,064	11,620	2,444
2007	175	6,554	37,453	2.0	126	1.4	657.8	10.0	15,054	12,722	2,332
2008	175	6,753	38,588	3.0	138	1.3	754.8	11.2	15,615	13,412	2,203
2009	174	6,803	39,100	1.3	141	1.2	781.2	11.5	16,535	13,386	3,149
2010	175	6,605	37,743	(3.5)	142	1.2	792.7	12.0	17,081	13,241	3,840
2011	174	6,810	39,137	3.7	147	1.2	823.9	12.1	18,605	13,606	4,999
2012	175	6,872	39,267	0.3	173	1.0	1,046.7	15.2	19,537	13,268	6,269
2013	175	6,695	38,259	(2.6)	188	0.9	1,121.4	16.7	19,978	13,554	6,424
2014	175	6,918	39,531	3.3	187	0.9	1,139.5	16.5	20,240	14,899	5,341



SECTION II – MEMBERSHIP DATA

Data regarding the membership of the Plan for use as a basis for the valuation were furnished by the Plan's office. The following tables summarize the membership of the Plan as of June 30, 2014 upon which the valuation was based. Detailed tabulations of the data are given in Schedule D.

Active Members

Employers	Number of Employers	Number	Payroll	Group Averages		
				Salary	Age	Benefit Service*
State Agencies	5	175	\$ 6,917,939	\$39,531	56.2	11.4

* Eligibility service is 16.3 years.

Of the 175 active members, 104 are vested and 71 are non-vested.

Retired Lives

Type of Benefit Payment	No.	Annual Benefits	Group Averages	
			Benefit	Age
Retirement	149	\$907,336	\$6,090	71.0
Disability	2	14,158	7,079	61.8
Survivor	36	217,983	6,055	69.6
Total in SLRP	187	\$1,139,477	\$6,093	70.6

Deferred Vested/Inactive Lives

Type of Member	No.	Deferred Benefits	Outstanding Balance
Deferred Vested – Benefit Included	48	\$175,029	N/A
Inactive	8	N/A	\$23,460
Total in SLRP	56	\$175,029	\$23,460



SECTION III – VALUATION BALANCE SHEET

The following valuation balance sheet shows the assets and liabilities of the retirement plan as of the current valuation date of June 30, 2014 and, for comparison purposes, as of the immediately preceding valuation date of June 30, 2013. The items shown in the balance sheet are present values actuarially determined as of the relevant valuation date. The development of the actuarial value of assets is presented in Schedule A.



**VALUATION BALANCE SHEET
SHOWING THE ASSETS AND LIABILITIES OF THE
SUPPLEMENTAL LEGISLATIVE RETIREMENT PLAN OF MISSISSIPPI**

	JUNE 30, 2014	JUNE 30, 2013
ASSETS		
Current actuarial value of assets:		
Annuity Savings Account	\$ 2,638,111	\$ 2,416,305
Annuity Reserve	2,189,526	1,980,597
Employers' Accumulation Account	<u>10,071,363</u>	<u>9,157,098</u>
Total current assets	\$ 14,899,000	\$ 13,554,000
 Future member contributions to Annuity Savings Account	 \$ 1,506,944	 \$ 1,574,952
 Prospective contributions to Employer's Accumulation Account		
Normal contributions	\$ 1,225,648	\$ 1,359,708
Unfunded accrued liability contributions	<u>5,340,757</u>	<u>6,423,584</u>
Total prospective contributions	<u>\$ 6,566,405</u>	<u>\$ 7,783,292</u>
Total assets	<u>\$ 22,972,349</u>	<u>\$ 22,912,244</u>
LIABILITIES		
 Present value of benefits payable on account of present retired members and beneficiaries	 \$ 11,919,605	 \$ 11,908,884
 Present value of benefits payable on account of inactive members for service rendered before the valuation date	 1,274,209	 1,364,984
 Present value of benefits payable on account of active members	 \$ 9,778,535	 \$ 9,638,376
Total liabilities	<u>\$ 22,972,349</u>	<u>\$ 22,912,244</u>



**BREAKDOWN OF TOTAL AND ACCRUED LIABILITIES
AS OF JUNE 30, 2014**

	Total Liability	Accrued Liability
Active Members		
Retirement	\$ 8,024,164	\$ 6,359,217
Death	594,876	399,046
Disability	203,669	31,894
Termination	<u>955,826</u>	<u>255,786</u>
Total	\$ 9,778,535	\$ 7,045,943
Retirees		
Retirement	\$ 9,876,834	\$ 9,876,834
Survivor	1,891,522	1,891,522
Disability	<u>151,249</u>	<u>151,249</u>
Total	\$ 11,919,605	\$ 11,919,605
Deferred Vested Members	1,227,290	1,227,290
Inactive Members	<u>46,919</u>	<u>46,919</u>
Total Actuarial Values	\$ 22,972,349	\$ 20,239,757
Actuarial Value of Assets		<u>14,899,000</u>
Unfunded Actuarial Accrued Liability		\$ 5,340,757



SECTION IV – COMMENTS ON VALUATION

The valuation balance sheet gives the following information with respect to the funds of the Plan as of June 30, 2014.

Total Assets

The Annuity Savings Account is the fund to which are credited contributions made by members together with interest thereon. When a member retires, the amount of his or her accumulated contributions is transferred from the Annuity Savings Account to the Annuity Reserve. The Employer's Accumulation Account is the fund to which are credited employer contributions and investment income, and from which are paid all employer-provided benefits under the plan. The assets credited to the Annuity Savings Account as of the valuation date, which represent the accumulated contributions of members to that date, amounted to \$2,638,111. The assets credited to the Annuity Reserve were \$2,189,526 and the assets credited to the Employer's Accumulation Account totaled \$10,071,363. Current actuarial assets as of the valuation date equaled the sum of these three funds, \$14,899,000. Future member contributions to the Annuity Savings Account were valued to be \$1,506,944. Prospective contributions to the Employer's Accumulation Account were calculated to be \$6,566,405 of which \$1,225,648 is attributable to service rendered after the valuation date (normal contributions) and \$5,340,757 is attributable to service rendered before the valuation date (unfunded accrued liability contributions).

Therefore, the balance sheet shows the present value of current and future assets of the Plan to be \$22,972,349 as of June 30, 2014.

Total Liabilities

The present value of benefits payable on account of presently retired members and beneficiaries totaled \$11,919,605 as of the valuation date. The present value of future benefit payments on behalf of active members amounted to \$9,778,535. In addition, the present value of benefits for inactive members, due to service rendered before the valuation date, was calculated to be \$1,274,209.

Therefore, the balance sheet shows the present value for all prospective benefit payments under the Plan to be \$22,972,349 as of June 30, 2014.

Section 25-11-307(1) of State law requires that active members contribute 3.00% of annual compensation to the Plan.

Section 25-11-307(2) requires that the State contribute a certain percentage of the annual compensation of members to cover the normal contributions and a certain percentage to cover the accrued liability contributions of the Plan. These individual contribution percentages are established in accordance with an actuarial valuation. Based on the new funding policy adopted by the Board in October, 2012, the employer rate is set at 7.40% of annual compensation and the amortization period calculated on an open basis. Therefore, the amortization period for the June 30, 2014 valuation is 25.0 years, compared to 39.6 years for the last valuation.

The primary reasons for the decrease in the amortization period is the recognition of the investment gains from four of the last five fiscal years and a large gain in mortality experience this year. This was slightly offset by payroll growth less than expected, causing upward pressure on the amortization period attributed to the unfunded accrued liability. Schedule E of this report has a detailed gain and loss analysis of actuarial liabilities.



SECTION V – DERIVATION OF EXPERIENCE GAINS AND LOSSES

Actual experience will never (except by coincidence) coincide exactly with assumed experience. It is assumed that gains and losses will be in balance over a period of years, but sizable year to year fluctuations are common. Detail on the derivation of the experience gain/(loss) for the year ended June 30, 2014 is shown below.

	<u>\$ Thousands</u>
(1) UAAL* as of June 30, 2013	\$ 6,423.6
(2) Total normal cost from last valuation	374.3
(3) Total contributions	722.0
(4) Interest accrual: $[(1) + (2)] \times .08 - [(3) \times .04]$	<u>514.9</u>
(5) Expected UAAL before changes: $(1) + (2) - (3) + (4)$	\$ 6,590.8
(6) Change due to plan amendments	0.0
(7) Change due to actuarial assumptions or methods	<u>0.0</u>
(8) Expected UAAL after changes: $(5) + (6) + (7)$	\$ 6,590.8
(9) Actual UAAL as of June 30, 2014	\$ 5,340.8
(10) Gain/(loss): $(8) - (9)$	\$ 1,250.0
(11) Gain/(loss) as percent of actuarial accrued liabilities at start of year (\$19,977.6)	6.3%

*Unfunded actuarial accrued liability.

Valuation Date June 30	Actuarial Gain/(Loss) as a % of Beginning Accrued Liabilities
2009	(3.0)%
2010	(3.8)
2011	(6.1)
2012	(6.4)
2013	(0.9)
2014	6.3



SECTION VI – REQUIRED CONTRIBUTION RATES

The valuation balance sheet gives the basis for determining the percentage rates for contributions to be made by employers to the Retirement Plan. The following table shows the rates of contribution payable by employers as determined from the present valuation for the 2015/2016 fiscal year and a comparison to the previous valuation results.

Contribution for	2015/2016 Fiscal Year	2014/2015 Fiscal Year
Normal Cost:		
Service retirement benefits	4.08%	4.20%
Disability benefits	0.29	0.29
Survivor benefits	<u>0.36</u>	<u>0.36</u>
Total	4.72%	4.86%
Member Contributions:	3.00%	3.00%
Less future refunds	<u>(0.72)</u>	<u>(0.73)</u>
Available for benefits	2.28%	2.27%
Employer Normal Cost	2.44%	2.59%
Administrative Expense Load	0.23%	0.23%
Unfunded Actuarial Accrued Liabilities (25.0 year level % of payroll amortization*)	4.73%	4.58%
Total Statutory Employer Contribution Rate	7.40%	7.40%

*Amortization period a year ago was 39.6 years.

The components of the change in the computed unfunded accrued liability amortization period from 39.6 years to 25.0 years are as follows:

Previously Reported Period	39.6 years
Change due to:	
Normal amortization	(1.0)
Actuarial experience	(14.0)
Assumption changes	0.0
Plan amendments	0.0
Method Change	0.0
Payroll Growth experience	0.4
Computed Period	25.0 years



SECTION VII – CASH FLOW PROJECTION

Regular actuarial valuations measure the Retirement Plan's present financial position and contributions adequacy by calculating and financing the liabilities created by the present benefit program. This process involves discounting to present values the future benefit payments on behalf of present active and retired members and their survivors. However, valuations do not produce information regarding future changes in the makeup of the covered group or the amounts of benefits to be paid or investment income to be received – actuarial projections do.

Whereas valuations provide a snapshot of the retirement plan as of a given date, projections provide a moving picture. Projected active and retired groups are developed from year to year by the application of assumptions regarding pre-retirement withdrawal from service, retirements, deaths, disabilities, and the addition of new members. Projected information regarding the retired life group leads to assumed future benefit payout. Combining future benefit payments with assumed contributions and expected investment earnings produces the net cash flow of the Plan each year, and thus end of year asset levels.

Projections are used for many purposes. Among them are (i) developing cash flow patterns for investment policy and asset mix consideration, (ii) exploring the effect of alternative assumptions about future experience, (iii) analyzing the impact on plan funding progress of changes in the workforce, and (iv) examining the potential effect of changes in benefits on plan financial activity.

Projection results are useful in demonstrating changing relationships among key elements affecting plan financial activity. For example: how benefits payable and plan assets will grow in future decades. Projections are not predictions of specific future events and do not provide numeric precision in absolute terms. For instance, cash flow projected to occur 10 years in the future will not be exact (except by coincidence), but understanding the changed relationship between future benefit payout and future investment income can be very useful.

The following projections assume an 8.00% investment return and salary increases of 4.25% each year in the future. Due to the funding policy adopted in 2012, all future contribution rates are assumed to remain at 7.40% of payroll.



Mississippi Supplemental Legislative Retirement Plan

Twenty-five Year Cash Flow Projection

Year	Valuation Payroll	Market Value of Assets Balance July 1	Contributions	Projected Benefit Payments	Expected Investment Return	Cash Flow	Market Value of Assets Balance June 30
2014	\$6,917,939	\$16,453,000	\$719,466	\$1,258,382	\$1,294,683	\$755,768	\$17,208,768
2015	7,211,951	17,208,768	750,043	1,391,514	1,351,043	709,572	17,918,339
2016	7,518,459	17,918,339	781,920	1,508,656	1,404,398	677,661	18,596,001
2017	7,837,994	18,596,001	815,151	1,522,198	1,459,398	752,351	19,348,352
2018	8,171,109	19,348,352	849,795	1,558,003	1,519,540	811,332	20,159,683
2019	8,518,381	20,159,683	885,912	1,682,845	1,580,897	783,965	20,943,648
2020	8,880,412	20,943,648	923,563	1,743,964	1,642,676	822,275	21,765,923
2021	9,257,830	21,765,923	962,814	1,815,526	1,707,165	854,454	22,620,377
2022	9,651,288	22,620,377	1,003,734	1,863,990	1,775,220	914,963	23,535,341
2023	10,061,468	23,535,341	1,046,393	1,964,027	1,846,122	928,487	24,463,828
2024	10,489,080	24,463,828	1,090,864	2,030,562	1,919,518	979,820	25,443,648
2025	10,934,866	25,443,648	1,137,226	2,097,779	1,997,070	1,036,517	26,480,165
2026	11,399,598	26,480,165	1,185,558	2,122,635	2,080,930	1,143,853	27,624,018
2027	11,884,081	27,624,018	1,235,944	2,203,526	2,171,218	1,203,636	28,827,654
2028	12,389,154	28,827,654	1,288,472	2,246,579	2,267,888	1,309,781	30,137,435
2029	12,915,693	30,137,435	1,343,232	2,262,013	2,374,244	1,455,462	31,592,898
2030	13,464,610	31,592,898	1,400,319	2,253,684	2,493,297	1,639,932	33,232,830
2031	14,036,856	33,232,830	1,459,833	2,319,103	2,624,256	1,764,985	34,997,815
2032	14,633,422	34,997,815	1,521,876	2,357,868	2,766,386	1,930,394	36,928,209
2033	15,255,342	36,928,209	1,586,556	2,343,183	2,923,992	2,167,365	39,095,574
2034	15,903,694	39,095,574	1,653,984	2,309,777	3,101,414	2,445,621	41,541,195
2035	16,579,601	41,541,195	1,724,279	2,301,072	3,300,224	2,723,431	44,264,626
2036	17,284,234	44,264,626	1,797,560	2,310,317	3,520,660	3,007,903	47,272,528
2037	18,018,814	47,272,528	1,873,957	2,274,322	3,765,788	3,365,423	50,637,951
2038	18,784,614	50,637,951	1,953,600	2,220,277	4,040,369	3,773,692	54,411,643

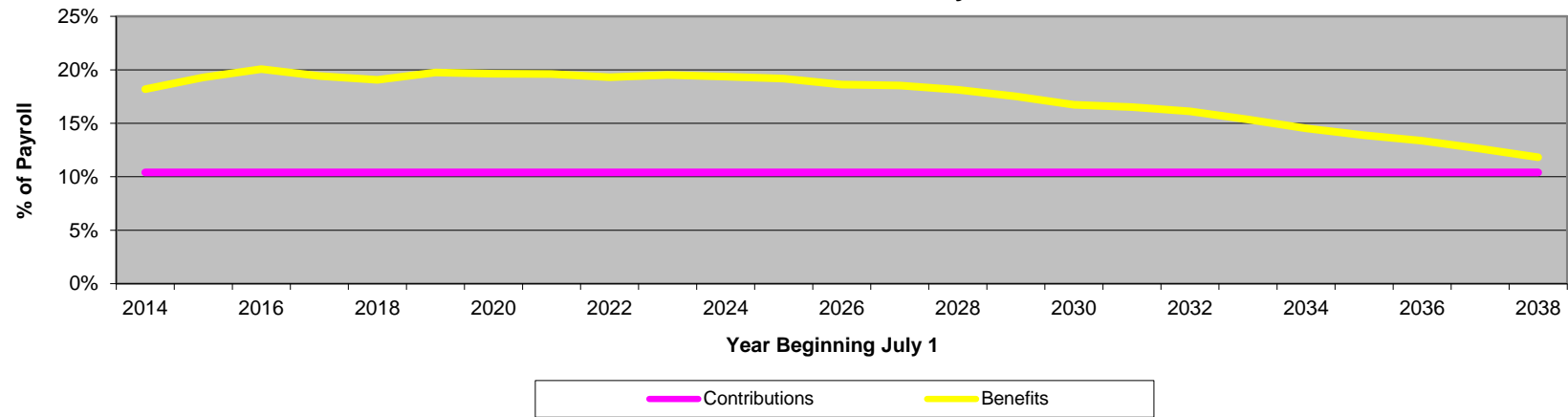
* Includes expected administrative expenses.



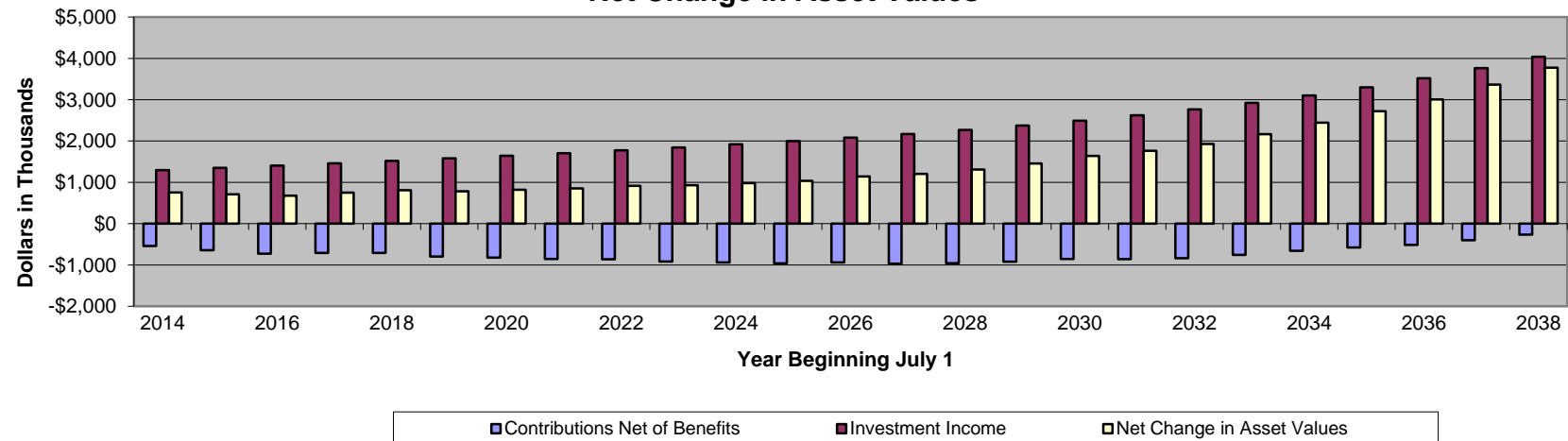
Mississippi Supplemental Legislative Retirement Plan

Twenty-five Year Cash Flow Projection Based on Valuation Assumptions

Projected Contributions and Benefits Expressed
as Percents of Active Member Payroll



Net Change in Asset Values





SECTION VIII – SUPPLEMENTAL DISCLOSURE INFORMATION

1. Statement Nos. 25 and 27 of the Governmental Accounting Standards Board (GASB) set forth certain items of information to be disclosed in the financial statements of the Plan and the employer.

One such item is a distribution of the number of employees by type of membership, as follows:

NUMBER OF ACTIVE AND RETIRED PARTICIPANTS AS OF JUNE 30, 2014

GROUP	NUMBER
Retired participants and beneficiaries currently receiving benefits	187
Terminated participants and beneficiaries entitled to benefits but not yet receiving benefits	56
Active Participants	<u>175</u>
Total	418



2. Another such item is the schedule of funding progress as shown below.

SCHEDULE OF FUNDING PROGRESS

Plan Year Ended	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry Age	(3) Percent Funded (1)/(2)	(4) Unfunded AAL (2) – (1)	(5) Annual Covered Payroll	(6) Unfunded AAL as a Percentage of Covered Payroll (4)/(5)
06/30/2005#	\$10,634,000	\$13,401,595	79.3%	\$2,767,595	\$6,530,045	42.4%
06/30/2006	11,620,000	14,063,614	82.6	2,443,614	6,353,542	38.5
06/30/2007	12,722,000	15,053,526	84.5	2,331,526	6,554,229	35.6
06/30/2008*	13,412,000	15,614,687	85.9	2,202,687	6,752,960	32.6
06/30/2009#	13,386,000	16,534,870	81.0	3,148,870	6,803,339	46.3
06/30/2010	13,241,000	17,081,278	77.5	3,840,278	6,605,037	58.1
06/30/2011#	13,606,000	18,605,301	73.1	4,999,301	6,809,770	73.4
06/30/2012	13,268,000	19,536,604	67.9	6,268,604	6,871,757	91.2
06/30/2013#	13,554,000	19,977,584	67.8	6,423,584	6,695,359	95.9
06/30/2014	14,899,000	20,239,757	73.6	5,340,757	6,917,939	77.2

* After change in benefit provisions.

After change in actuarial assumptions.

As can be seen from the table above, the steady decline in the funded ratio caused by the smoothing of the large asset losses of 2007/2008 and 2008/2009 has ended. The first increase in the funded ratio in six years was primarily because the recognition of those losses has been completed. In addition, estimated projection results using a fixed employer contribution rate of 7.40% of payroll shows improving funded ratios.



3. The annual required contribution (ARC) of the employer as a percentage of payroll, determined in accordance with the parameters of GASB 25/27, is shown below. The accrued liability rate is based on amortization of the unfunded actuarial accrued liability of \$5,340,757 over a period of 25.0 years from the valuation date.

Annual Required Contribution (ARC)		
Valuation Date June 30	2014	2013
For Fiscal Year	2015/2016	2014/2015
Employer contribution rate		
Normal Cost*	2.67%	2.82%
Accrued liability	<u>4.73</u>	<u>5.28</u>
Total	7.40%	8.10%
Anticipated accrued liability payment period	25.0 years	30.0 years

* Includes load for administrative expenses. See page 10 for more contribution rate detail.

4. Additional information as of June 30, 2014 follows.

Valuation date	6/30/2014
Actuarial cost method	Entry age
Amortization method	Level percent open
Remaining amortization period	25.0 years
Asset valuation method	5-year smoothed market
Actuarial assumptions:	
Investment rate of return*	8.00%
Projected salary increases [#]	4.25%
Cost-of-living adjustments	3.00%
*Includes price inflation at	3.50%
# Includes wage inflation at	4.25%



Schedule of Employer Contributions

Fiscal Year Ending June 30	Valuation date June 30	Annual Required Contribution	Percentage Contributed
2006	2004	\$413,352	100.0%
2007	2005	422,511	100.0
2008	2006	435,856	100.0
2009	2007	449,072	100.0
2010	2008	452,422	100.0
2011	2009	464,334	100.0
2012	2010	503,923	100.0
2013	2011	508,510	100.0
2014	2012	518,890	100.0
2015	2013	560,353	



Solvency Tests
(\$ in Thousands)

Valuation Date	Actuarial Accrued Liabilities for				Portions of Accrued Liabilities Covered by Assets		
	(1) Accumulated Employee Contributions Including Allocated Investment Earnings	(2) Retirees and Beneficiaries Currently Receiving Benefits	(3) Active and Inactive Members Employer Financed Portion	Net Assets Available for Benefits	(1)	(2)	(3)
6/30/2004	\$2,030	\$6,395	\$4,509	\$10,323	100%	100.0%	42.1%
6/30/2005	2,076	6,813	4,513	10,634	100	100.0	38.7
6/30/2006	2,061	7,230	4,773	11,620	100	100.0	48.8
6/30/2007	2,301	7,378	5,375	12,722	100	100.0	56.6
6/30/2008	2,102	8,295	5,218	13,412	100	100.0	57.8
6/30/2009	2,327	8,756	5,452	13,386	100	100.0	42.2
6/30/2010	2,509	8,777	5,795	13,241	100	100.0	33.7
6/30/2011	2,642	8,734	7,229	13,606	100	100.0	30.8
6/30/2012	2,105	11,428	6,004	13,268	100	97.7	0.0
6/30/2013	2,416	11,909	5,652	13,554	100	93.5	0.0
6/30/2014	2,638	11,920	5,682	14,899	100	100.0	6.0



Schedule of Active Member Valuation Data

Valuation Date	Number of Employers	Number	Active Members		
			Annual Payroll	Annual Average Pay	% Increase in Average Pay
2005	5	175	\$6,530,045	\$37,315	12.7%
2006	5	173	6,353,542	36,726	(1.6)
2007	5	175	6,554,229	37,453	2.0
2008	5	175	6,752,960	38,588	3.0
2009	5	174	6,803,339	39,100	1.3
2010	5	175	6,605,037	37,743	(3.5)
2011	5	174	6,809,770	39,137	3.7
2012	5	175	6,871,757	39,267	0.3
2013	5	175	6,695,359	38,259	(2.6)
2014	5	175	6,917,939	39,531	3.3

Schedule of Number of Retirants Added To and Removed From Rolls Last Ten Fiscal Years

Item	Fiscal Year Ended June 30									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Beginning of Year	106	114	122	126	138	141	142	147	173	188
Added	8	12	6	20	7	6	7	33	20	6
Removed	0	(4)	(2)	(8)	(4)	(5)	(2)	(7)	(5)	(7)
End of Year	114	122	126	138	141	142	147	173	188	187



Schedule of Benefit Payments Added To and Removed From Rolls
Last Seven Fiscal Years

Year Ending	2008	2009	2010	2011	2012	2013	2014
Beginning of Year	\$657,819	\$754,815	\$781,231	\$792,670	\$823,936	\$1,046,672	\$1,121,404
Added	107,569	33,316	36,400	30,133	230,576	77,003	32,688
Removed	(29,585)	(26,188)	(46,742)	(22,703)	(31,217)	(26,497)	(44,780)
Benefit increase due to annual COLA	19,012	19,288	21,781	23,836	23,377	24,226	30,165
Benefit increase due to plan amendments	0	0	0	0	0	0	0
End of Year	\$754,815	\$781,231	\$792,670	\$823,936	\$1,046,672	\$1,121,404	\$1,139,477



Schedule of Average Benefit Payments

Years of Credited Service									
	0-4	5-9	10-15	16-20	21-24	25	26-29	30	31+
July 1, 2013 to June 30, 2014									
Average Monthly Benefit			\$345.04	\$490.81	\$472.60		\$579.73		
Average Final Salary			\$34,404.37	\$34,871.00	\$39,300.75		\$43,164.50		
Number of Active Retirants			2	2	1		1		
July 1, 2012 to June 30, 2013									
Average Monthly Benefit		\$168.36	\$182.74	\$462.84	\$550.22		\$730.99		
Average Final Salary		\$27,924.79	\$29,576.45	\$36,139.50	\$39,580.94		\$38,727.25		
Number of Active Retirants		6	7	1	4		2		
July 1, 2011 to June 30, 2012									
Average Monthly Benefit		\$193.84	\$404.90	\$429.73	\$675.67		\$731.32		\$1,237.30
Average Final Salary		\$33,827.49	\$43,765.24	\$36,045.25	\$38,900.81		\$38,644.58		\$57,275.51
Number of Active Retirants		10	6	3	4		3		7
July 1, 2010 to June 30, 2011									
Average Monthly Benefit	\$103.60	\$260.72	\$108.90		\$305.17				\$369.01
Average Final Salary	\$33,200.00	\$34,762.00	\$19,188.49		\$36,781.59				\$27,287.00
Number of Active Retirants	1	1	1		2				2
July 1, 2009 to June 30, 2010									
Average Monthly Benefit		\$129.62	\$516.63		\$759.42				\$1,295.33
Average Final Salary		\$29,883.00	\$48,826.77		\$45,504.00				\$36,180.57
Number of Active Retirants		3	1		1				1



Schedule of Average Benefit Payments

Years of Credited Service									
	0-4	5-9	10-15	16-20	21-24	25	26-29	30	31+
July 1, 2008 to June 30, 2009									
Average Monthly Benefit		\$194.61			\$547.11		\$833.23	\$411.03	\$338.62
Average Final Salary		\$29,237.33			\$37,853.25		\$39,683.00	\$41,404.00	\$34,997.00
Number of Active Retirants		3			1		1	1	1
July 1, 2007 to June 30, 2008									
Average Monthly Benefit	\$117.04	\$226.10	\$354.03	\$446.95	\$513.00		\$654.58		\$922.68
Average Final Salary	\$32,858.75	\$34,938.88	\$36,171.88	\$40,512.11	\$32,188.50		\$32,547.92		\$44,455.75
Number of Active Retirants	2	2	4	7	1		3		1
July 1, 2006 to June 30, 2007									
Average Monthly Benefit		\$189.08	\$256.47	\$264.75					
Average Final Salary		\$27,519.25	\$34,758.63	\$22,041.60					
Number of Active Retirants		3	2	1					
July 1, 2005 to June 30, 2006									
Average Monthly Benefit		\$146.55	\$310.02	\$435.40					\$963.29
Average Final Salary		\$25,554.66	\$30,926.67	\$35,059.89					\$36,594.49
Number of Active Retirants		4	3	3					2
July 1, 2004 to June 30, 2005									
Average Monthly Benefit		\$181.11	\$270.19	\$382.51	\$141.81	\$774.95			
Average Final Salary		\$29,524.88	\$27,246.83	\$32,157.50	\$34,034.50	\$39,084.55			
Number of Active Retirants		2	3	1	1	1			



SCHEDULE A
Development of Actuarial Value of Assets
(\$ thousands)

Valuation Date June 30:	2013	2014	2015	2016	2017	2018
A. Actuarial Value Beginning of Year	\$13,268	\$13,554				
B. Market Value End of Year	14,374	16,453				
C. Market Value Beginning of Year	13,169	14,374				
D. Cash Flow						
D1. Contributions	707	722				
D2. Other Revenue	0	0				
D3. Benefit Payments	(1,207)	(1,238)				
D4. Administrative Expenses	(10)	(10)				
D5. Investment Expenses	<u>(33)</u>	<u>(55)</u>				
D6. Net	(543)	(581)				
E. Investment Income						
E1. Market Total: B.-C.-D6.	1,748	2,660				
E2. Assumed Rate	8.00%	8.00%				
E3. Amount for Immediate Recognition	1,067	1,184				
E4. Amount for Phased-In Recognition	681	1,476				
F. Phased-In Recognition of Investment Income						
F1. Current Year: 0.20*E4.	136	295				
F2. First Prior Year	(209)	136	295			
F3. Second Prior Year	389	(209)	136	295		
F4. Third Prior Year	131	389	(209)	136	295	
F5. Fourth Prior Year	<u>(685)</u>	<u>131</u>	<u>389</u>	<u>(209)</u>	<u>136</u>	<u>295</u>
F6. Total Recognized Investment Gain	(238)	742	611	222	431	295
G. Actuarial Value End of Year:						
A.+D6.+E3.+F6.	\$13,554	\$14,899				
H. Difference Between Market & Actuarial Values	\$820	\$1,554	\$943	\$720	\$130	\$(6)

The Actuarial Valuation of Assets recognizes assumed investment income (line E3) fully each year. Differences between actual and assumed investment income (line E4) are phased in over a closed 5 year period. During periods when investment performance exceeds the assumed rate, Actuarial Value of Assets will tend to be less than market value. During periods when investment performance is less than the assumed rate, Actuarial Value of Assets will tend to be greater than market value. If assumed rates are exactly realized for 4 consecutive years, actuarial value will become equal to market value.



Asset Summary June 30, 2014 (\$ in Thousands)			
	Market Value	Book Value	Actuarial Value
1. Assets at June 30, 2013	\$14,374	\$12,365	\$13,554
2. Contributions and Misc. Revenue	722	722	722
3. Investment Increment	2,660	775	1,926
4. Benefit Payments	(1,238)	(1,238)	(1,238)
5. Expenses	(65)	(65)	(65)
6. Assets at June 30, 2014 (1) + (2) + (3) + (4) + (5)	\$16,453	\$12,559	\$14,899
7. Investment Increment/Mean Assets*	18.9%	6.4%	14.5%

*Based on the approximation formula: $I / [.5 \times (A + B - I)]$, where

I = Investment increment
A = Beginning of year asset value
B = End of year asset value



SCHEDULE B

STATEMENT OF ACTUARIAL ASSUMPTIONS AND METHODS

INTEREST RATE: 8.00% per annum, compounded annually (net of investment expenses only).

SEPARATIONS FROM ACTIVE SERVICE: Representative values of the assumed rates of separation from active service are as follows:

Age	Annual Rate of		
	Male	Female	Disability*
20	.02%	.01%	.04%
25	.03	.02	.05
30	.04	.02	.07
35	.05	.03	.11
40	.08	.04	.17
45	.13	.06	.23
50	.24	.10	.30
55	.39	.15	.35
60	.60	.25	.40
65	.96	.43	
70	1.61	.72	

* 94% are presumed to be non-duty related, and 6% are assumed to be duty related.

WITHDRAWAL AND VESTING: 20% in an election year, none in a non-election year.

SERVICE RETIREMENT: 25% in an election year, none in a non-election year. All members are assumed to retire no later than age 75.

It is assumed that a member will be granted 2.5 years of service credit for unused leave at termination of employment.

PRICE INFLATION: 3.50% per annum, compounded annually.

PAYROLL GROWTH: 4.25% per annum, compounded annually.

ADMINISTRATIVE EXPENSES: 0.23% of payroll.

TIMING OF DECREMENTS AND PAY INCREASES: Middle of Year.

SALARY INCREASES: 4.25% per annum, for all ages.

DEATH AFTER RETIREMENT: The mortality table, for post-retirement mortality, used in evaluating allowances to be paid was the RP-2000 Combined Mortality Table Projected to 2025 by Scale AA (set



forward 2 years for males). The RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 2 years for females) was used for the period after disability retirement. This assumption is used to measure the probabilities of each benefit payment being made after retirement. Mortality improvement is anticipated under this assumption as recent mortality experience shows actual deaths 7% greater than expected under the selected table.

MARRIAGE ASSUMPTION: 85% married with the husband three years older than his wife.

VALUATION METHOD: The valuation is prepared on the projected benefit basis, which is used to determine the present value of each member's expected benefit payable at retirement, disability or death. The calculations are based on the member's age, years of service, sex, compensation, expected future salary increases, and an assumed future interest earnings rate (currently 8.00%). The calculations consider the probability of a member's death or termination of employment prior to becoming eligible for a benefit and the probability of the member terminating with a service, disability, or survivor's benefit. The present value of the expected benefits payable to active members is added to the present value of the expected future payments to current benefit recipients to obtain the present value of all expected benefits payable to the present group of members and survivors.

The employer contributions required to support the benefits of SLRP are determined following a level funding approach, and consist of a normal contribution and an accrued liability contribution.

The normal contribution is determined using the "entry age normal" method. Under this method, a calculation is made for pension benefits to determine the uniform and constant percentage rate of employer contribution which, if applied to the compensation of the average new member during the entire period of his anticipated covered service, would be required in addition to the contributions of the member to meet the cost of all benefits payable on his behalf.

The unfunded accrued liability is determined by subtracting the current assets and the present value of prospective employer normal contributions and member contributions from the present value of expected benefits to be paid from the SLRP. The accrued liability contribution amortizes the balance of the unfunded accrued liability over a period of years from the valuation date.

ASSET VALUATION METHOD: Actuarial value, as developed in Schedule A. The actuarial value of assets recognizes a portion of the difference between the market value of assets and the expected market value of assets, based on the assumed valuation rate of return. The amount recognized each year is 20% of the difference between market value and expected market value.



SCHEDULE C

SUMMARY OF MAIN BENEFIT AND CONTRIBUTION PROVISIONS

The following summary presents the main benefit and contribution provisions of the Plan in effect June 30, 2014 as interpreted in preparing the actuarial valuation.

DEFINITIONS

Average Compensation	Average annual covered earnings of an employee during the four highest years of service.
Covered Earnings	Gross salary not in excess of the maximum amount on which contributions were required.
Fiscal Year	Year commencing on July 1 and ending June 30.
Eligibility Service	Service while a contributing member of PERS plus additional service as described below. (OLD: Eligibility service” is all service in PERS, including that credited for SLRP service.)
Credited Service	Service while a contributing member of SLRP plus additional service as described below. (OLD: “Creditable service” includes only SLRP service.)
Unused Sick and Vacation Leave	Service credit is provided at no charge to members for unused sick and vacation time that has accrued at the time of retirement.
Additional Service	Additional service credit may be granted for service prior to July 1, 1989, including active duty military service.



The maximum covered earnings for employers and employees over the years are as follows:

EMPLOYER AND EMPLOYEE RATES OF CONTRIBUTION
AND MAXIMUM COVERED EARNINGS

Fiscal Date From	Fiscal Date To	Employer Rate	Maximum Covered Earnings	Employee Rate	Maximum Covered Earnings
7/1/1989	6/30/1992	6.33%	\$75,600	3.00%	\$75,600
7/1/1992	6/30/2002	6.33	\$125,000	3.00	\$125,000
7/1/2002	6/30/2006	6.33	\$150,000	3.00	\$150,000
7/1/2006	6/30/2008	6.65	\$150,000	3.00	\$150,000
7/1/2008	6/30/2009	6.65	\$230,000	3.00	\$230,000
7/1/2009	12/31/2011	6.65	\$245,000	3.00	\$245,000
1/1/2012	6/30/2012	7.40	\$245,000	3.00	\$245,000
7/1/2012	6/30/2013	7.40	\$250,000	3.00	\$250,000
7/1/2013	6/30/2014	7.40	\$255,000	3.00	\$255,000
7/1/2014	6/30/2015	7.40	\$260,000	3.00	\$260,000



BENEFITS

Superannuation Retirement

Condition for Retirement

- (a) A retirement allowance is paid upon the request of any member who retires and has attained age 60 and completed at least eight years* of membership service under PERS. A retirement allowance may also be paid upon the completion of at least 25 years of creditable service under PERS for members hired prior to July 1, 2011, or upon the completion of 30 years of creditable service for members hired on or after July 1, 2011.
- (b) Any member who withdraws from service prior to his or her attainment of age 60 and who has completed at least eight years* of membership service under PERS is entitled to receive, in lieu of a refund of his or her accumulated contributions, a retirement allowance commencing at age 60.

Amount of Allowance

The annual retirement allowance payable to a member who retires under condition (a) above is equal to:

1. A member's annuity which is the actuarial equivalent of the member's accumulated contributions at the time of his or her retirement, plus
2. An employer's annuity which, together with the member's annuity, is equal to 1% of his or her average compensation for each of the first 25 years of creditable service plus 1.25% for each year of creditable service over 25 years.

The minimum allowance is \$60 per year of creditable service.

Disability Retirement

Condition for Retirement

A retirement allowance is paid to a member who is totally and permanently disabled, as determined by the Board of Trustees, and has accumulated eight or more years* of membership service under PERS.

* four years for those who entered PERS before July 1, 2007.

Amount of Allowance

For those who were active members prior to July 1, 1992, and did not elect the benefit structure outlined below, the annual disability retirement allowance payable is equal to a superannuation retirement allowance if the member has attained age 60, otherwise it is equal to a superannuation retirement allowance calculated as follows:



1. A member's annuity equal to the actuarial equivalent of his or her accumulated contributions at the time of retirement, plus
2. An employer's annuity equal to the amount that would have been payable had the member continued in service to age 60.

For those who become active members after June 30, 1992, and for those who were active members prior to July 1, 1992, who so elected, the following benefits are payable:

1. A temporary allowance equal to the greater of (a) 20% of average compensation plus 5% for each dependent child up to a maximum of 2, or (b) the member's accrued allowance. This temporary allowance is paid for a period of time based on the member's age at disability, as follows:

<u>Age at Disability</u>	<u>Duration</u>
60 and earlier	to age 65
61	to age 66
62	to age 66
63	to age 67
64	to age 67
65	to age 68
66	to age 68
67	to age 69
68	to age 70
69 and later	one year

The minimum allowance is \$60 per year of service credit.

2. A deferred allowance commencing when the temporary allowance ceases equal to the greater of (a) the allowance the member would have received based on service to the termination age of the temporary allowance, but not more than 20% of average compensation, or (b) the member's accrued allowance.

The minimum allowance is \$60 per year of service credit.

Effective July 1, 2004, a temporary benefit can be paid out of a member's accumulated contribution balance while the member is awaiting a determination for eligibility for disability benefits. Future disability payments, if any, would be offset by advanced payments made from the member's accumulated contributions.



Accidental Disability Retirement

Condition for Retirement

A retirement allowance is paid to a member who is totally and permanently disabled in the line of performance of duty.

Amount of Allowance

The annual accidental disability retirement allowance is equal to the allowance payable on disability retirement but not less than 25% of average compensation. There is no minimum benefit.

Accidental Death Benefit

Condition for Benefit

A retirement allowance is paid to a spouse and/or dependent children upon the death of an active member in the line of performance of duty.

Amount of Allowance

The annual retirement allowance is equal to 25% of average compensation payable to the spouse and 12-1/2% of average compensation payable to one dependent child or 25% to two or more children until age 19 (23 if a full time student). There is no minimum benefit.

Ordinary Death Benefit

Condition for Benefit

Upon the death of a member who has completed at least eight years* of membership service, a benefit is payable, in lieu of a refund of the member's accumulated contributions, to his or her spouse, if said spouse has been married to the member for not less than one year.

* four years for those who entered the system before July 1, 2007.

Amount of Allowance

The annual retirement allowance payable to the lawful spouse of a vested member who dies is equal to the greater of (i) the allowance that would have been payable had the member retired and elected Option 2, reduced by an actuarially determined factor based on the number of years the member lacked in qualifying for unreduced benefits, or (ii) a lifetime benefit equal to 20% of the deceased member's average compensation, but not less than \$25 per month.

In addition, a benefit is payable to dependent children until age 19 (23 if a full time student). The benefit is equal to the greater of 5% of average compensation or \$25 per month for each dependent child up to 3.

Return of Contributions

Upon the withdrawal of a member without a retirement benefit, his or her contributions are returned to him or her, together with accumulated regular interest thereon.

Upon the death of a member before retirement, his or her contributions, together with the full accumulated regular interest thereon, are paid to his or her designated



beneficiary, if any, otherwise, to his or her estate provided no other survivor benefits are payable.

Interest is currently credited to the member's account at 3.50% per annum.

Normal Form of Benefit

The normal form of benefit is an allowance payable during the life of the member with the provision that upon his or her death the excess of his or her total contributions at the time of retirement over the total retirement annuity paid to him or her will be paid to his or her designated beneficiary.

Optional Benefits

A member upon retirement may elect to receive his or her allowance in one of the following forms which are computed to be actuarially equivalent to the applicable retirement allowance.

Option 1. Reduced allowance with the provision that if the pensioner dies before he receives the value of the member's annuity as it was at the time of retirement, the balance shall be paid to his or her beneficiary.

Option 2. Upon his or her death, his or her reduced retirement allowance shall be continued throughout the life of, and paid to, his or her beneficiary.

Option 3. Upon his or her death, 50% of his or her reduced retirement allowance shall be continued throughout the life of, and paid to, a designated beneficiary and the other 50% of his or her reduced retirement allowance to some other designated beneficiary.

Option 4. Upon his or her death, 75% of his or her reduced retirement allowance shall be continued throughout the life of, and paid to, a designated beneficiary.

Option 4A. Upon his or her death, 50% of his or her reduced retirement allowance shall be continued throughout the life of, and paid to, a designated beneficiary.

Option 4B. A reduced retirement allowance shall be continued throughout the life of the pensioner, but with the further guarantee of payment to the pensioner or his or her beneficiary for a specified number of years certain.

Option 4C. A member may elect any option with the added provision that the member shall receive, so far as possible, the same total amount annually (considering both SLRP and Social Security benefits) before and after the earliest age at which the member becomes eligible for a Social Security benefit. This option was only available to those who retired prior to July 1, 2004.



A member who elects Option 2, Option 4 or Option 4A at retirement may revert to the normal form of benefit if the designated beneficiary predeceases the retired member or if the member divorces the designated beneficiary.

A member who elects the normal form of benefit or Option 1 at retirement may select Option 2, Option 4 or Option 4A to provide beneficiary protection to a new spouse if married at retirement.

A member who has at least 28 years of creditable service* under PERS can select a partial lump-sum option at retirement. Under this option, the retiree has the option of taking a partial lump-sum distribution equal to either 12, 24, or 36 times the base maximum monthly benefit. With each lump-sum amount, the base maximum monthly benefit will be actuarially reduced. A member selecting the partial lump-sum option may also select any of the regular options except Option 1, the prorated single-life annuity, and Option 4-C, the Social Security leveling provision. The benefit is then calculated using the new reduced maximum benefit as a starting point in applying the appropriate option factors for the reduction.

*or at least age 63 with four years of membership service for those who entered PERS before July 1, 2007.

Post-Retirement Adjustments In Allowances

The allowances of retired members are adjusted annually by an amount equal to (a) 3% of the annual retirement allowance for each full fiscal year of retirement prior to the year in which the member reaches age 55, plus (b) 3% compounded for each year thereafter beginning with the fiscal year in which the member turns age 55.

A prorated portion of the annual adjustment will be paid to the member, beneficiary, or estate of any member or beneficiary who is receiving the annual adjustment in a lump sum, but whose benefits are terminated between July 1 and December 1.



CONTRIBUTIONS

Members currently contribute 3.00% of covered earnings. The employer contributes 7.40% of covered earnings.



SCHEDULE D

DETAILED TABULATIONS OF THE DATA

Retirants & Beneficiaries as of June 30, 2014
Tabulated by Year of Retirement

Year of Retirement	No.	Total Annual Benefits, excluding COLA	COLA	Total Annual Benefits	Average Monthly Total Benefit
2014	2	\$8,281	\$0	\$8,281	\$345
2013	13	52,382	0	52,382	336
2012	34	228,805	6,336	235,141	576
2011	3	18,965	1,102	20,067	557
2010	5	14,860	1,234	16,094	268
2009	5	22,763	2,502	25,265	421
2008	19	92,805	15,276	108,081	474
2007	1	4,417	857	5,274	440
2006	1	5,429	1,248	6,677	556
2005	9	47,572	12,159	59,731	553
2004	20	120,323	36,611	156,934	654
2003	5	25,491	7,906	33,397	557
2002	3	11,259	4,035	15,294	425
2001	3	8,420	3,585	12,005	333
2000	19	84,860	39,306	124,166	545
1999	8	29,734	14,619	44,353	462
1998	2	11,179	5,535	16,714	696
1997	5	13,173	7,590	20,763	346
1996	7	22,670	14,647	37,317	444
1995	1	1,058	744	1,802	150
1994	2	4,686	3,531	8,217	342
1993	6	21,999	17,315	39,314	546
1992	13	48,199	39,661	87,860	563
1990	1	2,203	2,145	4,348	362
TOTAL	187	\$901,533	\$237,944	\$1,139,477	\$508



Schedule of Retired Members by Type of Retirement

Benefits Payable June 30, 2014

Amount of Monthly Benefit	Number of Rets.	Ret Type 1*	Ret Type 2*	Ret Type 3*
\$1 – \$100	11	10		1
101 – 200	33	27		6
201 – 300	37	29		8
301 – 400	41	31	1	9
401 – 500	18	13	1	4
501 – 600	8	4		4
601 – 700	14	13		1
701 – 800	7	7		
801 – 900	9	8		1
901 – 1,000	1	1		
Over 1,000	8	6		2
Totals	187	149	2	36

*Type of Retirement

1 – Retirement for Age & Service

2 – Disability Retirement

3 – Survivor Payment



Schedule of Retired Members by Type of Option

Benefits Payable June 30, 2014

Amount of Monthly Benefit	Number of Rets.	Life	Option 1	Option 2	Option 3	Option 4	Option 4A	Option 4B	Option 4C**	Option 5	PLSO** 1 Year	PLSO** 2 Years	PLSO** 3 Years
\$1 – \$100	11	5		3				3	1				1
101 – 200	33	13	1	15				3		1			4
201 – 300	37	18		11	2		2	3		1			2
301 – 400	41	18	1	12			2	7		1	1		6
401 – 500	18	7	1	6			1	3				2	4
501 – 600	8	3		1	1			2		1	1		1
601 – 700	14	4		7			1	2					1
701 – 800	7	4		2						1			2
801 – 900	9	5		1			1	2					1
901 – 1,000	1							1				1	
Over 1,000	8	3		3	1			1					3
Totals	187	80	3	61	4	0	7	27	1	5	2	3	25

Option Selected

Life	-	Return of Contributions
Opt. 1	-	Return of Member's Annuity
Opt. 2	-	100% Survivorship
Opt. 3	-	50%/50% Dual Survivorship
Opt. 4	-	75% Survivorship
Opt. 4A	-	50% Survivorship
Opt. 4B	-	Years Certain & Life
Opt. 4C	-	Social Security Leveling**
Opt. 5	-	Pop-Up
PLSO	-	Partial Lump Sum** (Reflects reduced monthly benefit)

**Included in other options



Supplemental Legislative Retirement Plan of Mississippi

Retirant and Beneficiary Information June 30, 2014

Attained Age	Service Retirement		Disability Retirement		Survivors and Beneficiaries		Total	
	No.	Annual Benefits	No.	Annual Benefits	No.	Annual Benefits	No.	Annual Benefits
Under 20								
20 – 24								
25 – 29								
30 – 34								
35 – 39								
40 – 44								
45 – 49	1	\$1,922			4	\$22,237	5	\$24,159
50 – 54	2	4,180			1	1,906	3	6,086
55 – 59	9	54,494	1	\$7,188	2	6,730	12	68,412
60 – 64	29	157,414	1	6,970	5	27,790	35	192,174
65 – 69	35	179,283			5	43,689	40	222,972
70 – 74	22	149,227			6	30,100	28	179,327
75 – 79	24	152,539			6	27,541	30	180,080
80 – 84	20	156,813			5	29,865	25	186,678
85 – 89	5	41,945			2	28,125	7	70,070
90 – 94	2	9,519					2	9,519
95								
96								
97								
98								
99								
100 & Over								
Totals	149	\$907,336	2	\$14,158	36	\$217,983	187	\$1,139,477

Average Age: 70.6 years

Average Age at Retirement: 62.4 years



Supplemental Legislative Retirement Plan Of Mississippi

Total Active Member Data as of June 30, 2014
Tabulated by Attained Ages and Years of Service

Attained Age	Years of Service to Valuation Date							Totals	
	0 – 4	5 – 9	10 – 14	15 – 19	20 – 24	25 – 29	30+	No.	Valuation Payroll
Under 20									
20 – 24	1							1	\$43,624
25 – 29									
30 – 34	5	1						6	217,317
35 – 39	6	3	2					11	426,100
40 – 44	14	4	3					21	826,931
45 – 49	10	4	2	2				18	697,306
50 – 54	11	4	3	1	2			21	861,131
55 – 59	3	2	6	2	6		3	22	883,980
60	3		1		1			5	214,634
61	2		1		2		1	6	238,865
62		2	1	1			1	5	203,605
63	1	2	2		1		2	8	306,574
64		1	2		1		1	5	194,621
65	4	1	1					6	234,899
66	1	1	1				1	4	163,257
67	1	1	1		3		1	7	283,869
68			1	3				4	156,836
69		1			2			3	117,572
70 & Over		2	5	3	7	2	3	22	846,818
Totals	62	29	32	12	25	2	13	175	\$6,917,939

While not used in the financial computations, the following group averages are computed and shown because of their general interest.

Age: 56.2 years
Benefit Service: 11.4 years
Eligibility Service: 16.3 years
Annual Pay: \$39,531



SCHEDULE E

**MISSISSIPPI SLRP
ANALYSIS OF FINANCIAL EXPERIENCE**

**Gains & Losses in Accrued Liabilities
Resulting from Difference Between
Assumed Experience & Actual Experience
(\$ Thousands)**

Type of Activity	\$ Gain (or Loss) For Year Ending 6/30/2014	\$ Gain (or Loss) For Year Ending 6/30/2013
Age & Service Retirements. If members retire at older ages, there is a gain. If younger ages, a loss.	\$ 16.6	\$ 48.3
Disability Retirements. If disability claims are less than assumed, there is a gain. If more claims, a loss.	11.2	12.0
Death-in Service Benefits. If survivor claims are less than assumed, there is a gain. If more claims, there is a loss.	8.7	(28.1)
Withdrawal From Employment. If more liabilities are released by withdrawals than assumed, there is a gain. If smaller releases, a loss.	5.1	66.0
Pay Increases. If there are smaller pay increases than assumed, there is a gain. If greater increases, a loss.	116.9	284.5
New Members. Additional unfunded accrued liability will produce a loss.	0.0	(24.6)
Investment Income. If there is a greater investment income than assumed, there is a gain. If less income, a loss.	808.0	(255.0)
Death After Retirement. If retirants live longer than assumed, there is a loss. If not as long, a gain.	133.2	(19.0)
Other. Miscellaneous gains and losses resulting from changes in valuation software, data adjustments, timing of financial transactions, etc.	<u>150.3</u>	<u>(253.4)</u>
Gain (or Loss) During Year From Financial Experience	\$ 1,250.0	\$ (169.3)
Non-Recurring Items. Adjustments for plan amendments, assumption changes, or method changes.	<u>0.0</u>	<u>190.3</u>
Composite Gain (or Loss) During Year	<u>\$ 1,250.0</u>	<u>\$ 21.0</u>



SCHEDULE F

GLOSSARY

Actuarial Accrued Liability. The difference between (i) the actuarial present value of future plan benefits, and (ii) the actuarial present value of future normal cost. Sometimes referred to as “accrued liability” or “past service liability”.

Accrued Service. The service credited under the plan which was rendered before the date of the actuarial valuation.

Actuarial Assumptions. Estimates of future plan experience with respect to rates of mortality, disability, turnover, retirement, rate or rates of investment income and salary increases. Decrement assumptions (rates of mortality, disability, turnover and retirement) are generally based on past experience, often modified for projected changes in conditions. Economic assumptions (salary increases and investment income) consist of an underlying rate in an inflation-free environment plus a provision for a long-term average rate of inflation.

Actuarial Cost Method. A mathematical budgeting procedure for allocating the dollar amount of the “actuarial present value of future plan benefits” between the actuarial present value of future normal cost and the actuarial accrued liability. Sometimes referred to as the “actuarial funding method”.

Actuarial Equivalent. A series of payments is called on actuarial equivalent of another series of payments if the two series have the same actuarial present value.

Actuarial Present Value. The amount of funds presently required to provide a payment or series of payments in the future. It is determined by discounting the future payments at a predetermined rate of interest, taking into account the probability of payment.

Amortization. Paying off an interest-bearing liability by means of periodic payments of interest and principal, as opposed to paying it off with a lump sum payment.

Experience Gain (Loss). A measure of the difference between actual experience and that expected based upon a set of actuarial assumptions during the period between two actuarial valuation dates, in accordance with the actuarial cost method being used.

Normal Cost. The annual cost assigned, under the actuarial funding method, to current and subsequent plan years. Sometimes referred to as “current service cost”. Any payment toward the unfunded actuarial accrued liability is not part of the normal cost.

Reserve Account. An account used to indicate that funds have been set aside for a specific purpose and are not generally available for other uses.

Unfunded Actuarial Accrued Liability. The difference between the actuarial accrued liability and valuation assets. Sometimes referred to as “unfunded accrued liability”.

Valuation Assets. The value of current plan assets recognized for valuation purposes. Generally based on book value plus a portion of unrealized appreciation or depreciation.