

**For Immediate Release
October 1, 2014**

LASERS Actuarial Valuation Shows Nearly \$1 Billion Increase in Assets

Baton Rouge – Over the past fiscal year, the Louisiana State Employees' Retirement System (LASERS) actuarial value of assets increased from \$9.7 billion to \$10.6 billion. This positive information was part of the annual actuarial valuation report for the period ending June 30, 2014, adopted by the LASERS Board of Trustees at its September 26 meeting.

Other highlights from the valuation included: LASERS fiscal year 2014 investment return, which was in excess of 18 percent, a reduction in the employer contribution rate which is expected to save the State of Louisiana approximately \$60 million in payments next year, and a decrease in the Normal Cost of the retirement benefit from 6.54 to 3.56 percent.

"The 2014 valuation reflects the implementation of major reforms which are good for LASERS and for Louisiana going forward," said LASERS Executive Director Cindy Rougeou. "The change to a new cost method, Entry Age Normal; the reduction in the discount rate to 7.75 percent; and the implementation of Act 399 of 2014 which dedicates more investment returns toward the System debt, allows for greater budget stability, and improvement in the overall health and sustainability of the plan."

LASERS Actuary Shelley Johnson noted in her presentation that LASERS retirees outnumber active members, 46,940 to 40,321. For the fifth consecutive year, the number of active state employees has decreased, resulting in a reduction of the amount of total payroll by \$140 million.

The valuation reflected an increase in the Unfunded Accrued Liability (UAL) of the System as a result of the change to Entry Age Normal and the discount rate change, but there will be no change in total benefits to be paid. Rougeou said, "The UAL increase is offset by a corresponding decrease in current and future Normal Costs. LASERS Benefits Louisiana: implementing these important reforms in a time and manner that will not increase costs to the System or the taxpayers."

To read the complete LASERS Annual Actuarial Valuation, refer to the Annual Reports page on the LASERS website. For more information, contact Tonja Normand at 225.922.1131 or tnormand@lasersonline.org.