



The graph above shows changes in LASERS’ unfunded accrued liability (UAL) and UAL payments since 2010 and expected future reductions in the UAL balance and payments as the balance is paid off. All projected values are based on UAL schedules existing on June 30, 2025, therefore do not include future changes in liability due to actuarial experience gains and losses, which will be determined in future valuations. The reductions in UAL shown are due in part to the impact of the legislative reforms since 2009, which among other changes, have directed more funds toward reducing the UAL.

Since 2012, LASERS has reduced the discount rate from 8.25% to 7.25% and the legislature enacted a change in the actuarial cost method from projected unit credit to entry age normal. While these changes increased UAL, they improved the financial stability of the plan by reducing the potential for future contribution rate increases. The UAL would be reduced further (denoted by the light purple line) if not for these changes, and is shown to demonstrate the improvements in the plan funding level that is somewhat masked by the offsetting impact of above described changes.