



Insurance | Risk Management | Consulting

1205 Westlakes Drive | Suite 290
Berwyn, PA 19312
www.ajg.com

June 13, 2025

Gallagher was retained to complete this actuarial valuation which provides information for the State of Louisiana Postretirement Benefits Plan ("Plan") for the fiscal year ending June 30, 2025. The purposes of the valuation are to provide reporting and disclosure information for financial statements of the Plan and of the State of Louisiana, as well as for governmental agencies and other interested parties. This valuation report contains information that is required for compliance with the Governmental Accounting Standards Board Statement 75, Accounting and Financial Reporting for Postemployment Benefits other than Pensions ("GASB 75").

Key Results

The State's Total OPEB Liabilities (TOL) of \$7,811,649,000 for included agencies and \$5,207,310,000 for excluded agencies were calculated as of July 1, 2024 based on the July 1, 2024 actuarial valuation results and updated assumptions described in subsequent sections.

The prior year's Total OPEB Liabilities of \$7,148,291,000 for included agencies and \$4,684,827,000 for excluded agencies were calculated as of July 1, 2023 based on the July 1, 2023 valuation results.

The State's Total OPEB Liabilities for both included and excluded agencies have increased from July 1, 2023 to July 1, 2024 primarily due to the changes to assumed discount rate and healthcare trend rates, and unfavorable per capita claims cost experience, slightly offset by changes to demographic assumptions for participants in the Louisiana State Employees' Retirement System (LASERS). Detailed changes in the Total OPEB Liability since last year are included on the following page.

Data, Actuarial Assumptions, Methods and Plan Provisions

This valuation was performed using employee census data, premiums, claims and enrollment data, and plan provisions provided by the State of Louisiana personnel. Although we did not audit the data, we reviewed the data for reasonableness and consistency with the prior year's information. A detailed review of the data and its sources beyond that necessary to develop the analysis was not performed and is beyond the scope of the analysis. The results of the valuation are dependent on the accuracy of the data.

Based on input from the Office of Statewide Reporting & Accounting Policy, an adjustment was made to the employer's actual benefit payments for the year ending June 30, 2024 for excluded agencies that were provided to Gallagher by the Office of Group Benefits (OGB). Additional details regarding this adjustment are provided on page 12 of this report.

The entry age normal liabilities presented herein were determined as of July 1, 2024 using data as of that date provided by the State of Louisiana. Liabilities and certain expense items are allocated to each included agency based on the individual agency's proportionate share percentage as of July 1, 2024. The individual agency's proportionate share percentage is based on the agency's individual OPEB TOL in relation to the combined OPEB TOL for all participating entities included in the State of Louisiana reporting entity. For excluded agencies, liabilities and expense items are calculated directly by agency.

The assumptions, methods, and plan provisions used were the same as those in the State of Louisiana Actuarial Valuation as of July 1, 2023 dated June 20, 2024, except for the following updates:

- The discount rate decreased from 4.13% based on the S&P Municipal Bond 20-Year High Grade Rate Index as of June 30, 2023 to 3.93% based on the Bond Buyer 20 Index as of June 30, 2024¹ since the previous valuation, which increased the Plan's liability.
- Baseline per capita costs (PCCs) and medical plan election percentages were updated to reflect 2024 claims and enrollment. Plan claims and premiums increased more than had been expected, which increased the Plan's liability.
- One of the associated pension systems, LASERS adopted new assumptions in the June 30, 2024 valuation based on updated experience study. As a result, the mortality, retirement, termination, disability, and salary increase rates for the LASERS groups were updated to be consistent with the pension valuation assumptions. The net impact of this change is a decrease in the Plan's liability.
- The pre-Medicare baseline trend was updated to more accurately reflect recent healthcare trend survey results, industry-wide expectations, and the current high-inflationary environment. Pre-Medicare trend has been revised to 8.5%, trending down 25 basis points per year to an ultimate rate of 4.5% by FYE 2035. Medicare trend has been revised to 7.50%, trending down to an ultimate rate of 4.50% by FYE 2035. Changes to the Medicare trend were made to reflect revised expectations regarding the impact of the Inflation Reduction Act (IRA) on Medicare prescription drug costs. This change caused an increase in the Plan's liability.

There have been no changes in plan provisions since the prior valuation, other than maximum out-of-pocket changes due to the IRA. Our calculations rely on the information provided by the Plan Sponsor that the plan provisions are as described in our valuation report.

¹ Bond Buyer index is updated on Thursday weekly. The rate used for valuation purposes is the closest Thursday prior to the Measurement Date.

The impact of these changes from the prior valuation are as follows:

Change in Total OPEB Liability from 7/1/2023 Valuation (in \$1,000s)				
	Included Agencies		Excluded Agencies	
7/1/2023 Valuation	\$	7,148,291	\$	4,684,827
Expected growth during the year	\$	115,036	\$	113,822
Expected at 7/1/2024	\$	7,263,327	\$	4,798,649
<u>Change due to Experience:</u>				
Updated Census	\$	35,752	0.5%	\$ (8,730) -0.2%
Other		42,192	0.6%	29,642 0.6%
Total Plan Experience	\$	77,944	\$	20,912
<u>Change due to Assumptions:</u>				
Discount rate (from 4.13% to 3.93%)	\$	215,611	3.0%	\$ 150,621 3.1%
Updated PCCs / Premiums / Plan Election %		51,017	0.7%	47,318 1.0%
Updated Mortality Rates		(7,977)	-0.1%	334 0.0%
Updated Retirement Rates		(37,748)	-0.5%	(1,477) 0.0%
Updated Termination Rates		5,220	0.1%	568 0.0%
Updated Disability Rates		(3,984)	-0.1%	(66) 0.0%
Updated Salary Scale		(39,138)	-0.5%	(1,078) 0.0%
Updated Trend Rates		287,377	4.0%	191,529 4.0%
Total Assumption Changes	\$	470,378	\$	387,749
Net Change	\$	548,322	\$	408,661
7/1/2024 Valuation	\$	7,811,649	\$	5,207,310

Inflation Reduction Act (“IRA”)

The IRA was initially expected to increase Medicare Part D plan costs due to design and funding changes, the most meaningful of which were effective in 2025. However, additional guidance released by CMS in 2024 indicated higher than expected federal funding for 2025, decreasing the expected cost impact to employers. The IRA is also expected to bend the trend curve through price control measures such as HHS’s ability to negotiate prices for older, high-cost single source brand drugs (first effective in 2026) and through the imposition of rebates for drugs that increase in excess of inflation (first effective in 2023). Initial guidance regarding 2026 design has been released by CMS, but complete information necessary to determine the financial impact of these changes is not yet available. We have revised our Medicare healthcare cost trend assumption to reflect all available information regarding the impact of the IRA to prescription drug costs, tempered with actuarial judgment. As further guidance and experience emerges, additional updates to our cost and trend assumptions will be made for future measurement dates if deemed appropriate.

COVID-19

We considered the potential impact of the COVID-19 pandemic on the July 1, 2024 liabilities; however, we did not make any explicit adjustments to our calculations. We will continue to monitor the impact of the pandemic and will adjust our valuation if deemed necessary.

Healthcare Reform

The Patient Protection and Affordable Care Act (PPACA) was signed March 23, 2010, with further changes enacted by the Health Care and Education Affordability Reconciliation Act (HCEARA), signed March 30, 2010. This legislation included many reforms including changes to the Medicare Part D drug program, expansion of child coverage, changes in funding to Medicare Advantage programs, elimination of limits for essential health benefits, and the implementation of a variety of revenue raisers. These changes have been incorporated into the operation of the plan, and we have not identified any specific provision of health care reform that would be expected to have a significant future impact on the measured obligation.

Use of Models (ASOP 56)

Actuarial Standard of Practice No. 56 ("ASOP 56") requires actuaries to disclose information when performing actuarial services with respect to designing, developing, selecting, modifying, using, reviewing, or evaluating models. In performing this assignment, we used the following model:

Model Name	Intended Purpose	Reliance
ProVal	Valued the OPEB liabilities, P&L expense and projected pay-as-you-go costs	Gallagher relied on the model, which was developed by actuaries at Winklevoss Technologies.
Comprehensive Benefit Pricing Model, 2025v1.0	Provided benchmark data and pricing capabilities. Enabled us to calculate per capita costs and actuarial values of different commercial health plans.	Gallagher relied on the model, which was developed using industry data by actuaries and consultants at OptumInsight.

We reviewed the models for reasonableness before using them. There are no known material inconsistencies, unreasonable output, limitations or weaknesses in the above models used in the valuation.

Actuarial Certification

The State of Louisiana may use this report as a source of information for its financial statements. Use of this report for any other purpose may not be appropriate and may result in mistaken conclusions due to failure to understand applicable assumptions, methodologies, or inapplicability of the report for that purpose. This report should not be provided except in its entirety.

Because of the risk of misinterpretation of actuarial results, Gallagher recommends requesting its advance review of any statement, document, or filing to be based on information contained in this report. Gallagher will accept no liability for any such statement, document or filing made without its prior review.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: retiree group benefits program experience differing from that anticipated by the assumptions; changes in 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), and changes in plan provisions or applicable law. Retiree group benefits models necessarily rely on the use of approximation and estimates and are sensitive to changes in these approximations and estimates. Small variations in these approximations and estimates may lead to significant changes in actuarial measurements. An analysis of the potential range of such future differences other than the required disclosures related to the sensitivity to discount rate and healthcare cost trend rate assumptions is beyond the scope of this report.

The assumptions used for financial accounting purposes were selected by the plan sponsor with our advice. In our opinion, the actuarial assumptions used are appropriate for purposes of the valuation and are reasonably related to the experience of the Plan and to reasonable long-term expectations. The cost results and actuarial exhibits presented in this report were determined on a consistent and objective basis in accordance with applicable Actuarial Standards of Practice and generally accepted actuarial procedures. To the best of our knowledge, the information fairly presents the actuarial position of the State of Louisiana Postretirement Benefits Plan in accordance with the requirements of GASB Statement No. 75 as of July 1, 2024.

It is important to note that the measurement of postretirement medical obligations is extremely sensitive to the assumptions chosen. The results presented above and in more detail in the next sections are based upon one set of reasonable assumptions. Other sets of equally reasonable assumptions can yield materially lesser or greater obligations.

The report was prepared under our supervision in our capacity as the plan's Actuaries. We are Associates of the Society of Actuaries and Members of the American Academy of Actuaries and have met the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein. We are available to answer any questions on the content of the report.

We hereby certify that we do not or have not had any relationship with the plan sponsor that might affect (or appear to affect) our capacity or objectivity to develop the actuarial information required by GASB 75. We do not or have not had any relationship with the plan sponsor or any of its affiliates other than through the capacity of a consulting actuary.



Evi Laksana, ASA, MAAA, FCA
Director, Health Practice
evi_laksana@ajg.com



Kevin Penderghest, ASA, MAAA, FCA
Director, Health Practice
kevin_penderghest@ajg.com

The State of Louisiana

Information Required Under Governmental Accounting Standards Board
Statement No. 75

Actuarial Valuation Report
As of July 1, 2024
For Fiscal Year Ending June 30, 2025 Disclosure



Gallagher

Insurance | Risk Management | Consulting

Contents

GASB 75 Information	1
Summary – Included Agencies	2
GASB 75 Results – Included Agencies.....	3
Summary – Excluded Agencies	6
GASB 75 Results – Excluded Agencies	7
Projected Benefit Payments	10
Actuarial Assumptions and Methods.....	12
Actuarial Methods	12
Economic Assumptions.....	12
Benefit Cost Assumptions.....	13
Demographic Assumptions	15
Substantive Plan Provisions	20
Summary of Participant Data – Included Agencies.....	23
Appendix A: Required Schedules for GASB 75	26
Schedule of Changes in Total OPEB Liability – Included Agencies	26
Schedule of Changes in Total OPEB Liability – Excluded Agencies	27
Appendix B: Deferred Inflows and Outflows of Resources Details	28
Included Agencies: Amortization of Experience (Gains) / Losses	28
Included Agencies: Amortization of Changes in Assumptions or Other Inputs	31
Excluded Agencies: Amortization of Experience (Gains) / Losses	34
Excluded Agencies: Amortization of Changes in Assumptions or Other Inputs.....	37
Appendix C: Sample Decrement Rates	40
Appendix D: Summary of Benefit Descriptions	46
Appendix E: Summary of Key Terms.....	50



Insurance | Risk Management | Consulting

GASB 75 Information

Plan Description

The Office of Group Benefits (OGB) administers the State of Louisiana Postretirement Benefits Plan, which is a multiple-employer defined benefit other post-employment benefit (OPEB) plan that provides its retirees, disabled retirees, and their eligible beneficiaries with subsidized medical, prescription drug, and life insurance benefits. Employees who participate in an OGB health plan are eligible for retiree health benefits if they are enrolled in an OGB health plan at the time of retirement and retire under one of the State's retirement systems (LASERS), Louisiana State Police Retirement System (LSPRS), Teachers' Retirement System of Louisiana (TRSL), or Louisiana School Employees' Retirement System (LSERS)) or they retire from a participating employer that meets the qualifications in the Louisiana Administrative Code 32:30.303.

LRS 42:801-883 assigns the authority to establish and amend the benefit provisions of the plan to the state legislature. LRS 42:802, 42:821, and 42:851 provide the authority under which the obligations of plan members, employers, and other contributing entities that contribute to the plan are established or may be amended.

The State has no accumulated assets in a trust as defined by GASB Statement 75 and the Plan is funded on a pay as you go basis.

Amounts in this report are shown in thousands.

Summary – Included Agencies

This section summarizes results for Primary Government, Component Units, and Fiduciary Funds of the State of Louisiana Annual Comprehensive Financial Report in total. Results by Agency, summarized into subtotals for Primary Government, Component Units, and Fiduciary Funds are provided in an exhibit separate from this report. Liabilities and certain expense items are allocated to each agency based on the individual agency's proportionate share percentage as of July 1, 2024. The individual agency's proportionate share percentage is based on the agency's individual Total OPEB Liability (TOL) in relation to the combined OPEB TOL for all participating entities included in the State of Louisiana reporting entity.

The results for the excluded agencies are summarized later in this report, using the same assumptions and plan provisions as documented for all other agencies.

To the extent that agencies offer subsidies to their employees that differ from those documented in this report, these results do not reflect those differences and may not be suitable for financial reporting.

Plan Membership and Total OPEB Liability

Membership Status as of July 1, 2024	Medical ²	Life Insurance	Medical and/or Life Insurance ²
Inactive plan members currently receiving benefits	33,286	22,678	39,921
Spouses of inactive plan members currently receiving benefits	9,671	7,330	12,073
Inactive plan members entitled to but not yet receiving benefits	N/A	N/A	N/A
Active plan members	44,007	53,516	53,516
Total	86,964	83,524	105,510

Reporting for Fiscal Year Ending Measurement Date	June 30, 2025 July 1, 2024	June 30, 2024 July 1, 2023
Total OPEB Liability (in \$1,000s)	\$ 7,811,649	\$ 7,148,291

² Participants with current Louisiana State University (LSU) medical coverage are not included in this valuation.

GASB 75 Results – Included Agencies

Schedule of Changes in Total OPEB Liability and Related Ratios

The table below outlines the changes in Total OPEB Liability for fiscal year ending June 30, 2025 compared to the prior fiscal year-end.

Reporting for Fiscal Year Ending Measurement Date	June 30, 2025 July 1, 2024	June 30, 2024 July 1, 2023
Total OPEB Liability (TOL) at beginning of year	\$ 7,148,291	\$ 6,748,572
Service cost	\$ 137,457	\$ 138,215
Interest	294,687	275,412
Changes of benefit terms [A]	0	0
Differences between expected and actual experience	71,473	41,014
Changes of assumptions or other input [B]	470,378	254,167
Benefit payments	(317,104)	(309,089)
Net change in TOL	\$ 656,891	\$ 399,719
TOL at end of year	\$ 7,811,649	\$ 7,148,291
Covered employee payroll (measurement period) ³	\$ 3,319,936	\$ 3,215,193
TOL as % of covered payroll	235.3%	222.3%

A. Benefit changes: None.

B. Changes of assumptions:

1. The discount rate has decreased from 4.13% to 3.93%.
2. Baseline per capita costs (PCCs) were updated to reflect 2024 claims and enrollment.
3. Medical plan election percentages were updated based on the coverage elections of recent retirees.
4. The mortality, retirement, termination, disability, and salary increase rates for the LASERS group were updated.
5. The healthcare cost trend was updated.

³ When populating the salary field in our valuation, we first rely on pension-system salary data, then OGB data. Otherwise, we estimated the missing salary by applying system-specific average salary.

GASB 75 OPEB Expense

Components of OPEB expense for the current and prior fiscal year ends.

	FY 2025	FY 2024
Service cost	\$ 137,457	\$ 138,215
Interest on Total OPEB Liability and Net Cash Flow	294,687	275,412
Projected earnings on OPEB Plan investments	0	0
Current period recognitions of:		
Effect of benefit changes	0	0
Difference between expected and actual experience	15,883	9,114
Effect of changes in assumptions or other input	104,528	56,482
Prior years' deferred outflows of resources	306,443	302,820
Prior years' deferred inflows of resources	(597,997)	(722,642)
Total OPEB Expense	\$ 261,001	\$ 59,401

Deferred Inflows and Outflows of Resources

For the fiscal year ending June 30, 2025, the State reported deferred inflows and outflows of resources related to the following sources:

	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	\$ 128,847	\$ 0
Changes in assumptions or other inputs	581,058	(896,995)
Employer contributions subsequent to the Measurement Date	282,472	0
Total	\$ 992,377	\$ (896,995)

Following are the details of the amounts reported as deferred (inflows) and outflows of resources to be recognized in future years. For details of the recognized deferred inflows and outflows of resources, refer to Appendix B.

Fiscal Year	Total
2026	\$ (301,699)
2027	\$ (98,806)
2028	\$ 153,208
2029	\$ 60,207
2030	\$ 0
Thereafter	\$ 0

Sensitivity Results

The following tables depict the sensitivity of the Total OPEB Liability due to changes in both the discount rate and the healthcare cost trend rate which are required under GASB No. 75.

Discount Rate Changes	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability	\$ 9,044,941	\$ 7,811,649	\$ 6,819,766

Healthcare Cost Trend Rates Changes	1% Decrease	Current Trend Rates	1% Increase
Total OPEB Liability	\$ 6,799,014	\$ 7,811,649	\$ 9,087,473

Summary – Excluded Agencies

This section summarizes results for Excluded Agencies. Excluded agencies are those agencies excluded from the State of Louisiana Annual Comprehensive Financial Report. Results by Agency for the excluded agencies, using the same assumptions and plan provisions as documented for all other agencies are provided in an exhibit separate from this report. Liabilities and expense items are calculated directly by agency.

To the extent that agencies offer subsidies to their employees that differ from those documented in this report, these results do not reflect these differences and may not be suitable for financial reporting.

Plan Membership and Total OPEB Liability

Membership Status as of July 1, 2024	Medical ⁴	Life Insurance	Medical and/or Life Insurance ⁴
Inactive plan members currently receiving benefits	21,033	11,371	23,815
Spouses of inactive plan members currently receiving benefits	5,777	2,931	6,586
Inactive plan members entitled to but not yet receiving benefits	N/A	N/A	N/A
Active plan members	29,474	30,426	30,426
Total	56,284	44,728	60,827

Reporting for Fiscal Year Ending Measurement Date	June 30, 2025 July 1, 2024	June 30, 2024 July 1, 2023
Total OPEB Liability (in \$1,000s)	\$ 5,207,310	\$ 4,684,827

⁴ Participants with current Louisiana State University (LSU) medical coverage are not included in this valuation.

GASB 75 Results – Excluded Agencies

Schedule of Changes in Total OPEB Liability and Related Ratios

The table below outlines the changes in Total OPEB Liability for fiscal year ending June 30, 2025 compared to the prior fiscal year-end.

Reporting for Fiscal Year Ending Measurement Date	June 30, 2025 July 1, 2024	June 30, 2024 July 1, 2023
Total OPEB Liability (TOL) at beginning of year	\$ 4,684,827	\$ 4,290,042
Adjustment for agency transfer ⁵	\$ (6,467)	\$ 0
Service cost	113,402	108,054
Interest	194,073	176,218
Changes of benefit terms [A]	0	0
Differences between expected and actual experience	20,912	(12,100)
Changes of assumptions or other input [B]	387,749	303,608
Benefit payments ⁶	(187,186)	(180,995)
Net change in TOL	\$ 522,483	\$ 394,785
TOL at end of year	\$ 5,207,310	\$ 4,684,827
Covered employee payroll (measurement period)	\$ N/A	\$ N/A
TOL as % of covered payroll	N/A	N/A

A. Benefit changes: None.

B. Changes of assumptions:

1. The discount rate has decreased from 4.13% to 3.93%.
2. Baseline per capita costs (PCCs) were updated to reflect 2024 claims and enrollment.
3. Medical plan election percentages were updated based on the coverage elections of recent retirees.
4. The mortality, retirement, termination, disability, and salary increase rates for the LASERS group were updated.
5. The healthcare cost trend was updated.

⁵ Agency 4006 that used to be an excluded agency is now an included agency.

⁶ Benefit payments for the year ending June 30, 2024 were adjusted as described on page 12.

GASB 75 OPEB Expense

Components of OPEB expense for the current and prior fiscal year ends.

	FY 2025	FY 2024
Service cost	\$ 113,402	\$ 108,054
Interest on Total OPEB Liability and Net Cash Flow	194,073	176,218
Projected earnings on OPEB Plan investments	0	0
Current period recognitions of:		
Effect of benefit changes	0	0
Difference between expected and actual experience	4,357	(2,521)
Effect of changes in assumptions or other input	80,781	63,252
Prior years' deferred outflows of resources	185,812	136,215
Prior years' deferred inflows of resources	(370,625)	(472,579)
Immediate recognition of deferred inflows / outflows for exiting Agency	(136)	0
Total OPEB Expense	\$ 207,664	\$ 8,639

Deferred Inflows and Outflows of Resources

For the fiscal year ending June 30, 2025, the State reported deferred inflows and outflows of resources related to the following sources:

	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	\$ 29,977	\$ (7,658)
Changes in assumptions or other inputs	556,883	(661,412)
Employer contributions subsequent to the Measurement Date	165,488	0
Total	\$ 752,348	\$ (669,070)

Following are the details of the amounts reported as deferred (inflows) and outflows of resources to be recognized in future years. For details of the recognized deferred inflows and outflows of resources, refer to Appendix B.

Fiscal Year	Total
2026	\$ (139,829)
2027	\$ (144,005)
2028	\$ 133,515
2029	\$ 68,109
2030	\$ 0
Thereafter	\$ 0

Sensitivity Results

The following tables depict the sensitivity of the Total OPEB Liability due to changes in both the discount rate and the healthcare cost trend rate which are required under GASB No. 75.

Discount Rate Changes	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability	\$ 6,073,495	\$ 5,207,310	\$ 4,516,534

Healthcare Cost Trend Rates Changes	1% Decrease	Current Trend Rates	1% Increase
Total OPEB Liability	\$ 4,487,600	\$ 5,207,310	\$ 6,123,801

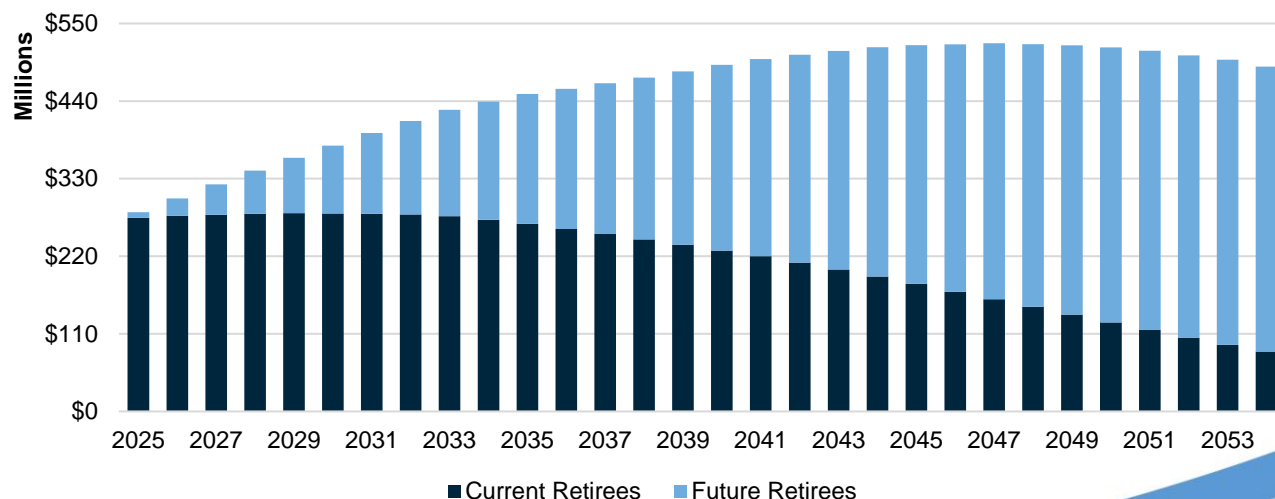
Projected Benefit Payments

The below table shows the projected benefit payments for the next 30 years for a closed group of participants (both active employees and existing retirees) who are included in the census data as of July 1, 2024. This exhibit is provided for informational purposes only and it is not a required disclosure under GASB 75. The projected benefit payments below include both explicit (if any) and implicit subsidies (as applicable).

Included Agencies

FYE	Future Retirees	Current Retirees	Total	FYE	Future Retirees	Current Retirees	Total
2025	\$ 7,848	\$ 274,624	\$ 282,472	2040	\$ 263,484	\$ 228,038	\$ 491,522
2026	\$ 24,608	\$ 277,400	\$ 302,008	2041	\$ 279,309	\$ 220,183	\$ 499,492
2027	\$ 43,218	\$ 278,799	\$ 322,017	2042	\$ 294,545	\$ 211,062	\$ 505,607
2028	\$ 61,338	\$ 280,140	\$ 341,478	2043	\$ 309,900	\$ 201,290	\$ 511,190
2029	\$ 78,373	\$ 281,224	\$ 359,597	2044	\$ 325,012	\$ 191,376	\$ 516,388
2030	\$ 96,155	\$ 280,612	\$ 376,767	2045	\$ 338,622	\$ 180,760	\$ 519,382
2031	\$ 114,621	\$ 280,210	\$ 394,831	2046	\$ 350,742	\$ 169,787	\$ 520,529
2032	\$ 132,440	\$ 279,330	\$ 411,770	2047	\$ 362,976	\$ 159,070	\$ 522,046
2033	\$ 150,791	\$ 276,807	\$ 427,598	2048	\$ 372,395	\$ 148,323	\$ 520,718
2034	\$ 167,424	\$ 271,804	\$ 439,228	2049	\$ 381,813	\$ 137,210	\$ 519,023
2035	\$ 184,020	\$ 266,160	\$ 450,180	2050	\$ 389,841	\$ 126,205	\$ 516,046
2036	\$ 198,838	\$ 258,608	\$ 457,446	2051	\$ 395,905	\$ 115,436	\$ 511,341
2037	\$ 213,648	\$ 251,678	\$ 465,326	2052	\$ 400,368	\$ 104,511	\$ 504,879
2038	\$ 229,351	\$ 243,905	\$ 473,256	2053	\$ 404,086	\$ 94,481	\$ 498,567
2039	\$ 245,741	\$ 236,405	\$ 482,146	2054	\$ 403,981	\$ 84,833	\$ 488,814

Projected Benefit Payments - Included Agencies

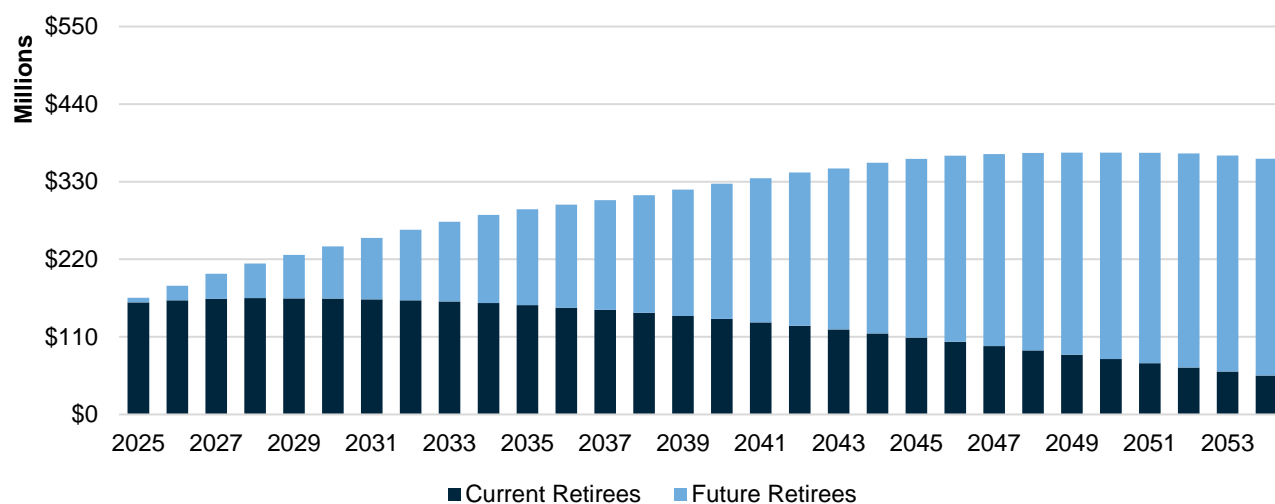


Excluded Agencies

FYE	Future Retirees	Current Retirees	Total
2025	\$ 6,576	\$ 158,912	\$ 165,488
2026	\$ 20,616	\$ 161,743	\$ 182,359
2027	\$ 35,543	\$ 163,895	\$ 199,438
2028	\$ 49,195	\$ 164,885	\$ 214,080
2029	\$ 61,604	\$ 164,584	\$ 226,188
2030	\$ 73,980	\$ 164,336	\$ 238,316
2031	\$ 87,055	\$ 163,230	\$ 250,285
2032	\$ 100,063	\$ 161,834	\$ 261,897
2033	\$ 113,022	\$ 160,123	\$ 273,145
2034	\$ 125,073	\$ 157,939	\$ 283,012
2035	\$ 135,698	\$ 155,079	\$ 290,777
2036	\$ 145,882	\$ 151,478	\$ 297,360
2037	\$ 155,660	\$ 148,240	\$ 303,900
2038	\$ 166,724	\$ 144,106	\$ 310,830
2039	\$ 179,119	\$ 139,626	\$ 318,745

FYE	Future Retirees	Current Retirees	Total
2040	\$ 191,768	\$ 135,409	\$ 327,177
2041	\$ 204,277	\$ 130,580	\$ 334,857
2042	\$ 217,333	\$ 125,731	\$ 343,064
2043	\$ 228,398	\$ 120,443	\$ 348,841
2044	\$ 242,029	\$ 114,919	\$ 356,948
2045	\$ 253,474	\$ 108,920	\$ 362,394
2046	\$ 263,797	\$ 102,977	\$ 366,774
2047	\$ 272,201	\$ 96,990	\$ 369,191
2048	\$ 279,910	\$ 90,856	\$ 370,766
2049	\$ 286,519	\$ 84,773	\$ 371,292
2050	\$ 292,471	\$ 78,651	\$ 371,122
2051	\$ 298,375	\$ 72,680	\$ 371,055
2052	\$ 303,472	\$ 66,612	\$ 370,084
2053	\$ 306,210	\$ 60,824	\$ 367,034
2054	\$ 307,440	\$ 55,201	\$ 362,641

Projected Benefit Payments - Excluded Agencies



Actuarial Assumptions and Methods

Actuarial Methods

Valuation Date	July 1, 2024
Measurement Date	July 1, 2024
Actuarial Cost Method	Entry Age Normal, level percent of pay. Service Costs are attributed through all assumed ages of exit from active service. For current DROP participants, assumed exit from active service is the date at which DROP ends.
Asset Valuation	N/A; benefit payments are funded on a pay-as-you-go basis.
Employer's Actual Benefit Payments for Excluded Agencies	Based on input from the Office of Statewide Reporting & Accounting Policy, an adjustment was made to the employer's actual benefit payments for the year ending June 30, 2024 for excluded agencies that were provided to Gallagher by the OGB. These payments are from the OGB Billing Premiums and Adjustments Report for the employer portion of the 2024 OPEB Benefit Payments (i.e., the employer portion of the OGB insurance premiums for retirees). The billing report classifies premiums for rehired retirees as "active" employer premiums instead of "retiree" premiums, but rehired retirees are included in the census data as retirees. The adjustment was made by taking the average payment for actives and rehires combined, and adding the average amount, multiplied by the number of rehires, to the expected payments for retirees who have not returned to work. Prior to 2021 benefit payments provided were used without adjustment. Note that this adjustment was only made for excluded agencies. Benefit payments for retirees who return to work in included agencies are correctly reported as retiree payments.
Miscellaneous	The valuation was prepared on an on-going plan basis. This assumption does not imply that an obligation to continue the plan exists.

Economic Assumptions

Discount Rate	<p>The discount rate as of July 1, 2024 is 3.93% based on the Bond Buyer 20 Index rate as of June 30, 2024⁷.</p> <p>The discount rate as of July 1, 2023 is 4.13% based on the S&P Municipal Bond 20-Year High Grade Rate Index as of June 30, 2023.</p>
Inflation	2.40%

⁷ Bond Buyer index is updated on Thursday weekly. The rate used for valuation purposes is the closest Thursday prior to the Measurement Date.

Salary Assumption

Consistent with the assumption used in the June 30, 2024 pension actuarial valuation for each retirement system (LASERS, LSPRS, TRSL, or LSERS).

For LASERS and TRSL, refer to Appendix C for sample rates.

For LSERS: 3.75%

For LSPRS: 5.50%

For employers that do not participate in one of the four state retirement systems, the rates for the LASERS Regular members were used.

Assumptions for the LASERS system have been revised since the last valuation. For the previous assumptions, refer to the State of Louisiana Actuarial Valuation Report as of July 1, 2023 dated June 20, 2024.

Benefit Cost Assumptions

Health Care Cost Trend Rate

The combined effect of price inflation and utilization on gross eligible medical and prescription drug charges is according to the table below. The initial trend rate was developed using our National Health Care Trend Survey. The survey gathers information on trend expectations for the coming year from various insurers and PBMs. These trends are broken out by drug and medical, as well as type of coverage (e.g. PPO, HMO, POS). We selected plans that most closely match the State of Louisiana's benefits to set the initial trend. The ultimate trend is developed based on a building block approach which considers CPI, GDP, and Technology growth. The healthcare cost trend rates applicable to medical and prescription drug benefits are as follows:

From Year	To Year	Pre-Medicare	Medicare
2024	2025	8.50%	7.50%
2025	2026	8.25%	7.00%
2026	2027	8.00%	6.50%
2027	2028	7.75%	6.30%
2028	2029	7.50%	6.10%
2029	2030	7.00%	6.00%
2030	2031	6.50%	5.75%
2031	2032	6.00%	5.50%
2032	2033	5.50%	5.25%
2033	2034	5.00%	5.00%
2034+		4.50%	4.50%

Retiree contribution trend: same as medical and prescription drug trends shown above.

Per Capita Costs

Per capita costs for the self-insured plans administered by BCBS were based on medical and prescription drug claims and enrollment for retired participants for the period January 1, 2023 through December 31, 2024. The claims experience was trended to the valuation date.

Per capita costs for the fully insured HMO and Medicare Advantage plans were based on calendar year 2025 premiums adjusted to the valuation date using the Medicare trend assumption on the prior page.

Per capita costs were adjusted for expected age-related differences in morbidity applicable to retirees, except for costs for the Via Benefits HRA plan, which provides a flat monthly subsidy. Details regarding the Age Morbidity Curve are found under Age Related Morbidity assumptions below.

The table below indicates the assumed 2024 per capita costs normalized to male retiree age 65:

Plans	Without Medicare	With Medicare	Without Medicare	With Medicare
	Retire Before 3/1/2015	Retire On/After 3/1/2015	Retire On/After 3/1/2015	Retire On/After 3/1/2015
People's MA HMO	N/A	\$1,646	N/A	\$1,646
BCBS MA HMO	N/A	\$2,277	N/A	\$2,277
Humana MA HMO	N/A	\$1,665	N/A	\$1,665
Via Benefits HRA	N/A	\$2,400	N/A	\$2,400
BCBS Pelican HRA	\$15,446	\$3,356	\$15,446	\$3,356
BCBS Magnolia Local/Local Plus	\$22,146	\$4,166	\$21,623	\$4,095
BCBS Magnolia Open Access	\$22,963	\$3,809	\$22,642	\$3,745

Administrative Expenses

Included in medical claim costs, 10% load for life insurance. The 10% load is consistent with industry standards and covers insurer administrative costs, premium taxes as well as insurer margin and profit (where applicable).

Age Related Morbidity

Per capita costs are adjusted to reflect expected cost differences due to age and gender. Age morbidity factors for pre-Medicare morbidity were developed from "Health Care Costs – From Birth to Death" sponsored by the Society of Actuaries and prepared by Dale H. Yamamoto (May 2013)⁸. Table 4 from Mr. Yamamoto's study formed the basis of Medicare morbidity factors that are gender distinct and assumed a cost allocation of 60% for pharmacy, 20% for inpatient, 10% for outpatient, and 10% for professional services. Adjustments were made to Table 4 factors for inpatient costs at age 70 and below to smooth out what appears to be a spike in utilization for Medicare retirees gaining healthcare for the first time through Medicare. While such retirees were included in the study, their specific experience is not applicable for a valuation of an employer retiree medical plan where participants had group active coverage before retirement.

⁸ <https://www.soa.org/resources/research-reports/2013/research-health-care-birth-death/>

Age Related Morbidity

Morbidity factors at sample ages are as shown below.

Age	Male	Female
50	0.4612	0.5736
55	0.6085	0.6667
60	0.7829	0.7791
65	1.0000	0.9438
70	1.1873	1.1094
75	1.2752	1.2009
80	1.3381	1.2697
85	1.3479	1.3171
90	1.3235	1.3303
95	1.3047	1.2765
100	1.2878	1.1701

Demographic Assumptions

Basis for Assumptions

We relied upon the assumptions used in the June 30, 2024 Louisiana State Employees' Retirement System (LASERS), Louisiana State Police Retirement System (LSPRS), the Louisiana School Employees' Retirement System (LSERS), and the Teachers' Retirement System of Louisiana (TRSL) pension valuations for the mortality, retirement, termination, disability, and salary scale assumptions.

Assumptions for the LASERS system have been revised since the last valuation. For the previous assumptions, refer to the State of Louisiana Actuarial Valuation Report as of July 1, 2023 dated June 20, 2024.

The assumptions used in the June 30, 2024 LASERS pension valuation were revised as of the June 30, 2024 valuation based on an experience study for the period July 1, 2018 through June 30, 2023.

The assumptions used in the June 30, 2024 TRSL pension valuation were revised as of the June 30, 2023 valuation based on an experience study for the period July 1, 2017 through June 30, 2022.

The assumptions used as of the June 30, 2024 LSERS pension valuation were revised as of the June 30, 2023 valuation based on an experience study for the period July 1, 2017 through June 30, 2022.

The assumptions used as of the June 30, 2024 LSPRS pension valuation were revised as of the June 30, 2023 valuation based on an experience study for the period July 1, 2017 through June 30, 2022.

Mortality**LASERS**

For General active lives: the PubG-2010 Employee Table, adjusted by 1.055 for males and 1.034 for females, projected from 2020 on a fully generational basis by Mortality Improvement Scale MP-2021.

For General healthy retiree lives: the PubG-2010 Retiree Table, adjusted by 1.215 for males and 1.277 for females, projected from 2020 on a fully generational basis by Mortality Improvement Scale MP-2021.

For General disabled retiree lives: the RP-2000 Disabled Retiree Mortality Table, adjusted by 0.936 for males and 1.065 for females, not projected with mortality improvement.

For Public Safety active lives: the PubS-2010 Below Median Employee Table, adjusted by 1.050 for males and 0.974 for females, projected from 2020 on a fully generational basis by Mortality Improvement Scale MP-2021.

For Public Safety healthy retiree lives: the PubS-2010 Below Median Retiree Table, adjusted by 1.049 for males and 1.020 for females, projected from 2020 on a fully generational basis by Mortality Improvement Scale MP-2021.

For Public Safety disabled retiree lives: the RP-2000 Disabled Retiree Mortality Table, adjusted by 0.978 for males and 1.002 for females, not projected with mortality improvement.

For survivors: the PubG-2010 Contingent Survivor Table, adjusted by 1.264 for males and 1.326 for females, projected from 2020 on a fully generational basis by Mortality Improvement Scale MP-2021.

TRSL

For active lives: Pub2010T-Below Median Employee (amount weighted) tables for males and females, adjusted by 0.965 for males and by 0.942 for females, projected from 2010 on a fully generational basis by Mortality Improvement Scale MP-2021.

For healthy retiree lives: Pub2010T-Below Median Retiree (amount weighted) tables for males and females, adjusted by 1.173 for males and by 1.258 for females, projected from 2010 on a fully generational basis by Mortality Improvement Scale MP-2021.

For disabled retiree lives: Pub2010T-Disability (amount weighted) tables for males and females, adjusted by factors of 1.043 for males and 1.092 for females, projected from 2010 on a fully generational basis by Mortality Improvement Scale MP-2021.

For contingent survivor lives (applicable to the surviving spouse's lifetime after retiree's death): Pub2010T-Below Median – Contingent Survivor (amount weighted) tables for males and females, adjusted by factors of 1.079 for males and 0.919 for females, projected from 2010 on a fully generational basis by Mortality Improvement Scale MP-2021.

Mortality (Cont'd)

LSERS

For active lives: 125% of the Pub-2010 General Below Median Employee Table for males and 135% of the Pub-2010 General Below Median Employee Table for females, projected from 2010 on a fully generational basis by Mortality Improvement Scale MP-2021.

For healthy retiree lives and contingent survivor lives: 125% of the Pub-2010 General Below Median Healthy Retiree Table for males and 135% of the Pub-2010 General Below Median Healthy Retiree Table for females, projected from 2010 on a fully generational basis by Mortality Improvement Scale MP-2021.

For disabled retiree lives: 125% of the Pub-2010 Non-Safety Disabled Retiree Table for males and 135% of the Pub-2010 Non-Safety Disabled Retiree Table for females, projected from 2010 on a fully generational basis by Mortality Improvement Scale MP-2021.

LSPRS

For active lives: Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 100% for males and 105% for females, projected from 2010 on a fully generational basis by Mortality Improvement Scale MP-2021.

For healthy retiree and contingent annuity lives: Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees multiplied by 100% for males and 105% for females, projected from 2010 on a fully generational basis by Mortality Improvement Scale MP-2021.

For disabled retiree lives: Pub-2010 Public Retirement Plans Safety Mortality Table total datasets for disabled retirees multiplied by 100% for males and 105% for females, projected from 2010 on a fully generational basis by Mortality Improvement Scale MP-2021.

Retirement

The rates of retirement are consistent with the assumptions used in the June 30, 2024 pension valuations. The retirement rates for LASERS and TRSL include DROP rates. Refer to Appendix C for sample rates.

Disability Rates

Consistent with the June 30, 2024 pension valuation assumptions. Refer to Appendix C for sample rates.

Termination Rates

Consistent with the June 30, 2024 pension valuation assumptions. Refer to Appendix C for sample rates.

Dependents

Actual data was used for spouses of current retirees. Of those future retirees electing coverage at retirement, 35% are assumed to be married at time of retirement and elect to cover their spouse in the same medical arrangement that they have elected. 35% of future retirees are also assumed to elect the life insurance benefit for their spouses.

For future retirees, male retirees are assumed to be three years older than their spouses and female retirees are assumed to be two years younger than their spouses.

No divorce or remarriage after widowhood was reflected.

These assumptions are based on a review of plan experience from July 1, 2021 through June 30, 2024.

Participation Rates

Medical

Active employees who do not have current medical coverage are assumed not to participate in the medical plan as retirees. The percentage of employees and their dependents who are currently covered for medical coverage that are assumed to participate in the retiree medical plan is outlined in the table below. This assumption is based on a review of plan experience from July 1, 2021 through June 30, 2024.

Years of Service	Participation %
<10	33%
10 – 14	60%
15 – 19	80%
20+	88%

To be eligible for retiree coverage, the participant's coverage must be in effect immediately prior to retirement.

Life Insurance

36% of future retirees are assumed to participate in the life insurance. This assumption is based on a review of plan experience from July 1, 2021 through June 30, 2024. Future retirees are assumed to elect a total of \$45,000 in basic life insurance and supplemental life insurance coverage, before any age reductions. Spouses are assumed to elect \$2,000 of coverage.

Plan Election Percentage

Current retirees are assumed to remain in their current plan. Future retirees are assumed to elect coverage based on the coverage elections of recent retirees as follows:

Medical Plan	Pre-Medicare %	Medicare %
BCBS Pelican HRA	13%	6%
BCBS Magnolia L/LP	80%	73%
BCBS Magnolia OA	7%	15%
People's MA HMO	N/A	1%
BCBS MA HMO	N/A	3%
Humana MA HMO	N/A	1%
Via Benefits HRA	N/A	1%

This assumption has been updated since the prior valuation based on a review of the past three years of plan experience.

Medicare Eligibility

99% of future retirees and covered spouses are assumed to be eligible for Medicare at age 65. Retirees under age 65 at 7/1/2017 are assumed to become eligible for Medicare at age 65 at varying rates, based upon how soon they turn age 65, as follows:

Turns Age 65 by	Medicare Eligibility %
7/1/2024	93%
7/1/2025	94%
7/1/2026	95%
7/1/2027	96%
7/1/2028	97%
7/1/2029	98%
On/after 7/1/2030	99%

Retirees over age 65 are valued according to their reported Medicare status, which is assumed to never change. All current spouses are assumed to be Medicare eligible at age 65. These assumptions are based on a review of plan experience from July 1, 2021 through June 30, 2024.

DROPS

Current DROPS are valued using actual DROP end dates, where available. Otherwise, the DROP period was assumed to be three years from the DROP start dates. This assumption is consistent with the plan provisions of the DROP program in LASERS, LSERS, and TRSL.

For LASERS and TRSL, 60% of retirements in the first year of normal retirement eligibility are assumed to be DROPS.

50% of DROPS are assumed to return to active employment at the end of the DROP period.

Substantive Plan Provisions

Eligibility

An active employee, covered by the active health plan immediately prior to retirement, is eligible for lifetime retiree medical and life insurance benefits for the retiree and spouse if he or she retires under a Statewide Retirement System (LASERS, LSPRS, LSERS, and TRSL).

Early Retirement: The State offers reduced retirement at 20 years of service at any age for all groups except Correctional 2 and Wildlife Officers 2.

Normal retirement eligibility requirements for various retirement plans are as shown below.

State Retirement Plan	Hire Date Cut-Off	Normal Retirement
Alcohol and Tobacco Control		60 & 10 or 25 yrs
Appellate law clerk		65 & 10 or 55 & 12 or age 70 or 18 yrs
Bridge employees		60 & 10 or 25 yrs
Correctional	< 1/1/2002	60 & 10 or 50 & 20 or 25 yrs
Correctional 2	≥ 1/1/2002	60 & 10 or 25 yrs
Hazardous duty		55 & 12 or 25 yrs
Judicial	< 1/1/2011	65 & 10 or 55 & 12 or age 70 or 18 yrs
Judicial 2	1/1/2011 – 6/30/2015	60 & 5
Judicial 3	> 6/30/2015	62 & 5
Legislator		55 & 12 or 50 & 20 or 16 yrs
Police officer		60 & 10 or 55 & 25 or 30 yrs
Regular Employee	< 7/1/2006	60 & 10 or 55 & 25 or 30 yrs
Regular Employee 2 and 3	7/1/2006 – 6/30/2015	60 & 5
Regular Employee 4	≥ 7/1/2015	62 & 5
Special legislative employees		65 & 10 or 55 & 12 or 50 & 20 or 16 yrs
Wildlife officer	< 7/1/2003	55 & 10 or 20 yrs
Wildlife officer 2	≥ 7/1/2003	60 & 10 or 25 yrs

Retirement Systems	Hire Date Cut-Off	Normal Retirement
Teachers Retirement Plan (including Lunch A/B subplans)	< 7/1/1999	65 & 20 or 55 & 25 or 30 yrs
	7/1/1999 – 12/31/2010	60 & 5 or 55 & 25 or 30 yrs
	1/1/2011 – 6/30/2015	60 & 5
	≥ 7/1/2015	62 & 5
School Retirement Plan	< 7/1/2010	60 & 10 or 55 & 25 or 30 yrs
	7/1/2010 – 6/30/2015	60 & 5
	≥ 7/1/2015	62 & 5
Police Retirement Plan	< 1/1/2011	50 & 10 or 25 yrs
	≥ 1/1/2011	55 & 12 or 25 yrs

Medical Benefits

Retirees under age 65 can elect coverage under the following plans:

- BCBS Pelican HRA
- BCBS Magnolia Local/Local Plus
- BCBS Magnolia Open Access

Retirees over age 65 can elect coverage under the following plans:

- BCBS Pelican HRA
- BCBS Magnolia Local/Local Plus
- BCBS Magnolia Open Access
- People's Medicare Advantage HMO
- BCBS Medicare Advantage HMO (varies by region)
- Humana Medicare Advantage HMO (varies by region)
- Via Benefits HRA

Refer to Appendix D for brief summary of select plans' benefit designs.

Monthly Contribution

Employees with an OGB medical participation start (or re-start) date after December 31, 2001 pay a percentage of the total retiree contribution rate based on the following schedule:

OGB Medical Participation	Retiree Share	State Share
Under 10 years	81%	19%
10 – 14 years	62%	38%
15 – 19 years	44%	56%
20+ years	25%	75%

Premium Rates

Monthly rates effective January 1, 2025 are:

Medical Plans	Active Single	Pre-Medicare Member		
		Member Only	Pre-65 Spouse	Medicare Spouse
BCBS Pelican HRA	\$581	\$1,081	\$828	\$218
BCBS Magnolia Local Plus	\$930	\$1,735	\$1,329	\$363
BCBS Magnolia OA	\$966	\$1,798	\$1,377	\$362

Medical Plans		Medicare Member		
		Member Only	Pre-65 Spouse	Medicare Spouse
BCBS Pelican HRA		\$351	\$947	\$280
BCBS Magnolia Local Plus		\$574	\$1,524	\$455
BCBS Magnolia OA		\$585	\$1,576	\$466

Premium Rates (Cont'd)

Medicare Advantage plan monthly rates effective January 1, 2025 are:

Medical Plan	Member Only	Medicare Spouse
People's MA HMO	\$175	\$175
BCBS MA HMO - Region 1	\$204	\$204
BCBS MA HMO – Region 2	\$232	\$232
BCBS MA HMO - Regions 3,4	\$208	\$208
BCBS MA HMO - Regions 5,6,7,8	\$259	\$259
BCBS MA HMO - Region 9	\$244	\$244
Humana MA HMO - Region 1	\$83	\$83
Humana MA HMO - Region 2	\$229	\$229
Humana MA HMO - Region 3	\$193	\$193
Humana MA HMO - Region 4	\$194	\$194
Humana MA HMO - Region 5	\$190	\$190
Humana MA HMO - Region 6	\$242	\$242
Humana MA HMO - Region 7	\$252	\$252
Humana MA HMO - Region 8	\$252	\$252
Humana MA HMO - Region 9	\$227	\$227

For purposes of this valuation, the above amounts were trended back 6 months to the valuation date.

Life Insurance Benefits

The State provides the following maximum life insurance benefits at retirement.

	Basic	Supplemental Maximum
Under age 65	\$5,000	\$50,000
Ages 65 – 70	\$4,000	\$38,000
After age 70	\$3,000	\$25,000

Age Reductions: In force life insurance amounts are reduced to 75% of the initial value at age 65 and to 50% of the original amount at age 70.

Spouse life insurance amounts of \$1,000, \$2,000 or \$4,000 are available.

Life Insurance Cost Share

Retiree pays 50% of the Prudential Company of America premium and 100% of the Prudential Company of America premium for spousal coverage.

Premiums vary by age.

Summary of Participant Data – Included Agencies

The following table summarizes the participants provided in the census data.

	Active	Retired ⁹
LASERS	34,739	33,068
Appellate law clerk	61	63
Appellate law clerk 2	12	3
Alcohol and Tobacco Control	8	9
Bridge employees	2	2
Bridge employees 2	1	0
Correctional	60	923
Correctional 2	827	1,137
Hazardous duty	3,090	156
Judicial	38	58
Judicial 2	11	0
Judicial 3	8	1
Legislator	1	33
Police office	25	48
Regular Employee	10,766	29,868
Regular Employee 2	3,353	415
Regular Employee 3	3,446	113
Regular Employee 4	12,936	35
Special legislative employees	1	2
Wildlife officer	0	69
Wildlife officer 2	93	133
TRSL	17,815	8,084
Higher Education	10,752	3
Lunch	14	0
Regular	7,049	8,081
LSERS	43	77
LSPRS	<u>919</u>	<u>1,074</u>
Total	53,516	42,303

⁹ Retiree counts include disabled retirees and surviving spouses. 2,382 retirees were not valued because they do not have life insurance coverage and they either have no medical coverage or are covered under the LSU plan.

The following table summarizes the valued participants by medical plan:

Medical Plans	Active	Retired
People's MA HMO	0	1,202
Via Benefits HRA	0	492
LSU HMO ¹⁰	7,254	1,344
BCBS Pelican HRA/HSA	7,601	967
BCBS Magnolia Local/Local Plus	33,516	19,984
BCBS Magnolia Open Access	2,890	9,276
BCBS MA HMO	0	1,078
Humana MA HMO	0	287
Waived	2,255	5,291
Total	53,516	39,921

Active Participant Data

The following table shows a distribution of age and credited service for retirement eligibility for all active employees as of the Valuation Date.

Age	Credited Service for Eligibility to Retire							Total
	0 – 4	5 – 9	10 – 14	15 – 19	20 – 24	25 – 29	30+	
Under 25	1,166	20	0	0	0	0	0	1,186
25 – 29	3,818	576	10	0	0	0	0	4,404
30 – 34	3,494	1,850	321	7	0	0	0	5,672
35 – 39	2,755	1,973	1,198	426	20	0	0	6,372
40 – 44	2,234	1,793	1,201	1,659	521	35	0	7,443
45 – 9	1,678	1,313	887	1,438	1,371	449	18	7,154
50 – 54	1,426	1,076	747	1,141	1,215	1,132	259	6,996
55 – 59	1,114	947	665	1,027	964	969	558	6,244
60 – 64	678	680	502	814	695	638	516	4,523
65 – 69	218	312	244	410	361	277	452	2,274
70+	62	93	118	187	207	186	395	1,248
Total	18,643	10,633	5,893	7,109	5,354	3,686	2,198	53,516

¹⁰ Medical plan liabilities for LSU participants were not included in this valuation as LSU is responsible for their liabilities.

The following table summarizes average OGB medical participation years and credited pension service for active employees by retirement system.

Retirement System	OGB Medical Participation Years	Credited Pension Service
LASERS	9.7	11.7
TRSL	8.4	10.2
LSERS	11.4	15.0
LSPRS	11.6	12.6

Inactive Participant Data

Counts for retirees and spouses with medical coverage (excluding LSU) and life insurance coverage are summarized below.

Age	Medical Coverage		Life Insurance Coverage	
	Retirees	Covered Spouses	Retirees	Covered Spouses
Under 40	6	19	3	14
40 – 44	23	44	9	25
45 – 49	144	137	70	73
50 – 54	651	384	276	215
55 – 59	1,878	726	913	439
60 – 64	4,196	1,452	2,390	921
65 – 69	5,998	1,883	3,750	1,301
70 – 74	7,025	2,000	4,762	1,544
75 – 79	5,879	1,660	4,440	1,409
80 – 84	3,960	894	3,102	883
85+	3,526	472	2,963	506
Total	33,286	9,671	22,678	7,330
In Force Amount (thousands)			\$599,158	\$14,660



Gallagher

Insurance | Risk Management | Consulting

Appendix A: Required Schedules for GASB 75

Schedule of Changes in Total OPEB Liability – Included Agencies

Reporting for Fiscal Year End Measurement Date	June 30, 2025 July 1, 2024	June 30, 2024 July 1, 2023	June 30, 2023 July 1, 2022	June 30, 2022 July 1, 2021	June 30, 2021 July 1, 2020
TOL at beginning of year	\$ 7,148,291	\$ 6,748,572	\$ 9,156,641	\$ 8,284,688	\$ 7,722,339
Service cost	\$ 137,457	\$ 138,215	\$ 249,314	\$ 207,768	\$ 191,013
Interest	294,687	275,412	201,842	222,000	216,859
Changes of benefit terms	0	0	0		
Differences between expected and actual experience	71,473	41,014	127,649	71,276	159,216
Changes of assumptions or other input	470,378	254,167	(2,690,986)	666,033	278,487
Benefit payments	(317,104)	(309,089)	(295,888)	(295,124)	(283,226)
Net change in TOL	\$ 656,891	\$ 399,719	\$ (2,408,069)	\$ 871,953	\$ 562,349
TOL at end of year	\$ 7,811,649	\$ 7,148,291	\$ 6,748,572	\$ 9,156,641	\$ 8,284,688

Reporting for Fiscal Year End Measurement Date	June 30, 2020 July 1, 2019	June 30, 2019 July 1, 2018
TOL at beginning of year	\$ 8,536,315	\$ 8,690,978
Service cost	\$ 221,327	\$ 228,131
Interest	256,685	274,649
Changes of benefit terms	0	0
Differences between expected and actual experience	120,061	(47,837)
Changes of assumptions or other input	(1,121,805)	(318,631)
Benefit payments	(290,244)	(290,975)
Net change in TOL	\$ (813,976)	\$ (154,663)
TOL at end of year	\$ 7,722,339	\$ 8,536,315



Gallagher

Insurance | Risk Management | Consulting

Schedule of Changes in Total OPEB Liability – Excluded Agencies

Reporting for Fiscal Year End Measurement Date	June 30, 2025 July 1, 2024	June 30, 2024 July 1, 2023	June 30, 2023 July 1, 2022	June 30, 2022 July 1, 2021	June 30, 2021 July 1, 2020
TOL at beginning of year	\$ 4,684,827	\$ 4,290,042	\$ 5,880,187	\$ 5,287,608	\$ 5,031,032
Adjustment for agency transfer ¹¹	\$ (6,467)	\$ 0	\$ 0	\$ 0	\$ 0
Service cost	113,402	108,054	194,838	161,897	151,573
Interest	194,073	176,218	130,527	142,685	142,340
Changes of benefit terms	0	0	0		
Differences between expected and actual experience	20,912	(12,100)	26,450	21,748	63,101
Changes of assumptions or other input	387,749	303,608	(1,765,914)	438,157	62,299
Benefit payments	(187,186)	(180,995)	(176,046)	(171,908)	(162,737)
Net change in TOL	\$ 522,483	\$ 394,785	\$ (1,590,145)	\$ 592,579	\$ 256,576
TOL at end of year	\$ 5,207,310	\$ 4,684,827	\$ 4,290,042	\$ 5,880,187	\$ 5,287,608

Reporting for Fiscal Year End Measurement Date	June 30, 2020 July 1, 2019	June 30, 2019 July 1, 2018
TOL at beginning of year	\$ 5,436,890	\$ 5,437,736
Adjustment for agency transfer	\$ 0	\$ 0
Service cost	167,248	176,881
Interest	164,604	173,198
Changes of benefit terms		
Differences between expected and actual experience	52,594	(56,040)
Changes of assumptions or other input	(628,072)	(131,347)
Benefit payments	(162,232)	(163,538)
Net change in TOL	\$ (405,858)	\$ (846)
TOL at end of year	\$ 5,031,032	\$ 5,436,890

¹¹ Agency 4006 that used to be an excluded agency is now an included agency.

Appendix B: Deferred Inflows and Outflows of Resources Details

Following are the details of the recognized deferred inflows and outflows of resources. The amounts due to changes in assumptions and differences between expected and actual experience are amortized over the average expected service of the covered population as of the beginning of the measurement period. The average of the expected remaining service lives of all employees that are provided with benefits through the plan (active and inactive employees) determined at July 1, 2023 is 4.50 years for included agencies and 4.80 for excluded agencies.

Included Agencies: Amortization of Experience (Gains) / Losses

FYE June 30	2018	2019	2020	2021	2022	2023	2024	2025
Amount established	\$ 0	\$ (47,837)	\$ 120,061	\$ 159,216	\$ 71,276	\$ 127,469	\$ 41,014	\$ 77,944
Recognition period	0.00	4.50	4.50	4.50	4.50	4.50	4.50	4.50
Amount Recognized in FY								
2018	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
2019	0	(10,630)	0	0	0	0	0	0
2020	0	(10,630)	26,680	0	0	0	0	0
2021	0	(10,630)	26,680	35,381	0	0	0	0
2022	0	(10,630)	26,680	35,381	15,839	0	0	0
2023	0	(5,317)	26,680	35,381	15,839	28,366	0	0
2024	0	0	13,341	35,381	15,839	28,366	9,114	0
2025	0	0	0	17,692	15,839	28,366	9,114	17,321
2026	0	0	0	0	7,920	28,366	9,114	17,321
2027	0	0	0	0	0	14,185	9,114	17,321
2028	0	0	0	0	0	0	4,558	17,321
2029	0	0	0	0	0	0	0	8,660

Included Agencies: Amortization of Experience (Gains) / Losses (Continued)

FYE June 30	2018	2019	2020	2021	2022	2023	2024	2025
Amount established	\$ 0	\$ (47,837)	\$ 120,061	\$ 159,216	\$ 71,276	\$ 127,469	\$ 41,014	\$ 77,944
Recognition period	0.00	4.50	4.50	4.50	4.50	4.50	4.50	4.50
Deferred Balance at June 30								
2018	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
2019	0	(37,207)	0	0	0	0	0	0
2020	0	(26,577)	93,381	0	0	0	0	0
2021	0	(15,947)	66,701	123,835	0	0	0	0
2022	0	(5,317)	40,021	88,454	55,437	0	0	0
2023	0	0	13,341	53,073	39,598	99,283	0	0
2024	0	0	0	17,692	23,759	70,917	31,900	0
2025	0	0	0	0	7,920	42,551	22,786	60,623
2026	0	0	0	0	0	14,185	13,672	43,302
2027	0	0	0	0	0	0	4,558	25,981
2028	0	0	0	0	0	0	0	8,660
2029	0	0	0	0	0	0	0	0

Included Agencies: Amortization of Experience (Gains) / Losses (Continued)

FYE	Amount Recognized in FY			Deferred Balance at June 30		
	Outflows	Inflows	Total	Outflows	Inflows	Total
2018	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
2019	0	(10,630)	(10,630)	0	(37,207)	(37,207)
2020	26,680	(10,630)	16,050	93,381	(26,577)	66,804
2021	62,061	(10,630)	51,431	190,536	(15,947)	174,589
2022	77,900	(10,630)	67,270	183,912	(5,317)	178,595
2023	106,266	(5,317)	100,949	205,295	0	205,295
2024	102,041	0	102,041	144,268	0	144,268
2025	88,332	0	88,332	133,880	0	133,880
2026	62,721	0	62,721	71,159	0	71,159
2027	40,620	0	40,620	30,539	0	30,539
2028	21,879	0	21,879	8,660	0	8,660
2029	8,660	0	8,660	0	0	0

Included Agencies: Amortization of Changes in Assumptions or Other Inputs

FYE June 30	2018	2019	2020	2021	2022	2023	2024	2025
Amount established	\$ (591,241)	\$ (318,631)	\$ (1,121,805)	\$ 278,487	\$ 666,033	\$ (2,690,986)	\$ 254,167	\$ 470,378
Recognition period	4.48	4.50	4.50	4.50	4.50	4.50	4.50	4.50
Amount Recognized in FY								
2018	\$ (131,973)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
2019	(131,973)	(70,807)	0	0	0	0	0	0
2020	(131,973)	(70,807)	(249,290)	0	0	0	0	0
2021	(131,973)	(70,807)	(249,290)	61,886	0	0	0	0
2022	(63,349)	(70,807)	(249,290)	61,886	148,007	0	0	0
2023	0	(35,403)	(249,290)	61,886	148,007	(597,997)	0	0
2024	0	0	(124,645)	61,886	148,007	(597,997)	56,482	0
2025	0	0	0	30,943	148,007	(597,997)	56,482	104,528
2026	0	0	0	0	74,005	(597,997)	56,482	104,528
2027	0	0	0	0	0	(298,998)	56,482	104,528
2028	0	0	0	0	0	0	28,239	104,528
2029	0	0	0	0	0	0	0	52,266

Included Agencies: Amortization of Changes in Assumptions or Other Inputs (Continued)

FYE June 30	2018	2019	2020	2021	2022	2023	2024	2025
Amount established	\$ (591,241)	\$ (318,631)	\$ (1,121,805)	\$ 278,487	\$ 666,033	\$ (2,690,986)	\$ 254,167	\$ 470,378
Recognition period	4.48	4.50	4.50	4.50	4.50	4.50	4.50	4.50
Deferred Balance at June 30								
2018	\$ (459,268)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
2019	(327,295)	(247,824)	0	0	0	0	0	0
2020	(195,322)	(177,017)	(872,515)	0	0	0	0	0
2021	(63,349)	(106,210)	(623,225)	216,601	0	0	0	0
2022	0	(35,403)	(373,935)	154,715	518,026	0	0	0
2023	0	0	(124,645)	92,829	370,019	(2,092,989)	0	0
2024	0	0	0	30,943	222,012	(1,494,992)	197,685	0
2025	0	0	0	0	74,005	(896,995)	141,203	365,850
2026	0	0	0	0	0	(298,998)	84,721	261,322
2027	0	0	0	0	0	0	28,239	156,794
2028	0	0	0	0	0	0	0	52,266
2029	0	0	0	0	0	0	0	0

Included Agencies: Amortization of Changes in Assumptions or Other Inputs (Continued)

FYE	Amount Recognized in FY			Deferred Balance at June 30		
	Outflows	Inflows	Total	Outflows	Inflows	Total
2018	\$ 0	\$ (131,973)	\$ (131,973)	\$ 0	\$ (459,268)	\$ (459,268)
2019	0	(202,780)	(202,780)	0	(575,119)	(575,119)
2020	0	(452,070)	(452,070)	0	(1,244,854)	(1,244,854)
2021	61,886	(452,070)	(390,184)	216,601	(792,784)	(576,183)
2022	209,893	(383,446)	(173,553)	672,741	(409,338)	263,403
2023	209,893	(882,690)	(672,797)	462,848	(2,217,634)	(1,754,786)
2024	266,375	(722,642)	(456,267)	450,640	(1,494,992)	(1,044,352)
2025	339,960	(597,997)	(258,037)	581,058	(896,995)	(315,937)
2026	235,015	(597,997)	(362,982)	346,043	(298,998)	47,045
2027	161,010	(298,998)	(137,988)	185,033	0	185,033
2028	132,767	0	132,767	52,266	0	52,266
2029	52,266	0	52,266	0	0	0

Excluded Agencies: Amortization of Experience (Gains) / Losses

FYE June 30	2018	2019	2020	2021	2022	2023	2024	2025
Amount established	\$ 0	\$ (56,040)	\$ 52,594	\$ 63,101	\$ 21,748	\$ 26,450	\$ (12,100)	\$ 20,912
Recognition period	0.00	4.80	4.80	4.80	4.80	4.80	4.80	4.80
Amount Recognized in FY								
2018	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
2019	0	(11,675)	0	0	0	0	0	0
2020	0	(11,675)	10,957	0	0	0	0	0
2021	0	(11,675)	10,957	13,146	0	0	0	0
2022	0	(11,675)	10,957	13,146	4,531	0	0	0
2023	0	(9,340)	10,957	13,146	4,531	5,510	0	0
2024	0	0	8,766	13,146	4,531	5,510	(2,521)	0
2025	0	0	0	10,517	4,512	5,651	(1,921)	4,357
2026	0	0	0	0	3,643	5,432	(2,735)	4,357
2027	0	0	0	0	0	4,347	(2,735)	4,357
2028	0	0	0	0	0	0	(2,188)	4,357
2029	0	0	0	0	0	0	0	3,484

Numbers in green above have been adjusted for re-classification of agency 4006 from an excluded agency to an included agency. Unamortized deferred inflows / outflows as of June 30, 2024 for agency 4006 are recognized immediately in 2025. Annual amortization amounts after 2025 no longer include agency 4006 deferred inflows / outflows amortization.

Excluded Agencies: Amortization of Experience (Gains) / Losses (Continued)

FYE June 30	2018	2019	2020	2021	2022	2023	2024	2025
Amount established	\$ 0	\$ (56,040)	\$ 52,594	\$ 63,101	\$ 21,748	\$ 26,450	\$ (12,100)	\$ 20,912
Recognition period	0.00	4.80	4.80	4.80	4.80	4.80	4.80	4.80
Deferred Balance at June 30								
2018	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
2019	0	(44,365)	0	0	0	0	0	0
2020	0	(32,690)	41,637	0	0	0	0	0
2021	0	(21,015)	30,680	49,955	0	0	0	0
2022	0	(9,340)	19,723	36,809	17,217	0	0	0
2023	0	0	8,766	23,663	12,686	20,940	0	0
2024	0	0	0	10,517	8,155	15,430	(9,579)	0
2025	0	0	0	0	3,643	9,779	(7,658)	16,555
2026	0	0	0	0	0	4,347	(4,923)	12,198
2027	0	0	0	0	0	0	(2,188)	7,841
2028	0	0	0	0	0	0	0	3,484
2029	0	0	0	0	0	0	0	0

Numbers in green above have been adjusted for re-classification of agency 4006 from an excluded agency to an included agency.

Excluded Agencies: Amortization of Experience (Gains) / Losses (Continued)

FYE	Amount Recognized in FY			Deferred Balance at June 30		
	Outflows	Inflows	Total	Outflows	Inflows	Total
2018	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
2019	0	(11,675)	(11,675)	0	(44,365)	(44,365)
2020	10,957	(11,675)	(718)	41,637	(32,690)	8,947
2021	24,103	(11,675)	12,428	80,635	(21,015)	59,620
2022	28,634	(11,675)	16,959	73,749	(9,340)	64,409
2023	34,144	(9,340)	24,804	66,055	0	66,055
2024	31,953	(2,521)	29,432	34,102	(9,579)	24,523
2025	25,037	(1,921)	23,116	29,977	(7,658)	22,319
2026	13,432	(2,735)	10,697	16,545	(4,923)	11,622
2027	8,704	(2,735)	5,969	7,841	(2,188)	5,653
2028	4,357	(2,188)	2,169	3,484	0	3,484
2029	3,484	0	3,484	0	0	0

Excluded Agencies: Amortization of Changes in Assumptions or Other Inputs

FYE June 30	2018	2019	2020	2021	2022	2023	2024	2025
Amount established	\$ (370,163)	\$ (131,347)	\$ (628,072)	\$ 62,299	\$ 438,157	\$ (1,765,914)	\$ 303,608	\$ 387,749
Recognition period	5.44	4.80	4.80	4.80	4.80	4.80	4.80	4.80
Amount Recognized in FY								
2018	\$ (68,045)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
2019	(68,045)	(27,364)	0	0	0	0	0	0
2020	(68,045)	(27,364)	(130,848)	0	0	0	0	0
2021	(68,045)	(27,364)	(130,848)	12,979	0	0	0	0
2022	(68,045)	(27,364)	(130,848)	12,979	91,283	0	0	0
2023	(29,938)	(21,891)	(130,848)	12,979	91,283	(367,899)	0	0
2024	0	0	(104,680)	12,979	91,283	(367,899)	63,252	0
2025	0	0	0	10,383	91,370	(368,704)	63,379	80,781
2026	0	0	0	0	72,938	(367,451)	63,206	80,781
2027	0	0	0	0	0	(293,961)	63,206	80,781
2028	0	0	0	0	0	0	50,565	80,781
2029	0	0	0	0	0	0	0	64,625

Numbers in green above have been adjusted for re-classification of agency 4006 from an excluded agency to an included agency. Unamortized deferred inflows / outflows as of June 30, 2024 for agency 4006 are recognized immediately in 2025. Annual amortization amounts after 2025 no longer include agency 4006 deferred inflows / outflows amortization.

Excluded Agencies: Amortization of Changes in Assumptions or Other Inputs (Continued)

FYE June 30	2018	2019	2020	2021	2022	2023	2024	2025
Amount established	\$ (370,163)	\$ (131,347)	\$ (628,072)	\$ 62,299	\$ 438,157	\$ (1,765,914)	\$ 303,608	\$ 387,749
Recognition period	5.44	4.80	4.80	4.80	4.80	4.80	4.80	4.80
Deferred Balance at June 30								
2018	\$ (302,118)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
2019	(234,073)	(103,983)	0	0	0	0	0	0
2020	(166,028)	(76,619)	(497,224)	0	0	0	0	0
2021	(97,983)	(49,255)	(366,376)	49,320	0	0	0	0
2022	(29,938)	(21,891)	(235,528)	36,341	346,874	0	0	0
2023	0	0	(104,680)	23,362	255,591	(1,398,015)	0	0
2024	0	0	0	10,383	164,308	(1,030,116)	240,356	0
2025	0	0	0	0	72,938	(661,412)	176,977	306,968
2026	0	0	0	0	0	(293,961)	113,771	226,187
2027	0	0	0	0	0	0	50,565	145,406
2028	0	0	0	0	0	0	0	64,625
2029	0	0	0	0	0	0	0	0

Numbers in green above have been adjusted for re-classification of agency 4006 from an excluded agency to an included agency.

Excluded Agencies: Amortization of Changes in Assumptions or Other Inputs (Continued)

FYE	Amount Recognized in FY			Deferred Balance at June 30		
	Outflows	Inflows	Total	Outflows	Inflows	Total
2018	\$ 0	\$ (68,045)	\$ (68,045)	\$ 0	\$ (302,118)	\$ (302,118)
2019	0	(95,409)	(95,409)	0	(338,056)	(338,056)
2020	0	(226,257)	(226,257)	0	(739,871)	(739,871)
2021	12,979	(226,257)	(213,278)	49,320	(513,614)	(464,294)
2022	104,262	(226,257)	(121,995)	383,215	(287,357)	95,858
2023	104,262	(550,576)	(446,314)	278,953	(1,502,695)	(1,223,742)
2024	167,514	(472,579)	(305,065)	415,047	(1,030,116)	(615,069)
2025	245,913	(368,704)	(122,791)	556,883	(661,412)	(104,529)
2026	216,925	(367,451)	(150,526)	339,958	(293,961)	45,997
2027	143,987	(293,961)	(149,974)	195,971	0	195,971
2028	131,346	0	131,346	64,625	0	64,625
2029	64,625	0	64,625	0	0	0

Appendix C: Sample Decrement Rates

Salary Increases

The rates of salary increase are consistent with the assumption used in the June 30, 2024 Louisiana State Employees' Retirement System (LASERS) Actuarial Valuation and Teachers' Retirement System of Louisiana (TRSL) Actuarial Valuation. Sample rates are shown below.

Years of Service	LASERS			TRSL		
	Regular	Judges	Other ¹²	Regular	Higher Ed	Lunch A & B
0	13.95%	4.80%	15.29%	4.85%	4.70%	4.68%
5	5.42%	2.60%	6.43%	4.24%	4.30%	4.68%
10	4.14%	2.60%	5.68%	3.89%	3.80%	3.88%
15	3.63%	2.60%	4.44%	3.54%	3.30%	3.38%
20	3.26%	2.40%	4.44%	3.31%	3.12%	3.03%
25	3.26%	2.40%	4.44%	3.16%	3.02%	3.03%
30	3.26%	2.40%	4.44%	2.93%	2.41%	3.03%

¹² Other includes Corrections, Hazardous Duty, and Wildlife employee types.

Retirement Rates

The rates of retirement are consistent with the assumptions used in the June 30, 2024 pension valuations for LASERS, TRSL, LSERS, and LSPRS. The retirement rates for LASERS and TRSL include DROP rates.

LASERS

Age	Regular Members					Judicial			Other ¹³	
	Years of Service									
	<10	10 – 19	20 – 24	25 – 29	30+	<12	12 – 17	18+	<20	20+
55	0.0%	12.0%	12.0%	60.0%	48.0%	0.0%	6.5%	12.4%	23.8%	27.2%
60	17.0%	35.0%	35.0%	28.0%	28.0%	6.8%	6.5%	23.2%	30.7%	30.7%
62	13.6%	16.5%	16.5%	16.5%	16.5%	6.8%	6.5%	10.9%	21.8%	21.8%
65	18.0%	18.0%	18.0%	18.0%	18.0%	6.8%	6.5%	10.9%	21.8%	21.8%
70	15.6%	18.5%	18.5%	18.5%	18.5%	6.8%	16.3%	15.4%	21.8%	21.8%
72	15.6%	18.5%	18.5%	18.5%	18.5%	6.8%	16.3%	30.3%	21.8%	21.8%
75+	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

LSPRS

Age	Tier 1	Tier 2
45	10%	10%
46	24%	24%
50	15%	24%
55	25%	25%
60	31%	31%
65	58%	58%
70+	100%	100%

¹³ Other includes Corrections, Hazardous Duty, and Wildlife employee types.

Retirement Rates (Continued)

TRSL

Age	Regular			Higher Ed			Lunch
	Years of Service						
	<25	25-29	30+	<25	25-29	30+	All
50	2.8%	3.0%	65.0%	3.3%	5.0%	30.0%	22.0%
55	19.0%	78.0%	28.0%	15.0%	52.5%	19.0%	22.0%
60	19.0%	22.5%	21.5%	7.5%	17.5%	15.5%	22.5%
65	25.0%	22.5%	21.5%	18.0%	15.5%	15.5%	27.0%
70	20.0%	22.5%	21.5%	14.5%	15.5%	15.5%	21.0%
75 +	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

LSERS

Age	DOH < 7/1/2010		DOH between 7/1/2010 and 6/30/2015				DOH on/after 7/1/2015			
	Retirement	DROP	<=10	10 – 20	21+	DROP	<=10	10 – 20	21+	DROP
46	5%	73%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
50	5%	73%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
55	20%	70%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
60	17%	55%	7%	13%	20%	¹⁴	N/A	N/A	N/A	N/A
62	16%	43%	8%	12%	16%	16%	8%	14%	20%	¹⁵
65	18%	20%	12%	15%	18%	10%	12%	15%	18%	10%
70	22%	20%	13%	17%	22%	10%	13%	17%	22%	10%
75	22%	20%	13%	17%	22%	10%	13%	17%	22%	10%

¹⁴ The DROP entry rate (if applicable) at age 60 equals 16% if service is less than or equal to 10 years, 35% if service is more than 10 years but less than or equal to 20 years, and 55% if service is more than 20 years.

¹⁵ The DROP entry rate (if applicable) at age 62 equals 16% if service is less than or equal to 10 years, 35% if service is more than 10 years but less than or equal to 20 years, and 55% if service is more than 20 years.

Disability Rates

Disability rates at sample ages are shown below by group.

Age	LASERS			TRSL			LSERS	LSPRS
	Regular	Judges	Other ¹⁶	Regular	Higher Ed	Lunch		
40	0.070%	0.000%	0.110%	0.090%	0.023%	0.130%	0.150%	0.105%
45	0.110%	0.020%	0.300%	0.160%	0.058%	0.290%	0.240%	0.168%
50	0.150%	0.020%	0.480%	0.240%	0.074%	0.470%	0.440%	0.308%
55	0.250%	0.020%	0.600%	0.380%	0.067%	0.890%	0.940%	0.658%
60	0.000%	0.020%	0.050%	0.360%	0.047%	0.540%	2.670%	1.869%

¹⁶ Other includes Corrections, Hazardous Duty, and Wildlife employee types.

Termination Rates

Termination rates at sample ages are shown below by group.

LASERS

Age	Regular						Corrections and Hazardous Duty						
	Years of Service												
	<1	1	2 – 3	4 – 6	7 – 9	10+	<1	1	2	3 – 4	5 – 7	8 – 9	10+
20	50.0%	33.3%	22.5%	20.0%	13.0%	5.3%	56.2%	29.6%	32.2%	50.0%	13.4%	6.8%	3.6%
30	30.0%	22.0%	18.0%	13.0%	7.3%	5.3%	41.1%	29.6%	22.6%	16.8%	9.7%	6.8%	3.6%
40	25.0%	18.5%	14.0%	10.5%	7.3%	4.3%	35.2%	21.4%	14.4%	12.5%	9.7%	6.8%	3.6%
45	25.0%	18.5%	12.0%	10.5%	7.3%	4.3%	35.5%	21.4%	14.7%	12.5%	9.7%	6.8%	3.6%
50	25.0%	15.5%	12.0%	10.5%	6.5%	4.3%	32.5%	18.8%	14.7%	12.5%	9.7%	6.8%	3.6%
55	25.0%	15.5%	12.0%	8.5%	6.5%	4.3%	32.5%	18.8%	18.0%	12.5%	9.7%	6.8%	3.6%
60	25.0%	15.5%	12.0%	8.5%	6.5%	4.3%	22.5%	18.8%	18.0%	12.5%	9.7%	6.8%	3.6%

Judicial: Flat rate of withdrawal of 1.4% for all ages and services.

Wildlife: 1.8% for all years of service.



Gallagher

Insurance | Risk Management | Consulting

Termination Rates (Continued)

TRSL

Age	Regular				Higher Ed			
	Years of Service							
	<2	2	3	4+	<2	2	3	4+
20	25.0%	16.0%	16.5%	15.0%	25.0%	25.0%	22.0%	25.0%
30	18.2%	13.5%	12.0%	7.3%	22.2%	19.0%	18.0%	11.5%
40	16.0%	12.7%	10.2%	4.3%	17.0%	15.0%	12.6%	6.7%
45	14.8%	11.7%	10.2%	4.3%	17.0%	15.0%	15.3%	6.7%
50	14.8%	11.7%	10.2%	4.3%	17.0%	15.0%	11.0%	6.7%
55	14.8%	11.7%	10.2%	4.3%	15.0%	13.0%	11.0%	6.7%
60	14.8%	11.7%	10.2%	4.3%	15.0%	13.0%	11.0%	6.7%

Service	Lunch
0	18.5%
5	6.5%
10	6.5%
15	6.5%
20	6.5%
25	10.0%
30	10.0%

LSERS and LSPRS

Age	LSERS	LSPRS
0 – 1	15.0%	1.0%
2	12.0%	2.0%
3	10.0%	2.0%
4	9.0%	3.0%
5	8.0%	3.0%
6 – 7	7.0%	3.0%
8 – 9	6.0%	2.0%
10	5.0%	2.0%
11 – 12	4.0%	1.0%
13 – 14	3.0%	1.0%
15 – 18	2.0%	1.0%
19	1.0%	1.0%
20 – 21	5.0%	1.0%
22 – 26	4.0%	1.0%
27+	3.0%	1.0%

Appendix D: Summary of Benefit Descriptions

Brief summary of benefit description for various plans effective on January 1, 2025 are as shown below. The Inflation Reduction Act requires Medicare Part D plans to have separate prescription drug out-of-pocket maximums no more than \$2,000 per person for calendar year 2025. Medical out-of-pocket maximums vary based on the number of Medicare participants covered.

Medical Benefits Retired prior to March 1, 2015:

	Magnolia Local Plus			
	Non-Medicare Retirees		Medicare Retirees	
	In Network	Out of Network	In Network	Out of Network
Deductible	\$0	No Coverage	\$0	No Coverage
Out of Pocket Max – Medical				
Employee Only	\$2,000		\$500	
Family (EE + 2 dependents)	\$4,000		Varies	
Coinsurance ¹⁷	N/A		N/A	
Physicians' Services	\$25 PCP / \$50 Spec		\$25 PCP / \$50 Spec	
Hospital Services	\$100 per day; max \$300 per admission		\$100 per day; max \$300 per admission	

	Magnolia Open Access		
	Non-Medicare Retirees		Medicare Retirees
	In Network	Out of Network	In and Out of Network
Deductible	\$300 (\$900 Family)	\$300 (\$900 Family)	\$300 (\$900 Family)
Out of Pocket Max – Medical			
Employee Only	\$2,300	\$4,300	\$1,300
Family (EE + 2 dependents)	\$4,900	\$10,900	Varies
Coinsurance	90%	70%	80%
Physicians' Services	90% Coverage	70% Coverage	80% Coverage
Hospital Services	90% Coverage	70% Coverage and \$50 per day copay (days 1 - 5)	80% Coverage

¹⁷ There are a few medical benefits to which coinsurance rates are applied, including bariatric surgery benefits.

Medical Benefits Retired prior to March 1, 2015 (Continued):

	Pelican HRA			
	Non-Medicare Retirees		Medicare Retirees	
	In Network	Out of Network	In Network	Out of Network
Deductible	\$2,000 (\$4,000 Family)	\$4,000 (\$8,000 Family)	\$2,000 (\$4,000 Family)	\$4,000 (\$8,000 Family)
Out of Pocket Max – Medical				
Employee Only	\$5,000	\$10,000	\$3,000	\$10,000
Family (EE + 2 dependents)	\$10,000	\$20,000	Varies	Varies
Coinsurance	80%	60%	80%	60%
Physicians' Services	80% Coverage	60% Coverage	80% Coverage	60% Coverage
Hospital Services	80% Coverage	60% Coverage	80% Coverage	60% Coverage

Medical Benefits Retiring on or after March 1, 2015:

	Magnolia Local Plus			
	Non-Medicare Retirees		Medicare Retirees	
	In Network	Out of Network	In Network	Out of Network
Deductible	\$400 (\$1,200 Family)	No Coverage	\$400 (\$1,200 Family)	No Coverage
Out of Pocket Max – Medical				
Employee Only	\$3,500		\$1,500	
Family (EE + 2 dependents)	\$8,500		Varies	
Coinsurance ¹⁸	N/A		N/A	
Physicians' Services	\$25 PCP / \$50 Spec		\$25 PCP / \$50 Spec	
Hospital Services	\$100 per day; max \$300 per admission		\$100 per day; max \$300 per admission	

¹⁸ There are a few medical benefits to which coinsurance rates are applied, including bariatric surgery benefits.

Medical Benefits Retiring on or after March 1, 2015 (Continued)

	Magnolia Open Access			
	Non-Medicare Retirees		Medicare Retirees	
	In Network	Out of Network	In Network	Out of Network
Deductible	\$900 (\$2,700 Family)	\$900 (\$2,700 Family)	\$900 (\$2,700 Family)	\$900 (\$2,700 Family)
Out of Pocket Max – Medical				
Employee Only	\$3,500	\$4,700	\$1,500	\$4,700
Family (EE + 2 dependents)	\$8,500	\$12,250	Varies	Varies
Coinsurance	90%	70%	80%	80%
Physicians' Services	90% Coverage	70% Coverage	80% Coverage	80% Coverage
Hospital Services	90% Coverage	70% Coverage and \$50 per day copay (days 1 - 5)	80% Coverage	80% Coverage

	Pelican HRA			
	Non-Medicare Retirees		Medicare Retirees	
	In Network	Out of Network	In Network	Out of Network
Deductible	\$2,000 (\$4,000 Family)	\$4,000 (\$8,000 Family)	\$2,000 (\$4,000 Family)	\$4,000 (\$8,000 Family)
Out of Pocket Max – Medical				
Employee Only	\$5,000	\$10,000	\$3,000	\$10,000
Family (EE + 2 dependents)	\$10,000	\$20,000	Varies	Varies
Coinsurance	80%	60%	80%	60%
Physicians' Services	80% Coverage	60% Coverage	80% Coverage	60% Coverage
Hospital Services	80% Coverage	60% Coverage	80% Coverage	60% Coverage



Gallagher

Insurance | Risk Management | Consulting

Prescription Drug Benefits

	Retiree Pays
Up to \$1,500 out-of-pocket threshold	
Tier 1 - Generic	50% up to \$30
Tier 2 - Preferred	50% up to \$55
Tier 3 - Non-Preferred	65% up to \$80
Tier 4 - Specialty	50% up to \$80
After \$1,500 out-of-pocket threshold	
Tier 1 - Generic	\$0 copay
Tier 2 – Preferred	\$20 copay
Tier 3 - Non-Preferred	\$40 copay
Tier 4 – Specialty	\$40 copay
90-day supply for maintenance drugs	2.5 times the applicable copay

The prescription drug out-of-pocket maximum for Medicare retirees for all plans is \$2,000 per Medicare participant, except for Magnolia Local Plus for those who retired prior to March 1, 2015 that has a \$1,500 prescription drug out-of-pocket maximum per Medicare participant.

Appendix E: Summary of Key Terms

Actuarially determined contribution

A target or recommended contribution to a defined benefit OPEB plan for the reporting period, determined in conformity with Actuarial Standards of Practice based on the most recent measurement available when the contribution for the reporting period was adopted.

Actuarial present value of projected benefit payments

Projected benefit payments discounted to reflect the expected effects of the time value (present value) of money and the probabilities of payment.

Actuarial valuation

The determination, as of a point in time (the actuarial valuation date), of the service cost, total OPEB liability, and related actuarial present value of projected benefit payments for OPEB performed in conformity with Actuarial Standards of Practice unless otherwise specified by the GASB.

Actuarial valuation date

The date as of which an actuarial valuation is performed.

Ad hoc postemployment benefit changes

Postemployment benefit changes that require a decision to grant by the authority responsible for making such decisions.

Automatic postemployment benefit changes

Postemployment benefit changes that occur without a requirement for a decision to grant by a responsible authority, including those for which the amounts are determined by reference to a specified experience factor (such as the earnings experience of the OPEB plan) or to another variable (such as an increase in the consumer price index).

Covered-employee payroll

The payroll for employees that are provided with OPEB through the OPEB plan.

Discount rate

The single rate of return that, when applied to all projected benefit payments, results in an actuarial present value of projected benefit payments equal to the total of the following:

- a. The actuarial present value of benefit payments projected to be made in future periods in which (1) the amount of the OPEB plan's fiduciary net position is projected (under the requirements of this Statement) to be greater than the benefit payments that are projected to be made in that period and (2) OPEB plan assets up to that point are expected to be invested using a strategy to achieve the long-term expected rate of return, calculated using the long-term expected rate of return on OPEB plan investments
- b. The actuarial present value of projected benefit payments not included in (a), calculated using a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale).

For defined benefit OPEB that is provided through an OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, the discount rate is equal to the municipal bond rate.

Entry age actuarial cost method

A method under which the actuarial present value of the projected benefits of each individual included in an actuarial valuation is allocated on a level basis over the earnings or service of the individual between entry age and assumed exit age(s). The portion of this actuarial present value allocated to a valuation year is called the normal cost. The portion of this actuarial present value not provided for at a valuation date by the actuarial present value of future normal costs is called the Total OPEB liability.

Healthcare cost trend rates

The rates of change in per capita health claims costs over time as a result of factors such as medical inflation, utilization of healthcare services, plan design, and technological developments.

Inactive employees

Individuals no longer employed by an employer in the OPEB plan, or the beneficiaries of those individuals. Inactive employees include individuals who have accumulated benefits under the terms of an OPEB plan but are not yet receiving benefit payments and individuals currently receiving benefits.

Measurement period

The period between the prior and the current measurement dates.

Net OPEB liability

The liability of employers and non-employer contributing entities to employees for benefits provided through a defined benefit OPEB plan that is administered through a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Other postemployment benefits (OPEB)

Benefits (such as death benefits, life insurance, disability, and long-term care) that are paid in the period after employment and that are provided separately from a pension plan, as well as healthcare benefits paid in the period after employment, regardless of the manner in which they are provided. OPEB does not include termination benefits or termination payments for sick leave.

Projected benefit payments

All benefits (including refunds of employee contributions) estimated to be payable through the OPEB plan (including amounts to be paid by employers or non-employer contributing entities as the benefits come due) to current active and inactive employees as a result of their past service and their expected future service.

Real rate of return

The rate of return on an investment after adjustment to eliminate inflation.

Service costs

The portions of the actuarial present value of projected benefit payments that are attributed to valuation years.

Total OPEB liability

The portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service. The total OPEB liability is the liability of employers and non-employer contributing entities to employees for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

© 2025 Arthur J. Gallagher & Co.

Consulting and insurance brokerage services to be provided by Gallagher Benefit Services, Inc. and/or its affiliate Gallagher Benefit Services (Canada) Group Inc. Gallagher Benefit Services, Inc. is a licensed insurance agency that does business in California as "Gallagher Benefit Services of California Insurance Services" and in Massachusetts as "Gallagher Benefit Insurance Services." Neither Arthur J. Gallagher & Co., nor its affiliates provide accounting, legal or tax advice.



Gallagher

Insurance | Risk Management | Consulting