

Louisiana Sheriffs' Pension & Relief Fund

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MEMO

Date: May 12, 2006
To: Sheriffs and Liaison Personnel
From: Osey McGee, Jr.
Subject: PRSAC Meeting/Employer Contribution Rates

As announced in LSA meetings earlier, the employer contribution rate to be required for the Sheriffs' Pension Fund for the fiscal year 2006-2007 will increase from 10.75% to 11.0% effective July 1, 2006. The Public Retirement Systems' Actuarial Committee, the agency responsible for determining the rate has confirmed the rate for the upcoming year.

While contribution increases are always regrettable, we have fared very well in comparison to other major state systems.

We use a three-year averaging of returns to determine the annual actuarial rate of return that is measured against the Fund's assumed valuation interest rate of 8% in the determination of employer contribution rates. While we cannot predict future returns and Plan experience with certainty, with the favorable investment performance of recent years and fiscal year-to-date for the year ending June 30, 2006, hopefully we are at or near the end of rate increases that resulted from the collapse of the financial markets during 2000 to 2003.

During fiscal year 05-06, the performance of the Fund has continued to show significant progress. Market value of assets is currently at approximately \$1,300,000,000.

Please advise should you have any questions concerning your retirement system, or if we can be of assistance to you at any time. Best regards.