2011 REGULAR SESSION
ACTUARIAL NOTE HCR 135

House Concurrent Resolution 135 **HLS 11RS-701** **Original** **Author: Representative Joel C. Robideaux** **Date: June 7, 2011** **LLA Note HCR 135.01** **Organizations Affected:** **State Retirement Systems** **OR NO IMPACT APV**	**The Note was prepared by the Actuarial Services Department of the Office of the Legislative Auditor.** Paul T. Richmond Paul T. Richmond, ASA, MAAA, EA Manager Actuarial Services

Bill Header: RETIREMENT/STATE SYSTEMS: Directs the La. State Employees' Retirement System, the Teachers' Retirement System of La., the La. School Employees' Retirement System, and the La. State Police Pension and Retirement System to report specified information to the House and Senate Committees on Retirement.

Cost Summary:

Actuarial Cost/(Savings) to Retirement Systems and OGB	$0
Total Five Year Fiscal Cost	
Expenditures	$0
Revenues	$0

Estimated Actuarial Impact:

The chart below shows the estimated increase/(decrease) in the actuarial value of benefits, if any, attributable to the proposed legislation. Note: it includes the present value cost of fiscal costs associated with benefit changes. It does **not** include present value costs associated with administration or other fiscal concerns.

Actuarial Cost (Savings) to:	**Increase (Decrease) in The Actuarial Present Value**
All Louisiana Public Retirement Systems	$0
Other Post Retirement Benefits	$0
Total	$0

Estimated Fiscal Impact:

The chart below shows the estimated fiscal impact of the proposed legislation. This represents the effect on cash flows for government entities including the retirement systems and the Office of Group Benefits.

EXPENDITURES	**2011-12**	**2012-13**	**2013-14**	**2014-15**	**2015-16**	**5 Year Total**
State General Fund	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Agy Self Generated	0	0	0	0	0	0
Stat Deds/Other	0	0	0	0	0	0
Federal Funds	0	0	0	0	0	0
Local Funds	0	0	0	0	0	0
Annual Total	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0

REVENUES	**2011-12**	**2012-13**	**2013-14**	**2014-15**	**2015-16**	**5 Year Total**
State General Fund	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Agy Self Generated	0	0	0	0	0	0
Stat Deds/Other	0	0	0	0	0	0
Federal Funds	0	0	0	0	0	0
Local Funds	0	0	0	0	0	0
Annual Total	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0

Bill Information:

Current Status

The state currently sponsors four retirement systems: the Louisiana State Employees' Retirement System (LASERS), the Teachers' Retirement System of Louisiana(TRSL), the Louisiana School Employees' Retirement System (LSERS), and the Louisiana State Police Pension and Retirement System (STPOL).

2011 REGULAR SESSION
ACTUARIAL NOTE HCR 135

Proposed Resolution

The resolution directs the four state retirement systems to report to the House and Senate Retirement Committees the administrative and investment costs associated with each system for the 2010-11 and 2011-12 fiscal years.

The resolution further directs the state retirement systems to jointly submit a report on the feasibility of combining administrative and investment management services of the systems.

These reports must be submitted to the Committees before the convening of the 2012 Regular Session of the Legislature.

Implications of the Proposed Resolution

The four retirement systems will be required to work together to examine the feasibility of combining administrative and investment management services and report the results of their findings to the House and Senate Retirement Committees.

Cost Analysis:

Analysis of Actuarial Costs

Retirement Systems

There are no actuarial costs or savings associated with HRC 135.

Other Post Retirement Benefits

There are no actuarial costs or savings associated with HRC 135.

Analysis of Fiscal Costs

The retirement systems have not provided information concerning the cost of implementing the resolution.

Actuarial Credentials:

Paul T. Richmond is the Manager of Actuarial Services for the Louisiana Legislative Auditor. He is an Enrolled Actuary, a member of the American Academy of Actuaries, a member of the Society of Actuaries and has met the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

Dual Referral:

Senate

☐ 13.5.1 ≥ $100,000 Annual Fiscal Cost

☐ 13.5.2 ≥ $500,000 Annual Tax or Fee Change

House

☐ 6.8(F)(1) ≥ $500,000 Annual Fiscal Cost

☐ 6.8(F)(2) ≥ $100,000 Annual SGF Fiscal Cost

☐ 6.8(G) ≥ $500,000 Annual Tax or Fee Change