



ERICKSEN KRENTEL LLP

CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

November 6, 2025

To whom it may concern at the Louisiana Legislative Auditor:

Note: Louisiana State Police Retirement System Report Revision

Report needs to be reissued due to transposed numbers on the Schedule of Changes in the Net Pension Liability and Related Ratios. "Contributions – employer" and Contributions – member" balances were reversed on page 44 and 47 of the report.

No changes in Net Position Noted

LOUISIANA STATE POLICE RETIREMENT SYSTEM
A COMPONENT UNIT OF THE STATE OF LOUISIANA
FINANCIAL STATEMENT AUDIT
FOR THE YEARS ENDED JUNE 30, 2025 AND JUNE 30, 2024



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CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

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INDEPENDENT AUDITORS' REPORT

Louisiana State Police Retirement System
Baton Rouge, Louisiana

Opinions

We have audited the accompanying financial statements of the Louisiana State Police Retirement System (System), a component unit of the state of Louisiana, as of and for the years ended June 30, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the System's basic financial statements as listed in the table of contents.

In our opinion the financial statements referred to above present fairly, in all material respects, the fiduciary net position of the System as of June 30, 2025 and 2024, and the changes in its fiduciary net position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Louisiana State Police Retirement System, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Louisiana State Police Retirement System's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.



Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Louisiana State Police Retirement System's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Louisiana State Police Retirement System's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



Emphasis of Matter

As disclosed in note 8 to the financial statements, the total pension liability for the System was \$1,555,466,546 and \$1,504,609,827 as of June 30, 2025, and June 30, 2024, respectively. The actuarial valuations were based on various assumptions made by the System's actuary. Because actual experience may differ from the assumptions used in the actuarial valuation, there is a risk that the total pension liability at June 30, 2025 and June 30, 2024, could be materially different from the estimate. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 5 through 9 and the Schedules of Changes in Net Pension Liability and Related Ratios, Schedules of Employer Contributions, Schedules of Investment Returns, Schedules of the Employer's Proportionate Share of the Net Pension Liability (LASERS), Schedules of Employer Contributions (LASERS), and Schedule of Employer's Proportionate Share of the Total Collective OPEB Liability on pages 44 through 50, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the System's basic financial statements. The Schedule of Board Compensation, Schedules of Administrative Expenses, and Schedules of Investments, included on pages 53 through 55, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Board Compensation, Schedules of Administrative Expenses, and Schedules of Investments are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Board Compensation, Schedules of Administrative Expenses, and Schedules of Investments are fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2025 on our consideration of the System's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the System's internal control over financial reporting and compliance.

September 30, 2025
New Orleans, Louisiana

Certified Public Accountants

LOUISIANA STATE POLICE RETIREMENT SYSTEM
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025 AND 2024

The following discussion and analysis of the Louisiana State Police Retirement System (System) for the year ended June 30, 2025, highlights relevant aspects of the basic financial statements and provides an analytical overview of the System's financial activities.

FINANCIAL HIGHLIGHTS

- The fiduciary net position increased by \$242.6 million, or 21.3%, compared to the prior year increase of \$88.1 million, or 8.4%. The difference is primarily related to market performance of investments and receipt of a \$148 million appropriation from the state of Louisiana from House Bill 460 of the 2025 regular session.
- The System had net investment income of \$109 million in 2025, compared to a net investment income of \$101.8 million in 2024. The difference is directly related to market performance.
- The amount of contributions received increased \$155.1 million, or 216.2%, compared to the prior year increase of \$13.7 million, or 23.7%. The primary reason for the increase was an appropriation from House Bill 460 of the 2025 regular session.

OVERVIEW OF THE FINANCIAL STATEMENTS

Management's Discussion and Analysis is intended to serve as an introduction to the System's basic financial statements, together with the related notes to the financial statements, required supplementary information, and the supporting schedules, all of which are described below.

Statement of Fiduciary Net Position - This statement reports the System's assets, liabilities, and resultant net position restricted for pensions. This statement should be read with the understanding that it presents the System's financial position on June 30, 2025, and 2024.

Statement of Changes in Fiduciary Net Position - This statement reports the results of operations during the fiscal years, categorically presenting the additions to and deductions from plan net position. The net increase in plan net position on this statement supports the change in net position restricted for pension on the Statements of Fiduciary Net Position.

Notes to the Financial Statements - The financial statement notes provide additional information that is essential to a complete understanding of the data set forth in the financial statements. They are considered an integral part of the financial statements. A description of the information provided in the notes follows:

- Note 1 (Plan Description) – Provides a general description of the System. Information is included regarding the board of trustees, plan membership, a description of the basic plan benefits, the Deferred Retirement Option Plan (DROP), and the Initial Benefit Option Plan.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025 AND 2024

- Note 2 (Summary of Significant Accounting Policies) – Provides information about the accounting methods and policies used in determining amounts shown on the financial statements. Information relative to the basis of accounting, the determination of estimates, system investments, and capital assets is included in this note.
- Note 3 (Contributions and Reserves) - Describes contributions and reserves to the System.
- Note 4 (Actuarial Cost Method) - Defines the cost methods used to calculate funding requirements of the System.
- Note 5 (Cash, Cash Equivalents, and Investments) - Describes investments, including authority and policies, investment risk discussion, and additional information about cash and securities lending investments.
- Note 6 (Capital Assets) - Details the cost of the System's fixed assets as well as related depreciation expense and accumulated depreciation.
- Note 7 (Other Post-Employment Benefits Plan) - Details the Plan and its funding as well as the System's required contribution for the fiscal year.
- Note 8 (Net Pension Liability) - Discusses the components of the net pension liability as required by Governmental Accounting Standards Board (GASB) 67.
- Note 9 (Defined Benefit Pension Plan for System Employees) - Discusses the employees' participation in the Louisiana State Employees' Retirement System (LASERS) as required by GASB 68.
- Note 10 (Fair Value Disclosures) – Discusses fair value measurements as required by GASB 72.
- Note 11 (Securities Lending Program) – Discusses State statutes that permit the System to make short term collateralized loans of its securities in order to earn incremental income
- Note 12 (Claims and Litigation) – Discusses claims and litigation that may arise in the normal course of business.

Required Supplementary Information - The required supplementary information consists of schedules and related notes. These schedules show the funding progress and employer contribution data for the System. The related notes disclose key actuarial assumptions and methods used in the schedules.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025 AND 2024

Supplementary Information - The supplementary information consists of the schedule of board compensation and schedules of administrative expenses and investments.

FINANCIAL ANALYSIS

The System provides retirement benefits to all sworn, commissioned law enforcement officers of the Division of State Police of the Department of Public Safety who have completed the State Police Training Academy Course of instruction. These benefits are funded through member contributions, employer contributions, earnings on investments, and insurance premium fund allocations. Total net position restricted for pensions at June 30, 2025 amounted to \$1,378 million; which was an increase of \$244.3 million, or 21.5%, from the \$1,133.9 million held at June 30, 2024.

Comparative Statements of Fiduciary Net Position
June 30, 2025, 2024, and 2023

	2025	2024	2023
Assets:			
Current assets	\$ 1,410,535,874	\$ 1,175,150,147	\$ 1,107,999,894
Capital assets, net of depreciation	<u>1,225,759</u>	<u>1,243,514</u>	<u>1,223,250</u>
Total assets	<u>1,411,761,633</u>	<u>1,176,393,661</u>	<u>1,109,223,144</u>
Deferred outflows of resources:			
Total deferred outflows of resources	<u>440,529</u>	<u>510,650</u>	<u>867,722</u>
Liabilities:			
Total liabilities	<u>35,385,835</u>	<u>42,809,904</u>	<u>64,049,263</u>
Deferred inflows of resources:			
Total deferred inflows of resources	<u>279,073</u>	<u>170,064</u>	<u>230,486</u>
Net Position Restricted for Pensions	<u><u>\$ 1,376,537,254</u></u>	<u><u>\$ 1,133,924,343</u></u>	<u><u>\$ 1,045,811,117</u></u>

LOUISIANA STATE POLICE RETIREMENT SYSTEM
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025 AND 2024

Comparative Statements of Changes in Fiduciary Net Position
For the Fiscal Years Ended June 30, 2025, 2024, and 2023

Additions:			
Contributions and appropriations	\$ 225,210,657	\$ 71,763,582	\$ 58,032,148
Net investment income (loss)	109,014,394	101,793,170	73,433,643
Other additions	3,772,306	3,846,453	3,354,628
Total additions	<u>337,997,357</u>	<u>177,403,205</u>	<u>134,820,419</u>
Deductions:			
Total deductions	<u>95,384,446</u>	<u>89,289,979</u>	<u>86,886,087</u>
Change in Fiduciary Net Position	<u><u>\$ 242,612,911</u></u>	<u><u>\$ 88,113,226</u></u>	<u><u>\$ 47,934,332</u></u>

Additions to Fiduciary Net Position

Additions to the System's net position restricted for pensions include contributions from the employer and members, an insurance premium tax, and investment income (loss). The insurance premium tax in the amount of \$1.5 million was the result of 2001 legislation. Employer contributions in 2025 include a state appropriation of \$148 million. The System recognized a current year net investment income of \$109 million compared to investment income of \$101.8 million in 2024 and investment income of \$73.4 million in 2023.

Additions to Fiduciary Net Position	2025	2024	2023
Member contributions	\$ 7,989,265	\$ 7,347,402	\$ 6,657,622
Employer contributions	215,721,392	62,916,180	49,874,526
Insurance premium tax	1,500,000	1,500,000	1,500,000
Net investment income (loss)	109,014,394	101,793,170	73,433,643
Transfers in	2,027,213	2,467,504	2,606,597
Miscellaneous	1,745,093	1,378,949	748,031
Total additions	<u><u>\$ 337,997,357</u></u>	<u><u>\$ 177,403,205</u></u>	<u><u>\$ 134,820,419</u></u>

LOUISIANA STATE POLICE RETIREMENT SYSTEM
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025 AND 2024

Deductions from Fiduciary Net Position

Deductions from the System's net position restricted for pensions are comprised primarily of pensions paid to System retirees, survivors, and beneficiaries. Deductions also include administrative expenses and refunds of contributions. Premiums paid to retirees, survivors, and beneficiaries amounted to \$94.2 million for 2025, which represented an increase of \$6.2 million from the \$87.8 million paid in 2024. The 2025 administrative expenses represented only 1.3% of total plan deductions, which is consistent with 1.4% in 2024 and 1.4% in 2023.

<u>Deductions from Plan Net Position</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Benefits paid	\$ 94,121,850	\$ 87,756,445	\$ 85,123,928
Refunds and withdrawals	58,390	219,433	107,319
Transfers out	-	-	426,127
Administrative and depreciation expense	1,204,206	1,314,101	1,228,713
Total deductions	<u>\$ 95,384,446</u>	<u>\$ 89,289,979</u>	<u>\$ 86,886,087</u>

INVESTMENTS

Total investments amounted to \$1,373 million at June 30, 2025, as compared to \$1,127.9 million at June 30, 2024, which represented an increase of \$245.2 million, or 21.7%. The System's market return was 9.67% as compared to 9.8% in 2024 and 7.5% in 2023.

<u>Investments, at fair value</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Short-term investments	\$ 202,251,242	\$ 44,779,145	\$ 50,143,925
Domestic fixed income investments	271,595,763	223,023,508	189,271,768
International fixed income investments	40,020,913	36,392,963	37,454,869
Domestic equity investments	448,597,370	411,285,251	385,371,021
Developed international equity investments	168,920,897	147,713,784	127,794,513
Emerging markets equity investments	98,209,319	95,713,567	70,631,171
Alternative investments	143,557,414	169,023,645	182,628,946
Total	<u>\$ 1,373,152,918</u>	<u>\$ 1,127,931,863</u>	<u>\$ 1,043,296,213</u>

REQUESTS FOR INFORMATION

This annual financial report is designed to provide a general overview of the System's finances for interested parties. Questions concerning any of the information provided herein, or requests for additional financial information should be addressed to the Louisiana State Police Retirement System, 9224 Jefferson Highway, Baton Rouge, Louisiana 70809.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
STATEMENTS OF FIDUCIARY NET POSITION
JUNE 30, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
<u>Assets</u>		
Cash and cash equivalents	\$ 3,406,693	\$ 3,202,284
Receivables		
Employer contributions and appropriations	959,348	3,587,610
Employee contributions	135,912	404,950
Accrued interest and dividends	660,818	598,491
Total receivables	<u>1,756,078</u>	<u>4,591,051</u>
Investments, at fair value		
Short-term investments	202,251,242	44,779,145
Domestic fixed income investments	271,595,763	223,023,508
International fixed income investments	40,020,913	36,392,963
Domestic equity investments	448,597,370	411,285,251
Developed international equity investments	168,920,897	147,713,784
Emerging markets equity investments	98,209,319	95,713,567
Alternative investments	143,557,414	169,023,645
Total investments	<u>1,373,152,918</u>	<u>1,127,931,863</u>
Collateral held under securities lending program	<u>32,219,167</u>	<u>39,423,931</u>
Properties, at cost, net of depreciation	<u>1,225,759</u>	<u>1,243,514</u>
Other assets	<u>1,018</u>	<u>1,018</u>
Total assets	<u>1,411,761,633</u>	<u>1,176,393,661</u>
<u>Deferred Outflows of Resources</u>		
Deferred outflows related to OPEB	204,058	262,437
Deferred outflows related to pensions	<u>236,471</u>	<u>248,213</u>
Total deferred outflows of resources	<u>440,529</u>	<u>510,650</u>
Total assets and deferred outflows of resources	<u>1,412,202,162</u>	<u>1,176,904,311</u>
<u>Liabilities</u>		
Accounts payable	883,923	907,347
Unearned revenue	396,812	396,812
Net pension liability	1,118,152	1,409,992
Other post-employment benefits payable	767,781	671,822
Obligations under securities lending program	<u>32,219,167</u>	<u>39,423,931</u>
	<u>35,385,835</u>	<u>42,809,904</u>
<u>Deferred Inflows of Resources</u>		
Deferred inflows related to OPEB	123,483	170,064
Deferred inflows related to pensions	<u>155,590</u>	<u>-</u>
Total deferred inflows of resources	<u>279,073</u>	<u>170,064</u>
Net Position - Restricted for Pensions	<u>\$ 1,376,537,254</u>	<u>\$ 1,133,924,343</u>

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
JUNE 30, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
Additions		
Employer contributions		
Appropriations and contributions	\$ 211,391,266	\$ 58,377,757
Motor vehicle fees	4,330,126	4,538,423
Insurance premium tax	1,500,000	1,500,000
Member contributions	<u>7,989,265</u>	<u>7,347,402</u>
Total contributions	<u>225,210,657</u>	<u>71,763,582</u>
Investment income		
Net appreciation in fair value of investments	104,868,515	92,407,930
Interest and dividends	7,180,524	11,789,509
Securities lending interest	<u>81,869</u>	<u>63,314</u>
	<u>112,130,908</u>	<u>104,260,753</u>
Less: investment expenses		
Custodial services	117,106	109,203
Investment manager	2,774,408	2,201,848
Investment consultant	<u>225,000</u>	<u>156,532</u>
	<u>3,116,514</u>	<u>2,467,583</u>
Net investment income	<u>109,014,394</u>	<u>101,793,170</u>
Other Additions		
Transfers in - employer and interest	1,455,205	1,567,170
Transfers in - employee	572,008	900,334
Miscellaneous	<u>1,745,093</u>	<u>1,378,949</u>
Total other additions	<u>3,772,306</u>	<u>3,846,453</u>
Total additions	<u>337,997,357</u>	<u>177,403,205</u>
Deductions		
Benefits paid	94,121,850	87,756,445
Administrative expenses	1,149,207	1,261,726
Refund of employee contributions	58,390	219,433
Depreciation	<u>54,999</u>	<u>52,375</u>
Total deductions	<u>95,384,446</u>	<u>89,289,979</u>
Net increase	242,612,911	88,113,226
Net Position - Restricted for Pensions		
Beginning of Year	<u>1,133,924,343</u>	<u>1,045,811,117</u>
End of Year	<u>\$ 1,376,537,254</u>	<u>\$ 1,133,924,343</u>

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

(1) PLAN DESCRIPTION

The Louisiana State Police Retirement System (System) is the administrator of a single employer-defined benefit plan. The System provides benefits to all sworn, commissioned law enforcement officers of the Office of State Police of the Department of Public Safety who have completed the State Police Training Academy Course of Instruction; those members employed on the effective date of the System, those subsequently employed who did not withdraw employee contributions; and secretaries and deputy secretaries of the Department of Public Safety, provided they are sworn, commissioned State Police officers as defined above. The System is administered by a board of trustees made up of 11 members composed of:

- Treasurer of the State of Louisiana (or designee), ex officio
- Commissioner of Administration (or designee), ex officio
- Superintendent of the Office of State Police (or designee)
- President of the Louisiana State Troopers' Association
- President of the Central State Troopers' Coalition
- Chair of the Senate Retirement Committee (or designee), ex officio
- Member of the House Retirement Committee (or designee) appointed by the Speaker, ex officio
- Surviving spouse representative, elected by active and retired members
- One active member of the System, elected by the active members
- One retired member of the System, elected by the retired members
- One member, active or retired, elected by active and retired members

The System's elected trustees serve five-year staggered terms. Members and retirees elect respective trustees each year to fill vacancies. Louisiana law allows the board to adopt rules and regulations in administering the System's programs and benefits. The board hears appeals from members and issues decisions in such cases. The board also appoints the System's executive director and assistant director.

The System is considered a component unit of the financial reporting entity of the State of Louisiana and is included as a pension trust fund in the State Comprehensive Annual Financial Report. The accompanying financial statements reflect the activity of the System.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025 AND 2024

(1) PLAN DESCRIPTION (CONTINUED)

In May 2002, the Governmental Accounting Standards Board (GASB) issued Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, which amended Statement No. 14, *The Financial Reporting Entity*. The definition of a reporting entity is based primarily on the concept of financial accountability. In determining financial accountability for a legally separate organization, the System considered (1) whether its officials appoint a voting majority of an organization's governing body and it is able to impose its will on that organization or (2) if there is a potential for the organization to provide specific financial burdens to, or to impose specific financial burdens, on the System. The System determined there are no organizations that are fiscally dependent on it, and there are no component units of the System.

The System was established and provided for within Title 11 of the Louisiana Revised Statutes. The System was first established by Legislative Act No. 293 of 1938. On January 1, 2004, the System became a qualified plan under Section 401(a) of the Internal Revenue Code.

As of June 30, 2025 and 2024, plan membership consisted of the following:

	<u>2025</u>	<u>2024</u>
Inactive plan members or beneficiaries currently receiving benefits	1,435	1,419
Inactive plan members entitled to but not yet receiving benefits	252	242
Active plan members	<u>1,040</u>	<u>947</u>
Total participants	<u><u>2,727</u></u>	<u><u>2,608</u></u>

Plan benefits are as follows:

Regular Retirement, for plan members enrolled prior to January 1, 2011

A member shall be eligible for regular retirement based on the following:

- (1) Ten years of service credit at age 50. Benefits are determined by multiplying the years of service credit by 3 1/3% to compute a retirement percentage factor (not to exceed 100%), which is then multiplied by the member's average salary.
- (2) Twenty years of service credit at any age if employed prior to September 8, 1978. Benefits are determined by multiplying the years of service credit by 3 1/3% to compute a retirement percentage factor (not to exceed 100%), which is then multiplied by the member's average salary.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025 AND 2024

(1) PLAN DESCRIPTION (CONTINUED)

- (3) Twenty-five years of service credit at any age if employed on or after September 8, 1978. Benefits are determined by multiplying the years of service credit by 3 1/3% to compute a retirement percentage factor (not to exceed 100%), which is then multiplied by the member's average salary.

See note 1(G) for eligibility requirements and benefit determinations for plan members enrolled on or after January 1, 2011.

Disability Retirement, for plan members enrolled prior to January 1, 2011

A member shall be eligible for a disability benefit based on the following:

- (1) Non-service related total disability – five years of service.
- (2) Service-related total disability – condition of employment.
Benefit – Disabled eligible members will receive a benefit equal to 50% of average salary, plus one and one-half percent of average salary for each year of service in excess of 10 years.

Disability benefits shall be modified whenever a non-service disability retiree is engaged in gainful employment paying more than the difference between his retirement allowance and his final average compensation. For service-related disability, there is no limitation.

See note 1, *New Retirement Plan*, for eligibility requirements and benefit determinations for plan members enrolled on or after January 1, 2011.

Survivor Benefits, for plan members enrolled prior to January 1, 2011

Survivor benefits are payable first to the surviving spouse; secondly to minor children who are under the age of 18 years or a student under the age of 23 years and thirdly, to the dependent parent or parents of the deceased employee, provided they derived their main support from the employee.

- (1) (a) Death from injury received in the line of duty – the surviving spouse shall receive 75% of the current salary of the employee at the time of injury. If no surviving spouse, minor children shall receive the same 75% benefit. (b) Death from injury received in the line of duty by an intentional act of violence – the surviving spouse shall receive 100% of the current salary of the employee at the time of injury. If no surviving spouse, minor children shall receive the same 100% benefit. Upon the anniversary of the date of death each year, the benefit shall be increased by 3% until such time as the benefit equals the maximum of the officer's paygrade for the classification under the pay plan that applied on his date of death.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025 AND 2024

(1) PLAN DESCRIPTION (CONTINUED)

- (2) The surviving spouse of any eligible member whose death occurs other than in the line of duty shall be pensioned as follows:
- (a) Under five years of service credit – 25% of the average salary,
 - (b) Five years but under 10 years of service credit – 30% of the average salary,
 - (c) Ten years but under 15 years of service credit – 40% of the average salary,
 - (d) Fifteen years but under 20 years of service credit – 50% of the average salary,
 - (e) Twenty or more years of service credit – the retirement benefit the employee was qualified to receive had the employee elected to retire at the time of his death.

If there is no surviving spouse, minor children shall receive a monthly pension equal to greater of (1) 60% of the average salary or (2) the pension which would have been received by a surviving spouse if one existed.

- (3) For the death of a member whether in the line of duty or not and there is no surviving spouse or minor children, then dependent parents shall be entitled to a monthly pension of 25% of the average salary if they, or either of them derived their main support from the deceased participant.

Act No. 41 of the 2019 Regular Session provides a benefit to a surviving spouse who, on or before June 11, 1999, was subject to the forfeiture provision of R.S. 11:1321. This benefit shall resume upon dissolution of marriage by death or divorce from the new spouse. This benefit is prospective only. See note 1(G) for eligibility requirements and benefit determinations for plan members enrolled on or after January 1, 2011.

Deferred Benefits

The System provides for deferred benefits for vested members who terminate before being eligible for retirement. Benefits become payable once a member reaches the appropriate retirement age.

Back-Deferred Retirement Option Plan (Back-DROP)

This option may be selected at retirement and will pay retirees a monthly benefit portion and a lump-sum portion. Back-DROP allows an eligible member to select a Back-DROP period of 36 months or less to look back to in order to calculate the monthly benefit portion based upon service and final compensation that existed at the time. Benefit adjustments are made to the benefit accruals and employee contributions that occurred during the Back-DROP period. The member's lump-sum portion must be distributed to the member or paid into an individual account and placed in liquid asset money market investments and credited with interest at the actual rate of return earned on such investments.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025 AND 2024

(1) PLAN DESCRIPTION (CONTINUED)

Initial Benefit Option

This option may be selected at retirement and will pay retirees a lump-sum amount at retirement in addition to a monthly retirement benefit, reduced on an actuarial basis. A retiree may choose an “initial benefit” in a lump-sum payment or as a deposit to an interest-bearing account similar to a DROP account. Interest earnings and withdrawals will be the same as for DROP accounts. The difference between the “Initial Benefit Option” and “DROP” option is that the account created under the “Initial Benefit Option” is created with a lump sum, rather than amounts which accumulate over a DROP participation period.

Only members who are eligible for regular retirement and have not participated in DROP can select this option. Disability retirees cannot select this option.

1. Twenty-five years or more of service at any age.
2. Twelve years or more of service at age 55 or thereafter.
3. Twenty years of service at any age, exclusive of military service and unused annual and sick leave at an actuarially reduced benefit.

New Retirement Plan

Act 992 of the 2010 Regular Session of the Louisiana Legislature established a new retirement plan within the System for those employed on or after January 1, 2011. A member shall be eligible for regular retirement based on the following:

A member shall be eligible for a service-connected disability benefit equal to 75% of average compensation regardless of years of service or a non-service-connected benefit at 10 years of service equal to 50% of average compensation plus 1 ½% for each year over 10 years.

Survivor benefits of active members are paid at 80% of the member’s final average compensation for service-connected deaths, and at 50% or \$600 per month, whichever is greater, with at least five years of service for non-service-connected deaths. A survivor of a retired member shall receive 75% of the retiree’s monthly benefit. Survivor benefits for active members are paid at 100% of the member’s salary for service-connected deaths due to an intentional act of violence. This benefit shall be shared equally by the surviving spouse and any children and shall be increased, on the anniversary of the date of death each year, by 3% until such time as the benefit equals the maximum of the officer’s paygrade for the classification under the pay plan that applied on his date of death.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025 AND 2024

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis Of Accounting

The System's financial statements are prepared on the accrual basis of accounting. Employer and member contributions are recognized in the period that the employee is compensated for services performed. Benefits and refunds are recognized when due and payable in accordance with terms of the Plan.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions during the reporting period. Actual results could differ from those estimates.

The System utilizes various investment instruments which, by nature, are exposed to a variety of risk levels and risk types, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the Statement of Fiduciary Net Position.

Investments

As required by GASB Statement No. 72, investments are reported at fair value. Fair value is described as an exit price. This statement establishes a hierarchy of inputs to valuation techniques used to measure fair value, which includes three levels. Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date. Level 2 inputs are inputs—other than quoted prices—that are observable for an asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for an asset or liability, such as management's assumption of the default rate among underlying mortgages of a mortgage-backed security. This statement requires disclosures to be made about fair value measurements, the level of fair value hierarchy, and valuation techniques. These disclosures are organized by type of asset or liability. GASB Statement No. 72 also requires additional disclosures regarding investments in certain entities that calculate net asset value per share (or its equivalent). These disclosures are noted in Note 10

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025 AND 2024

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The System's investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at the current exchange rates. Investments that do not have an established market are reported at estimated fair value as determined by the System's investment managers.

Capital Assets

Capital assets consist of building and furniture, fixtures and equipment and are stated at cost. Depreciation is computed on the straight-line basis over their estimated useful lives. The estimated useful lives range from three to forty years. Minor property acquisitions are charged to operations in the period they are made.

Deferred Outflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (deduction) until that future time.

Deferred Inflows of Resources

Deferred inflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an inflow of resources (addition) until that future time.

Pensions For System Employees

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Louisiana State Employees' Retirement System (LASERS) and changes in LASERS' fiduciary net position have been determined on the same basis as they are reported by LASERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Date Of Management's Review

Management has evaluated subsequent events through the date which the financial statements were available to be issued, September 30, 2025.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025 AND 2024

(3) CONTRIBUTIONS AND RESERVES

Contributions

The cost of administering the System is financed by employer contributions.

Louisiana law previously set the employee contribution rate at 8.0% of earned compensation for State Police employees. Effective October 1, 2009, the employee contribution rate increased to 8.5% for the majority of employees. The increase was to fund the BACK-DROP program as described in note 1 of this report. For those employees hired after January 1, 2011, the employee contribution rate increased to 9.5%. The employer contribution rate is determined each year based on an actuarial formula set by state law. The employer rate for the fiscal year ended June 30, 2025 was 70.6% and for the fiscal year ended June 30, 2024 was 70.4%. The employer's contribution includes state appropriations and various fees collected by the Motor Vehicle Office within the Department of Public Safety.

Reserves

The experience account was created by HB 658 of 2007 and is used to accumulate allocations of investment gain sharing to fund cost-of-living adjustments (COLA)/permanent benefit increases (PBI). Act 399 of 2014 amended the experience account, which is credited with 50% of the investment experience gain in excess of \$15 million (indexed), but subject to maximum accumulation limitations based upon the plan's funded percentage and debited with 50% of the net investment experience loss. Balances in the experience account accrue interest at the average actuarial yield for the System portfolio. Once the balance of the experience account accumulates a sum sufficient to grant retirees a PBI, the Board may grant the PBI on benefits up to \$60,000 (indexed), not to exceed the lesser of the CPI-U or the funded level percentage attained, provided a PBI had not been granted in the prior year. Benefits are restricted to disability retirees and those retirees and beneficiaries who have attained the age of 60 and have been retired for at least one year. Maximum limitations are outlined in Act 399 of 2014. The experience account balance as of June 30, 2025 and 2024 was \$0. Under Act 184 of 2023, employers will directly fund PBI as a component of the annual employer contribution rate. As the initial unfunded accrued liability is paid off, employer contributions are expected to decline.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025 AND 2024

(4) ACTUARIAL COST METHOD

The individual “Entry Age Normal” cost method is used to calculate the funding requirements of the System. Under this cost method, the actuarial present value of projected benefits of each individual participant included in the valuation is allocated on a level basis as a percentage of payroll for each participant between entry age and assumed retirement ages(s). That portion of the actuarial present value attributable to current year benefit accruals is called the Normal Cost. The actuarial present value of future benefits in excess of the actuarial present value of the future normal cost is called the Actuarial Accrued Liability. Act 165 of the 1992 Legislative Session provides that the Unfunded Actuarial Liability in accordance with the Projected Unit Credit Cost method on June 30, 1988, shall continue to be amortized over a 20-year period as a level dollar amount. New changes in the actuarial methods or assumptions are amortized over the later of the year 2029 or the amortization period stated in the Louisiana Revised Statutes.

(5) CASH, CASH EQUIVALENTS, AND INVESTMENTS

Deposit and Investment Risk Disclosures

The tables presented below include disclosures of custodial, interest rate, credit, and foreign currency risks in accordance with GASB 40, as amended, and are designed to inform financial statement users about investment risks that could affect the System’s ability to meet its obligations. These tables classify investments by risk type, while the financial statements present investments by asset class; thus, the totals shown on tables may not be comparable to the amounts shown for the individual asset classes on the financial statements.

Cash and Cash Equivalents

At June 30, 2025, the carrying amount of the System’s cash was \$3,406,693 and the bank balance was \$3,874,835, all of which was covered by federal depository insurance and pledged securities. At June 30, 2024, the carrying amount of the System’s cash was \$3,202,284, and the bank balance was \$3,969,138, all of which was covered by federal depository insurance and pledged securities.

Cash equivalents are reported as short-term investments in the Statement of Fiduciary Net Position.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025 AND 2024

(5) CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

Investments

Statutes authorize the System to invest under the Prudent-Man Rule which, as used herein, means that, in investing, the governing authorities of the System “shall exercise the judgment and care under the circumstances then prevailing that an institutional investor of ordinary prudence, discretion, and intelligence exercises in the management of large investments entrusted to it, not in regard to speculation but in regard to the permanent disposition of funds considering probable safety of capital as well as probable income.” Notwithstanding the Prudent-Man Rule, the System shall not invest more than 65% of its total portfolio in equity investments.

No more than 22.5% of the System’s total portfolio may be allocated to managers whose assigned style is international equities. Equity holdings of all other managers shall be restricted to issues of corporations that are actively traded on the major U.S exchanges and NASDAQ.

The following was the System’s adopted asset allocation policy as of June 30, 2025 and 2024:

	2025	2024
<u>Asset Class</u>	<u>Target Allocation</u>	<u>Target Allocation</u>
Cash	0.0%	0.0%
Domestic fixed income	34.0%	34.0%
International fixed income	17.0%	18.0%
Domestic equity	3.0%	3.0%
Developed markets	19.0%	17.0%
Alternatives	27.0%	28.0%
Total	100.0%	100.0%

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025 AND 2024

(5) CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

Concentration of Credit Risk

The System has the following investments that represent 5% or more of the System's Fiduciary Net Position at June 30, 2025 and 2024:

	2025
	<u>Fair Value</u>
Loomis Sayles Fixed Income Fund	\$ 74,668,626
State Street S&P 500 Flagship Fund	98,223,518
State Street ST US Govt BI Fund	108,829,486
State Street Russell 1000 Value Index Fund	84,558,252
T. Rowe Price Large Cap Growth Fund	88,257,290
Templeton Investment Counsel, Inc. International Value	85,021,246
Wellington CTF International Quality Growth Fund	83,899,651
	2024
	<u>Fair Value</u>
Loomis Sayles Fixed Income Fund	\$ 67,673,468
State Street S&P 500 Flagship Fund	85,295,240
State Street ST US Govt BI Fund	73,549,744
State Street Russell 1000 Value Index Fund	74,395,429
T. Rowe Price Large Cap Growth Fund	76,167,235
Templeton Investment Counsel, Inc. International Value	71,964,252
Wellington CTF International Quality Growth Fund	68,736,178

During the year ended June 30, 2025, the System's investments (including investments bought, sold, and held during the year) appreciated in value \$104,868,515 compared to a net appreciation of \$92,407,930 in 2024.

	2025	2024
	<u></u>	<u></u>
Increase in fair value of investments held at year-end	\$ 58,437,109	\$ 84,559,774
Realized gains on investments including currency sold during the year	46,431,406	7,848,156
	<u>\$ 104,868,515</u>	<u>\$ 92,407,930</u>

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025 AND 2024

(5) CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The System's exposure to credit risk at June 30, 2025 and 2024, respectively, was as follows:

	<u>2025</u>	<u>2024</u>
AA+	\$ 399,290	\$ 877,750
AA	983,710	1,369,400
A	5,260,354	6,765,930
A-	2,983,067	6,489,557
BBB+	4,003,137	3,658,038
BBB	2,850,969	3,612,495
BBB-	1,008,223	-
Not rated	<u>26,157,604</u>	<u>17,135,555</u>
	<u><u>\$ 43,646,354</u></u>	<u><u>\$ 39,908,725</u></u>

The System's debt security investments are managed by four investment managers who are benchmarked against their respective index, generally being the Barclay's Government/Corporate Bond Index, Barclay's Aggregate Bond Index, Citigroup World Government Bond Index, and/or Barclay's Aggregate Bond Index. For those manager(s) engaged for our domestic, investment grade, investment strategy; at the time of making the investment, securities will carry an investment grade rating of at least BBB from either Moody's or Standard & Poor's rating agencies. Any security downgraded below BBB rating must be brought to the attention of the System's Director and its investment consultant immediately. Non-U.S. dollars, foreign, and Rule 144(A) securities are not permissible. Specialty bond manager(s) are engaged to provide a fully discretionary, total return strategy, utilizing the full spectrum of fixed income securities, including high yield, non-U.S. dollar and foreign and emerging market debt, and Rule 144(A), unregistered and private placement securities.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025 AND 2024

(5) CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a failure by the counterparty, the System will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured and are not registered in the name of the System and are held by either the counterparty or the counterparty's trust department or agents but not in the System's name. Investments held in external investment pools are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form. The System has no custodial credit risk at June 30, 2025 and 2024, since all investments were (1) held in various external investment pools, (2) registered in the name of the System, or (3) held in the possession of the System's custodial bank, US Bank, or the banks' trust department in the System's name.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. As of June 30, 2025 and 2024, the System had the following debt investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less Than 1 Year</u>	<u>1 to 5 Years</u>	<u>6 to 10 Years</u>	<u>10+ Years</u>
U.S. Government and Government Agencies	\$ 25,518,663	\$ -	\$ 1,009,260	\$ 828,806	\$ 23,680,597
Corporate Bonds	18,127,691	994,283	10,188,335	2,725,761	4,219,312
Total	<u>\$ 43,646,354</u>	<u>\$ 994,283</u>	<u>\$ 11,197,595</u>	<u>\$ 3,554,567</u>	<u>\$ 27,899,909</u>

The 2025 statement of fiduciary net position also reflects bond funds in the amount of \$267,970,322 with no maturity.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less Than 1 Year</u>	<u>1 to 5 Years</u>	<u>6 to 10 Years</u>	<u>10+ Years</u>
U.S. Government and Government Agencies	\$ 17,119,646	\$ -	\$ -	\$ 1,867,523	\$ 15,252,123
Corporate Bonds	22,789,079	69	12,224,089	4,585,061	5,979,860
Total	<u>\$ 39,908,725</u>	<u>\$ 69</u>	<u>\$ 12,224,089</u>	<u>\$ 6,452,584</u>	<u>\$ 21,231,983</u>

The 2024 statement of fiduciary net position also reflects bond funds in the amount of \$219,507,746 with no maturity.

The System, as expressed in its investment policy, expects its fixed income managers to approximate the portfolio's duration (a measure of interest rate sensitivity) to its respective benchmarks, i.e. Barclay's Government/Corporate Bond Index, Barclay's Aggregate Bond Index and Citigroup World Government Bond Index.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025 AND 2024

(5) CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect fair value of an investment. The System has no investments exposed to foreign currency risk at June 30, 2025 and 2024.

Money-Weighted Rate of Return

For the years ended June 30, 2025 and 2024, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 9.80% and 7.45%, respectively. The money-weighted rate of return expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested.

(6) CAPITAL ASSETS

The following is a summary of property, equipment, and fixtures at June 30, 2025.

	Balance <u>July 1, 2024</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2025</u>
Land	\$ 533,298	\$ -	\$ -	\$ 533,298
Building	800,271	31,296	-	831,567
Office equipment and furniture	459,606	5,948	-	465,554
Less: accumulated depreciation	(549,661)	(54,999)	-	(604,660)
	<u>\$ 1,243,514</u>	<u>\$ (17,755)</u>	<u>\$ -</u>	<u>\$ 1,225,759</u>

Depreciation expense for the years ended June 30, 2025 and 2024 was \$54,999 and \$52,375, respectively.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025 AND 2024

(7) OTHER POST-EMPLOYMENT BENEFITS PLAN

Plan Description.

The Office of Group Benefits (OGB) administers the State of Louisiana Post-Retirement Benefits Plan (OGB Plan)— a defined-benefit, multi-employer other postemployment benefit plan (OPEB). The plan provides medical, prescription drug, and life insurance benefits to retirees, disabled retirees, and their eligible beneficiaries through premium subsidies. Current employees, who participate in an OGB health plan while active, are eligible for plan benefits if they are enrolled in the OGB health plan immediately before the date of retirement and retire under one of the state sponsored retirement systems (Louisiana State Employees' Retirement System, Teachers' Retirement System of Louisiana, Louisiana School Employees' Retirement System, or Louisiana State Police Retirement System) or they retire from a participating employer that meets the qualifications in the Louisiana Administrative Code 32:3:303. Benefit provisions are established under LA R.S. 42:851 for health insurance benefits and LA R.S. 42:821 for life insurance benefits. The obligations of the plan members, employer(s), and other contributing entities to contribute to the plan are established or may be amended under the authority of LA R.S. 42:802. The Plan does not issue a stand-alone report.

There are no assets accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement 75. Effective July 1, 2008, an OPEB trust fund was statutorily established; however, this plan is not administered as a trust and no plan assets have been accumulated. The plan is funded on a "pay-as-you-go basis" under which the contributions to the plan are generally made at about the same time and in about the same amount as benefit payments become due.

Employer contributions are based on plan premiums and the employer contribution percentage. Premium amounts vary depending on the health plan selected and if the retired member has Medicare coverage. OGB offers retirees four self-insured healthcare plans and one fully insured plan. Retired employees who have Medicare Part A and Part B coverage also have access to four fully insured Medicare Advantage plans. The employer contribution percentage is based on the date of participation in an OGB plan and employee years of service at retirement. Employees who begin participation or rejoin the plan before January 1, 2002, pay approximately 25% of the cost of coverage (except single retirees under age 65, who pay approximately 25% of the active employee cost).

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025 AND 2024

(7) OTHER POST-EMPLOYMENT BENEFITS PLAN (CONTINUED)

For those beginning participation or rejoining on or after January 1, 2002, the percentage of premiums contributed by the employer and retiree is based on the following schedule:

<u>Service</u>	<u>Employer Percentage</u>	<u>Employee Percentage</u>
Under 10 years	19%	81%
10-14 years	38%	62%
15-19 years	56%	44%
20+ years	75%	25%

In addition to healthcare benefits, retirees may elect to receive life insurance benefits. Basic and supplemental life insurance is available for the individual retirees and spouses of retirees subject to maximum values. Employers pay approximately 50% of monthly premiums for individual retirees. The retiree is responsible for 100% of the premium for dependents. The total monthly premium for retirees varies according to age group.

Total OPEB Liability

At June 30, 2025, the System reported a liability of \$767,781 for its proportionate share of the total collective OPEB liability. The total collective OPEB liability was measured as of July 1, 2023 and was determined by an actuarial valuation as of that date. At June 30, 2024, the System reported a liability of \$671,822 for its proportionate share of the collective OPEB liability. The total collective OPEB liability was measured as of July 1, 2024 and was determined by an actuarial valuation as of that date.

The System's proportionate share percentage is based on the employer's individual OPEB actuarial accrued liability in relation to the total OPEB actuarial accrued liability for all participating entities included in the State of Louisiana reporting entity. At June 30, 2025, the System's proportion was 0.0098%, an increase of .0004% from the prior valuation.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025 AND 2024

(7) OTHER POST-EMPLOYMENT BENEFITS PLAN (CONTINUED)

Actuarial Assumptions and Other Inputs

The total collective OPEB liability in the July 1, 2024 actuarial valuation was determined using the following actuarial methods, assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	July 1, 2024
Actuarial Cost Method	Entry Age Normal, level percentage of pay
Expected Remaining Service Lives	4.50 years
Inflation Rate	Consumer Price Index (CPI) 2.40%
Salary Increase Rate	Consistent with state's June 30, 2024 pension actuarial valuation
Discount Rate	3.93% based on the Bond Buyer 20 Index rate as of June 30, 2024
Mortality Rates	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.
Healthcare Cost Trend Rates	8.5% for pre-Medicare eligible employees grading down by .25% each year, beginning in 2024, to an ultimate rate of 4.5% in 2035; 7.50% for post-Medicare eligible employees grading down by .25% each year, beginning in 2023-2024, to an ultimate rate of 4.5% in 2035 and thereafter; the initial trend was developed using the National Health Care Trend Survey; the ultimate trend was developed using a building block approach which considers Consumer Price Index, Gross Domestic Product, and technology growth.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025 AND 2024

(7) OTHER POST-EMPLOYMENT BENEFITS PLAN (CONTINUED)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the System's proportionate share of the total collective OPEB liability using the current discount rate as well as what the System's proportionate share of the total collective OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

	1.0% Decrease (2.93%)	Current Discount Rate (3.93%)	1.0% Increase (4.93%)
Proportionate share of total collective OPEB liability	\$ 911,566	\$ 767,781	\$ 654,993

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the System's proportionate share of the total collective OPEB liability using the current healthcare cost trend rates as well as what the System's proportionate share of the total collective OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage-point lower or one percentage-point higher than the current rates:

	1.0% Decrease (6.50%)	Current Healthcare Cost Trend Rate (7.50%)	1.0% Increase (8.50%)
Proportionate share of total collective OPEB liability	\$ 647,643	\$ 767,781	\$ 923,812

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the years ended June 30, 2025 and 2024, the System recognized OPEB expense of \$116,911 and \$100,784, respectively. At June 30, 2025 and 2024, the System reported deferred outflows of resources and deferred inflows related to OPEB from the following sources:

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025 AND 2024

(7) OTHER POST-EMPLOYMENT BENEFITS PLAN (CONTINUED)

	2025		2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 13,158	\$ -	\$ 13,558	\$ -
Changes in employer's proportionate share	124,635	-	197,371	-
Changes in assumptions	57,110	(88,163)	42,353	(140,505)
Change in proportionate share of total OPEB liability	-	-	-	-
Difference between proportionate share of employer benefit payments and actual benefit payments	-	(35,320)	-	(29,559)
Employer contributions subsequent to the measurement date	9,155	-	9,155	-
	<u>\$ 204,058</u>	<u>\$ (123,483)</u>	<u>\$ 262,437</u>	<u>\$ (170,064)</u>

Deferred outflows of resources related to OPEB resulting from the System's benefit payments subsequent to the measurement date will be recognized as a reduction of the total collective OPEB liability in the next fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Period Ended	Amount
June 30, 2026	\$ 31,294
June 30, 2027	14,109
June 30, 2028	18,627
June 30, 2029	7,390
	<u>\$ 71,420</u>

(8) NET PENSION LIABILITY

The components of the net pension liability of the System at June 30, 2025 and 2024 were as follows:

	2025	2024
Total pension liability	\$ 1,555,466,546	\$ 1,504,609,827
Plan fiduciary net position	1,376,537,254	1,133,924,343
Net pension liability	<u>\$ 178,929,292</u>	<u>\$ 370,685,484</u>
Plan fiduciary net position as a percentage of the total pension liability	88.5%	75.4%

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STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025 AND 2024

(8) NET PENSION LIABILITY (CONTINUED)

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2025 and June 30, 2024, using the following actuarial assumptions, applied to all periods included in the measurements:

Valuation Dates	June 30, 2025 and June 30, 2024
Actuarial Cost Method	Entry Age Normal
Inflation Rate	2.5% per annum
Investment Rate of Return	6.95% per annum, net of investment expenses
Salary Increases	5.50%
Cost of Living Adjustments or Permanent Benefit Increases	COLA/PBI's may be granted from the Experience Account provided that there are sufficient funds needed to offset the increase in the actuarial liability and the plan has met the criteria and eligibility requirements outlined by Act 399 of 2014. COLA/PBI's are considered Ad Hoc raises and therefore, no projections for future increases are included in the liabilities.
Asset Valuation Method	Market

The actuarial assumptions used in the June 30, 2025 and June 30, 2024 valuations were based on the results of actuarial experience studies for the period July 1, 2019 through June 30, 2023.

Mortality rates for the 2025 and 2024 valuations were based on an experience study performed in 2023 based on plan data for the period July 1, 2015 through June 30, 2020 (purposefully excluding a portion of the impact from COVID-19. Mortality for annuitants and beneficiaries was set equal to 100% of the Pub-2010 Safety Below Median Healthy Retiree Table for males and 105% of the Pub-2010 Safety Below Median Healthy Retiree Table for females, each with full generational projection using the MP2021 scales. Pub-2010 Safety Disabled Retiree Sex Distinct Tables were selected for disabled annuitants.

The long-term rate of return on System investments was determined based on the most recent capital market assumptions. Best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2024 and June 30, 2023 (see discussion of the System's investment policy in note 5) are summarized in the following table:

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025 AND 2024

(8) NET PENSION LIABILITY (CONTINUED)

Asset Class	Long-Term Expected Real Rate of Return	
	2024	2023
Cash	0.76%	0.80%
Domestic Fixed Income	4.29%	4.45%
International Fixed Income	5.22%	5.44%
Domestic Equity	2.04%	2.04%
Developed International Equity	5.24%	5.33%
Alternatives	8.19%	8.19%
Total fund	<u>5.61%</u>	<u>5.75%</u>

Discount Rate

The discount rate used to measure the total pension liability was 6.95%. The discount rate may deviate from the valuation rate of 6.95% from year to year based on changing market conditions or changes in plan asset allocation. For the fiscal years ending June 30, 2025 and 2024, the discount rate was developed from a combination of the System's capital market assumptions and those consultants participating in the Horizon Actuarial Consultants "Survey of Capital Market Assumptions," plus the following considerations:

- (a) The long-term economic forecast for inflation is projected to be 2.5%.
- (b) Investment management expenses adjust the gross rate by 25 basis points and are considered an offset in the development of the discount rate.
- (c) COLA's are funded from up to ½ of investment gains in excess of the valuation rate. COLA's are not guaranteed; therefore, there is no adjustment to the discount rate.

Sensitivity of the net pension liability to changes in the discount rate

The following presents the net pension liability of the System calculated using the current discount rate, as well as what the System's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease 5.95%	Current Discount Rate 6.95%	1% Increase 7.95%
Net pension liability - 2025	<u>\$ 360,270,273</u>	<u>\$ 177,225,519</u>	<u>\$ 25,001,166</u>
Net pension liability - 2024	1% Decrease 5.95%	Current Discount Rate 6.95%	1% Increase 7.95%
	<u>\$ 547,994,783</u>	<u>\$ 370,685,484</u>	<u>\$ 223,267,971</u>

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025 AND 2024

(9) DEFINED BENEFIT PENSION PLAN FOR SYSTEM EMPLOYEES

Plan Description

Employees of the System are provided with pensions through a cost-sharing multiple-employer defined benefit plan administered by the Louisiana State Employees' Retirement System (LASERS). Section 401 of Title 11 of the Louisiana Revised Statutes (LA R.S. 11:401) grants to LASERS Board of Trustees and the Louisiana Legislature the authority to review administration, benefit terms, investments, and funding of the plan. LASERS issues a publicly available financial report that can be obtained at www.lasersonline.org.

The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Retirement Benefits

The age and years of creditable service required in order for a member to retire with full benefits are established by statute, and vary depending on the member's hire date, employer, and job classification. A rank and file member hired prior to July 1, 2006, may either retire with full benefits at any age upon completing 30 years of creditable service and at age 60 upon completing ten years of creditable service depending on their plan. Those members hired between July 1, 2006 and June 30, 2015, may retire at age 60 upon completing five years of creditable service and those hired on or after July 1, 2015, may retire at age 62 upon completing five years of creditable service. The basic annual retirement benefit for members is equal to 2.5% to 3.5% of average compensation multiplied by the number of years of creditable service. Additionally, members may choose to retire with 20 year of service at any age, with an actuarially reduced benefit.

Average compensation is defined as the member's average annual earned compensation for the highest 36 consecutive months of employment for members employed prior to July 1, 2006. For members hired July 1, 2006 or later, average compensation is based on the member's average annual earned compensation for the highest 60 consecutive months of employment. The maximum annual retirement benefit cannot exceed the lesser of 100% of average compensation, or a certain specified dollar amount of actuarially determined monetary limits, which vary depending upon the member's age at retirement. As an alternative to the basic retirement benefits, a member may elect to receive their retirement throughout their life, with certain benefits being paid to their designated beneficiary after their death.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025 AND 2024

(9) DEFINED BENEFIT PENSION PLAN FOR SYSTEM EMPLOYEES
(CONTINUED)

Retirement Benefits (Continued)

Act 992 of the 2010 Louisiana Regular Legislative Session changed the benefit structure for LASERS members hired on or after January 1, 2011. This resulted in three new plans: regular, hazardous duty, and judges. The new regular plan includes regular members and those members who were formerly eligible to participate in specialty plans, excluding hazardous duty and judges. Regular members and judges are eligible to retire at age 60 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Hazardous duty members are eligible to retire with twelve years of creditable service at age 55, 25 years of creditable service or at any age or with a reduced benefit after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment for all three new plans. Members in the regular plan will receive a 2.5% accrual rate, hazardous duty plan a 3.33% accrual rate, and judges a 3.5% accrual rate. The extra 1.0% accrual rate for each year of service for court officers, the governor, lieutenant governor, legislators, House clerk, sergeants at arms, or Senate secretary, employed after January 1, 2011, was eliminated by Act 992. Specialty plan and regular member, hired prior to January 1, 2011, who are hazardous duty employees have the option to transition to the new hazardous duty plan.

Act 226 for the 2014 Louisiana Regular Legislative Session established new retirement eligibility for members of LASERS hired on or after July 1, 2015, excluding hazardous duty plan members. Regular members and judges under the new plan are eligible to retire at age 62 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment. Members in the regular plan will receive 2.5% accrual rate, and judges a 3.5% accrual rate, with the extra 1.0% accrual rate based on all years of service a judge.

A member leaving employment before attaining minimum retirement age, but after completing certain minimum service requirements, becomes eligible for a benefit provided the member lives to the minimum service retirement age, and does not withdraw their accumulated contributions. The minimum service requirement for benefits varies depending upon the member's employer and service classification.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025 AND 2024

(9) DEFINED BENEFIT PENSION PLAN FOR SYSTEM EMPLOYEES
(CONTINUED)

Deferred Retirement Benefits

The State Legislature authorized LASERS to establish a Deferred Retirement Option Plan (DROP). When a member enters DROP, their status changes from active member to retiree even though they continue to work and draw their salary for a period of up to three years. The election is irrevocable once participation begins. During DROP participation, accumulated retirement benefits that would have been paid to each retiree are separately tracked. For members who entered DROP prior to January 1, 2004, interest at a rate of one-half percent less than the System's realized return on its portfolio (not to be less than zero) will be credited to the retiree after participation ends. At that time, the member must choose among available alternatives for the distribution of benefits that have accumulated in the DROP account. Members who enter DROP on or after January 1, 2004, are required to participate in LASERS Self-Directed Plan (SDP) which is administered by a third-party provider. The SDP allows DROP participants to choose from a menu of investment options for the allocation of their DROP balances. Participants may diversify their investments by choosing from an approved list of mutual funds with different holdings, management styles, and risk factors.

Members eligible to retire and who do not choose to participate in DROP may elect to receive at the time of retirement an initial benefit option (IBO) in an amount up to 36 months of benefits, with an actuarial reduction of their future benefits. For members who selected the IBO option prior to January 1, 2004, such amount may be withdrawn or remain in the IBO account earning interest at a rate of one-half percent less than the System's realized return on its portfolio (not to be less than zero). Those members who select the IBO on or after January 1, 2004, are required to enter the SDP as described above.

Disability Benefits

Generally, active members with ten or more years of credited service who become disabled may receive a maximum disability retirement benefit equivalent to the regular retirement formula without reduction by reason of age. Upon reaching retirement age, the disability retiree may receive a regular retirement benefit by making application to the Board of Trustees. For injuries sustained in the line of duty, hazardous duty personnel in the Hazardous Duty Services Plan will receive a disability benefit equal to 75% of final average compensation or 100% of the final average compensation if the injury was the result of an intentional act of violence.

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STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025 AND 2024

(9) DEFINED BENEFIT PENSION PLAN FOR SYSTEM EMPLOYEES
(CONTINUED)

Survivor's Benefits

Certain eligible surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased. The deceased regular member hired before January 1, 2011, who was in state service at the time of death, must have a minimum of five years of service credit, at least two of which were earned immediately prior to death, or who had a minimum of twenty years of service credit, regardless of when earned, in order for a benefit to be paid to a minor or handicapped child. Benefits are payable to an unmarried child until age 18, or age 23 if the child remains a full-time student. The aforementioned minimum service credit requirement is ten years for a surviving spouse with no minor children and benefits are to be paid for life to the spouse or qualified handicapped child.

The deceased regular member hired on or after January 1, 2011, must have a minimum of five years of service credit regardless of when earned in order for a benefit to be paid to a minor child. The aforementioned minimum service credit requirements for a surviving spouse are 10 years, 2 years being earned immediately prior to death, and active state service at the time of death, or a minimum of 20 years of service credit regardless of when earned. A deceased member's spouse must have been married for at least one year before death.

A Hazardous Duty Services Plan member's surviving spouse and minor or handicapped or mentally incapacitated child or children are entitled to survivor benefits of 80% of the member's final average compensation if the member was killed in the line of duty. If the member dies in the line of duty as a result of an intentional act of violence, survivor benefits may be increased to 100% of the member's final average compensation.

Permanent Benefit Increases/Cost-of-Living Adjustments

As fully described in Title 11 of the Louisiana Revised Statutes, LASERS allows for the payment of permanent benefit increases, also known as cost-of-living adjustments (COLAs), that are funded through investment earnings when recommended by the Board of Trustees and approved by the State Legislature.

Contributions

Contribution requirements of active employees are governed by Title 11 of the Louisiana Revised Statutes and may be amended by the Louisiana Legislature. Employee contributions are deducted from a member's salary and remitted to LASERS by participating employers along with employer portion of the contribution.

The rates in effect during the year ended June 30, 2024 for the various plans follow:

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STATE OF LOUISIANA
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JUNE 30, 2025 AND 2024

(9) DEFINED BENEFIT PENSION PLAN FOR SYSTEM EMPLOYEES
(CONTINUED)

Contributions (continued)

Plan	Plan Status	Employer Rate
Appellate Law Clerks	Closed	41.30%
Appellate Law Clerks hired on or after 7/1/06	Closed	41.30%
Alcohol Tobacco Control	Closed	42.60%
Bridge Police	Closed	40.30%
Bridge Police hired on or after 7/1/06	Closed	40.30%
Corrections Primary	Closed	39.90%
Corrections Secondary	Closed	44.60%
Harbor Police	Closed	47.30%
Hazardous Duty	Open	47.00%
Judges hired before 1/1/11	Closed	45.80%
Judges hired after 12/31/10	Closed	44.70%
Judges hired on or after 7/1/15	Open	44.70%
Legislators	Closed	37.00%
Optional Retirement Plan (ORP) before 7/1/06	Closed	38.80%
Optional Retirement Plan (ORP) on or after 7/1/06	Closed	38.80%
Peace Officers	Closed	43.00%
Regular Employees hired before 7/1/06	Closed	41.30%
Regular Employees hired on or after 7/1/06	Closed	41.30%
Regular Employees hired on or after 1/1/11	Closed	41.30%
Regular Employees hired on or after 7/1/15	Open	41.30%
Special Legislative Employees	Closed	39.00%
Wildlife Agents	Closed	53.10%
Aggregate Rate		41.90%

The System's contractually required composite contribution rates for the years ended June 30, 2025, and 2024 was 41.30% and 40.40% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability.

Contributions to LASERS from the System were \$227,572 and \$207,465 for the years ended June 30, 2025, and 2024, respectively.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2025, the System reported a liability of \$1,118,152 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2024 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The System's proportion of the Net Pension Liability was based on a projection of the System's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2025, the System's proportion was 0.02056%, which was an increase of 0.00050% from its proportion measured as of June 30, 2024.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025 AND 2024

(9) DEFINED BENEFIT PENSION PLAN FOR SYSTEM EMPLOYEES
(CONTINUED)

For the year ended June 30, 2025, the System recognized pension expense of \$114,870 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, \$15,164. For the year ended June 30, 2024, the System recognized pension expense of \$212,270 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, \$166,456.

At June 30, 2025 and 2024, the System reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2025		2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (4,945)	\$ 30,522	\$ -
Changes of assumptions	7,816	-	-	-
Net difference between projected and actual earnings on investments	-	(150,645)	8,061	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,083	-	2,165	-
Employer contributions subsequent to the measurement date	<u>227,572</u>		<u>207,465</u>	
	<u>\$ 236,471</u>	<u>\$ (155,590)</u>	<u>\$ 248,213</u>	<u>\$ -</u>

\$227,572 reported as deferred outflows of resources related to pensions resulting from System contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2026	(80,170)
2027	34,446
2028	(51,382)
2029	(33,339)

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025 AND 2024

(9) DEFINED BENEFIT PENSION PLAN FOR SYSTEM EMPLOYEES
(CONTINUED)

Actuarial Methods and Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2024 are as follows:

Valuation Date	June 30, 2024
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Lives	2 years
Investment Rate of Return	7.25% per annum.
Inflation Rate	2.40% per annum.
Mortality	Non-disabled members – The PubG-2010 Healthy Retiree on a fully generational basis by Mortality Improvement Scale MP-2021.
	Disabled members – Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement
Termination, Disability, and Retirement	Termination, disability, and retirement assumptions were projected based on a five-year (2019-2023) experience study of the System's members.
Salary Increases	Salary increases were projected based on a 2019-2023 experience study of the System's members. The salary increase ranges for specific types of members are:

Member Type	Lower Range	Upper Range
Regular	3.3%	14.0%
Judges	2.4%	4.8%
Corrections	4.4%	15.3%
Hazardous Duty	4.4%	15.3%
Wildlife	4.4%	15.3%

Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.
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LOUISIANA STATE POLICE RETIREMENT SYSTEM
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025 AND 2024

(9) DEFINED BENEFIT PENSION PLAN FOR SYSTEM EMPLOYEES
(CONTINUED)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.4% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 8.15% for 2024. Best estimates of geometric real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2024 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	0%	0.76%
Domestic Equity	34%	4.29%
International Equity	17%	5.22%
Domestic Fixed Income	3%	2.04%
International Fixed Income	19%	5.24%
Alternative Investments	27%	8.19%
 Total Fund	 100%	 5.61%

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the pension plan's actuary. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025 AND 2024

(9) DEFINED BENEFIT PENSION PLAN FOR SYSTEM EMPLOYEES
(CONTINUED)

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the System's proportionate share of the Net Pension Liability using the discount rate of 7.25%, as well as what the System's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1.0% Decrease <u>6.25%</u>	Current Discount Rate <u>7.25%</u>	1.0% Increase <u>8.25%</u>
Employers proportionate share of the net pension liability	<u>\$ 1,544,139</u>	<u>\$ 1,118,152</u>	<u>\$ 756,162</u>

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued LASERS 2024 Comprehensive Annual Financial Report at www.lasersonline.org.

(10) FAIR VALUE DISCLOSURES

The System categorizes fair value measurements within the fair value hierarchy established by GASB Statement No. 72, *Fair Value Measurements and Application*. The valuation technique uses a three level hierarchy of inputs to measure the fair value of the asset and gives the highest priority to unadjusted quoted prices in active markets (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). These qualifications are summarized as follows:

Level 1 Inputs: Quoted prices (unadjusted) for identical assets or liabilities in active markets that a reporting entity can access at the measurement date.

Level 2 Inputs: Inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.

Level 3 Inputs: Unobservable inputs for either an asset or liability.

In the event that inputs used to measure the fair value of an asset or liability fall into different levels in the fair value hierarchy, the overall level of the fair value hierarchy in its entirety is determined based on the lowest level input that is significant to the entire valuation. These levels are not necessarily an indication of risk but are based upon the pricing transparency of the investment. In determining the appropriate levels, the System performed a detailed analysis of the assets and liabilities that are subject to GASB Statement No. 72.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025 AND 2024

(10) FAIR VALUE DISCLOSURES (CONTINUED)

Investments by Fair Value Level	June 30, 2025	Fair Value Measurements Using		
		Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Domestic Fixed Income	\$ 118,314,981	7,933,115	35,713,240	74,668,626
International Fixed Income	40,020,913	-	497,395	39,523,518
Domestic Equity	191,317,332	191,317,332	-	-
Emerging Markets Equity Investments	98,209,319	-	-	98,209,319
Alternative	143,557,414	-	-	143,557,414
Short-Term	202,251,241	202,251,241	-	-
	<u>\$ 793,671,200</u>	<u>\$ 401,501,688</u>	<u>\$ 36,210,635</u>	<u>\$ 355,958,877</u>

Investments by Fair Value Level	June 30, 2024	Fair Value Measurements Using		
		Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Domestic Fixed Income	\$ 107,582,193	\$ 2,223,862	\$ 37,684,863	\$ 67,673,468
International Fixed Income	36,392,963	-	216,550	36,176,413
Domestic Equity	184,968,852	108,801,617	76,167,235	-
Emerging Markets Equity Investments	95,713,567	-	47,664,494	48,049,073
Alternative	169,023,645	1,127,035	-	167,896,610
Short-Term	44,779,145	44,779,145	-	-
	<u>\$ 638,460,365</u>	<u>\$ 156,931,659</u>	<u>\$ 161,733,142</u>	<u>\$ 319,795,564</u>

In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy.

2025				
	Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Domestic Fixed Income	\$ 153,280,783	N/A	Daily	None
Domestic Equity Investments	257,280,038	N/A	Daily	None
Emerging Markets Equity	168,920,897	N/A	Daily	None
	<u>\$ 579,481,718</u>			

2024				
	Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Domestic Fixed Income	\$ 115,441,315	N/A	Daily	None
Domestic Equity Investments	226,316,399	N/A	Daily	None
Emerging Markets Equity	147,713,784	N/A	Daily	None
	<u>\$ 489,471,498</u>			

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt and equity investments classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Investments classified in Level 3 of the fair value hierarchy are valued using unobservable inputs and are not directly corroborated with market data.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025 AND 2024

(11) SECURITIES LENDING PROGRAM

State statutes and the Board's policies permit the System to make short-term collateralized loans of its securities to broker-dealers and other entities in order to earn incremental income.

The System has contracted with its custodian, US Bank, to lend domestic and international equity and debt securities. Collateral in the form of cash or other securities is required for 102% of the fair value of domestic or sovereign debt, and 105% of the fair value of international securities. Since the majority of the loans are terminable at will, their duration does not generally match the duration of the investments made with the cash collateral.

The System is not permitted to pledge or sell collateral securities unless a borrower defaults. The System did not impose any restrictions during the fiscal year on the amount of the loans that US Bank made on its behalf, and US Bank indemnified the System by agreeing to purchase replacement securities, or return cash collateral in the event a borrower failed to return a loaned security or pay distributions thereon. There were no such failures by any borrower to return loaned securities or pay distributions thereon during the fiscal year.

On June 30, 2025 and 2024, the System had no credit risk exposure to borrowers because the amounts the System owed the borrowers exceeded the amount the borrowers owed the System. The fair value of securities on loan totaled \$31,480,173 and \$38,656,853 for the years ended June 30, 2025, and 2024, respectively. The fair value of non-cash collateral on loan totaled \$32,219,167 and \$39,423,931 as of June 30, 2025 and 2024, respectively.

(12) CLAIMS AND LITIGATION

From time to time, the System may be involved in proceedings, civil service matters, claims or litigation arising in the ordinary course of its business. Although the outcome of such matters is not predictable with assurance, System management, upon advice of legal counsel, has no reason to believe that the disposition of any such current matter could reasonably be expected to have a material adverse effect on the System's financial position, results of operations or the ability to carry on any of its business activities.

REQUIRED SUPPLEMENTARY INFORMATION

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
FOR THE FISCAL YEARS ENDED JUNE 30, 2016 – 2025

	2025	2024	2023	2022	2021
Total pension liability					
Service cost	\$ 25,968,929	\$ 22,897,693	\$ 20,940,644	\$ 22,022,356	\$ 23,148,812
Interest	103,286,316	98,466,053	93,944,955	90,325,545	87,090,673
Changes in benefit terms	-	-	-	10,157,159	-
Changes in plan experience	12,009,408	44,776,053	22,986,172	9,131,634	10,674,084
Changes of assumptions	-	(12,638,775)	8,423,694	-	7,057,836
Changes in investment experience	-	-	-	-	-
Benefit payments, including refunds of member contributions	(94,180,240)	(87,975,878)	(85,231,247)	(77,932,390)	(71,669,661)
Other	3,772,306	3,846,453	2,928,501	3,154,450	3,643,574
Net change in total pension liability	50,856,719	69,371,599	63,992,719	56,858,754	59,945,318
Total pension liability - beginning	1,504,609,827	1,435,238,228	1,371,245,509	1,314,386,755	1,254,441,437
Total pension liability - ending	<u>\$ 1,555,466,546</u>	<u>\$ 1,504,609,827</u>	<u>\$ 1,435,238,228</u>	<u>\$ 1,371,245,509</u>	<u>\$ 1,314,386,755</u>
Plan fiduciary net position					
Contributions - employer	\$ 217,221,392	\$ 64,416,180	\$ 51,374,526	\$ 49,939,975	\$ 45,835,324
Contributions - member	7,989,265	7,347,402	6,657,622	6,650,448	7,097,723
Net investment income	109,014,394	101,793,170	73,433,643	(142,247,737)	283,632,949
Transfers in	-	-	-	-	-
Benefit payments, including refunds of member contributions	(94,180,240)	(87,975,878)	(85,231,247)	(77,932,390)	(71,669,661)
Change in accounting principle	-	-	-	-	-
Administrative expense	(1,204,206)	(1,314,101)	(1,228,713)	(1,025,548)	(953,058)
Other	3,772,306	3,846,453	2,928,501	3,154,450	3,643,574
Net change in plan fiduciary net position	242,612,911	88,113,226	47,934,332	(161,460,802)	267,586,851
Plan fiduciary net position - beginning	<u>\$ 1,133,924,343</u>	<u>\$ 1,045,811,117</u>	<u>\$ 997,876,785</u>	<u>\$ 1,159,337,587</u>	<u>\$ 891,750,736</u>
Plan fiduciary net position - ending	<u>\$ 1,376,537,254</u>	<u>\$ 1,133,924,343</u>	<u>\$ 1,045,811,117</u>	<u>\$ 997,876,785</u>	<u>\$ 1,159,337,587</u>
Net pension liability - ending	<u>\$ 178,929,292</u>	<u>\$ 370,685,484</u>	<u>\$ 389,427,111</u>	<u>\$ 373,368,724</u>	<u>\$ 155,049,168</u>
Plan fiduciary net position as a percentage of the total pension liability	88.50%	75.4%	72.9%	72.8%	88.2%
Covered-employee payroll	\$ 90,659,935	\$ 82,922,950	\$ 72,658,065	\$ 75,485,304	\$ 81,892,481
Net pension liability as a percentage of covered-employee payroll	195.48%	447.0%	536.0%	494.6%	189.3%

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
FOR THE FISCAL YEARS ENDED JUNE 30, 2016 – 2025

	2020	2019	2018	2017	2016
Total pension liability					
Service cost	\$ 23,164,627	\$24,640,341	\$ 21,815,380	\$ 20,142,171	\$ 21,782,979
Interest	83,735,245	79,654,487	74,347,284	70,439,704	63,046,379
Changes in benefit terms	-	-	-	-	-
Changes in plan experience	5,961,668	14,795,010	(3,341,851)	6,703,646	53,450,657
Changes of assumptions	-	46,005	31,066,760	214,168	-
Changes in investment experience	-	-	-	-	-
Benefit payments, including refunds of member contributions	(64,204,317)	(60,500,396)	(48,834,108)	(43,542,799)	(42,498,921)
Other	2,304,701	3,588,521	3,755,121	1,863,632	-
Net change in total pension liability	50,961,924	62,223,968	78,808,586	55,820,522	95,781,094
Total pension liability - beginning	1,203,479,513	1,141,255,545	1,062,446,959	1,006,626,437	910,845,343
Total pension liability - ending	<u>\$ 1,254,441,437</u>	<u>\$ 1,203,479,513</u>	<u>\$ 1,141,255,545</u>	<u>\$ 1,062,446,959</u>	<u>\$ 1,006,626,437</u>
Plan fiduciary net position					
Contributions - employer	\$ 43,663,397	\$42,081,804	\$47,922,310	\$48,556,048	\$56,380,440
Contributions - member	7,242,509	7,193,639	7,554,190	7,183,798	7,106,355
Net investment income	10,220,611	35,483,325	73,992,711	98,946,529	(10,925,214)
Transfers in	-	-	-	1,672,771	2,790,739
Benefit payments, including refunds of member contributions	(64,204,317)	(60,500,396)	(48,834,108)	(43,542,799)	(42,498,921)
Change in accounting principle	-	-	-	-	-
Administrative expense	(826,198)	(805,898)	(653,534)	(824,891)	(711,463)
Other	2,304,701	3,588,521	3,755,121	157,723	(35,226)
Net change in plan fiduciary net position	(1,599,297)	27,040,995	83,736,690	112,149,179	12,106,710
Plan fiduciary net position - beginning	<u>\$ 893,350,033</u>	<u>\$ 866,309,038</u>	<u>\$ 782,572,348</u>	<u>670,423,169</u>	<u>658,316,459</u>
Plan fiduciary net position - ending	<u>\$ 891,750,736</u>	<u>\$ 893,350,033</u>	<u>\$ 866,309,038</u>	<u>\$ 782,572,348</u>	<u>\$ 670,423,169</u>
Net pension liability - ending	<u>\$ 362,690,701</u>	<u>\$ 310,129,480</u>	<u>\$ 274,946,507</u>	<u>\$ 279,874,611</u>	<u>\$ 336,203,268</u>
Plan fiduciary net position as a percentage of the total pension liability	71.1%	74.2%	75.9%	73.7%	66.6%
Covered-employee payroll	\$ 83,464,067	\$ 83,302,260	\$ 87,172,563	\$ 83,077,537	\$ 82,032,742
Net pension liability as a percentage of covered-employee payroll	434.5%	372.3%	315.4%	336.9%	409.8%

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
FOR THE FISCAL YEARS ENDED JUNE 30, 2016 – 2025

Notes to schedule:

In fiscal year 2016, changes in plan experience include a COLA/PBI distribution of \$9,226,746. In fiscal year 2017, changes were made to the statistics related to family composition and rates of remarriage, the inflation rate was lowered from 2.75% to 2.5% to better align with the valuation interest rate, and decrement levels and salary scale were only adjusted to the extending the use of the earliest retirement rate to ages 43 through 46. In fiscal year 2017, changes in plan experience represent a gain on fiscal 2018 liability experience. The total number of retirements and disabilities were below projected levels while retiree deaths were above projected levels. Salary levels were below projected levels. The change of assumptions is related to the change in the entry age actuarial accrued liability due to changes in the assumptions related to the latest experience study. In fiscal year 2019, changes in plan experience were primarily due to number of retirements being significantly above projected levels. In fiscal year 2020, changes in plan experience were primarily due to salary increases for members with 11-22 years of experience exceeding assumed levels. For the fiscal year ended June 30, 2021, changes of assumptions were due to the lowering of the valuation interest rate from 7.0% to 6.95%. For the fiscal year ended June 30, 2023, plan experience was favorable in many areas, but salary increases far exceeded the long-term average salary scale assumption. The average annualized salary increase level was 9.14% versus the assumed rate of 3.25% for the year. The experience study slightly increased the long-term assumption to 3.75% effective July 1, 2023, but 2023 experience is determined based on the rate previously in place. This negative experience more than offset the lower number of retirements and DROP entries than projected, the higher level of withdrawals than expected, and the higher number of retiree deaths than projected.

For the fiscal year ended June 30, 2024, liability experience for the year was unfavorable with net plan liability experience losses totaling \$44,775,689. The interest-adjusted amortization credit on this loss was \$4,071,006, or 4.69% of projected payroll. The system experienced slightly fewer active member retirements and disabilities along with a greater number of retiree and survivor deaths than projected. These items tend to decrease plan costs. Despite this, the significant rate of average salary increase and less withdrawals than projected caused an increase in normal cost and accrued liability that led to a net liability loss. The change in assumptions is related to the experience account which ceased to exist in the current year valuation.

For the fiscal year ended June 30, 2025, liability experience for the year was unfavorable with net plan liability experience losses totaling \$12,009,408. The interest-adjusted amortization credit on this loss was \$182,872, or 0.20% of projected payroll. The system experienced slightly fewer active member retirements and disabilities along with a greater number of retiree and survivor deaths than projected. These items tend to decrease plan costs. Despite this, the significant rate of average salary increase and less withdrawals than projected caused an increase in normal cost and accrued liability that led to a net liability loss.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
SCHEDULES OF EMPLOYER CONTRIBUTIONS
FOR THE 10 FISCAL YEARS ENDING JUNE 30, 2025

	2025	2024	2023	2022	2021
Actuarially determined contribution	\$ 65,505,914	\$ 59,877,757	\$ 47,201,923	\$ 45,885,359	\$ 44,411,660
Contributions in relation to the actuarially determined contribution	217,221,392	64,416,180	51,374,526	49,939,975	45,835,324
Contribution deficiency (excess)	<u>\$ (151,715,478)</u>	<u>\$ (4,538,423)</u>	<u>\$ (4,172,603)</u>	<u>\$ (4,054,616)</u>	<u>\$ (1,423,664)</u>
Covered-employee payroll	\$ 90,659,935	\$ 82,922,950	\$ 72,658,065	\$ 75,485,304	\$ 81,892,481
Contributions as a percentage of covered-employee payroll	239.60%	77.68%	70.71%	66.16%	55.97%
	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 42,480,857	\$ 37,403,274	\$ 44,035,699	\$ 39,852,001	\$ 42,964,185
Contributions in relation to the actuarially determined contribution	43,663,397	42,081,804	48,556,048	56,380,440	53,798,059
Contribution deficiency (excess)	<u>\$ (1,182,540)</u>	<u>\$ (4,678,530)</u>	<u>\$ (4,520,349)</u>	<u>\$ (16,528,439)</u>	<u>\$ (10,833,874)</u>
Covered-employee payroll	\$ 83,464,067	\$ 83,302,260	\$ 83,077,537	\$ 82,032,742	\$ 64,414,071
Contributions as a percentage of covered-employee payroll	52.31%	50.52%	58.45%	68.73%	83.52%

Notes to schedule:

Valuation date:

June 30, 2025

Methods and assumptions used to determine contribution rates:

Actuarial cost method

Entry Age Normal

Remaining amortization period

5 years

Asset valuation method

Market

Inflation

2.5%

Salary increases

5.50%

Investment rate of return

6.95%, net of plan investment expense, including inflation

Retirement age

See note 1 to the financial statements

Mortality

Mortality assumptions were based on an experience study performed in 2023 on plan data for the period July 1, 2015 through June 30, 2020, purposefully excluding a portion of the impact from COVID-19. Mortality rates for annuitants and beneficiaries was set equal to 100% of the Pub-2010 Safety Below Median Healthy Retiree Table for males and 105% of the Pub-2010 Safety Below Median Healthy Retiree Table for females, each with the full generational MP 2021 scale. Mortality for employees was set based on the Pub-2010 Safety Below Median Sex Distinct Employee Tables with the same full generational MP 2021 scales. The Pub-2010 Safety Disabled Retiree Sex Distinct Tables were selected for disabled lives mortality with the same full generational MP 2021 scales.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
SCHEDULES OF INVESTMENT RETURNS
FOR THE FISCAL YEARS ENDING JUNE 30, 2016 - 2025

<u>Fiscal Year-End</u>	<u>Annual Money-Weighted Rate of Return *</u>
June 30, 2016	-1.62%
June 30, 2017	14.59%
June 30, 2018	9.60%
June 30, 2019	4.21%
June 30, 2020	1.31%
June 30, 2021	32.10%
June 30, 2022	-12.37%
June 30, 2023	7.45%
June 30, 2024	9.80%
June 30, 2025	9.67%

* Annual money-weighted rates of return are presented net of investment expense.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
SCHEDULES OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION
LIABILITY AND EMPLOYER CONTRIBUTIONS (LASERS)
FOR THE FISCAL YEAR ENDING JUNE 30, 2025

**Schedules of the Employer's Proportionate Share
of the Net Pension Liability (LASERS)**

Fiscal Year	System's	System's	System's covered employee payroll	System's	Plan fiduciary net position as a percentage of the total pension liability
	proportion of the net pension liability (asset)	proportionate share of the net pension liability (asset)		proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	
2016	0.01566%	\$ 1,064,777	\$ 290,143	367%	62.7%
2017	0.01666%	1,308,392	307,398	426%	57.7%
2018	0.01680%	1,182,664	314,040	377%	62.5%
2019	0.01627%	1,109,398	327,172	339%	64.3%
2020	0.01537%	1,113,471	305,712	364%	62.9%
2021	0.01664%	1,376,239	349,009	394%	58.0%
2022	0.02192%	1,206,637	463,366	260%	72.8%
2023	0.02103%	1,589,511	447,253	355%	63.7%
2024	0.02107%	1,409,992	478,074	295%	68.4%
2025	0.02056%	1,118,152	495,137	226%	75.4%

* Amounts presented were determined as of the measurement date (previous fiscal year end).

Schedules of Employer Contributions

Date	Contractually	Contributions in	Contribution Deficiency (Excess)	Employer's	Contributions
	Required Contribution	Relation to Contractually Required Contribution		Covered Employee Payroll	as a % of Covered Employee Payroll
2016	\$ 114,514	\$ 114,514	\$ -	\$ 307,398	37.3%
2017	112,084	112,084	-	313,272	35.8%
2018	119,021	119,021	-	314,040	37.9%
2019	123,998	123,998	-	327,172	37.9%
2020	124,425	129,697	(5,272)	305,712	40.7%
2021	139,953	155,287	(15,334)	349,009	40.1%
2022	183,030	162,339	20,691	463,366	39.5%
2023	180,690	184,902	(4,212)	447,253	41.3%
2024	197,444	207,465	(10,021)	478,074	43.4%
2025	172,011	227,572	(55,561)	495,137	46.0%

* Amounts presented were determined as of the end of the fiscal year.

Notes to Required Supplementary Information

Changes of Benefit Terms

A 1.5% COLA, effective July 1, 2014, provided by Act 102 of the 2014 Louisiana Regular Legislative Session, and improved benefits for certain members employed by the Office of Adult Probation and Parole within the Department of Public Safety and Corrections as established by Act 852 of 2014.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
SCHEDULES OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION
LIABILITY AND EMPLOYER CONTRIBUTIONS (LASERS)
FOR THE FISCAL YEAR ENDING JUNE 30, 2025

Notes to Required Supplementary Information (Continued)

A 1.5% COLA, effective July 1, 2016, provided by Acts 93 and 512 of the 2016 Louisiana Regular Legislative Session and added benefits for members of the Harbor Police Retirement System.

Changes of Assumptions

The discount rate decreased from 7.40% to 7.25% in the June 30, 2022 valuation.

The discount rate decreased from 7.55% to 7.40% in the June 30, 2021 valuation.

The discount rate decreased from 7.60% to 7.55%, the inflation rate changed from 2.50% to 2.30% in the June 30, 2020 valuation.

The discount rate decreased from 7.65% to 7.60% in the June 30, 2019 valuation.

The discount rate decreased from 7.70% to 7.65% in the June 30, 2018 valuation.

The discount rate changed from 7.65% to 7.70%, the inflation rate changed from 3.00% to 2.75%, and projected salary increases changed from 3.00%-14.50% to 2.80%-14.30% in the June 30, 2017 valuation.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
SCHEDULES OF EMPLOYER'S PROPORTIONATE SHARE OF THE TOTAL
COLLECTIVE OPEB LIABILITY
FOR THE FISCAL YEARS ENDING JUNE 30, 2018 - 2025

<u>Fiscal Year</u>	<u>System's proportion of the total collective OPEB liability</u>	<u>System's proportionate share of the total collective OPEB liability</u>	<u>System's covered-employee payroll</u>	<u>System's proportionate share of the total collective OPEB liability as a percentage of its covered-employee payroll</u>
2025	0.00980%	\$ 767,781	\$ 493,756	155%
2024	0.00940%	671,822	373,758	180%
2023	0.00910%	613,515	395,487	155%
2022	0.00690%	628,172	445,073	141%
2021	0.00490%	407,577	294,486	138%
2020	0.00360%	275,702	302,581	91%
2019	0.00400%	344,852	314,039	110%
2018	0.00360%	314,106	314,040	100%

Amounts presented were determined as of the measurement date (previous fiscal year end).

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Notes to Required Supplementary Information

There are no assets accumulated in a trust that meets the requirements in paragraph 4 of GASB Statement 75 to pay related benefits.

Changes of Assumptions

In the valuation for 2018, the discount rate decreased from 3.13% to 2.98%. Baseline per capita costs were updated based on 2019 premiums. The impact of the High-Cost Excise Tax was revisited, reflecting updated plan premiums. The Louisiana State Police Retirement System, the Louisiana School Employees' Retirement System, and the Teachers' Retirement System of Louisiana adopted new assumptions based on experience studies and the demographic assumptions have been updated for those assumptions. The percentage of future retirees assumed to elect medical coverage was modified based on recent plan experience. Refinements were made to the valuation model to incorporate available census information, including: (a) an adjustment to liabilities to reflect the deferral of benefit commencement and the years of service accrual that occur between the DROP entry date and the DROP end date, and (b) reflection of available OGB participation service for employees who transfer between pension plans.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
SCHEDULES OF EMPLOYER'S PROPORTIONATE SHARE OF THE TOTAL
COLLECTIVE OPEB LIABILITY
FOR THE FISCAL YEARS ENDING JUNE 30, 2018 - 2025

Notes to Required Supplementary Information (Continued)

For the July 1, 2019 valuation, the discount rate changed from 2.98% to 2.79%. Baseline per capita costs were updated to reflect 2019 claims and enrollment and retiree contributions were updated based on 2020 premiums. Life insurance contributions were updated to reflect 2020 premium schedules. The impact of the High Cost Excise Tax was removed. The High Cost Excise Tax was repealed in December 2019. Demographic assumptions were revised for the Louisiana State Employees' Retirement System to reflect the recent experience study.

For the July 1, 2020 valuation, the discount rate changed from 2.79% to 2.66%. Baseline per capita costs (PCCs) were updated to reflect 2020 claims and enrollment for the prescription drug costs and retiree contributions were updated based on 2021 premiums. 2020 medical claims and enrollment experience were reviewed but not included in the projection of expected 2021 plan costs. Due to the COVID-19 pandemic, the actuary does not believe this experience is reflective of what can be expected in future years. The salary scale assumptions were revised for the Louisiana State Employees' Retirement System and the Teachers' Retirement System of Louisiana.

For the July 1, 2021 valuation, the discount rate changed from 2.66% to 2.18%. Baseline per capita costs (PCC) were updated to reflect 2021 claims and enrollment. Medical plan election percentages were updated based on the coverage election of recent retirees. The healthcare cost trend rate assumption was revised based on updated National Health Care Trend Survey information.

For the July 1, 2022 valuation, the discount rate changed from 2.18% to 4.09%. Baseline per capita costs (PCC) were updated to reflect 2022 claims and enrollment. Medical plan election percentages were updated based on the coverage elections of recent retirees.

For the July 1, 2023 valuation, the discount rate changed from 4.09% to 4.13%. Baseline per capita costs (PCC) were updated to reflect 2023 claims and enrollment. Plan claims and premiums increased less than had been expected, which decreased the Plan's liability.

For the July 1, 2024 valuation, the discount rate changed from 4.13% to 3.93%. Baseline per capita costs (PCC) were updated to reflect 2024 claims and enrollment. Plan claims and premiums increased less than had been expected, which decreased the Plan's liability.

SUPPLEMENTARY INFORMATION

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
SCHEDULE OF BOARD COMPENSATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

<u>Board Member</u>	<u>Amount</u>
Alan Verhoef	\$ 35
Doris Prudhomme	612
Kevin Marcel	1,710
Bryan Zeringue	<u>767</u>
	<u>\$ 3,124</u>

The members are receiving per diem payments and reimbursement for mileage in accordance with Louisiana Revised Statute 11:182 and PPM 49, respectively.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
SCHEDULES OF ADMINISTRATIVE EXPENSES
FOR THE FISCAL YEARS ENDED JUNE 30, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
Salaries	\$ 570,252	\$ 510,521
Salary related expenses	124,555	356,518
Accounting and auditing	87,940	80,730
Actuarial fees	70,733	58,000
Computer consulting	31,090	20,340
Dues and subscriptions	29,484	15,132
Equipment rental	5,538	6,184
Insurance	20,689	19,252
Legal fees	13,875	13,508
Maintenance and repairs	28,936	31,170
Miscellaneous	1,229	3,356
Other post-employment benefits	107,756	91,629
Postage	10,664	6,108
Office supplies	9,208	6,936
Telephone	1,982	1,944
Travel and seminars	22,109	17,036
Board fees	3,124	3,362
Strategic Planning	-	10,000
Utilities	10,043	10,000
	<u>\$ 1,149,207</u>	<u>\$ 1,261,726</u>

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
SCHEDULES OF INVESTMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2025 AND 2024

	2025		2024	
	Cost	Market Value	Cost	Market Value
Short-term investments	\$ 204,519,064	\$ 202,251,242	\$ 44,773,025	\$ 44,779,145
Domestic fixed income investments	250,017,236	271,595,763	218,700,627	223,023,508
International fixed income investments	39,597,512	40,020,913	39,477,160	36,392,963
Domestic equity investments	216,693,295	448,597,370	217,179,710	411,285,251
Developed international equity investments	120,041,749	168,920,897	107,889,560	147,713,784
Emerging markets equity investments	73,802,773	98,209,319	71,432,533	95,713,567
Alternative investments	112,185,512	143,557,414	130,620,579	169,023,645
Totals	<u>\$ 1,016,857,141</u>	<u>\$ 1,373,152,918</u>	<u>\$ 830,073,194</u>	<u>\$ 1,127,931,863</u>

**OTHER REPORT REQUIRED BY
GOVERNMENT AUDITING STANDARDS**



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
Baton Rouge, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Louisiana State Police Retirement System (System), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the System's basic financial statements, and have issued our report thereon dated September 30, 2025.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the System's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the System's internal control. Accordingly, we do not express an opinion on the effectiveness of the System's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



Louisiana State Police Retirement System
Baton Rouge, Louisiana

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the System's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

September 30, 2025
New Orleans, Louisiana

Ericksen Krentel, LLP
Certified Public Accountants

LOUISIANA STATE POLICE RETIREMENT SYSTEM
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED JUNE 30, 2025

A. SUMMARY OF AUDITORS' REPORTS

1. The Independent Auditors' Report expresses an unmodified opinion on the financial statements of the Louisiana State Police Retirement System.
2. No significant deficiencies or material weaknesses in internal control relating to the audit of the financial statements are reported in the Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Governmental Auditing Standards*.
3. No instances of noncompliance material to the financial statements of the Louisiana State Police Retirement System were reported in the Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Governmental Auditing Standards*.
4. A management letter was not issued for the year ended June 30, 2025.

II. FINDINGS – FINANCIAL STATEMENT AUDIT

Not applicable.

III. PRIOR YEAR FINDINGS

Not applicable.