

LOUISIANA STATE POLICE RETIREMENT SYSTEM
A COMPONENT UNIT OF THE STATE OF LOUISIANA
FINANCIAL REPORT
JUNE 30, 2026 AND 2025

LOUISIANA STATE POLICE RETIREMENT SYSTEM
A COMPONENT UNIT OF THE STATE OF LOUISIANA
JUNE 30, 2026 AND 2025

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September 30, 2026

Louisiana State Police Retirement System
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Report on the Audit of the Financial Statements

Opinion

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 year ended June 30, 2026, 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, 2026 and the changes in its fiduciary net position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with 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. 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 opinion.

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Emphasis of Matter

As disclosed in note 4 to the financial statements, the total pension liability for the System was \$1,597,172,443 as of June 30, 2026. 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, 2026 could be materially different from the estimate. Our opinion is not modified with respect to this matter.

As disclosed in Note 6 to the financial statements, the financial statements include investments that are not listed on national exchanges or for which quoted market prices are not available. These investments include private equities and investments in real assets. Where a publicly listed price is not available, the management of the System uses alternative sources of information including audited financial statements, unaudited interim reports, independent appraisals, and similar evidence to determine the fair value of investments. Our opinion is not modified with respect to this matter.

Other Matter – Financial Statements for the Prior Year Audited by Another Auditor

The financial statements of the System for the year ended June 30, 2025, were audited by other auditors, who expressed an unmodified opinion on those financial statements on September 30, 2025. Our opinion is not modified in respect to this matter.

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, which 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 opinion. 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 and *Government 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 and *Government 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, which 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and the required supplementary information as listed in the table of contents are 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.

Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the System's basic financial statements. The other supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The other supplementary information is the responsibility of management and was derived from and relates 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 other supplementary information is 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, 2026 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.

Duplantier, Sharpner, Hogan and Parker, LLP

Metairie, Louisiana

LOUISIANA STATE POLICE RETIREMENT SYSTEM
A COMPONENT UNIT OF THE STATE OF LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEARS ENDED JUNE 30, 2026 AND 2025

Management's Discussion and Analysis (MD&A) provides an objective and easily readable analysis of the Louisiana State Police Retirement System's (System) financial activities based on currently known facts, decisions, or conditions and presents comparisons between the current year and the prior two years. It focuses on significant changes between the years using currently known facts, decisions, and conditions. This discussion should be read in conjunction with the basic financial statements and related notes, which begin on page 11.

OVERVIEW OF THE FINANCIAL STATEMENTS:

The System's basic financial statements consist of the statements of fiduciary net position, the statements of changes in fiduciary net position, and the related notes. Required supplementary information and other supplementary information follow the basic financial statements.

The *Statement of Fiduciary Net Position* reports the System's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and the resultant net position restricted for pension benefits.

The *Statement of Changes in Fiduciary Net Position* reports the results of the System's operations during the year, disclosing the additions to and deductions from the fiduciary net position. It supports the change that has occurred to the prior year's net position on the statement of fiduciary net position.

The *Notes to the Financial Statements* provide additional information that is essential to a full understanding of the financial statements. The notes begin on page 13.

The *Required Supplementary Information* consists of seven schedules and related notes. The seven schedules report changes in net pension liability, employers' net pension liability, employer contributions, and investment returns. It also includes the schedules of the System's proportionate share of the total collective OPEB liability, the System's proportionate share of the net pension liability in LASERS, and the System's contributions to LASERS.

The *Other Supplementary Information* section includes the schedules of board compensation and schedules of administrative expenses.

FINANCIAL SUMMARY:

The System's financial position is measured in several ways. One way is to determine the fiduciary net position (difference between total assets and deferred outflows of resources and total liabilities and deferred inflows of resources) available to pay benefits. Over time, increases and decreases in the System's fiduciary net position indicate whether its financial health is improving or deteriorating. The following table represents a condensed version of the System's Statements of Fiduciary Net Position and Statements of Changes in Fiduciary Net Position.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
A COMPONENT UNIT OF THE STATE OF LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEARS ENDED JUNE 30, 2026 AND 2025

FINANCIAL SUMMARY: (Continued)

Condensed Statements of Fiduciary Net Position
June 30, 2026, 2025, and 2024

	<u>2026</u>	<u>2025</u>	<u>2024</u>
Assets:			
Cash, receivables and investments	\$ 1,610,838,987	\$ 1,410,535,874	\$ 1,175,150,147
Capital assets, net of accumulated depreciation	1,195,996	1,225,759	1,243,514
Total assets	<u>1,612,034,983</u>	<u>1,411,761,633</u>	<u>1,176,393,661</u>
Deferred outflows of resources:			
Total deferred outflows of resources	<u>312,887</u>	<u>440,529</u>	<u>510,650</u>
Liabilities:			
Total liabilities	<u>36,780,863</u>	<u>35,385,835</u>	<u>42,809,904</u>
Deferred inflows of resources			
Total deferred inflows of resources	<u>295,704</u>	<u>279,073</u>	<u>170,064</u>
Net Position Restricted For Pension Benefits	<u>\$ 1,575,271,303</u>	<u>\$ 1,376,537,254</u>	<u>\$ 1,133,924,343</u>

Condensed Statements of Changes in Fiduciary Net Position
For Years Ended June 30, 2026, 2025, and 2024

	<u>2026</u>	<u>2025</u>	<u>2024</u>
Additions:			
Contributions	\$ 48,146,471	\$ 225,210,657	\$ 71,763,582
Net investment income	239,158,043	109,014,394	101,793,170
Other additions	7,059,355	3,772,306	3,846,453
Total additions	<u>\$ 294,363,869</u>	<u>\$ 337,997,357</u>	<u>\$ 177,403,205</u>
Deductions:			
Total deductions	<u>95,629,820</u>	<u>95,384,446</u>	<u>89,289,979</u>
Change in Fiduciary Net Position	<u>\$ 198,734,049</u>	<u>\$ 242,612,911</u>	<u>\$ 88,113,226</u>

LOUISIANA STATE POLICE RETIREMENT SYSTEM
A COMPONENT UNIT OF THE STATE OF LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEARS ENDED JUNE 30, 2026 AND 2025

FINANCIAL SUMMARY: (Continued)

Additions to Fiduciary Net Position:

Additions to the System's fiduciary net position were derived primarily from member contributions, employer contributions, insurance premium tax, motor vehicle fees, transfers in, and investment income.

	<u>2026</u>	<u>2025</u>	<u>2024</u>
Member contributions	\$ 8,434,483	\$ 7,989,265	\$ 7,347,402
Employer contributions	38,211,988	215,721,392	62,916,180
Insurance premium tax	1,500,000	1,500,000	1,500,000
Net investment income	239,158,043	109,014,394	101,793,170
Transfers in	6,260,648	2,027,213	2,467,504
Miscellaneous	798,707	1,745,093	1,378,949
Total additions	<u>\$ 294,363,869</u>	<u>\$ 337,997,357</u>	<u>\$ 177,403,205</u>

Deductions from Fiduciary Net Position:

Deductions from fiduciary net position include primarily retirement, death and survivor benefits, and administrative expenses.

	<u>2026</u>	<u>2025</u>	<u>2024</u>
Benefits paid	\$ 94,280,354	\$ 94,121,850	\$ 87,756,445
Refunds and withdrawals	156,652	58,390	219,433
Transfers out	15,171	-	-
Administrative, depreciation, and other expense	1,177,643	1,204,206	1,314,101
Total deductions	<u>\$ 95,629,820</u>	<u>\$ 95,384,446</u>	<u>\$ 89,289,979</u>

LOUISIANA STATE POLICE RETIREMENT SYSTEM
A COMPONENT UNIT OF THE STATE OF LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEARS ENDED JUNE 30, 2026 AND 2025

FINANCIAL SUMMARY: (Continued)

Investments:

The System's investments in various markets at the end of the 2026, 2025, and 2024 fiscal years are indicated in the following table:

	<u>2026</u>	<u>2025</u>	<u>2024</u>
Short-term investments	\$ 58,623,408	\$ 202,251,242	\$ 44,779,145
Domestic fixed income investments	374,422,742	271,595,763	223,023,508
International fixed income investments	40,873,151	40,020,913	36,392,963
Domestic equity investments	600,965,413	448,597,370	411,285,251
Developed international equity investments	207,951,459	168,920,897	147,713,784
Emerging markets equity investments	94,094,914	98,209,319	95,713,567
Alternative investments	195,795,982	143,557,414	169,023,645
Total investments	<u>\$ 1,572,727,069</u>	<u>\$ 1,373,152,918</u>	<u>\$ 1,127,931,863</u>

DETAILED ANALYSIS:

The System's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$1,575,271,303 as of June 30, 2026, compared with \$1,376,537,254 as of June 30, 2025 and \$1,133,924,343 as of June 30, 2024. The resulting increase in net position restricted for pension benefits was \$198,734,049, \$242,612,911 and \$88,113,226 for the years ended June 30, 2026, 2025 and 2024, respectively. Following are significant reasons for the change.

- The System's fiduciary net position increased by \$198,734,049 in 2026. The increase was primarily attributable to net investment income of \$239,158,043, including net appreciation in the fair value of investments of \$235.0 million. The favorable investment results were partially offset by benefit payments, administrative expenses, and other deductions. Although investment income increased substantially from 2025, the overall increase in fiduciary net position was lower because contributions decreased by \$178.5 million, primarily due to the nonrecurring state appropriation recognized in the prior year.
- The System's fiduciary net position increased by \$242,612,911 in 2025. The increase was primarily attributable to substantial employer and non-employer contributions, including a non-recurring state appropriation, together with net investment income of approximately \$109.0 million. Investment income included approximately \$104.9 million of net appreciation in the fair value of investments. These additions were partially offset by retirement and survivor benefit payments, contribution refunds, administrative expenses, and other deductions.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
A COMPONENT UNIT OF THE STATE OF LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEARS ENDED JUNE 30, 2026 AND 2025

DETAILED ANALYSIS: (Continued)

- The System's fiduciary net position increased by \$88,113,226 in 2024. The increase was primarily attributable to positive investment earnings and recurring contributions from members, employers, and non-employer contributing entities. These additions exceeded retirement and survivor benefit payments, contribution refunds, administrative expenses, and other deductions during the year. Favorable investment performance appears to have been the principal factor supporting the increase.
- The System's investments increased \$199,574,151 between 2026 and 2025 and increased \$245,221,055 between 2025 and 2024. The increase in the System's investments was primarily attributable to positive investment performance during fiscal year 2026. The total fund returned 17.7% for the fiscal year. Performance was led by equities, with domestic equity returning 29.3% and international equity returning 26.3%.

The primary factors affecting additions and deductions to fiduciary net position are as follows:

- Contributions decreased by \$177,064,186, or 78.62%, in 2026 compared with 2025. The decrease primarily reflects the nonrecurring appropriation in the amount of \$148.8 million associated with House Bill 460 of the 2025 Regular Session that was recognized in the prior year in addition to a decrease in the employer contribution rate in 2026. Contributions increased by \$153,447,075 in 2025 compared with 2024. The increase primarily reflects the nonrecurring appropriation in the amount of \$148.8 million associated with House Bill 460 of the 2025 Regular Session.
- Investment income increased by \$130,143,649 in 2026 compared with 2025. The increase is primarily due to increase in net appreciation in the amount of \$130.2 million. The increase in net appreciation during fiscal year 2026 was similarly driven primarily by positive investment performance, particularly within domestic and international equities.
- Investment income increased by \$7,221,224 in 2025 compared with 2024. The increase was attributable to continued positive investment performance across the portfolio and a larger invested asset base, with positive returns across equities and fixed income.
- Benefits paid increased slightly over the past three years, primarily due to an increasing number of retirees retiring at higher benefit levels.

SIGNIFICANT CAPITAL ASSET AND LONG-TERM FINANCING ACTIVITY

Capital Assets:

Net capital assets decreased by \$29,763, or 2.42%, from \$1,225,759 to \$1,195,996 in fiscal years ending June 30, 2025 and June 30, 2026, respectively. The decrease was primarily attributable to additions to capital assets being depreciated of \$40,860, while offset by depreciation expense of \$70,623 during fiscal year ending June 30, 2026.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
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MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEARS ENDED JUNE 30, 2026 AND 2025

SIGNIFICANT CAPITAL ASSET AND LONG-TERM FINANCING ACTIVITY (Continued)

Long-term Financing Activity:

The System reported no bonded debt or other long-term financing activity at June 30, 2026 or 2025. Obligations under the securities lending program are reported as liabilities corresponding to cash collateral held and are not long-term financing obligations.

CURRENTLY KNOWN FACTS, DECISIONS, OR CONDITIONS:

The System continues to operate under statutory member and employer contribution provisions and an actuarially determined funding structure. The actuarially determined employer contribution rate decreased from 39.20% of earned compensation in fiscal year 2026 to 35.90% of earned compensation in fiscal year 2027. Future contribution requirements will continue to be influenced by investment performance, payroll growth, demographic experience, actuarial experience and statutory funding requirements. Management will continue to monitor these factors and their effect on future requirements.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
A COMPONENT UNIT OF THE STATE OF LOUISIANA
STATEMENTS OF FIDUCIARY NET POSITION
JUNE 30, 2026 AND 2025

	<u>2026</u>	<u>2025</u>
ASSETS:		
Cash and cash equivalents	\$ 1,936,242	\$ 3,406,693
Receivables:		
Employee contributions	207,527	135,912
Employer contributions	1,195,378	959,348
Accrued interest and dividends	597,892	660,818
Total receivables	<u>2,000,797</u>	<u>1,756,078</u>
Short-term investments	58,623,408	202,251,242
	374,422,742	271,595,763
International fixed income investments	40,873,151	40,020,913
Domestic equity investments	600,965,413	448,597,370
Developed international equity investments	207,951,459	168,920,897
Emerging markets equity investments	94,094,914	98,209,319
Alternative investments	195,795,982	143,557,414
Total investments	<u>1,572,727,069</u>	<u>1,373,152,918</u>
Collateral held under securities lending program	34,173,861	32,219,167
Capital Assets (net of accumulated depreciation)	1,195,996	1,225,759
Other Assets	1,018	1,018
TOTAL ASSETS	<u>1,612,034,983</u>	<u>1,411,761,633</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions	205,583	236,471
Deferred outflows related to OPEB	107,304	204,058
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>312,887</u>	<u>440,529</u>
LIABILITIES:		
Accounts payable	887,750	811,205
Accrued leave	70,201	72,718
Unearned revenue	-	396,812
Net pension liability (asset)	940,754	1,118,152
Other post-employment benefits obligation	708,297	767,781
Obligations under securities lending program	34,173,861	32,219,167
TOTAL LIABILITIES	<u>36,780,863</u>	<u>35,385,835</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pensions	161,109	155,590
Deferred inflows related to OPEB	134,595	123,483
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>295,704</u>	<u>279,073</u>
NET POSITION RESTRICTED FOR PENSION BENEFITS	<u>\$ 1,575,271,303</u>	<u>\$ 1,376,537,254</u>

The accompanying notes are an integral part of these financial statements.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
A COMPONENT UNIT OF THE STATE OF LOUISIANA
STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEARS ENDED JUNE 30, 2026 AND 2025

	<u>2026</u>	<u>2025</u>
ADDITIONS:		
Contributions:		
Member contributions	\$ 8,434,483	\$ 7,989,265
Employer contributions		
Appropriations and contributions	36,387,932	211,391,266
Motor vehicle fees	1,824,056	4,330,126
Insurance premium tax	1,500,000	1,500,000
Total contributions	<u>48,146,471</u>	<u>225,210,657</u>
INVESTMENT INCOME:		
Net appreciation in fair value of investments	235,083,875	104,868,515
Interest and dividends	7,289,300	7,180,524
Securities lending interest	38,595	81,869
Total investment income	<u>242,411,770</u>	<u>112,130,908</u>
Less investment expenses		
Custodial services	138,747	117,106
Investment manager	2,883,792	2,774,408
Investment consultant	231,188	225,000
Total investment expenses	<u>3,253,727</u>	<u>3,116,514</u>
Net investment income	<u>239,158,043</u>	<u>109,014,394</u>
Other Additions:		
Transfers in - employee	1,923,808	572,008
Transfers in - employer and interest	4,336,840	1,455,205
Miscellaneous	798,707	1,745,093
Total other additions	<u>7,059,355</u>	<u>3,772,306</u>
TOTAL ADDITIONS	<u>294,363,869</u>	<u>337,997,357</u>
DEDUCTIONS:		
Retirement benefits	94,280,354	94,121,850
Transfers to other systems	15,171	-
Administrative expenses	1,031,282	1,026,287
Refund of contributions	156,652	58,390
Pension expense	18,201	15,164
Other postemployment benefit expense	57,537	107,756
Depreciation	70,623	54,999
TOTAL DEDUCTIONS	<u>95,629,820</u>	<u>95,384,446</u>
NET INCREASE	198,734,049	242,612,911
NET POSITION RESTRICTED FOR PENSION BENEFITS		
BEGINNING OF YEAR	<u>1,376,537,254</u>	<u>1,133,924,343</u>
END OF YEAR	<u>\$ 1,575,271,303</u>	<u>\$ 1,376,537,254</u>

The accompanying notes are an integral part of these financial statements.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
A COMPONENT UNIT OF THE STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2026 AND 2025

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 Annual Comprehensive Financial Report. The accompanying financial statements reflect the activity of the System.

1. SUMMARY OF ACCOUNTING POLICIES:

Basis of Accounting:

The System's financial statements are prepared in accordance with the standards established by the Governmental Accounting Standards Board (GASB).

In addition, these financial statements include the provisions of GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. This standard provides for the inclusion of a management discussion and analysis and for supplementary information and other changes.

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A COMPONENT UNIT OF THE STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2026 AND 2025

1. SUMMARY OF ACCOUNTING POLICIES: (Continued)

Basis of Accounting:(Continued)

The System's basic financial statements were prepared in conformity with the provisions of GASB Statement No. 67, *Financial Reporting for Pension Plans*. GASB Statement No. 67 establishes standards of financial reporting for defined pension plans. Significant changes included an actuarial calculation of total and net pension liability, increased footnote disclosures regarding the pension liabilities and other related information and provided for additional required supplementary information schedules.

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. Interest income is recognized when earned and dividends are recognized at the declarative date. Expenses are recognized in the period incurred.

Investments:

Investments are reported at fair value as required by GASB Statement No. 72, *Fair Value Measurement and Application*. Fair value is described as an exit price. This statement requires a government to use valuation techniques that are appropriate under the circumstances and for which sufficient data are available to measure fair value. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs. This statement establishes a hierarchy of inputs to valuation techniques used to measure fair value, which has three levels. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are inputs, other than quoted prices, included within Level 1 that are observable for the asset or liability, whether directly or indirectly. Finally, Level 3 inputs are unobservable inputs, 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 72 also requires additional disclosures regarding investments in certain entities that calculate net asset value per share (or its equivalent).

Short-term investments are reported at fair value when published prices are available, or 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 rate.

All derivative financial instruments are reported at fair value in the statements of fiduciary net position with valuation changes recognized in income. The fair value of investments that are organized as limited partnerships, joint ventures, and collective investment funds and have no

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JUNE 30, 2026 AND 2025

1. SUMMARY OF ACCOUNTING POLICIES: (Continued)

Investments: (Continued)

readily ascertainable fair value (such as private equity and real estate) has been recorded based on the investment's capital account balance, which is reported at fair value as of June 30, 2026 and 2025. Because of the inherent uncertainties in estimating fair values, it is at least reasonably possible that the estimates will change in the near term. Investments that do not have an established market are reported at estimated fair value.

Realized and unrealized gains and losses are reported in the statements of changes in fiduciary net position as net appreciation (depreciation) in fair value of investments during the period the instruments are held and when instruments are sold or expire.

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.

Tax Qualifications:

On January 1, 2004 the System became a tax qualified plan under IRS Code Section 401(a).

Compensated Absences:

The employees of the System accumulate annual and sick leave at varying rates based upon years of employment. Upon resignation or retirement, unused annual leave, up to 300 hours, is paid to employees at the employees' rate of pay. Upon retirement, unused annual leave in excess of 300 hours and sick leave may be converted to service credit subject to restrictions of the retirement system to which the employee belongs. In accordance with GASB 101 the liability for compensated absences is included in accrued liabilities and other liabilities in the Statements of Fiduciary Net Position.

Deferred Outflows of Resources and Deferred Inflows of Resources:

In addition to assets, the Statements of Fiduciary Net Position report a separate section for deferred outflows of resources that represents a consumption of net assets that applies to future period(s) and will not be recognized as an outflow of resources (expense) until then. The System has two items that qualify for reporting in this category - amounts related to other postemployment benefits and amounts related to pensions.

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1. SUMMARY OF ACCOUNTING POLICIES: (Continued)

Deferred Outflows of Resources and Deferred Inflows of Resources: (Continued)

In addition to liabilities, the Statements of Fiduciary Net Position report a separate section for deferred inflows of resources that represents an acquisition of net assets that applies to future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The System has two items that qualify for reporting in this category - amounts related to other postemployment benefits and amounts related to pensions.

Net Pension Liability (LASERS):

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.

Postemployment Benefits Other Than Pensions (OPEB):

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, information about the fiduciary net position of the State of Louisiana Postretirement Benefits Plan (Plan), and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. The Plan is funded on a pay-as-you-go basis and as such, there are no investments held by the Plan.

Securities Lending:

The System records collateral received under its securities lending agreement where the System has the ability to spend, pledge, or sell the collateral without borrower default. Liabilities resulting from these transactions are also reported. The security lending cash collateral investments are reported at fair value. Security lending income and expenses are reported as investment income and expenses in the accompanying financial statements. The Statements of Fiduciary Net Position do not include detailed holdings of securities lending collateral by investment classification.

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JUNE 30, 2026 AND 2025

1. SUMMARY OF ACCOUNTING POLICIES: (Continued)

Use of 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.

2. PLAN DESCRIPTION:

The System is the administrator of a single employer defined benefit pension plan and is a component unit of the State of Louisiana and included in the State's ACFR as a Pension Trust Fund. 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. The accompanying financial statements present information only for transactions of the programs authorized by the Louisiana Revised Statutes.

The System provides retirement benefits to sworn, commissioned law enforcement officers of the Office of State Police of the Department of Public Safety. As of June 30, 2026 and 2025, plan membership consisted of the following:

	<u>2026</u>	<u>2025</u>
Inactive plan members or beneficiaries currently receiving benefits	1,455	1,435
Inactive plan members entitled to but not yet receiving benefits	274	252
Active plan members	<u>1,070</u>	<u>1,040</u>
Total number of members	<u><u>2,799</u></u>	<u><u>2,727</u></u>

Eligibility Requirements:

Membership in the System consists of sworn, commissioned law enforcement officers of the Office of State Police, Department of Public Safety and Corrections, who have completed the State Police Training Academy Course of Instruction, except for those employed under LRS

LOUISIANA STATE POLICE RETIREMENT SYSTEM
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2. PLAN DESCRIPTION: (Continued)

Eligibility Requirements: (Continued)

40:1388 and 1389 who were former Division of State Police on the date the System was established, or later employed/retired on deposit, or if transferred under the Executive Reorganization Act before January 1, 1979. In addition, membership consists of the Secretary and Deputy Secretary of the Department of Public Safety, if they are sworn, commissioned state police officers who have graduated from the State Police Academy.

Benefits:

Benefit provisions are authorized and amended under Louisiana Revised Statutes. Benefit provisions are dictated by LRS 11:1307- 11:1323.

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.
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.

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.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
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NOTES TO THE FINANCIAL STATEMENTS
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2. PLAN DESCRIPTION: (Continued)

Disability Retirement, for plan members enrolled prior to January 1, 2011: (Continued)

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.

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.

- A. (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.
- B. 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.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
A COMPONENT UNIT OF THE STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
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2. PLAN DESCRIPTION: (Continued)

Survivor Benefits, for plan members enrolled prior to January 1, 2011: (Continued)

- C. 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.

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.

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.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
A COMPONENT UNIT OF THE STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2026 AND 2025

2. PLAN DESCRIPTION: (Continued)

Initial Benefit Option: (Continued)

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

- A. Twenty-five years or more of service at any age.
- B. Twelve years or more of service at age 55 or thereafter.
- C. 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 regular retirement benefit with 12 years of service at age 55 or 20 years of service at any age with an actuarially reduced benefit or at any age with 25 years of service. A member who retires at age 55 with 20 years of service is not eligible for Back-DROP or IBO. 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.

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 1/2% for each year over 10 years.

Survivor benefits of active members are paid at 80% of the members' 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
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NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2026 AND 2025

3. CONTRIBUTIONS AND RESERVES:

Contributions:

Contributions by members are established by state statutes. For employees hired prior to September 30, 2009, the employee contribution is 8.0% of their earned compensation. For employees hired after September 30, 2009, the employee contribution is 8.5% of their earned compensation. For employees hired after January 1, 2011, the employee contribution is 9.5% of earned compensation.

The employer contribution rate is determined each year based on an actuarial formula set by state law. Effective June 30, 2026 employer contributions may include a percentage to fund a permanent benefit increase per Act 184 of 2023. In years where the minimum actuarially recommended employer contribution rate decreases, up to one-half of the decrease may be added to the account funding contribution rate (AFC) not to exceed 2.5%. In no case may the AFC rate be set at a level that when combined with the minimum actuarially recommended employer contribution rate, the combined rate paid by employers will exceed the minimum actuarially recommended employer contribution rate in effect for fiscal 2023 of 27.6%. The actuarial required employer contribution rate for the fiscal year ended June 30, 2026, and June 30, 2025, was 34.10% and 69.60%, respectively. The actual employer rate for the fiscal year ended June 30, 2026 was 39.20% and includes 2.5% to fund permanent benefit increases. The actual employer rate for fiscal year ended June 30, 2025 was 70.60%.

In accordance with state statute the System also receives various fees collected by the Motor Vehicle Office within the Department of Public Safety and insurance premium tax monies, which funds employer contributions. This tax is allocated by the state treasurer each year based on an actuarial study.

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

Reserves:

Use of the term "reserve" by the retirement system indicates that a portion of the fiduciary net position is legally restricted for specific future use.

The nature and purpose of these reserves are outlined in the Louisiana Revised Statutes and explained below:

A. Annuity Savings:

The Annuity Savings is credited with contributions made by members of the System. When a member terminates his service, or upon his death, before qualifying for a benefit, the refund of his contributions is made from this reserve. If a member dies

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A COMPONENT UNIT OF THE STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2026 AND 2025

3. CONTRIBUTIONS AND RESERVES:

Reserves: (Continued)

A. Annuity Savings: (Continued)

and there is a survivor who is eligible for a benefit, the amount of the member's accumulated contributions is transferred from the Annuity Savings to the Annuity Reserve. When a member retires, the amount of accumulated contributions is transferred to Annuity Reserve to provide part of the benefits. The balance in Annuity Savings as of June 30, 2026 and 2025, is \$75,885,464 and \$71,378,775, respectively.

B. Pension Accumulation:

The Pension Accumulation consists of contributions paid by employers, interest earned on investments, and any other income not covered by other accounts. This reserve account is charged annually with an amount, determined by the actuary, to be transferred to the Annuity Reserve to fund retirement benefits for existing recipients. It is also relieved when expenses are not covered by other accounts. The balance in Pension Accumulation as of June 30, 2026 and 2025, is \$472,425,521 and \$313,903,374, respectively.

C. Annuity Reserve:

The Annuity Reserve consists of the reserves for all pensions, excluding cost-of-living increases, granted to members and is the reserve account from which such pensions and annuities are paid. Survivors of deceased beneficiaries also receive benefits from this reserve account. The balance in Annuity Reserve as of June 30, 2026 and 2025, is \$1,000,836,746 and \$970,907,744, respectively.

D. Deferred Retirement Option Plan Account:

The Deferred Retirement Option Plan Account consists of the reserves for all members who upon retirement eligibility elect to deposit into this account an amount equal to the member's monthly benefit if he had retired. A member can only participate in the program for up to 60 months, and upon termination may receive his benefits in a lump sum payment or by a true annuity. The balance in Deferred Retirement Option Plan Account as of June 30, 2026 and 2025, is \$23,802,913 and \$23,754,907, respectively.

E. Initial Benefit Option Reserve:

The Initial Benefit Option Reserve consists of the reserves for all participants who elect to take a lump sum benefit payment up front and subsequently receive a

LOUISIANA STATE POLICE RETIREMENT SYSTEM
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NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2026 AND 2025

3. CONTRIBUTIONS AND RESERVES: (Continued)

Reserves (Continued):

E. Initial Benefit Option Reserve: (Continued)

reduced monthly benefit. The maximum amount a member may receive up front is 36 months times the maximum benefit. The benefit is immediately transferred out, thus there is no balance in the reserve.

F. Permanent Benefit Increase Funding Account:

The Permanent Benefit Increase (PBI) Funding Account was created by Act 184 of 2023, replacing the Experience Account Fund and used solely to pre-fund permanent benefit increases (PBI/COLA) for System retirees and survivors. No PBI/COLA may be granted from the account unless the balance is sufficient to fully fund the PBI/COLA on an actuarial basis determined by the System's actuary in agreement with the Legislative Auditor's Actuary. The Permanent Benefit Increase Funding Account is funded by employer contributions. In years where the minimum actuarially recommended employer contribution rate decreases, up to one-half of the decrease may be added to the account funding contribution rate (AFC) not to exceed 2.5%. In no case may the AFC rate be set at a level that when combined with the minimum actuarially recommended employer contribution rate, the combined rate paid by employers will exceed the minimum actuarially recommended employer contribution rate in effect for fiscal 2023 of 27.6%. The PBI Funding Account as of June 30, 2026 and 2025 is \$2,320,659 and \$-0-.

4. NET PENSION LIABILITY:

Components of net pension liability for the System's employers determined in accordance with GASB No. 67 as of June 30, 2026 and 2025 were as follows:

	<u>2026</u>	<u>2025</u>
Total pension liability	\$ 1,597,172,443	\$ 1,555,466,546
Plan fiduciary net position	<u>1,575,271,303</u>	<u>1,376,537,254</u>
Net pension liability	<u>\$ 21,901,140</u>	<u>\$ 178,929,292</u>
Plan fiduciary net position as a percentage of the total pension liability	98.63%	88.50%

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Examples include assumptions about future employment mortality and future salary increases. Actuarially determined amounts regarding the net pension liability are subject to continual revision as actual results are compared to past expectations, and new estimates are made about the future.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
A COMPONENT UNIT OF THE STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
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4. NET PENSION LIABILITY: (Continued)

The assumptions used in June 30, 2026 and 2025, valuation is based on the results of an actuarial experience study for the period July 1, 2017 – June 30, 2022, unless otherwise noted. Actuarially determined amounts regarding the net pension liability are subject to continual revision as actual results are compared to past expectations, and new estimates are made about the future.

The required Schedules of Employers' Net Pension Liability located in required supplementary information following the *Notes to the Financial Statements* presents multi-year trend information regarding whether the plan fiduciary net positions are increasing or decreasing over time relative to the total pension liability.

Information on the actuarial valuations and assumptions is as follows:

Valuation Date	June 30, 2026	June 30, 2025
Actuarial Cost Method	Individual Entry Age	Individual Entry Age
Investment Rate of Return	6.95% (net of investment expense)	6.95% (Net of investment expenses)
Inflation Rate	2.50%	2.50%
Estimated Remaining Service Lives	5 years	5 years
Salary Increases	5.50% (2.50% inflation / 3.00% merit)	5.50% (2.50% inflation / 3.00% merit)
Mortality Rate - Active Members	Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 100% for males and 105% for females, projected from 2010 on a fully generational basis by Mortality Improvement Scale MP-2021.	Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 100% for males and 105% for females, projected from 2010 on a fully generational basis by Mortality Improvement Scale MP-2021.
Mortality Rate - Annuitant and Beneficiary Members	Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees multiplied by 100% for males and 105% for females, projected from 2010 on a fully generational basis by Mortality Improvement Scale MP-2021.	Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees multiplied by 100% for males and 105% for females, projected from 2010 on a fully generational basis by Mortality Improvement Scale MP-2021.
Mortality Rate - Disabled Members	Pub-2010 Public Retirement Plans Safety Mortality Table total datasets for disabled retirees multiplied by 100% for males and 105% for females, projected from 2010 on a fully generational basis by Mortality Improvement Scale MP-2021.	Pub-2010 Public Retirement Plans Safety Mortality Table total datasets for disabled retirees multiplied by 100% for males and 105% for females, projected from 2010 on a fully generational basis by Mortality Improvement Scale MP-2021.
Permanent Benefit Increases/ Cost of Living Adjustments	Permanent benefit increases (PBI) may be granted from the Permanent Benefit Increase Funding Account provided the balance is sufficient to fully fund the PBI and the System has met the granting criteria and eligibility requirements outlined by ACT 184 of 2023.	Permanent benefit increases (PBI) may be granted from the Permanent Benefit Increase Funding Account provided the balance is sufficient to fully fund the PBI and the System has met the granting criteria and eligibility requirements outlined by ACT 184 of 2023.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
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4. NET PENSION LIABILITY: (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 adjusting for expected inflation and an adjustment for the effect of rebalancing/diversification. The expected rate of inflation was 2.50% for 2026 and 2025. The resulting expected long-term nominal rates of return are 8.39% for 2026 and 8.39% for 2025. Best estimates of geometric real rates of return for each major asset class included in the System's target asset allocation and long-term expected real rate of return as of June 30, 2026 and 2025 are summarized in the following tables:

2026 <u>Asset Class</u>	Target Asset <u>Allocation</u>	Long-Term Expected <u>Real Rate of Return</u>
Cash	2.00%	0.01%
Domestic Fixed Income	14.00%	0.34%
International Fixed Income	2.00%	0.06%
Domestic Equity	40.00%	2.53%
Developed International Equity	15.00%	0.97%
Emerging Markets Equity Investment	7.50%	0.63%
Alternatives	19.50%	1.35%
Total fund	100.00%	5.89%
Inflation		2.50%
Expected Arithmetic Nominal Return		8.39%

2025 <u>Asset Class</u>	Target Asset <u>Allocation</u>	Long-Term Expected <u>Real Rate of Return</u>
Cash	2.00%	0.01%
Domestic Fixed Income	14.00%	0.34%
International Fixed Income	2.00%	0.06%
Domestic Equity	40.00%	2.53%
Developed International Equity	15.00%	0.97%
Emerging Markets Equity Investment	7.50%	0.63%
Alternatives	19.50%	1.35%
Total fund	100.00%	5.89%
Inflation		2.50%
Expected Arithmetic Nominal Return		8.39%

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4. NET PENSION LIABILITY: (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.95% for the years ended June 30, 2026 and 2025. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from the employer will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the System'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.

In accordance with GASB 67, regarding the disclosure of the sensitivity of the net pension liability to changes in the discount rate, the following presents the net pension liability of the participating employers calculated using the discount rate of 6.95% for each of the years ended June 30, 2026 and 2025, as well as what the employers' 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.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

	1.00% <u>Decrease</u>	Current Discount <u>Rate</u>	1.00% <u>Increase</u>
<u>2026</u>	5.95%	6.95%	7.95%
Net Pension Liability	<u>\$ 208,944,225</u>	<u>\$ 21,901,140</u>	<u>\$ (133,693,861)</u>
	1.00% <u>Decrease</u>	Current Discount <u>Rate</u>	1.00% <u>Increase</u>
<u>2025</u>	5.95%	6.95%	7.95%
Net Pension Liability	<u>\$ 361,974,046</u>	<u>\$ 178,929,292</u>	<u>\$ 26,704,939</u>

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5. FAIR VALUE DISCLOSURES:

Investment Valuation and Fair Value Hierarchy:

The System categorizes fair value measurements within the fair value hierarchy established by GASB Statement No. 72, *Fair Value Measurements and Application*.

The System has the following recurring fair value measurements as of June 30, 2026 and 2025:

<u>Investments by Fair Value Level</u>	<u>June 30, 2026</u>	<u>Quoted Prices in Active Markets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Domestic fixed income	\$ 45,202,283	\$ 7,578,990	\$ 37,623,293	\$ -
International fixed income	513,410	-	513,410	-
Domestic equity	234,137,291	234,137,291	-	-
Emerging markets equity	-	-	-	-
Short - Term	58,623,408	58,623,408	-	-
Total investments by fair value level	<u>\$ 338,476,392</u>	<u>\$ 300,339,689</u>	<u>\$ 38,136,703</u>	<u>\$ -</u>
<u>Investments measured at NAV</u>				
Domestic fixed income	\$ 329,220,459			
International fixed income	40,359,741			
Domestic equity	366,828,122			
Developed international equity	207,951,459			
Emerging Markets	94,094,914			
Alternatives	195,795,982			
Total investments at NAV	<u>\$ 1,234,250,677</u>			
Total investments at fair value	<u>\$ 1,572,727,069</u>			

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5. FAIR VALUE DISCLOSURES: (Continued)

Investment Valuation and Fair Value Hierarchy: (Continued)

<u>Investments by Fair Value Level</u>	<u>June 30, 2025</u>	<u>Quoted Prices in Active Markets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Domestic fixed income	\$ 43,646,355	\$ 7,933,115	\$ 35,713,240	\$ -
International fixed income	497,395	-	497,395	-
Domestic equity	191,317,331	191,317,331	-	-
Emerging markets equity	-	-	-	-
Short - Term	202,251,242	202,251,242	-	-
Total investments by fair value level	<u>\$ 437,712,323</u>	<u>\$ 401,501,688</u>	<u>\$ 36,210,635</u>	<u>\$ -</u>
<u>Investments measured at NAV</u>				
Domestic fixed income	\$ 227,949,409			
International fixed income	39,523,518			
Domestic equity	257,280,038			
Developed international equity	168,920,897			
Emerging Markets	98,209,319			
Alternatives	143,557,414			
Total investments at NAV	<u>\$ 935,440,595</u>			
Total investments at fair value	<u>\$ 1,373,152,918</u>			

Fixed income and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Fixed income securities classified in Level 2 of the fair value hierarchy are valued using matrix and market corroborated pricing techniques and inputs such as yield curves and indices. 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.

The unfunded commitments and redemption terms, if applicable, for investments measured at the net asset value (NAV) per share (or its equivalent) as of June 30, 2026 and 2025 are presented in the following table.

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5. FAIR VALUE DISCLOSURES: (Continued)

Investment Valuation and Fair Value Hierarchy: (Continued)

2026	Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Domestic fixed income funds	\$ 329,220,459	\$ -	Daily	None
International fixed income fund	40,359,741	-	Daily	10 days
Domestic equity funds	366,828,122	-	Daily	None
Developed international equity funds	207,951,459	-	Daily	None
Emerging markets funds	94,094,914	-	7 - 30 days	7 - 10 days
Alternative Investments	103,487,923	19,954,472	N/A	N/A
Alternative Investments	73,094,424	10,000,000	Quarterly	30 days prior to qtr end - 90 days
Alternative Investments	4,735,477	-	In liquidation	N/A
Alternative Investments	14,478,158	30,496,403	3 years	180 days
Total	<u>\$ 1,234,250,677</u>			

2025	Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Domestic fixed income funds	\$ 227,949,409	\$ -	Daily	None
International fixed income funds	39,523,518	-	Daily	10 days
Domestic equity funds	257,280,038	-	Daily	None
Developed international equity funds	168,920,897	-	Daily	None
Emerging markets funds	98,209,319	-	7 - 30 days	7 - 10 days
Alternative Investments	104,166,093	24,521,061	N/A	N/A
Alternative Investments	34,348,170	-	Quarterly	30 days prior to qtr end - 90 days
Alternative Investments	5,043,151	-	In liquidation	N/A
Total	<u>\$ 935,440,595</u>			

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5. FAIR VALUE DISCLOSURES: (Continued)

Equities:

Equity investments consist primarily of publicly traded domestic and international securities and investment funds. Domestic equity investments include large-, mid-, and small-capitalization strategies, including domestic small-cap funds that invest in U.S. stocks listed or traded on securities exchanges and generally have market capitalizations between \$300 million and \$2 billion. International equity investments include developed and emerging market strategies. Developed international equity investments represent ownership interests in non-U.S.-domiciled companies, while emerging market equity investments include publicly traded ownership interests in companies domiciled, listed, or traded in countries classified as emerging based on economic development, market size and liquidity, and market accessibility. Strategies may be actively or passively managed. The objective of the equity allocation is to provide long-term capital appreciation and diversification within the System's overall investment portfolio. Equity investments are subject to the guidelines and limitations established in the System's Investment Policy Statement.

Fixed Income:

Fixed income investments include investment-grade, short-term, multisector, and opportunistic strategies implemented through a domestic bond fund, a global opportunistic bond fund, a multisector full-discretion trust, a U.S. aggregate index bond fund, and a U.S. government index bond fund. Investments may include U.S. Treasury and government agency securities, corporate bonds, mortgage- and asset-backed securities, and other domestic and international fixed income instruments. Domestic fixed income investments generally consist of interest-bearing securities issued by U.S. governmental entities, governmental agencies, corporations, or other U.S.-domiciled entities that require the issuer to make periodic interest payments and repay principal at maturity. The global opportunistic bond fund is included within the System's full-discretion fixed income allocation, which is evaluated using the custom benchmark established in the System's Investment Policy Statement. The multisector full-discretion trust seeks to outperform the Bloomberg U.S. Government/Credit Index. The U.S. aggregate index bond fund seeks to provide investment results that, before fees and expenses, generally correspond to the price and yield performance of an index tracking the U.S. dollar-denominated investment-grade bond market. The U.S. government index bond fund seeks to approximate, before expenses, the long-term performance of the Bloomberg U.S. 1–3 Year Government/Credit Bond Index. Strategies may be actively or passively managed. The objective of the fixed income allocation is to provide income, capital preservation, diversification, and risk mitigation within the System's overall investment portfolio.

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5. FAIR VALUE DISCLOSURES: (Continued)

Alternatives:

Alternative investments include real estate, private equity, private debt, infrastructure, and a residual hedge fund investment. Real estate investments consist primarily of funds that invest in domestic and foreign income-producing properties, including office, residential, industrial, retail, hospitality, and other commercial properties, as well as raw land and other real estate opportunities. The real estate allocation seeks to generate income and capital appreciation while enhancing the risk and return profile of the System's total portfolio through diversification and a low correlation with equity and fixed income markets. Private equity investments consist primarily of funds that invest directly or indirectly in privately held companies and other private market opportunities, including privately negotiated and secondary market investments. The private equity allocation seeks to generate long-term capital appreciation and provide diversification relative to public markets. Private debt investments consist primarily of funds that pursue credit-oriented strategies across private and public markets. Investments may include senior and subordinated debt, first- and second-lien loans, distressed debt, hybrid securities, and other credit instruments, as well as equity or equity-related securities when permitted by the applicable investment strategy. The private debt allocation seeks to generate income and capital appreciation across the capital structure. Infrastructure investments consist primarily of funds that invest in transportation, utilities, energy, communications, and other essential infrastructure assets and businesses. The infrastructure allocation seeks to generate income and capital appreciation while providing portfolio diversification. Hedge fund investments consist of pooled funds that may employ a broad range of absolute return-oriented strategies across various asset classes and markets, including convertible arbitrage, merger arbitrage, distressed securities, long/short equity, and equity market-neutral strategies. The System's hedge fund exposure represents a residual investment from a previously larger allocation and seeks attractive long-term, risk-adjusted returns across a variety of capital market conditions. The fair values of applicable alternative investments are determined using net asset value per share or its equivalent, and distributions are received as the underlying investments are liquidated.

6. DEPOSITS AND INVESTMENTS:

Deposits:

At June 30, 2026, the carrying amount of the System's cash was \$1,936,242 and the bank balance was \$2,028,971, all of which was covered by federal depository insurance and pledged securities. 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.

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6. DEPOSITS AND INVESTMENTS: (Continued)

Short-term investments:

Cash equivalents in the amounts of \$58,623,408 and \$202,251,242 for the years ending June 30, 2026 and 2025 are held by a sub-custodian, managed by a separate money manager and are in the name of the System's custodian department. Cash equivalents consist of short-term treasury obligations and are reported as short-term investments in the Statement of Fiduciary Net Position.

Investments:

Louisiana 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.

The System's policy regarding the allocation of invested assets is established and amended by the System's Board. The System shall be always managed in accordance with Louisiana Statutes and any other applicable law. The policy states that the investment of the System's assets shall be for the exclusive purpose of providing benefits for the participants and their beneficiaries and paying the System's administrative expenses. The System's investment shall be prudently selected and properly diversified to minimize the risk of large losses.

Concentration of Credit Risk:

Concentration of credit risk is the risk of loss resulting from a large exposure to a single issuer or market. Under the System's Investment Policy Statement, limits any one issuer to no more than 10% of the aggregate fixed income portfolio at cost, this issuer limit does not apply to securities issued by the U.S. Treasury or other federal agencies. In addition, no more than 22.5% of the System's total portfolio may be allocated to managers whose assigned style is international equities, and equity holdings of all other managers are restricted to issues of corporations actively traded on major U.S. exchanges and NASDAQ. Compliance with these limits and overall concentration exposures are monitored as part of the System's ongoing portfolio oversight process.

The System has no investments with a money manager that represents more than 22.5% of the System's portfolio or 10% of the aggregate fixed income portfolio at cost other than U.S. Treasury or other federal agencies.

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6. DEPOSITS AND INVESTMENTS: (Continued)

Concentration of Credit Risk: (Continued)

The System has the following investments that represent 5% or more of the System's Fiduciary Net Position at June 30, 2026 and 2025:

	2026
	<u>Fair Value</u>
State Street ST US Govt BI Fund	\$ 194,306,982
State Street S&P 500 Flagship Fund	144,619,111
State Street GA Large Cap Value Fund	120,048,492
Wellington CTF International Quality Growth Fund	104,229,059
Templeton Investment Counsel, Inc. International Value	103,722,400
Fisher Investments Institutional Group Fund US Small Cap Fund	83,308,413
Loomis Sayles Fixed Income Fund	78,822,840
	2025
	<u>Fair Value</u>
State Street ST US Govt BI Fund	\$ 108,829,485
State Street S&P 500 Flagship Fund	98,223,518
T. Rowe Price Large Cap Growth Fund	88,257,290
Templeton Investment Counsel, Inc. International Value	85,021,246
State Street Russell 1000 Value Index Fund	84,558,252
Wellington CTF International Quality Growth Fund	83,899,651
Loomis Sayles Fixed Income Fund	74,668,626

Credit Risk:

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The System manages credit risk in accordance with its Investment Policy Statement. Permissible investment-grade securities include U.S. Treasury and federal agency securities, corporate and municipal bonds, mortgage pass-through securities, inflation-linked securities, asset-backed securities, Treasury futures, Federal Agency TBA securities, and convertible issues. Investment grade is defined as the four highest rating categories of one or more nationally recognized statistical rating organizations at the time of purchase. Investment-grade fixed income managers should not invest more than 20% of their portfolios in non-investment-grade debt. Full-discretion fixed income managers may employ strategies using securities outside these guidelines.

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6. DEPOSITS AND INVESTMENTS: (Continued)

Credit Risk: (Continued)

The System's exposure to credit risk at June 30, 2026 and 2025, respectively, was as follows:

	<u>2026</u>	<u>2025</u>
AA+	\$ -	\$ 399,290
AA	988,030	983,710
AA-	661,408	-
A	5,268,498	5,260,354
A-	3,155,714	2,983,067
BBB+	4,761,579	4,003,137
BBB	3,780,784	2,850,969
BBB-	1,147,387	1,008,223
N/A	25,184,839	-
Not rated	767,454	26,655,000
	<u>\$ 45,715,693</u>	<u>\$ 44,143,750</u>

The System invested in a global opportunistic index bond fund. As of June 30, 2026 and 2025, the fair value of the fund was \$40,359,741 and \$39,523,518, respectively. The rating of the bonds in the fund ranged from AAA to BB with 54.26% and 69.90% rated AA as of June 30, 2026 and 2025, respectively.

The System invested in a multisector fixed income trust fund. As of June 30, 2026 and 2025, the fair value of the fund was \$78,822,840 and \$74,668,626, respectively. The rating of the bonds in the fund ranged from AAA to Not Rated with 38.70% and 39.70% rated BBB as of June 30, 2026 and 2025, respectively.

The System invested in an U.S. aggregate index bond fund. As of June 30, 2026 and 2025, the fair value of the fund was \$56,090,637 and \$44,451,298, respectively. The rating of the bonds in the fund ranged from Aaa to Not Rated with 72.65% and 72.25% rated Aa as of June 30, 2026 and 2025, respectively.

The System invested in a U.S. governmental index bond fund. As of June 30, 2026 and 2025, the fair value of the fund was \$194,306,982 and \$108,829,485, respectively. The rating of the bonds in the fund ranged from Aaa to Baa with 76.37% and 75.36% rated Aa as of June 30, 2026 and 2025, respectively.

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NOTES TO THE FINANCIAL STATEMENTS
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6. DEPOSITS 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 does not currently have a separate written policy specifically addressing custodial credit risk. However, custodial arrangements are governed through the System's Investment Policy Statement and related custody agreements, which require investments to be held in the System's name or by its designated custodian. The System also monitors custodial arrangements as part of its ongoing oversight of the investment portfolio.

The System has no custodial credit risk at June 30, 2026 and 2025, 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. The System does not maintain a separate written policy establishing specific duration, maturity, or other quantitative interest-rate-risk limits beyond the provisions contained in the Investment Policy Statement. Interest rate exposure is monitored and managed primarily at the individual investment manager level within each manager's mandate and is evaluated at the total portfolio level as part of the System's asset allocation and portfolio construction process.

As of June 30, 2026 and 2025, the System had the following debt investments and maturities:

<u>June 30, 2026</u>	<u>Less Than 1 Year</u>	<u>1-5 Years</u>	<u>6-10 Years</u>	<u>Greater than 10 years</u>	<u>Fair Value</u>
<u>Investment Type</u>					
Corporate Bonds	\$ 1,797,288	\$ 10,459,334	\$ 3,442,077	\$ 4,834,184	\$ 20,532,883
Foreign Agencies	-	308,341	205,069	-	513,410
U.S. Government and Government Agencies	-	1,658,727	3,103,677	19,906,996	24,669,400
Total	<u>\$ 1,797,288</u>	<u>\$ 12,426,402</u>	<u>\$ 6,750,823</u>	<u>\$ 24,741,180</u>	<u>\$ 45,715,693</u>

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6. DEPOSITS AND INVESTMENTS: (Continued)

Interest Rate Risk: (Continued)

<u>June 30, 2025</u>	<u>Less Than 1 Year</u>	<u>1-5 Years</u>	<u>6-10 Years</u>	<u>Greater than 10 years</u>	<u>Fair Value</u>
<u>Investment Type</u>					
Corporate Bonds	\$ 994,283	\$ 10,188,335	\$ 2,725,761	\$ 4,219,313	\$ 18,127,692
U.S. Government and Government Agencies	-	1,009,260	828,806	24,177,992	26,016,058
Total	<u>\$ 994,283</u>	<u>\$ 11,197,595</u>	<u>\$ 3,554,567</u>	<u>\$ 28,397,305</u>	<u>\$ 44,143,750</u>

The System invested in a global opportunistic index bond fund. As of June 30, 2026 and 2025, the fair value of the fund was \$40,359,741 and \$39,523,518, respectively. The effective duration of the bond fund is 5.79 years and 6.63 years for the years ended June 30, 2026 and 2025, respectively.

The System invested in a multisector fixed income trust fund. As of June 30, 2026 and 2025, the fair value of the fund was \$78,822,840 and \$74,668,626, respectively. The average duration of the bond fund is 4.83 years and 4.80 years for the years ended June 30, 2026 and 2025, respectively.

The System invested in an U.S. aggregate index bond fund. As of June 30, 2026 and 2025, the fair value of the fund was \$56,090,637 and \$44,451,298, respectively. The average duration of the bond fund is 5.87 years and 6.05 years for the years ended June 30, 2026 and 2025, respectively.

The System invested in a U.S. governmental index bond fund. As of June 30, 2026 and 2025, the fair value of the fund was \$194,306,982 and \$108,829,485, respectively. The average duration of the bond fund is 1.87 years and 1.86 years for the years ended June 30, 2026 and 2025, respectively.

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 with direct exposure to foreign currency risk at June 30, 2026 and 2025 since all foreign investments include indirect exposure embedded in fund holdings.

Money-Weighted Rate of Return:

For the years ended June 30, 2026 and 2025, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 17.90% and 9.67%, respectively. The money-weighted rate of return expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested.

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7. SECURITIES LENDING PROGRAM:

State statutes and the Board's policies permit the System to lend its securities to broker-dealers and other entities with a simultaneous agreement to return the collateral for the same securities in the future.

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. All security loans can be terminated on demand by either the System or the borrower, the average term of securities on loan as of June 30, 2026 is 1 day and as of June 30, 2025 is 1 day. Cash collateral is invested in the lending agent's short term investment pool, which, at June 30, 2026 and 2025 has a weighted-average maturity of 1 day and 1 day, respectively.

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, 2026 and 2025, 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 \$34,090,199 and \$31,480,173 for the years ended June 30, 2026 and 2025, respectively. The fair value of cash collateral on loan totaled \$34,173,861 and \$32,219,167 as of June 30, 2026 and 2025, respectively.

The term to maturity of the securities loaned did not match with the term to maturity of the investment of the cash collateral at June 30, 2026 and 2025 since the loans may be terminated on demand.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
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8. CAPITAL ASSETS:

The following is a summary of property, equipment, and fixtures at June 30, 2026 and 2025.

	<u>July 01, 2025</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2026</u>
Land	\$ 533,298	\$ -	\$ -	\$ 533,298
New Office Building	831,567	28,220	-	859,787
Vehicle, Equipment, and Furniture	157,297	8,049	-	165,346
New Building Furniture and Fixtures	54,056	4,591	-	58,647
Software	214,201	-	-	214,201
Data System	40,000	-	-	40,000
	<u>1,830,419</u>	<u>40,860</u>	<u>-</u>	<u>1,871,279</u>
Less: Accumulated Depreciation	(564,660)	(70,623)	-	(635,283)
Less: Accumulated Amortization	<u>(40,000)</u>	<u>-</u>	<u>-</u>	<u>(40,000)</u>
Balance - End of Year	<u>\$ 1,225,759</u>	<u>\$ (29,763)</u>	<u>\$ -</u>	<u>\$ 1,195,996</u>

	<u>July 01, 2024</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2025</u>
Land	\$ 533,298	\$ -	\$ -	\$ 533,298
New Office Building	800,271	31,296	-	831,567
Vehicle, Equipment, and Furniture	151,349	5,948	-	157,297
New Building Furniture and Fixtures	54,056	-	-	54,056
Software	214,201	-	-	214,201
Data System	40,000	-	-	40,000
	<u>1,793,175</u>	<u>37,244</u>	<u>-</u>	<u>1,830,419</u>
Less: Accumulated Depreciation	(509,661)	(54,999)	-	(564,660)
Less: Accumulated Amortization	<u>(40,000)</u>	<u>-</u>	<u>-</u>	<u>(40,000)</u>
Balance - End of Year	<u>\$ 1,243,514</u>	<u>\$ (17,755)</u>	<u>\$ -</u>	<u>\$ 1,225,759</u>

Depreciation expense for the years ended June 30, 2026 and 2025 was \$70,623 and \$54,999, respectively.

9. OTHER POST-EMPLOYMENT BENEFITS PLAN:

Substantially all System employees become eligible for postemployment health care and life insurance benefits if they reach normal retirement age while working for the System. These benefits for retirees and similar benefits for active employees are provided through an agent multiple-employer OPEB Plan whose premiums are paid jointly by the employee and the System.

At June 30, 2026 and 2025, 2 retirees were receiving postemployment benefits.

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9. OTHER POST-EMPLOYMENT BENEFITS PLAN: (Continued)

Plan Description:

Employees may participate in the State of Louisiana's Other Postemployment Benefit Plan (OPEB Plan), an agent multiple employer defined benefit OPEB Plan that provides medical and life insurance to eligible active employees, retirees and their beneficiaries. The state administers the plan through the Office of Group Benefits (OGB). LRS 42:801-883 assigns the authority to establish and amend benefit provisions of the plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Governmental Accounting Standards Board (GASB) Statement No. 75 to pay related benefits.

The plan does not issue a stand-alone financial report.

Benefits Provided:

The OPEB Plan provides benefits such as death benefits, life insurance, disability, and long-term care that are paid in the period after employment and that are provided separately from a pension plan, as well as healthcare benefits paid in the period after employment. The OPEB plan does not provide termination benefits or termination payments for sick leave.

Contributions:

The contribution requirements of plan members and the System are established and may be amended by LRS 42:801-883. The OPEB Plan is currently funded on a pay-as-you-go basis through a combination of retiree and System contributions. Employees do not contribute to their postemployment benefits cost until they become retirees and begin receiving postemployment benefits. The retirees contribute to the cost of their postemployment benefits based on a service schedule. Contribution amounts vary depending on what healthcare provider is selected from the plan and if the member has Medicare coverage. Employer contributions to the OPEB Plan from the System were \$9,155 and \$9,155 for the years ended June 30, 2026 and 2025, respectively.

Employer contributions are based on plan premiums and the employer contribution percentage. This percentage is based on the date of participation in an OGB plan (before or after January 1, 2002) and employee years of service at retirement. Employees who began participation or rejoined 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).

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9. 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 is based on the following schedule:

<u>Service</u>	<u>Employer</u>	<u>Employee</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.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB:

At June 30, 2026, the System reported a liability of \$708,297 for its proportionate share of the total collective OPEB liability. At June 30, 2025, the System reported a liability of \$767,781 for its proportionate share of the collective OPEB liability. The total collective OPEB liability was measured as of July 1, 2025 and 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. As of July 1, 2025 and 2024, the System's proportion was 0.0094%, a decrease of 0.00040% from the prior valuation.

For the years ended June 30, 2026 and 2025, the System recognized OPEB expense of \$57,537 and \$107,756, respectively.

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9. OTHER POST-EMPLOYMENT BENEFITS PLAN: (Continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB: (Continued)

At June 30, 2026 and 2025, the System reported deferred outflows of resources and deferred inflows related to OPEB from the following sources:

	2026		2025	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 16,371	\$ 37,450	\$ 13,158	\$ -
Changes in assumptions	32,437	68,526	57,110	88,163
Changes in proportion and differences between employer contributions and proportionate share of contributions	49,341	28,619	124,635	35,320
Employer contributions subsequent to the measurement date	9,155	-	9,155	-
	<u>\$ 107,304</u>	<u>\$134,595</u>	<u>\$ 204,058</u>	<u>\$123,483</u>

Deferred outflows of resources related to OPEB resulting from the System's benefit payments subsequent to the measurement date in the amount of \$9,155 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:

June 30, 2027	\$ (5,998)
2028	(2,626)
2029	(13,437)
2030	(14,385)
	<u>\$ (36,446)</u>

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9. OTHER POST-EMPLOYMENT BENEFITS PLAN: (Continued)

Actuarial Assumptions and Other Inputs:

The total collective OPEB liability in the July 1, 2025 and 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 01, 2025	July 01, 2024
Actuarial Cost Method	Entry Age Normal, level percentage of pay. Service costs are attributed through all assumed ages of exit from active service. For current DROP participants, assumed exit from active service is the date at which DROP ends.	Entry Age Normal, level percentage of pay. Service costs are attributed through all assumed ages of exit from active service. For current DROP participants, assumed exit from active service is the date at which DROP ends.
Inflation Rate	2.40%	2.40%
Salary Increase Rate	Consistent with the pension valuation assumptions	Consistent with the pension valuation assumptions
Investment Rate of Return	5.20% based on the June 30, 2025 Bond Buyer 20 index rate.	3.93% based on the June 30, 2024 Bond Buyer 20 index rate.
Health Care Cost Trend Rate	8.25% - 4.50%	8.5% - 4.5%
Mortality Rate - Active Lives	Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 100% for males and 105% for females, projected from 2010 on a generational basis by Mortality Improvement Scale MP-2021	Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 100% for males and 105% for females, projected from 2010 on a generational basis by Mortality Improvement Scale MP-2021
Mortality Rate - Healthy Retiree	Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 100% for males and 105% for females, projected from 2010 on a generational basis by Mortality Improvement Scale MP-2021	Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 100% for males and 105% for females, projected from 2010 on a generational basis by Mortality Improvement Scale MP-2021
Mortality Rate - Disabled Retiree	Pub-2010 Public Retirement Plans Mortality Table total datasets for disabled retirees multiplied by 100% for males and 105% for females, projected from 2010 on a generational basis by Mortality Improvement Scale MP-2021	Pub-2010 Public Retirement Plans Mortality Table total datasets for disabled retirees multiplied by 100% for males and 105% for females, projected from 2010 on a generational basis by Mortality Improvement Scale MP-2021

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9. OTHER POST-EMPLOYMENT BENEFITS PLAN: (Continued)

Actuarial Assumptions and Other Inputs: (Continued)

The discount rate used to measure the total OPEB liability was 5.20% as of July 1, 2025 and 3.93% as of July 1, 2024. The projection of cash flows used to determine the discount rate assumed that contributions from employers will be made at contractually required rates. Based on this assumption and as the OPEB Plan is unfunded, the OPEB plan's fiduciary net position was not projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was determined using a discount rate that reflects the 20-year tax-exempt municipal bond yield or index rate.

Sensitivity of the System's Proportionate Share of the Collective Total OPEB Liability to Changes in the Discount Rate:

The following presents the System's proportionate share of the collective total OPEB liability, as well as what the System's proportionate share of the collective total OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current discount rate:

	1.00% <u>Decrease</u>	Current Rate <u>Discount</u>	1.00% <u>Increase</u>
<u>2026</u>	4.20%	5.20%	6.20%
Total OPEB Liability	<u>\$ 829,459</u>	<u>\$ 708,297</u>	<u>\$ 612,057</u>
	1.00% <u>Decrease</u>	Current Rate <u>Discount</u>	1.00% <u>Increase</u>
<u>2025</u>	2.93%	3.93%	4.93%
Total OPEB Liability	<u>\$ 911,566</u>	<u>\$ 767,781</u>	<u>\$ 654,993</u>

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9. OTHER POST-EMPLOYMENT BENEFITS PLAN: (Continued)

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:

	1.00%	Current	1.00%
	Decrease	Health Care Cost Trend Rate	Increase
<u>2026</u>			
Total OPEB Liability	<u>\$ 606,758</u>	<u>\$ 708,297</u>	<u>\$ 837,872</u>
	1.00%	Current	1.00%
	Decrease	Health Care Cost Trend Rate	Increase
<u>2025</u>			
Total OPEB Liability	<u>\$ 647,643</u>	<u>\$ 767,781</u>	<u>\$ 923,812</u>

Payables to the OPEB Plan:

As of June 30, 2026 and 2025, the System did not have payables for outstanding contributions to the OPEB Plan.

10. 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.

LASERS provides retirement, deferred retirement option (DROP), disability and survivor's benefits. The following is a description of the plan and its benefits and it is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

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10. DEFINED BENEFIT PENSION PLAN FOR SYSTEM EMPLOYEES: (Continued)

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 years of service at any age, with an actuarially reduced benefit.

Average compensation is defined as the member's average annual compensation earned 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.

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 members' 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

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10. DEFINED BENEFIT PENSION PLAN FOR SYSTEM EMPLOYEES: (Continued)

Retirement Benefits: (Continued)

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 plans and regular members, 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 compensation earned 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.

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.

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10. DEFINED BENEFIT PENSION PLAN FOR SYSTEM EMPLOYEES: (Continued)

Initial Benefit Options:

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.

Survivors' 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.

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10. DEFINED BENEFIT PENSION PLAN FOR SYSTEM EMPLOYEES: (Continued)

Survivors' Benefits: (Continued)

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 Section 401 of Title 11 of the Louisiana Revised Statutes (LA. R.S. 11:401) and may be amended by the Louisiana Legislature. Members are required by state statute to contribute 7.5% of their annual covered salaries if hired before July 1, 2006 and 8.0% of their annual covered salaries if hired after July 1, 2006. The System is required to make employer contributions based on the actuarially determined rate. The employer contribution rate for the fiscal years ended June 30, 2026 and 2025 was 33.15% and 34.74% of annual covered payroll, respectively. The System's contributions to LASERS for the fiscal years ended June 30, 2026 and 2025 were \$159,192 and \$227,572, respectively.

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.

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

At June 30, 2026 and 2025, the System reported a liability of \$940,754 and \$1,118,152 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2025 and 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

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10. DEFINED BENEFIT PENSION PLAN FOR SYSTEM EMPLOYEES: (Continued)

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions: (Continued)

contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2026, the System's proportion was .0002087%, which was an increase of .00000331% from its proportion measured as of June 30, 2025.

For the years ended June 30, 2026 and 2025, the System recognized pension expense of \$18,201 and \$15,164, respectively.

At June 30, 2026 and 2025, the System reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2026		2025	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 13,068	\$ 161,109	\$ -	\$ 4,945
Net difference between projected and actual earnings on pension plan investments	-	-	-	150,645
Changes in assumptions	-	-	7,816	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	33,323	-	1,083	-
Employer contributions subsequent to the measurement date	159,192	-	227,572	-
	<u>\$205,583</u>	<u>\$ 161,109</u>	<u>\$ 236,471</u>	<u>\$ 155,590</u>

Deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date of \$159,192 will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2027. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Period Ended:</u>	<u>Amount</u>
June 30, 2027	\$ 53,831
2028	(79,670)
2029	(61,358)
2030	(27,521)
	<u>\$ (114,718)</u>

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10. DEFINED BENEFIT PENSION PLAN FOR SYSTEM EMPLOYEES: (Continued)

Actuarial Methods and Assumptions:

The total pension liability in June 30, 2025 and 2024 actuarial valuations were determined using the following actuarial assumptions and applied to all periods included in the measurement. The significant methods and assumptions used in calculating the actuarially determined contributions for LASERS are as follows:

Valuation Date	June 30, 2025	June 30, 2024
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	7.25% per annum, net of investment expenses	7.25% per annum, net of investment expenses
Inflation Rate	2.40% per annum	2.40% per annum
Estimated Remaining Service Lives	2 years	2 years
Salary Increases	Salary increases were projected based on a 2019-2023 experience study of the System's members. The salary increase ranges from 3.30% to 15.30%.	Salary increases were projected based on a 2019-2023 experience study of the System's members. The salary increase ranges from 3.30% to 15.30%.
Mortality Rate - Non-disabled members	The PubG-2010 Healthy Retiree on a fully generational basis by Mortality Improvement Scale MP- 2021.	The PubG-2010 Healthy Retiree on a fully generational basis by Mortality Improvement Scale MP- 2021.
Mortality Rate - Disabled Members	Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.	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.	Termination, disability, and retirement assumptions were projected based on a five-year (2019-2023) experience study of the System's members.
Cost of Living Adjustments	None, since they are not deemed to be automatic	None, since they are not deemed to be automatic

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 2.40% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 8.30% for 2025 and 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, 2025 and 2024 are summarized in the following tables:

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10. DEFINED BENEFIT PENSION PLAN FOR SYSTEM EMPLOYEES: (Continued)

Actuarial Methods and Assumptions: (Continued)

	2025	Long-Term Expected
<u>Asset Class</u>	<u>Target Asset</u>	<u>Portfolio Real Rate</u>
	<u>Allocation</u>	<u>of Return</u>
Cash	0.00%	0.85%
Domestic Fixed Income	34.00%	4.42%
International Fixed Income	17.00%	5.22%
Domestic Equity	3.00%	2.53%
Developed International Equity	19.00%	5.37%
Alternatives	27.00%	7.43%
Total fund	<u>100.00%</u>	<u>5.75%</u>

	2024	Long-Term Expected
<u>Asset Class</u>	<u>Target Asset</u>	<u>Portfolio Real Rate</u>
	<u>Allocation</u>	<u>of Return</u>
Cash	0.00%	0.76%
Domestic Fixed Income	34.00%	4.29%
International Fixed Income	17.00%	5.22%
Domestic Equity	3.00%	2.04%
Developed International Equity	19.00%	5.24%
Alternatives	27.00%	8.19%
Total fund	<u>100.00%</u>	<u>5.61%</u>

Discount Rate:

The discount rate used to measure the total pension liability was 7.25% for the years ended June 30, 2026 and 2025. 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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10. DEFINED BENEFIT PENSION PLAN FOR SYSTEM EMPLOYEES: (Continued)

Sensitivity of the System'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 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:

	1.00% <u>Decrease</u> 6.25%	Current Discount <u>Rate</u> 7.25%	1.00% <u>Increase</u> 8.25%
<u>2026</u>			
Net Pension Liability	<u>\$ 1,432,040</u>	<u>\$ 940,754</u>	<u>\$ 613,635</u>
	1.00% <u>Decrease</u> 6.25%	Current Discount <u>Rate</u> 7.25%	1.00% <u>Increase</u> 8.25%
<u>2025</u>			
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 2025 Annual Comprehensive Financial Report at www.lasersonline.org.

11. RECLASSIFICATIONS:

Certain prior year amounts have been reclassified to conform to current year presentation. These reclassifications had no effect on Net Position Restricted for Pensions, or the Net Change in Fiduciary Net Position.

REQUIRED SUPPLEMENTARY INFORMATION

LOUISIANA STATE POLICE RETIREMENT SYSTEM
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF CHANGES IN NET PENSION LIABILITY
FOR THE TEN YEARS ENDED JUNE 30, 2026

	<u>2026</u>	<u>2025</u>	<u>2024</u>
Total Pension Liability:			
Service Cost	\$ 28,476,807	\$ 25,968,929	\$ 22,897,693
Interest	107,098,171	103,286,316	98,466,053
Changes of Benefit Terms	-	-	-
Changes in Plan Experience	(6,476,259)	12,009,408	44,776,053
Changes of Assumptions	-	-	(12,638,775)
Changes in Investment Experience	-	-	-
Benefit Payments	(94,437,006)	(94,180,240)	(87,975,878)
Other	7,044,184	3,772,306	3,846,453
Net Change in Total Pension Liability	<u>41,705,897</u>	<u>50,856,719</u>	<u>69,371,599</u>
Total Pension Liability - Beginning	<u>1,555,466,546</u>	<u>1,504,609,827</u>	<u>1,435,238,228</u>
Total Pension Liability - Ending (a)	<u><u>\$ 1,597,172,443</u></u>	<u><u>\$ 1,555,466,546</u></u>	<u><u>\$ 1,504,609,827</u></u>
Plan Fiduciary Net Position:			
Contributions - Employer	\$ 39,711,988	\$ 217,221,392	\$ 64,416,180
Contributions - Member	8,434,483	7,989,265	7,347,402
Net Investment Income (Loss)	239,158,043	109,014,394	101,793,170
Transfers In	-	-	-
Benefit Payments	(94,437,006)	(94,180,240)	(87,975,878)
Change in Accounting Principle	-	-	-
Administrative Expenses	(1,177,643)	(1,204,206)	(1,314,101)
Other	7,044,184	3,772,306	3,846,453
Net Change in Plan Fiduciary Net Position	<u>198,734,049</u>	<u>242,612,911</u>	<u>88,113,226</u>
Plan Fiduciary Net Position - Beginning	<u>1,376,537,254</u>	<u>1,133,924,343</u>	<u>1,045,811,117</u>
Plan Fiduciary Net Position - Ending (b)	<u>1,575,271,303</u>	<u>1,376,537,254</u>	<u>1,133,924,343</u>
Net Pension Liability - Ending (a) - (b)	<u><u>\$ 21,901,140</u></u>	<u><u>\$ 178,929,292</u></u>	<u><u>\$ 370,685,484</u></u>
Plan Fiduciary Net Position as a % of Total Pension Liability	98.63%	88.50%	75.36%
Covered Payroll	\$ 92,826,357	\$ 88,695,850	\$ 82,922,950
Net Pension Liability as a % of Covered Payroll	23.59%	201.73%	447.02%

(Continued)

LOUISIANA STATE POLICE RETIREMENT SYSTEM
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF CHANGES IN NET PENSION LIABILITY
FOR THE TEN YEARS ENDED JUNE 30, 2026

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total Pension Liability:			
Service Cost	\$ 20,940,644	\$ 22,022,356	\$ 23,148,812
Interest	93,944,955	90,325,545	87,090,673
Changes of Benefit Terms	-	10,157,159	-
Changes in Plan Experience	22,986,172	9,131,634	10,674,084
Changes of Assumptions	8,423,694	-	7,057,836
Changes in Investment Experience	-	-	-
Benefit Payments	(85,231,247)	(77,932,390)	(71,669,661)
Other	2,928,501	3,154,450	3,643,574
Net Change in Total Pension Liability	<u>63,992,719</u>	<u>56,858,754</u>	<u>59,945,318</u>
Total Pension Liability - Beginning	<u>1,371,245,509</u>	<u>1,314,386,755</u>	<u>1,254,441,437</u>
Total Pension Liability - Ending (a)	<u>\$ 1,435,238,228</u>	<u>\$ 1,371,245,509</u>	<u>\$ 1,314,386,755</u>
Plan Fiduciary Net Position:			
Contributions - Employer	\$ 51,374,526	\$ 49,939,975	\$ 45,835,324
Contributions - Member	6,657,622	6,650,448	7,097,723
Net Investment Income (Loss)	73,433,643	(142,247,737)	283,632,949
Transfers In	-	-	-
Benefit Payments	(85,231,247)	(77,932,390)	(71,669,661)
Change in Accounting Principle	-	-	-
Administrative Expenses	(1,228,713)	(1,025,548)	(953,058)
Other	2,928,501	3,154,450	3,643,574
Net Change in Plan Fiduciary Net Position	<u>47,934,332</u>	<u>(161,460,802)</u>	<u>267,586,851</u>
Plan Fiduciary Net Position - Beginning	<u>997,876,785</u>	<u>1,159,337,587</u>	<u>891,750,736</u>
Plan Fiduciary Net Position - Ending (b)	<u>1,045,811,117</u>	<u>997,876,785</u>	<u>1,159,337,587</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 389,427,111</u>	<u>\$ 373,368,724</u>	<u>\$ 155,049,168</u>
Plan Fiduciary Net Position as a % of Total Pension Liability	72.87%	72.77%	88.20%
Covered Payroll	\$ 72,658,065	\$ 75,485,304	\$ 81,892,481
Net Pension Liability as a % of Covered Payroll	535.97%	494.62%	189.33%

(Continued)

LOUISIANA STATE POLICE RETIREMENT SYSTEM
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF CHANGES IN NET PENSION LIABILITY
FOR THE TEN YEARS ENDED JUNE 30, 2026

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total Pension Liability:				
Service Cost	\$ 23,164,627	\$ 24,640,341	\$ 21,815,380	\$ 20,142,171
Interest	83,735,245	79,654,487	74,347,284	70,439,704
Changes of Benefit Terms	-	-	-	-
Changes in Plan Experience	5,961,668	14,795,010	(3,341,851)	6,703,646
Changes of Assumptions	-	46,005	31,066,760	214,168
Changes in Investment Experience	-	-	-	-
Benefit Payments	(64,204,317)	(60,500,396)	(48,834,108)	(43,542,799)
Other	2,304,701	3,588,521	3,755,121	1,863,632
Net Change in Total Pension Liability	<u>50,961,924</u>	<u>62,223,968</u>	<u>78,808,586</u>	<u>55,820,522</u>
Total Pension Liability - Beginning	<u>1,203,479,513</u>	<u>1,141,255,545</u>	<u>1,062,446,959</u>	<u>1,006,626,437</u>
Total Pension Liability - Ending (a)	<u>\$ 1,254,441,437</u>	<u>\$ 1,203,479,513</u>	<u>\$ 1,141,255,545</u>	<u>\$ 1,062,446,959</u>
Plan Fiduciary Net Position:				
Contributions - Employer	\$ 43,663,397	\$ 42,081,804	\$ 47,922,310	\$ 48,556,048
Contributions - Member	7,242,509	7,193,639	7,554,190	7,183,798
Net Investment Income (Loss)	10,220,611	35,483,325	73,992,711	98,946,529
Transfers In	-	-	-	1,672,771
Benefit Payments	(64,204,317)	(60,500,396)	(48,834,108)	(43,542,799)
Change in Accounting Principle	-	-	-	-
Administrative Expenses	(826,198)	(805,898)	(653,534)	(824,891)
Other	2,304,701	3,588,521	3,755,121	157,723
Net Change in Plan Fiduciary Net Position	<u>(1,599,297)</u>	<u>27,040,995</u>	<u>83,736,690</u>	<u>112,149,179</u>
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>
Plan Fiduciary Net Position - Ending (b)	<u>891,750,736</u>	<u>893,350,033</u>	<u>866,309,038</u>	<u>782,572,348</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 362,690,701</u>	<u>\$ 310,129,480</u>	<u>\$ 274,946,507</u>	<u>\$ 279,874,611</u>
Plan Fiduciary Net Position as a % of Total Pension Liability	71.09%	74.23%	75.91%	73.66%
Covered Payroll	\$ 83,464,067	\$ 83,302,260	\$ 87,172,563	\$ 83,077,537
Net Pension Liability as a % of Covered Payroll	434.55%	372.29%	315.40%	336.88%

LOUISIANA STATE POLICE RETIREMENT SYSTEM
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF EMPLOYERS' NET PENSION LIABILITY
FOR THE TEN YEARS ENDED JUNE 30, 2026

<u>Fiscal</u> <u>Year End</u>	<u>Total</u> <u>Pension</u> <u>Liability</u>	<u>Plan Fiduciary</u> <u>Net Position</u>	<u>Employers' Net</u> <u>Pension Liability</u>	<u>Plan Fiduciary</u> <u>Net Position as</u> <u>a % of Total</u> <u>Pension</u> <u>Liability</u>	<u>Covered</u> <u>Payroll</u>	<u>Employers' Net</u> <u>Pension Liability</u> <u>as a % of</u> <u>Covered Payroll</u>
2026	\$ 1,597,172,443	\$ 1,575,271,303	\$ 21,901,140	98.63%	\$ 92,826,357	23.59%
2025	1,555,466,546	1,376,537,254	178,929,292	88.50%	88,695,850	201.73%
2024	1,504,609,827	1,133,924,343	370,685,484	75.36%	82,922,950	447.02%
2023	1,435,238,228	1,045,811,117	389,427,111	72.87%	72,658,065	535.97%
2022	1,371,245,509	997,876,785	373,368,724	72.77%	75,485,304	494.62%
2021	1,314,386,755	1,159,337,587	155,049,168	88.20%	81,892,481	189.33%
2020	1,254,441,437	891,750,736	362,690,701	71.09%	83,464,067	434.55%
2019	1,203,479,513	893,350,033	310,129,480	74.23%	83,302,260	372.29%
2018	1,141,255,545	866,309,038	274,946,507	75.91%	87,172,563	315.40%
2017	1,062,446,959	782,572,348	279,874,611	73.66%	83,077,537	336.88%

LOUISIANA STATE POLICE RETIREMENT SYSTEM
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FOR THE TEN YEARS ENDED JUNE 30, 2026

<u>Fiscal Year</u>	<u>Actuarially Determined Contribution</u>	<u>Contributions in Relation to the Actuarially Determined Liability</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
2026	\$ 35,567,273	\$ 39,711,988	\$ (4,144,715)	\$ 92,826,357	42.78%
2025	64,119,270	217,221,392	(153,102,122)	88,695,850	244.91%
2024	59,877,757	64,416,180	(4,538,423)	82,922,950	77.68%
2023	47,201,923	51,374,526	(4,172,603)	72,658,065	70.71%
2022	45,885,359	49,939,975	(4,054,616)	75,485,304	66.16%
2021	44,411,660	45,835,324	(1,423,664)	81,892,481	55.97%
2020	42,480,857	43,663,397	(1,182,540)	83,464,067	52.31%
2019	37,403,274	42,081,804	(4,678,530)	83,302,260	50.52%
2018	44,035,699	48,556,048	(4,520,349)	83,077,537	58.45%
2017	39,852,001	56,380,440	(16,528,439)	82,032,742	68.73%

LOUISIANA STATE POLICE RETIREMENT SYSTEM
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULES OF INVESTMENT RETURNS
FOR THE TEN YEARS ENDED JUNE 30, 2026

<u>Fiscal Year-End</u>	<u>Annual Money-Weighted Rate of Return*</u>
2026	17.90%
2025	9.67%
2024	9.80%
2023	7.45%
2022	-12.37%
2021	32.10%
2020	1.31%
2019	4.21%
2018	9.60%
2017	14.59%

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

LOUISIANA STATE POLICE RETIREMENT SYSTEM
STATE OF LOUISIANA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF SYSTEM'S PROPORTIONATE SHARE
OF THE COLLECTIVE TOTAL OPEB LIABILITY
FOR THE NINE YEARS ENDED JUNE 30, 2026

Fiscal Year*	System's proportion of the total collective OPEB liability	System's proportionate share of the total collective OPEB liability	System's covered-employee payroll	System's proportionate share of the total collective OPEB liability as a percentage of its covered - employee payroll
2026	0.00940%	\$ 708,297	\$ 468,392	151.22%
2025	0.00980%	767,781	493,756	155.50%
2024	0.00940%	671,822	373,758	179.75%
2023	0.00910%	613,515	395,487	155.13%
2022	0.00690%	628,172	445,073	141.14%
2021	0.00490%	407,577	294,486	138.40%
2020	0.00360%	275,702	302,581	91.12%
2019	0.00400%	344,852	314,039	109.81%
2018	0.00360%	314,106	314,040	100.02%

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

* The amounts presented for each fiscal year were determined as of the prior fiscal year.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE SYSTEM'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY IN LASERS
FOR THE TEN YEARS ENDED JUNE 30, 2026

<u>Fiscal Year*</u>	<u>System's Proportion of the Net Pension Liability</u>	<u>System's Proportionate Share of the Net Pension Liability</u>	<u>System's Covered Payroll</u>	<u>System's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
2026	0.02087%	\$ 940,754	\$ 530,740	177.25%	79.30%
2025	0.02056%	1,118,152	495,137	225.83%	75.40%
2024	0.02107%	1,409,992	478,074	294.93%	68.40%
2023	0.02103%	1,589,511	447,253	355.39%	63.70%
2022	0.02192%	1,206,637	463,366	260.41%	72.80%
2021	0.01664%	1,376,239	349,009	394.33%	58.00%
2020	0.01537%	1,113,471	305,712	364.22%	62.90%
2019	0.01627%	1,109,398	327,172	339.09%	64.30%
2018	0.01666%	1,182,664	314,040	376.60%	62.50%
2017	0.01566%	1,308,392	307,398	425.63%	57.70%

* The amounts presented for each fiscal year were determined as of the prior fiscal year.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE SYSTEM'S CONTRIBUTIONS TO LASERS
FOR THE TEN YEARS ENDED JUNE 30, 2026

<u>Fiscal Year</u>	<u>Contractually Required Contributions</u>	<u>Contributions in Relation to Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>System's Covered Payroll</u>	<u>Contributions as as a Percentage of Covered Payroll</u>
2026	\$ 175,940	\$ 159,192	\$ (16,748)	\$ 530,740	29.99%
2025	172,011	227,572	55,561	495,137	45.96%
2024	197,444	207,465	10,021	478,074	43.40%
2023	180,690	184,902	4,212	447,253	41.34%
2022	183,030	162,339	(20,691)	463,366	35.03%
2021	139,953	155,287	15,334	349,009	44.49%
2020	124,425	129,697	5,272	305,712	42.42%
2019	123,998	123,998	-	327,172	37.90%
2018	119,021	119,021	-	314,040	37.90%
2017	112,084	112,084	-	313,272	35.78%

LOUISIANA STATE POLICE RETIREMENT SYSTEM
A COMPONENT UNIT OF THE STATE OF LOUISIANA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2026 AND 2025

1. SCHEDULE OF CHANGES IN NET PENSION LIABILITY:

The total pension liability contained in this schedule was provided by the System's actuary, Curran Actuarial Consulting, Ltd. The net pension liability is measured as the total pension liability less the amount of the fiduciary net position of the fund.

2. SCHEDULE OF EMPLOYERS' NET PENSION LIABILITY:

The schedule of employers' net pension liability shows the percentage of the System's employers' net pension liability as a percentage of covered payroll. The employers' net pension liability is the liability of contributing employers to members for benefits provided through the System. Covered payroll is the payroll on which contributions to the System are based.

3. SCHEDULE OF EMPLOYER CONTRIBUTIONS:

The difference between the actuarially determined contributions for employer and the contributions reported from employer, and the percentage of contributions reported to cover employee payroll is presented in this schedule.

4. SCHEDULE OF INVESTMENT RETURNS:

The annual money-weighted rate of return is shown in this schedule. The money weighted rate of return is calculated as the internal rate of return on pension plan investments, net of pension plan investment expense. This expresses investment performance adjusted for the changing amounts actually invested throughout the year, measured using monthly inputs with expenses measured on an accrual basis.

5. ACTUARIAL ASSUMPTIONS:

The assumptions and methods used for the actuarial valuation were recommended by the actuary and adopted by the Board. The actuarial assumptions used in valuation were based on the assumptions used in actuarial funding valuation. The assumptions used in the valuation are based on the results of an actuarial experience study for the period July, 1 2017 – June 30, 2022, unless otherwise noted. Additional information on the assumptions and methods used as of the latest actuarial valuation are disclosed in the notes to the financial statements Note 4, Net Pension Liability of Employers.

LOUISIANA STATE POLICE RETIREMENT SYSTEM
A COMPONENT UNIT OF THE STATE OF LOUISIANA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2026 AND 2025

6. SCHEDULE OF THE SYSTEM'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY IN LASERS:

This schedule reflects the participation of the System employees in LASERS and its proportionate share of the net pension liability, the proportionate share of the net pension liability as a percentage of its covered payroll, and the plan fiduciary net position as a percentage of the total pension liability. The measurement period for each fiscal year ended is for the prior period ended.

7. SCHEDULE OF THE SYSTEM'S CONTRIBUTIONS TO LASERS:

This schedule represents the difference between the actuarially determined employer contributions and contributions received, and the percentage of employer contributions received to covered payroll.

8. ACTUARIAL ASSUMPTIONS:

OPEB PLAN:

Following is a detail of the actuarial assumptions for the State of Louisiana Postemployment Benefit Plan.

Valuation Date	<u>July 1, 2025</u>	<u>July 1, 2024</u>	<u>July 1, 2023</u>	<u>July 1, 2022</u>	<u>July 1, 2021</u>
Investment rate of return	5.20%	3.93%	4.13%	4.09%	2.18%
Expected remaining service lives	4.8 years	4.8 years	4.8 years	4.8 years	4.8 years
Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Inflation rate	2.40%	2.40%	2.40%	2.40%	2.40%
Mortality rate - non-disabled members	PubG-2010 Employee Table with mortality improvement projected using the MP-2021 Mortality Improvement Scale, applied on a fully generational basis	PubG-2010 Employee Table with mortality improvement projected using the MP-2021 Mortality Improvement Scale, applied on a fully generational basis	RP-2014 Healthy Mortality Table with mortality improvement projected using the MP-2018 Mortality Improvement Scale, applied on a fully generational basis	RP-2014 Healthy Mortality Table with mortality improvement projected using the MP-2018 Mortality Improvement Scale, applied on a fully generational basis	RP-2014 Healthy Mortality Table with mortality improvement projected using the MP-2018 Mortality Improvement Scale, applied on a fully generational basis
Mortality rate - disabled members	RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement	RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement	RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement	RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement	RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement
Termination, disability, and retirement	Projected based on a five-year (2019-2023) experience study of the System's members	Projected based on a five-year (2019-2023) experience study of the System's members	Projected based on a five-year (2014-2018) experience study of the System's members	Projected based on a five-year (2014-2018) experience study of the System's members	Projected based on a five-year (2014-2018) experience study of the System's members
Salary increases, including inflation and merit	Projected based on a 2019-2023 experience study of the System's members. Salary increases range from 2.4% to 15.3%	Projected based on a 2019-2023 experience study of the System's members. Salary increases range from 2.4% to 15.3%	Projected based on a 2014-2018 experience study of the System's members. Salary increases range from 2.6% to 13.8%	Projected based on a 2014-2018 experience study of the System's members. Salary increases range from 2.6% to 13.8%	Projected based on a 2014-2018 experience study of the System's members. Salary increases range from 2.6% to 13.8%

LOUISIANA STATE POLICE RETIREMENT SYSTEM
A COMPONENT UNIT OF THE STATE OF LOUISIANA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2026 AND 2025

9. ACTUARIAL ASSUMPTIONS: (Continued)

OPEB PLAN: (Continued)

Valuation Date	<u>July 1, 2020</u>	<u>July 1, 2019</u>	<u>July 1, 2018</u>	<u>July 1, 2017</u>
Investment rate of return	2.66%	2.79%	2.98%	3.13%
Expected remaining service lives	4.8 years	4.8 years	3 years	3 years
Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Inflation rate	2.30%	2.50%	2.75%	2.75%
Mortality rate - non-disabled members	RP-2014 Healthy Mortality Table with mortality improvement projected using the MP-2018 Mortality Improvement Scale, applied on a fully generational basis	RP-2014 Healthy Mortality Table with mortality improvement projected using the MP-2018 Mortality Improvement Scale, applied on a fully generational basis	RP-2000 Combined Healthy Mortality Table with mortality improvement projected to 2015	RP-2000 Combined Healthy Mortality Table with mortality improvement projected to 2015
Mortality rate - disabled members	RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement	RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement	RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement	RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement
Termination, disability, and retirement	Projected based on a five-year (2014-2018) experience study of the System's members	Projected based on a five-year (2014-2018) experience study of the System's members	Projected based on a five-year (2009-2013) experience study of the System's members	Projected based on a five-year (2009-2013) experience study of the System's members
Salary increases, including inflation and merit	Projected based on a 2014-2018 experience study of the System's members. Salary increases range from 2.8% to 14.0%	Projected based on a 2014-2018 experience study of the System's members. Salary increases range from 2.8% to 14.0%	Projected based on a 2009-2013 experience study of the System's members. Salary increases range from 2.8% to 14.3%	Projected based on a 2009-2013 experience study of the System's members. Salary increases range from 2.8% to 14.3%

LOUISIANA STATE POLICE RETIREMENT SYSTEM
A COMPONENT UNIT OF THE STATE OF LOUISIANA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2026 AND 2025

9. ACTUARIAL ASSUMPTIONS: (Continued)

System's Net Pension Liability:

Valuation Date	<u>2026</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Investment Rate of Return	6.95%	6.95%	6.75%	6.75%	6.75%
Inflation Rate	2.50%	2.50%	2.50%	2.50%	2.50%
Mortality Rate - Annuitant and Beneficiary	The Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees multiplied by 100% for males and 105% for females, each with full generational projection using the MP 2021 scale was used.	The Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees multiplied by 100% for males and 105% for females, each with full generational projection using the MP 2021 scale was used.	The Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees multiplied by 115% for males and 125% for females, each with full generational projection using the MP 2019 scale was used.	The Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees multiplied by 115% for males and 125% for females, each with full generational projection using the MP 2019 scale was used.	The Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees multiplied by 115% for males and 125% for females, each with full generational projection using the MP 2019 scale was used.
Mortality Rate - Employees	The Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees multiplied by 100% for males and 105% for females, each with full generational projection using the MP 2021 scale was used.	The Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees multiplied by 100% for males and 105% for females, each with full generational projection using the MP 2021 scale was used.	The Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees multiplied by 115% for males and 125% for females, each with full generational projection using the MP 2019 scale was used.	The Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees multiplied by 115% for males and 125% for females, each with full generational projection using the MP 2019 scale was used.	The Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees multiplied by 115% for males and 125% for females, each with full generational projection using the MP 2019 scale was used.
Mortality Rate - Disabled Annuitants	The Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees multiplied by 100% for males and 105% for females, each with full generational projection using the MP 2021 scale was used.	The Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees multiplied by 100% for males and 105% for females, each with full generational projection using the MP 2021 scale was used.	The Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees multiplied by 105% for males and 115% for females, each with full generational projection using the MP 2019 scale was used.	The Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees multiplied by 105% for males and 115% for females, each with full generational projection using the MP 2019 scale was used.	The Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees multiplied by 105% for males and 115% for females, each with full generational projection using the MP 2019 scale was used.
Salary increases, including inflation and merit	5.50% (2.5% inflation / 3% merit)	5.50% (2.5% inflation / 3% merit)	4.70% -12.3% depending on years of service	4.70% -12.3% depending on years of service	4.70% -12.3% depending on years of service

LOUISIANA STATE POLICE RETIREMENT SYSTEM
A COMPONENT UNIT OF THE STATE OF LOUISIANA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2026 AND 2025

9. ACTUARIAL ASSUMPTIONS: (Continued)

System's Net Pension Liability: (Continued)

Valuation Date	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Investment Rate of Return	6.75%	6.950%	7.125%	7.200%	7.325%
Inflation Rate	2.50%	2.50%	2.50%	2.60%	2.700%
Mortality Rate - Annuitant and Beneficiary	The Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees multiplied by 115% for males and 125% for females, each with full generational projection using the MP 2019 scale was used.	The Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees multiplied by 115% for males and 125% for females, each with full generational projection using the MP 2019 scale was used.	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables projected to 2020 by Scale AA set back 1 year for females	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables projected to 2020 by Scale AA set back 1 year for females	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables projected to 2020 by Scale AA set back 1 year for females
Mortality Rate - Employees	The Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees multiplied by 115% for males and 125% for females, each with full generational projection using the MP 2019 scale was used.	The Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees multiplied by 115% for males and 125% for females, each with full generational projection using the MP 2019 scale was used.	RP-2000 Employee table set back 4 years for males and 3 years for females	RP-2000 Employee table set back 4 years for males and 3 years for females	RP-2000 Employee table set back 4 years for males and 3 years for females
Mortality Rate - Disabled Annuitants	The Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees multiplied by 105% for males and 115% for females, each with full generational projection using the MP 2019 scale was used.	The Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees multiplied by 105% for males and 115% for females, each with full generational projection using the MP 2019 scale was used.	RP-2000 Disabled Lives Mortality Table set back 5 years for males and 3 years for females	RP-2000 Disabled Lives Mortality Table set back 5 years for males and 3 years for females	RP-2000 Disabled Lives Mortality Table set back 5 years for males and 3 years for females
Salary increases, including inflation and merit	Years of Service Salary Growth Rate 1-2 12.30% Above 2 4.70%	Years of Service Salary Growth Rate 1-2 12.30% Above 2 4.70%	Years of Service Salary Growth Rate 1-2 9.75% 3-23 4.75% Above 23 4.25%	Years of Service Salary Growth Rate 1-2 9.75% 3-23 4.75% Above 23 4.25%	Years of Service Salary Growth Rate 1-2 9.75% 3-23 4.75% Above 23 4.25%

LOUISIANA STATE POLICE RETIREMENT SYSTEM
A COMPONENT UNIT OF THE STATE OF LOUISIANA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2026 AND 2025

9. ACTUARIAL ASSUMPTIONS: (Continued)

Louisiana State Employees' Retirement System (LASERS)

Valuation Date	Investment Rate of Return	Inflation Rate	Expected Remaining Service Lives	Salary Increases	Mortality Rate - Active & Retired Members	Termination, disability, and retirement assumptions
June 30, 2025	7.25%	2.40%	2 Years	2.4% - 15.3%	Mortality rates based on the PubG-2010 mortality tables for non-disabled members and RP-2000 for disabled members	Projected on a 5 year (2019-2023) experience study
June 30, 2024	7.25%	2.40%	2 Years	2.4% - 15.3%	Mortality rates based on the PubG-2010 mortality tables for non-disabled members and RP-2000 for disabled members	Projected on a 5 year (2019-2023) experience study
June 30, 2023	7.25%	2.30%	2 Years	2.6% - 13.8%	Mortality rates based on the RP-2014 mortality tables for non-disabled members and RP-2000 for disabled members	Projected on a 5 year (2014-2018) experience study
June 30, 2022	7.25%	2.30%	2 Years	2.6% - 13.8%	Mortality rates based on the RP-2014 mortality tables for non-disabled members and RP-2000 for disabled members	Projected on a 5 year (2014-2018) experience study
June 30, 2021	7.40%	2.30%	2 Years	2.6% - 13.8%	Mortality rates based on the RP-2014 mortality tables for non-disabled members and RP-2000 for disabled members	Projected on a 5 year (2014-2018) experience study
June 30, 2020	7.55%	2.30%	2 Years	2.6% - 13.8%	Mortality rates based on the RP-2014 mortality tables for non-disabled members and RP-2000 for disabled members	Projected on a 5 year (2014-2018) experience study
June 30, 2019	7.60%	2.50%	2 Years	2.8% - 14.0%	Mortality rates based on the RP-2014 mortality tables for non-disabled members and RP-2000 for disabled members	Projected on a 5 year (2014-2018) experience study
June 30, 2018	7.65%	2.75%	3 Years	2.8% - 14.0%	Mortality rates based on the RP-2014 mortality tables for non-disabled members and RP-2000 for disabled members	Projected on a 5 year (2009-2013) experience study
June 30, 2017	7.70%	2.75%	3 Years	2.8% - 14.3%	Mortality rates based on the RP-2014 mortality tables for non-disabled members and RP-2000 for disabled members	Projected on a 5 year (2009-2013) experience study

10. CHANGES IN BENEFITS:

System:

A 3% COLA was approved June 2022, effective July 1, 2022.

The maximum DROP participation period was increased from 3 years to 5 years, effective July 1, 2024.

OTHER SUPPLEMENTARY INFORMATION

LOUISIANA STATE POLICE RETIREMENT SYSTEM
OTHER SUPPLEMENTARY INFORMATION
SCHEDULES OF BOARD COMPENSATION
FOR THE YEARS ENDED JUNE 30, 2026 AND 2025

	July 1, 2025 - June 30, 2026	July 1, 2024 - June 30, 2025	Total
<u>Board Member</u>			
Alan Verhoef	\$ -	\$ 34	\$ 34
Doris Prudhomme	-	462	462
Kevin Marcel	1,730	1,860	3,590
Bryan Zeringue	929	768	1,697
Andrea Hubbard	120	-	120
Total	<u>\$ 2,779</u>	<u>\$ 3,124</u>	<u>\$ 5,903</u>

LOUISIANA STATE POLICE RETIREMENT SYSTEM
OTHER SUPPLEMENTARY INFORMATION
SCHEDULES OF ADMINISTRATIVE EXPENSES
FOR THE YEARS ENDED JUNE 30, 2026 AND 2025

	<u>2026</u>	<u>2025</u>
Salaries	\$ 575,974	\$ 570,252
Salary related expenses	104,624	109,391
Accounting and auditing	88,890	87,940
Actuarial fees	59,990	70,733
Computer consulting	28,672	31,090
Dues and subscriptions	28,173	29,484
Education and staff development	4,673	-
Equipment rental	5,736	5,538
Insurance	6,525	20,689
Legal fees	9,668	13,875
Maintenance and repairs	49,163	28,936
Medical examinations	400	-
Miscellaneous	6,818	1,229
Postage	7,844	10,664
Office supplies	15,583	9,208
Telephone	2,131	1,982
Travel and seminars	22,514	22,109
Board fees	2,779	3,124
Utilities	11,125	10,043
TOTAL ADMINISTRATIVE EXPENSES	<u>\$ 1,031,282</u>	<u>\$ 1,026,287</u>



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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

September 30, 2026

Board of Trustees of
the Louisiana State Police
Retirement System
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, 2026, 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, 2026.

Report on 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 opinion 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.

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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 or significant deficiencies may exist that were not identified.

Report on 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.

Duplantier, Chapman, Hogan and Parker, LLP

Metairie, Louisiana

LOUISIANA STATE POLICE RETIREMENT SYSTEM
SUMMARY SCHEDULE OF FINDINGS
FOR THE YEAR ENDED JUNE 30, 2026

SUMMARY OF AUDITOR'S RESULTS:

1. The Independent Auditors' Report expresses an unmodified opinion on the financial statements of the Louisiana State Police Retirement System.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND COMPLIANCE
WITH LAWS AND REGULATIONS AND OTHER MATTERS:

2. Internal Control:
Material weaknesses: None
Significant deficiencies: None noted
3. Compliance and Other Matters: None noted

MANAGEMENT LETTER COMMENTS:

None noted

SUMMARY OF PRIOR YEAR FINDINGS:

None noted