FINANCIAL REPORT

SENATE
STATE OF LOUISIANA

JUNE 30, 2017

SENATE
STATE OF LOUISIANA

INDEX TO REPORT

JUNE 30, 2017

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December 13, 2017

Honorable John A. Alario, Jr.
President of the Senate, State of Louisiana
Baton Rouge, Louisiana

We have audited the accompanying financial statements of the governmental activities and the major fund of the Senate, State of Louisiana, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Senate's basic financial statements as listed in the index to report.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Senate, State of Louisiana, as of June 30, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedule, the schedule of funding progress for other postemployment benefit plans, the schedule of the employer's proportionate share of the net pension liability, and the schedule of the employer's pension contributions, as listed in the index to report, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Senate, State of Louisiana's basic financial statements. The supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2017, on our consideration of the Senate, State of Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, 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 Senate, State of Louisiana's internal control over financial reporting and compliance.

Duplantier, Hrapmann, Hogan & Maher, LLP

New Orleans, Louisiana

Management's discussion and analysis of the Senate, State of Louisiana's (Senate) financial performance presents a narrative overview and analysis of the Senate's financial activities for the year ended June 30, 2017. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. This analysis should be read in conjunction with the basic financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

The Senate's expenses exceeded its general revenues and other financing sources by $3,564,033.

- The Senate's decrease in net position of $3,564,033 was due to a decrease in the Senate's general revenues, due to a decrease in the Senate's State General Fund Appropriation in the current year.

- The general revenues of the Senate were $19,654,903, which is a decrease of $2,194,872, or 10.0%.

- The other financing sources of the Senate were $1,469,896, which is a decrease of $188,230, or 11.4%.

- The total expenses of the Senate were $24,688,832, which is an increase of $193,189, or 0.8%. Personnel services accounted for the largest portion of this increase.

OVERVIEW OF THE FINANCIAL STATEMENTS

This report consists of three sections: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. Management's discussion and analysis is intended to serve as an introduction to the Senate's basic financial statements. The basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains additional information to supplement the basic financial statements, such as required supplementary information.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Senate's finances in a manner similar to a private-sector business.

The Statement of Net Position presents information on the Senate's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. This statement is designed to display the financial position of the Senate. Over time, increases or decreases in net position help determine whether the Senate's financial position is improving or deteriorating.

The Statement of Activities presents information showing how the Senate's net position changed during the most recent fiscal year. Regardless of when cash is affected, all changes in net position are reported when the underlying transactions occur. As a result, transactions may be included that will not affect cash until future fiscal periods.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Senate uses a single fund to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Senate's only fund, the general fund.

The Senate uses only one fund type, the governmental fund. The governmental fund is used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Senate's near-term financing requirements.

Because the focus of the governmental fund financial statements is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balance provide a reconciliation to facilitate this comparison between the governmental fund and the governmental activities.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Senate's budgetary comparison, progress in funding its obligations to provide other postemployment benefits, proportionate share of the net pension liability, and pension contributions.

Following the required supplementary information is other supplementary information concerning the Senate's payments to Senators for per diem and other compensation that further explains and supports the information in the financial statements.

The following presents condensed financial information of the Senate:

COMPARATIVE STATEMENTS OF NET POSITION
JUNE 30, 2017 AND 2016

	2017	2016	Change	Percentage Change
Assets:				
Current assets	$ 9,888,394	$ 10,086,368	$ (197,974)	(2.0%)
Capital assets, net	129,023	159,799	(30,776)	(19.3%)
Total assets	10,017,417	10,246,167	(228,750)	(2.2%)
Deferred Outflows of Resources	9,039,108	5,482,038	3,557,070	64.9%
Liabilities:				
Current liabilities	785,240	966,503	(181,263)	(18.8%)
Long-term liabilities	52,805,615	45,792,787	7,012,828	15.3%
Total liabilities	53,590,855	46,759,290	6,831,565	14.6%
Deferred Inflows of Resources	368,677	307,889	60,788	19.7%
Net Position:				
Net investment in capital assets	129,023	159,799	(30,776)	(19.3%)
Unrestricted	(35,032,030)	(31,498,773)	(3,533,257)	(11.2%)
Total net position (deficit)	$ (34,903,007)	$ (31,338,974)	$ (3,564,033)	(11.4%)

COMPARATIVE STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	2017	2016	Change	Percentage Change
General revenues	$ 19,654,903	$ 21,849,775	$ (2,194,872)	(10.0%)
Expenses	24,688,832	24,495,643	193,189	0.8%
Other financing sources (uses)	1,469,896	1,658,126	(188,230)	(11.4%)
Change in net position	$ (3,564,033)	$ (987,742)	$ (2,576,291)	260.8%

CAPITAL ASSETS AND DEBT ADMINISTRATION

The Senate's investment in capital assets, net of accumulated depreciation, as of June 30, 2017, is $129,023. The investment in capital assets includes office furniture and equipment, computer equipment, and vehicles. The total decrease in capital assets for the current fiscal year was 19.3%. Depreciation accounted for the majority of the decrease.

The Senate has no long-term debt outstanding at year-end. However, there are long-term liabilities related to other postemployment benefits, net pension liability, and compensated absences.

BUDGET ANALYSIS

A comparison of budget to actual operations is a required supplementary schedule and is presented in the accompanying supplementary information. Although the Senate was under budget for personnel services, operating services, supplies, and professional services, the total expenditures were still over budget by $403,899. The Senate's total expenditures were over budget due primarily to Act 77 of the 2016 Regular Session of the Louisiana Legislature, which reduced the Senate's original budget request, which was approved by the Legislative Budgetary Council, by 10%.

ECONOMIC OUTLOOK

The Senate's fiscal year 2018 budget was approved with an 11.1% increase in State General Fund Appropriation from the prior fiscal year.

CONTACTING THE SENATE'S MANAGEMENT

This audit report is designed to provide a general overview of the Senate and to demonstrate the Senate's accountability for its finances. If you have any questions about this report or need additional information, please contact the Senate, State of Louisiana, P.O. Box 44305, Baton Rouge, Louisiana 70804.

SENATE
STATE OF LOUISIANA
GOVERNMENTAL FUND BALANCE SHEET/STATEMENT OF NET POSITION
JUNE 30, 2017

	General Fund	Adjustments*		Statement of Net Position
ASSETS:				
Cash in bank	$ 9,828,263	$ -		$ 9,828,263
Cash, restricted agency accounts	8,598	-		8,598
Due from other legislative agencies	42,049	-		42,049
Accounts receivable	9,484	-		9,484
Capital assets (net of allowance for depreciation)	-	129,023	(1)	129,023
TOTAL ASSETS	$ 9,888,394	129,023		10,017,417
DEFERRED OUTFLOWS OF RESOURCES:				
Deferred outflows related to pensions	$ -	9,039,108	(2)	9,039,108
LIABILITIES:				
Accounts payable	102,658	-		102,658
Accrued salaries and related benefits	598,327	-		598,327
Due to restricted agency accounts	8,598	-		8,598
Compensated absences:				
Current portion	-	75,657	(2)	75,657
Noncurrent portion	-	1,581,029	(2)	1,581,029
OPEB payable	-	12,037,501	(2)	12,037,501
Net pension liability	-	39,187,085	(2)	39,187,085
Total liabilities	709,583	52,881,272		53,590,855
DEFERRED INFLOWS OF RESOURCES:				
Deferred inflows related to pensions	-	368,677	(2)	368,677
FUND BALANCE/NET POSITION:				
Assigned	1,656,686	(1,656,686)		-
Unassigned	7,522,125	(7,522,125)		-
Total fund balance	9,178,811			
TOTAL LIABILITIES AND FUND BALANCE	$ 9,888,394			
NET POSITION:				
Net investment in capital assets		129,023		129,023
Unrestricted		(35,032,030)		(35,032,030)
TOTAL NET POSITION (DEFICIT)		$ (34,903,007)		$ (34,903,007)

*Explanations:

(1) Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the General Fund.

(2) Long-term liabilities, such as compensated absences, net pension liability and its related deferred inflows and outflows, and other postemployment benefits, are not due and payable in the current period, and therefore, are not reported in the General Fund.

See accompanying notes.

SENATE
STATE OF LOUISIANA
STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES, AND CHANGES IN THE FUND BALANCE/STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017

	General Fund	Adjustments*		Statement of Activities
EXPENDITURES/EXPENSES:				
Personnel services	$ 18,384,804	$ 3,229,698	(1)	$ 21,614,502
Travel	223,107	-		223,107
Operating services	2,380,805	-		2,380,805
Supplies	88,404	-		88,404
Professional services	115,336	-		115,336
Telephone	120,620	-		120,620
Printing	70,114	-		70,114
Capital outlay	45,168	(16,995)	(2)	28,173
Depreciation	-	47,771	(2)	47,771
Total expenditures/expenses	21,428,358	3,260,474		24,688,832
GENERAL REVENUES:				
State appropriations	19,588,048	-		19,588,048
Interest	11,073	-		11,073
Other	54,156	1,626	(1)	55,782
Total general revenues	19,653,277	1,626		19,654,903
Excess of revenues over expenditures/(deficiency)	(1,775,081)	1,775,081		-
OTHER FINANCING SOURCES:				
Interagency transfers in	1,469,896	-		1,469,896
Total other financing sources	1,469,896	-		1,469,896
Excess (deficiency) of revenues over (under) expenditures/expenses and other financing sources	(305,185)	305,185		-
CHANGE IN NET POSITION	-	(3,564,033)		(3,564,033)
FUND BALANCE/NET POSITION (DEFICIT):				
Beginning of year	9,483,996	(40,822,970)		(31,338,974)
End of year	$ 9,178,811	$ (44,081,818)		$ (34,903,007)

*Explanations

(1) Expenses and revenues of long-term obligations for compensated absences, pension plans and other postemployment benefits reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the General Fund.

(2) Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

See accompanying notes.

NATURE OF OPERATIONS:

The Louisiana State Senate (the Senate) is a part of the legislative branch of government created under Article III of the 1974 Louisiana Constitution.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The Governmental Accounting Standards Board (GASB) promulgates accounting principles generally accepted in the United States of America and reporting standards for state and local governments. These principles are found in the *Codification of the Governmental Accounting and Reporting Guidelines*. The accompanying financial statements have been prepared in accordance with such principles.

The following is a summary of the more significant accounting policies:

Financial Reporting Entity - Application of Section 2100 of the GASB Codification defines the governmental reporting entity (in relation to the Senate, State of Louisiana) to be the State of Louisiana. The accompanying financial statements of the Senate, State of Louisiana, contain sub-account information of the General Fund of the State of Louisiana. Annually, the State of Louisiana issues general purpose financial statements, which include the activity contained in the accompanying financial statements. However, the activity may be presented or classified differently due to perspective differences. The Senate, State of Louisiana, has no fiduciary funds or component units.

Fund Accounting - The Senate, State of Louisiana, uses fund accounting (separate set of self-balancing accounts) to reflect the sources and uses of available resources and the budgetary restrictions placed on those funds by the Louisiana Legislature. The Senate, State of Louisiana, has only a General Fund supported by an appropriation from the State of Louisiana used to account for all of the Senate, State of Louisiana's activities, including the acquisition of capital assets and the servicing of long-term liabilities.

Basis of Accounting:

Within the accompanying statements, the General Fund column of the Statement of Net Position and the Statement of Activities reports all activities of the Senate, using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. Management considers revenues to be available if they are collected within 45 days of the end of the current fiscal period. However, as management considers it available regardless of when received, the legislative appropriation is recorded during the year, and for the year, the appropriation is made, and interest and other revenues are

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Basis of Accounting: (Continued)

recorded when earned. Expenditures are recorded when a liability is incurred, as in accrual accounting. However, compensated absences, pension costs, and other postemployment benefits (OPEB) costs are recorded when payment is due.

The General Fund column is adjusted to create a Statement of Net Position and Statement of Activities. Within this column, amounts are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Capital Assets:

The accompanying Statement of Net Position reflects furniture, fixtures, and equipment used by the Senate, State of Louisiana, and funded by the legislative appropriation, in daily operations. Those assets are recorded at cost.

The accompanying statements do not include the value of land and buildings provided without cost to the Senate. Those assets are recorded with the annual financial statements of the State of Louisiana.

Capital assets with acquisition costs of $5,000 or greater are capitalized, recorded at cost, and are depreciated using the straight-line method of allocating costs over the following useful lives.

Computer equipment	5 years
Office furniture and equipment	5 years
Vehicles	5 years

The costs of normal maintenance and repairs that do not add value to the asset or materially extend asset lives are not capitalized.

Deferred Outflows of Resources and Deferred Inflows of Resources:

A deferred outflow of resources represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expenditure/expense) until that future time.

A deferred inflow of resources represents an acquisition of net position that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Budgetary Practices:

The Senate is required to submit to the members of the Legislative Budgetary Control Council an estimate of the financial requirements of the ensuing fiscal year. The General Fund appropriation is enacted into law by the legislature and sent to the Governor for his signature. The Senate is authorized to transfer budget amounts between accounts in the General Fund. Revisions that alter total appropriations must be approved by the legislature. The level of budgetary responsibility is by total appropriation. All annual appropriations lapse at fiscal year-end and require that any amounts not expended or encumbered at the close of the fiscal year be returned to the state General Fund unless otherwise reappropriated by subsequent legislative action. Current appropriation legislation authorizes such reappropriation of prior year funds.

The budget of the General Fund is prepared on the budgetary (legal) basis of accounting. In compliance with budgetary authorization, the Senate includes the prior year's fund balance represented by appropriate liquid assets remaining in the fund as a budgeted revenue in the succeeding year. The result of operations on a GAAP basis does not recognize the fund balance allocation as revenue as it represents prior period's excess of revenues over expenditures.

Encumbrance accounting is used during the year to reserve portions of the annual appropriation for unfilled purchase orders. Year-end encumbrances are not charged against the current year appropriation and are carried forward into the next budget year.

Compensated Absences:

Accumulated unpaid annual and compensatory leave is reported in the Statement of Net Position and Statement of Activities within the accompanying financial statements. The Senate, State of Louisiana's employees accrue unlimited amounts of annual and sick leave at varying rates as established by the Senate's personnel practices. Upon resignation or retirement, unused annual leave of up to 300 hours is paid to employees at the employee's current rate of pay. Upon retirement, annual leave in excess of 300 hours and unused sick leave are credited as earned service in computing retirement benefits.

Furthermore, employees earn unlimited compensatory leave for hours worked in excess of 40 hours per week. The compensatory leave may be used similarly to annual or sick leave, and any unused compensatory leave of up to 300 hours is paid to the employee upon resignation or retirement at the employee's current rate of pay.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Postemployment Benefits:

The Senate, State of Louisiana, provides certain health care and life insurance benefits for retired employees. Substantially all of the Senate's employees may become eligible for those benefits if they reach normal retirement age while working for the Senate. These benefits for retirees and similar benefits for active employees are provided through the State's Office of Group Benefits Plan and the LSU System Health Plan. Monthly premiums are paid jointly by the employee and the Senate. The Senate recognizes the cost of providing these benefits as expenditures in the year paid in the General Fund. For the year ended June 30, 2017, those costs totaled $588,337, which covered 102 retired employees, funded through the legislative appropriation.

Agency Accounts:

Agency accounts are custodial in nature and are used to account for assets held by the Senate in an agency capacity and are reflected in the accompanying financial statements as an asset "Cash, restricted agency accounts" and a corresponding liability "Due to restricted agency accounts." Management has included the accounts in the financial statements to more accurately reflect the Senate's responsibilities. These funds are managed by Senate personnel, but are restricted to the use by the following commission:

Louisiana Advisory Commission on Intergovernmental Relations:

This account was formed by an initial investment from the Louisiana Municipal Association of $1,000 in February, 1990.

The activity in the restricted agency account for the year ended June 30, 2017, can be summarized as follows:

	Balance July 1, 2016	Additions	Reductions	Balance June 30, 2017
Louisiana Advisory Commission of Intergovernmental Relations	$ 8,598	$ -	$ -	$ 8,598

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Fund Balance:

Fund balance is classified in the following components:

(a) *Nonspendable* includes fund balance amounts that cannot be spent either because it is in nonspendable form (such as inventory) or because of legal or contractual constraints.

(b) *Restricted* includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers (such as grantors, bondholders, and higher levels of government) or amounts constrained due to constitutional provisions or enabling legislation.

(c) *Committed* includes fund balance amounts that are constrained for specific purposes that are imposed by the Senate itself, using its highest level of decision-making authority. To be reported as *committed*, amounts cannot be used for any other purpose unless the Senate takes the same highest level action to remove or change the constraint.

(d) *Assigned* includes fund balance amounts the Senate intends to use for specific purposes that are neither considered restricted nor committed. Intent can be expressed by the Senate or by an official or body to which the Senate delegates the authority.

(e) *Unassigned* fund balance amounts include the residual amounts of fund balance which do not fall into one of the other components. Positive amounts are reported only in the General Fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Senate considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the Senate considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Senate has provided otherwise in its commitment or assignment actions. The Senate does not have a formal minimum fund balance policy.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Noncurrent Liabilities:

Noncurrent liabilities include estimated amounts for accrued compensated absences, other postemployment benefits, and net pension liability that will not be paid within the next fiscal year.

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 Teachers' Retirement System of Louisiana (TRSL) and additions to/deductions from LASERS's and TRSL's fiduciary net position have been determined on the same basis as they are reported by LASERS and TRSL. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

Net Position:

Net position comprises the various net earnings from revenues and expenses. Net position is classified in the following components:

(a) *Net investment in capital assets* consists of the Senate's total investment in capital assets, net of accumulated depreciation.

(b) *Restricted* consists of resources restricted by external sources such as creditors, grantors, contributors, or by law.

(c) *Unrestricted* consists of resources derived from state appropriations, interest earnings, and other miscellaneous sources. These resources are used for transactions relating to general operations of the Senate and may be used at its discretion to meet current expenses and for any purpose.

Adoption of New Accounting Principles:

For the year ended June 30, 2017, the Senate, State of Louisiana, implemented GASB Statement No. 82, *Pension Issues - an amendment of GASB Statement No. 67, 68, and No. 73.* This statement changed the measure of payroll that is presented in the schedules of required supplementary information to covered payroll.

2. PENSION PLANS:

Plan Descriptions:

Substantially all employees of the Senate are members of two statewide, public employee retirement systems, the Teachers' Retirement System of Louisiana (TRSL) and the Louisiana State Employees' Retirement System (LASERS). Both plans are administered by separate boards of trustees and are cost-sharing, multiple-employer defined benefit pension plans. The State of Louisiana guarantees benefits granted by the retirement systems by provisions of the Louisiana Constitution of 1974. Article 10, Section 29 of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions to the state legislature. The systems issue annual, publicly-available financial reports that include financial statements and required supplementary information for the systems. The reports for TRSL and LASERS may be obtained at www.trsl.org and www.lasersonline.org, respectively.

TRSL also administers an optional retirement plan (ORP), which was created by R.S. 11:921-931 for academic and administrative employees of public institutions of higher education. The purpose of the optional retirement plan is to provide retirement and death benefits to the participants while affording the maximum portability of these benefits to the participants. The optional retirement plan is a defined contribution plan that provides for full and immediate vesting of all contributions remitted to the participating companies on behalf of the participants. Eligible employees make an irrevocable election to participate in the optional retirement plan rather than the TRSL and purchase retirement and death benefits through contracts provided by designated companies. Benefits payable to participants are not the obligation of the State of Louisiana or the TRSL. Such benefits and other rights of the ORP are the liability and responsibility solely of the designated company or companies to whom contributions have been made.

Benefits Provided:

Retirement Benefits - LASERS:

LASERS administers a plan to provide retirement, disability, and survivor benefits to eligible state employees and their beneficiaries as defined in R.S. 11:411-414.

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. The rank and file members hired prior to July 1, 2006, may either retire with full benefits at any age upon completing 30 years of creditable service or at age 60 upon completing 10 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

2. PENSION PLANS: (Continued)

Benefits Provided: (Continued)

Retirement Benefits - LASERS: (Continued)

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 earned compensation for the highest 36 consecutive months of employment for members employed prior to July 1, 2006. For members hired July 1, 2006 or later, average compensation is based on the member's average annual earned compensation for the highest 60 consecutive months of employment. The maximum annual retirement benefit cannot exceed the lesser of 100% of average compensation or a certain specified dollar amount of actuarially determined monetary limits, which vary depending upon the member's age at retirement. Judges, court officers, and certain elected officials receive an additional annual retirement benefit equal to 1.0% of average compensation multiplied by the number of years of creditable service in their respective capacity. 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 12 years of creditable service at age 55, 25 years of creditable service at any age, or with a reduced benefit after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment for all three new plans. Members in the regular plan will receive a 2.5% accrual rate, hazardous duty plan a 3.33% accrual rate, and judges a 3.5% accrual rate. The extra 1.0% accrual rate for each year of service for court officers, the governor, lieutenant governor, legislators, House clerk, sergeants at arms, or Senate secretary, employed after January 1, 2011, was eliminated by Act 992. Specialty plan and regular members, hired prior to January 1, 2011, who are hazardous duty employees have the option to transition to the new hazardous duty plan.

2. PENSION PLANS: (Continued)

Benefits Provided: (Continued)

Retirement Benefits - LASERS: (Continued)

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

Members of the Harbor Police Retirement System who were members prior to July 1, 2014, may retire after 25 years of creditable service at any age, 12 years of creditable service at age 55, 20 years of creditable service at age 45, and 10 years of creditable service at age 60. Average compensation for the plan is the member's average annual earned compensation for the highest 36 consecutive months of employment, with a 3.33% accrual rate.

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.

Retirement Benefits - TRSL:

TRSL administers a plan to provide retirement, disability, and survivor benefits to employees who meet the legal definition of a "teacher" as provided for in R.S. 11:701.

Members of the Regular Plan whose first employment makes them eligible for membership in a Louisiana state retirement system on or after January 1, 2011, may retire with a 2.5% accrual rate after attaining age 60 with at least five years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age. All other members, if initially hired on or after July 1, 1999, are eligible for a 2.5% accrual rate at the earliest of age 60 with five years of service, age 55 with 25 years of service, or at any age with 30 years of service. Members may retire with an actuarially reduced benefit with 20 years of service at any age. If hired before July 1, 1999, members are eligible for a 2% accrual rate at the earliest of age 60 with five years of service, or at any age with 20 years of service and are eligible for a 2.5% accrual rate at the earliest of age 65 with 20 years of service, age 55 with 25 years of service, or at any age with 30 years of service.

2. PENSION PLANS: (Continued)

Benefits Provided: (Continued)

Retirement Benefits - TRSL: (Continued)

Members of the Lunch Plan A may retire with a 3.0% annual accrual rate at age 55 with 25 years of service, age 60 with five years of service or 30 years of service, regardless of age. Plan A is closed to new entrants.

Members of the Lunch Plan B may retire with a 2.0% annual accrual rate at age 55 with 30 years of service, or age 60 (first employed between January 1, 2011 to June 30, 2015) with five years of service, or age 62 (first employed after June 30, 2015) with five years of service, or an actuarially reduced benefit with 20 years of service at any age.

For all defined benefit TRSL plans, retirement benefits are based on a formula which multiplies the final average compensation by the applicable accrual rate, and by the years of creditable service. For Regular Plan and Lunch Plan B members whose first employment makes them eligible for membership in a Louisiana state retirement system on or after January 1, 2011, final average compensation is defined as the highest average 60-month period. For all other members, final average compensation is defined as the highest average 36-month period.

A retiring TRSL member is entitled to receive the maximum benefit payable until the member's death. In lieu of the maximum benefit, the member may elect to receive a reduced benefit payable in the form of a Joint and Survivor Option, or as a lump sum that can't exceed 36 months of the member's maximum monthly benefit amount.

Effective July 1, 2009, members may make an irrevocable election at retirement to receive an actuarially reduced benefit which increases 2.5% annually, beginning on the first retirement anniversary date, but not before age 55 or before the retiree would have attained age 55 in the case of a surviving spouse. This option can be chosen in combination with the above options.

Deferred Retirement Benefits - LASERS:

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 1½% 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

2. PENSION PLANS: (Continued)

Benefits Provided: (Continued)

Deferred Retirement Benefits - LASERS: (Continued)

DROP on or after January 1, 2004, are required to participate in LASERS Self-Directed Plan (SDP) which is administered by a third-party provider. The SDP allows DROP participants to choose from a menu of investment options for the allocation of their DROP balances. Participants may diversify their investments by choosing from an approved list of mutual funds with different holdings, management styles, and risk factors.

Members eligible to retire and who do not choose to participate in DROP may elect to receive at the time of retirement an initial benefit option (IBO) in an amount up to 36 months of benefits, with an actuarial reduction of their future benefits. For members who selected the IBO option prior to January 1, 2004, such amount may be withdrawn or remain in the IBO account earning interest at a rate of .5% 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.

For members who are in the Harbor Police Plan, the annual DROP Interest Rate is the three-year average (calculated as the compound average of 36 months) investment return of the plan assets for the period ending the June 30th immediately preceding that given date. The average rate so determined is to be reduced by a "contingency" adjustment of 0.5%, but not to below zero. DROP interest is forfeited if member does not cease employment after DROP participation.

Deferred Retirement Benefits - TRSL:

In lieu of terminating employment and accepting a service retirement, an eligible TRSL member can begin participation in the Deferred Retirement Option Program (DROP) on the first retirement eligibility date for a period not to exceed the three years. A member has a 60-day window from his first eligible date to participate in the program in order to participate for the maximum number of years. Delayed participation reduces the three year participation period. During participation, benefits otherwise payable are fixed, and deposited in an individual DROP account. Upon termination of DROP, the member can continue employment and earn additional accruals to be added to the fixed pre-DROP benefit. Upon termination of employment, the member is entitled to the fixed benefit, an additional benefit based on post-DROP service (if any), and the individual DROP account balance which can be paid in a lump sum or an additional annuity based upon the account balance.

2. PENSION PLANS: (Continued)

Benefits Provided: (Continued)

Disability Benefits - LASERS:

Generally, active members with 10 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 age 60, 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.

Members of the Harbor Police Retirement System who become disabled may receive a non-line of duty disability benefit after five years or more of credited service. Members age 55 or older may receive a disability benefit equivalent to the regular retirement benefit. Under age 55, the disability benefit is equal to 40% of final average compensation. Line of duty disability benefits are equal to 60% of final average compensation, regardless of years of credited service. If the disability benefit retiree is permanently confined to a wheelchair, or, is an amputee incapable of serving as a law enforcement officer, or the benefit is permanently legally binding, there is no reduction to the benefit if the retiree becomes gainfully employed.

Disability Benefits - TRSL:

Active members of TRSL whose first employment makes them eligible for membership in a Louisiana state retirement system before January 1, 2011, and who have five or more years of service credit, are eligible for disability retirement benefits if certified by the State Medical Disability Board (SMDB) to be disabled from performing their job. All other members must have at least 10 years of service to be eligible for a disability benefit. Calculation of the disability benefit as well as the availability of a minor child benefit is determined by the plan to which the member belongs and the date on which the member's first employment made them eligible for membership in a Louisiana state retirement system.

Survivor's Benefits - LASERS:

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

2. PENSION PLANS: (Continued)

Benefits Provided: (Continued)

Survivor's Benefits - LASERS: (Continued)

years of service credit, at least two of which were earned immediately prior to death, or who had a minimum of 20 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 10 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, two 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.

Non-line of duty survivor benefits of the Harbor Police Retirement System may be received after a minimum of five years of credited service. Survivor benefits paid to a surviving spouse without children are equal to 40% of final average compensation and cease upon remarriage. Surviving spouse with children under 18 benefits are equal to 60% of final average compensation and cease upon remarriage and children turning 18. No minimum service credit is required for line of duty survivor benefits which are equal to 60% of final average compensation to surviving spouse, regardless of children. Line of duty survivor benefits cease upon remarriage, and then benefit is paid to children under 18.

Survivor's Benefits - TRSL:

A surviving spouse with minor children of a deceased active member with at least five years of creditable service (two years immediately prior to death) but less than 10 years of creditable service is entitled to a benefit equal to the greater of (a) $600 per month or (b) 50% of the member's benefit calculated at the 2.5% accrual rate for all creditable service. When a minor child(ren) is no longer eligible to receive survivor benefits, the surviving spouse's benefit ceases.

A surviving spouse with minor children of a deceased active member with at least 10 years of creditable service (two years immediately prior to death) or 20 years of creditable service (regardless when earned) is entitled to a benefit equal to the greater of (a) $600 per month or (b) the option 2 equivalent of the benefit calculated at the 2.5% benefit factor for all creditable service. If a surviving spouse remarries before the age of 55 and the deceased active member had less than 20 years of creditable service, the surviving spouse's benefit will cease.

2. PENSION PLANS: (Continued)

Benefits Provided: (Continued)

Survivor's Benefits - TRSL: (Continued)

Each minor child (maximum of two) shall receive an amount equal to the greater of (a) 50% of the spouse's benefit or (b) $300 (up to two eligible children). Benefits to minors cease at attainment of age 21, marriage, or age 23 if enrolled in an approved institution of higher education.

A surviving spouse without minor children of a deceased active member with at least 10 years of creditable service (two years immediately prior to death) or 20 years of creditable service (regardless when earned) is entitled to a benefit equal to the greater of (a) $600 per month or (b) the option 2 equivalent of the benefit calculated at the 2.5% benefit factor for all creditable service. If a surviving spouse remarries before the age of 55 and the deceased active member had less than 20 years of creditable service, the surviving spouse's benefit will cease.

Permanent Benefit Increases/Cost-of-Living Adjustments:

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

Contributions:

Employee contribution rates are established by La. R.S. 11:62. The employer contribution rates are established annually under La. R.S. 11:101-11:104 by the Public Retirement Systems' Actuarial Committee (PRSAC), taking into consideration the recommendation of the system's actuary. Each plan pays a separate actuarially-determined employer contribution rate. However, all assets of each plan are used for the payment of benefits for all classes of members within each system, regardless of their plan membership. Employer contributions to LASERS and TRSL were $3,541,955 and $42,274, respectively, for the year ended June 30, 2017. Contribution rates for the year ended June 30, 2017, are as follows:

2. PENSION PLANS: (Continued)

Contributions: (Continued)

LASERS:

Plan	Plan Status	Employee Contribution Rate	Employer Contribution Rate
Appellate Law Clerks	Closed	7.50%	35.80%
Appellate Law Clerks hired on or after 07/01/06	Open	8.00%	35.80%
Alcohol Tobacco Control	Closed	9.00%	30.70%
Bridge Police	Closed	8.50%	34.20%
Bridge Police hired on or after 07/01/06	Closed	8.50%	34.20%
Corrections Primary	Closed	9.00%	31.10%
Corrections Secondary	Closed	9.00%	35.30%
Harbor Police	Closed	9.00%	4.00%
Hazardous Duty	Open	9.50%	36.10%
Judges hired before 01/01/11	Closed	11.50%	38.00%
Judges hired after 12/31/10	Closed	13.00%	36.70%
Judges hired on or after 07/01/15	Open	13.00%	36.70%
Legislators	Closed	11.50%	39.10%
Optional Retirement Plan (ORP) before 07/01/06*	Closed	7.50%	35.80%
Optional Retirement Plan (ORP) on or after 07/01/06*	Closed	8.00%	35.80%
Peace Officers	Closed	9.00%	34.30%
Regular Employees hired before 07/01/06	Closed	7.50%	35.80%
Regular Employees hired on or after 07/01/06	Closed	8.00%	35.80%
Regular Employees hired on or after 01/01/11	Closed	8.00%	35.80%
Regular Employees hired on or after 07/01/15	Open	8.00%	35.80%
Special Legislative Employees	Closed	9.50%	41.10%
Wildlife Agents	Closed	9.50%	44.80%

*For ORP, the projected employer contribution effort was calculated using the shared UAL portion of the contribution rate of 31.77% for 2017.

All Senate employees who are members of LASERS are in one of the Regular Plans and contributions are made at the applicable rates based on their hire date.

2. PENSION PLANS: (Continued)

Contributions: (Continued)

TRSL:

Plan	Employee Contribution Rate	Employer Contribution Rate
Regular Plan (K-12 Teachers)	8.0%	25.5%
Regular Plan (Higher Ed)	8.0%	24.4%
Lunch Plan A	9.1%	30.7%
Lunch Plan B	5.0%	28.2%

Optional Retirement Plan	Contribution Rate
Employee	8.0%
Employer - Normal	6.2%
Employer - UAL	21.2%

The normal cost portion of each plan's employer contribution rate varies based upon that plan's benefits, member demographics, and the rate contributed by employees. The Unfunded Accrued Liability (UAL) contribution rate is determined in aggregate for all plans, including the ORP. The UAL established due to a specific plan or group of plans because of legislation will be allocated entirely to that plan or those plans.

For the ORP, only the UAL portion of the employer contribution is retained by the plan. Therefore, only the UAL projected rates were used in the projection of future contributions in determining an employer's proportionate share. R.S. 11:927 sets the contribution requirements of the ORP plan members and the employer equal to the contribution rates established for the regular retirement plan of TRSL. However, effective July 1, 2014, the employer contribution rate for amounts credited to the ORP participants who are not employed in higher education must be the greater of: (1) the employer normal cost contribution for the TRSL Regular Plan or (2) 6.2%.

Except for employees in the ORP, all remaining Senate employees who are members of TRSL are in the Regular Plan (K-12 Teachers) and contributions are made at the applicable rates.

2. PENSION PLANS: (Continued)

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

At June 30, 2017, the Senate reported a liability for LASERS and TRSL of $38,687,324 and $499,761, respectively, for its proportionate share of the net pension liability. The net pension liabilities were measured as of June 30, 2016, and the total pension liabilities used to calculate the net pension liability were determined by actuarial valuations as of that date. The Senate's proportion of the net pension liability for each retirement system was based on a projection of the Senate's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2016, Senate's proportion for LASERS and TRSL was 0.49267% and 0.00426%, respectively. This reflects increases for LASERS and TRSL of 0.00510% and 0.00013%, respectively, from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the Senate recognized pension expense, for which there were no forfeitures, as follows:

	Pension Expense
LASERS	$ 5,609,023
TRSL	61,917
Total	$ 5,670,940

2. PENSION PLANS: (Continued)

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

At June 30, 2017, the Senate reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources			Deferred Inflows of Resources		
	LASERS	TRSL	Total	LASERS	TRSL	Total
Differences between expected and actual experience	$ 22,398	$ -	$ 22,398	$ 358,810	$ 9,867	$ 368,677
Net difference between projected and actual earnings on pension plan investments	4,818,573	36,381	4,854,954	-	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	547,580	29,947	577,527	-	-	-
Employer contributions subsequent to the measurement date	3,541,955	42,274	3,584,229	-	-	-
Total	$ 8,930,506	$ 108,602	$ 9,039,108	$ 358,810	$ 9,867	$ 368,677

During the year ended June 30, 2017, employer contributions totaling $3,541,955 and $42,274 were made subsequent to the measurement date for LASERS and TRSL, respectively. These contributions are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ending June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension expense will be recognized in pension expense as follows:

	LASERS	TRSL
Year ending June 30:		
2018	$ 1,074,937	$ 11,935
2019	932,779	11,935
2020	1,872,595	20,894
2021	1,149,430	11,697
Total	$ 5,029,741	$ 56,461

2. PENSION PLANS: (Continued)

Actuarial Assumptions:

The total pension liabilities for LASERS and TRSL in the June 30, 2016, actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurements:

	LASERS	**TRSL**
Actuarial cost method	Entry Age Normal	Entry Age Normal
Amortization approach	Closed	Closed
Actuarial assumptions:		
Expected Remaining Service Lives	3 years	5 years
Investment rate of return	7.75% per annum	7.75%, net of investment expenses
Inflation rate	3.0% per annum	2.5% per annum
Projected salary increases	Salary increases were projected based on a 2009-2013 experience study of the System's members. The salary increases for specific types of members range from 3.0% - 14.5%.	3.50% - 10.0%, varies depending on duration of service.
Cost-of-living adjustments	None, since they are not deemed to be substantively automatic.	None, since they are not deemed to be substantively automatic.
Mortality	**Non-disabled members -** Mortality rates based on the RP-2000 Combined Healthy Mortality Table with mortality improvement projected to 2015. **Disabled members -** Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.	Mortality rates were projected based on the RP-2000 Mortality Table with projection to 2025 using Scale AA for both non-disabled and disabled members.
Termination and disability	Termination, disability, and retirement assumptions were projected based on a five-year (2009-2013) experience study of the System's members.	Termination, disability, and retirement assumptions were projected based on a five-year (2008-2012) experience study of the System's members.

2. PENSION PLANS: (Continued)

Actuarial Assumptions: (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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rates of return for LASERS and TRSL are 8.72% and 8.23%, respectively. The target allocation and best estimates of geometric (LASERS) and arithmetic (TRSL) real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2016, are summarized in the following table:

	Target Allocation		Long-Term Expected Real Rate of Return	
Asset Class	**LASERS**	**TRSL**	**LASERS**	**TRSL**
Cash	0%		-0.24%	
Domestic equity	25%	31%	4.31%	4.50%
International equity	32%	19%	5.48%	5.31%
Domestic fixed income	8%	14%	1.63%	2.45%
International fixed income	6%	7%	2.47%	3.28%
Alternative investments:	22%	29%	7.42%	
Private equity				6.80%
Other private assets				4.82%
Global tactical asset allocation	7%		2.92%	
Total	100%	100%	5.30%	

Discount Rates:

The discount rate used to measure the total pension liability for LASERS and TRSL was 7.75%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions from participating employers will be made at contractually required rates, actuarially determined. 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 active and inactive 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.

2. PENSION PLANS: (Continued)

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

The following presents the employer's proportionate share of the net pension liability using the discount rate of 7.75%, as well as what the employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.75%) or one percentage-point higher (8.75%) than the current rate:

	1.0% Decrease 6.75%	Current Discount Rate 7.75%	1.0% Increase 8.75%
LASERS	$ 47,530,958	$ 38,687,324	$ 31,173,008
TRSL	623,355	499,761	394,591
Total	$ 48,154,313	$ 39,187,085	$ 31,567,599

Support of Non-employer Contributing Entities:

Contributions received by a pension plan from non-employer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. The Senate recognizes revenue in an amount equal to its proportionate share of the total contributions to the pension plan from these non-employer contributing entities. During the year ended June 30, 2017, the Senate recognized revenue as a result of support received from non-employer contributing entities of $1,626 for its participation in TRSL. LASERS does not receive support from non-employer contributing entities and, as a result, no revenue was recorded for the participation in LASERS for the year ended June 30, 2017.

Pension Plan Fiduciary Net Position:

Detailed information about the pension plans' fiduciary net position is available in the separately issued LASERS and TRSL 2016 Comprehensive Annual Financial Reports at www.lasersonline.org and www.trsl.org, respectively.

Payables to the Pension Plans:

At June 30, 2017, payables to LASERS and TRSL were $137,205 and $1,454, respectively, for June 2017 employee and employer legally required contributions.

3. POSTEMPLOYMENT HEALTHCARE AND LIFE INSURANCE BENEFITS:

Substantially all Senate employees become eligible for postemployment health care and life insurance benefits if they reach normal retirement age while working for the Senate. The Senate offers its employees the opportunity to participate in one of two medical coverage plans. One plan is from the state's Office of Group Benefits (OGB) which also offers a life insurance plan, and the other is with the LSU System Health Plan. Information about each of these two plans is presented below.

PLAN DESCRIPTIONS:

LSU System Health Plan:

The LSU System Health Plan originally began as a pilot program within the State Office of Group Benefits (OGB), the office that provides health benefits to state employees pursuant to the provisions of R.S. 42:851. The plan is identified as a single-employer defined benefit healthcare plan that is not administered as a trust or equivalent arrangement. The health plan offers eligible employees, retirees, and their eligible dependents the opportunity to participate in comprehensive health and preventive care coverage that gives members a unique, consumer-driven healthcare approach to pay routine health expenses and provides coverage for major healthcare expenses. Within the health plan members have a choice of selecting LSU First Option 1 or LSU First Option 2. Option 1 is more costly, but features both lower yearly deductibles and out-of-network coinsurance requirements.

The LSU System Health Plan selects claim and pharmaceutical administrators to administer its program. Both claim and pharmacy administrators are selected through a formal Request for Proposals process followed by negotiations between the System and qualified vendors.

The Health Plan does not issue a publicly available financial report, but it is included in the LSU System's audited Financial Report. The Financial Report may be obtained from the LSU System's website at http://www.lsu.edu/.

State OGB Plan:

The Senate, State of Louisiana's employees may participate in the State of Louisiana's Other Postemployment Benefit Plan (OPEB Plan), a cost-sharing, multiple-employer defined benefit plan, but classified as an agent multiple-employer defined benefit OPEB Plan for financial reporting purposes since the plan is not administered as a formal trust. The Office of Group Benefits administers the plan. The OPEB Plan provides medical and life insurance to eligible active employees, retirees, and their beneficiaries. R.S. 42:801-883 assigns the authority to establish and amend benefit provisions of the plan. The Office of Group Benefits

3. POSTEMPLOYMENT HEALTHCARE AND LIFE INSURANCE BENEFITS: (Continued)

PLAN DESCRIPTIONS: (Continued)

State OGB Plan: (Continued)

does not issue a publicly available financial report of the OPEB Plan; however, it is included in the State of Louisiana's Comprehensive Annual Financial Report (CAFR). You may obtain a copy of the CAFR on the Office of Statewide Reporting and Accounting Policy's website at www.doa.la.gov/Pages/osrap/Index.asp.

FUNDING POLICIES:

LSU System Health Plan:

While actuarially determined, the plan rates must be approved by OGB under R.S. 42:851(b). Plan rates are in effect for one year and members have the opportunity to switch providers during the open enrollment period, which usually occurs in October.

The plan is financed on a pay-as-you-go basis. The pay-as-you-go expense is the net expected cost of providing retiree benefits. This expense includes all expected claims and related expenses and is offset by retiree contributions. Employees do not contribute to their postemployment benefits cost until they become retirees and begin receiving their benefits. The retirees contribute to the cost of retiree healthcare based on a service schedule.

Depending upon the option selected, during the year ended June 30, 2017, monthly premiums for a member receiving benefits range from $87 to $101 per month for coverage with Medicare or from $150 to $168 per month for coverage without Medicare. The premiums for the year ended June 30, 2017, for a retiree and spouse range from $155 to $358 per month for those with Medicare or from $422 to $485 per month for those without Medicare.

The Senate, State of Louisiana, contributed anywhere from $261 to $302 per month for retiree-only coverage with Medicare or from $1,052 to $1,080 per month for retiree-only coverage without Medicare during the year ended June 30, 2017. Also, the Senate's contributions ranged from $465 to $1,073 per month for retiree and spouse with Medicare or $1,658 for retiree and spouse without Medicare.

State OGB Plan:

The contribution requirements of plan members and the Senate are established and may be amended by R.S. 42:801-883. Employees do not contribute to their postemployment benefits cost until they become retirees and begin receiving those benefits. The retirees contribute to the cost of retiree healthcare based on a service schedule.

3. POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS: (Continued)

FUNDING POLICIES: (Continued)

State OGB Plan: (Continued)

Contribution amounts vary depending on what healthcare provider is selected from the plan and if the member has Medicare coverage. OGB offers several standard healthcare plans for both active and retired employees. In addition, retired employees who have Medicare Part A and Part B coverage also have access to several OGB Medicare Advantage plans.

Depending upon the plan selected, during fiscal year 2017, total monthly premiums for a single member receiving benefits range from \$64 to \$106 per month for employee-only coverage with Medicare or from \$106 to \$176 per month for employee-only coverage without Medicare. The premiums for an employee and spouse for the year ended June 30, 2017, range from \$115 to \$393 per month for those with Medicare or from \$343 to \$570 per month for those without Medicare.

The plan is currently financed on a pay-as-you-go basis, with the Senate contributing anywhere from \$192 to \$319 per month for retiree-only coverage with Medicare or from \$680 to \$1,131 per month for retiree-only coverage without Medicare during fiscal year 2017. Also, the Senate, State of Louisiana's contributions range from \$344 to \$1,178 per month for retiree and spouse with Medicare or \$1,044 to \$1,737 for retiree and spouse without Medicare during the year ended June 30, 2017.

OGB also provides eligible retirees Basic Term Life, Basic Plus Supplemental Term Life, Dependent Term Life, and Employee Accidental Death and Dismemberment coverage, which is underwritten by The Prudential Insurance Company of America. The total monthly premium is approximately \$1.08 per thousand dollars of coverage of which the employer pays approximately one half of the premium. Maximum coverage is capped at \$50,000 with a reduction formula of 25% at age 65 and 50% at age 70, with accidental death and dismemberment coverage ceasing at age 70 for retirees. Spouse life insurance is also available.

ANNUAL OPEB COST:

The Senate, State of Louisiana's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, would cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years. A level percentage of payroll amortization method, open period, was used. The total ARC for the fiscal year beginning July 1, 2016, was \$1,886,788.

3. POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS: (Continued)

ANNUAL OPEB COST: (Continued)

The following table presents the Senate, State of Louisiana's OPEB Obligation for the year ended June 30, 2017. The table shows the components of each plan's annual OPEB cost for the year ended June 30, 2017, the amount actually contributed to the plan, and changes in the plan's net OPEB obligation to the retiree health plan:

	Office of Group Benefits Plan	LSU System Health Plan	Total
Annual required contribution	$ 322,122	$ 1,564,666	$ 1,886,788
Interest on net OPEB obligation	139,986	267,774	407,760
ARC adjustment	(137,065)	(262,190)	(399,255)
Annual OPEB cost	325,043	1,570,250	1,895,293
Contributions made	(177,348)	(410,989)	(588,337)
Increase in net OPEB obligation	147,695	1,159,261	1,306,956
Beginning net OPEB obligation	3,683,830	7,046,715	10,730,545
Ending net OPEB obligation	$ 3,831,525	$ 8,205,976	$ 12,037,501

The Senate's annual OPEB cost, the percentage of annual OPEB cost contributed to the plans, and the net obligation for the fiscal year ended June 30, 2017, and the two preceding fiscal years were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
State OGB Plan			
June 30, 2017	$ 325,043	54.56%	$ 3,831,525
June 30, 2016	$ 571,110	30.55%	$ 3,683,830
June 30, 2015	$ 555,491	41.07%	$ 3,287,221
LSU System Plan			
June 30, 2017	$ 1,570,250	26.17%	$ 8,205,976
June 30, 2016	$ 1,469,904	23.05%	$ 7,046,715
June 30, 2015	$ 1,394,198	21.17%	$ 5,915,633

FUNDED STATUS AND FUNDING PROGRESS:

Act 910 of the 2008 Regular Session established the Postemployment Benefits Trust Fund effective July 1, 2008; however, neither the Senate, State of Louisiana, nor the State of Louisiana have made contributions to it. Since the plan has not been funded, the Senate, State of Louisiana's entire actuarial accrued liability of $5,254,271 for the OGB Plan was unfunded. The LSU System Health Plan does not use a trust fund to administer the financing of the plan and the payment of benefits.

3. POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS: (Continued)

FUNDED STATUS AND FUNDING PROGRESS: (Continued)

The funded status of the plans, as determined by actuaries as of July 1, 2016, was as follows:

	State OGB Plan	LSU System Health Plan
Actuarial accrued liability (AAL)	$ 5,254,271	$ 18,135,146
Actuarial value of plan assets	-	-
Unfunded actuarial accrued liability (UAAL)	$ 5,254,271	$ 18,135,146
Funded ratio (actuarial value of plan assets/AAL)	0%	0%
Covered payroll (annual payroll of active employees covered by the plans)	$ 1,458,966	$ 10,294,860
UAAL as a percentage of covered payroll	360.14%	176.16%

ACTUARIAL METHODS AND ASSUMPTIONS:

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities consistent with the long-term perspective of the calculations.

3. POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS: (Continued)

ACTUARIAL METHODS AND ASSUMPTIONS: (Continued)

A summary of the actuarial assumptions is presented below:

	LSU System Health Plan	State OGB Plan
Actuarial valuation date	July 01, 2016	July 01, 2016
Actuarial cost method	Projected Unit Credit	Projected Unit Credit
Amortization method	Level percentage of payroll	Level percentage of payroll
Amortization period	30 years	30 years
Asset valuation method	none	none
Actuarial assumptions:		
Investment rate of return	3.80% annual rate	3.80% annual rate
Projected salary increases	3.00% per annum	3.00% per annum
Healthcare inflation rate	6.00 - 7.00%	6.00 - 7.00%
	4.50% ultimate	4.50% ultimate

4. CASH IN BANK:

Under state law, the Senate, State of Louisiana, may deposit funds in an approved bank located in the state selected and designated by the presiding officer of the Senate. These public deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank.

At June 30, 2017, the carrying amounts of the Senate's cash accounts were $9,828,263 in the operating account and $8,598 in the restricted agency account. The bank balances were $9,934,408 and $8,598, respectively. All cash was covered by federal depository insurance or pledged securities held by the Federal Reserve Bank in the name of the Senate.

5. CAPITAL ASSETS:

	Beginning Balance July 1, 2016	Additions	Deletions	Ending Balance June 30, 2017
Furniture, fixtures, and equipment	$ 616,548	$ 16,995	$ (18,126)	$ 615,417
Less: accumulated depreciation	(456,749)	(47,771)	18,126	(486,394)
Capital assets, net	$ 159,799	$ (30,776)	$ -	$ 129,023

6. LITIGATION, CLAIMS, AND SIMILAR CONTINGENCIES:

Losses arising from litigation, claims, and similar contingencies are considered state liabilities and are paid by special appropriations made by the Louisiana Legislature. Any applicable litigation, claims, and similar contingencies are not recognized in the accompanying financial statements.

At June 30, 2017, the Senate, State of Louisiana, was not involved in any lawsuits or threatened litigation.

7. PROFESSIONAL SERVICES:

Professional services include the following professional fees:

Louisiana Legislative Black Caucus (clerical services)	$ 70,000
Linda Gipson (Bill Room Supervisor and Boards & Commissions Specialist)	43,781
Carmen Delanue (clerical services)	125
Group Benefits (employee benefits)	1,430
Total professional services	$ 115,336

8. DEFERRED COMPENSATION PLAN:

Certain employees of the Senate, State of Louisiana, participate in the Louisiana Public Employees Deferred Compensation Plan adopted under the provisions of the Internal Revenue Code Section 457. Complete disclosures relating to the plan are included in the separately issued audit report for the plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397.

9. INTERAGENCY TRANSFERS:

Amounts received from other governmental units for the year ended June 30, 2017, consist of the following:

	Capital Outlay	Operating Services	Total
Other agencies	$ -	$ 10,916	$ 10,916
Legislative Budgetary Control Council	18,595	1,440,385	1,458,980
Total interagency transfers	$ 18,595	$ 1,451,301	$ 1,469,896

The amounts due from other agencies and Legislative Budgetary Control Council totaled $42,049 at year-end.

10. OTHER COSTS:

The State of Louisiana, through other appropriations, provides office space, utilities, and janitorial services for the operations in the State Capitol, all of which are not included in the accompanying financial statements.

11. 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

12. RISK MANAGEMENT:

The Senate limits its exposure to risk of loss through the Office of Risk Management, a statewide insurance program. Through the payment of premiums to the program, the Senate transfers the risk of loss from theft, torts, damage to and destruction of assets, workers' compensation, errors and omissions, and natural disasters.

13. FUND BALANCE:

As of June 30, 2017, the Senate has an unassigned balance of $7,522,125. The fund balance also includes amounts classified as assigned for the following purposes:

Assigned:	
Compensated absences obligation	$ 1,656,686
Total assigned fund balance	$ 1,656,686

14. CHANGES IN LONG-TERM LIABILITIES:

The following is a summary of the changes in the Senate's long-term liabilities for the year ended June 30, 2017:

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017	Due Within One Year
Compensated absences	$ 1,820,654	$ 116,587	$ 280,555	$ 1,656,686	$ 75,657
Net pension liability	33,605,719	9,586,142	4,004,776	39,187,085	-
OPEB payable	10,730,545	1,895,293	588,337	12,037,501	-
Total long-term liabilities	$ 46,156,918	$ 11,598,022	$ 4,873,668	$ 52,881,272	$ 75,657

15. LEASE AGREEMENT:

During the year ended June 30, 2017, the Senate entered into a lease agreement with De Lage Landen Public Finance, LLC for the lease of several copiers. The term of the lease agreement was for 60 months in the amount of $3,684.48 per month. Future minimum lease payments under this non-cancelable operating lease as of June 30, 2017, are as follows:

Year Ending	Lease Payments
June 30, 2018	$ 44,214
June 30, 2019	44,214
June 30, 2020	44,214
June 30, 2021	18,422
Total	$ 151,064

Expenditures relating to this lease were $44,214 for the year ended June 30, 2017.

16. RECLASSIFICATIONS:

Certain 2016 amounts have been reclassified to conform with the 2017 financial statement presentation.

REQUIRED SUPPLEMENTARY INFORMATION

SENATE
STATE OF LOUISIANA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

	Actual Amounts			Budgeted Amounts		
	GAAP Basis	GAAP to Budget Differences Over (Under)	Budgetary Basis	Original	Final	Variance with Final Budget
REVENUES:						
State appropriations	$ 19,588,048	$ -	$ 19,588,048	$ 21,764,498	$ 21,764,498	$ (2,176,450)
Interest	11,073	-	11,073	-	-	11,073
Other	54,156	-	54,156	-	-	54,156
Reappropriated fund balance (1)	-	10,004,003 (1)	10,004,003	10,004,003	10,004,003	-
Budget reduction (4)	-	-	-	-	(2,176,450)	2,176,450
Total revenues	19,653,277	10,004,003	29,657,280	31,768,501	29,592,051	65,229
EXPENDITURES:						
Personnel services	18,384,804	(78,320) (2)	18,306,484	19,956,296	19,956,296	(1,649,812)
Travel	223,107	-	223,107	190,820	190,820	32,287
Operating services	2,380,805	-	2,380,805	2,535,035	2,535,035	(154,230)
Supplies	88,404	-	88,404	123,638	123,638	(35,234)
Professional services	115,336	-	115,336	159,300	159,300	(43,964)
Telephone	120,620	-	120,620	104,000	104,000	16,620
Printing	70,114	-	70,114	43,000	43,000	27,114
Capital outlay	45,168	-	45,168	10,500	10,500	34,668
Budget reduction (4)	-	-	-	-	(2,176,450)	2,176,450
Total expenditures	21,428,358	(78,320)	21,350,038	23,122,589	20,946,139	403,899
Excess (deficiency) of revenues over expenditures	(1,775,081)	10,082,323	8,307,242	8,645,912	8,645,912	(338,670)
OTHER FINANCING SOURCES:						
Interagency transfers in	1,469,896	-	1,469,896	-	-	1,469,896
Total other financing sources	1,469,896	-	1,469,896	-	-	1,469,896
Net change in fund balance	(305,185)	10,082,323	9,777,138	8,645,912	8,645,912	1,131,226
Fund balances - beginning	9,483,996	520,007 (3)	10,004,003	10,004,003	10,004,003	-
Less reappropriated fund balance	-	(10,004,003) (1)	(10,004,003)	(10,004,003)	(10,004,003)	-
Fund balances - ending	$ 9,178,811	$ 598,327	$ 9,777,138	$ 8,645,912	$ 8,645,912	$ 1,131,226

Explanation of differences:

(1) Budgets include reappropriated fund balances carried over from prior years to cover expenditures of the current year. The results of operations on a GAAP basis do not recognize these amounts as revenue since they represent prior period's excess of revenues over expenditures.

(2) Personnel services and related benefits are budgeted only to the extent expected to be paid, rather than on the modified accrual basis.

(3) The amount reported as "fund balance" on the budgetary basis of accounting derives from the basis of accounting used in preparing the budget. (See Note 1 for a description of the Senate, State of Louisiana's budgetary accounting method.) This amount differs from the fund balance reported in the Statement of Revenues, Expenditures, and Changes in Fund Balance because of the cumulative effect of transactions such as those described above.

(4) The original budget request was approved during a meeting of the Legislative Budgetary Control on April 5, 2016. Act 77 of the 2016 Regular Session of the Louisiana Legislature, which made appropriations for the expenses of the legislature for FY 2016-2017, amended the approved original budget request and reduced it by ten percent.

SENATE
STATE OF LOUISIANA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS FOR OTHER POSTEMPLOYMENT BENEFIT PLANS
FOR THE YEAR ENDED JUNE 30, 2017

	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
State OGB Plan	7/1/2016	$ -	$ 5,254,271	$ 5,254,271	0%	$ 1,458,966	360.14%
State OGB Plan	7/1/2014 projected to 7/1/2015	$ -	$ 9,277,407	$ 9,277,407	0%	$ 1,706,021	543.80%
State OGB Plan	7/1/2014	$ -	$ 9,088,700	$ 9,088,700	0%	$ 2,066,628	439.78%
LSU System Health Plan	7/1/2016	$ -	$ 18,135,146	$ 18,135,146	0%	$ 10,294,860	176.16%
LSU System Health Plan	7/1/2014 projected to 7/1/2015	$ -	$ 17,171,554	$ 17,171,554	0%	$ 9,530,876	180.17%
LSU System Health Plan	7/1/2014	$ -	$ 16,067,889	$ 16,067,889	0%	$ 8,849,369	181.57%

SENATE
STATE OF LOUISIANA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2017

Fiscal Year	Employer's Proportionate of the Net Pension Liability	Employer's Proportionate Share of the Net Pension Liability	Employer's Covered-Employee Payroll	Employer's Proportionate Share of the Net Pension Liability as a % of its Covered-Employee Payroll	Plan Fiduciary Net Position as a % of the Total Pension Liability
LASERS:					
2017	0.49267%	$ 38,687,324	$ 10,222,982	378.4%	57.7%
2016	0.48757%	$ 33,162,188	$ 9,955,464	333.1%	62.7%
2015	0.48485%	$ 30,317,145	$ 9,817,735	308.8%	65.0%
2014	0.43286%	$ 31,532,519	$ 9,391,283	335.8%	58.6%
TRSL:					
2017	0.00426%	$ 499,761	$ 181,212	275.8%	59.9%
2016	0.00413%	$ 443,531	$ 180,461	245.8%	62.5%
2015	0.00405%	$ 414,070	$ 174,276	237.6%	63.7%
2014	0.00383%	$ 457,495	$ 165,922	275.7%	56.5%

The schedule is intended to report information for 10 years. Additional years will be displayed as they become available.
The amounts presented have a measurement date of the previous fiscal year.

SENATE
STATE OF LOUISIANA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER'S PENSION CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2017

Fiscal Year	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
LASERS:					
2017	$ 3,541,955	$ 3,541,955	$ -	$ 9,860,823	35.9%
2016	$ 3,832,464	$ 3,832,464	$ -	$ 10,222,982	37.5%
2015	$ 3,707,658	$ 3,707,658	$ -	$ 9,955,464	37.2%
2014	$ 3,092,402	$ 3,092,402	$ -	$ 9,817,735	31.5%
TRSL:					
2017	$ 42,274	$ 42,274	$ -	$ 163,474	25.9%
2016	$ 50,136	$ 50,136	$ -	$ 181,212	27.7%
2015	$ 50,827	$ 50,827	$ -	$ 180,461	28.2%
2014	$ 51,347	$ 51,347	$ -	$ 174,276	29.5%

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

SENATE
STATE OF LOUISIANA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
AND SCHEDULE OF EMPLOYER'S PENSION CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2017

1. CHANGES IN BENEFIT TERMS:

LASERS:

(a) A 1.5% COLA, effective July 1, 2016, provided by Acts 93 and 512 of the 2016 Louisiana Regular Legislative Session.

(b) Added benefits for members of the Harbor Police Retirement System which was merged with LASERS effective July 1, 2015 by Act 648 of 2014.

TRSL:

(a) A 1.5% COLA, effective July 1, 2016, provided by Acts 93 and 512 of the 2016 Louisiana Regular Legislative Session.

(b) Regular Plan members whose first employment makes them eligible for membership in a Louisiana state retirement on or after July 1, 2105, may retire with a 2.5% benefit factor after attaining age 62 with at least five years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age.

2. CHANGES OF ASSUMPTIONS:

LASERS:

(a) There were no changes of assumptions for the year ended June 30, 2017.

TRSL:

(a) There were no changes of assumptions for the year ended June 30, 2017.

SUPPLEMENTARY INFORMATION

SENATE
STATE OF LOUISIANA
SUPPLEMENTARY INFORMATION
SCHEDULE OF SENATORS' PER DIEM AND OTHER COMPENSATION
FOR THE YEAR ENDED JUNE 30, 2017

		Regular Session Per Diem		Special Session Per Diem		Interim Per Diem		Travel Per Diem		Salary and Expense
Senator	Total	Days	Amount	Days	Amount	Days	Amount	Days	Amount	Allowance
Alario, Jr., John A.	$ 58,143	60	$ 9,360	18	$ 2,808	51	$ 7,975	-	$ -	$ 38,000
Allain II, Robert L.	38,403	60	9,360	18	2,808	14	2,187	8	1,248	22,800
Appel III, Conrad H.	37,469	60	9,360	18	2,808	16	2,501	-	-	22,800
Barrow, Regina A.	39,193	60	9,360	18	2,808	15	2,346	12	1,879	22,800
Bishop, Wesley T.	38,099	60	9,360	18	2,808	11	1,719	9	1,412	22,800
Boudreaux, Gerald R.	37,311	60	9,360	18	2,808	4	624	11	1,719	22,800
Brown, Troy E.	15,475	-	-	4	624	-	-	3	468	14,383
Carter, Sr., Troy A.	38,407	60	9,360	18	2,808	6	938	16	2,501	22,800
Chabert, Norbert N.	39,971	60	9,360	18	2,808	26	4,064	6	939	22,800
Claitor, Daniel A.	38,102	60	9,360	18	2,808	8	1,250	12	1,884	22,800
Cortez, Patrick P.	36,223	60	9,360	10	1,560	12	1,875	4	628	22,800
Donahue, Jr., John L.	36,217	60	9,360	18	2,808	8	1,249	-	-	22,800
Dorsey, Yvonne D.	38,259	60	9,360	18	2,808	10	1,564	11	1,727	22,800
Erdey, Dale M.	36,374	60	9,360	18	2,808	9	1,406	-	-	22,800
Fannin, James R.	37,780	60	9,360	18	2,808	18	2,812	-	-	22,800
Gatti, Ryan E.	35,124	60	9,360	18	2,808	1	156	-	-	22,800
Hewitt, Sharon W.	38,249	60	9,360	18	2,808	16	2,500	5	781	22,800
Johns, Ronald S.	37,623	60	9,360	18	2,808	10	1,563	7	1,092	22,800
LaFleur, Kenneth Eric	65,787	60	9,360	18	2,808	16	2,506	2	314	50,799
Lambert, Eddie J.	36,375	60	9,360	18	2,808	9	1,407	-	-	22,800
Long, Gerald	44,853	60	9,360	18	2,808	14	2,185	-	-	30,500
Luneau, Wendell Jay	36,845	60	9,360	18	2,808	8	1,249	4	628	22,800
Martiny, Daniel R.	38,559	60	9,360	18	2,808	16	2,499	7	1,092	22,800
Milkovich, John	35,592	60	9,360	18	2,808	4	624	-	-	22,800
Mills, Jr., Fred H.	35,749	60	9,360	18	2,808	5	781	-	-	22,800
Mizell, Mary Beth S.	37,160	60	9,360	18	2,808	6	936	8	1,256	22,800
Morrell, Jean-Paul J.	36,530	60	9,360	8	1,248	13	2,030	7	1,092	22,800
Morrish, Dan W.	41,377	60	9,360	18	2,808	25	3,908	16	2,501	22,800
Peacock, Russell Barrow	38,094	60	9,360	18	2,808	14	2,187	6	939	22,800
Perry, Jonathan W.	35,908	60	9,360	18	2,808	2	312	4	628	22,800
Peterson, Karen Carter	37,781	60	9,360	18	2,808	2	312	16	2,501	22,800
Price, Edward J.	893	-	-	-	-	-	-	-	-	893
Riser, Neil	37,319	60	9,360	18	2,808	9	1,409	6	942	22,800
Smith, John R.	39,807	60	9,360	18	2,808	21	3,279	10	1,560	22,800
Smith Jr., Gary L.	37,781	60	9,360	18	2,808	15	2,345	3	468	22,800
Tarver, Gregory W.	36,374	60	9,360	18	2,808	9	1,406	-	-	22,800
Thompson, Francis C.	40,602	60	9,360	18	2,808	13	2,033	23	3,601	22,800
Walsworth, Michael A.	37,941	60	9,360	18	2,808	14	2,188	5	785	22,800
Ward III, Richard J.	36,844	60	9,360	18	2,808	12	1,876	-	-	22,800
White Jr., Mack A.	38,726	60	9,360	12	1,872	28	4,382	2	312	22,800
	$ 1,503,319		$ 355,680		$ 103,584		$ 76,583		$ 34,897	$ 932,575

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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*

December 13, 2017

Honorable John A. Alario, Jr.
President of the Senate, State of Louisiana
Baton Rouge, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of the Senate, State of Louisiana, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Senate, State of Louisiana's basic financial statements, and have issued our report thereon dated December 13, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Senate, State of Louisiana'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 Senate, State of Louisiana's internal control. Accordingly, we do not express an opinion on the effectiveness of the Senate, State of Louisiana's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Senate, State of Louisiana's financial statements are free of 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, Hrapmann, Hogan & Maher, LLP

New Orleans, Louisiana

SENATE
STATE OF LOUISIANA
SUMMARY SCHEDULE OF FINDINGS
FOR THE YEAR ENDED JUNE 30, 2017

SUMMARY OF AUDITOR'S RESULTS:

1. The opinion issued on the financial statements of the Senate, State of Louisiana, for the year ended June 30, 2017 was unmodified.

2. Compliance and Other Matters
   Noncompliance material to financial statements: none noted

3. Internal Control
   Material weaknesses: none noted
   Significant deficiencies: none noted

FINDINGS REQUIRED TO BE REPORTED UNDER GENERALLY ACCEPTED GOVERNMENTAL AUDITING STANDARDS:

None

SUMMARY OF PRIOR YEAR FINDINGS:

None