

CONEFRY & COMPANY, L.L.C.

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June 12, 2018

Board of Trustees
City of New Orleans Employees' Retirement System
1300 Perdido Street
New Orleans, LA 70112

Re: City of New Orleans Employees' Retirement System
Governmental Accounting Standards Board Statements #67 and 68 (GASB 67/68)

Ladies and Gentlemen:

Enclosed is our report of the required supplemental information pursuant to GASB 67/68 for the System's fiscal plan year ending December 31, 2017. This report supplements the actuarial valuation report of the City of New Orleans Employees' Retirement System as of December 31, 2017, as indicated in Exhibit III of that valuation report.

We have calculated the Net Pension Liability in conformity with paragraphs 36-46 of GASB 67 in the following manner:

1. All of the actuarial assumptions used in the actuarial valuation reports noted above were used in determining the Total Pension Liability, except as noted below.
2. Paragraph 40 of GASB 67 requires that the discount rate to be used in determining the Total Pension Liability is the long-term expected return on pension plan investments to the extent that the pension plan's fiduciary net position is projected (in conformity with paragraphs 41-43 of GASB 67) to be sufficient to make projected benefit payments (determined in conformity with paragraph 39).

In making these projections, we have assumed that total covered-employee payroll increases at 1% annually and that initial annual plan expenses paid from the fund are 0.3% of initial covered payroll in the applicable actuarial valuation and are assumed to increase at 3% annually. These assumptions were in addition to the assumptions used in the actuarial valuations.

Tables 1 and 2 in Appendix I contain the projections of contributions (Table 1) and fiduciary net position (Table 2) pursuant to these requirements of GASB 67.

The results indicate that the fiduciary net position will be sufficient to make projected benefit payments. Accordingly, the discount rate used in the actuarial valuations, 7.50% annually, has been used to determine the Total Pension Liability.

3. Appendix II contains an exhibit of the GASB #67/68 Required Supplemental Information for the plan's fiscal calendar plan year 2017. Note that, since the actual results of the actuarial valuations as of both the beginning and the ending of the fiscal plan year are available, they have both been used (as noted in the footnote of the exhibit) instead of using a "roll forward" technique.

Also included in Appendix II is the GASB #68 Required Supplemental Information for the plan's fiscal calendar plan year 2017 containing the Deferred Inflows and Outflows and related amortization base information.

Yours truly,



Michael A. Coneyry, FCA, ASA, MAAA*
Actuary

- * Member of the American Academy of Actuaries and qualified to render the Statements of Actuarial Opinion contained herein.

MAC:wp
Enclosures

APPENDIX I

CITY OF NEW ORLEANS EMPLOYEES' RETIREMENT SYSTEM
 FISCAL CALENDAR PLAN YEAR JANUARY 1, 2017 THROUGH DECEMBER 31, 2017
 GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT #67
 [See Footnotes for Applicable Columns on Last Page]

Table 1: Projection of Contributions (Year 1 Begins January 1, 2017)

Year	Projected Covered-Employee Payroll			Projected Contributions			Total Contributions (g)=(d)+(e)+(f)
	Payroll for Current Employees (a)	Payroll for Future Employees (b)	Total Employee Payroll (c)=(a)+(b)	Contributions from Current Employees (d)=(a)x6.00%	Employer Contributions for Current Employees (e)=(a)x23.252%	Contributions Related to Payroll of Future Employees (f)=(b)x21.406%	
1	115,504,517	0	115,504,517	6,930,271	26,857,110	0	33,787,381
2	110,567,244	6,092,318	116,659,562	6,634,035	25,709,096	1,304,122	33,647,253
3	106,573,894	11,252,264	117,826,158	6,394,434	24,780,562	2,408,660	33,583,656
4	103,315,036	15,689,384	119,004,420	6,198,902	24,022,812	3,358,470	33,580,184
5	82,368,548	37,825,916	120,194,464	4,942,113	19,152,335	8,097,016	32,191,464
6	76,340,118	45,056,291	121,396,409	4,580,407	17,750,604	9,644,750	31,975,761
7	71,414,392	51,195,981	122,610,373	4,284,864	16,605,274	10,959,012	31,849,150
8	66,867,440	56,969,037	123,836,477	4,012,046	15,548,017	12,194,792	31,754,855
9	61,663,500	63,411,342	125,074,842	3,699,810	14,337,997	13,573,832	31,611,639
10	56,834,843	69,490,747	126,325,590	3,410,091	13,215,238	14,875,189	31,500,518
11	52,697,063	74,891,783	127,588,846	3,161,824	12,253,121	16,031,335	31,446,280
12	48,047,559	80,817,175	128,864,734	2,882,854	11,172,018	17,299,724	31,354,596
13	43,806,279	86,347,102	130,153,381	2,628,377	10,185,836	18,483,461	31,297,674
14	40,898,231	90,556,684	131,454,915	2,453,894	9,509,657	19,384,564	31,348,115
15	38,094,637	94,674,827	132,769,464	2,285,678	8,857,765	20,266,093	31,409,536
16	35,551,560	98,545,599	134,097,159	2,133,094	8,266,449	21,094,671	31,494,214
17	32,221,035	103,217,096	135,438,131	1,933,262	7,492,035	22,940,652	31,519,949
18	29,626,101	107,166,411	136,792,512	1,777,566	6,888,661	22,940,042	31,606,269
19	26,618,143	111,542,294	138,160,437	1,597,089	6,189,251	23,876,743	31,663,083
20	23,790,813	115,751,228	139,542,041	1,427,449	5,531,840	24,777,708	31,736,997
21	20,441,100	120,496,361	140,937,461	1,226,466	4,752,965	25,793,451	31,772,882
22	16,640,735	125,706,101	142,346,836	998,444	3,869,304	26,908,648	31,776,396
23	12,910,239	130,860,065	143,770,304	774,614	3,001,889	28,011,906	31,788,409
24	9,655,689	135,552,318	145,208,007	579,341	2,245,141	29,016,329	31,840,811
25	6,448,502	140,211,585	146,660,087	386,910	1,499,406	30,013,692	31,900,008
26	4,038,722	144,087,966	148,126,688	242,323	939,084	30,843,470	32,024,877
27	2,354,409	147,253,546	149,607,955	141,265	547,447	31,521,094	32,209,806
28	1,277,967	149,826,068	151,104,035	76,678	297,153	32,071,768	32,445,599
29	615,177	151,999,898	152,615,075	36,911	143,041	32,537,098	32,717,050
30	221,250	153,919,976	154,141,226	13,275	51,445	32,948,110	33,012,830
31	42,819	155,639,819	155,682,638	2,569	9,956	33,316,260	33,328,785
32	4,145	157,235,319	157,239,464	249	964	33,657,792	33,659,005
33	0	158,811,859	158,811,859	0	0	33,995,267	33,995,267
34	0	160,399,978	160,399,978	0	0	34,335,219	34,335,219
35	0	162,003,978	162,003,978	0	0	34,678,572	34,678,572
36	0	163,624,018	163,624,018	0	0	35,025,357	35,025,357
37	0	165,260,258	165,260,258	0	0	35,375,611	35,375,611
38	0	166,912,861	166,912,861	0	0	35,729,367	35,729,367
39	0	168,581,990	168,581,990	0	0	36,086,661	36,086,661
40	0	170,267,810	170,267,810	0	0	36,447,527	36,447,527
41	0	171,970,488	171,970,488	0	0	36,812,003	36,812,003
42	0	173,690,193	173,690,193	0	0	37,180,123	37,180,123
43	0	175,427,095	175,427,095	0	0	37,551,924	37,551,924
44	0	177,181,366	177,181,366	0	0	37,927,443	37,927,443

CITY OF NEW ORLEANS EMPLOYEES' RETIREMENT SYSTEM
 FISCAL CALENDAR PLAN YEAR JANUARY 1, 2017 THROUGH DECEMBER 31, 2017
 GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT #67
 [See Footnotes for Applicable Columns on Last Page]

Table 1: Projection of Contributions (Year 1 Begins January 1, 2017)

Year	Projected Covered-Employee Payroll		Projected Contributions				Total Contributions (g)=(d)+(e)+(f)
	Payroll for Current Employees (a)	Payroll for Future Employees (b)	Contributions from Current Employees (d)=(a)x6.00%	Employer Contributions for Current Employees (e)=(a)x23.252%	Contributions Related to Payroll of Future Employees (f)=(b)x21.406%		
45	0	178,953,180	0	0	38,306,718	38,306,718	
46	0	180,742,712	0	0	38,689,785	38,689,785	
47	0	182,550,139	0	0	39,076,683	39,076,683	
48	0	184,375,640	0	0	39,467,449	39,467,449	
49	0	186,219,396	0	0	39,862,124	39,862,124	
50	0	188,081,590	0	0	40,260,745	40,260,745	
51	0	189,962,406	0	0	40,663,353	40,663,353	
52	0	191,862,030	0	0	41,069,986	41,069,986	
53	0	193,780,650	0	0	41,480,686	41,480,686	
54	0	195,718,456	0	0	41,895,493	41,895,493	
55	0	197,675,641	0	0	42,314,448	42,314,448	
56	0	199,652,397	0	0	42,737,592	42,737,592	
57	0	201,648,921	0	0	43,164,968	43,164,968	
58	0	203,665,410	0	0	43,596,618	43,596,618	
59	0	205,702,064	0	0	44,032,584	44,032,584	
60	0	207,759,085	0	0	44,472,910	44,472,910	
61	0	209,836,676	0	0	44,917,639	44,917,639	
62	0	211,935,043	0	0	45,366,815	45,366,815	
63	0	214,054,393	0	0	45,820,483	45,820,483	
64	0	216,194,937	0	0	46,278,688	46,278,688	
65	0	218,356,886	0	0	46,741,475	46,741,475	
66	0	220,540,455	0	0	47,208,890	47,208,890	
67	0	222,745,860	0	0	47,680,979	47,680,979	
68	0	224,973,319	0	0	48,157,789	48,157,789	
69	0	227,223,052	0	0	48,639,367	48,639,367	
70	0	229,495,283	0	0	49,125,760	49,125,760	
71	0	231,790,236	0	0	49,617,018	49,617,018	
72	0	234,108,138	0	0	50,113,188	50,113,188	
73	0	236,449,219	0	0	50,614,320	50,614,320	
74	0	238,813,711	0	0	51,120,463	51,120,463	
75	0	241,201,848	0	0	51,631,668	51,631,668	
76	0	243,613,866	0	0	52,147,984	52,147,984	
77	0	246,050,005	0	0	52,669,464	52,669,464	
78	0	248,510,505	0	0	53,196,159	53,196,159	
79	0	250,995,610	0	0	53,728,120	53,728,120	
80	0	253,505,566	0	0	54,265,401	54,265,401	
81	0	256,040,622	0	0	54,808,056	54,808,056	
82	0	258,601,028	0	0	55,356,136	55,356,136	
83	0	261,187,038	0	0	55,909,697	55,909,697	
84	0	263,798,908	0	0	56,468,794	56,468,794	
85	0	266,436,897	0	0	57,033,482	57,033,482	
86	0	269,101,266	0	0	57,603,817	57,603,817	

CITY OF NEW ORLEANS EMPLOYEES' RETIREMENT SYSTEM
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 GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT #67
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Table 1: Projection of Contributions (Year 1 Begins January 1, 2017)

Year	Projected Covered-Employee Payroll				Projected Contributions			Total Contributions (g)=(d)+(e)+(f)
	Payroll for Current Employees (a)	Payroll for Future Employees (b)	Total Employee Payroll (c)=(a)+(b)	Contributions from Current Employees (d)=(a)x6.00%	Employer Contributions for Current Employees (e)=(a)x23.252%	Contributions Related to Payroll of Future Employees (f)=(b)x21.406%		

Notes:

Column (c) Total covered-employee payroll increases 1.000% each year

Column (f) Contributions related to future employees that are above service cost and, therefore, can be allocated to payment of benefits of current employees:

$$\begin{aligned}
 & 23.252\% \quad + \quad 6.000\% \quad = \quad 7.846\% \quad = \quad 21.406\% \\
 & \text{Employer Contribution} \quad + \quad \text{Employee Contribution} \quad = \quad \text{Service Cost*} \quad = \quad \text{Contributions Related to Payroll of Future Employees}
 \end{aligned}$$

* "Service Cost" is the Entry Age Normal Cost as of January 1, 2017 under the Individual Entry Age Cost Method as required by GASB 67.

CITY OF NEW ORLEANS EMPLOYEES' RETIREMENT SYSTEM
 FISCAL CALENDAR PLAN YEAR JANUARY 1, 2017 THROUGH DECEMBER 31, 2017
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Table 2: Projection of Fiduciary Net Position (Year 1 Begins January 1, 2017)

Year	Beginning Fiduciary Net Position (a)	Total Contributions (b)	Benefit Payments (c)	Administrative Expenses (d)	Investment Earnings (e)	Ending Fiduciary Net Position (f)=(a)+(b)-(c)-(d)+(e)
1	353,609,598	33,787,381	50,905,141	346,514	25,888,009	362,033,333
2	362,033,333	33,647,253	49,398,877	356,909	26,571,665	372,496,465
3	372,496,465	33,583,656	47,920,325	367,616	27,410,397	385,202,577
4	385,202,577	33,580,184	46,413,434	378,644	27,884,304	399,874,987
5	399,874,987	32,191,464	57,662,644	390,003	28,984,323	402,998,127
6	402,998,127	31,975,761	57,868,871	401,703	29,237,218	405,940,532
7	405,940,532	31,849,150	57,511,339	413,754	29,446,036	409,310,625
8	409,310,625	31,754,855	57,027,964	426,167	29,710,348	413,321,697
9	413,321,697	31,611,639	56,963,304	438,952	30,026,204	417,557,284
10	417,557,284	31,500,518	56,691,913	452,121	30,342,059	422,255,827
11	422,255,827	31,446,280	55,955,271	465,685	30,702,267	427,983,418
12	427,983,418	31,354,596	55,530,123	479,656	31,157,561	434,485,796
13	434,485,796	31,297,674	55,164,347	494,046	31,674,163	441,799,240
14	441,799,240	31,348,115	54,465,183	508,867	32,249,024	450,422,329
15	450,422,329	31,409,536	53,651,842	524,133	32,920,003	460,575,893
16	460,575,893	31,494,214	52,664,113	539,857	33,712,061	472,578,198
17	472,578,198	31,519,949	51,939,378	556,053	34,646,393	486,249,109
18	486,249,109	31,606,269	50,976,212	572,735	35,707,077	502,013,508
19	502,013,508	31,663,083	50,313,100	589,917	36,921,964	519,695,538
20	519,695,538	31,736,997	49,604,007	607,615	38,268,304	539,489,217
21	539,489,217	31,772,882	49,049,816	625,843	39,777,078	561,363,518
22	561,363,518	31,776,396	48,648,149	644,618	41,434,634	585,281,781
23	585,281,781	31,788,409	48,234,706	663,957	43,239,960	611,411,487
24	611,411,487	31,840,811	47,488,903	683,876	45,239,232	640,318,751
25	640,318,751	31,900,008	46,698,731	704,392	47,452,930	672,268,566
26	672,268,566	32,024,877	45,572,944	725,524	49,898,766	707,893,741
27	707,893,741	32,209,806	44,174,280	747,290	52,630,813	747,812,790
28	747,812,790	32,445,599	42,533,527	769,709	55,693,296	792,648,449
29	792,648,449	32,717,050	40,745,089	792,800	59,130,038	842,957,648
30	842,957,648	33,012,830	38,871,626	816,584	62,980,295	899,262,563
31	899,262,563	33,612,785	36,939,986	841,082	67,280,788	962,091,068
32	962,091,068	33,659,005	34,986,736	866,314	72,069,205	1,031,966,228
33	1,031,966,228	33,995,267	33,075,038	892,303	77,384,060	1,109,378,214
34	1,109,378,214	34,335,219	31,226,505	919,072	83,261,873	1,194,829,729
35	1,194,829,729	34,678,572	29,442,766	946,644	89,740,278	1,288,859,169
36	1,288,859,169	35,025,357	27,719,259	975,043	96,859,708	1,392,049,932
37	1,392,049,932	35,375,611	26,060,979	1,004,294	104,664,163	1,505,024,433
38	1,505,024,433	35,729,367	24,465,298	1,034,423	113,200,182	1,628,454,261
39	1,628,454,261	36,086,661	22,933,830	1,065,456	122,518,230	1,763,059,866
40	1,763,059,866	36,447,527	21,462,903	1,097,420	132,672,369	1,909,619,439
41	1,909,619,439	36,812,003	20,046,358	1,130,343	143,721,047	2,068,975,788
42	2,068,975,788	37,180,123	18,693,080	1,164,253	155,727,696	2,242,026,274
43	2,242,026,274	37,551,924	17,393,784	1,199,181	168,759,305	2,429,744,538
44	2,429,744,538	37,927,443	16,147,325	1,235,156	182,889,238	2,633,178,738
45	2,633,178,738	38,306,718	14,947,963	1,272,211	198,196,088	2,853,461,370
46	2,853,461,370	38,689,785	13,799,127	1,310,377	214,765,101	3,091,806,752

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CITY OF NEW ORLEANS EMPLOYEES' RETIREMENT SYSTEM
 FISCAL CALENDAR PLAN YEAR JANUARY 1, 2017 THROUGH DECEMBER 31, 2017
 GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT #67
 [See Footnotes for Applicable Columns on Last Page]

Table 2: Projection of Fiduciary Net Position (Year 1 Begins January 1, 2017)

Year	Beginning Fiduciary Net Position (a)	Total Contributions (b)	Benefit Payments (c)	Administrative Expenses (d)	Investment Earnings (e)	Ending Fiduciary Net Position (f)=(a)+(b)-(c)-(d)+(e)
47	3,091,806,752	39,076,683	12,700,710	1,349,688	232,687,152	3,349,520,189
48	3,349,520,189	39,467,449	11,645,737	1,390,179	252,060,174	3,628,011,896
49	3,628,011,896	39,862,124	10,637,936	1,431,884	272,990,033	3,928,794,233
50	3,928,794,233	40,260,745	9,676,469	1,474,841	295,590,155	4,253,493,823
51	4,253,493,823	40,663,353	8,762,899	1,519,086	319,982,555	4,603,857,746
52	4,603,857,746	41,069,986	7,894,032	1,564,659	346,298,230	4,981,767,271
53	4,981,767,271	41,480,686	7,073,872	1,611,599	374,678,375	5,389,240,861
54	5,389,240,861	41,895,493	6,300,601	1,659,947	405,274,287	5,828,450,093
55	5,828,450,093	42,314,448	5,575,471	1,709,745	438,248,904	6,301,728,229
56	6,301,728,229	42,737,592	4,903,076	1,761,037	473,777,176	6,811,578,884
57	6,811,578,884	43,164,968	4,279,087	1,813,868	512,046,768	7,360,697,665
58	7,360,697,665	43,596,618	3,706,098	1,868,284	553,260,022	7,951,979,923
59	7,951,979,923	44,032,584	3,184,512	1,924,333	597,634,028	8,588,537,690
60	8,588,537,690	44,472,910	2,713,406	1,982,063	645,402,169	9,273,717,300
61	9,273,717,300	44,917,639	2,259,100	2,041,525	696,815,837	10,011,150,151
62	10,011,150,151	45,366,815	1,890,376	2,102,771	752,146,780	10,804,670,599
63	10,804,670,599	45,820,483	1,569,350	2,165,854	811,682,866	11,658,438,744
64	11,658,438,744	46,278,688	1,289,419	2,230,830	875,736,229	12,576,933,412
65	12,576,933,412	46,741,475	1,049,737	2,297,755	944,642,970,391	13,564,970,391
66	13,564,970,391	47,208,890	845,347	2,366,688	1,018,764,320	14,627,731,566
67	14,627,731,566	47,680,979	674,843	2,437,689	1,098,489,085	15,770,789,098
68	15,770,789,098	48,157,789	530,270	2,510,820	1,184,235,215	17,000,141,012
69	17,000,141,012	48,639,367	412,542	2,586,145	1,276,452,765	18,322,234,457
70	18,322,234,457	49,125,760	317,466	2,663,729	1,375,625,339	19,744,004,361
71	19,744,004,361	49,617,018	241,669	2,743,641	1,482,273,106	21,272,909,175
72	21,272,909,175	50,113,188	181,053	2,825,950	1,596,955,622	22,916,970,982
73	22,916,970,982	50,614,320	133,549	2,910,728	1,720,274,570	24,684,815,595
74	24,684,815,595	51,120,463	96,554	2,998,050	1,852,876,976	26,585,718,430
75	26,585,718,430	51,631,668	69,090	3,087,992	1,995,458,597	28,629,651,613
76	28,629,651,613	52,147,984	47,384	3,180,632	2,148,767,349	30,827,338,930
77	30,827,338,930	52,669,464	31,496	3,276,051	2,313,607,605	33,190,308,452
78	33,190,308,452	53,196,159	20,517	3,374,333	2,490,843,942	35,730,953,703
79	35,730,953,703	53,728,120	13,127	3,475,563	2,681,405,917	38,462,599,050
80	38,462,599,050	54,265,401	8,613	3,579,830	2,886,292,904	41,399,568,912
81	41,399,568,912	54,808,056	5,249	3,687,225	3,106,579,235	44,557,263,729
82	44,557,263,729	55,356,136	2,984	3,797,842	3,343,419,983	47,952,239,022
83	47,952,239,022	55,909,697	1,351	3,911,777	3,598,056,803	51,602,292,394
84	51,602,292,394	56,468,794	568	4,029,130	3,871,824,523	55,526,556,013
85	55,526,556,013	57,033,482	188	4,150,004	4,166,158,062	59,745,597,365
86	59,745,597,365	57,603,817	49	4,274,504	4,482,599,979	64,281,526,608

CITY OF NEW ORLEANS EMPLOYEES' RETIREMENT SYSTEM
 FISCAL CALENDAR PLAN YEAR JANUARY 1, 2017 THROUGH DECEMBER 31, 2017
 GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT #67
 [See Footnotes for Applicable Columns on Last Page]

Table 2: Projection of Fiduciary Net Position (Year 1 Begins January 1, 2017)

Year	Beginning Fiduciary Net Position (a)	Total Contributions (b)	Benefit Payments (c)	Administrative Expenses (d)	Investment Earnings (e)	Ending Fiduciary Net Position (f)=(a)+(b)-(c)-(d)+(e)
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Notes:

Column (c) Total covered-employee payroll increases 1.00% annually

Column (d) Administrative expenses increase 3% annually

Column (f) Contributions related to future employees that are above service cost and, therefore, can be allocated to payment of benefits of current employees:

21.490%	+	6.000%	-	7.706%	=	19.784%
Employer Contribution	+	Employee Contribution	-	Service Cost	=	Contributions Related to Payroll of Future Employees

APPENDIX II

City of New Orleans Employees' Retirement System
GASB #67 Required Supplemental Information

Schedule of Changes in Net Pension Liability and Related Ratios for the plan's calendar fiscal year ending 12/31/2017:

Total Pension Liability

1. Service Cost	9,447,990
2. Interest Cost at 7.50%	45,680,973
3. Changes of benefit terms	0
4. Difference between expected and actual experience	13,756,022
5. Changes of assumptions	0
6. Benefit payments and net transfers	48,198,171
<hr/>	
7. Net change in total pension liability: [1] + [2] + [3] + [4] + [5] - [6]	20,686,814
8. Total pension liability - beginning	609,079,637
9. Total pension liability - ending	629,766,451

Plan fiduciary net position

10. Contributions - employer	27,169,921
11. Contributions - member	7,677,009
12. Net investment income	51,906,523
13. Benefit payments and net transfers	48,198,171
14. Administrative expense	337,564
<hr/>	
15. Net change in plan fiduciary net position: [10] + [11] + [12] - [13] - [14]	38,217,718
16. Plan fiduciary net position - beginning	353,609,598
17. Plan fiduciary net position - ending	391,827,316
18. Net pension liability - ending: [9] - [17]	237,939,135
19. Plan fiduciary net position as a percentage of the total pension liability: [17] / [9]	62.22%
20. Covered-employee payroll in year ending 12/31/2017	120,808,711
21. Net pension liability as a percentage of covered-employee payroll: [18] / [20]	196.96%

Note: All results were based on the census data and actuarial assumptions in the January 1, 2017 actuarial valuation except for items [9] and [17] through [20] which were based on the January 1, 2018 actuarial valuation.

City of New Orleans Employees' Retirement System
GASB #67 Required Supplemental Information

Sensitivity of the Net Pension Liability to Change in the Discount Rate as of calendar fiscal year ending 12/31/2017:

	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
Total pension liability	693,404,670	629,766,451	576,506,304
Fiduciary net position	391,827,316	391,827,316	391,827,316
Net pension liability	301,577,354	237,939,135	184,678,988

Schedule of Deferred Inflows and Outflows of Resources as of the end of the Employer's fiscal year ending 12/31/2017 and established on 12/31/2017:

	Original Amount:	Amortization Period	Amount Recognized FYE 12/31/2017
Investment (gain)/loss	-25,899,133	5.00 years	-5,179,827
Economic/demogr. (gain)/loss	13,756,022	8.00 years	1,719,503
Assumption changes/inputs	0	n/a	0

* Amortization period is closed 5 year period for investment experience and closed period equal to the average remaining service lifetime of active and inactive members: 2,716 actives with an average of 14.92 years and 2,405 inactives with an average of zero for a composite average of 8 years, to the next higher integer.

Schedule of Amortization Bases and Amounts Established Through 12/31/2017:

FYE	Investment Return			Demographic		
	Base	Amortization		Base	Amortization	
12/31/2014	12,146,823	2,429,365	5 YRS	-9,342,430	-1,167,804	8 YRS
12/31/2015	41,190,753	8,238,151	5 YRS	20,288,669	2,536,084	8 YRS
12/31/2016	-3,707,960	-741,592	5 YRS	43,807,817	5,475,977	8 YRS
12/31/2017	-25,899,133	-5,179,827	5 YRS	13,756,022	1,719,503	8 YRS
	<u>23,730,483</u>	<u>4,746,097</u>		<u>68,510,078</u>	<u>8,563,760</u>	

City of New Orleans Employees' Retirement System
 GASB #68 Required Supplemental Information

Balance of Deferred Inflows and Outflows as of FYE 12/31/2017:

	Deferred Inflows	Deferred Outflows
Origin 12/31/2014 Demographic (gain)/loss After Year 4 of 8	-4,671,214	0
Origin 12/31/2015 Demographic (gain)/loss After Year 3 of 8	0	12,680,417
Origin 12/31/2016 Demographic (gain)/loss After Year 2 of 8	0	32,855,364
Origin 12/31/2017 Demographic (gain)/loss After Year 1 of 8	0	12,036,519
	-----	-----
Sub-total Demographic	-4,671,214	57,572,300
Origin 12/31/2014 Investment Return (gain)/loss After Year 4 of 5	0	2,429,363
Origin 12/31/2015 Investment Return (gain)/loss After Year 3 of 5	0	16,476,300
Origin 12/31/2016 Investment Return (gain)/loss After Year 2 of 5	-2,224,776	0
Origin 12/31/2017 Investment Return (gain)/loss After Year 1 of 5	-20,719,306	0
	-----	-----
Sub-total Investment Return	-22,944,082	18,905,663
Grand Total:	-28,783,082	76,477,963

City of New Orleans Employees' Retirement System
 GASB #67 Required Supplemental Information
 Schedule of Employer Pension Amounts
 For the Plan Calendar Fiscal Year Ending 12/31/2017

	Pension Expense
Service Cost	9,447,990
Interest Cost at 7.50%	45,680,973
Changes of benefit terms	0
Difference between expected and actual experience:	
Current year amortization	1,719,503
Amortization of prior years	6,844,257
Changes of assumptions	0
Current year amortization	0
Amortization of prior years	0
Contributions - member	-7,677,009
Expected earnings on investments	-26,007,390
Difference between expected and actual earnings on investments:	
Current year amortization	-5,179,827
Amortization of prior years	9,925,922
Administrative expense	337,564
Total Pension Expense for year:	35,091,983

CITY OF NEW ORLEANS EMPLOYEES' RETIREMENT SYSTEM
MONEY-WEIGHTED INVESTMENT RETURN FOR FISCAL YEAR 2017

Month/ Year	ACTUAL NET EXTERNAL CASH FLOW * DURING MONTH	HYPOTHETICAL MARKET VALUE EACH MONTH ASSUMING: 15.02478671% COMPOUNDED ANNUALLY		ACTUAL MV LESS HYPOTHETICAL MV AT END OF MONTH
		BEGINNING OF MONTH	END OF MONTH	
1/2017	-3,111,323	353,609,598	354,628,954	37,198,362
2/2017	-781,065	354,628,954	358,004,199	33,823,117
3/2017	318,397	358,004,199	362,524,959	29,302,357
4/2017	-2,711,098	362,524,959	364,051,492	27,775,824
5/2017	-1,812,046	364,051,492	366,500,264	25,327,052
6/2017	-954,303	366,500,264	369,840,542	21,986,774
7/2017	-863,494	369,840,542	373,311,354	18,515,962
8/2017	-777,046	373,311,354	376,909,844	14,917,472
9/2017	-80,049	376,909,844	381,251,641	10,575,675
10/2017	-2,656,208	381,251,641	383,053,109	8,774,207
11/2017	-442,152	383,053,109	387,102,758	4,724,558
12/2017	181,582	387,102,758	391,827,316	0

-13,688,805

* Net external cash flow assumed at mid-point of each month

MV Beginning of Year: 353,609,598
MV End of Year: 391,827,316

Number of Months Included: 12 Cumulative Money-Weighted Return Compounded Annually: 15.02478671%
Number of Iterations: 27

Employees' Retirement System
of the City of New Orleans
GASB 67/68 Apportionment Among Outside Boards ("OBs") and Component Units ("CU")
for the Plan Calendar Fiscal Year Ending 12/31/2017

Unit Type	Name of Unit	Unit Pension Earnings *	Unit Percentage	Net Pension Liability			End of Year Balance of		Proportionate Share of Pension Expense	
				As of End of Yr.	As of Prev. Yr.**	Assuming -1% Disc. Rate	Assuming +1% Disc. Rate	Deferred Inflows		Deferred Outflows
CU	Aviation Board	8,037,959.56	6.959000%	16,558,184	17,778,160	20,986,768	12,851,811	-1,596,679	5,322,101	2,495,298
OB	Board of Liquidation	78,468.00	.067935%	161,644	173,554	204,877	125,462	-15,587	51,955	24,360
CU	Canal St. Develop.	316,800.90	.274276%	652,610	700,693	827,154	506,530	-62,930	209,761	98,348
CU	Criminal Clerk of Court	807,591.20	.699186%	1,663,637	1,786,211	2,108,587	1,291,250	-160,422	534,723	250,708
OB	Criminal District Court	302,713.49	.262079%	623,589	669,533	790,371	484,005	-60,132	200,433	93,974
OB	DA Child Support & Administr.	4,009,630.73	3.471406%	8,259,833	8,868,402	10,468,974	6,410,957	-796,482	2,654,861	1,244,747
OB	First City Court (Constable)	201,846.66	.174752%	415,803	446,439	527,012	322,730	-40,095	133,647	62,661
CU	French Market Corp.	2,008,696.02	1.739063%	4,137,911	4,442,785	5,244,620	3,211,684	-399,012	1,330,000	623,578
OB	Mortgage-Conveyance	205,982.82	.178333%	424,324	455,587	537,812	329,344	-40,917	136,385	63,945
CU	N.O. Mun. Yacht Hbr.	216,253.18	.187225%	445,482	478,304	564,628	345,765	-42,957	143,186	67,134
OB	Orleans Parish Commun. Dist.	3,125,696.00	2.706124%	6,438,928	6,913,336	8,161,057	4,997,642	-620,895	2,069,589	970,339
	All Others (NOMERS)	96,192,878.67	83.280621%	198,157,189	212,757,035	251,155,493	153,801,808	-19,107,974	63,691,323	29,862,045
	Total:	115,504,517.23	100.000000%	237,939,134	255,470,039	301,577,353	184,678,988	-22,944,082	76,477,964	35,857,137

* Note: Pension Earnings are the Plan Pension Earnings for the Plan Fiscal Calendar year ending December 31, 2017.

** Note: Net Pension Liability as of Previous Year is as Calculated for that year and allocated based on the previous year's unit pension earnings.

Employees' Retirement System
of the City of New Orleans
GASB 67/68 Apportionment Among Outside Boards ("OB") and Component Units ("CU")
Change in Proportion Calculations
for the Plan Calendar Fiscal Year Ending 12/31/2017

Unit Type	Name of Unit	Unit Pension Earnings *	Unit Percentage Current Year (1)	Unit Percentage Previous Year (2)	Change in Unit Percentage (3)=(1)-(2)	Net Pension Liability		Dollar Change Due to Change in Proportion (6)=(3)XSUM[(5)]
						As of End of Yr. (4)	As of Prev. Yr. (5)	
CU	Aviation Board	8,037,959.56	6.959000%	6.734941%	-.224059%	16,558,184	17,778,160	572,404
OB	Board of Liquidation	78,468.00	.067935%	.276046%	-.208111%	161,644	173,554	-531,661
CU	Canal St. Develop.	316,800.90	.274276%	.282754%	-.008478%	652,610	700,693	-21,659
CU	Criminal Clerk of Court	807,591.20	.699186%	.741081%	-.041895%	1,663,637	1,786,211	-107,029
OB	Criminal District Court	302,713.49	.262079%	.331783%	-.069704%	623,589	669,533	-178,073
OB	DA Child Support & Administr.	4,009,630.73	3.471406%	4.434201%	-.962795%	8,259,833	8,868,402	-2,459,653
OB	First City Court (Constable)	201,846.66	.174752%	.551708%	-.376956%	415,803	446,439	-963,010
CU	French Market Corp.	2,008,696.02	1.739063%	1.780780%	-.041717%	4,137,911	4,442,785	-106,574
OB	Mortgage-Conveyance	205,982.82	.178333%	.291916%	-.113583%	424,324	455,587	-290,171
CU	N.O. Mun. Yacht Hbr.	216,253.18	.187225%	.193560%	-.006335%	445,482	478,304	-16,184
OB	Orleans Parish Commun. Dist.	3,125,696.00	2.706124%	.701751%	2.004373%	6,438,928	6,913,336	5,120,572
	All Others (NOMERS)	96,192,878.67	83.280621%	83.679479%	-.398858%	198,157,189	212,757,035	-1,018,963
	Total:	115,504,517.23	100.000000%	100.000000%	-.000000%	237,939,134	255,470,039	-1

* Note: Pension Earnings are the Plan Pension Earnings for the Plan Fiscal Calendar year ending December 31, 2017.