

and what remains to be addressed at this particular point in time?

SENATOR WICKERSHAM: All right, well, Senator, the unfunded liability in the Patrol system is not attributable exclusively to the early retirement changes. We also have a component of that unfunded liability which is related to underperformance to our actuarial objectives, if you will. So there were really two components.

SENATOR BEUTLER: You mean the actuarial report wasn't...

SENATOR WICKERSHAM: No...

SENATOR BEUTLER: ...didn't turn out to be...

SENATOR WICKERSHAM: No, the assumption rate...

SENATOR BEUTLER: ...correct?

SENATOR WICKERSHAM: ...set by the actuary, we have not been able to meet that in terms of actual performance through the Investment Council. When that happens, we can wind up with unfunded liabilities. The reason that the early retirement benefit costs more than the initial actuarial projections is that more individuals have taken advantage of it. Now we have also experienced some cost savings in terms of current salaries because of early retirement, because we have people coming into the system at lower salaries, but it has been kind of a mixed bag, but, overall, we believe that the early retirement benefit has, indeed, cost the retirement systems money, and this is our attempt to bring that portion of the cost back to the troopers that they agreed to pay when that...when that benefit change was made.

SENATOR BEUTLER: How much unfunded liability remains in the system, and how are we going to address that?

SENATOR WICKERSHAM: The remaining unfunded liability, if I am correct, we will still have, after we make two payments, we would have 12 more payments. The first payment in fiscal year, 96-97, would be 125,897; the 96-97, wait a minute, I am on...I have the wrong number, I am sorry. Okay, 125,897, oh, okay, I am sorry, that's the 14 level dollar payments. The payment for 95-96 is slightly different. That is down from \$404,078 that we