**SERS administrative expense assumption**

The administrative expense assumption is, “as estimated and advised by SERS staff, based on current expenses and are expected to increase in relation to the projected capped payroll”. The administrative expenses of $20,909,555 for Fiscal Year 2016 serves as the base in which the projected increases are based.

**JRS administrative expense assumption**

The administrative expense assumption is, “as estimated and advised by SERS staff, based on current expenses and are expected to increase in relation to the projected capped payroll”. The administrative expenses of $1,112,000 for Fiscal Year 2016 serves as the base in which the projected increases are based.