

EMPLOYER PENSION REPORT
DISTRICT ATTORNEYS' RETIREMENT SYSTEM
JUNE 30, 2013

DISTRICT ATTORNEYS' RETIREMENT SYSTEM

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INDEPENDENT AUDITOR'S REPORT

April 23, 2015

Board of Trustees of the
District Attorneys' Retirement System
1645 Nicholson Drive
Baton Rouge, Louisiana 70802

We have audited the accompanying schedule of employer allocations of the District Attorneys' Retirement System as of and for the year ended June 30, 2013, and the related notes. We have also audited the total of all entities of the columns titled net pension liability included in the accompanying schedule of pension amounts by employer of District Attorneys' Retirement System as of and for the year ended June 30, 2013, and the related notes to the schedules.

Management's Responsibility for the Schedules

Management is responsible for the preparation and fair presentation of the schedules 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 an opinion on the schedule of employer allocations and the specified column totals included in the schedule of pension amounts by employer 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.

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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the schedule of employer allocations and specified column total included in the schedule of pension amounts by employer. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the schedule of employer allocations and specified column total included in the schedule of pension amounts by employer, 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 schedule of employer allocations and specified column total included in the schedule of pension amounts by employer 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 schedule of employer allocations and specified column total included in the schedule of pension amounts by employer.

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

Opinion

In our opinion, the schedules referred to above present fairly, in all material respects, the employer allocations and net pension liability for the total of all participating entities for the District Attorneys' Retirement System, as of June 30, 2013 in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As disclosed in Note 6 to the employer schedules, the total pension liability for the District Attorneys' Retirement System was \$337,959,636 as of June 30, 2013. The actuarial valuations were based on various assumptions made by the System's actuary. Because actual experience may differ from the assumptions used in the actuarial valuation, there is a risk that the total pension liability at June 30, 2013 could be under or overstated.

Other Matters

We have audited, 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, the financial statements of District Attorneys' Retirement System as of and for the year ended June 30, 2013, and our report thereon, dated November 7, 2013, expressed an unmodified opinion on those financial statements.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 23, 2015 on our consideration of the District Attorneys' Retirement System'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 District Attorneys' Retirement System's internal control over financial reporting and compliance.

Restriction on Use

Our report is intended solely for the information and use of District Attorneys' Retirement System management, the Board of Trustees, District Attorneys' Retirement System participating employers and their auditors and is not intended to be and should not be used by anyone other than these specified parties.

Duplantier, Hrapmann, Hogan & Maher, LLP

New Orleans, Louisiana

DISTRICT ATTORNEYS' RETIREMENT SYSTEM
 SCHEDULE OF EMPLOYER ALLOCATIONS
JUNE 30, 2013

Employer	Projected Required Employer Contributions	Employer Allocation Percentage
2nd Judicial District	\$ 16,091	0.003806 %
3rd Judicial District	22,765	0.005385
4th Judicial District	47,780	0.011301
5th Judicial District	19,836	0.004692
6th Judicial District	15,752	0.003726
6th Judicial District IV-D	3,139	0.000742
7th Judicial District	8,864	0.002097
11th Judicial District	12,482	0.002952
16th Judicial District	63,083	0.014921
20th Judicial District	10,319	0.002441
20th Judicial District DA	1,442	0.000341
21st Judicial District	28,425	0.006723
22nd Judicial District	70,315	0.016631
23rd Judicial District	23,269	0.005504
31st Judicial District IV-D	2,326	0.000550
42nd Judicial District	17,830	0.004217
Acadia	8,274	0.001957
Allen Parish	13,600	0.003217
Ascension Parish Council	5,620	0.001329
Assumption Police Jury	3,154	0.000746
Avoyelles Parish	24,702	0.005843
Beauregard Parish	17,788	0.004207
Bienville Parish	1,547	0.000366
Bossier Parish Police Jury	42,816	0.010127
Caddo Parish	102,629	0.024275
Calcasieu	51,459	0.012171
Caldwell Parish	9,055	0.002142
Caldwell Parish Police Jury	2,916	0.000690
Cameron Parish	10,125	0.002395
Catahoula Parish Police Jury	2,205	0.000521
Claiborne Parish	530	0.000125
Concordia Parish Police Jury	1,765	0.000418
De Soto Police Jury	6,244	0.001477
District Attorneys' Retirement System	-	-
East Baton Rouge Parish	138,137	0.032673

(Continued)

DISTRICT ATTORNEYS' RETIREMENT SYSTEM
 SCHEDULE OF EMPLOYER ALLOCATIONS
JUNE 30, 2013

Employer	Projected Required Employer Contributions	Employer Allocation Percentage
East Baton Rouge Parish IV-D	\$ 17,018	0.004025 %
East Carroll Parish	864	0.000204
East Feliciana Parish Police Jury	1,260	0.000298
Evangeline Parish	8,838	0.002091
Evangeline Parish Police Jury	3,604	0.000853
Franklin Parish Police Jury	517	0.000122
Grant Parish	958	0.000227
Grant Parish Police Jury	9,577	0.002265
Iberville Parish	53,691	0.012699
Iberville Parish Council	2,046	0.000484
Iberville Parish Government	4,274	0.001011
Iberville Parish Police Jury	40	0.000009
Iberville Parish School Board	388	0.000092
Jackson Parish	385	0.000091
Jackson Parish Police Jury	403	0.000095
Jefferson Davis Parish	17,358	0.004106
Jefferson Davis Police Jury	764	0.000181
Jefferson Parish	259,335	0.061340
Lafayette Parish	75,360	0.017825
Lafayette Parish IV-D	1,819	0.000430
Lafourche Parish	28,856	0.006825
Lafourche Parish Government	22,032	0.005211
LaSalle Parish	6,591	0.001559
LaSalle Parish Police Jury	968	0.000229
Livingston Parish Council	3,756	0.000888
Louisiana District Attorney Association	63,960	0.015128
Madison Parish Police Jury	864	0.000204
Morehouse Parish Police Jury	4,071	0.000963
Natchitoches Parish	18,482	0.004371
Natchitoches Parish Government	14,371	0.003399
Orleans Parish	133,802	0.031648
Orleans Parish IV-D	17,125	0.004051
Ouachita Parish	69,255	0.016381
Plaquemines Parish	4,886	0.001156
Plaquemines Parish Government	17,473	0.004133

(Continued)

DISTRICT ATTORNEYS' RETIREMENT SYSTEM
 SCHEDULE OF EMPLOYER ALLOCATIONS
JUNE 30, 2013

Employer	Projected Required Employer Contributions	Employer Allocation Percentage
Pointe Coupee Police Jury	\$ 576	0.000136 %
Rapides Parish Police Jury	82,246	0.019453
Red River Parish	2,392	0.000566
Red River Police Jury	1,927	0.000456
Richland Parish Police Jury	592	0.000140
Sabine Parish Police Jury	1,798	0.000425
St. Bernard Parish	22,080	0.005223
St. Charles Parish	37,517	0.008874
St. Charles Parish Clearing	13,942	0.003298
St. James Parish	3,655	0.000865
St. John The Baptist Parish	22,604	0.005347
St. John The Baptist Parish Council	3,576	0.000846
St. Landry Parish	25,881	0.006122
St. Landry Parish Council	1,345	0.000318
St. Landry Parish Government	6,872	0.001625
St. Martin Parish Government	4,550	0.001076
St. Mary Parish	5,278	0.001248
St. Tammany Parish	93,031	0.022004
State of Louisiana	2,065,209	0.488479
Tangipahoa Parish Council	15,437	0.003651
Tensas Parish	778	0.000184
Terrebonne Parish	33,302	0.007877
Terrebonne Parish Government	29,051	0.006871
Vermilion Police Jury	9,523	0.002252
Vernon Parish	15,987	0.003781
Vernon Parish Police Jury	7,175	0.001697
Washington Parish Council	1,802	0.000426
Washington Parish Government	15,905	0.003762
Webster Parish Police Jury	8,808	0.002083
West Baton Rouge Parish School Board	89	0.000021
West Baton Rouge Parish Council	9,936	0.002350
West Carroll Parish	394	0.000093
West Feliciana Parish	1,927	0.000456
Winn Parish	9,630	0.002278
Winn Parish Police Jury	1,749	0.000414
Total	\$ <u>4,227,839</u>	<u>100.000096</u> %

See accompanying notes.

DISTRICT ATTORNEYS' RETIREMENT SYSTEM
 SCHEDULE OF PENSION AMOUNTS BY EMPLOYER
AS OF AND FOR THE YEAR ENDED JUNE 30, 2013

Employer	Net Pension Liability
2nd Judicial District	\$ 132,773
3rd Judicial District	187,845
4th Judicial District	394,261
5th Judicial District	163,679
6th Judicial District	129,981
6th Judicial District IV-D	25,898
7th Judicial District	73,144
11th Judicial District	102,999
16th Judicial District	520,533
20th Judicial District	85,148
20th Judicial District DA	11,901
21st Judicial District	234,552
22nd Judicial District	580,207
23rd Judicial District	192,006
31st Judicial District IV-D	19,195
42nd Judicial District	147,122
Acadia	68,270
Allen Parish	112,223
Ascension Parish Council	46,373
Assumption Police Jury	26,024
Avoyelles Parish	203,827
Beauregard Parish	146,782
Bienville Parish	12,769
Bossier Parish Police Jury	353,300
Caddo Parish	846,847
Calcasieu	424,613
Caldwell Parish	74,721
Caldwell Parish Police Jury	24,057
Cameron Parish	83,548
Catahoula Parish Police Jury	18,191
Claiborne Parish	4,373
Concordia Parish Police Jury	14,567
De Soto Police Jury	51,519
District Attorneys' Retirement System	-
East Baton Rouge Parish	1,139,840

(Continued)

DISTRICT ATTORNEYS' RETIREMENT SYSTEM
 SCHEDULE OF PENSION AMOUNTS BY EMPLOYER
AS OF AND FOR THE YEAR ENDED JUNE 30, 2013

Employer	Net Pension Liability
East Baton Rouge Parish IV-D	140,422
East Carroll Parish	7,125
East Feliciana Parish Police Jury	10,400
Evangeline Parish	72,930
Evangeline Parish Police Jury	29,741
Franklin Parish Police Jury	4,266
Grant Parish	7,902
Grant Parish Police Jury	79,024
Iberville Parish	443,030
Iberville Parish Council	16,882
Iberville Parish Government	35,270
Iberville Parish Police Jury	327
Iberville Parish School Board	3,205
Jackson Parish	3,176
Jackson Parish Police Jury	3,323
Jefferson Davis Parish	143,234
Jefferson Davis Police Jury	6,306
Jefferson Parish	2,139,910
Lafayette Parish	621,833
Lafayette Parish IV-D	15,008
Lafourche Parish	238,106
Lafourche Parish Government	181,795
LaSalle Parish	54,386
LaSalle Parish Police Jury	7,991
Livingston Parish Council	30,989
Louisiana District Attorney Association	527,765
Madison Parish Police Jury	7,127
Morehouse Parish Police Jury	33,593
Natchitoches Parish	152,503
Natchitoches Parish Government	118,585
Orleans Parish	1,104,073
Orleans Parish IV-D	141,309
Ouachita Parish	571,458
Plaquemines Parish	40,318
Plaquemines Parish Government	144,178

(Continued)

DISTRICT ATTORNEYS' RETIREMENT SYSTEM
 SCHEDULE OF PENSION AMOUNTS BY EMPLOYER
AS OF AND FOR THE YEAR ENDED JUNE 30, 2013

Employer	Net Pension Liability
Pointe Coupee Police Jury	4,750
Rapides Parish Police Jury	678,655
Red River Parish	19,735
Red River Police Jury	15,902
Richland Parish Police Jury	4,881
Sabine Parish Police Jury	14,833
St. Bernard Parish	182,196
St. Charles Parish	309,570
St. Charles Parish Clearing	115,040
St. James Parish	30,162
St. John The Baptist Parish	186,519
St. John The Baptist Parish Council	29,511
St. Landry Parish	213,560
St. Landry Parish Council	11,096
St. Landry Parish Government	56,706
St. Martin Parish Government	37,545
St. Mary Parish	43,550
St. Tammany Parish	767,644
State of Louisiana	17,041,108
Tangipahoa Parish Council	127,381
Tensas Parish	6,422
Terrebonne Parish	274,794
Terrebonne Parish Government	239,713
Vermilion Police Jury	78,577
Vernon Parish	131,916
Vernon Parish Police Jury	59,208
Washington Parish Council	14,869
Washington Parish Government	131,241
Webster Parish Police Jury	72,681
West Baton Rouge Parish School Board	734
West Baton Rouge Parish Council	81,984
West Carroll Parish	3,254
West Feliciana Parish	15,901
Winn Parish	79,465
Winn Parish Police Jury	14,433
Total	\$ <u>34,886,084</u>

See accompanying notes.

DISTRICT ATTORNEYS' RETIREMENT SYSTEM
NOTES TO SCHEDULES
JUNE 30, 2013

The District Attorneys' Retirement System (System) was created on August 1, 1956 by Act 56 of the 1956 session of the Louisiana Legislature, for the purpose of providing allowances and other benefits for district attorneys and their assistants in each parish. The fund is administered by a Board of Trustees. Benefits, including normal retirement, early retirement, disability retirements and death benefit, are provided as specified in the plan.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The District Attorneys' Retirement System prepares its employer schedules in accordance with the standards established by the Governmental Accounting Statement No. 68 – *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*. GASB Statement No. 68 establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources and expenses/expenditures. It provides methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to periods of employee service. It also provides methods to calculate participating employer's proportionate share of net pension liability, deferred inflows, deferred outflows, pension expense and amortization periods for deferred inflows and deferred outflows.

Basis of Accounting:

The System's employer schedules are prepared using the accrual basis of accounting. Members' earnable compensation, for which the employer allocations are based, is recognized in the period in which the employee is compensated for services performed. The member's earnable compensation is attributed to the employer for which the member is employed as of June 30, 2013.

During the year ended June 30, 2014, the System adopted the provisions of GASB Statement No. 67, *Financial Reporting for Pension Plans*. GASB Statement No. 67 established new standards of financial reporting for defined benefit pension plans. Significant changes included specifying the approach of contributing entities to measure pension liabilities for benefits provided through the pension plan. The provisions of this statement were retroactively applied to the fiscal year ended June 30, 2013.

System Employees:

In accordance with *Governmental Accounting Standards*, the System is not allocated a proportionate share of the net pension liability related to its employees. The net pension liability attributed to the System's employees is allocated to the remaining employers based on their respective employer allocation percentage.

Plan Fiduciary Net Position:

Plan fiduciary net position is a significant component of the System's collective net pension liability. The System's plan fiduciary net position was determined using the accrual basis of accounting. The System's assets, liabilities, revenues, and expenses were recorded with the use of estimates and assumptions in conformity with accounting principles generally accepted

DISTRICT ATTORNEYS' RETIREMENT SYSTEM
NOTES TO SCHEDULES
JUNE 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Plan Fiduciary Net Position: (Continued)

in the United States of America. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements and estimates over the determination of the fair market value of the System's investments. Accordingly, actual results may differ from estimated amounts.

2. PLAN DESCRIPTION:

The District Attorneys' Retirement System, State of Louisiana is the administrator of a cost sharing multiple employer defined benefit pension plan. The System was established on the first day of August, nineteen hundred and fifty-six and was placed under the management of the board of trustees for the purpose of providing retirement allowances and other benefits as stated under the provisions of R.S. 11, Chapter 3 for district attorneys and their assistants in each parish.

All persons who are district attorneys of the State of Louisiana, assistant district attorneys in any parish of the State of Louisiana, or employed by this retirement system and the Louisiana District Attorneys' Association except for elected or appointed officials who have retired from service under any publicly funded retirement system within the state and who are currently receiving benefits, shall become members as a condition of their employment; provided, however, that in the case of assistant district attorneys, they must be paid an amount not less than the minimum salary specified by the board for assistant district attorneys. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Members who joined the System before July 1, 1990, and who have elected not to be covered by the new provisions, are eligible to receive a normal retirement benefit if they have 10 or more years of creditable service and are at least age 62, or if they have 18 or more years of service and are at least age 60, or if they have 23 or more years of service and are at least age 55, or if they have 30 years of service regardless of age. The normal retirement benefit is equal to 3% of the member's average final compensation for each year of creditable service. Members are eligible for early retirement at age 60 if they have at least 10 years of creditable service or at age 55 with at least 18 years of creditable service. Members who retire prior to age 60 with less than 23 years of service credit, receive a retirement benefit reduced 3% for each year of age below 60. Members who retire prior to age 62 who have less than 18 years of service receive a retirement benefit reduced 3% for each year of age below 62. Retirement benefits may not exceed 100% of final average compensation.

DISTRICT ATTORNEYS' RETIREMENT SYSTEM
NOTES TO SCHEDULES
JUNE 30, 2013

2. PLAN DESCRIPTION: (Continued)

Members who joined the System after July 1, 1990, or who elected to be covered by the new provisions, are eligible to receive normal retirement benefits if they are age 60 and have 10 years of service credit, are age 55 and have 24 years of service credit, or have 30 years of service credit regardless of age. The normal retirement benefit is equal to 3.5% of the member's final average compensation multiplied by years of membership service. A member is eligible for an early retirement benefit if he is age 55 and has 18 years of service credit. The early retirement benefit is equal to the normal retirement benefit reduced 3% for each year the member retires in advance of normal retirement age. Benefits may not exceed 100% of average final compensation.

Disability benefits are awarded to active contributing members with at least 10 years of service who are found to be totally disabled as a result of injuries incurred while in active service. The member receives a benefit equal to three percent (three and one-half percent for members covered under the new retirement benefit provisions) of his average final compensation multiplied by the lesser of his actual service (not to be less than fifteen years) or projected continued service to age sixty.

Upon the death of a member with less than 5 years of creditable service, his accumulated contributions and interest thereon are paid to his surviving spouse, if he is married, or to his designated beneficiary, if he is not married. Upon the death of any active, contributing member with 5 or more years of service or any member with 23 years of service who has not retired, automatic option 2 benefits are payable to the surviving spouse. These benefits are based on the retirement benefits accrued at the member's date of death with the option factors used as if the member had continued in service to earliest normal retirement age. If a member has no surviving spouse, the surviving minor children under 18 or disabled children are paid 80% of the member's accrued retirement benefit divided into equal shares. If a member has no surviving spouse or children, his accumulated contributions and interest are paid to his designated beneficiary. In lieu of periodic payments, the surviving spouse or children may receive a refund of the member's accumulated contributions with interest.

Upon withdrawal from service, members not entitled to a retirement allowance are paid a refund of accumulated contributions upon request. Receipt of such a refund cancels all accrued rights in the System.

The Board of Trustees is authorized to grant retired members and widows of members who have retired an annual cost of living increase of 3% of their original benefit, (not to exceed sixty dollars per month) and all retired members and widows who are sixty-five years of age and older a 2% increase in their original benefit. In lieu of other cost of living increases the board may grant an increase to retirees in the form of "Xx(A&B)" where "A" is equal to the number of years of credited service accrued at retirement or death of the member or retiree and "B" is equal to the number of years since death of the member or retiree to June 30 of the initial year of increase and "X" is equal to any amount available for funding such increase up to a maximum of \$1.00. In order for the board to grant any of these increases, the System must meet certain criteria detailed in the statute related to funding status and interest earnings.

DISTRICT ATTORNEYS' RETIREMENT SYSTEM
NOTES TO SCHEDULES
JUNE 30, 2013

2. PLAN DESCRIPTION: (Continued)

In lieu of receiving a service retirement allowance, any member who has more years of service than are required for a normal retirement may elect to receive a Back-Deferred Retirement Option Program (Back-DROP) benefit.

The Back-DROP benefit is based upon the Back-DROP period selected and the final average compensation prior to the period selected. The Back-DROP period is the lesser of three years or the service accrued between the time a member first becomes eligible for retirement and his actual date of retirement. At retirement, the member's maximum monthly retirement benefit is based upon his service, final average compensation, and plan provisions in effect on the last day of creditable service immediately prior to the commencement of the Back-DROP period. In addition to the monthly benefit at retirement, the member receives a lump-sum payment equal to the maximum monthly benefit as calculated above multiplied by the number of months in the Back-DROP period. In lieu of receiving the lump-sum payment, the member may leave the funds on deposit with the system in an interest bearing account.

Prior to January 1, 2009, eligible members could elect to participate in the Deferred Retirement Option Program (DROP) for up to three years in lieu of terminating employment and accepting a service benefit. During participation in the DROP, employer contributions were payable and employee contributions were reduced to ½ of one percent. The monthly retirement benefits that would have been payable to the member were paid into a DROP account, which did not earn interest while the member was participating in the DROP. Upon termination of participation, the participant in the plan received, at his option, a lump sum from the account equal to the payments into the account or systematic disbursements from his account in any manner approved by the board of trustees. The monthly benefits that were being paid into the DROP would then be paid to the retiree. All amounts which remain credited to the individual's sub-account after termination of participation in the plan were invested in liquid money market funds. Interest was credited thereon as actually earned.

3. EMPLOYER CONTRIBUTIONS:

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 30, 2013, the actual employer contribution rate was 10.25%. For the year ended June 30, 2013, the actuarially determined employer contribution rate was 9.70%. The actual rate differs from the actuarially required rate due to state statutes that require the contribution rate be calculated and set two years prior to the year effective.

In accordance with state statute, the System receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities.

DISTRICT ATTORNEYS' RETIREMENT SYSTEM
NOTES TO SCHEDULES
JUNE 30, 2013

4. SCHEDULE OF EMPLOYER ALLOCATIONS:

The schedule of employer allocations reports the required projected employer contributions in addition to the employer allocation percentage. The required projected employer contributions are used to determine the proportionate relationship of each employer to all employers of District Attorneys' Retirement System. The employer's proportion was determined on a basis that is consistent with the manner in which contributions to the pension plan are determined. The allocation percentages were used in calculating each employer's proportionate share of the pension amounts.

The allocation method used in determining each employer's proportion was based on the employer's projected contribution effort to the plan for the next fiscal year as compared to the total of all employers' projected contribution effort to the plan for the next fiscal year. The employers' projected contribution effort was actuarially determined by the System's actuary.

The employers' projected contribution effort was calculated by multiplying the projected future compensation of active members in the System on June 30, 2013 by the next fiscal year's employers' actuarially required contribution rate. Projected future compensation was calculated by multiplying compensation by a payroll factor of 1.02. Compensation was determined as follows:

1. Actual earned compensation for active members enrolled in the System the entire fiscal year, plus;
2. Actual earned compensation for active members on June 30, 2013 enrolled in the System for a portion of the fiscal year.

The payroll factor was actuarially determined using salary assumptions for expected net changes in active members and their payroll over the next fiscal year.

The next fiscal year's employers' actuarially required contribution rate was 7.25%.

5. SCHEDULE OF PENSION AMOUNTS BY EMPLOYER:

The schedule of pension amounts by employer displays each employer's allocation of the net pension liability. The schedule of pension amounts by employer was prepared using the allocations included in the schedule of employer allocation.

DISTRICT ATTORNEYS' RETIREMENT SYSTEM
NOTES TO SCHEDULES
JUNE 30, 2013

6. ACTUARIAL METHODS AND ASSUMPTIONS:

The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position.

The components of the net pension liability of the System's employers as of June 30, 2013 are as follows:

	<u>2013</u>
Total Pension Liability	\$ 337,959,636
Plan Fiduciary Net Position	<u>303,073,552</u>
Total Collective Net Pension Liability	<u>\$ 34,886,084</u>

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2013 are as follows:

Valuation Date	June 30, 2013
Actuarial Cost Method	Aggregate Actuarial Cost Method with allocation based on earnings. (This method does not identify and separately amortize unfunded actuarial liabilities.)
Actuarial Assumptions:	
Investment Rate of Return	7.5%, net of investment expense
Projected Salary Increases	6.5% (3% Inflation, 3.5% Merit)
Mortality Rates	RP 2000 Combined Healthy Table set back 3 years for males and 1 year for females
Expected Remaining Service Lives	6 years
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. Future cost of living increases are only granted if specific target ratios are met and excess earnings are available to fund the cost of the benefit increase. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.



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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 EMPLOYER PENSION SCHEDULES PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

April 23, 2015

Board of Trustees of the
District Attorneys' Retirement System
1645 Nicholson Drive
Baton Rouge, Louisiana 70802

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 employer schedules of the District Attorneys' Retirement System, as of June 30, 2013, and the related notes to the schedules and have issued our report thereon dated April 23, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the employer pension schedules, we considered the District Attorneys' Retirement System's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the employer schedules, but not for the purpose of expressing an opinion on the effectiveness of the District Attorneys' Retirement System's internal control. Accordingly, we do not express an opinion on the effectiveness of the District Attorneys' Retirement System'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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's employer schedules 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 over financial reporting 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 District Attorneys' Retirement System's employer pension schedules are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of employer schedule 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.

Duplantier, Hrapmann, Hogan & Maher, LLP

DISTRICT ATTORNEYS' RETIREMENT SYSTEM
SUMMARY SCHEDULE OF FINDINGS
FOR THE YEAR ENDED JUNE 30, 2013

SUMMARY OF AUDITOR'S RESULTS:

1. The opinion issued on the employer schedules of District Attorneys' Retirement System for the year ended June 30, 2013 was unmodified.
2. The audit of the employer pension schedules disclosed no instances of noncompliance.
3. Findings Required To Be Reported Under Generally Accepted Government Auditing Standards:
None
4. Status of Prior Year Comments:
Not applicable