



**CURRAN ACTUARIAL**  
— CONSULTING, LTD. —

**Actuarial Valuation  
June 30, 2025**

**District Attorneys'  
Retirement System**



November 25, 2025

Board of Trustees  
District Attorneys' Retirement System  
2525 Quail Drive  
Baton Rouge, Louisiana 70808

Gentlemen:

We are pleased to present our report on the actuarial valuation of the District Attorneys' Retirement System for the fiscal year ending June 30, 2025. Our report is based on the actuarial assumptions specified and relies on the data supplied by the system's administrator and accountants. This report was prepared at the request of the Board of Trustees of the District Attorneys' Retirement System. The primary purposes of this report are to determine the actuarially required contribution for the retirement system for the fiscal year ending 2026, and to recommend the net direct employer contribution rate for Fiscal 2027.

This report does not contain the information necessary for accounting disclosures as required by Governmental Accounting Standards Board (GASB) Statement 68; that information is provided separately to system auditors. This report was prepared exclusively for the District Attorneys' Retirement System for a specific limited purpose. It is not for the use or benefit of any third party for any purpose.

In our opinion, all the assumptions on which this valuation is based are reasonable individually and in the aggregate. Both economic and demographic assumptions are based on our expectations for future experience for the fund. These assumptions are based upon the June 30, 2025 Experience Study, are summarized in the back of this report, and are described in detail within that separate report unless stated otherwise.

This report has been prepared in accordance with generally accepted actuarial principles and practices, and to the best of our knowledge and belief, fairly reflects the actuarial present values and costs stated herein. The undersigned actuary is a member of the American Academy of Actuaries, has met the qualification standards for the American Academy of Actuaries to render the actuarial opinions incorporated in this report, and is available to provide further information or answer any questions with respect to this valuation.

Sincerely,

CURRAN ACTUARIAL CONSULTING, LTD.

By: \_\_\_\_\_  
Gregory Curran, F.C.A., M.A.A.A., A.S.A.  
Senior Consulting Actuary

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## SUMMARY OF VALUATION RESULTS DISTRICT ATTORNEYS' RETIREMENT SYSTEM

	June 30, 2025	June 30, 2024
Census Summary:		
Active Members	735	753
Retired Members and Survivors	500	489
Terminated Due a Deferred Benefit	147	141
Terminated Due a Refund	350	332
Payroll:	\$ 70,010,975	\$ 69,880,358
Benefits in Payment:	\$ 28,850,150	\$ 27,709,974
Present Value of Future Benefits:	\$ 770,615,822	\$ 768,981,565
Actuarial Accrued Liability (EAN):	\$ 647,665,950	\$ 626,799,282
Funding Deposit Account Credit Balance:	\$ 5,848,144	\$ 2,013,986
Actuarial Value of Assets (AVA):	\$ 603,413,652	\$ 563,567,982
Market Value of Assets (MVA):	\$ 624,823,773	\$ 578,738,448
Ratio of AVA to Actuarial Accrued Liability (EAN):	93.17%	89.91%
	Fiscal 2025	Fiscal 2024
Market Rate of Return:	9.0%	11.7%
Actuarial Rate of Return:	8.1%	6.8%
Assumed Rate of Return/Valuation Interest Rate:	6.1%	6.1%
	Fiscal 2026	Fiscal 2025
Employers' Normal Cost (Mid-year):	\$ 14,745,585	\$ 16,892,951
Estimated Administrative Cost:	\$ 798,299	\$ 803,643
Projected Ad Valorem Tax Contributions:	\$ (13,265,182)	\$ (12,452,485)
Projected Revenue Sharing Funds:	\$ (215,112)	\$ (218,157)
Net Direct Employer Actuarially Required Contributions:	\$ 2,063,590	\$ 5,025,952
Projected Payroll:	\$ 70,812,202	\$ 71,473,015
Actuarially Required Net Direct Employer Contribution Rate:	2.91%	7.03%
Board Adopted Net Direct Employer Contribution Rate:	12.25%	12.25%
Statutory Employee Contribution Rate:	8.00%	8.00%
	Fiscal 2027	Fiscal 2026
Minimum Recommended Net Direct Employer Cont. Rate:	3.00%	7.00%
Ad Valorem Tax Rate †	0.20%	0.20%

† Percent of the aggregate amount of the ad valorem tax shown to be collected by the tax roll of each respective parish. State Revenue Sharing Funds are allocated based on the ad valorem tax rate.

## GENERAL COMMENTS

The values and calculations in this report were determined by applying statistical analysis and projections to system data and the assumptions listed. There is sometimes a tendency for readers to either dismiss results as mere “guesses” or alternatively to ascribe a greater degree of certainty and accuracy to the results than is warranted. In fact, neither of these assessments is valid. Actuarial calculations by their very nature involve estimations. As such, it is likely that eventual results will differ from those presented. The degree to which such differences evolve will depend on several factors including the completeness and accuracy of the data utilized, the degree to which assumptions approximate future experience, and the extent to which the mathematical model accurately describes the plan’s design and future outcomes.

Data quality varies from system to system and year to year. The data inputs involve both asset information and census information of plan participants. In both cases, the actuary must rely on third parties; nevertheless, steps are taken to reduce the probability and degree of errors. The development of assumptions is primarily the task of the actuary; however, information and advice from plan administrators, staff, and other professionals may be factored into the formation of assumptions. The process of setting assumptions is based primarily on analysis of past trends, but modification of historical experience is often required when the actuary has reason to believe that future circumstances may vary significantly from the past. Setting assumptions includes but is not limited to collecting past plan experience and studying general population demographics and economic factors from the past. The actuary will also consider current and future macro-economic and financial expectations as well as factors that are likely to impact the particular group under consideration. Hence, assumptions will also reflect the actuary’s judgment regarding future changes in plan population and decrements in view of the particular factors which impact participants. Thus, the process of setting assumptions is not mere “guess work” but rather a process of mathematical analysis of past experience and of those factors likely to impact the future.

One area where an actuary has limited ability to develop accurate estimates is the projection of future investment earnings. The difficulties here are significant. First, the future is rarely like the past, and the data points available to develop stochastic trials are far fewer than the number required for statistical significance. In this area, some guess work is inevitable. However, there are tools available to lay a foundation for making estimates with an expectation of reliability. Although past data is limited, the available data is likely to provide some insight into the future. This data consists of general economic and financial values such as past rates of inflation, rates of return variance, and correlations of returns among various asset classes along with the actual asset experience of the plan. In addition, the actuary can review the current asset market environment as well as economic forecasts from governmental and investment research groups to form a reasonable opinion regarding probable future investment experience for the plan.

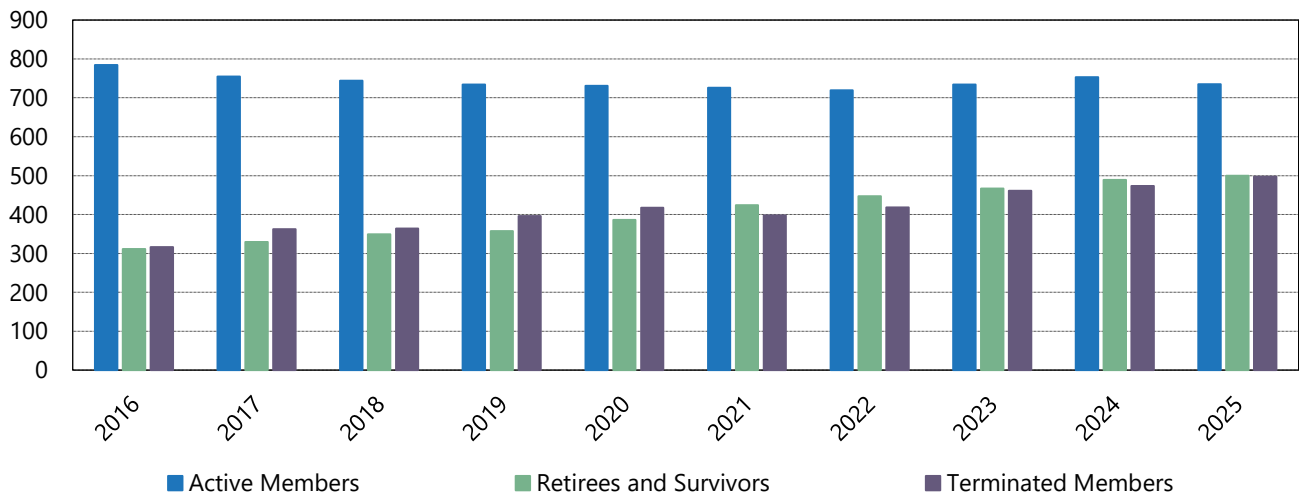
All the above processes would be in vain if the assumption process was static, and the plan would have to deal with the consequences of actual experience differing from assumptions after forty or fifty years of compounded errors. However, actuarial funding methods for pension plans all allow for periodic corrections of assumptions to conform with reality as it unfolds. This process of repeated correction of estimates produces imperfect results but is nevertheless a reasonable approach to determine the contribution levels that will provide for the future benefits of plan participants.

Despite this, future results may materially differ with this actuarial valuation. Employer contribution rates and other funding measures presented in this report will differ as the system is impacted by the following: changes in plan membership, plan liability or investment experience inconsistent with plan assumptions, future changes in plan assumptions or future changes in plan provisions. An analysis of the range of such deviations is outside the scope of this report.

## COMMENTS ON DATA

For the valuation, the administrative staff of the system furnished a census derived from the system’s master data processing file indicating each active covered employee’s sex, date of birth, service credit, annual salary, and accumulated contributions. Information on retirees detailing dates of birth of retirees and beneficiaries, as well as option categories and benefit amounts, was provided in a similar manner. In addition, data was supplied on former employees who are vested or who have contributions remaining on deposit. As illustrated in Appendix B, there are 735 active members in the system of whom 323 members have vested retirement benefits; 500 former members or their beneficiaries are receiving retirement benefits. An additional 497 former members have contributions remaining on deposit with the system; of this number, 147 former members have vested rights for future retirement benefits. **Figure 1** shows the membership counts over the past ten years.

**Figure 1. Membership Counts**



Census data submitted to our office is tested for errors and changes are made when errors are identified. Several types of census data errors are possible; to ensure that the valuation results are as accurate as possible, a significant effort is made to identify and correct these errors. To minimize coverage errors (i.e., missing or duplicated individual records) the records are checked for duplicates, and a comparison of the current year’s records to those submitted in prior years is made. Changes in status, new records, and previous records, which have no corresponding current record, are identified. This portion of the review indicates the annual flow of members from one status to another and is used to check some of the actuarial assumptions, such as rates of retirement, withdrawal, and mortality. In addition, the census is checked for reasonableness in several areas, such as age, service, salary, and current benefits. Records identified by this review as questionable are checked against data from prior valuations, are reviewed

against information on the system's membership database, and may be included in a detailed list of items sent to the system's administrative staff for verification and/or correction. Once the identified data has been researched and verified or corrected, the final data is used in the valuation. Occasionally some requested information is either unavailable or impractical to obtain. In such cases, values may be assigned to missing data. The assigned values are based on information from similar records or based on information implied from other data in the record.

A member's salary is an important component of projecting future cash flows and computing normal costs and accrued liabilities. Our modeling requires the entry of annual salary for this purpose. For individuals who have not completed a full year of service during the measurement period, we use an estimate of their service during the fiscal year to annualize salaries. (New hire salaries are subject to a minimum level equal to the 20<sup>th</sup> percentile of salaries for members in the second duration.)

In addition to the statistical information provided on the system's participants, the system's administrator furnished general information related to other aspects of the system's expenses, benefits and funding. Valuation asset values as well as income and expenses for the fiscal year were based on information furnished by the system's auditor, the firm of Duplantier, Hrapmann, Hogan & Maher, L.L.P. As indicated in the system's audit report, the net market value of the system's assets was \$624,823,773 as of June 30, 2025. Net investment income for Fiscal 2025 measured on a market value basis amounted to \$51,901,705. Contributions to the system for the fiscal year totaled \$27,867,907; benefits and expenses amounted to \$33,684,287. With benefits and expenses exceeding contributions to the system, the system's staff must periodically raise funds from the portfolio to meet cash flow needs.

Notwithstanding our efforts to review both census and financial data for apparent errors, we must rely upon the system's administrative staff and accountants to provide accurate information. Our review of submitted information is limited to validation of reasonableness and consistency. Verification of submitted data to source information is beyond the scope of our efforts.

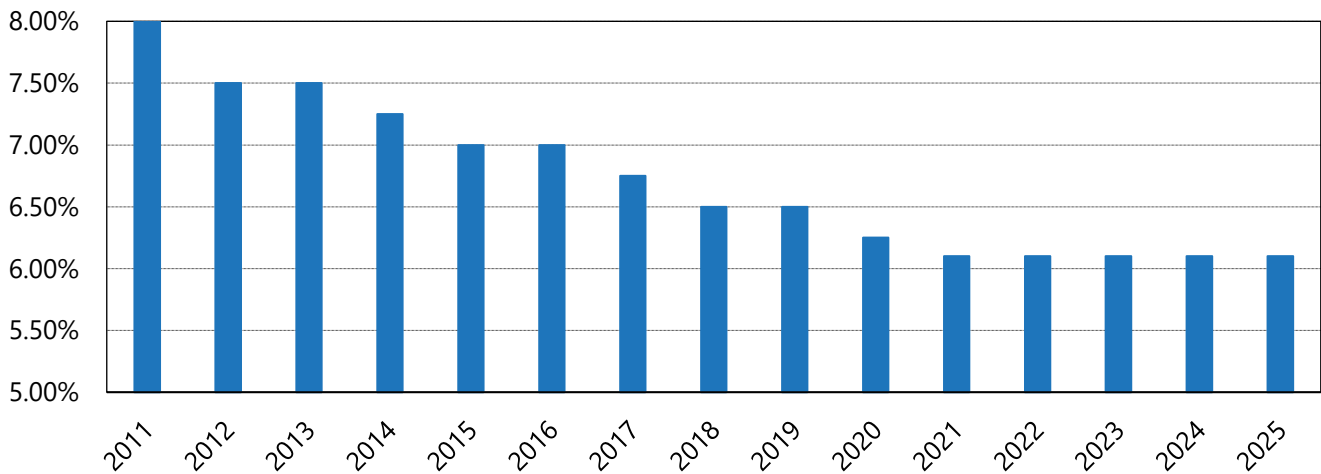
## **COMMENTS ON ACTUARIAL METHODS AND ASSUMPTIONS**

The system's actuarial funding method is set by R.S. 11:22. This valuation is based on the Aggregate Actuarial Cost Method. This cost method generally produces normal costs which are level as a percentage of payroll if assumptions are met and the composition of the active group regarding age and service is stable. Overall costs may increase or decrease depending on payroll growth. Under the Aggregate Actuarial Cost Method, actuarial gains and losses are spread over future normal costs. Thus, favorable plan experience will lower future normal costs; unfavorable experience will cause future normal costs to increase. In addition, changes in benefits and assumptions are also spread over future normal costs.

The current year actuarial assumptions utilized for this report are based on the results of an actuarial experience study for the period July 1, 2019 – June 30, 2024, unless otherwise specified in this report. This study included a review of all plan decrements in addition to salary scale experience and other demographic factors which impact plan costs. The Experience Study report contains details related to each assumption including the actuary's recommended changes. The results of the actuarial valuation rely on the assumptions set by this experience study.

One of the most important actuarial assumptions within an annual valuation of defined benefit liabilities is the valuation interest rate. Based upon contractions in the capital market assumptions produced by investment consultants and investment market participants, a significant effort was made between 2011 and 2021 to reduce the long-term rate of return assumption. Capital market assumptions for most risky assets and for traditional fixed income assets have increased in recent years. This has resulted in no further changes in this assumption since 2021. **Figure 2** shows the timing of each of these changes.

**Figure 2. Assumed Rate of Return**



Despite the lack of change in the valuation interest rate for the past few years, we continue to review this important assumption. Our most recent review of the valuation interest rate was performed based on a set of consultant average capital market assumptions developed by Curran Actuarial Consulting in early 2024. We collected capital market assumptions consisting of estimates of rates of return, standard deviations, and correlation coefficients for thirty asset classes. Long-term capital market assumptions were provided by six consulting firms that submitted capital market assumptions for use in developing this set of capital market assumptions. In addition, capital market assumptions from three large national money management firms were used. We have also reviewed the system’s assumed rate of long-term inflation by comparing the assumption to several professional sources. The consultant average capital market assumptions and system’s long-term assumed rate of inflation were used to derive forward estimates of the Fund’s portfolio earnings rate. The actuary’s reasonable range for the assumption related to the assumed long-term expected rate of return was reviewed by developing 10,000 stochastic trials over the coming 30 years. These trials were developed based upon the average arithmetic portfolio rate of return and an estimate of the portfolio’s long-term standard deviation. The reasonable range was set based upon the 40<sup>th</sup> through 60<sup>th</sup> percentile of the geometric 30-year average rates of return taken from these trials. Our study performed in 2024 based upon the system’s target asset allocation resulted in a reasonable range of 6.29% through 7.33%. The resulting percentiles suggest that there is approximately a 63.7% probability that the system will have long-term earnings at or above 6.10% and a 50% probability that the system will have long-term investment earnings at or above 6.81%.

Since 2023, the system’s 6.1% valuation interest rate has fallen slightly below the actuary’s reasonable range. Actuarial standards of practice allow the rate to be set below the actuary’s reasonable range if the Board of Trustees elects to do so to account for adverse deviation. We recommend no change in the current level of the assumption because the reasonable range has changed in a material way over the recent few years. We believe that it is reasonable to maintain conservatism in this assumption to

offset the potential for adverse deviation given the amount of change in capital market assumptions since the pandemic.

Although the board of trustees has authority to grant ad hoc Cost of Living Increases (COLAs) under limited circumstances, these COLAs have not been shown to have a historical pattern, the amounts of the COLAs have not been set relative to a defined cost-of-living or inflation index, and there has been no evidence to conclude that COLAs will be granted on a predictable basis in the future. In addition, the Board of Trustees has elected not to grant COLAs in some situations where they were authorized to do so by statute. Also, COLAs paid out of the Funding Deposit Account do not affect the actuarially required contributions to the system. Therefore, for purposes of determining the present value of benefits, these COLAs have been deemed not substantively automatic and the present value of benefits currently excludes COLAs not previously granted by the board of trustees. If the Board of Trustees elects to provide future COLAs without prefunding, a change in this methodology could be warranted.

For Fiscal 2025, plan assumptions were changed in accordance with the 2025 Experience Study. A list of updated assumptions and prior year assumptions is found in Appendix D. The net effect of the changes in liability assumptions on the normal cost accrual rate was a decrease of 0.5420%.

## **RISK FACTORS**

Defined benefit pension plans are subject to several risks. These risks can be related either to plan assets or liabilities. To pay benefits, the plan must have sufficient assets when benefits become due. Several factors can lead to asset levels that are below those required to pay promised benefits. The following categories describe several key risks and provide measurements related to a few.

### **Contribution Policy Risk**

The first risk in this regard is the failure to contribute adequate funds to the plan. In some ways, this is the greatest risk, since other risks can usually be addressed by adequate actuarial funding. Louisiana constitutional and statutory provisions greatly limit this risk by requiring that state and statewide plans maintain funding on an actuarial basis. The state constitution sets forth general requirements with specific funding parameters specified in the state statutes. This results in a funding policy that is expected to achieve a 100% funded status in time.

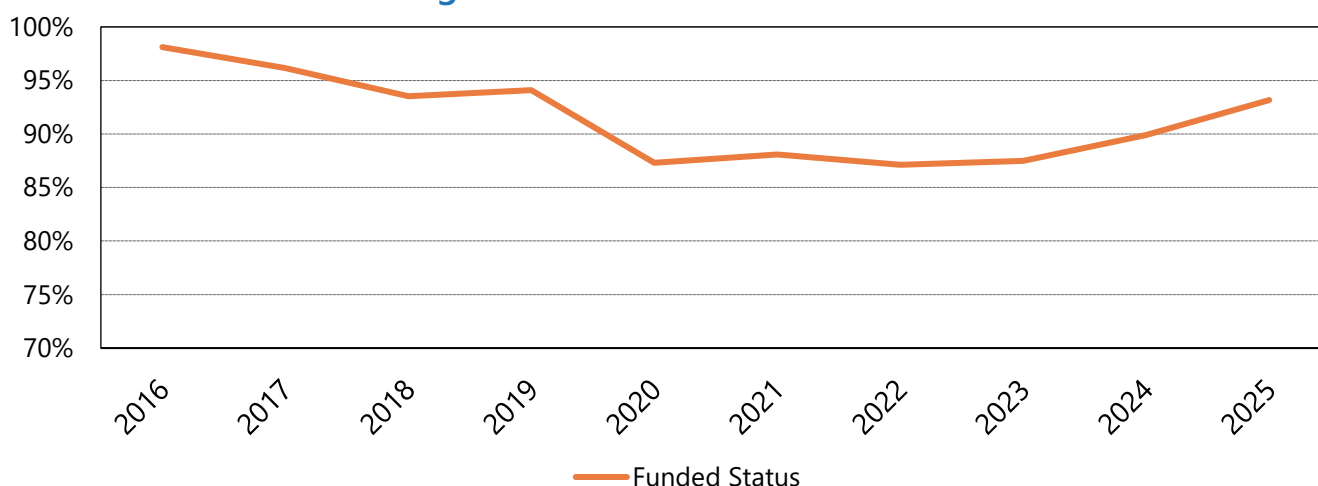
### **Funded Status**

Beyond identifying risk categories, it is possible to quantify some risk factors. One fairly well-known risk metric is the funded ratio of the plan. This rate is given as a ratio of plan assets to plan liabilities. However, the definition of each of these terms may vary. The two typical alternatives used for assets are the market and actuarial value of assets. There are several alternative measures of liability depending on the funding method employed. The Governmental Accounting Standards Board (GASB) specifies that, for financial reporting purposes, the funded ratio is determined by using the market value of assets divided by the entry age normal accrued liability. This value is given Appendix A. Alternatively, we have calculated the ratio of the actuarial value of assets to the entry age normal accrued liability based on the funding methodology used to fund the plan. This ratio is 93.17% for the plan as of June 30, 2025.

This value gives some indication of the financial strength of the plan; however, it does not guarantee the ability of the system to pay benefits in the future or indicate that, in the future, contributions are likely to be less than or greater than current contributions. In addition, the ratio cannot be used in isolation to compare the relative strength of different retirement systems. However, the trend of this ratio over time can give some insight into the financial health of the plan. In this regard, caution is warranted since market fluctuations in asset values and changes in plan assumptions can distort underlying trends in this value. **Figure 3** gives a history of this value for the last ten years. Note that the underlying trend is somewhat disguised since the system has significantly reduced the valuation interest rate over this period. Absent the reductions in the discount rate, the current ratio would be higher and would have shown a larger increase over time. The funded ratio has shown great resiliency given such meaningful changes in the valuation interest rate from 7.0% ten years ago to 6.1% today.

Following are several risks and risk measures related to system assets:

**Figure 3. Historical Funded Status**



### Inflation Risk

All pension plans are subject to the uncertainty of asset performance, of which inflation is a major component. The total nominal rate of return on assets is comprised of the real rates of return earned on the portfolio of investments plus the underlying inflation rate. High levels of inflation pose a risk to plan members in that they reduce the purchasing power of plan benefits. Should the plan attempt to offset inflation by providing COLAs (often in the form of permanent benefit increases), minimum contribution rates will typically increase unless provisions are made to prefund such adjustments. Should the Board use the system's Funding Deposit Account to prefund COLAs, the minimum employer contribution rate would not be affected. Very low inflation typically reduces the nominal rate of return on assets; deflation can potentially reduce the capital value of trust assets. During the decade preceding 2020, inflation levels remained in a fairly narrow range. Since 2020, inflation has significantly increased. So far, Federal Reserve efforts to fight inflation have not had the desired effect of returning inflation measures to their 2% target level. Forecasters seem to believe that long-term average rates of future inflation may remain higher than the target level. There is always the possibility that high inflation will remain a problem in the future or that the country will experience a deflationary period; however, most expert opinion currently assesses these alternatives as unlikely in the near term.

## Reinvestment Risk

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Another element of asset risk is reinvestment risk. Interest rate declines can subject pension plans to an increase in this risk. As fixed income securities mature, investment managers may be forced to reinvest funds at decreasing rates of return. Reinvestment risk was significantly mitigated in recent years as the Federal Reserve increased the Federal Funds Rate. In September 2024, the Federal Reserve changed that policy by reducing that rate for the first time since March 2020. Should Federal Reserve policy continue to reverse the recent cycle of increased interest rates by bringing down the Federal Funds Rate, reinvestment risk will increase.

## Asset Return Volatility Risk

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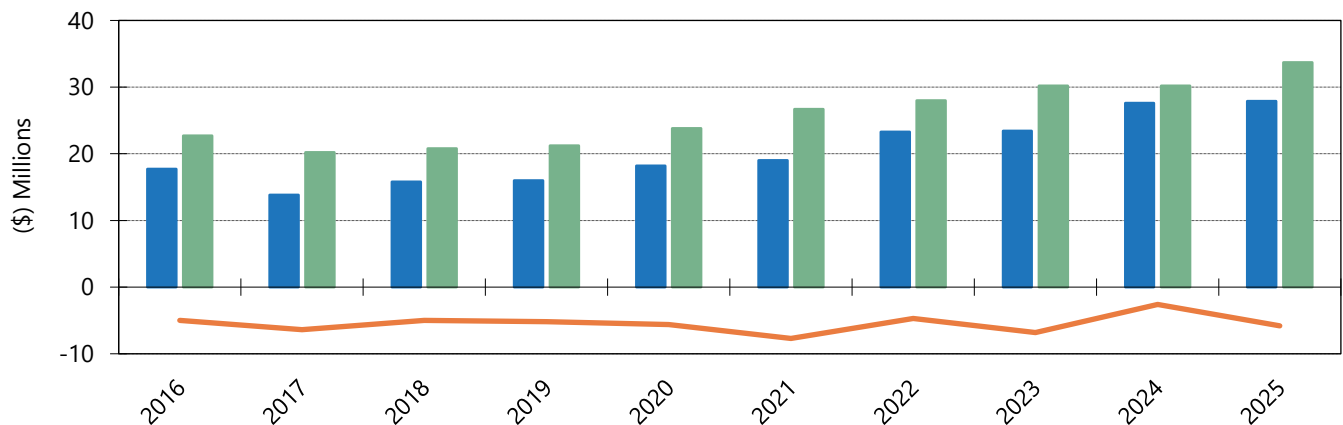
Long-term asset performance depends not only on average returns but also on the volatility of returns. Two portfolios of identical size with identical average rates of return will accumulate different levels of assets if the volatility of returns differs since increased volatility reduces the accumulation of assets. Volatility of returns will be determined by both market conditions and the asset allocation of the investment portfolio. If the system's investment portfolio has a substantial allocation to assets that have low price stability, the risk of portfolio volatility will increase, although low correlations among asset classes can mitigate this risk.

## Cash Flow Risk

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The system is also exposed to risk related to cash flows. Where benefit payments exceed contributions to a plan, the plan will be required to use investment income or potentially investment capital to pay benefits. In cases where it is necessary to use investment income to pay retirement benefits, investment market downturns place additional stress on the portfolio and make the recovery from such downturns more difficult since funds available for reinvestment are reduced by benefit payments. The historical cash flow graph and demonstration given below in **Figure 4** compares the total contribution income to benefits and expenses to determine the noninvestment cash flow of the system over the last ten years. In the past ten years, annual benefit payments have exceeded annual contributions to the plan. In this situation, portfolio construction is important, and investment staff must consider what level of liquidity is necessary.

**Figure 4. Annual Net Non-Investment Cash Flows**



		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Contribution Income (\$Mil)		17.7	13.8	15.8	16.0	18.2	19.0	23.3	23.4	27.6	27.9
Benefits and Expenses (\$Mil)		22.7	20.2	20.8	21.2	23.8	26.7	28.0	30.2	30.2	33.7
Net Non-Inv. Cash Flow (\$Mil)		-5.0	-6.4	-5.0	-5.2	-5.6	-7.7	-4.7	-6.8	-2.6	-5.8

Future net noninvestment cash flows for the system will be determined based upon both the system maturity and future contribution levels. Hence, increases in future contributions due to adverse actuarial experience will tend to mitigate the potential of negative cash flows arising from the natural maturation of the system, whereas reduced contribution levels resulting from positive experience will tend to increase the scale of negative cash flows. Absent a significant increase in either the active membership of the system or the employer contribution rate, the trend of higher proportions of retired membership may continue and over time higher levels of negative noninvestment cash flows could occur.

### **Sensitivity to Investment Gains/Losses**

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Every retirement system is subject to investment return risk. When the rate of return on the actuarial value of assets does not equal the assumed rate of return, the system experiences investment gains or losses. These can cause contribution rate requirements to be more volatile. We have determined that based on the system's current assets and demographics, for each percentage the actuarial rate of return is under (over) the assumed rate of return on the actuarial value of assets, there will be a corresponding increase (decrease) in the actuarially required contribution as a percentage of projected payroll of 1.03% for the system.

### **Sensitivity to Changes in Valuation Interest Rate**

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With regard to the economic assumptions, we have determined that a reduction in the valuation interest rate by 1% (without any change to other collateral factors) would increase the actuarially required employer contribution rate for Fiscal 2026 by 16.82% of payroll. In the future, adjustments to the assumed rates of return may be required; however, the likelihood of such an event is difficult to gauge since it requires assigning probabilities to future capital market scenarios.

Following are several risks and risk measures related to system liabilities:

#### **Maturity Risk**

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The ability of a system to recover from adverse asset or liability performance is partly related to the maturity of the plan population. In general, plans with increasing active membership are less vulnerable to asset and liability gains and losses than mature plans since changes in plan costs can be partially allocated to new members. If the plan has a large number of active members compared to retirees, asset or liability losses can be more easily addressed. As more members retire, contributions can only be collected from a smaller segment of the overall plan population. Often, population ratios of actives to annuitants are used to measure the plan's ability to adjust or recover from adverse events since contributions are made by or on behalf of active members but not for retirees. Thus, if the plan suffers a mortality loss through increased longevity, this will affect both actives and retirees, but the system can

only fund this loss by contributions related to active members. A measure of risk related to plan maturity is the ratio of total benefit payments to active payroll. For Fiscal 2025, this ratio is 41%; ten years ago, this ratio was 25%.

### **Assumption Risk**

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One other area of exposure the plan faces is the possibility that plan assumptions will need to be revised to conform to changing actual or expected plan experience. Such assumption revisions may relate to economic or demographic factors. Regarding the economic assumptions, there is always the possibility that market expectations will require an adjustment to the assumed rate of return. Market expectations related to the assumed rate of return do not currently suggest that a further decrease in the assumption is warranted. We will continue to monitor capital market assumptions and the Board's decisions related to asset mix. We will advise the Board if the reasonable range changes in any material way in the future.

Noneconomic assumptions such as mortality or other rates of decrement such as withdrawal, retirement, or disability are also subject to change. In general, such changes tend to affect plan costs less than adjustments to the assumed rates of return. Quantifying the probability or magnitude of such changes is beyond the scope of this report.

In summary, there is a risk that future actuarial measurements may differ significantly from current measurements presented in this report due to factors such as the following: plan experience differing from that anticipated by the economic or demographic assumptions, changes in economic or demographic assumptions, and changes in plan provisions or applicable law. Ordinarily, variations in these factors will offset to some extent. However, even with the expectation that not all variations in costs will likely travel in the same direction, factors such as those outlined above have the potential on their own to pose a significant risk to future cost levels and solvency of the system.

### **Data Error Risk**

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Liability risk also includes items such as data errors. No actuarial valuation can provide accurate figures without accurate data on plan members, former members, retirees, and survivors. Significant errors in plan data can distort or disguise plan liabilities. When data corrections are made, the plan may experience unexpected increases or decreases in liabilities.

### **Liability Duration Risk**

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Each pension plan has its own unique benefit structure and demographic profile. As a result, each plan will respond to changes in interest rates in a unique way. As the expected rate of return on investments changes and the interest rate used to discount plan liabilities is adjusted, the shift in plan liabilities will depend upon the duration of the liabilities (which can be understood as the plan's sensitivity to the change in the interest rate). A slightly different measure of the duration for the plan can also be understood as an indicator of the plan's maturity. When a pension plan is first established, all participants are active members; as members retire and the plan matures, the duration of the plan decreases. A determination of the liability duration gives some insight into the investment time horizon of the plan. Thus, the liability duration of a closed plan can be thought of as the weighted "center of gravity" of plan benefit cash flows with expected cash flows occurring both before and after the duration

value. For open plans with a continuous flow of new entrants, this measure is somewhat less informative since the duration horizon keeps changing as new members enter the plan. For this plan we have estimated the effective liability duration as 11.09 when measured based on the interest sensitivity of the fund’s entry-age normal accrued liability.

### Other Liability Risks

Other liability risks include such things as longevity risk (the risk that retirees will live longer than expected), termination risk (the risk that fewer than the anticipated number of members will terminate service prior to retirement), and other factors that may have an impact on the liability structure of the plan. In a general sense, the short-term effects of these risks on the cost structure of the plan are somewhat limited since changes in these factors tend to be gradual and follow long-term secular trends. Final average compensation plans are also vulnerable to unexpectedly large increases in salary for individual members near retirement. The effect of such events frequently relates to pay plan revisions where salaries catch up after several years of slow growth. Revisions of this type usually depend on general economic conditions and can result in liability losses. However, they generally are infrequent and are more of a short-term issue.

Even natural disasters and dislocations in the economy or other unforeseen events can present risks to the plan. These events can affect member payroll and plan demographics, both of which impact costs. The risk associated with either of these factors can vary depending upon the severity of the event and cannot be easily forecasted.

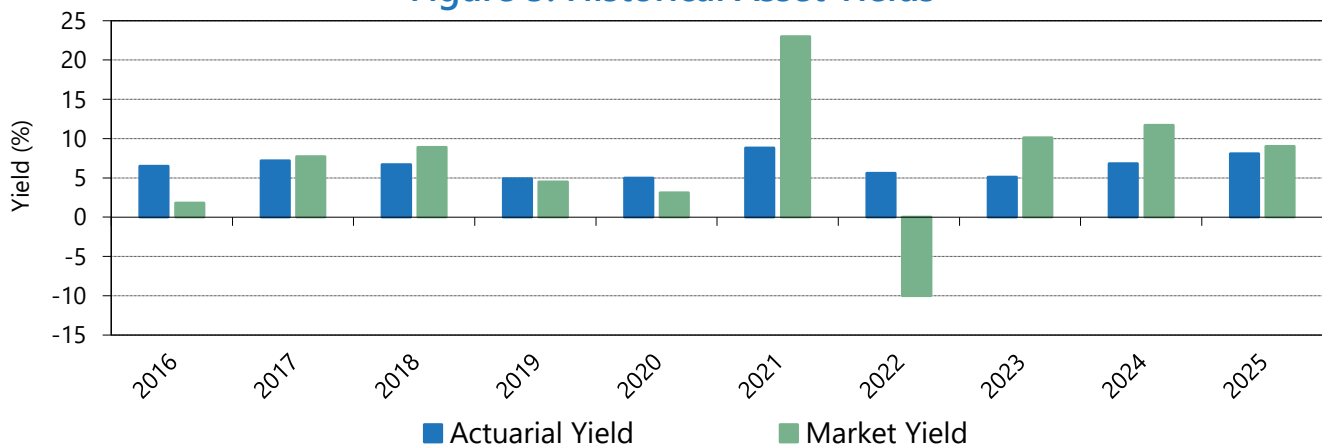
## CHANGES IN PLAN PROVISIONS

There were no legislative changes directly affecting the retirement system that were enacted during the 2025 Regular Session of the Louisiana Legislature.

### ASSET EXPERIENCE

The actuarial and market rates of return for the past ten years are given below in **Figure 5**. These rates of return on assets were determined by assuming a uniform distribution of income and expense throughout the fiscal year.

**Figure 5. Historical Asset Yields**



	Market Yield	Actuarial Yield
2016	1.8%	6.5%
2017	7.7%	7.2%
2018	8.9%	6.7%
2019	4.5%	4.9%
2020	3.1%	5.0%
2021	23.0%	8.8%
2022	-10.0%	5.6%
2023	10.1%	5.1%
2024	11.7%	6.8%
2025	9.0%	8.1%

Geometric Average Market Rates of Return		
5-year average	(Fiscal 2021 – 2025)	8.2%
10-year average	(Fiscal 2016 – 2025)	6.7%
15-year average	(Fiscal 2011 – 2025)	7.9%
20-year average	(Fiscal 2006 – 2025)	6.5%
25-year average	(Fiscal 2001 – 2025)	5.2%
30-year average	(Fiscal 1996 – 2025)	6.7%

The market rate of return gives a measure of investment return on a total return basis and includes realized and unrealized capital gains and losses as well as interest income and dividends. The rate of return is calculated on assets invested in the system's portfolio. This rate of return gives an indication of performance for an actively managed portfolio where securities are bought and sold with the objective of producing the highest total rate of return. During 2025, the fund earned \$18,819,128 of dividends, interest and other recurring income. In addition, the Fund had net realized and unrealized capital gains on investments of \$34,509,590. The Fund also had investment expenses of \$1,427,013.

The actuarial rate of return is presented for comparison to the assumed long-term rate of return of 6.10% for Fiscal 2025. This rate is calculated based on the actuarial value of assets and the market value income adjusted for actuarial smoothing. Investment income used to calculate this yield is based upon a smoothing of investment income above or below the valuation interest rate over a five-year period, subject to limits as described in the section detailing actuarial assumptions. The difference between rates of return on an actuarial and market value basis results from the smoothing utilized. Where the valuation interest rate changes during the smoothing period, smoothing is determined based on a comparison of actual returns to the appropriate valuation interest rate for each year in the smoothing period. In the future, yields in excess of the 6.10% assumption will reduce future costs; yields below 6.10% will increase future costs. For Fiscal 2025, the system experienced net actuarial investment earnings of \$11,459,177 more than the actuarial assumed earnings rate of 6.10% in effect for Fiscal 2025. This surplus in earnings produced an actuarial gain, which decreased the normal cost accrual rate by 1.9655%.

## DEMOGRAPHICS AND LIABILITY EXPERIENCE

The average active member is 48 years old with 10.8 years of service and an annual salary of \$95,253. The system's active contributing membership decreased by 18 members over the prior fiscal year. The plan has experienced an increase in the active plan population of 4 members over the last five years.

The average service retiree is 73 years old with an annual benefit of \$60,831. The average age at retirement for service retirees is 63. The number of retirees and beneficiaries receiving benefits from the system increased by 11 during the last fiscal year. Over the last five years the number of retirees has increased by 114. During this same period, annual benefits in payment increased by \$8,373,458.

Plan liability experience for Fiscal 2025 was slightly unfavorable. Retirements below projected levels, withdrawals slightly above projected levels, and average salary increases slightly below projected levels tend to lower plan costs. Fewer deaths than projected offset these savings. In aggregate, plan liability losses increased the normal cost accrual rate by 0.2143%.

## FUNDING ANALYSIS AND RECOMMENDATIONS

Actuarial funding of a retirement system is a process whereby funds are accumulated over the working lifetimes of employees in such a manner as to have sufficient assets available at retirement to pay for the lifetime benefits accrued by each member of the system. The required contributions are determined by applying a cost allocation procedure to the results of an actuarial valuation of liabilities based on rates of mortality, termination, disability, and retirement, as well as investment return and other statistical measures specific to the particular group. The allocation of costs also depends on an asset smoothing method described in the assumptions section at the end of this report.

To establish the actuarially required contribution in any given year, it is necessary to define the assumptions and funding method. Thus, the determination of what contribution is actuarially required depends upon the funding method employed. Regardless of the method selected, the ultimate cost of providing benefits is dependent upon the benefits, expenses, and investment earnings. Only to the extent that some methods accumulate assets more rapidly and thus produce greater investment earnings does the funding method affect the ultimate cost.

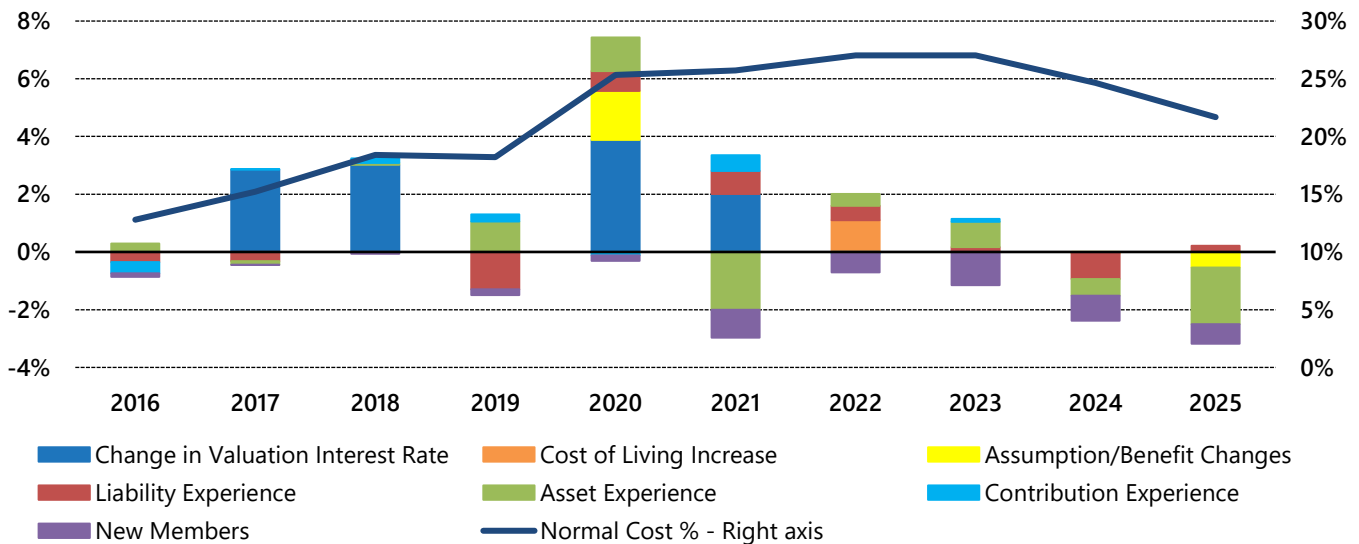
According to the system's funding method, the actuarially required employer contribution is determined based on the sum of the normal cost and the projected administrative expenses for the upcoming fiscal year. The system utilizes the Aggregate Funding Method under which gains or losses from plan liability experience, asset experience, and contribution experience (if not allocated to the Funding Deposit Account) along with the impact of changes in assumptions or benefit provisions will affect future normal costs. This funding method does not produce an unfunded accrued liability. In addition to these factors, any COLA granted in the prior fiscal year can increase required future contributions. However, to the extent that COLA's are funded by withdrawals from the Funding Deposit Account, there is no increase in future normal cost since an amount equal to the present value of the additional benefits is released from the Funding Deposit Account to offset the increase in liability. New entrants to the system can also increase or decrease costs as a percentage of payroll depending upon their demographic distribution and other factors related to prior plan experience.

The normal cost accrual rate represents the annual employer normal cost as a percentage of payroll. The following chart provides a reconciliation of items that affected the normal cost accrual rate over the past fiscal year:

RECONCILIATION OF THE NORMAL COST ACCRUAL RATE	
Employer's Normal Cost Accrual Rate – Fiscal 2025	24.6449%
Factors Increasing the Normal Cost Accrual Rate:	
Plan Liability Experience Loss	0.2143%
Factors Decreasing the Normal Cost Accrual Rate:	
Assumption Changes	0.5420%
Asset Experience Gain	1.9655%
New Members	0.6699%
Employer's Normal Cost Accrual Rate – Fiscal 2026	21.6818%

Under the fund's spread gain funding method, the employer normal cost percentage is affected annually by actuarial gains and losses. The chart shown above shows how gains and losses have affected the employer's normal cost accrual rate over the most recent fiscal year. **Figure 6A** graphically shows the impact of gains and losses on the normal cost accrual rate over the most recent ten year period. Losses cause an increase in the employer's normal cost percentage while gains cause decreases.

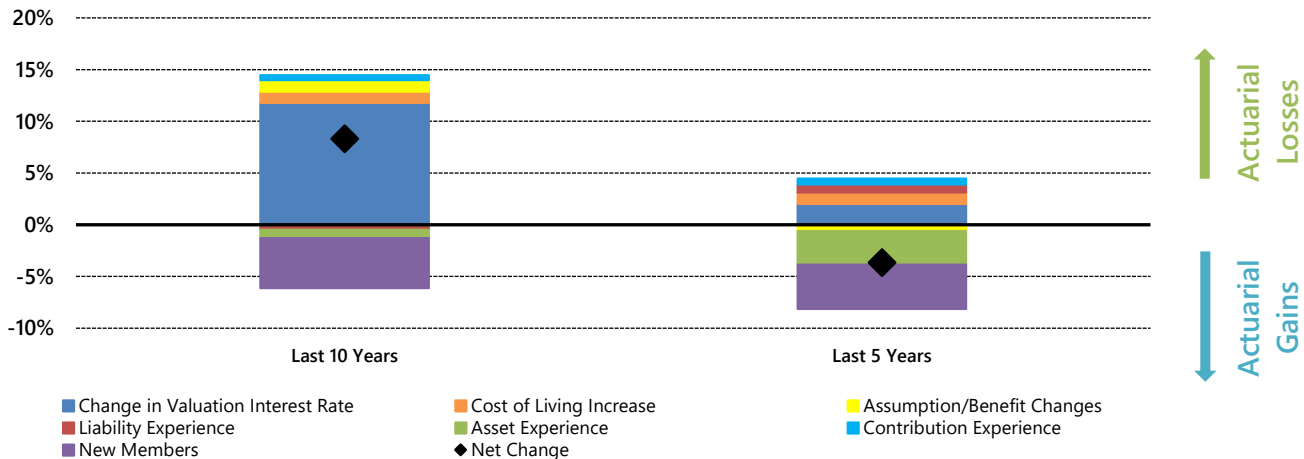
**Figure 6A - Historical Gains and Losses**



**Figure 6B** accumulates these gains and losses over the last 5 years and 10 years and shows whether the fund experienced more gains or losses during that period. As seen in this figure, over the last ten years, the fund experienced more losses (which cause normal cost accrual rates to increase) than gains. During the last five years, the system has experienced greater levels of gains than losses. The largest source of

losses during this period have been assumption changes. Most of the cost increases from assumption changes were a result of reductions in the system’s assumed rate of return. With no further reductions in the assumed rate of return since Fiscal 2021, the Fund has experienced net gains over the last five years.

**Figure 6B - Cumulative Gains and Losses**



R.S. 11:103 governs the calculation of the annual actuarially determined employer contribution rate for statewide retirement systems. This statute describes the components of the employer contribution rate found in Exhibit I. We believe that the minimum recommended net direct employer contribution rate developed within this report represents a Reasonable Actuarially Determined Contribution (or RADC) under the terms set forth in the actuarial standards of practice. We believe that the cost allocation procedure set forth in the statutes reasonably balances benefit security and intergenerational equity. The consistent payment of actuarially determined contributions based on Louisiana’s constitutional requirements significantly improves the benefit security of plan members and retirees. The system’s funding methodology seeks intergenerational equity by spreading actuarial costs over the future working lifetime of members. With the use of reasonable actuarial assumptions, the system’s contribution allocation procedure should produce reasonably stable and predictable results. The system’s annual valuation directly calculates the present value of future benefits for each member and former member. This measure accounts for expected future benefit payments and the expected duration of those payments. The valuation results are based on plan provisions in effect as of the valuation date. Therefore, results will be affected if plan provisions are changed in the future.

According to R.S. 11:1658, the Board of Trustees may maintain the net direct employer contribution rate in effect at the time that a decrease would otherwise occur or set the rate at any point between the previous year’s employer contribution rate and the minimum employer contribution rate determined under R.S. 11:103. Alternatively, the Board of Trustees may require a net direct employer contribution rate of up to 3% greater than the minimum employer contribution rate determined under R.S. 11:103. Any excess funds resulting from setting the employer contribution rate above the amount determined under R.S. 11:103 are combined with any contribution surplus or offset by any contribution shortfall. If the resulting balance is greater than zero it will be added to the Funding Deposit Account.

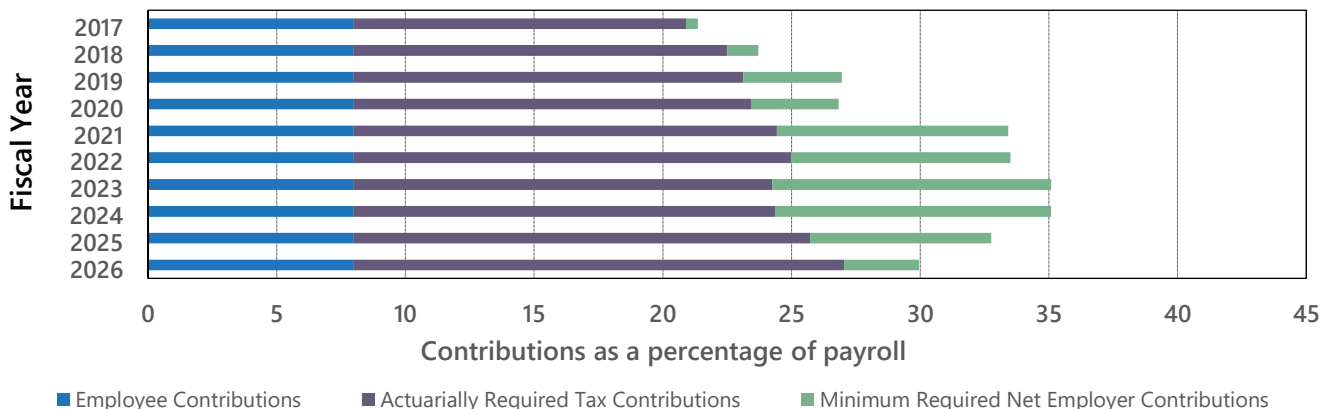
Although the minimum recommended net direct employer contribution rate for Fiscal 2025 was 10.75%, the Board of Trustees voted to set the employer contribution rate for Fiscal 2025 at 12.25%. Pursuant to R.S. 11:1659, since the rate was set above the minimum recommended rate and the system experienced a net contribution gain of \$3,711,305, the excess funds were credited to the system's Funding Deposit Account as of June 30, 2025.

The derivation of the actuarially required contribution for the current fiscal year is given in Exhibit I. The normal cost for Fiscal 2026 adjusted with interest for mid-year payment is \$14,745,585. The total actuarially required contribution is determined by adjusting the value for interest (since payments are made throughout the fiscal year) and adding estimated administrative expenses. As given on line 12 of Exhibit I the total actuarially required contribution for Fiscal 2026 is \$15,543,884. Required net direct employer contributions are also affected by the available ad valorem taxes and revenue sharing funds which the system receives each year. When these funds change as a percentage of payroll, net direct employer contributions are adjusted accordingly. We estimate that these funds will increase by 1.31% of payroll in Fiscal 2026. When the gross employer required contribution is reduced by projected tax contributions and revenue sharing funds, the resulting employers' net direct actuarially required contribution for Fiscal 2026 is \$2,063,590. This is 2.91% of the projected payroll for Fiscal 2026.

For Fiscal 2026 the minimum recommended net direct employer contribution rate set by the Fiscal 2024 valuation is 7.00%; however, the board-adopted employer contribution rate set previously for Fiscal 2026 is 12.25% of payroll. Since the board-adopted employer contribution rate for Fiscal 2026 is greater than the minimum recommended net direct employer contribution rate, should the system experience a contribution gain any additional contributions will be credited to the Funding Deposit Account. Since the employers' net direct actuarially required contribution rate for Fiscal 2026 of 2.91% is less than the board-adopted employer contribution rate, we do expect the fund to generate a contribution gain during Fiscal 2026 unless payroll during Fiscal 2026 is less than projected payroll or taxes collected are less than projected levels by a sufficient amount. R.S. 11:103 requires that the net direct employer contribution rate be rounded to the nearest 0.25%, hence we are recommending a minimum net direct employer contribution rate of 3.00% for Fiscal 2027.

The cost of providing benefits to current and former members is borne by employees and employers and relies in part on dedicated ad valorem taxes and revenue sharing funds. **Figure 7** shows the breakdown of annual costs as a percentage of payroll over the past ten years.

**Figure 7. Components of Actuarial Funding**



Under the provisions of R.S. 11:1658, the Board of Trustees may set the net direct employer contribution for fiscal 2027 at any level between the minimum recommended employer contribution rate of 3.00% and 12.25%. If the Board sets the net direct employer contribution rate above the minimum rate and the system experiences a contribution gain in Fiscal 2027, the gain will be deposited into the system's Funding Deposit Account in accordance with R.S. 11:1659. Funds in this account can be used to reduce either future required contributions in a particular year or the normal cost accrual rate. In addition, if the system may grant a cost-of-living increase to retirees, such increase may be paid from funds in the Funding Deposit Account.

## **LOW-DEFAULT RISK OBLIGATION MEASURE (LDROM)**

The retirement system's annual actuarial funding valuation determines the employer's minimum contribution rate based upon a set of actuarial assumptions found to be reasonable individually and in the aggregate for the purpose of the measurement. For a system like the District Attorneys' Retirement System that is open to new members and expected to exist in perpetuity, boards of trustees generally elect to invest system assets in a basket of asset classes that subject the system to several investment risks, including the risk of default. Such risks are generally mitigated through diversification among the asset classes and through portfolio construction within each asset class. When considering expert opinions about expectations of future returns, generally called capital market assumptions, and when considering historical evidence, it is found that a portfolio composed of a combination of asset classes (including risky assets such as equities, fixed income assets, real estate investments, and other alternative investments) earns a larger return than risk-free or low-default-risk fixed income assets provide. The larger expected return is often referred to as a risk premium as investors generally require a larger return to accept the added risk. It is precisely this exchange of return for added risk that is at the heart of the low-default-risk obligation measure (LDROM) defined within Actuarial Standard of Practice #4. Were the system to simply invest in low-default-risk fixed income securities, the system would be expected to earn less from investment markets but would also expect less portfolio return volatility and less chance of investment default. Since investment income directly offsets the contributions owed by the system's employers, building a portfolio that includes risky assets can be a strategy to lower the long-term requirement for employer contributions, but in doing so, employers accept certain investment risks.

The LDROM can help to quantify both the impact of investing in a portfolio that includes risky assets and using a long-term expected rate of return from such a portfolio to discount liabilities. In addition, the LDROM can help stakeholders understand how much liabilities would increase if the system was measured using a discount rate that did not include the risk premium for assets with higher default risk.

The standard of practice requires the following when determining the LDROM:

- The actuary should use an immediate gain actuarial cost method.
- The actuary should select a discount rate or rates derived from low-default-risk fixed income securities whose cash flows are reasonably consistent with the pattern of benefits expected to be paid in the future.
- Other than the discount rate or rates, the actuary may use the same assumptions used in the funding valuation for this measure.

The biggest decision in making LDROM calculations is the discount rate or rates to use. The standard discusses several possibilities. We have elected to base our LDROM calculations on discount rates derived from high-quality corporate bonds, which we believe best represent low-default-risk fixed income investments. For these calculations, we use the U.S. Department of the Treasury’s High-Quality Market (HQM) Corporate Bond Yield Curve weighted according to the closed fund cash flows developed for the most recently completed system specific GASB 67 analyses. The LDROM calculations have been performed based on the Entry Age Normal funding method.

The U.S. Treasury HQM Corporate Bond Yield Curve is developed using regression variables, projects yield curves beyond the longest maturity date and makes use of bond market characteristics to help generate a stable curve. It represents spot yields of corporate bonds rated AAA, AA, or A and is available monthly on the IRS website. When the June 2025 HQM Corporate Bond Yield Curve is weighted based on the GASB 67 cash flows, the effective single discount rate derived from the analysis is 5.79%.

In the following section, we will disclose an LDROM-based actuarial accrued liability, which can be compared to the entry age normal actuarial accrued liability, and an LDROM-based funded ratio, which can be compared to the system’s funded ratio determined based on the entry age normal actuarial accrued liability. Our calculations are based on the effective single discount rate derived from the U.S. Treasury HQM Corporate Bond Yield Curve of 5.79%. All other assumptions match those used to determine funding liabilities.

LDROM Comparison	Funding Valuation	LDROM Valuation
Discount Rate	6.10%	5.79%
Accrued Liability for Active Members	\$ 292,074,229	\$ 304,959,417
Accrued Liability for Terminated Members	\$ 45,150,394	\$ 47,334,599
Accrued Liability for Retired Members	\$ 310,441,327	\$ 318,139,847
Total Actuarial Accrued Liability (AAL)	\$ 647,665,950	\$ 670,433,863
Funded Ratio (AVA/AAL)	93.17%	90.00%

The differences in the measures shown above can be viewed within the risk/return framework. By accepting added investment risk, the system is expected to significantly reduce the employer’s responsibility to fund system liabilities over the long run, but that decision will likely result in greater variability in employer contributions over time as risky assets typically experience greater return volatility.

## COST OF LIVING ADJUSTMENTS

During Fiscal 2025 the actual cost of living (as measured by the US Department of Labor CPI-U) increased by 2.7%.

<b>RELEVANT COLA STATUTES</b>	
<b>Statute</b>	<b>Description</b>
R.S. 11:1638	Provides for cost-of-living increases of up to 3% of each retiree or beneficiary's original benefit subject to a limit of \$60 per month. Applies to those retired at least one year.
R.S. 11:246	Provides supplemental cost-of-living increases to retirees and beneficiaries over the age of 65 equal to 2% of the benefit in payment on October 1, 1977, or the date the benefit was originally received if retirement commenced after that date. Applies to those retired for at least one year. May only be granted if the system's earnings exceed those which would be realized based on the valuation interest rate as applied to the actuarial value of assets in sufficient amount to offset the present value of the increase or by funding the lifetime cost of the increase through a withdrawal from the Funding Deposit Account balance.
R.S. 11:241	Provides for cost-of-living benefits payable based on a formula equal to up to \$1 times the total of the number of years of credited service accrued at retirement or at death of the member or retiree plus the number of years since retirement or since death of the member or retiree to the system's fiscal year end preceding the payment of the benefit increase. Applies to those retired for at least one year.

R.S. 11:243 sets forth the funding criteria necessary to grant cost of living adjustments to regular retirees and beneficiaries (who are neither the surviving spouse nor children of the retiree). The criteria for the fund to qualify as eligible to grant any such increase is as follows: a funded ratio of at least 70% if the system has not granted a benefit increase to retirees, survivors, or beneficiaries in any of the three most recent fiscal years; a funded ratio of at least 80% if the system has not granted such an increase in any of the two most recent fiscal years; or a funded ratio of at least 90% if the system has not granted such an increase in the most recent fiscal year. The funded ratio at any fiscal year end is the ratio of the actuarial value of assets to the actuarial accrued liability under the funding method prescribed by the legislative auditor (currently the Projected Unit Credit Method for this system). For Fiscal 2025, this funded ratio is 98.06%.

In addition to the requirements stated in the preceding paragraph, statutory provisions require that in order to grant an increase authorized by these sections the system's investment earnings must exceed those which would be realized based on the valuation interest rate as applied to the actuarial value of assets in sufficient amount to offset the present value of the increase or alternatively to withdraw such funds from the system's Funding Deposit Account. For Fiscal 2025, the system's investment income was \$11,459,177 above expectations.

Because the system's funded ratio for COLA purposes exceeds 90% and the last COLA was granted effective July 1, 2022, the Board of Trustees qualifies under R.S. 11:243(G) to provide a cost-of-living adjustment. The Board of Trustees is authorized to use either excess interest earnings or funds within the Funding Deposit Account. The system experienced \$11,459,177 in excess interest earnings and has a Funding Deposit Account balance of \$5,848,144.

The following table provides the expected increase in the normal cost accrual rate that would occur if a COLA were granted without the prefunding of the Funding Deposit Account. If a COLA is granted and the present value of additional benefits is released from the Funding Deposit Account, there would be no increase in the normal cost accrual rate.

	Increase in Annual Benefits	Increase in Present Value	Equivalent Increase in Normal Cost Accrual Rate
R.S. 11:1638 – 3% of the original benefit if retired at least 1 year, capped at \$60 per month.	\$ 326,529	\$ 3,259,712	0.56%
R.S. 11:246 - 2% of original benefit if retired at least 1 year and at least age 65	\$ 454,355	\$ 4,349,969	0.75%

In lieu of awarding the cost-of-living increases described above, R.S. 11:241(B) allows the board to grant a cost-of-living increase of an amount not to exceed \$1 for every year of service plus the number of years since retirement. There is insufficient information available on the system's database to provide meaningful estimates of the costs associated with awarding this type of cost-of-living increase.

The following is a history of COLAs provided since January 1, 2000:

COLA HISTORY SINCE 2000	
July 1, 2022	COLA paying 3% of the original benefit of those retired at least 1 year, plus a supplemental cost-of-living increase of 2% of the original benefit for those at least the age of 65.
Fiscal 2008	COLA paying 3% of the original benefit of those retired at least 1 year, plus a supplemental cost-of-living increase of 2% of the original benefit for those at least the age of 65.
Fiscal 2001	COLA paying 3% of the original benefit of those retired at least 1 year, plus a supplemental cost-of-living increase of 2% of the original benefit for those at least the age of 65.
Fiscal 2000	COLA paying 3% of the original benefit of those retired at least 1 year, plus a supplemental cost-of-living increase of 2% of the original benefit for those at least the age of 65.

# EXHIBITS

## EXHIBIT I

### ANALYSIS OF ACTUARIALLY REQUIRED CONTRIBUTIONS

1.	Present Value of Future Benefits.....	\$ 770,615,822
2.	Actuarial Value of Assets.....	\$ 603,413,652
3.	Funding Deposit Account Credit Balance.....	\$ 5,848,144
4.	Present Value of Future Employee Contributions .....	<u>\$ 46,641,525</u>
5.	Present Value of Future Employer Normal Costs (1 – (2 – 3) – 4) .....	\$ 126,408,789
6.	Present Value of Future Salaries.....	\$ 583,019,067
7.	Employer Normal Cost Accrual Rate (5 ÷ 6).....	21.681759%
8.	Projected Fiscal 2026 Salary for Current Membership .....	\$ 66,025,210
9.	Employer Normal Cost as of July 1, 2025 (7 × 8) .....	\$ 14,315,427
10.	Employer Normal Cost Interest Adjusted for Mid-year Payment.....	\$ 14,745,585
11.	Estimated Administrative Cost for Fiscal 2026.....	\$ 798,299
12.	GROSS Employer Actuarially Required Contribution for Fiscal 2026 (10 + 11).....	\$ 15,543,884
13.	Projected Ad Valorem Tax Contributions for Fiscal 2026.....	\$ (13,265,182)
14.	Projected Revenue Sharing Funds for Fiscal 2026 .....	\$ (215,112)
15.	Net Direct Employer Actuarially Required Contribution For Fiscal 2026 (12 + 13 + 14) .....	\$ 2,063,590
16.	Projected Payroll for Fiscal 2026.....	\$ 70,812,202
17.	Employers' Minimum Net Direct Actuarially Required Contribution as a % of Projected Payroll for Fiscal 2026 (15÷16) .....	2.91%
18.	Board Adopted Employer Contribution Rate for Fiscal 2026.....	12.25%
19.	Minimum Recommended Net Direct Employer Contribution Rate for Fiscal 2027 (17; rounded to the nearest 0.25%) .....	3.00%

## EXHIBIT II PRESENT VALUE OF FUTURE BENEFITS

### PRESENT VALUE OF FUTURE BENEFITS FOR ACTIVE MEMBERS:

Retirement Benefits.....	\$ 363,331,053	
Survivor Benefits.....	8,524,430	
Disability Benefits.....	957,296	
Vested Termination Benefits.....	36,710,523	
Refunds of Contributions .....	5,500,799	
 TOTAL Present Value of Future Benefits for Active Members.....		 \$ 415,024,101

### PRESENT VALUE OF FUTURE BENEFITS FOR TERMINATED MEMBERS:

Terminated Vested Members		
Due Benefits at Retirement.....	\$ 39,579,101	
Terminated Members with Reciprocal		
Due Benefits at Retirement.....	1,049,813	
Terminated Members Due a Refund .....	4,521,480	
 TOTAL Present Value of Future Benefits for Terminated Members .....		 \$ 45,150,394

### PRESENT VALUE OF FUTURE BENEFITS FOR RETIREES:

Regular Retirees		
Maximum.....	\$ 91,178,130	
Option 1 .....	2,333,445	
Option 2 .....	144,768,482	
Option 3 .....	34,892,367	
Option 4 .....	3,810,247	
 TOTAL Regular Retirees .....		 \$ 276,982,671
Disability Retirees.....		0
Survivors & Widows .....		29,240,618
DROP/Back-DROP Deposits .....		4,218,038
 TOTAL Present Value of Future Benefits for Retirees & Survivors.....		 \$ 310,441,327
 TOTAL Present Value of Future Benefits .....		 \$ 770,615,822

## EXHIBIT III ACTUARIAL VALUE OF ASSETS

Excess (Shortfall) of Invested Income  
For Current and Previous 4 Years:

Fiscal year 2025 .....	\$ 16,773,433
Fiscal year 2024 .....	29,314,873
Fiscal year 2023 .....	18,993,592
Fiscal year 2022 .....	(85,974,931)
Fiscal year 2021 .....	73,561,927
Total for Five Years .....	\$ 52,668,894

Deferral of Excess (Shortfall) of Invested Income:

Fiscal year 2025 (80%) .....	\$ 13,418,746
Fiscal year 2024 (60%) .....	17,588,924
Fiscal year 2023 (40%) .....	7,597,437
Fiscal year 2022 (20%) .....	(17,194,986)
Fiscal year 2021 ( 0%) .....	0
Total Deferred for Year .....	\$ 21,410,121

Market Value of Plan Net Assets, End of Year ..... \$ 624,823,773

Preliminary Actuarial Value of Plan Assets, End of Year ..... \$ 603,413,652

Actuarial Value of Assets Corridor

85% of Market Value, End of Year.....	\$ 531,100,207
115% of Market Value, End of Year.....	\$ 718,547,339

Final Actuarial Value of Plan Net Assets, End of Year ..... \$ 603,413,652

**EXHIBIT IV**  
**PRESENT VALUE OF FUTURE CONTRIBUTIONS**

Employee Contributions to the Annuity Savings Fund.....	\$	46,641,525
Employer Normal Contributions to the Pension Accumulation Fund.....		126,408,789
Funding Deposit Account Credit Balance .....		(5,848,144)
TOTAL PRESENT VALUE OF FUTURE CONTRIBUTIONS.....	\$	167,202,170

**EXHIBIT V**  
**RECONCILIATION OF EMPLOYER CONTRIBUTIONS**

Employer Normal Cost for Prior Year.....	\$	16,400,150
Interest on the Normal Cost .....		1,000,409
Administrative Expenses.....		768,037
Interest on Administrative Expenses.....		23,078
TOTAL Interest Adjusted Actuarially Required Contributions.....	\$	18,191,674
Direct Employer Contributions .....	\$	8,677,980
Interest on Employer Contributions.....		260,761
Ad Valorem Taxes and Revenue Sharing.....		12,586,046
Interest on Ad Valorem Taxes and Revenue Sharing Funds.....		378,192
TOTAL Interest Adjusted Employer Contributions.....	\$	21,902,979
EMPLOYER CONTRIBUTION SURPLUS.....	\$	3,711,305

**EXHIBIT VI  
FUNDING DEPOSIT ACCOUNT**

Funding Deposit Account Balance as of June 30, 2024.....	\$	2,013,986
Interest on Opening Balance at 6.10%.....		122,853
Contributions to the Funding Deposit Account.....		3,711,305
Withdrawals from the Funding Deposit Account.....		0
Funding Deposit Account Balance as of June 30, 2025.....	\$	5,848,144

**EXHIBIT VII – SCHEDULE A  
PENSION BENEFIT OBLIGATION**

Present Value of Credited Projected Benefits Payable to Current Employees.....	\$	259,772,469
Present Value of Benefits Payable to Terminated Employees.....		45,150,394
Present Value of Benefits Payable to Current Retirees and Beneficiaries.....		310,441,327
TOTAL PENSION BENEFIT OBLIGATION.....	\$	615,364,190
NET ACTUARIAL VALUE OF ASSETS.....	\$	603,413,652
Ratio of Net Actuarial Value of Assets to Pension Benefit Obligation.....		98.06%

**EXHIBIT VII – SCHEDULE B  
ENTRY AGE NORMAL ACCRUED LIABILITIES**

Accrued Liability for Active Employees .....	\$	292,074,229
Accrued Liability for Terminated Employees.....		45,150,394
Accrued Liability for Current Retirees and Beneficiaries .....		310,441,327
TOTAL ENTRY AGE NORMAL ACCRUED LIABILITY .....	\$	647,665,950
NET ACTUARIAL VALUE OF ASSETS.....	\$	603,413,652
Ratio of Net Actuarial Value of Assets to Entry Age Normal Accrued Liability.....		93.17%

## EXHIBIT VIII YEAR-TO-YEAR COMPARISON

	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022
Number of Active Members	735	753	734	719
Number of Retirees & Survivors	500	489	467	447
Number of Terminated Due Deferred Benefits	147	141	144	120
Number Terminated Due Refunds	350	332	317	298
Active Lives Payroll	\$ 70,010,975	\$ 69,880,358	\$ 66,074,184	\$ 63,924,334
Retiree Benefits in Payment	\$ 28,850,150	\$ 27,709,974	\$ 26,580,382	\$ 25,028,703
Market Value of Assets	\$ 624,823,773	\$ 578,738,448	\$ 520,361,462	\$ 479,155,679
Entry Age Normal Accrued Liability				
Active Lives	\$ 292,074,229	\$ 281,936,349	\$ 271,231,026	\$ 270,572,062
Retired Lives	\$ 310,441,327	\$ 302,989,561	\$ 293,096,018	\$ 279,422,050
Terminated Members	<u>\$ 45,150,394</u>	<u>\$ 41,873,372</u>	<u>\$ 41,789,510</u>	<u>\$ 36,882,795</u>
Total EAN Accrued Liability	\$ 647,665,950	\$ 626,799,282	\$ 606,116,554	\$ 586,876,907
Ratio of AVA to EAN Accrued Liability	93.17%	89.91%	87.48%	87.12%
Funding Deposit Account	\$ 5,848,144	\$ 2,013,986	\$ 0	\$ 0
Actuarial Value of Assets	\$ 603,413,652	\$ 563,567,982	\$ 530,233,339	\$ 511,313,156
Present Value of Future Employer Normal Cost	\$ 126,408,789	\$ 156,595,138	\$ 162,053,869	\$ 160,188,830
Present Value of Future Employee Contrib.	\$ 46,641,525	\$ 50,832,431	\$ 47,968,672	\$ 47,418,913
Present Value of Future Benefits	\$ 770,615,822	\$ 768,981,565	\$ 740,255,880	\$ 718,920,899
	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2023
Employee Contribution Rate	8.00%	8.00%	8.00%	8.00%
Estimated Tax Contribution as a % of Payroll	19.04%	17.73%	16.36%	16.26%
Minimum Recommended Net Direct Employer Contribution Rate	7.00%	10.75%	11.00%	8.50%
Actual Employer Contribution Rate	12.25%	12.25%	12.00%	9.50%

Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017	Fiscal 2016
726	731	734	744	755	784
424	386	357	349	329	311
122	108	104	94	96	93
276	309	292	270	266	223
\$ 61,661,164	\$ 61,509,353	\$ 60,738,553	\$ 60,501,312	\$ 60,086,832	\$ 60,325,526
\$ 23,178,155	\$ 20,476,692	\$ 18,448,464	\$ 17,914,111	\$ 16,725,377	\$ 15,461,663
\$ 537,267,140	\$ 443,953,251	\$ 435,940,046	\$ 422,384,994	\$ 392,603,825	\$ 370,742,452
\$ 253,273,739	\$ 261,356,775	\$ 234,026,312	\$ 226,631,689	\$ 208,049,012	\$ 194,383,880
\$ 263,617,143	\$ 229,903,850	\$ 204,630,972	\$ 201,812,879	\$ 185,685,403	\$ 171,716,093
<u>\$ 38,179,489</u>	<u>\$ 31,919,873</u>	<u>\$ 29,453,077</u>	<u>\$ 26,119,629</u>	<u>\$ 25,841,592</u>	<u>\$ 23,783,204</u>
\$ 555,070,371	\$ 523,180,498	\$ 468,110,361	\$ 454,564,197	\$ 419,576,007	\$ 389,883,177
88.07%	87.31%	94.09%	93.51%	96.15%	98.11%
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
\$ 488,846,632	\$ 456,797,449	\$ 440,451,633	\$ 425,079,441	\$ 403,428,322	\$ 382,512,520
\$ 147,680,310	\$ 141,325,384	\$ 118,446,881	\$ 120,523,030	\$ 97,589,720	\$ 81,119,123
\$ 45,933,589	\$ 44,627,125	\$ 52,045,598	\$ 52,395,819	\$ 51,278,304	\$ 50,725,195
\$ 682,460,531	\$ 642,749,958	\$ 610,944,112	\$ 597,998,290	\$ 552,296,346	\$ 514,356,838
Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017
8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
16.98%	16.43%	15.45%	15.13%	14.51%	12.90%
9.50%	3.25%	4.00%	1.25%	0.00%	0.00%
9.50%	4.00%	4.00%	1.25%	0.00%	0.00%

# APPENDICES

## APPENDIX A GASB 67 AND 82 INFORMATION

### GASB INTRODUCTION

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Appendix A provides information necessary to prepare financial statements which comply with Governmental Accounting Standards Board (GASB) Statements 67 and 82. This appendix has been prepared in accordance with generally accepted actuarial principles and practices to the extent that there is no conflict with GASB Statements 67 and 82, and to the best of our knowledge and belief, fairly reflects the actuarial present values and liabilities stated herein. The findings in this report are based on data and other information through June 30, 2025.

As of June 30, 2025, pension plan membership consisted of the following:

Active plan members (including DROP participants)	735
Inactive plan members or beneficiaries currently receiving benefits	500
Inactive plan members entitled to but not yet receiving benefits	<u>497</u>
	<u>1,732</u>

Because the District Attorneys' Retirement System is funded using the Aggregate Funding Method and GASB prescribed the use of the Entry Age Normal Funding Method for financial disclosures, the funding methods used are different for the funding and GASB valuations. In addition to the prescribed funding method, differences between the presentation of funding valuation results provided earlier in this report and the GASB valuation values shown within Appendix A arise from the terminology used by GASB for financial statements. These differences include GASB's use of the system's market value of assets (termed Fiduciary Net Position) without the application of actuarial smoothing methods used to determine funding values.

For funding purposes, the system's Funding Deposit Account is excluded from the system's assets in determining the actuarially required contributions. However, GASB calculations are made on the audited financial statements and all assets, including those collected to Funding Deposit Account, are included in the system's total assets (Fiduciary Net Position). Because funds within the Funding Deposit Account may be used for funding, we do not include an offsetting liability for the Funding Deposit Account balance in the system's total liabilities (Total Pension Liability). Thus, for financial reporting purposes these funds help lower the system's Net Pension Liability.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such facts as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; changes in the demographic composition of the group; completion of amortization payments or credit schedules; and changes in plan provisions or applicable law.

## Fiduciary Net Position

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The total market value of assets (or Fiduciary Net Position) can be broken down into several separate accounts. As of June 30, 2025 these subaccounts are valued as follows:

Annuity Savings Fund	\$ 69,403,999
Annuity Reserve Fund	306,223,289
Pension Accumulation Fund	238,999,529
DROP Account	4,348,812
Funding Deposit Account	5,848,144
<b>Total Fiduciary Net Position</b>	<b>\$ 624,823,773</b>

**Annuity Savings Fund** - The Annuity Savings Fund represents employee contributions held on behalf of members and former members who have not yet begun receiving benefits.

**Annuity Reserve Fund** - The Annuity Reserve Fund represents the present value of future annuity benefits owed to retirees and survivors based on current plan assumptions.

**Pension Accumulation Fund** - The Pension Accumulation Fund represents the remaining amount of plan assets that have been accumulated to fund benefits (in excess of a return of employee contributions) for active members and vested former members. The Pension Accumulation Fund can be positive or negative. A negative figure would indicate a lack of funding for such future benefits. A positive figure represents an amount set aside for such future benefits.

**DROP and Back-DROP Accounts** - The DROP and Back-DROP Accounts contain the DROP and Back-DROP balances for retired members who previously completed DROP or selected Back-DROP and elected to leave their funds on deposit in the care of the retirement system.

**Funding Deposit Account** - The Funding Deposit Account is a side fund that contains surplus contributions made by employers pursuant to R.S. 11:1658. When the Board of Trustees elects to set the net direct employer contribution rate higher than the minimum recommended actuarially determined employer contribution rate, all surplus funds collected by the system are credited to the system's Funding Deposit Account. The account earns interest annually at the Board-approved actuarial valuation interest rate. The funds in the account may be used for the following purposes: (1) to reduce the present value of future normal costs, (2) to pay all or a portion of any future net direct employer contributions, (3) to provide for a cost-of-living adjustment, pursuant to applicable law.

## Total Pension Liability

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The Total Pension Liability (called the actuarial accrued liability in the funding report) as stated in this report is based on the Individual Entry Age Normal actuarial cost method as described in Statement 67 of the Government Accounting Standards Board (GASB 67). Calculations were made as of June 30, 2025 and were based on June 30, 2025 data.

The measurement of total pension liability as of June 30, 2025 has been completed using the same actuarial assumptions as those used in determining funding valuation figures. These assumptions are enumerated in the Actuarial Assumptions section of this report.

Pension Liability for Active Members	\$	292,074,229
Pension Liability for Terminated Members		45,150,394
Pension Liability for Retirees & Survivors		310,441,327
<b>Total Pension Liability</b>	<b>\$</b>	<b>647,665,950</b>

### **Net Pension Liability**

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The components of the net pension liability (or Unfunded Actuarial Accrued Liability as of June 30, 2025 determined using the market value of assets (Plan Fiduciary Net Position) instead of the smoothed Actuarial Value of Assets used in the funding valuation), are as follows:

Total Pension Liability	\$	647,665,950
Less: Plan Fiduciary Net Position		624,823,773
<b>Net Pension Liability</b>	<b>\$</b>	<b>22,842,177</b>

### **Sensitivity of Net Pension Liability to Differences in Discount Rate**

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The following presents the net pension liability of the system calculated using the discount rate of 6.10%, as well as what the system's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.10%) or one percentage point higher (7.10%) than the current rate (assuming all other assumptions remain unchanged):

	1% Decrease (5.10%)	Current Discount Rate (6.10%)	1% Increase (7.10%)
Net Pension Liability	\$101,056,300	\$22,842,177	\$(42,658,256)

### **Collective Pension Expense**

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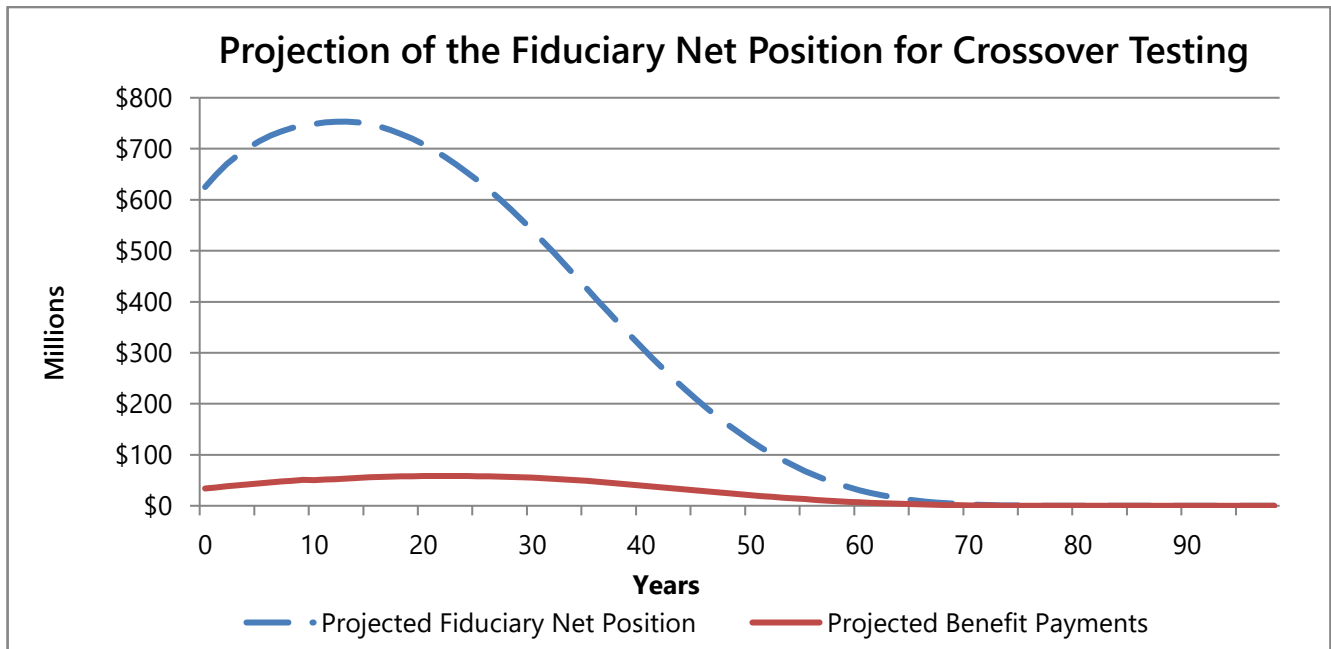
The collective pension expense is the total pension expense recognized by a cost-sharing plan under GASB 67, reflecting all changes in liabilities, assets, and deferrals before allocation to employers. For the year ended June 30, 2025, the Collective Pension Expense (Income) for the system is \$10,288,077.

### **Crossover Testing**

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GASB 67 requires the system's actuary to perform a crossover test to determine whether a public pension plan should discount its liabilities using the long-term expected rate of return on plan investments or, in part, based on a tax-exempt, high-quality municipal bond index rate. The purpose of this test is to assess whether the system's projected plan assets, together with future contributions, will be sufficient to cover all projected benefit payments. (See the following figure)

Within this crossover test, projected assets were found to meet or exceed projected benefit payments. Therefore, all liabilities have been discounted using the long-term expected rate of return.



### Amortization of Deferred Inflows and Outflows

GASB 67 requires the amortization of deferred inflows and outflows. This amortization is not an amortization that recognizes the time value of money, but instead simply recognizes the impact of inflows and outflows for certain gains and losses equally over a specified amortization period by dividing the gain/loss over the amortization period. The following table describes the changes that are amortized and the amortization period to be used.

Source of Change	Basis of Amortization Period	Current Amortization Period
Differences between expected and actual experience (demographic/economic factors such as turnover, salary, mortality)	Expected remaining service life of active and inactive members	4
Changes in actuarial assumptions (e.g., discount rate, retirement age, inflation)	Expected remaining service life of active and inactive members	4
Differences between projected and actual investment earnings on plan assets	5 years (fixed, closed)	5

**STATEMENT OF FIDUCIARY NET POSITION**  
**AS OF JUNE 30, 2025 AND 2024**

	<b>2025</b>	<b>2024</b>
<b>Current Assets:</b>		
Cash & Cash Equivalents in Banks	\$ 2,685,976	\$ 2,751,074
Contributions Receivable	1,133,402	2,667,848
Accrued Interest and Dividends	4,617,103	4,955,562
Prepaid Expenses	21,000	21,000
<b>TOTAL CURRENT ASSETS</b>	<b>\$ 8,457,481</b>	<b>\$ 10,395,484</b>
<b>Property, Plant &amp; Equipment</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Investments:</b>		
Cash & Cash Equivalents	\$ 17,107,316	\$ 19,387,181
Equities	320,115,283	296,939,233
Fixed Income	244,101,975	177,124,807
Fixed Income-Real Estate	0	34,200,000
Real Estate	2,794,011	6,706,350
Alternative Investments	32,295,015	29,026,617
DROP Account Assets (Outside System Portfolio)	0	5,100,063
<b>TOTAL INVESTMENTS</b>	<b>\$ 616,413,600</b>	<b>\$ 568,484,251</b>
<b>Current Liabilities:</b>		
Investments Payable	0	129,446
Other Current Liabilities	47,308	11,841
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$ 47,308</b>	<b>\$ 141,287</b>
<b>FIDUCIARY NET POSITION</b>	<b>\$ 624,823,773</b>	<b>\$ 578,738,448</b>

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FOR THE YEAR ENDED JUNE 30, 2025 AND 2024**

	<b>2025</b>	<b>2024</b>
<b>BEGINNING OF YEAR FIDUCIARY NET POSITION</b>	\$ 578,738,448	\$ 520,361,462
<b>Income:</b>		
Regular Member Contributions	\$ 5,715,558	\$ 5,625,775
Regular Employer Contributions	8,677,980	8,426,329
Irregular Contributions	123,328	193,848
Ad Valorem Taxes & Revenue Sharing	12,586,046	11,880,824
Transfers from Other Systems	764,995	1,465,235
<b>TOTAL CONTRIBUTIONS</b>	<b>\$ 27,867,907</b>	<b>\$ 27,592,011</b>
Net Appreciation of Fair Value of Investments	\$ 34,509,590	\$ 45,112,761
Dividends, Interest and Recurring Income	15,353,503	15,330,592
Alternative Investment Income	3,465,625	2,597,927
Investment Expense	(1,427,013)	(2,062,537)
<b>TOTAL MARKET INVESTMENT INCOME</b>	<b>\$ 51,901,705</b>	<b>\$ 60,978,743</b>
<b>TOTAL INCOME</b>	<b>\$ 79,769,612</b>	<b>\$ 88,570,754</b>
<b>Expenses:</b>		
Retirement Annuity Benefits	\$ 28,227,736	\$ 26,955,303
DROP Benefits	3,435,674	1,103,993
Refund of Contributions	900,860	428,506
Funds Transferred to Other Systems	351,980	896,026
Administrative Expenses	768,037	809,940
<b>TOTAL EXPENSES</b>	<b>\$ 33,684,287</b>	<b>\$ 30,193,768</b>
<b>NET MARKET INCOME (INCOME – EXPENSES)</b>	<b>\$ 46,085,325</b>	<b>\$ 58,376,986</b>
<b>END OF YEAR FIDUCIARY NET POSITION</b>	<b>\$ 624,823,773</b>	<b>\$ 578,738,448</b>

## SCHEDULE OF PENSION EXPENSE FOR THE YEAR ENDED JUNE 30, 2025

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (c) = (a) - (b)	Collective Deferred Inflows (d)	Collective Deferred Outflows (e)	Collective Pension Expense (f) = (c) + (d) - (e) + (g)	Revenue Excluded from Pension Expense* (g)
<b>Beginning Balance:</b>	\$ 626,799,282	\$ 578,738,448	\$ 48,060,834	\$ 52,463,076	\$ 44,044,475	N/A	N/A
Service Cost	14,917,885		14,917,885			\$ 14,917,885	
Interest on Total Pension Liability	38,182,355		38,182,355			38,182,355	
Changes in Benefit Terms	0		0			0	
Differences Between Expected and Actual Experience with Regard to Economic or Demographic Assumptions	262,849		262,849	0	262,849		
Current Year Amortization				(967,545)	(2,314,471)	1,346,926	
Changes in Assumptions About Future Economic or Demographic Factors or Other Inputs	(468,494)		(468,494)	468,494	0		
Current Year Amortization				(117,124)	(6,567,609)	6,450,485	
Benefit Payments	(31,663,410)		(31,663,410)			(31,663,410)	
Refunds of Contributions	(900,860)		(900,860)			(900,860)	
Other	536,343		536,343			536,343	
Contributions – Member		5,715,558	(5,715,558)			(5,715,558)	
Contributions – Employer*		8,677,980	(8,677,980)				\$ 8,677,980
Contributions – Nonemployer Contributing Entities*		12,586,046	(12,586,046)				12,586,046
Projected Earnings on Pension Plan Investments		35,128,272	(35,128,272)			(35,128,272)	
Difference Between Projected and Actual Earnings on Pension Plan Investments		16,773,433	(16,773,433)	16,773,433	0		
Current Year Amortization				(27,728,767)	(17,194,986)	(10,533,781)	
Benefit Payments		(31,663,410)	31,663,410			31,663,410	
Refunds of Contributions		(900,860)	900,860			900,860	
Administrative Expenses		(768,037)	768,037			768,037	
Other		536,343	(536,343)			(536,343)	
<b>Net Increase (Decrease)</b>	<b>\$ 20,866,668</b>	<b>\$ 46,085,325</b>	<b>\$ (25,218,657)</b>	<b>\$ (11,571,509)</b>	<b>\$ (25,814,217)</b>	<b>\$ 10,288,077</b>	<b>\$ 21,264,026</b>
<b>Ending Balance</b>	<b>\$ 647,665,950</b>	<b>\$ 624,823,773</b>	<b>\$ 22,842,177</b>	<b>\$ 40,891,567</b>	<b>\$ 18,230,258</b>	<b>N/A</b>	<b>N/A</b>

For the year ended June 30, 2025, the Collective Pension Expense (Income) for the system is \$ 10,288,077.

\* Contributions from employers and non-employer contributing entities are excluded from Pension Expense and are reported as revenue as per paragraphs 58 and 71(c) of GASB 68.

## SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS FOR THE YEARS 2016 – 2025

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
<b>Total Pension Liability:</b>				
Service Cost	\$ 14,917,885	\$ 14,118,366	\$ 13,634,593	\$ 13,084,075
Interest	38,182,355	37,001,242	35,772,642	33,879,498
Changes of Benefit Terms	0	(118,094)	0	6,541,144
Differences Between Expected and Actual Experience	262,849	(2,594,041)	(1,595,174)	4,190,678
Changes of Assumptions	(468,494)	0	0	0
Benefit Payments	(31,663,410)	(28,059,296)	(28,873,415)	(26,622,096)
Refunds of Member Contributions	(900,860)	(428,506)	(467,251)	(404,048)
Other	536,343	763,057	768,252	1,137,285
<b>Net Change in Total Pension Liability</b>	<u>\$ 20,866,668</u>	<u>\$ 20,682,728</u>	<u>\$ 19,239,647</u>	<u>\$ 31,806,536</u>
<b>Total Pension Liability – Beginning</b>	<u>\$ 626,799,282</u>	<u>\$ 606,116,554</u>	<u>\$ 586,876,907</u>	<u>\$ 555,070,371</u>
<b>Total Pension Liability – Ending (a)</b>	<u><u>\$ 647,665,950</u></u>	<u><u>\$ 626,799,282</u></u>	<u><u>\$ 606,116,554</u></u>	<u><u>\$ 586,876,907</u></u>
<b>Plan Fiduciary Net Position:</b>				
Contributions – Member	\$ 5,715,558	\$ 5,625,775	\$ 5,351,142	\$ 5,195,929
Contributions – Employer	8,677,980	8,426,329	6,350,908	6,162,292
Contributions – Nonemployer Contributing Entities	12,586,046	11,880,824	10,777,403	10,348,867
Net Investment Income	51,901,705	60,978,743	48,017,409	(53,344,865)
Benefit Payments	(31,663,410)	(28,059,296)	(28,873,415)	(26,622,096)
Refunds of Member Contributions	(900,860)	(428,506)	(467,251)	(404,048)
Administrative Expenses	(768,037)	(809,940)	(718,665)	(584,825)
Other	536,343	763,057	768,252	1,137,285
<b>Net Change in Plan Fiduciary Net Position</b>	<u>\$ 46,085,325</u>	<u>\$ 58,376,986</u>	<u>\$ 41,205,783</u>	<u>\$ (58,111,461)</u>
<b>Plan Fiduciary Net Position – Beginning</b>	<u>\$ 578,738,448</u>	<u>\$ 520,361,462</u>	<u>\$ 479,155,679</u>	<u>\$ 537,267,140</u>
<b>Plan Fiduciary Net Position – Ending (b)</b>	<u><u>\$ 624,823,773</u></u>	<u><u>\$ 578,738,448</u></u>	<u><u>\$ 520,361,462</u></u>	<u><u>\$ 479,155,679</u></u>
<b>Net Pension Liability (Asset) – Ending (a) – (b)</b>	<u>\$ 22,842,177</u>	<u>\$ 48,060,834</u>	<u>\$ 85,755,092</u>	<u>\$ 107,721,228</u>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	96.47%	92.33%	85.85%	81.65%
<b>Covered Payroll</b>	\$ 70,840,653	\$ 70,219,408	\$ 66,851,663	\$ 64,866,232
<b>Net Pension Liability (Asset) as a Percentage of Covered Payroll</b>	32.24%	68.44%	128.28%	166.07%

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
\$ 12,592,761	\$ 12,992,534	\$ 12,944,169	\$ 12,205,873	\$ 11,645,505	\$ 11,303,932
32,714,581	30,555,884	29,754,249	28,539,171	27,456,268	26,307,692
0	0	0	0	0	0
3,382,766	4,404,409	(9,338,975)	207,379	(1,796,724)	(1,986,736)
8,259,455	29,494,313	0	12,292,550	11,300,225	0
(24,931,953)	(22,398,425)	(19,877,476)	(19,474,451)	(18,789,893)	(20,733,190)
(448,108)	(421,866)	(272,696)	(368,351)	(599,683)	(562,626)
320,371	443,288	336,893	1,586,019	477,132	1,113,277
<u>\$ 31,889,873</u>	<u>\$ 55,070,137</u>	<u>\$ 13,546,164</u>	<u>\$ 34,988,190</u>	<u>\$ 29,692,830</u>	<u>\$ 15,442,349</u>
<u>\$ 523,180,498</u>	<u>\$ 468,110,361</u>	<u>\$ 454,564,197</u>	<u>\$ 419,576,007</u>	<u>\$ 389,883,177</u>	<u>\$ 374,440,828</u>
<u>\$ 555,070,371</u>	<u>\$ 523,180,498</u>	<u>\$ 468,110,361</u>	<u>\$ 454,564,197</u>	<u>\$ 419,576,007</u>	<u>\$ 389,883,177</u>
\$ 5,024,906	\$ 4,991,814	\$ 4,926,590	\$ 4,973,945	\$ 4,865,302	\$ 4,847,187
2,511,625	2,492,875	775,650	0	0	2,125,900
10,317,515	9,896,394	9,390,000	8,739,447	8,219,395	8,657,954
101,070,291	13,623,812	18,780,081	34,802,927	28,228,802	6,734,928
(24,931,953)	(22,398,425)	(19,877,476)	(19,474,451)	(18,789,893)	(20,733,190)
(448,108)	(421,866)	(272,696)	(368,351)	(599,683)	(562,626)
(550,758)	(614,687)	(503,990)	(478,367)	(539,682)	(495,267)
320,371	443,288	336,893	1,586,019	477,132	1,113,277
<u>\$ 93,313,889</u>	<u>\$ 8,013,205</u>	<u>\$ 13,555,052</u>	<u>\$ 29,781,169</u>	<u>\$ 21,861,373</u>	<u>\$ 1,688,163</u>
<u>\$ 443,953,251</u>	<u>\$ 435,940,046</u>	<u>\$ 422,384,994</u>	<u>\$ 392,603,825</u>	<u>\$ 370,742,452</u>	<u>\$ 369,054,289</u>
<u>\$ 537,267,140</u>	<u>\$ 443,953,251</u>	<u>\$ 435,940,046</u>	<u>\$ 422,384,994</u>	<u>\$ 392,603,825</u>	<u>\$ 370,742,452</u>
\$ 17,803,231	\$ 79,227,247	\$ 32,170,315	\$ 32,179,203	\$ 26,972,182	\$ 19,140,725
96.79%	84.86%	93.13%	92.92%	93.57%	95.09%
\$ 62,790,625	\$ 62,321,875	\$ 62,052,000	\$ 62,174,313	\$ 60,816,275	\$ 60,740,000
28.35%	127.13%	51.84%	51.76%	44.35%	31.51%

## SCHEDULE OF NET PENSION LIABILITY FOR THE YEARS 2016 – 2025

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Total Pension Liability	\$ 647,665,950	\$ 626,799,282	\$ 606,116,554	\$ 586,876,907
Plan Fiduciary Net Position	624,823,773	578,738,448	520,361,462	479,155,679
Net Pension Liability (Asset)	<u>\$ 22,842,177</u>	<u>\$ 48,060,834</u>	<u>\$ 85,755,092</u>	<u>\$ 107,721,228</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	96.47%	92.33%	85.85%	81.65%
Covered Payroll	\$ 70,840,653	\$ 70,219,408	\$ 66,851,663	\$ 64,866,232
Net Pension Liability (Asset) as a Percentage of Covered Payroll	32.24%	68.44%	128.28%	166.07%

## SCHEDULE OF CONTRIBUTIONS FOR THE YEARS 2016 – 2025

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Actuarially Determined Contribution (Determined as of the Prior Fiscal Year) *	\$ 20,286,012	\$ 18,776,556	\$ 16,288,448	\$ 16,930,787
Contributions in Relation to the Actuarially Determined Contribution *	21,264,026	20,307,153	17,128,311	16,511,159
Contribution Deficiency (Excess)	<u>\$ (978,014)</u>	<u>\$ (1,530,597)</u>	<u>\$ (839,863)</u>	<u>\$ 419,628</u>
Covered Payroll	\$ 70,840,653	\$ 70,219,408	\$ 66,851,663	\$ 64,866,232
Contributions as a Percentage of Covered Payroll	30.02%	28.92%	25.62%	25.45%

\* Includes contributions from employers and non-employer contributing entities.

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
\$ 555,070,371	\$ 523,180,498	\$ 468,110,361	\$ 454,564,197	\$ 419,576,007	\$ 389,883,177
537,267,140	443,953,251	435,940,046	422,384,994	392,603,825	370,742,452
<u>\$ 17,803,231</u>	<u>\$ 79,227,247</u>	<u>\$ 32,170,315</u>	<u>\$ 32,179,203</u>	<u>\$ 26,972,182</u>	<u>\$ 19,140,725</u>
96.79%	84.86%	93.13%	92.92%	93.57%	95.09%
\$ 62,790,625	\$ 62,321,875	\$ 62,052,000	\$ 62,174,313	\$ 60,816,275	\$ 60,740,000
28.35%	127.13%	51.84%	51.76%	44.35%	31.51%

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
\$ 12,308,352	\$ 12,105,048	\$ 10,173,810	\$ 8,978,608	\$ 8,035,045	\$ 8,645,340
12,829,140	12,389,269	10,165,650	8,739,447	8,219,395	10,783,854
<u>\$ (520,788)</u>	<u>\$ (284,221)</u>	<u>\$ 8,160</u>	<u>\$ 239,161</u>	<u>\$ (184,350)</u>	<u>\$ (2,138,514)</u>
\$ 62,790,625	\$ 62,321,875	\$ 62,052,000	\$ 62,174,313	\$ 60,816,275	\$ 60,740,000
20.43%	19.88%	16.38%	14.06%	13.52%	17.75%

## APPENDIX B CENSUS DATA

	Active	Terminated with Funds on Deposit	Retired	Total
Number of members as of June 30, 2024	753	473	489	1,715
Additions to Census				
Initial membership	58	8		66
Omitted in error last year	1		1	2
Death of another member			4	4
Adjustment for multiple records				
Change in Status during Year				
Actives terminating service	(59)	59		
Actives who retired	(13)		13	
Actives entering DROP				
Term. members rehired	13	(13)		
Term. members who retire		(4)	4	
Retirees who are rehired				
Refunded who are rehired	1			1
Eliminated from Census				
Refund of contributions	(15)	(22)		(37)
Deaths	(3)		(11)	(14)
Included in error last year	(1)	(4)		(5)
Adjustment for multiple records				
Number of members as of June 30, 2025	735	497	500	1,732

### Actives Census by Age:

Age	Number Male	Number Female	Total Number	Average Salary	Total Salary
21 - 25	1	6	7	62,845	439,916
26 - 30	25	34	59	67,656	3,991,684
31 - 35	39	46	85	74,330	6,318,025
36 - 40	50	52	102	87,294	8,903,973
41 - 45	42	43	85	88,960	7,561,620
46 - 50	42	47	89	95,155	8,468,811
51 - 55	58	31	89	110,507	9,835,083
56 - 60	47	37	84	108,032	9,074,714
61 - 65	48	20	68	119,264	8,109,965
66 - 70	28	11	39	109,481	4,269,764
71 - 75	16	3	19	114,072	2,167,377
76 - 80	7	0	7	108,698	760,888
81 - 85	2	0	2	54,578	109,155
<b>Total</b>	<b>405</b>	<b>330</b>	<b>735</b>	<b>95,253</b>	<b>70,010,975</b>

Includes 323 actives with vested benefits, including 1 active former DROP participant.

### Terminated Members Due a Deferred Retirement Benefit:

Age	Number Male	Number Female	Total Number	Average Benefit	Total Benefit
36 - 40	2	5	7	29,382	205,671
41 - 45	16	19	35	35,498	1,242,422
46 - 50	16	14	30	37,128	1,113,833
51 - 55	21	15	36	39,698	1,429,131
56 - 60	22	7	29	36,953	1,071,624
61 - 65	3	2	5	38,732	193,658
66 - 70	3	1	4	22,795	91,181
71 - 75	0	1	1	5,863	5,863
<b>Total</b>	<b>83</b>	<b>64</b>	<b>147</b>	<b>36,418</b>	<b>5,353,383</b>

### Terminated Members Due a Refund of Contributions:

Contributions Ranging From	To	Number	Total Contributions
0	99	15	461
100	499	27	7,290
500	999	25	18,084
1,000	1,999	27	43,161
2,000	4,999	57	197,117
5,000	9,999	51	369,470
10,000	19,999	64	924,955
20,000	99,999	84	2,790,275
<b>Total</b>		<b>350</b>	<b>4,350,813</b>

Excludes \$170,667 for deceased members due a refund of contributions.

### Regular Retirees:

Age	Number Male	Number Female	Total Number	Average Benefit	Total Benefit
51 - 55	1	0	1	72,772	72,772
56 - 60	7	6	13	90,529	1,176,876
61 - 65	43	24	67	58,605	3,926,525
66 - 70	63	24	87	58,032	5,048,752
71 - 75	96	19	115	58,100	6,681,556
76 - 80	77	9	86	68,674	5,906,004
81 - 85	41	4	45	56,966	2,563,463
86 - 90	10	0	10	47,734	477,336
91 - 95	2	0	2	30,301	60,602
<b>Total</b>	<b>340</b>	<b>86</b>	<b>426</b>	<b>60,831</b>	<b>25,913,886</b>

### Survivors:

Age	Number Male	Number Female	Total Number	Average Benefit	Total Benefit
46 - 50	0	1	1	49,036	49,036
51 - 55	0	2	2	47,204	94,407
56 - 60	0	3	3	49,580	148,740
61 - 65	1	6	7	56,534	395,736
66 - 70	0	16	16	48,567	777,074
71 - 75	0	13	13	42,147	547,907
76 - 80	0	18	18	33,941	610,934
81 - 85	0	6	6	16,582	99,489
86 - 90	0	7	7	24,431	171,014
91 - 95	0	1	1	41,927	41,927
<b>Total</b>	<b>1</b>	<b>73</b>	<b>74</b>	<b>39,679</b>	<b>2,936,264</b>

## Active Members:

Attained Ages	Completed Years of Service								Total
	0 - 1	1 - 5	5 - 10	10 - 15	15 - 20	20 - 25	25 - 30	Over 30	
0 - 20	-	-	-	-	-	-	-	-	-
21 - 25	5	2	-	-	-	-	-	-	7
26 - 30	18	41	-	-	-	-	-	-	59
31 - 35	14	50	21	-	-	-	-	-	85
36 - 40	4	39	35	23	1	-	-	-	102
41 - 45	5	22	17	25	16	-	-	-	85
46 - 50	4	22	13	13	18	18	1	-	89
51 - 55	2	19	13	12	13	24	6	-	89
56 - 60	5	14	9	8	6	13	18	11	84
61 - 65	-	10	7	10	8	7	15	11	68
66 - 70	1	4	6	12	7	3	1	5	39
71 & Over	1	3	6	3	8	-	2	5	28
<b>Total</b>	<b>59</b>	<b>226</b>	<b>127</b>	<b>106</b>	<b>77</b>	<b>65</b>	<b>43</b>	<b>32</b>	<b>735</b>

## Average Annual Salary of Active Members:

Attained Ages	Completed Years of Service								Average
	0 - 1	1 - 5	5 - 10	10 - 15	15 - 20	20 - 25	25 - 30	Over 30	
0 - 20	-	-	-	-	-	-	-	-	-
21 - 25	61,911	65,180	-	-	-	-	-	-	62,845
26 - 30	61,237	70,473	-	-	-	-	-	-	67,656
31 - 35	64,868	73,286	83,123	-	-	-	-	-	74,330
36 - 40	66,939	81,041	86,408	102,402	96,107	-	-	-	87,294
41 - 45	64,630	73,878	84,502	98,461	107,195	-	-	-	88,960
46 - 50	81,074	85,742	92,753	106,731	90,687	108,690	76,136	-	95,155
51 - 55	74,350	83,795	103,676	100,599	115,575	135,842	129,439	-	110,507
56 - 60	67,722	79,363	78,496	89,316	127,166	127,100	136,451	121,147	108,032
61 - 65	-	75,706	99,922	116,033	100,481	120,347	150,609	144,337	119,264
66 - 70	75,041	90,575	129,638	102,095	88,266	88,300	46,056	180,128	109,481
71 & Over	77,717	112,093	90,285	99,395	113,473	-	83,168	141,883	108,479
<b>Average</b>	<b>65,682</b>	<b>77,500</b>	<b>90,436</b>	<b>101,978</b>	<b>104,397</b>	<b>122,711</b>	<b>134,428</b>	<b>141,574</b>	<b>95,253</b>

### Terminated Members Due a Deferred Retirement Benefit:

Attained Ages	Years until Retirement Eligibility								Total
	0 - 1	1 - 2	2 - 3	3 - 5	5 - 10	10 - 15	15 - 20	Over 20	
0 - 30	-	-	-	-	-	-	-	-	-
31 - 35	-	-	-	-	-	-	-	-	-
36 - 40	-	-	-	-	-	-	1	6	7
41 - 45	-	-	-	-	-	7	28	-	35
46 - 50	-	-	-	-	-	30	-	-	30
51 - 55	-	-	-	2	34	-	-	-	36
56 - 60	7	6	10	6	-	-	-	-	29
61 - 65	5	-	-	-	-	-	-	-	5
66 - 70	4	-	-	-	-	-	-	-	4
71 & Over	1	-	-	-	-	-	-	-	1
<b>Total</b>	<b>17</b>	<b>6</b>	<b>10</b>	<b>8</b>	<b>34</b>	<b>37</b>	<b>29</b>	<b>6</b>	<b>147</b>

### Average Annual Benefits of Terminated Members Due a Deferred Retirement Benefit:

Attained Ages	Years until Retirement Eligibility								Average
	0 - 1	1 - 2	2 - 3	3 - 5	5 - 10	10 - 15	15 - 20	Over 20	
0 - 30	-	-	-	-	-	-	-	-	-
31 - 35	-	-	-	-	-	-	-	-	-
36 - 40	-	-	-	-	-	-	25,863	29,968	29,382
41 - 45	-	-	-	-	-	38,497	34,748	-	35,498
46 - 50	-	-	-	-	-	37,128	-	-	37,128
51 - 55	-	-	-	42,646	39,525	-	-	-	39,698
56 - 60	31,069	37,831	35,829	44,812	-	-	-	-	36,953
61 - 65	38,732	-	-	-	-	-	-	-	38,732
66 - 70	22,795	-	-	-	-	-	-	-	22,795
71 & Over	5,863	-	-	-	-	-	-	-	5,863
<b>Average</b>	<b>29,893</b>	<b>37,831</b>	<b>35,829</b>	<b>44,270</b>	<b>39,525</b>	<b>37,387</b>	<b>34,441</b>	<b>29,968</b>	<b>36,418</b>

## Service Retirees:

Attained Ages	Completed Years Since Retirement								Total
	0 - 1	1 - 2	2 - 3	3 - 5	5 - 10	10 - 15	15 - 20	Over 20	
0 - 50	-	-	-	-	-	-	-	-	-
51 - 55	-	1	-	-	-	-	-	-	1
56 - 60	5	3	3	2	-	-	-	-	13
61 - 65	9	12	8	13	24	1	-	-	67
66 - 70	1	10	5	23	30	15	2	1	87
71 - 75	1	1	4	21	30	38	19	1	115
76 - 80	1	-	1	6	18	26	25	9	86
81 - 85	-	-	-	2	2	16	5	20	45
86 - 90	-	-	-	-	1	1	-	8	10
91 & Over	-	-	-	-	-	-	-	2	2
<b>Total</b>	<b>17</b>	<b>27</b>	<b>21</b>	<b>67</b>	<b>105</b>	<b>97</b>	<b>51</b>	<b>41</b>	<b>426</b>

## Average Annual Benefits Payable to Service Retirees:

Attained Ages	Completed Years Since Retirement								Average
	0 - 1	1 - 2	2 - 3	3 - 5	5 - 10	10 - 15	15 - 20	Over 20	
0 - 50	-	-	-	-	-	-	-	-	-
51 - 55	-	72,772	-	-	-	-	-	-	72,772
56 - 60	87,369	101,419	82,974	93,426	-	-	-	-	90,529
61 - 65	65,875	43,594	81,581	63,906	54,160	27,262	-	-	58,605
66 - 70	17,507	64,434	66,391	62,436	52,893	59,368	47,912	45,804	58,032
71 - 75	80,634	82,547	57,484	70,504	64,497	43,759	62,640	19,908	58,100
76 - 80	54,474	-	15,973	55,609	73,228	82,871	63,405	49,338	68,674
81 - 85	-	-	-	68,182	40,531	63,111	93,291	43,490	56,966
86 - 90	-	-	-	-	158,916	19,042	-	37,422	47,734
91 & Over	-	-	-	-	-	-	-	30,301	30,301
<b>Average</b>	<b>69,549</b>	<b>60,261</b>	<b>70,449</b>	<b>65,735</b>	<b>60,758</b>	<b>59,424</b>	<b>65,443</b>	<b>42,428</b>	<b>60,831</b>

## Surviving Beneficiaries of Former Members:

Attained Ages	Completed Years Since Retirement								Total
	0 - 1	1 - 5	5 - 10	10 - 15	15 - 20	20 - 25	25 - 30	Over 30	
0 - 30	-	-	-	-	-	-	-	-	-
31 - 35	-	-	-	-	-	-	-	-	-
36 - 40	-	-	-	-	-	-	-	-	-
41 - 45	-	-	-	-	-	-	-	-	-
46 - 50	-	1	-	-	-	-	-	-	1
51 - 55	-	1	-	-	-	-	-	1	2
56 - 60	-	-	1	2	-	-	-	-	3
61 - 65	1	2	2	1	1	-	-	-	7
66 - 70	-	2	5	5	2	2	-	-	16
71 - 75	-	1	3	5	2	-	2	-	13
76 - 80	-	-	-	2	5	3	3	5	18
81 & Over	-	1	-	-	1	1	4	7	14
<b>Total</b>	<b>1</b>	<b>8</b>	<b>11</b>	<b>15</b>	<b>11</b>	<b>6</b>	<b>9</b>	<b>13</b>	<b>74</b>

## Average Annual Benefits Payable To Survivors of Former Members:

Attained Ages	Completed Years Since Retirement								Average
	0 - 1	1 - 5	5 - 10	10 - 15	15 - 20	20 - 25	25 - 30	Over 30	
0 - 30	-	-	-	-	-	-	-	-	-
31 - 35	-	-	-	-	-	-	-	-	-
36 - 40	-	-	-	-	-	-	-	-	-
41 - 45	-	-	-	-	-	-	-	-	-
46 - 50	-	49,036	-	-	-	-	-	-	49,036
51 - 55	-	72,198	-	-	-	-	-	22,209	47,204
56 - 60	-	-	53,172	47,784	-	-	-	-	49,580
61 - 65	169,782	24,212	51,397	47,588	27,149	-	-	-	56,534
66 - 70	-	58,922	49,368	48,971	46,742	37,026	-	-	48,567
71 - 75	-	51,282	42,781	54,734	15,125	-	32,182	-	42,147
76 - 80	-	-	-	29,883	55,645	27,752	38,345	14,931	33,941
81 & Over	-	27,522	-	-	34,733	9,507	22,853	21,322	22,316
<b>Average</b>	<b>169,782</b>	<b>45,788</b>	<b>48,286</b>	<b>48,096</b>	<b>42,167</b>	<b>27,802</b>	<b>30,090</b>	<b>18,932</b>	<b>39,679</b>

## **APPENDIX C**

### **SUMMARY OF PRINCIPAL PLAN PROVISIONS**

The District Attorneys' Retirement System is a defined benefit pension plan that provides retirement allowances and other benefits. The following summary of plan provisions is for general informational purposes only and does not constitute a guarantee of benefits.

#### **MEMBERSHIP**

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All District Attorneys, Assistant District Attorneys, (who earn more than the minimum salary specified by the board), and persons employed by this retirement system and the Louisiana District Attorneys' Association, are required to be members of the system as a condition of their employment.

#### **CONTRIBUTION RATES**

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The fund is financed by employee contributions of 8.0% of salary for active members. In addition, the fund receives revenue sharing funds as appropriated by the legislature and ad valorem taxes as determined by the Public Retirement Systems' Actuarial Committee up to a maximum of 0.2% of the ad valorem taxes shown to be collected. In the event that the contributions from ad valorem taxes and revenue sharing funds are insufficient to provide for the gross employer actuarially required contribution, the employer is required to make direct contributions as determined by the Public Retirement Systems' Actuarial Committee.

#### **CONTRIBUTION REFUNDS**

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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.

#### **RETIREMENT BENEFITS**

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For members who joined the system before July 1, 1990, and who have elected not to be covered by the new provisions – Members are eligible to receive a normal retirement benefit if they have ten or more years of creditable service and are at least age sixty-two, or if they have eighteen or more years of service and are at least age sixty, or if they have twenty-three or more years of service and are at least age fifty-five, or if they have thirty 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 sixty if they have at least ten years of creditable service or at age fifty-five with at least eighteen years of creditable service. Members who retire prior to age sixty with less than twenty-three years of service credit receive a retirement benefit reduced by 3% for each year of age below sixty. Members who retire prior to age sixty-two who have less than eighteen years of service receive a retirement benefit reduced by 3% for each year of age below sixty-two. Retirement benefits may not exceed 100% of final average compensation.

For members who joined the system after July 1, 1990, or who elected to be covered by the new provisions – Members are eligible to receive normal retirement benefits if they are age sixty and have ten years of service credit, are age fifty-five and have twenty-four years of service credit or have thirty

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 aged fifty-five and has at least eighteen years of service credit. The early retirement benefit is equal to the normal retirement benefit reduced by 3% for each year the member retires in advance of normal retirement age. Benefits may not exceed 100% of average final compensation.

## **FINAL AVERAGE COMPENSATION**

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The period of final average compensation is thirty-six months plus the number of whole months elapsed since January 1, 2013, not to exceed sixty months, subject to the limitation that the final average compensation shall not be less than the highest thirty-six month final average compensation as of January 1, 2013.

## **OPTIONAL ALLOWANCES**

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Members may receive their benefits as a life annuity, or in lieu of such receive a reduced benefit according to the option selected which is the actuarial equivalent of the maximum benefit.

Option 1 – If the member dies before he has received in annuity payments the present value of his member's annuity as it was at the time of retirement the balance is paid to his beneficiary.

Option 2 – Upon retirement, the member receives a reduced benefit. Upon the member's death, the designated beneficiary will continue to receive the same reduced benefit.

Option 3 – Upon retirement, the member receives a reduced benefit. Upon the member's death, the designated beneficiary will receive one-half of the members reduced benefit.

Option 4 – Upon retirement, the member elects to receive a board-approved benefit which is actuarially equivalent to the maximum benefit.

A member may also elect to receive an actuarially reduced benefit which provides for an automatic 2½% annual compound increase in monthly retirement benefits based on the reduced benefit and commencing on the later of age fifty-five or retirement anniversary; this COLA is in addition to any ad hoc COLAs which are payable. This is not available to members who select a Back-DROP benefit.

## **DISABILITY BENEFITS**

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Disability benefits are awarded to active contributing members with at least ten 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 3.5% (3% for members covered under the old 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.

## **SURVIVOR BENEFITS**

---

Upon the death of a member with less than five years of creditable service, his accumulated contributions and interest thereon are paid to his spouse, if he is married, or to his designated beneficiary, if he is not married. Upon the death of any active, contributing member with five or more years of service or any member with twenty-three 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 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 eighteen 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.

## **BACK-DROP**

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In lieu of receiving a service retirement allowance any member of the fund who has more than sufficient service for a regular service retirement may elect to receive a "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. The surviving spouse of members eligible to retire may elect to receive benefits as though the member had elected the Back-DROP option as of the day following the date of death.

## **COST-OF-LIVING ADJUSTMENTS**

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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 the prior provisions, R.S. 11:241 provides for cost of living benefits payable based on a formula equal to up to \$1 times the total of the number of years of credited service accrued at retirement or at death of the member or retiree plus the number of years since retirement or since death of the member or retiree to the system's fiscal year end preceding the payment of the benefit increase. 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.

## APPENDIX D ACTUARIAL ASSUMPTIONS

In determining actuarial costs, certain assumptions must be made regarding future experience under the plan. These assumptions include the rate of investment return, mortality of plan members, rates of salary increase, rates of retirement, rates of termination, rates of disability, and various other factors which have an impact on the cost of the plan. To the extent that future experience varies from the assumptions selected for valuation, future costs will be either higher or lower than anticipated. The following chart illustrates the effect of emerging experience on the plan.

Factor	Increase in Factor Results in
Investment Earnings Rate	Decrease in Cost
Annual Rate of Salary Increase	Increase in Cost
Rates of Retirement	Increase in Cost
Rates of Termination	Decrease in Cost
Rates of Disability	Increase in Cost
Rates of Mortality	Decrease in Cost

### ACTUARIAL COST METHOD

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The Aggregate Actuarial Cost Method with allocation based on earnings.

### VALUATION INTEREST RATE

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6.10% (Net of Investment Expense)

### ACTUARIAL ASSET VALUES

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Assets are valued at market value adjusted to defer four-fifths of all earnings above or below the valuation interest rate in the valuation year, three-fifths of all earnings above or below the valuation interest rate in the prior year, two-fifths of all earnings above or below the valuation interest rate from two years prior, and one-fifth of all earnings above or below the valuation interest rate from three years prior. The resulting smoothed values are subject to a corridor of 85% to 115% of the market value of assets. If the smoothed value falls outside the corridor, the actuarial value is set equal to the average of the corridor limit and the smoothed value.

### ANNUAL SALARY INCREASE RATE

---

4.50% (2.20% inflation / 2.30% merit)

### ACTIVE MEMBER MORTALITY

---

Pub-2016 Public Retirement Plans Mortality Table for General Above-Median Employees multiplied by 110% for males and 115% for females, each with full generational projection using the MP2021 scale.

## ANNUITANT AND BENEFICIARY MORTALITY

---

Pub-2016 Public Retirement Plans Mortality Table for General Above-Median Healthy Retirees multiplied by 110% for males and 115% for females, each with full generational projection using the MP2021 scale.

## DISABLED LIVES MORTALITY

---

Pub-2016 Public Retirement Plans Mortality Table for Non-Safety Disabled Retirees multiplied by 110% for males and 115% for females, each with full generational projection using the MP2021 scale.

## RETIREE COST OF LIVING INCREASES

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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. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.

## RATES OF RETIREMENT

---

The table of these rates is included later in the report. These rates apply only to those individuals eligible to retire. Retirement rates for members who have completed DROP participation and are currently active are 0.33.

## RETIREMENT LIMITATIONS

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Projected retirement benefits are not subjected to IRS Section 415 limits.

## RATES OF WITHDRAWAL

---

The rates of withdrawal are applied based upon completed years of service according to the following table:

Service Duration (≤)	Rate	Service Duration (≤)	Rate
1	0.12	16	0.05
2	0.11	17	0.04
3	0.10	18	0.04
4	0.10	19	0.04
5	0.09	20	0.04
6	0.08	21	0.04
7	0.08	22	0.04
8	0.08	23	0.04
9	0.08	24	0.03
10	0.08	25	0.03
11	0.08	26	0.02
12	0.08	27	0.01
13	0.07	28	0.01
14	0.07	29	0.01
15	0.06	≥30	0.01

Note: Withdrawal rates for members eligible to retire are assumed to be zero.

## **INTEREST RATE ON CONTRIBUTION REFUNDS**

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2% through Fiscal 2024, 0% thereafter

## **RATES OF DISABILITY**

---

The table of these rates is included later in the report. 20% of the disability rates of the 2025 Louisiana Local Government Non-Safety Disability Table. The table of these rates is included later in the report.

## **VESTING ELECTING PERCENTAGE**

---

95% of those vested elect deferred benefits in lieu of contribution refunds.

## **MARRIAGE STATISTICS**

---

70% of the members are assumed to be married; husbands are assumed to be three years older than their wives.

## **FAMILY STATISTICS**

---

Assumptions utilized in determining the costs of various survivor benefits as listed below, are derived from the information provided in the 2019 Table F1: Family Households, by Type, Age of Own Children, Age of Family Members, and Age of Householder provided by the U.S. Census Bureau:

<b>Member's Age</b>	<b>% With Children</b>	<b>Number of Children</b>	<b>Average Age</b>
25	56%	1.89	3
35	80%	2.11	6
45	63%	1.76	12
55	11%	1.55	16
65	2%	1.60	16

## ACTUARIAL TABLES AND RATES

Age	Retirement Rates	Disability Rates
18	0.00000	0.00006
19	0.00000	0.00006
20	0.00000	0.00006
21	0.00000	0.00006
22	0.00000	0.00006
23	0.00000	0.00006
24	0.00000	0.00006
25	0.00000	0.00006
26	0.00000	0.00006
27	0.00000	0.00006
28	0.00000	0.00006
29	0.00000	0.00006
30	0.00000	0.00006
31	0.00000	0.00006
32	0.00000	0.00006
33	0.00000	0.00006
34	0.00000	0.00006
35	0.00000	0.00006
36	0.00000	0.00006
37	0.00000	0.00006
38	0.00000	0.00014
39	0.00000	0.00016
40	0.00000	0.00018
41	0.00000	0.00018
42	0.00000	0.00016
43	0.00000	0.00015
44	0.00000	0.00019
45	0.00000	0.00029
46	0.20000	0.00043
47	0.20000	0.00058
48	0.20000	0.00066
49	0.20000	0.00067
50	0.20000	0.00062
51	0.20000	0.00060
52	0.20000	0.00067
53	0.20000	0.00081
54	0.20000	0.00096
55	0.06000	0.00107
56	0.07000	0.00109
57	0.07000	0.00107
58	0.07000	0.00113
59	0.07000	0.00136
60	0.07000	0.00167
61	0.08000	0.00193
62	0.09000	0.00206
63	0.12000	0.00206
64	0.15000	0.00197
65	0.18000	0.00188
66	0.21000	0.00188
67	0.23000	0.00188
68	0.24000	0.00188
69	0.25000	0.00188
70	0.26000	0.00188
71	0.26000	0.00188
72	0.26000	0.00188
73	0.26000	0.00188
74	0.26000	0.00188
75	0.26000	0.00188

## PRIOR YEAR ASSUMPTIONS

### ANNUAL SALARY INCREASE RATE

---

5.00% (2.20% inflation / 2.80% merit)

### ACTIVE MEMBER MORTALITY

---

Pub-2010 Public Retirement Plans Mortality Table for General Above-Median Employees multiplied by 115% for males and 115% for females, each with full generational projection using the MP2019 scale.

### ANNUITANT AND BENEFICIARY MORTALITY

---

Pub-2010 Public Retirement Plans Mortality Table for General Above-Median Healthy Retirees multiplied by 115% for males and 115% for females, each with full generational projection using the MP2019 scale.

### DISABLED LIVES MORTALITY

---

Pub -2010 Public Retirement Plans Mortality Table for Non-Safety Disabled Retirees multiplied by 115% for males and 115% for females, each with full generational projection using the MP2019 scale.

### RATES OF WITHDRAWAL

---

The rates of withdrawal are applied based upon completed years of service according to the following table:

Service Duration (≤)	Rate	Service Duration (≤)	Rate
1	0.12	16	0.04
2	0.12	17	0.04
3	0.11	18	0.05
4	0.11	19	0.05
5	0.10	20	0.05
6	0.10	21	0.05
7	0.09	22	0.05
8	0.08	23	0.05
9	0.07	24	0.04
10	0.07	25	0.04
11	0.06	26	0.03
12	0.05	27	0.02
13	0.05	28	0.02
14	0.04	29	0.02
15	0.04	>30	0.01

Note: Withdrawal rates for members eligible to retire are assumed to be zero.

## RATES OF DISABILITY

---

The table of these rates is included later in the report. These rates are based on 10% of the disability rates used for the 27<sup>th</sup> valuation of the Railroad Retirement System for individuals with 10-19 years of service.

## VESTING ELECTING PERCENTAGE

---

90% of those vested elect deferred benefits in lieu of contribution refunds.

## FAMILY STATISTICS

---

Assumptions utilized in determining the costs of various survivor benefits as listed below, are derived from the information provided in the 2019 Table F1: Family Households, by Type, Age of Own Children, Age of Family Members, and Age of Householder provided by the U.S. Census Bureau:

Member's Age	% With Children	Number of Children	Average Age
25	60%	1.77	4
35	82%	2.11	8
45	63%	1.75	11
55	11%	1.42	14
65	2%	1.50	14

## PRIOR YEAR ACTUARIAL TABLES AND RATES

Age	Retirement Rates	Disability Rates
18	0.00000	0.00012
19	0.00000	0.00012
20	0.00000	0.00012
21	0.00000	0.00012
22	0.00000	0.00012
23	0.00000	0.00012
24	0.00000	0.00012
25	0.00000	0.00012
26	0.00000	0.00012
27	0.00000	0.00012
28	0.00000	0.00012
29	0.00000	0.00012
30	0.00000	0.00012
31	0.00000	0.00012
32	0.00000	0.00012
33	0.00000	0.00012
34	0.00000	0.00012
35	0.00000	0.00013
36	0.00000	0.00013
37	0.00000	0.00013
38	0.00000	0.00014
39	0.00000	0.00015
40	0.00000	0.00016
41	0.00000	0.00017
42	0.00000	0.00018
43	0.00000	0.00020
44	0.00000	0.00021
45	0.00000	0.00024
46	0.15000	0.00026
47	0.15000	0.00029
48	0.15000	0.00033
49	0.15000	0.00038
50	0.15000	0.00043
51	0.15000	0.00049
52	0.15000	0.00057
53	0.15000	0.00066
54	0.15000	0.00077
55	0.08000	0.00090
56	0.08000	0.00106
57	0.08000	0.00125
58	0.08000	0.00148
59	0.08000	0.00175
60	0.08000	0.00239
61	0.08000	0.00291
62	0.08000	0.00322
63	0.16000	0.00338
64	0.16000	0.00257
65	0.16000	0.00207
66	0.16000	0.00052
67	0.16000	0.00052
68	0.16000	0.00052
69	0.16000	0.00052
70	0.16000	0.00052
71	0.18000	0.00052
72	0.18000	0.00052
73	0.18000	0.00052
74	0.18000	0.00052
75	0.18000	0.00052

## GLOSSARY

### ACCRUED BENEFIT

---

The pension benefit that an individual has earned as of a specific date based on the provisions of the plan and the individual's age, service, and salary as of that date.

### ACTUARIAL ACCRUED LIABILITY

---

The actuarial present value of benefits payable to members of the fund less the present value of future normal costs attributable to the members.

### ACTUARIAL ASSUMPTIONS

---

Assumptions as to the occurrence of future events affecting pension costs. These assumptions include rates of mortality, withdrawal, disablement, and retirement. Also included are rates of investment earnings, changes in compensation, as well as statistics related to marriage and family composition.

### ACTUARIAL COST METHOD

---

A procedure for determining the portion of the cost of a pension plan to be allocated to each year. Each cost method allocates a certain portion of the actuarial present value of benefits between the actuarial accrued liability and future normal costs. Once this allocation is made, a determination of the normal cost attributable to a specific year can be made along with the payment to amortize any unfunded actuarial accrued liability. To the extent that a particular funding method allocates a greater (lesser) portion of the actual present value of benefits to the actuarial accrued liability it will allocate less (more) to future normal costs.

### ACTUARIAL EQUIVALENCE

---

Payments or receipts with equal actuarial value on a given date when valued using the same set of actuarial assumptions.

### ACTUARIAL GAIN (LOSS)

---

The financial effect on the fund of the difference between the expected and actual experience of the fund. The experience may be related to investment earnings above (or below) those expected or changes in the liability structure due to fewer (or greater) than the expected numbers of retirements, deaths, disabilities, or withdrawals. In addition, other factors such as pay increases above (or below) those forecast can result in actuarial gains or losses. The effect of such gains (or losses) is to decrease (or increase) future costs.

### ACTUARIAL PRESENT VALUE

---

The value, as of a specified date, of an amount or series of amounts payable or receivable thereafter, with each amount adjusted to reflect the time value of money (through accrual of interest) and the probability of payments. For example: if \$600 invested today will be worth \$1,000 in 10 years and there is a 50% probability that a person will live 10 years, then the actuarial present value of \$1,000 payable to that person if he should survive 10 years is \$300.

## **ACTUARIAL VALUE OF ASSETS**

---

The value of assets, computed in accordance with the plan's asset smoothing method, used to determine required employer contributions and the plan's funded status. The smoothed value of assets is expected to provide a more stable basis for determining contribution rates and funded status than the use of a market value of assets.

## **ASSET GAIN (LOSS)**

---

That portion of the actuarial gain attributable to investment performance above (below) the expected rate of return in the actuarial assumptions.

## **AMORTIZATION PAYMENT**

---

That portion of the pension plan contribution designated to pay interest and reduce the outstanding principal balance of unfunded actuarial accrued liability. If the amortization payment is less than the accrued interest on the unfunded actuarial accrued liability the outstanding principal balance will increase.

## **CONTRIBUTION SHORTFALL (EXCESS)**

---

The difference between contributions recommended in the prior valuation and the actual amount received.

## **DECREMENTS**

---

Events which result in the termination of membership in the system such as retirement, disability, withdrawal, or death.

## **EMPLOYER NORMAL COST**

---

That portion of the normal cost not attributable to employee contributions. It includes both direct contributions made by the employer and contributions from other non-employee sources such as revenue sharing and revenues related to taxes.

## **FUNDED RATIO**

---

A measure of the ratio of assets to liabilities of the system according to a specific definition of those two values. Typically, the assets used in the measure are the actuarial value of assets; the liabilities are defined by reference to some recognized actuarial funding method. Thus, the funded ratio of a plan depends not only on the financial strength of the plan but also on the funding method used to determine the liabilities and the asset valuation method used to determine the assets in the ratio.

## **NORMAL COST**

---

That portion of the actuarial present value of pension plan benefits and expenses allocated to a valuation year by the actuarial cost method. This is analogous to one year's insurance premium.

## **PENSION BENEFIT OBLIGATION**

---

The actuarial present value of benefits earned or credited to date based on the members expected final average compensation at retirement. For current retirees or terminated members this is equivalent to the actuarial present value of their accrued benefit.

## **PROJECTED BENEFITS**

---

The benefits expected to be paid in the future based on the provisions of the plan and the actuarial assumptions. The projected values are based on anticipated future advancement in age and accrual of service as well as increases in salary paid to the participant.

## **UNFUNDED ACTUARIAL ACCRUED LIABILITY**

---

The excess of the actuarial accrued liability over the actuarial value of assets.

## **VESTED BENEFITS**

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Benefits that the members are entitled to even if they withdraw from service.