

ANNUAL FINANCIAL REPORT  
SHERIFFS' PENSION AND RELIEF FUND  
JUNE 30, 2025 AND 2024

SHERIFFS' PENSION AND RELIEF FUND  
INDEX TO ANNUAL FINANCIAL REPORT  
JUNE 30, 2025 AND 2024

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## INDEPENDENT AUDITOR'S REPORT

December 30, 2025

Board of Trustees of the  
Sheriffs' Pension and Relief Fund  
1225 Nicholson Drive  
Baton Rouge, Louisiana 70802

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the accompanying financial statements of the Sheriffs' Pension and Relief Fund (the Fund), as of and for the years ended June 30, 2025 and 2024 and the related notes to the financial statements, which collectively comprise the Sheriffs' Pension and Relief Fund's basic financial statements as listed in the index to annual financial report.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position of the Sheriffs' Pension and Relief Fund as of June 30, 2025 and 2024, and the respective changes in fiduciary net position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinion*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Fund and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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## ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Emphasis of Matter***

As disclosed in Note 4 to the financial statements, the total pension liability for the Sheriffs' Pension and Relief Fund was \$5,966,924,210 and \$5,698,851,389 as of June 30, 2025 and 2024, respectively. The actuarial valuations were based on various assumptions made by the Fund's actuary. Because actual experience may differ from the assumptions used in the actuarial valuation, there is a risk that the total pension liability at June 30, 2025 and 2024 could be understated or overstated. Our opinion is not modified with respect to this matter.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information, as listed in the index to annual financial report, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Sheriffs' Pension and Relief Fund's basic financial statements. The accompanying other supplementary information, as listed in the index to annual financial report, is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2025 on our consideration of the Sheriffs' Pension and Relief Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Fund's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance of the Sheriffs' Pension and Relief Fund.

*Duplantier, Chapman, Hogan and Maher, LLP*

Metairie, Louisiana

**SHERIFFS' PENSION AND RELIEF FUND  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

The Management's Discussion and Analysis of the Sheriffs' Pension and Relief Fund (Fund or LSPRF) financial performance presents a narrative overview and analysis of the Fund's financial activities for the years ended June 30, 2025 and 2024. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this document in conjunction with the information contained in the Fund's financial statements which begin on page 13.

**FINANCIAL HIGHLIGHTS:**

**Investment Summary**

The Fund continued to benefit from its history of disciplined investment strategies and the long-term positive impact of the major benefits reform legislation effective in 2012, which has supported sustained asset growth. Despite persistent global challenges, including ongoing geopolitical tensions, elevated inflationary pressures, and volatility in markets, the Fund achieved positive net investment returns during the fiscal year ended June 30, 2025. Considering the potential for significant market disruption due to continued conflicts abroad, uncertainty in global economic policy, and domestic political transitions, LSPRF's investment portfolio delivered strong performance, reinforcing the Fund's resilience and commitment to long-term financial stability.

LSPRF'S investments posted a positive return of 11.6% net of fees for the fiscal year ended June 30, 2025. This exceeded the Fund's valuation interest rate or target rate of return of 6.85%. Overall, long-term investment performance along with pension reform has resulted in a very favorable impact on the funding of the LSPRF and a reduction in the Fund's actuary's required employer contribution rate which is a positive development for our sponsors, the Louisiana Sheriffs' Offices and their budgets.

**Subsequent Event Note**

For the 2026 fiscal year, overall performance has been positive. While economic and political concerns remain high, there is some optimism and market forecasters are predicting gains in 2026 given current valuations. As always, a high level of uncertainty and risk remain for the balance of the fiscal year, and there can be no guarantees of results at fiscal year ending June 30, 2026. The "net assets" of the Fund as of June 30, 2025, were reported at \$5,619,471,398 or up approximately \$525 million over the June 30, 2024 fiscal year close.

**Results of the Years' Experience on Fund Net Position and Historical Review**

As independently verified with reasonable assurance by our auditors, the Fund closed this year with the Fiduciary Net Position of \$5,619,471,398 representing an increase over last year of \$524,832,993 from the 2024 level of \$5,094,638,405. This increase is primarily due to the positive investment results experienced during fiscal year 2024-2025.

SHERIFFS' PENSION AND RELIEF FUND  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

**FINANCIAL HIGHLIGHTS: (Continued)**

**Results of the Years' Experience on Fund Net Position and Historical Review (Continued)**

From a longer-term historical perspective, the Fund's growth in the net position or market value of assets has increased by \$4.312 billion or about 330% during the recovery from the 2009 recession and the continuing favorable capital markets through June 30, 2025.

**Permanent Benefit Increase (PBI) And Funding Deposit Account Update**

The Board of Trustees last approved paying a PBI/(COLA) in fiscal year 2025, effective January 1, 2025 to retirees and survivors over 61 years of age, if they were retired for at least one year, or if they were retired for at least three years and had not yet attained age 61. This PBI/(COLA) was fully prepaid from reserves accumulated in the Funding Deposit Account (FDA). The amount of the transfer with interest from the Funding Deposit Account to fully prepay the PBI/(COLA) was \$43,923,193. Payments for this purpose avoids adding future liabilities to the Fund and assists in controlling employer contributions for the long-term, as explained in previous years.

The Board of Trustees has approved a policy stating the intention to fund all future PBIs/(COLAs) from funds set aside in the Fund's Funding Deposit Account to assist in managing future liabilities.

**Non-Investment Revenue**

The Fund has dedications of revenues for funding of the LSPRF plan. As independently verified by our auditors and actuaries, for the 2025 fiscal year revenues received for the Fund's statutorily dedicated portion from insurance premium tax collections totaled \$29,659,044, an increase of \$3,647,558 over the prior year. The Fund's receipts of dedicated ad valorem taxes were \$29,192,166, an increase of \$2,095,831 over the prior year, and receipts of \$422,840 from State Revenue Sharing for an increase of \$868 from fiscal year 2024.

Contributions to the Fund by employers and members, including transfers in from other retirement systems, totaled \$203,991,160 for an increase of \$11,400,697 from 2024. Employer contributions were collected at 11.75%, and employee contributions collected at 10.25%. The Board of Trustees set the net direct contribution rate to be paid by employers at 11.50% and collected the remaining 0.25% from the credit balance in the Funding Deposit Account to assist our plan sponsors.

**Benefits Payments**

Pension and disability benefits paid to retirees and beneficiaries, as independently verified with reasonable assurance by the Fund's auditors totaled \$296,521,530, an increase of \$28,643,950 over the prior year. Refunds of contributions paid to members upon termination, and transfers to other systems on behalf of members totaled \$24,305,291, for an increase of \$3,505,797 from the prior year.



SHERIFFS' PENSION AND RELIEF FUND  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

**FINANCIAL HIGHLIGHTS: (Continued)**

**Funded Ratio:**

The current actuarial funded ratio as stated in the Funding Actuarial Valuation of the Fund for 2025 is 90.78%, an increase in the ratio over the prior year's ratio from 88.40%. This ratio represents the Actual Value of Assets to the Actuarial Accrued Liability, and is the method used by our actuaries in the actuarial funding of the LSPRF plan.

**Implementation of New Standard:**

During the fiscal year, the Fund implemented Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. This new standard requires recognition of certain leave benefits that were previously not included in the liability calculation, resulting in a more comprehensive measure of obligations for compensated absences. As a result of adopting GASB 101, the Fund's compensated absences liability increased by \$254,822. This change reflects the inclusion of additional leave types and updated measurement criteria, aligning the Fund's financial reporting with current accounting standards and improving transparency regarding employee benefit obligations.

**Summary and Other Relevant Information**

As explained in this analysis, the Fund has made substantial progress in recovering from the last severe recession and has continued to grow the Fund's assets far beyond recession and pre-recession levels. The Board has had the foresight to implement major pension reform to help manage the Fund's liabilities for the long-term future. As noted earlier in the report, the Fund's employer contribution rates are consistently among the lowest of Louisiana retirement systems.

The Board maintains professional investment consultants and investment managers to advise the Fund and strives to maintain a conservative and diversified asset allocation to take advantage of favorable investment markets, and to protect assets to a sound extent in unfavorable economic times.

The Fund also employs legal counsel that is highly competent in pension fund matters to advise the Board and staff, and to provide due diligence and protection in entering into contracts with investment managers.

The Board and staff management have continued to improve the professionalism and educational requirements of the staff over time and have enhanced technology and operational methods to better serve our members. The Fund has a strong succession plan in place for senior management and has developed future leaders.

In closing, the Board of Trustees has provided substantial growth and progress over time and has been a leader in pension reform to control liabilities for future benefits and assist in protecting the soundness and perpetual nature of the Fund.

SHERIFFS' PENSION AND RELIEF FUND  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

**OVERVIEW OF THE FINANCIAL STATEMENTS:**

Because of the long-term nature of a defined benefit pension plan, financial statements alone cannot provide sufficient information to properly reflect the Fund's ongoing plan perspective. This financial report consists of two financial statements and five required schedules of historical trend information. The statements of fiduciary net position and statements of changes in fiduciary net position provide information about the activities of the pension funds as a whole. Sheriffs' Pension and Relief Fund is the fiduciary of funds held in trust for sheriffs, deputies, non-commissioned employees of sheriffs' offices throughout the State of Louisiana and employees of the Louisiana Sheriffs' Association and the Sheriffs' Pension Fund office.

The discussion and analysis are intended to serve as an introduction to the Fund's basic financial statements, which are comprised of three components:

- Statement of fiduciary net position,
- Statement of changes in fiduciary net position, and
- Notes to financial statements.

The report also contains required supplemental information in addition to the basic financial statements themselves.

The required supplementary information consists of five schedules and related notes disclosing the changes in net pension liability, employers' net pension liability, employer contributions, money-weighted rate of investment returns, and changes in the Fund's total other postemployment benefits (OPEB) liability and related ratios.

The supplementary information includes the schedule of changes in reserve balances, schedule of administrative expenses, schedule of per diem and travel expenses paid to board members, and the schedule of compensation, benefits and other payments to agency head.

SHERIFFS' PENSION AND RELIEF FUND  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

**FINANCIAL ANALYSIS OF THE FUND:**

This analysis focuses on fiduciary net position and changes in fiduciary net position of the Fund.

CONDENSED COMPARATIVE STATEMENTS OF  
FIDUCIARY NET POSITION  
(In Thousands)

|  | <u>2025</u>         | <u>2024</u>         | <u>2023</u>         |
|--|---------------------|---------------------|---------------------|
| Cash and investments                         | \$ 5,745,898        | \$ 5,194,573        | \$ 4,674,449        |
| Receivables and prepaid                      | 98,461              | 113,884             | 122,324             |
| Collateral held under securities lending     | 15,769              | 17,757              | 13,311              |
| Capital assets, net                          | <u>1,663</u>        | <u>1,757</u>        | <u>1,848</u>        |
| Total assets                                 | <u>5,861,791</u>    | <u>5,327,971</u>    | <u>4,811,932</u>    |
| Deferred outflows of resources               | <u>-</u>            | <u>-</u>            | <u>791</u>          |
| Total liabilities                            | <u>242,320</u>      | <u>233,332</u>      | <u>220,337</u>      |
| Deferred inflows of resources                | <u>-</u>            | <u>-</u>            | <u>228</u>          |
| Net position restricted for pension benefits | <u>\$ 5,619,471</u> | <u>\$ 5,094,639</u> | <u>\$ 4,592,158</u> |

CONDENSED COMPARATIVE STATEMENTS OF  
CHANGES IN FIDUCIARY NET POSITION  
(In Thousands)

|  | <u>2025</u>         | <u>2024</u>         | <u>2023</u>         |
|--|---------------------|---------------------|---------------------|
| Additions:   |                     |                     |                     |
| Contributions  | \$ 252,350          | \$ 236,777          | \$ 222,908          |
| Net investment income                                  | 585,292             | 548,138             | 404,191             |
| Other  | <u>10,925</u>       | <u>9,345</u>        | <u>9,650</u>        |
| Total additions  | <u>848,567</u>      | <u>794,260</u>      | <u>636,749</u>      |
| Deductions:  |                     |                     |                     |
| Benefits   | 296,522             | 267,878             | 254,395             |
| Refunds and transfers                                  | 24,305              | 20,799              | 22,256              |
| Administrative expenses and depreciation               | 2,845               | 2,426               | 2,264               |
| OPEB expense   | <u>63</u>           | <u>676</u>          | <u>414</u>          |
| Total deductions                                       | <u>323,735</u>      | <u>291,779</u>      | <u>279,329</u>      |
| Change in net position restricted for pension benefits | 524,832             | 502,481             | 357,420             |
| Net position at beginning of year                      | <u>5,094,639</u>    | <u>4,592,158</u>    | <u>4,234,738</u>    |
| Net position at end of year                            | <u>\$ 5,619,471</u> | <u>\$ 5,094,639</u> | <u>\$ 4,592,158</u> |

SHERIFFS' PENSION AND RELIEF FUND  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

**FINANCIAL ANALYSIS OF THE FUND:** (Continued)

Fiduciary net position increased by \$524,832,993 or 10.3% during the year ended June 30, 2025 from \$5,094,638,405. The 2024-2025 increase in fiduciary net position was primarily attributable to favorable investment market performance during the fiscal year. Fiduciary net position increased by \$502,480,652 or 10.94% during the year ended June 30, 2024 from \$4,592,157,753. The 2023-2024 increase in fiduciary net position was primarily attributable to favorable investment market performance during the fiscal year. The net position is restricted for use to provide monthly retirement allowances to members who contributed to the Fund as employees and their beneficiaries.

Additions to Fiduciary Net Position

Additions to Sheriffs' Pension and Relief Fund fiduciary net position are primarily derived from member and employer contributions and net investment income. During the fiscal year ended June 30, 2025, member contributions increased \$4,624,413 or 5.36% while employer contributions increased \$5,205,398 or 5.37%. The increase in employee contributions of \$4,624,413 was primarily due to an increase in covered payroll of active members during 2024-2025. The increase in employer contributions of \$5,205,398 was primarily due to an increase in covered payroll in 2024-2025, along with an increase in the employer contribution rate from 11.50% to 11.75%. The Fund experienced a net investment gain of \$585,292,130, for the fiscal year ending June 30, 2025, as compared to net investment gain of \$548,138,505, for the fiscal year ending June 30, 2024. During the fiscal year ending June 30, 2025, the increase in net investment income was primarily due to favorable market performance during the 2024-2025.

During the fiscal year ending June 30, 2024, member contributions increased \$3,933,551 or 4.78% while employer contributions increased \$4,543,845 or 4.92%. The increase in employee contributions of \$3,933,551 was primarily due to an increase in covered payroll of active members during 2023-2024. The increase in employer contributions of \$4,543,845 was primarily due to an increase in covered payroll in 2023-2024. The Fund experienced a net investment gain of \$548,138,505, for the fiscal year ending June 30, 2024, as compared to net investment gain of \$404,191,336 for the fiscal year ending June 30, 2023. During the fiscal year ending June 30, 2024, the increase in net investment income was primarily due to favorable market performance during 2023-2024.

|                         | <u>2025</u>           | <u>2024</u>           | <u>2023</u>           |
|-------------------------|-----------------------|-----------------------|-----------------------|
| Member Contributions    | \$ 90,915,676         | \$ 86,291,263         | \$ 82,357,712         |
| Employer Contributions  | 102,160,924           | 96,955,526            | 92,411,681            |
| Insurance Premium Taxes | 29,659,044            | 26,011,486            | 23,063,214            |
| Ad Valorem Taxes        | 29,192,166            | 27,096,335            | 24,653,840            |
| State Revenue Sharing   | 422,840               | 421,972               | 421,485               |
| Net Investment Income   | 585,292,130           | 548,138,505           | 404,191,336           |
| Other Additions         | 10,925,456            | 9,344,537             | 9,650,201             |
| Total additions         | <u>\$ 848,568,236</u> | <u>\$ 794,259,624</u> | <u>\$ 636,749,469</u> |

SHERIFFS' PENSION AND RELIEF FUND  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

**FINANCIAL ANALYSIS OF THE FUND:** (Continued)

**Deductions from Fiduciary Net Position**

Deductions from fiduciary net position include retirement, death, survivor benefits, refunds and transfers of contributions to other retirement plans, other postemployment benefits expense and administrative expenses. Deductions from fiduciary net position totaled \$323,735,243 in fiscal year 2024-2025. This is an increase of \$31,956,271 when compared to fiscal year 2023-2024. Retirement benefit payments increased by \$28,643,950 and refunds of contributions increased by \$2,293,582 in fiscal 2024-2025. The increase in retirement benefit payments was primarily due to a permanent benefit increase effective January 1, 2025, a growth in the aggregate number of retirees and the corresponding increase in pension benefits paid in 2024-2025, while the refund of contributions increase was attributable to an increase in the number of members requesting refunds of contributions.

Deductions from fiduciary net position totaled \$291,778,972 in fiscal year 2023-2024. This is an increase of \$12,448,867 when compared to fiscal year 2022-2023. Retirement benefit payments increased by \$13,482,453 and refunds of contributions decreased by \$1,034,125 in fiscal 2023-2024. The increase in retirement benefit payments was primarily due to a growth in the aggregate number of retirees and the corresponding increase in pension benefits paid in the 2023-2024, while the refund of contributions decrease was attributable to a decrease in the number of members requesting refunds of contributions.

|   | <u>2025</u>           | <u>2024</u>           | <u>2023</u>           |
|---|-----------------------|-----------------------|-----------------------|
| Retirement Benefits                         | \$ 296,521,530        | \$ 267,877,580        | \$ 254,395,127        |
| Refunds of Contributions                    | 20,020,138            | 17,726,556            | 18,760,681            |
| Administrative Expenses<br>and Depreciation | 2,844,961             | 2,426,074             | 2,263,568             |
| OPEB Expense                                | 63,461                | 675,824               | 414,040               |
| Transfers to Other Systems                  | 4,285,153             | 3,072,938             | 3,496,689             |
| Total deductions                            | <u>\$ 323,735,243</u> | <u>\$ 291,778,972</u> | <u>\$ 279,330,105</u> |

**Investments**

The Fund is responsible for the prudent management of funds held in trust for the exclusive benefits of the members' pension benefits. Funds are invested to achieve maximum returns without exposing retirement assets to unacceptable risks. Total investments at June 30, 2025 amounted to \$5,720,143,666 as compared to \$5,168,123,233 at June 30, 2024, which is an increase of \$552,020,433, or 10.68%.

The increase in investments during the fiscal year ending June 30, 2025 was primarily due to the net investment gain incurred during 2024-2025.

The increase in investments during the fiscal year ending June 30, 2024 was primarily due to the net investment gain incurred during 2023-2024.

SHERIFFS' PENSION AND RELIEF FUND  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

**FINANCIAL ANALYSIS OF THE FUND:** (Continued)

**Investments** (Continued)

The Sheriffs' Pension and Relief Fund's investments in various markets at the end of the 2025, 2024, and 2023 fiscal years are indicated in the following table:

|                         | <u>2025</u>             | <u>2024</u>             | <u>2023</u>             |
|-------------------------|-------------------------|-------------------------|-------------------------|
| Short-term              | \$ 253,254,199          | \$ 228,466,516          | \$ 142,406,031          |
| Fixed Income            | 1,492,663,526           | 1,349,343,958           | 1,168,011,635           |
| Equities                | 3,355,731,831           | 2,999,653,497           | 2,737,021,003           |
| Alternative Investments | <u>618,494,110</u>      | <u>590,659,262</u>      | <u>606,021,039</u>      |
| Total                   | <u>\$ 5,720,143,666</u> | <u>\$ 5,168,123,233</u> | <u>\$ 4,653,459,708</u> |

**REQUESTS FOR INFORMATION**

Questions concerning any of the information provided or requests for additional financial information should be addressed to Executive Director Osey McGee, Jr., Sheriffs' Pension and Relief Fund, 1225 Nicholson Drive, Baton Rouge, Louisiana 70802, (225) 219-0500.

SHERIFFS' PENSION AND RELIEF FUND  
STATEMENTS OF FIDUCIARY NET POSITION  
JUNE 30, 2025 AND 2024

|  | <u>2025</u>             | <u>2024</u>             |
|--|-------------------------|-------------------------|
| ASSETS:  |                         |                         |
| Cash   | \$ 25,754,815           | \$ 26,450,402           |
| Receivables and prepaid expense:                 |                         |                         |
| Member contributions                             | 7,317,169               | 6,401,258               |
| Employer contributions                           | 8,184,898               | 7,177,538               |
| Accrued interest and dividends                   | 10,934,898              | 10,710,735              |
| Receivable for investments sold                  | 70,787,064              | 87,144,375              |
| Other receivables and prepaids                   | 1,236,984               | 2,449,627               |
| Total receivables and prepaid expense            | <u>98,461,013</u>       | <u>113,883,533</u>      |
| Investments (at fair value):                     |                         |                         |
| Short-term                                       | 253,254,199             | 228,466,516             |
| Fixed income                                     | 1,492,663,526           | 1,349,343,958           |
| Equities   | 3,355,731,831           | 2,999,653,497           |
| Alternative investments                          | 618,494,110             | 590,659,262             |
| Total investments                                | <u>5,720,143,666</u>    | <u>5,168,123,233</u>    |
| Other assets:                                    |                         |                         |
| Collateral held under securities lending program | 15,768,540              | 17,756,852              |
| Total other assets                               | <u>15,768,540</u>       | <u>17,756,852</u>       |
| Capital assets:                                  |                         |                         |
| Building   | 2,880,151               | 2,876,329               |
| Land and improvements                            | 92,692                  | 92,692                  |
| Furnishings, equipment, and vehicles             | 1,020,783               | 1,064,598               |
|  | <u>3,993,626</u>        | <u>4,033,619</u>        |
| Less: Accumulated depreciation                   | 2,330,311               | 2,276,924               |
| Capital assets, net                              | <u>1,663,315</u>        | <u>1,756,695</u>        |
| Total assets                                     | <u>5,861,791,349</u>    | <u>5,327,970,715</u>    |
| LIABILITIES:                                     |                         |                         |
| Obligations under securities lending program     | 16,560,767              | 18,592,110              |
| Payable for investment securities purchased      | 168,956,907             | 160,699,562             |
| Refunds payable                                  | 1,950,004               | 1,134,126               |
| Other payables                                   | 46,958,637              | 45,870,341              |
| OPEB liability                                   | 2,436,577               | 2,426,552               |
| Accounts payable                                 | 4,308,585               | 4,124,798               |
| Pension payable                                  | 778,273                 | 369,442                 |
| Compensated absences                             | 370,201                 | 115,379                 |
| Total liabilities                                | <u>242,319,951</u>      | <u>233,332,310</u>      |
| NET POSITION - RESTRICTED FOR PENSION BENEFITS   | \$ <u>5,619,471,398</u> | \$ <u>5,094,638,405</u> |

See accompanying notes.

SHERIFFS' PENSION AND RELIEF FUND  
STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

|   | <u>2025</u>             | <u>2024</u>             |
|---|-------------------------|-------------------------|
| ADDITIONS:                                    |                         |                         |
| Contributions:                                |                         |                         |
| Members                                       | \$ 90,915,676           | \$ 86,291,263           |
| Employers                                     | 102,160,924             | 96,955,526              |
| Insurance premium tax                         | 29,659,044              | 26,011,486              |
| Ad valorem taxes                              | 29,192,166              | 27,096,335              |
| State revenue sharing                         | 422,840                 | 421,972                 |
| Total contributions                           | <u>252,350,650</u>      | <u>236,776,582</u>      |
| Investment income:                            |                         |                         |
| Interest income                               | 38,929,557              | 34,463,681              |
| Dividend income                               | 28,259,664              | 28,696,158              |
| Net appreciation in fair value of investments | 535,330,520             | 501,209,488             |
| Securities lending income                     | 113,251                 | 114,818                 |
| Commission recapture                          | 4,779                   | 9,834                   |
|   | <u>602,637,771</u>      | <u>564,493,979</u>      |
| Less investment expense:                      |                         |                         |
| Investment advisory fees                      | 16,510,707              | 15,558,544              |
| Custodian fee and bank charges                | 834,934                 | 796,930                 |
|   | <u>17,345,641</u>       | <u>16,355,474</u>       |
| Net investment income                         | <u>585,292,130</u>      | <u>548,138,505</u>      |
| Other additions:                              |                         |                         |
| Transfers from other retirement systems       | 10,914,560              | 9,343,674               |
| Miscellaneous income                          | 10,896                  | 863                     |
| Total other additions                         | <u>10,925,456</u>       | <u>9,344,537</u>        |
| Total additions                               | <u>848,568,236</u>      | <u>794,259,624</u>      |
| DEDUCTIONS:                                   |                         |                         |
| Benefits                                      | 296,521,530             | 267,877,580             |
| Refund of contributions                       | 20,020,138              | 17,726,556              |
| Transfers to other retirement systems         | 4,285,153               | 3,072,938               |
| Administrative expenses                       | 2,742,867               | 2,323,042               |
| Depreciation                                  | 102,094                 | 103,032                 |
| OPEB expense                                  | 63,461                  | 675,824                 |
| Total deductions                              | <u>323,735,243</u>      | <u>291,778,972</u>      |
| NET CHANGE IN FIDUCIARY NET POSITION          | 524,832,993             | 502,480,652             |
| NET POSITION RESTRICTED FOR PENSION BENEFITS: |                         |                         |
| Beginning of year                             | <u>5,094,638,405</u>    | <u>4,592,157,753</u>    |
| End of Year                                   | \$ <u>5,619,471,398</u> | \$ <u>5,094,638,405</u> |

See accompanying notes.



SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

The Sheriffs' Pension and Relief Fund (the Fund) is a public corporation created in accordance with the provisions of Louisiana Revised Statute 11:2171 to provide retirement, disability, and survivor benefits to employees of sheriffs' offices throughout the State of Louisiana, employees of the Louisiana Sheriffs' Association (LSA) and the Sheriffs' Pension and Relief Fund's office.

The Fund is governed by a Board of Trustees composed of 14 elected members and two legislators who serve as ex-officio members, all of whom are voting members. The Board of Trustees consists of a president, vice president, three active participating sheriffs, and three full-time participating deputy sheriffs, three retired sheriffs and three retired deputy sheriffs participating in the Fund, and the chairman of the Senate Finance and House Retirement Committee serve as ex-officio members. The President may be either an active or retired sheriff, elected by the members of the LSA for a term of three years from the date of taking office. Reelection is permissible. At the annual sheriffs' conference, the general membership of the LSA elects one active sheriff and one retired sheriff to serve three-year staggered terms on the Board. Active and retired deputy sheriff members are elected from their respective ranks to three-year staggered terms. The members of the LSA elect the vice president every three years. All candidates for service on the Board of Trustees must complete legislatively required hours of training prior to becoming a candidate. Office personnel and retained professionals serve as authorized by the Board.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements are prepared in accordance with the standards established by the Governmental Accounting Standards Board (GASB).

In addition, these financial statements include the management's discussion and analysis as supplementary information, as required by GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments* and related standards.

The Fund's basic financial statements were prepared in conformity with the provisions of GASB Statement No. 67, *Financial Reporting for Pension Plans*. GASB Statement No. 67 established new standards of financial reporting for defined benefit pension plans. Significant changes included an actuarial calculation of total and net pension liability, increased footnote disclosures regarding the pension liabilities and other related information, and provided for additional required supplementary information schedules.

Basis of Accounting:

The Fund's financial statements are prepared using the accrual basis of accounting. Employer and employee contributions are recognized in the period in which the employee is compensated for services performed. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Interest and dividend income is recognized when earned. Ad valorem taxes and state revenue sharing monies are recognized in the year appropriated by the legislature. Insurance premium tax income is recorded in the fiscal year for which it is allocated.

SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Method Used to Value Investments:

As required by GASB Statement No. 72, *Fair Value Measurement and Application*, investments are reported at fair value. This statement requires a government to use valuation techniques that are appropriate under the circumstances and for which sufficient data are available to measure fair value. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs. This statement establishes a hierarchy of inputs and valuation techniques used to measure fair value based on three levels. Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are inputs, other than quoted prices, included within Level 1 that are observable for the asset or liability, whether directly or indirectly. Lastly, Level 3 inputs are unobservable inputs, such as management's assumptions or investment manager assumptions that are unobservable. This statement requires disclosures to be made about fair value measurements, the level of fair value hierarchy, and valuation techniques used. These disclosures are organized by type of asset or liability. GASB Statement No. 72 also requires additional disclosures regarding investments in certain entities that calculate net asset value per share (or its equivalent).

Fair value of short-term investments approximates cost. Fair value of securities traded on a national or international exchange is calculated using the last reported sales price at current exchange rates. Fair value of equity funds, fixed income funds and other mutual funds not traded on a national or international exchange are calculated using the net asset value reported by the funds. Fair value of investments in partnerships is calculated as the Fund's percentage of ownership of the partner's capital reported by the partnership.

Capital Assets:

Capital assets are accounted for and capitalized in the Fund. Depreciation of these assets is recorded as an expense in the Fund. The assets are valued on the basis of historical cost and depreciated using the straight-line method of depreciation as follows:

| <u>Asset Class</u>             | <u>Estimated<br/>Useful Life</u> |
|--------------------------------|----------------------------------|
| Buildings                      | 40 years                         |
| Vehicles                       | 5 years                          |
| Office furniture and equipment | 3-10 years                       |

Use of Estimates:

The process of preparing financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Compensated Absences:

Employees' leave is accrued at rates of 12 to 20 days per year depending upon length of service. Upon separation, employees are compensated for accumulated annual leave, up to a maximum of 60 days. Employees are not compensated for accumulated sick leave upon termination.

New Accounting Standards:

Effective July 1, 2023, the Sheriffs' Pension and Relief Fund implemented GASB Statement No. 100, *Accounting Changes and Error Corrections*. This standard establishes accounting and reporting requirements for changes in accounting principles, changes in accounting estimates, changes to or within the financial reporting entity, and corrections of errors.

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 101, *Compensated Absences*, which became effective for the year ended June 30, 2025. This statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability is measured at the amount expected to be paid, including salary related benefits. The fund has analyzed the provisions of GASB Statement No. 101, *Compensated Absences*, and implemented the standard in fiscal year ending June 30, 2025. See footnote 14.

In December 2023, the Governmental Accounting Standards Board (GASB) issued Statement No. 102, *Certain Risk Disclosures* which became effective for the year ended June 30, 2025. This Statement requires the Fund to assess whether a concentration or constraint makes the Fund vulnerable to the risk of a substantial impact. Additionally, this Statement requires the Fund to assess whether an event or events associated with a concentration or constraint that could cause substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. If these conditions are met, the Fund should disclose information in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. The Fund has analyzed the provisions of GASB Statement No. 102, *Certain Risk Disclosures* and have concluded that there are no significant concentrations or constraints that exist which are more likely than not to cause substantial impact within 12 months of the date the financial statements were issued. Therefore, there were no disclosures required in the financial statements for the fiscal year ending June 30, 2025.

SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

2. PLAN DESCRIPTION:

The Sheriffs' Pension and Relief Fund, State of Louisiana, is the administrator of a cost-sharing multiple-employer defined benefit pension plan. The Sheriffs' Pension and Relief Fund received a favorable determination from the IRS regarding its status as a qualified plan in August 1995. The determination applied to plan years beginning after December 31, 1988.

Laws that govern the Fund are located in the Louisiana Revised Statutes beginning with 11:2171 et seq. which specifically pertains to the Sheriffs' Pension and Relief Fund, and 11:11 et seq. which governs all public retirement systems in Louisiana. The Sheriffs' Pension and Relief Fund, State of Louisiana, provides retirement benefits for employees of Sheriffs' offices throughout the State of Louisiana. There are sixty-four contributing sheriff offices, with employees of the Louisiana Sheriffs' Association office and the Fund's staff also contributing.

At June 30, 2025 and 2024 statewide retirement membership consisted of:

|  | <u>2025</u>   | <u>2024</u>   |
|--|---------------|---------------|
| Inactive members or beneficiaries currently receiving benefits | 7,385         | 7,128         |
| Inactive members entitled to but not yet receiving benefits    | 9,746         | 9,449         |
| Active members   | <u>14,528</u> | <u>14,282</u> |
| Total participants as of the valuation date                    | <u>31,659</u> | <u>30,859</u> |

Eligibility Requirements:

Membership in the Fund is required for all eligible sheriffs and deputies. Court criers of specified courts and non-deputized employees may become members. They are eligible immediately upon employment as long as they meet statutory criteria as to age and wage requirements. All salaried employees of the Sheriffs' Pension and Relief Fund and the Louisiana Sheriffs' Association who meet certain requirements are also eligible to become members of the Fund. Members are vested after twelve years of service time.

Retirement Benefits:

Members who become eligible for membership on or before December 31, 2011 may retire at age fifty-five with twelve years of creditable service, or may retire at any ages with thirty years of service. The retirement allowance is equal to three and one-third percent of the member's average final compensation multiplied by his years of creditable service, not to exceed (after reduction for optional payment form) 100% of average final compensation. Active, contributing members with at least ten years of creditable service may retire at age sixty. The accrued normal retirement benefit is reduced actuarially for each month or fraction thereof that retirement begins prior to the member's earliest normal retirement date assuming continuous service.

SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

2. PLAN DESCRIPTION: (Continued)

Retirement Benefits: (Continued)

Members whose first employment began on or after January 1, 2012 may retire at age sixty-two with twelve years of creditable service, or may retire at age sixty with twenty years of creditable service, or may retire at fifty-five with thirty years of creditable service. The benefit accrual rate for such members with less than thirty years of service is three percent; for members with thirty or more years of service, the accrual rate is three and one-third percent. The retirement allowance is equal to the benefit accrual rate times the member's average final compensation multiplied by his years of creditable service, not to exceed (after reduction for optional payment form) 100% of average final compensation. Members with twenty or more years of service may retire with a reduced retirement at age fifty.

A member whose first employment began on or before June 30, 2006, final average compensation is based on the average monthly earnings during the highest thirty-six consecutive months or joined months if service was interrupted. The earnings to be considered for each twelve-month period within the thirty-six month period shall not exceed 125% of the preceding twelve-month period.

A member whose first employment began after June 30, 2006 and before July 1, 2013, final average compensation is based on the average monthly earnings during the highest sixty consecutive months or joined months if service was interrupted. The earnings to be considered for each twelve-month period within the sixty-month period shall not exceed 125% of the preceding twelve-month period.

A member whose first employment began on or after July 1, 2013, final average compensation is based on the average monthly earnings during the highest sixty consecutive months or joined months if service was interrupted. The earnings to be considered for each twelve-month period within the sixty-month period shall not exceed 115% of the preceding twelve-month period.

Cost-of-Living Increases:

The Board of Trustees is authorized to grant retired members and survivors of members who have retired an annual cost-of-living increase of 2.5% of their current benefit. When such a cost-of-living increase is granted in any fiscal year, no such cost-of-living increase may be granted in the immediately following fiscal year. Members are eligible to receive this cost-of-living adjustment when they have attained the sixty years of age and they have been retired for at least one year. In order for the Board to grant a cost-of-living adjustment, the Fund must meet certain criteria in the statutes related to funding status and excess investment earnings. The funding criteria for granting cost-of-living adjustments are as follows:

SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

2. PLAN DESCRIPTION: (Continued)

Cost-of-Living Increases: (Continued)

- Funding Criteria 1 - if the funded ratio is equal to or in excess of 90%, the Fund is eligible to grant a cost-of-living adjustment every other year.
- Funding Criteria 2 - if the funded ratio is equal to or in excess of 80%, the Fund is eligible to grant a cost-of-living adjustment every three years.
- Funding Criteria 3 - if the funded ratio is equal to or in excess of 70%, the Fund is eligible to grant a cost-of-living adjustment every four years.

If the funded ratio is less than 70%, the Fund is not eligible to grant a cost-of-living adjustment in any year.

Deferred Benefits:

The Fund does provide for deferred benefits for vested members who terminate before being eligible for retirement. Benefits become payable once the member reaches the appropriate age for retirement.

Disability Benefits:

A member is eligible to receive disability benefits if he has at least ten years of creditable service when a non-service related disability is incurred; there are no service requirements for a service related disability. Disability benefits shall be the lesser of 1) a sum equal to the greatest of 45% of final average compensation or the members' accrued retirement benefit at the time of termination of employment due to disability, or 2) the retirement benefit which would be payable assuming continued service to the earliest normal retirement age. Members who become partially disabled receive 75% of the amount payable for total disability.

Survivor Benefits:

Survivor benefits for death solely as a result of injuries received in the line of duty are based on the following: For a spouse alone, a sum equal to 50% of the member's final average compensation with a minimum of \$150 per month. If a spouse is entitled to benefits and has a child or children under eighteen years of age (or over said age if physically or mentally incapacitated and dependent upon the member at the time of his death), an additional sum of 15% of the member's final average compensation is paid to each child with total benefits paid to spouse and children not to exceed 100%. If a member dies with no surviving spouse, surviving children under age eighteen will receive monthly benefits of 15% of the member's final average compensation up to a

SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

2. PLAN DESCRIPTION: (Continued)

Survivor Benefits: (Continued)

maximum of 60% of final average compensation if there are more than four children. If a member is eligible for normal retirement at the time of death, the surviving spouse receives an automatic option 2 benefit. The additional benefit payable to children shall be the same as those available for members who die in the line of duty. In lieu of receiving option 2 benefit, the surviving spouse may receive a refund of the member's accumulated contributions. All benefits payable to surviving children shall be extended through age twenty-three, if the child is a full-time student in good standing enrolled at a board approved or accredited school, college, or university.

Contribution Refunds:

Upon withdrawal from service, members who have remained out of service for a period of thirty days, are paid a refund of accumulated contributions upon request. Receipt of such a refund cancels all accrued benefits in the Fund.

Deferred Retirement Option Plan (DROP) / Back Deferred Retirement Option Plan (Back-DROP):

For members retiring before July 1, 2001 in lieu of terminating employment and accepting a service retirement, members can elect to participate in the Deferred Retirement Option Plan (DROP). Upon entering the DROP, employee and employer contributions cease. The monthly retirement benefit that would have been paid if the member ceased employment is deposited into the DROP account for up to three years. Funds held in the DROP account earn interest and can be disbursed to the member upon request. Effective July 1, 2001, the Back-DROP program replaced the DROP program. 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 make a one-time irrevocable election to receive a "Back-DROP" benefit. A member elects Back-DROP at the time of separation from employment (retirement). The Back-DROP benefit is based on 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 time accrued between when a member first becomes eligible for retirement and his actual date of retirement. For those individuals with thirty or more years, the Back-DROP period is the lesser of four years or service time accrued between when a member becomes eligible for retirement and his actual date of retirement. A member's Back-DROP benefit is the maximum monthly retirement benefit multiplied by the number of months in the Back-DROP period. In addition, the member's Back-DROP account will be credited with employee contributions received by the Fund during the Back-DROP period. The member's DROP and Back-DROP balances left on deposit are managed by a third party, fixed income investment manager. Participants have the option to opt out of this program and take a lump sum distribution, if eligible, annuitize all or a portion of the Back-DROP balance, or to rollover the assets to another qualified plan.

SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

3. CONTRIBUTIONS AND RESERVES:

Contributions:

Member contributions are established by state law and range between 9.80% and 10.25% of earnable compensation. The Board of Trustees sets the rate each year. For the years ended June 30, 2025 and 2024, the employee contribution rate was 10.25% of member's compensation. Contributions are deducted from the member's salary and remitted monthly by the participating employer.

Employer contributions are determined by an actuarial valuation and are subject to change each year in accordance with R.S. 11:103. For the years ended June 30, 2025 and 2024, the actuarially determined contribution rate was 10.32% and 11.80%, respectively, of member's compensation. For the years ended June 30, 2025 and 2024 the employer contribution rate was 11.75% and 11.50%, respectively, of members' salaries. The Board of Trustees set the contribution rate paid by employers at 11.50% and collected the remaining 0.25% from the credit balance in the Funding Deposit Account for the year ending June 30, 2025. Also, the Fund annually receives revenue sharing funds, which consist of 0.50% of the aggregate amount of the ad valorem tax shown to be collected by the tax roll of each respective parish, and additional funds as indicated by valuation and apportioned by the Public Retirement Systems' Actuarial Committee from available insurance premium taxes described in RS 22:1476A(3).

Administrative costs of the Fund are financed through employer contributions.

Reserves:

Use of the term "reserve" by the Fund indicates that a portion of the fund balances is legally restricted for a specific future use. The nature and purpose of these reserves are explained below:

A) Annuity Savings:

The Annuity Savings is credited with contributions made by members of the Fund. When a member terminates his service or upon his death before qualifying for a benefit, the refund of his contributions is made from this reserve. If a member dies and there is a survivor eligible for a benefit, the member's accumulated contributions are transferred from the Annuity Savings to the Annuity Reserve. When a member retires, his accumulated contributions are transferred to Annuity Reserve to provide part of the benefits. The Annuity Savings balance as of June 30, 2025 and 2024 was \$782,553,031 and \$756,630,552, respectively.

B) Pension Accumulation Reserve:

The Pension Accumulation Reserve consists of contributions paid by employers, interest earned on investments and any other income not included in other accounts.



SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

3. CONTRIBUTIONS AND RESERVES: (Continued)

Reserves (Continued)

B) Pension Accumulation Reserve: (Continued)

This reserve account is charged annually with an amount, determined by the actuary, to be transferred to the Annuity Reserve to fund retirement benefits for existing recipients. It is also relieved when expenditures are not covered by other accounts. The Pension Accumulation Reserve at June 30, 2025 and 2024 was \$1,974,156,629 and \$1,607,901,329, respectively.

C) Funding Deposit Account:

The Funding Deposit Account consists of excess contributions collected by the Fund. The excess funds earn interest at the board approved actuarial valuation rate and are credited to the Fund at least once a year. These funds are available due to the Fund setting the employer rate at a higher rate than minimum recommended rate. The excess funds can be used for the following purposes: (1) reduce the unfunded accrued liability, (2) reduce the present value of future normal costs, and/or (3) pay all or a portion of any future net direct employer contributions, (4) to provide for permanent benefit increases as provided for in R.S. 11:2178. In accordance with the motion authorized by the Board of Trustees, funds were transferred with interest from the Funding Deposit Account in order to fund a 2.0% permanent benefit increase (PBI), effective January 1, 2025. The Board of Trustees set the contribution rate paid by employers at 11.50% and collected the remaining 0.25% from the Funding Deposit Account for the year ending June 30, 2025. The Funding Deposit Account as of June 30, 2025 and 2024 was \$64,727,689 and \$103,750,904, respectively.

D) Annuity Reserve:

The Annuity Reserve is the reserve for all pensions, excluding cost-of-living increases, granted to retired members and is the reserve from which such pensions and annuities are paid. Survivors of deceased beneficiaries also receive benefits from this reserve account. The Annuity Reserve as of June 30, 2025 and 2024 was \$2,773,733,644 and \$2,602,264,027, respectively.

E) Deferred Retirement Option Plan / Back Deferred Retirement Option Plan:

The Deferred Retirement Option Plan / Back Deferred Retirement Option Plan (DROP) consists of the reserves for all members who upon retirement eligibility elect to deposit into this account an amount equal to the member's monthly benefit if he had retired. Members participate in the program for up to three or four years, and upon termination receive benefits in a lump sum payment or annuity. The DROP reserve as of June 30, 2025 and 2024 was \$24,300,405 and \$24,091,593, respectively.

SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

4. NET PENSION LIABILITY OF EMPLOYERS:

The components of the liability of the Fund's employers to plan members for benefits provided through the pension plan was as follows as of June 30, 2025 and 2024:

|      | <u>Total<br/>Pension<br/>Liability</u> | <u>Plan<br/>Fiduciary<br/>Net Position</u> | <u>Employers'<br/>Net Pension<br/>Liability</u> | <u>Plan Fiduciary<br/>Net Position as<br/>a % of the<br/>Total Pension<br/>Liability</u> |
|------|--|--|---|--|
| 2025 | \$ 5,966,924,210                       | \$ 5,619,471,398                           | \$ 347,452,812                                  | 94.18%   |
| 2024 | 5,698,851,389                          | 5,094,638,405                              | 604,212,984                                     | 89.40  |

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts regarding the net pension liability are subject to continual revision as actual results are compared to past expectations, and new estimates are made about the future. The actuarial assumptions used in the June 30, 2025 and 2024 valuations were based on the results of an experience study for the period from July 1, 2014 - June 30, 2024. The required Schedules of Employers' Net Pension Liability located in the required supplementary information presents multi-year trend information regarding whether the plan fiduciary net position is increasing or decreasing over time relative to the total pension liability.

Additional information on the actuarial methods and assumptions used in the latest actuarial valuation was as follows:

Information on the actuarial valuation and assumptions is as follows:

| Valuation date                   | June 30, 2025  | June 30, 2024  |
|----------------------------------|--|--|
| Actuarial cost method            | Entry Age Normal Cost  | Entry Age Normal Cost  |
| Investment rate of return        | 6.85%, net of pension plan investment expense, including inflation   | 6.85%, net of pension plan investment expense, including inflation   |
| Expected remaining service lives | 5 years  | 5 years  |
| Inflation rate                   | 2.50%  | 2.50%  |
| Mortality                        | For active retirees, annuitants, beneficiaries and disabled retirees, Pub-2016 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 130% for males and 115% for females, each with full generational projection using the MP2021 scale. | For active retirees, annuitants, beneficiaries and disabled retirees, Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 120% for males and 115% for females, each with full generational projection using the MP2019 scale. |

SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

4. NET PENSION LIABILITY OF EMPLOYERS: (Continued)

|                            |   |   |
|----------------------------|---|---|
| Salary increases           | 1-2 years of service - 10.20%<br>(2.50% Inflation, 7.70% Merit)<br>3 & over years of service - 4.80%<br>(2.50% Inflation, 2.30% Merit)  | 5.00%<br>(2.50% Inflation, 2.50% Merit)   |
| Cost-of-Living adjustments | The present value of future retirement benefits is based on benefits currently being paid by the Fund and includes previously granted permanent benefit increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees. | The present value of future retirement benefits is based on benefits currently being paid by the Fund and includes previously granted permanent benefit increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees. |

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing diversifications.

Estimates of arithmetic real rates of return for each major asset class based on the Fund's target asset allocation as of June 30, 2025 were as follows:

| <u>Asset Class</u>                 | <u>Target Asset Allocation</u> | <u>Long-term Expected Rate of Return</u> |   |
|------------------------------------|--------------------------------|--|---|
|                                    |                                | <u>Real Return Arithmetic Basis</u>      | <u>Long-term Expected Portfolio Real Rate of Return</u> |
| Equity Securities                  | 62%                            | 7.40%                                    | 4.59%   |
| Fixed Income                       | 25                             | 4.96                                     | 1.24  |
| Alternative Investments            | 13                             | 6.54                                     | 0.85  |
| Totals                             | 100%                           |  | 6.68%   |
| Inflation                          |                                |  | 2.56  |
| Expected Arithmetic Nominal Return |                                |  | 9.24%   |

SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

4. NET PENSION LIABILITY OF EMPLOYERS: (Continued)

Estimates of arithmetic real rates of return for each major asset class based on the Fund's target asset allocation as of June 30, 2024 were as follows:

| <u>Asset Class</u>                 | <u>Target Asset Allocation</u> | <u>Long-term Expected Rate of Return</u> |   |
|------------------------------------|--------------------------------|--|---|
|                                    |                                | <u>Real Return Arithmetic Basis</u>      | <u>Long-term Expected Portfolio Real Rate of Return</u> |
| Equity Securities                  | 62%                            | 6.95%                                    | 4.29%   |
| Fixed Income                       | 25                             | 5.40                                     | 1.33  |
| Alternative Investments            | <u>13</u>                      | 6.31                                     | <u>0.82</u>   |
| Totals                             | <u>100%</u>                    |  | 6.44%   |
| Inflation                          |                                |  | <u>2.51</u>   |
| Expected Arithmetic Nominal Return |                                |  | <u>8.95%</u>  |

The discount rate used to measure the total pension liability was 6.85% for each of the years ending June 30, 2025 and 2024. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the Fund's actuary. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

In accordance with GASB 67, regarding the disclosure of the sensitivity of the net pension liability to changes in the discount rate, the following presents the net pension liability of the participating employers calculated using the discount rate, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate as of June 30, 2025 and 2024:

|                               | <u>2025 Changes in Discount Rate</u> |                              |                         |
|-------------------------------|--------------------------------------|------------------------------|-------------------------|
|                               | <u>1% Decrease</u>                   | <u>Current Discount Rate</u> | <u>1% Increase</u>      |
|                               | <u>5.85%</u>                         | <u>6.85%</u>                 | <u>7.85%</u>            |
| Net Pension Liability/(Asset) | \$ <u>1,068,635,574</u>              | \$ <u>347,452,812</u>        | \$ <u>(256,306,273)</u> |

SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

4. NET PENSION LIABILITY OF EMPLOYERS: (Continued)

|                       | 2024                            |                       |                      |
|-----------------------|---------------------------------|-----------------------|----------------------|
|                       | <u>Changes in Discount Rate</u> |                       |                      |
|                       | 1%                              | Current               | 1%                   |
|                       | Decrease                        | Discount              | Increase             |
|                       | <u>5.85%</u>                    | <u>6.85%</u>          | <u>7.85%</u>         |
| Net Pension Liability | \$ <u>1,308,248,470</u>         | \$ <u>604,212,984</u> | \$ <u>17,066,917</u> |

5. INVESTMENT FAIR VALUE:

The Fund categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The plan has the following recurring fair value measurements as of June 30, 2025 and 2024, respectively:

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SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

5. INVESTMENT FAIR VALUE: (Continued)

|   | June 30, 2025    | Fair Value Measurements Using                   |   |   |
|---|------------------|---|---|---|
|   |                  | Quoted Prices in<br>Active Markets<br>(Level 1) | Significant Other<br>Observable<br>Inputs (Level 2) | Significant<br>Unobservable<br>Inputs (Level 3) |
| Investments by Fair Value Level:                      |                  |   |   |   |
| Short-term  | \$ 253,254,199   | \$ 235,451,222                                  | \$ 2,843,427  | \$ 14,959,550                                   |
| Fixed income securities:                              |                  |   |   |   |
| U.S. treasury and government obligations              | 879,733,972      | 649,002,086                                     | 230,731,886   | -   |
| Asset backed securities                               | 52,900,228       | -   | 52,900,228  | -   |
| Commingled bond funds & other                         | 160,258,414      | -   | 160,258,414   | -   |
| Corporate bonds - domestic                            | 279,056,160      | -   | 279,056,160   | -   |
| Corporate bonds - foreign                             | 1,628,005        | -   | 1,628,005   | -   |
| Emerging market debt                                  | 71,986,934       | 71,986,934                                      | -   | -   |
| International fixed income                            | 9,671,954        | -   | 9,671,954   | -   |
| Mortgage backed securities                            | 35,453,516       | -   | 35,453,516  | -   |
| Total fixed income securities                         | 1,490,689,183    | 720,989,020                                     | 769,700,163   | -   |
| Equity Securities:                                    |                  |   |   |   |
| Domestic equities                                     | 853,943,252      | 853,943,252                                     | -   | -   |
| Equity funds - domestic                               | 1,187,149,587    | 554,341,279                                     | 632,808,308   | -   |
| Foreign equities                                      | 74,997,256       | 74,997,256                                      | -   | -   |
| Equity funds - foreign                                | 722,175,796      | 265,759,191                                     | 456,416,605   | -   |
| Total equity securities                               | 2,838,265,891    | 1,749,040,978                                   | 1,089,224,913                                       | -   |
| Total Investments at Fair Value Level                 | 4,582,209,273    | \$ 2,705,481,220                                | \$ 1,861,768,503                                    | \$ 14,959,550                                   |
| Investments measured at the<br>net asset value (NAV): |                  |   |   |   |
| Commingled bond funds                                 | \$ 1,974,343     |   |   |   |
| Equity funds - foreign                                | 517,465,940      |   |   |   |
| Alternative investments:                              |                  |   |   |   |
| Commingled funds                                      | 210,831,478      |   |   |   |
| Hedge funds   | 73,813,850       |   |   |   |
| Real estate funds                                     | 330,645,652      |   |   |   |
| Total Investments at NAV                              | 1,134,731,263    |   |   |   |
| Investment derivatives                                |                  |   |   |   |
| Futures   | 3,203,130        | 3,203,130                                       | -   | -   |
| Total Investment Derivatives                          | 3,203,130        | 3,203,130                                       | -   | -   |
| Total Investments at Fair value                       | \$ 5,720,143,666 |   |   |   |

SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

5. INVESTMENT FAIR VALUE: (Continued)

|   |                  | Fair Value Measurements Using                   |   |   |
|---|------------------|---|---|---|
|   |                  | Quoted Prices in<br>Active Markets<br>(Level 1) | Significant Other<br>Observable<br>Inputs (Level 2) | Significant<br>Unobservable<br>Inputs (Level 3) |
|   | June 30, 2024    |   |   |   |
| Investments by Fair Value Level:                      |                  |   |   |   |
| Short-term  | \$ 228,466,516   | \$ 205,005,932                                  | \$ 6,324,282  | \$ 17,136,302                                   |
| Fixed income securities:                              |                  |   |   |   |
| U.S. treasury and government obligations              | 770,217,494      | 528,624,395                                     | 241,593,099   | -   |
| Asset backed securities                               | 9,293,874        | -   | 9,293,874   | -   |
| Commingled bond funds & other                         | 147,937,722      | -   | 147,937,722   | -   |
| Corporate bonds - domestic                            | 241,649,460      | -   | 241,649,460   | -   |
| Corporate bonds - foreign                             | 92,103,510       | -   | 92,103,510  | -   |
| Emerging market debt                                  | 62,866,505       | 62,866,505                                      | -   | -   |
| International fixed income                            | 11,386,333       | -   | 11,386,333  | -   |
| Mortgage backed securities                            | 7,944,724        | -   | 7,944,724   | -   |
| Total fixed income securities                         | 1,343,399,622    | 591,490,900                                     | 751,908,722   | -   |
| Equity Securities:                                    |                  |   |   |   |
| Domestic equities                                     | 774,885,307      | 774,885,307                                     | -   | -   |
| Equity funds - domestic                               | 1,106,681,824    | 498,815,516                                     | 607,866,308   | -   |
| Foreign equities                                      | 241,222,033      | 241,222,033                                     | -   | -   |
| Equity funds - foreign                                | 611,783,006      | 225,158,505                                     | 386,624,501   | -   |
| Total equity securities                               | 2,734,572,170    | 1,740,081,361                                   | 994,490,809   | -   |
| Total Investments at Fair Value Level                 | 4,306,438,308    | \$ 2,536,578,193                                | \$ 1,752,723,813                                    | \$ 17,136,302                                   |
| Investments measured at the<br>net asset value (NAV): |                  |   |   |   |
| Commingled bond funds                                 | \$ 5,944,336     |   |   |   |
| Equity funds - foreign                                | 265,081,327      |   |   |   |
| Alternative investments:                              |                  |   |   |   |
| Commingled funds                                      | 196,327,644      |   |   |   |
| Hedge funds   | 67,051,329       |   |   |   |
| Real estate funds                                     | 326,995,954      |   |   |   |
| Total Investments at NAV                              | 861,400,590      |   |   |   |
| Investment derivatives                                |                  |   |   |   |
| Futures   | 284,335          | 284,335   | -   | -   |
| Total Investment Derivatives                          | 284,335          | 284,335   | -   | -   |
| Total Investments at Fair value                       | \$ 5,168,123,233 |   |   |   |

SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

5. INVESTMENT FAIR VALUE: (Continued)

Short-term investments, debt securities and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Short-term investments, equity securities and debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Short-term investments classified in Level 3 of the fair value hierarchy are valued using unobservable inputs and are not directly corroborated with market data.

Derivative instruments classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those derivatives.

The unfunded commitments and redemption terms for investments measured at the net asset value (NAV) per share or its equivalent as of June 30, 2025 is presented on the following table:

|                          | Net Asset Value<br>June 30, 2025 | Unfunded<br>Commitments | Redemption<br>Frequency                   | Redemption<br>Notice Period |
|--------------------------|----------------------------------|-------------------------|---|-----------------------------|
| Commingled Bond Funds    | \$ 1,974,343                     | \$ -                    | Daily                                     | Daily                       |
| Equity funds - foreign   | 517,465,940                      | -                       | Daily                                     | Daily                       |
| Commingled Funds         | 210,831,478                      | -                       | Daily, Quarterly,<br>Biannually, Annually | 1 - 120 days                |
| Hedge Funds              | 73,813,850                       | -                       | 6-12 Months                               | 95 days                     |
| Real Estate Funds        | 330,645,652                      | -                       | Daily, Quarterly                          | 1 - 110 days                |
| Total Investments at NAV | <u>\$ 1,134,731,263</u>          | <u>\$ -</u>             |   |                             |

The unfunded commitments and redemption terms for investments measured at the net asset value (NAV) per share or its equivalent as of June 30, 2024 is presented on the following table:

|                          | Net Asset Value<br>June 30, 2024 | Unfunded<br>Commitments | Redemption<br>Frequency                   | Redemption<br>Notice Period |
|--------------------------|----------------------------------|-------------------------|---|-----------------------------|
| Commingled Bond Funds    | \$ 5,944,336                     | \$ -                    | Daily                                     | Daily                       |
| Equity funds - foreign   | 265,081,327                      | -                       | Daily                                     | Daily                       |
| Commingled Funds         | 196,327,644                      | -                       | Daily, Quarterly,<br>Biannually, Annually | 1 - 120 days                |
| Hedge Funds              | 67,051,329                       | -                       | 6-12 Months                               | 95 days                     |
| Real Estate Funds        | 326,995,954                      | -                       | Daily, Quarterly                          | 1 - 110 days                |
| Total Investments at NAV | <u>\$ 861,400,590</u>            | <u>\$ -</u>             |   |                             |



SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

5. INVESTMENT FAIR VALUE: (Continued)

Commingled Bond Funds:

This investment type includes investments in commingled bond funds. The investment objective is to seek maximum total return consistent with preservation of capital and prudent investment management through investments in fixed income securities, which includes bonds, asset backed securities, short-term investments and other debt securities issues by various U.S. and non-U'S public or private sector entities. The fair value of the investments in these funds has been determined using the NAV per share or equivalent of the investments. Units are valued monthly and redemption of units consists of approximately one day advance notice.

Foreign Equity Fund:

The foreign equity fund focuses on participation in financial markets outside of the United States. The fund invests in international financial markets, primarily those of developed economies in Europe and the Pacific Basin. The Fund invests primarily in equity securities issued by foreign corporations, but may invest in other securities perceived as offering attractive investment return opportunities. The Fund seeks to provide appreciation of capital as well as diversification when used in conjunction with a portfolio of U.S. securities, recognizing the lack of perfect correlation in the movement of security prices in international markets relative to those in the United States, and to invest in companies successfully competing in the international arena. The fair value of the investments in these funds has been determined using the NAV per share (or equivalent) of the investments. Unit valuation ranges from daily to monthly and redemption of units require advanced notice of one day. Any amount redeemed will be paid within one trading day after the beginning of the following month.

Commingled Funds:

This investment type includes investments in commingled investment funds which seek to achieve their objective through direct and indirect investments that pursue a variety of investment strategies. The fair value of the investments in these funds has been determined using the NAV per share or equivalent of the investments. Units are valued monthly and redemption of units varies from one to one hundred-twenty days advance notice.

Hedge Funds:

A hedge fund is an asset class consisting of equity securities and debt in operating companies that are not publicly traded on a stock exchange. Hedge funds employ a combination of strategies to earn superior risk-adjusted returns. The fair values of the investments in this asset class have been determined using the NAV per share or equivalent of the hedge funds capital. The redemption notice period is 95 days with bi-annual and annual redemptions available.

SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

5. INVESTMENT FAIR VALUE: (Continued)

Real Estate Funds:

The Fund invests in real estate funds which invest in a variety of real estate vehicles which provides broad exposure to all areas of the real estate market including commercial mortgage debt, office, residential, retail, apartment and industrial holdings and creates further diversification benefits through international exposure and real estate domiciled in the United States. The investment objectives seek to provide consistent current income, attractive risk-adjusted returns and preservation of principal over such market cycle to facilitate the targeted distribution. The funds aim to provide favorable total returns through current income and long-term capital growth. The fair values of the investments in this type have been determined using the NAV per share of the Fund's ownership interest in partners' capital.

6. DEPOSITS AND INVESTMENTS:

The following are the components of the Fund's deposits and investments at June 30, 2025 and 2024:

|                         | <u>2025</u>             | <u>2024</u>             |
|-------------------------|-------------------------|-------------------------|
| Deposits (bank balance) | \$ 29,734,547           | \$ 30,032,093           |
| Investments             | <u>5,720,143,666</u>    | <u>5,168,123,233</u>    |
|                         | <u>\$ 5,749,878,213</u> | <u>\$ 5,198,155,326</u> |

Deposits:

At June 30, 2025 and 2024, the Fund's bank deposits were fully insured or collateralized with securities held by the Federal Reserve Bank in joint custody.

Investments:

At June 30, 2025 and 2024 short-term investments in the amount of \$215,717,092 and \$191,841,679, respectively, consisted of asset backed securities, collateralized mortgage obligations and U.S. Treasury Bills. These funds are held by a sub-custodian, are managed by separate money managers and are in the name of the custodial bank with the Fund as the beneficial owner. For the years ended June 30, 2025 and 2024, short-term investments in the amount of \$14,959,549 and \$17,136,302, respectively, consisted of pooled investments held in the name of the investment manager with the Fund as the beneficial owner.

At June 30, 2025 and 2024, short-term investments also included amounts invested in the Louisiana Asset Management Pool (LAMP), a local government investment pool, totaling \$22,577,558 and \$19,488,535, respectively.

SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

6. DEPOSITS AND INVESTMENTS: (Continued)

Investments: (Continued)

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-R.S. 33:2955.

LAMP is a 2a7-like investment pool that to the extent possible, invest in a manner consistent with GASB Statement No. 79. The following facts are relevant for investment pools:

*Credit risk:* LAMP is rated AAAM by Standard and Poor's.

*Custodial credit risk:* LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.

*Concentration of credit risk:* Pooled investments are excluded from the 5 percent disclosure requirement.

*Interest rate risk:* LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The weighted average maturity of LAMP assets is restricted to not more than 90 days and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating / variable rate investments. The max maturity for LAMP's total investments is 163 days as of June 30, 2025.

*Foreign currency risk:* Not applicable.

The investments in LAMP are stated at fair value. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

6. DEPOSITS AND INVESTMENTS: (Continued)

Investments: (Continued)

Statutes authorize the Fund to invest under the Prudent-Man Rule. Pursuant to Louisiana Revised Statute 11:263, the Prudent-Man rule requires each fiduciary of a retirement system and each board of trustees acting collectively on behalf of each system to act with the care, skill, prudence and diligence under the circumstances prevailing that a prudent institutional investor acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims. Notwithstanding the Prudent-Man Rule, the Fund shall not invest more than sixty-five percent of the total portfolio in equity investments.

Concentration of Credit Risk:

Concentration of credit risk is the risk of loss attributed to a lack of diversification. The Fund's investment policy establishes concentration limits for certain types of investments as a means of managing risk. Following is a summary of certain limits included in the Fund's policy:

- a) Short-term investments may not exceed 5% of each manager's assigned portfolio allocation without approval by the staff.
- b) Maximum single stock ownership shall not exceed 7%, for each of the years ended June 30, 2025 and 2024, of each manager's portfolio allocation at market value for domestic, international, and emerging market equities.
- c) Maximum single bond ownership shall not exceed 5% of each manager's portfolio market value, excluding securities issued or guaranteed by the U. S. Government, its Agencies, or Government Sponsored Enterprises or securities or loans collateralized by such investments.
- d) Mortgages, as a percentage of each advisor's fixed income portfolio at market value, shall not be more than 10% greater than the mortgage sector's current percent of the Barclay's Aggregate index. Collateralized mortgage obligations shall not exceed 15% of each advisor's fixed income portfolio at market value.

At June 30, 2025 and 2024, there were no investments in any one organization, other than those issued or guaranteed by the U.S. Government or mutual funds, which represented 5% of fiduciary net position or plan investments.

Credit Risk:

Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Following are the credit ratings of the Fund's investments in long-term debt securities as of June 30, 2025 and 2024:

SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

6. DEPOSITS AND INVESTMENTS: (Continued)

Credit Risk: (Continued)

2025

|           | Corporate<br>Bonds -<br>Domestic | Corporate<br>Bonds -<br>Foreign | Mortgage-<br>Backed &<br>Collateralized<br>Mortgage<br>Obligations | U.S.<br>Treasury and<br>Government<br>Agency<br>Obligations | Other                 | Total                   |
|-----------|----------------------------------|---------------------------------|--|---|-----------------------|-------------------------|
| AAA       | \$ 8,568,182                     | \$ -                            | \$ 37,736,351  | \$ 1,129,078  | \$ -                  | \$ 47,433,611           |
| AA        | 10,109,355                       | -                               | 4,748,897  | 190,259,314   | -                     | 205,117,566             |
| A         | 72,134,573                       | -                               | 972,217  | -   | 122,561               | 73,229,351              |
| BAA       | 94,705,459                       | -                               | 1,295,343  | -   | -                     | 96,000,802              |
| BA        | 14,922,438                       | -                               | 252,472  | -   | -                     | 15,174,910              |
| B         | 7,467,954                        | -                               | 1,598,458  | -   | -                     | 9,066,412               |
| CAA       | 504,554                          | -                               | -  | -   | -                     | 504,554                 |
| CA        | -                                | -                               | 29,228   | -   | -                     | 29,228                  |
| C         | 372,595                          | -                               | -  | -   | -                     | 372,595                 |
| Not Rated | 70,271,050                       | 1,628,005                       | 41,720,778   | 688,345,580   | 241,794,741           | 1,043,760,154           |
|           | <u>\$ 279,056,160</u>            | <u>\$ 1,628,005</u>             | <u>\$ 88,353,744</u>   | <u>\$ 879,733,972</u>                                       | <u>\$ 241,917,302</u> | <u>\$ 1,490,689,183</u> |

2024

|           | Corporate<br>Bonds -<br>Domestic | Corporate<br>Bonds -<br>Foreign | Mortgage-<br>Backed &<br>Collateralized<br>Mortgage<br>Obligations | U.S.<br>Treasury and<br>Government<br>Agency<br>Obligations | Other                 | Total                   |
|-----------|----------------------------------|---------------------------------|--|---|-----------------------|-------------------------|
| AAA       | \$ 28,964,327                    | \$ 13,587,927                   | \$ 8,001,401   | \$ 357,856,419  | \$ -                  | \$ 408,410,074          |
| AA        | 6,999,607                        | 2,386,645                       | 3,182,889  | -   | 1,446,080             | 14,015,221              |
| A         | 68,559,843                       | 19,051,683                      | 776,300  | -   | 579,400               | 88,967,226              |
| BAA       | 92,026,816                       | 33,820,275                      | 162,881  | -   | 4,961,005             | 130,970,977             |
| BA        | 9,826,529                        | 5,674,142                       | -  | -   | 1,103,195             | 16,603,866              |
| B         | 2,398,514                        | 4,141,652                       | 106,279  | 107,412   | 638,262               | 7,392,119               |
| CAA       | 72,750                           | 72,876                          | -  | -   | -                     | 145,626                 |
| CA        | -                                | -                               | 53,042   | -   | 160,975               | 214,017                 |
| Not Rated | 32,801,074                       | 13,368,310                      | 4,955,806  | 412,253,663   | 213,301,643           | 676,680,496             |
|           | <u>\$ 241,649,460</u>            | <u>\$ 92,103,510</u>            | <u>\$ 17,238,598</u>   | <u>\$ 770,217,494</u>                                       | <u>\$ 222,190,560</u> | <u>\$ 1,343,399,622</u> |

The Fund invests in a high yield fund. As of June 30, 2025 and 2024, the market value of the fund was \$1,974,343 and \$5,944,336, respectively. The credit rating, of approximately 78% as of June 30, 2025 and 86% as of June 30, 2024, of the underlying assets of the fund ranged from B to BBB.

SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

6. DEPOSITS AND INVESTMENTS: (Continued)

Credit Risk: (Continued)

All security types included in the benchmark (Barclays Aggregate Bond Index) are candidates for purchase and placement in the bond portfolio. Bond portfolios must have a minimum average quality rating of A. Securities must be rated Baa3/BBB- by at least two of the major rating agencies at the time of the purchase. Any security that falls below Baa3/BBB- rating by any of the major rating agencies must be sold within 90 days of the downgrade announcement. The investment manager must contact the consultant and/or investment committee for approval should they wish to hold the security beyond 90 days.

Derivatives are limited to the use of U.S. Treasury bond futures and Euro futures, primarily for the purpose of adjusting fixed income duration. The use of futures shall not cause asset class policy ranges to be exceeded, or cause the total fund to be leveraged. The net notional principal amounts outstanding of all derivative investments, expressed in terms of the value of the underlying position, shall not exceed 15% of the market value of the Fund. All derivatives positions must be incorporated into the overall portfolio market values and risk measures.

Custodial Credit Risk:

Custodial credit risk is defined as the risk that, in the event of the failure of the counterparty, the Fund will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The Fund is not exposed to custodial credit risk at June 30, 2025 and 2024 for investments in the amount of \$5,512,975,463 and \$4,959,145,252, respectively, since the investments are held in the name of the Fund. At June 30, 2025 and 2024, investments held in the name of the custodial bank with the Fund as beneficial owner in the amount of \$207,168,203 and \$208,977,981, respectively, collateral held under securities lending in the amount of \$15,768,540 and \$17,756,852, respectively, and non-cash collateral received under the securities lending program in the amount of \$40,157,616 and \$28,504,112, respectively, was exposed to custodial credit risk since these investments are not held in the name of the Fund. These securities are held in the name of a counterparty or counterparty's trust department or agent. The Fund has no formal policy regarding custodial credit risk.

Foreign Currency Risk:

Foreign currency risk is defined as the risk that changes in exchange rates will adversely affect the fair value of an investment. The Fund's exposure to foreign currency risk is limited to its investment in foreign marketable securities at June 30, 2025 and 2024 as follows:

SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

6. DEPOSITS AND INVESTMENTS: (Continued)

Foreign Currency Risk: (Continued)

Fair Value at June 30, 2025:

| Currency           | Foreign<br>Equities  | Fixed<br>Income      | Cash and<br>Other   | Total                |
|--------------------|----------------------|----------------------|---------------------|----------------------|
| Australian dollar  | \$ 2,009,171         | \$ 63,159            | \$ 92,070           | \$ 2,164,400         |
| Canadian dollar    | 2,477,170            | 3,053,267            | 118,662             | 5,649,099            |
| Danish krone       | 1,191,993            | -                    | 96,029              | 1,288,022            |
| European euro      | 10,854,792           | 3,050,078            | 1,372,490           | 15,277,360           |
| Hong Kong dollar   | 784,984              | -                    | 47,685              | 832,669              |
| Hungarian Forint   | -                    | -                    | 589                 | 589                  |
| Israeli shekel     | 366,083              | -                    | 4,254               | 370,337              |
| Japanese yen       | 3,728,965            | -                    | 482,966             | 4,211,931            |
| Mexican peso       | -                    | 382,671              | 201,164             | 583,835              |
| New Zealand dollar | -                    | -                    | 91                  | 91                   |
| Norwegian krone    | 410,545              | -                    | 118,530             | 529,075              |
| Peruvian sol       | -                    | 2,205,690            | 53,094              | 2,258,784            |
| Polish Zloty       | -                    | -                    | 76                  | 76                   |
| Pound sterling     | 3,771,946            | 756,131              | 270,290             | 4,798,367            |
| Singapore dollar   | 1,512,090            | -                    | 49,014              | 1,561,104            |
| South African rand | -                    | 2,616,125            | 45,866              | 2,661,991            |
| Swedish krona      | 315,597              | -                    | 109,724             | 425,321              |
| Swiss franc        | 1,545,801            | -                    | 510,036             | 2,055,837            |
| Thailand Baht      | -                    | -                    | 1                   | 1                    |
| Total              | <u>\$ 28,969,137</u> | <u>\$ 12,127,121</u> | <u>\$ 3,572,631</u> | <u>\$ 44,668,889</u> |

SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

6. DEPOSITS AND INVESTMENTS: (Continued)

Foreign Currency Risk: (Continued)

Fair Value at June 30, 2024:

| Currency           | Foreign<br>Equities   | Fixed<br>Income     | Cash and<br>Other   | Total                 |
|--------------------|-----------------------|---------------------|---------------------|-----------------------|
| Australian dollar  | \$ 3,346,358          | \$ 26,880           | \$ 102,283          | \$ 3,475,521          |
| Brazil real        | -                     | (273,692)           | -                   | (273,692)             |
| Canadian dollar    | 2,754,244             | 608,006             | 81,503              | 3,443,753             |
| Danish krone       | 1,012,589             | -                   | 145,895             | 1,158,484             |
| European euro      | 66,260,250            | 3,276,984           | 894,957             | 70,432,191            |
| Hong Kong dollar   | 5,436,000             | -                   | -                   | 5,436,000             |
| Hungarian Forint   | -                     | -                   | 3                   | 3                     |
| Israeli shekel     | 1,930,777             | -                   | 65,108              | 1,995,885             |
| Japanese yen       | 50,601,757            | -                   | 901,211             | 51,502,968            |
| Mexican peso       | -                     | 897,297             | 288,425             | 1,185,722             |
| New Zealand dollar | -                     | -                   | 47,461              | 47,461                |
| Norwegian krone    | 3,895,509             | -                   | 37,966              | 3,933,475             |
| Peruvian sol       | -                     | 595,404             | -                   | 595,404               |
| Pound sterling     | 16,711,353            | 1,709,048           | 118,028             | 18,538,429            |
| Russian ruble      | -                     | -                   | -                   | -                     |
| Singapore dollar   | 1,152,008             | -                   | 84,190              | 1,236,198             |
| South African rand | -                     | -                   | 19                  | 19                    |
| Swedish krona      | 6,169,830             | -                   | 99,876              | 6,269,706             |
| Swiss franc        | 13,314,891            | -                   | 517,903             | 13,832,794            |
| Total              | <u>\$ 172,585,566</u> | <u>\$ 6,839,927</u> | <u>\$ 3,384,828</u> | <u>\$ 182,810,321</u> |

The Fund also invests in various additional foreign securities which are denominated in U.S. Dollars. The Fund's policy regarding foreign currency risk states that the portfolio's investment manager may use currency-hedging strategies to protect against adverse currency movements as allowed in each manager's investment manager agreement. Portfolios can be hedged back to the base currency (the U.S. dollar). Additionally, maximum exposure to non-dollar securities at current market value shall not exceed 10% of each investment manager's total fixed income portfolio.



SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

6. DEPOSITS AND INVESTMENTS: (Continued)

Interest Rate Risk:

Interest rate risk is defined as the risk that changes in interest rates will adversely affect the fair value of an investment. The Fund's investment policy dictates that for each fixed income manager's portfolio, the effective duration is permitted to range +/- 0.5 years relative to the duration of the benchmark at all times. At June 30, 2025 and 2024 the Fund had the following investments in long-term debt securities and maturities:

|                                     |    | <u>2025</u>          |                       |                       |                       |                        |
|-------------------------------------|----|----------------------|-----------------------|-----------------------|-----------------------|------------------------|
|                                     |    | <u>Fair Value</u>    | <u>Less Than 1</u>    | <u>1 - 5</u>          | <u>6 - 10</u>         | <u>Greater Than 10</u> |
| <u>Investment Type</u>              |    |                      |                       |                       |                       |                        |
| U.S. Treasury and                   |    |                      |                       |                       |                       |                        |
| Government agency obligations       | \$ | 879,733,972          | \$ 441,384,665        | \$ 25,193,383         | \$ 82,333,776         | \$ 330,822,148         |
| Other bonds:                        |    |                      |                       |                       |                       |                        |
| Corporate Bonds - domestic          |    | 279,056,160          | 20,832,835            | 137,737,556           | 74,402,319            | 46,083,450             |
| Corporate Bonds - foreign           |    | 1,628,005            | -                     | -                     | 1,248,320             | 379,685                |
| Mortgage-backed securities and      |    |                      |                       |                       |                       |                        |
| Collateralized mortgage obligations |    | 88,353,744           | 57,523                | 16,575,261            | 13,699,022            | 58,021,938             |
| Other                               |    | 241,917,302          | 232,231,121           | 500,335               | 7,405,939             | 1,779,907              |
|                                     | \$ | <u>1,490,689,183</u> | <u>\$ 694,506,144</u> | <u>\$ 180,006,535</u> | <u>\$ 179,089,376</u> | <u>\$ 437,087,128</u>  |
| Collateral held under               |    |                      |                       |                       |                       |                        |
| Securities Lending Program          | \$ | <u>15,768,540</u>    | <u>\$ 15,768,540</u>  | <u>\$ -</u>           | <u>\$ -</u>           | <u>\$ -</u>            |
|                                     |    | <u>2024</u>          |                       |                       |                       |                        |
|                                     |    | <u>Fair Value</u>    | <u>Less Than 1</u>    | <u>1 - 5</u>          | <u>6 - 10</u>         | <u>Greater Than 10</u> |
| <u>Investment Type</u>              |    |                      |                       |                       |                       |                        |
| U.S. Treasury and                   |    |                      |                       |                       |                       |                        |
| Government agency obligations       | \$ | 770,217,494          | \$ 341,978,070        | \$ 42,854,789         | \$ 58,277,906         | \$ 327,106,729         |
| Other Bonds:                        |    |                      |                       |                       |                       |                        |
| Corporate Bonds - domestic          |    | 241,649,460          | 15,923,530            | 107,436,361           | 51,372,442            | 66,917,127             |
| Corporate Bonds - foreign           |    | 92,103,510           | 4,201,298             | 26,793,250            | 34,026,434            | 27,082,528             |
| Mortgage-backed securities and      |    |                      |                       |                       |                       |                        |
| Collateralized mortgage obligations |    | 17,238,598           | -                     | 3,842,505             | 733,346               | 12,662,747             |
| Other                               |    | 222,190,560          | 210,802,521           | 2,000,860             | 3,601,412             | 5,785,767              |
|                                     | \$ | <u>1,343,399,622</u> | <u>\$ 572,905,419</u> | <u>\$ 182,927,765</u> | <u>\$ 148,011,540</u> | <u>\$ 439,554,898</u>  |
| Collateral held under               |    |                      |                       |                       |                       |                        |
| Securities Lending Program          | \$ | <u>17,756,852</u>    | <u>\$ 17,756,852</u>  | <u>\$ -</u>           | <u>\$ -</u>           | <u>\$ -</u>            |

The Fund invests in collateralized mortgage obligations. These securities are based on cash flows from interest payments on underlying mortgages. Therefore, they are sensitive to prepayments by mortgagees, which may result from a decline in interest rates.

The Fund invests in a high yield fund with a market value of \$1,974,343 and \$5,944,336 as of June 30, 2025 and 2024, respectively. The underlying investments in the Fund had an average duration ranging between 2.88 and 5.02 years over the last five years ended June 30, 2025.

SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

6. DEPOSITS AND INVESTMENTS: (Continued)

Money-Weighted Rate of Return:

The annual money-weighted rate of return on pension plan investments, net of pension plan investment expense for the year ended June 30, 2025 and 2024 was 11.52% and 12.00% respectively. The money-weighted rate of return expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested.

7. SECURITIES LENDING PROGRAM:

State statutes and board of trustee policies authorize the Fund to invest under the Prudent-Man Rule. Under the Prudent-Man Rule, the Fund is allowed to lend its securities to broker-dealers and other entities with a simultaneous agreement to return the collateral for the same securities in the future. The Fund enters into a contract with a company, which acts as their third-party securities lending agent. The lending agent has access to the Fund's lendable portfolio or available assets. The agent lends available assets such as U.S. Treasury, government-guaranteed and corporate fixed income securities, and equities. The lending agent has discretion over the selection of borrowers and continually reviews credit worthiness of potential borrowers through adequate analysis of all material provided to them; however, the Fund may restrict borrowers. All loans are fully collateralized with cash, government securities, or irrevocable letters of credit. Collateralization of loans is required to be 102% of the market value of the loaned securities plus accrued income. As a result of the required collateralization percentage, the Fund has no credit risk.

All security loans can be terminated on demand by either the Fund or the borrower, although the average term of securities on loan as of June 30, 2025 is 111 days and as of June 30, 2024, is 98 days. The lending agent and the Fund enter into contracts with all approved borrowers. In the case of security loans in which the collateral received by the Fund is cash, the value of the amount invested is reported as an asset with a corresponding liability for the value of the collateral. When the Fund receives collateral other than cash, it may not reinvest the collateral. When this occurs, the Fund does not record the collateral on the financial statements. In both cases, the loaned securities continue to be reported as an asset on the statement of fiduciary net position. In the case of any loans collateralized by cash, the lending agent will invest the cash collateral (in the name of the Fund) in approved investments outlined in the contract between the agent and the Fund. Acceptable collateral from approved borrowers for repurchase agreements is all direct U.S. Treasury obligations, mortgage and asset-backed securities rated AA or higher, commercial paper, and other investments stipulated in lender agent contract. The Fund has the following securities on loan:

| Security Type                       | Fair Value of<br>Securities on Loan<br>June 30, 2025 | Fair Value of<br>Securities on Loan<br>June 30, 2024 |
|-------------------------------------|--|--|
| U.S. Government & agency securities | \$ 21,862,470  | \$ 16,352,027  |
| Corporate bonds                     | 5,350,702  | 7,557,735  |
| Equities                            | 27,489,907   | 20,865,433   |
| Total                               | <u>\$ 54,703,079</u>                                 | <u>\$ 44,775,195</u>                                 |

SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

7. SECURITIES LENDING PROGRAM: (Continued)

Securities on loan at June 30, 2025 and 2024 are collateralized by cash collateral in the amount of \$15,768,540 and \$17,756,852, and noncash collateral in the amount of \$40,157,616 and \$28,504,112, for total amount of collateral held in the amount of \$55,926,156 and \$46,260,964, respectively.

The contracts with the lending agent require the lending agent to indemnify the Fund from any and all claims, actions, demands or lawsuits of any kind whatsoever resulting from the lending agent's gross negligence or willful misconduct in its administration of the program and to replace loaned securities not returned to the Fund for any reason.

The term to maturity of the securities loaned is matched with the term to maturity of the investment of the cash collateral by investing only in repurchase agreements with maturities of one to two days.

The information was not available to compute the gross amount of interest income earned and interest expense incurred from security lending transactions. The net amount of income received from the transactions is recorded in the financial statements in investment income.

8. EMPLOYEES' DEFERRED COMPENSATION PLAN:

The Sheriffs' Pension and Relief Fund offers its employees a deferred compensation plan, created in accordance with Internal Revenue Code Section 457. The Plan, available to all employees, permits them to defer a portion of their current salary until future years. The deferred compensation is not available to the employees until termination, retirement, death, or unforeseen emergency. The Board of Trustees has authorized matching contributions to be made to the plan by the Fund on behalf of the employees. The contributions for the years ended June 30, 2025 and 2024 totaled \$37,459 and \$36,200, respectively.

All assets and income are held in a custodial trust account for the exclusive benefit of the participants and their beneficiaries.

9. OPERATING BUDGET:

The budget is under the control of the Board of Trustees and is not an appropriated budget but is considered a budgetary execution for management purposes.

SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

10. CAPITAL ASSETS:

A summary of changes in capital assets follows:

|                                | <u>Balance</u><br><u>July 1, 2024</u> | <u>Additions</u>   | <u>Reductions</u> | <u>Balance</u><br><u>June 30, 2025</u> |
|--------------------------------|---------------------------------------|--------------------|-------------------|--|
| Land                           | \$ 92,692                             | \$ -               | \$ -              | \$ 92,692                              |
| Building                       | 2,876,329                             | 3,822              | -                 | 2,880,151                              |
| Vehicles                       | 26,730                                | -                  | (26,730)          | -                                      |
| Office furniture and equipment | <u>1,037,868</u>                      | <u>4,892</u>       | <u>(21,977)</u>   | <u>1,020,783</u>                       |
|                                | 4,033,619                             | 8,714              | (48,707)          | 3,993,626                              |
| Accumulated depreciation       | <u>(2,276,924)</u>                    | <u>(102,094)</u>   | <u>48,707</u>     | <u>(2,330,311)</u>                     |
| Total                          | <u>\$ 1,756,695</u>                   | <u>\$ (93,380)</u> | <u>\$ -</u>       | <u>\$ 1,663,315</u>                    |

Depreciation expense for the years ended June 30, 2025 and 2024 totaled \$102,094 and \$103,032, respectively.

11. OTHER RECEIVABLES AND PREPAIDS:

The following is a schedule of other receivables and prepaid expenses at June 30, 2025 and 2024:

|                                      | <u>2025</u>         | <u>2024</u>         |
|--------------------------------------|---------------------|---------------------|
| Other receivables:                   |                     |                     |
| Pension                              | \$ 517,940          | \$ 260,943          |
| Taxes                                | 47,751              | 59,295              |
| Other investment receivables         | <u>595,769</u>      | <u>2,059,782</u>    |
| Total other receivables              | 1,161,460           | 2,380,020           |
| Prepaid expenses                     | <u>75,524</u>       | <u>69,607</u>       |
| Total Other Receivables and Prepaids | <u>\$ 1,236,984</u> | <u>\$ 2,449,627</u> |

Pension receivable represents amounts that were determined to have been paid for benefits that were not due to the recipient. Amounts due are generally established through legal judgments. Taxes receivable represent ad valorem and revenue sharing taxes due from parishes. Other investment receivables consist primarily of forward exchange contract fluctuations. The Fund considered all receivables to be collectible, therefore, no allowance for bad debt was recorded.

SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

12. OTHER POSTEMPLOYMENT BENEFITS:

*Plan Description:*

Substantially all of the Fund's employees become eligible for postemployment health care, life insurance and dental benefits if they reach normal retirement age while working for the Fund. These benefits for retirees and similar benefits for active employees are provided through an insurance company whose premiums are paid jointly by the employee and the Fund.

The plan is required to comply with House Bill 253, Act 314 of 1999 which provides that the premium costs of group hospital, surgical, medical expenses, and dental insurance and the first \$10,000 of life insurance contracted under the provisions of the bill shall be paid in full from the Sheriffs' general fund for all sheriffs and deputy sheriffs retired with a minimum of fifteen years of service and fifty-five years of age. The insurance advisory committee of the Louisiana Sheriffs' Association is the plan administrator. No assets are accumulated in a trust that meets all of the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

*Benefits Provided:*

The Other Postemployment Benefit Plan (OPEB plan) provides benefits such as death benefits, life insurance, disability, and long-term care that are paid in the period after employment and that are provided separately from pension plan, as well as healthcare benefits paid in the period after employment. The OPEB plan does not provide termination benefits or termination payments for sick leave.

*Employees Covered by Benefit Terms:*

As of June 30, 2025 and 2024, the following employees were covered by benefits terms:

|         | <u>2025</u> | <u>2024</u> |
|---------|-------------|-------------|
| Active  | 14          | 12          |
| Retired | <u>6</u>    | <u>6</u>    |
| Total   | <u>20</u>   | <u>18</u>   |

*Contributions:*

The OPEB Plan is currently financed on a pay as you go basis. During the years ended June 30, 2025 and 2024, the Fund contributed \$582 and \$533 per month, respectively, for retiree-only coverage with Medicare or \$838 and \$769 per month, respectively, for retiree-only coverage without Medicare. During the fiscal years ended June 30, 2025 and 2024, the Fund paid \$53,436 and \$49,458 respectively, for insurance premiums.

SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

12. OTHER POSTEMPLOYMENT BENEFITS: (Continued)

*Actuarial Methods and Assumptions:*

The Fund's total OPEB liability of \$2,436,577 and \$2,426,552 as of June 30, 2025 and 2024, respectively, was measured and was determined by an actuarial valuation as of that date.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Projections of benefits for financial reporting purposes are based on the substantive plan (the Plan as understood by the employer and Plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and Plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities consistent with the long-term perspective of the calculations.

Since the Sheriffs' Pension and Relief Fund has fewer than 100 plan members, it qualified to use the Alternative Measurement Method (AMM), which is the calculation of the actuarial accrued liability and annual contribution without a traditional actuarial valuation. The AMM calculation process is similar to an actuarial valuation, but with simplifications of several assumptions permitted under GASB guidelines.

The following key assumptions were used in the AMM valuations dated June 30, 2025 and 2024:

| <u>Description</u>          | <u>Assumption Used</u>       |
|-----------------------------|------------------------------|
| Measurement Date:           | June 30, 2025 and 2024       |
| Actuarial Cost Method:      | Entry Age                    |
| Amortization Method:        | Level Percentage of Payroll  |
| Amortization Period:        | 20 years                     |
| Bond Yield:                 | 2025 – 4.81%<br>2024 – 4.21% |
| Discount Rate:              | 2025 – 4.81%<br>2024 – 4.21% |
| Projected Salary Increases: | 2025 – 5.00%<br>2024 – 5.00% |
| Average Retirement Age:     | 62                           |
| Percentage Participation:   | 100%                         |

SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

12. OTHER POSTEMPLOYMENT BENEFITS: (Continued)

*Actuarial Methods and Assumptions: (Continued)*

|   |   |               |
|---|---|---------------|
| Net OPEB Liability (NOL)<br>and Actuarially Determined<br>Contribution (ADC): | Calculated using the Alternative Measurement<br>Method in accordance with GASB methodology.   |               |
| Mortality:  | Pub-2010 Public Retirement Plans Mortality<br>Tables, with mortality improvement projected for<br>10 years, for 2025 and 2024.  |               |
| Turnover Assumption:  | Derived from data maintained by the U.S. Office<br>of Personnel Management regarding the most<br>recent experience of the employee group covered<br>by the Federal Employees Retirement System. |               |
| Health Care Cost Trends:  | <u>2025</u>   | <u>2024</u>   |
| Health  | 4.10% - 5.80%   | 4.20% - 4.70% |
| Pharmacy  | 4.10% - 11.70%  | 4.20% - 5.20% |
| Dental  | 3.00% - 3.50%   | 3.00% - 3.50% |
| Vision  | 3.00%   | 3.00%         |

*Discount Rate:*

The discount rate used to measure the total OPEB liability at June 30, 2025 and 2024 was 4.81% and 4.21%, respectively, for this plan. The projection of cash flows used to determine the discount rate assumed that contributions from employers will be made at contractually required rates. Based on this assumption and as the OPEB plan is unfunded, the OPEB plan's fiduciary net position was not projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was determined using a discount rate that reflects the 20-year tax-exempt municipal bond yield or index rate.

The discount rate used to measure the total OPEB liability was increased to 4.81% in the June 30, 2025 valuation from 4.21% as of July 1, 2024.

The discount rate used to measure the total OPEB liability was increased to 4.21% in the June 30, 2024 valuation from 4.13% as of July 1, 2023.

SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

12. OTHER POSTEMPLOYMENT BENEFITS: (Continued)

*Changes in the total OPEB liability:*

The following table presents the changes in the Fund's total OPEB liability, for the years ended June 30, 2025 and 2024:

|                                   | <u>2025</u>         | <u>2024</u>         |
|-----------------------------------|---------------------|---------------------|
| Balance as of July 1,             | \$ <u>2,426,552</u> | \$ <u>2,362,512</u> |
| Changes for the year:             |                     |                     |
| Service cost                      | 37,909              | 38,607              |
| Interest on total OPEB obligation | 102,641             | 98,155              |
| Effect of economic/demographic    |                     |                     |
| Gains or losses                   | 165,388             | 8,685               |
| Changes in assumptions            | (242,477)           | (31,949)            |
| Benefits payments                 | <u>(53,436)</u>     | <u>(49,458)</u>     |
| Net changes                       | <u>10,025</u>       | <u>64,050</u>       |
| Ending Balance as of June 30,     | \$ <u>2,436,577</u> | \$ <u>2,426,552</u> |

*Sensitivity of the total OPEB liability to changes in the discount rate:*

The following presents the total OPEB liability of the Fund, as well as what the Fund's total OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current discount rate as of June 30, 2025 and 2024:

|                      | <u>June 30, 2025</u>      |  |                           |
|----------------------|---------------------------|--|---------------------------|
|                      | 1%<br>Decrease<br>(3.81%) | Current<br>Discount Rate<br>(4.81%)    | 1%<br>Increase<br>(5.81%) |
| Total OPEB Liability | \$ <u>2,866,608</u>       | \$ <u>2,436,577</u>                    | \$ <u>2,101,348</u>       |
|                      | <u>June 30, 2024</u>      |  |                           |
|                      |                           |  |                           |
|                      | 1%<br>Decrease<br>(3.21%) | Current<br>Discount<br>Rate<br>(4.21%) | 1%<br>Increase<br>(5.21%) |
| Total OPEB Liability | \$ <u>2,883,566</u>       | \$ <u>2,426,552</u>                    | \$ <u>2,074,680</u>       |



SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

12. OTHER POSTEMPLOYMENT BENEFITS: (Continued)

*Sensitivity of the total OPEB liability to changes in the Healthcare cost trend rates:*

The following presents the total OPEB liability of the Fund, as well as what the Fund's total OPEB liability would be if it were calculated using health care cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rates as of June 30, 2025 and 2024:

|                      | <u>June 30, 2025</u>   |                                |                        |
|----------------------|------------------------|--------------------------------|------------------------|
|                      | <u>1%<br/>Decrease</u> | <u>Current<br/>Trend Rates</u> | <u>1%<br/>Increase</u> |
| Total OPEB Liability | \$ <u>2,178,555</u>    | \$ <u>2,436,577</u>            | \$ <u>2,772,427</u>    |
|                      | <u>June 30, 2024</u>   |                                |                        |
|                      | <u>1%<br/>Decrease</u> | <u>Current<br/>Trend Rates</u> | <u>1%<br/>Increase</u> |
| Total OPEB Liability | \$ <u>2,171,488</u>    | \$ <u>2,426,552</u>            | \$ <u>2,759,946</u>    |

*OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB:*

The Fund measured its OPEB liability using the Alternative Measurement Method (AMM) permitted by GASB Statement No. 75 for plans with fewer than 100 participant. Under this approach, only the total OPEB liability is calculated and reported. Because changes in assumptions and experience are recognized immediately in expense, no deferred outflows or inflows of resources are recorded or amortized over future periods.

For the years ended June 30, 2025 and 2024, the Fund recognized an OPEB expense of \$63,461 and \$675,824, respectively.

*Payables to the OPEB Plan:*

For each of the years ended June 30, 2025 and 2024 the Fund reported \$-0- for the outstanding amount of contributions payable to the OPEB plan.

SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

13. DERIVATIVES:

The Fund reports derivatives in accordance with Governmental Accounting Standards Board (GASB) Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*. GASB 53 requires investment derivatives to be recorded at fair value and requires certain disclosures.

The Fund invests in futures contracts for the purpose of maintaining market exposure for excess cash. Futures contracts are standardized, exchange-traded contracts to purchase or sell a specific financial instrument at a predetermined price. Gains and losses on futures contracts are settled daily based on a notional (underlying) principal value and do not involve an actual transfer of the specific instrument. The exchange assumes the risk that the counterparty will not pay and generally requires margin payments to minimize such risk. Futures are used primarily as a tool to increase or decrease market exposure to various asset classes. At June 30, 2025 and 2024, the Plan has the following derivative instruments categorized as investment derivative instruments:

June 30, 2025

|                         | <u>Notional<br/>Amount</u> | <u>Fair Market<br/>Value</u> | <u>Unrealized<br/>Gain / (Loss)</u> |
|-------------------------|----------------------------|------------------------------|-------------------------------------|
| Fixed Income            |                            |                              |                                     |
| Futures                 | \$ (71,144,016)            | \$ (790,394)                 | \$ (515,079)                        |
| Cash & Cash Equivalents |                            |                              |                                     |
| Futures - SOFR          | 20,275,700                 | 115,331                      | 93,585                              |
| Equity                  |                            |                              |                                     |
| Futures                 | 160,408,688                | 3,878,193                    | 3,340,289                           |

June 30, 2024

|                         | <u>Notional<br/>Amount</u> | <u>Fair Market<br/>Value</u> | <u>Unrealized<br/>Gain / (Loss)</u> |
|-------------------------|----------------------------|------------------------------|-------------------------------------|
| Fixed Income            |                            |                              |                                     |
| Futures                 | \$ (73,958,585)            | \$ (275,315)                 | \$ (1,140,320)                      |
| Cash & Cash Equivalents |                            |                              |                                     |
| Futures - SOFR          | 23,221,380                 | 21,745                       | (132,232)                           |
| Equity                  |                            |                              |                                     |
| Futures                 | 138,327,820                | 537,905                      | (3,736,000)                         |

SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

13. DERIVATIVES: (Continued)

Credit Risk:

The Fund's futures contracts are settled daily by the exchange via margin accounts; therefore, the exchange is the counterparty for all transactions. This ensures that no participant takes on excessive credit. The counterparties execute the trades on the Fund's behalf which results in the Fund not being exposed directly to credit risk.

Foreign Currency Risk:

The Fund is not exposed to foreign currency risk on its futures contracts. All are denominated in U.S. dollars.

Interest Rate Risk:

The Fund is exposed to interest rate risk on fixed income futures. The values of the futures are directly linked to interest rate indices which increase and decrease as interest rates change.

14. COMPENSATED ABSENCES:

During fiscal year ended June 30, 2025, the Sheriffs' Pension and Relief Fund adopted GASB Statement No. 101, *Compensated Absences*, which established new guidance by updating the recognition and measurement for compensated absences by including salary-related payments that are directly and incrementally associated with leave liabilities.

The liability for annual leave accrued at June 30, 2025 and 2024 was \$370,201 and \$115,379, respectively. The compensated absences liability balance is reported on the statement of fiduciary net position.

A summary of changes in compensated absences for the year ended June 30, 2025:

| Balance<br>Beginning of<br>Year | Additions  | Reductions | Balance<br>End of<br>Year | Due within<br>One Year |
|---------------------------------|------------|------------|---------------------------|------------------------|
| \$ 115,379                      | \$ 326,359 | \$ 71,537  | \$ 370,201                | \$ 62,934              |

SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

15. CHANGE IN ACCOUNTING PRINCIPLE:

Effective July 1, 2024, the Fund adopted GASB Statement 101, *Compensated Absences*. This standard modifies the approach for estimating compensated absences and expands related disclosure requirements. GASB 101 requires retroactive application to all periods presented. However, the financial statements as of fiscal year ended June 30, 2024 were not restated because the impact was considered immaterial. Adoption of the standard increased the compensated absences liability and resulted in an additional \$254,822 of administrative expenses reported in the statements of changes in fiduciary net position for the period ended June 30, 2025.

SHERIFFS' PENSION AND RELIEF FUND  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULES OF CHANGES IN NET PENSION LIABILITY (ASSET)  
FOR THE TEN YEARS ENDED JUNE 30, 2025

|  | 2025                    | 2024                    | 2023                    | 2022                    | 2021                    |
|--|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Total Pension Liability  |                         |                         |                         |                         |                         |
| Service Cost   | \$ 146,250,898          | \$ 141,122,469          | \$ 129,286,068          | \$ 125,475,394          | \$ 125,252,527          |
| Interest   | 389,951,181             | 375,017,254             | 345,618,167             | 329,250,385             | 317,616,846             |
| Changes of Benefit Terms   | 43,923,193              | -                       | 46,710,748              | -                       | 20,377,853              |
| Difference Between Expected<br>and Actual Experience             | 41,509,699              | (8,890,827)             | 168,797,686             | 46,736,342              | (16,723,741)            |
| Changes of Assumptions   | (43,660,785)            | -                       | -                       | 28,392,554              | 36,180,573              |
| Retirement Benefits  | (296,521,530)           | (267,877,580)           | (254,395,127)           | (241,221,764)           | (230,279,041)           |
| Refunds and Transfers of<br>Member Contributions                 | (13,379,835)            | (11,454,957)            | (12,607,169)            | (11,757,376)            | (13,961,936)            |
| Net Change in Total Pension Liability                            | 268,072,821             | 227,916,359             | 423,410,373             | 276,875,535             | 238,463,081             |
| Total Pension Liability - Beginning                              | 5,698,851,389           | 5,470,935,030           | 5,047,524,657           | 4,770,649,122           | 4,532,186,041           |
| Total Pension Liability - Ending (a)                             | <u>\$ 5,966,924,210</u> | <u>\$ 5,698,851,389</u> | <u>\$ 5,470,935,030</u> | <u>\$ 5,047,524,657</u> | <u>\$ 4,770,649,122</u> |
| Plan Fiduciary Net Position                                      |                         |                         |                         |                         |                         |
| Contributions - Employer   | \$ 102,160,924          | \$ 96,955,526           | \$ 92,411,681           | \$ 91,098,923           | \$ 89,432,304           |
| Contributions - Member   | 90,915,676              | 86,291,263              | 82,357,712              | 75,993,308              | 74,767,454              |
| Contributions - Nonemployer<br>Contributing Entities             | 59,274,050              | 53,529,793              | 48,138,539              | 46,237,298              | 46,191,649              |
| Net Investment Income (loss)                                     | 585,292,130             | 548,138,505             | 404,191,336             | (544,399,207)           | 1,016,276,582           |
| Retirement Benefits  | (296,521,530)           | (267,877,580)           | (254,395,127)           | (241,221,764)           | (230,279,041)           |
| Refunds and Transfers of<br>Member Contributions                 | (13,379,835)            | (11,454,957)            | (12,607,169)            | (11,757,376)            | (13,961,936)            |
| OPEB Benefit (Expense)   | (63,461)                | (675,824)               | (414,040)               | 719,260                 | (352,919)               |
| Administrative Expenses  | (2,742,867)             | (2,323,042)             | (2,156,368)             | (2,009,541)             | (1,823,657)             |
| Depreciation Expense   | (102,094)               | (103,032)               | (107,200)               | (126,656)               | (117,027)               |
| Net Change in Plan Fiduciary Net Position                        | 524,832,993             | 502,480,652             | 357,419,364             | (585,465,755)           | 980,133,409             |
| Plan Fiduciary Net Position - Beginning                          | 5,094,638,405           | 4,592,157,753           | 4,234,738,389           | 4,820,204,144           | 3,840,070,735           |
| Change in Accounting Principle                                   | -                       | -                       | -                       | -                       | -                       |
| Plan Fiduciary Net Position - Ending (b)                         | <u>5,619,471,398</u>    | <u>5,094,638,405</u>    | <u>4,592,157,753</u>    | <u>4,234,738,389</u>    | <u>4,820,204,144</u>    |
| Net Pension Liability (Asset)<br>- Ending (a) - (b)              | <u>\$ 347,452,812</u>   | <u>\$ 604,212,984</u>   | <u>\$ 878,777,277</u>   | <u>\$ 812,786,268</u>   | <u>\$ (49,555,022)</u>  |
| Plan Fiduciary Net Position as a<br>% of Total Pension Liability | 94.18%                  | 89.40%                  | 83.94%                  | 83.90%                  | 101.04%                 |
| Covered Payroll  | \$ 888,355,861          | \$ 843,091,530          | \$ 803,579,835          | \$ 743,664,678          | \$ 730,059,624          |
| Net Pension Liability as a<br>% of Covered Payroll               | 39.11%                  | 71.67%                  | 109.36%                 | 109.29%                 | N/A                     |

(Continued)

SHERIFFS' PENSION AND RELIEF FUND  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULES OF CHANGES IN NET PENSION LIABILITY (ASSET)  
FOR THE TEN YEARS ENDED JUNE 30, 2025

|  | 2020                    | 2019                    | 2018                    | 2017                    | 2016                    |
|--|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Total Pension Liability  |                         |                         |                         |                         |                         |
| Service Cost   | \$ 128,753,897          | \$ 122,194,560          | \$ 120,192,459          | \$ 116,587,142          | 113,145,678             |
| Interest   | 304,321,269             | 291,566,280             | 280,213,884             | 267,976,249             | 255,538,471             |
| Changes of Benefit Terms   | -                       | -                       | 28,193,391              | -                       | -                       |
| Difference Between Expected<br>and Actual Experience             | (19,583,200)            | (17,197,440)            | (63,618,781)            | (29,559,195)            | (30,213,211)            |
| Changes of Assumptions   | 72,250,082              | 71,727,193              | 65,732,028              | 41,953,740              | 39,348,710              |
| Retirement Benefits  | (209,169,816)           | (193,696,425)           | (180,414,500)           | (167,386,535)           | (149,210,559)           |
| Refunds and Transfers of<br>Member Contributions                 | (9,121,593)             | (8,691,521)             | (12,860,147)            | (13,332,432)            | (11,578,943)            |
| Net Change in Total Pension Liability                            | 267,450,639             | 265,902,647             | 237,438,334             | 216,238,969             | 217,030,146             |
| Total Pension Liability - Beginning                              | 4,264,735,402           | 3,998,832,755           | 3,761,394,421           | 3,545,155,452           | 3,328,125,306           |
| Total Pension Liability - Ending (a)                             | <u>\$ 4,532,186,041</u> | <u>\$ 4,264,735,402</u> | <u>\$ 3,998,832,755</u> | <u>\$ 3,761,394,421</u> | <u>\$ 3,545,155,452</u> |
| Plan Fiduciary Net Position                                      |                         |                         |                         |                         |                         |
| Contributions - Employer   | \$ 90,588,390           | \$ 86,137,323           | \$ 87,830,131           | \$ 91,758,224           | \$ 93,996,292           |
| Contributions - Member   | 75,764,207              | 71,306,407              | 70,631,946              | 70,997,859              | 70,094,659              |
| Contributions - Nonemployer<br>Contributing Entities             | 44,726,080              | 42,360,460              | 40,825,293              | 39,695,198              | 38,845,486              |
| Net Investment Income (loss)                                     | 57,768,689              | 181,005,669             | 284,279,433             | 397,949,672             | (12,277,606)            |
| Retirement Benefits  | (209,169,816)           | (193,696,425)           | (180,414,500)           | (167,386,535)           | (149,210,559)           |
| Refunds and Transfers of<br>Member Contributions                 | (9,121,593)             | (8,691,521)             | (12,860,147)            | (13,332,432)            | (11,578,943)            |
| OPEB Benefit (Expense)   | (207,561)               | (199,232)               | (159,342)               | -                       | -                       |
| Administrative Expenses  | (1,868,095)             | (1,765,035)             | (1,747,340)             | (1,670,725)             | (1,658,172)             |
| Depreciation Expense   | (122,077)               | (113,039)               | (114,350)               | (110,159)               | (118,771)               |
| Net Change in Plan Fiduciary Net Position                        | 48,358,224              | 176,344,607             | 288,271,124             | 417,901,102             | 28,092,386              |
| Plan Fiduciary Net Position - Beginning                          | 3,791,712,511           | 3,615,367,904           | 3,328,367,058           | 2,910,465,956           | 2,882,373,570           |
| Change in Accounting Principle                                   | -                       | -                       | (1,270,278)             | -                       | -                       |
| Plan Fiduciary Net Position - Ending (b)                         | <u>3,840,070,735</u>    | <u>3,791,712,511</u>    | <u>3,615,367,904</u>    | <u>3,328,367,058</u>    | <u>2,910,465,956</u>    |
| Net Pension Liability - Ending (a) - (b)                         | <u>\$ 692,115,306</u>   | <u>\$ 473,022,891</u>   | <u>\$ 383,464,851</u>   | <u>\$ 433,027,363</u>   | <u>\$ 634,689,496</u>   |
| Plan Fiduciary Net Position as a<br>% of Total Pension Liability | 84.73%                  | 88.91%                  | 90.41%                  | 88.49%                  | 82.10%                  |
| Covered Payroll  | \$ 738,071,698          | \$ 701,783,004          | \$ 688,863,773          | \$ 692,514,898          | \$ 683,609,396          |
| Net Pension Liability as a<br>% of Covered Payroll               | 93.77%                  | 67.40%                  | 55.67%                  | 62.53%                  | 92.84%                  |

See notes to required supplementary information

SHERIFFS' PENSION AND RELIEF FUND  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULES OF EMPLOYERS' NET PENSION LIABILITY (ASSET)  
FOR THE TEN YEARS ENDED JUNE 30, 2025

| Fiscal<br>Year<br><u>End</u> | Total<br>Pension<br><u>Liability</u> | Plan<br>Fiduciary<br><u>Net Position</u> | Employers'<br>Net Pension<br><u>Liability (Asset)</u> | Plan<br>Fiduciary<br>Net<br>Position<br>as a % of<br>Total<br>Pension<br><u>Liability</u> |    | Covered<br><u>Payroll</u> | Employers'<br>Net<br>Pension<br>Liability as<br>a % of<br>Covered<br><u>Payroll</u> |
|------------------------------|--------------------------------------|--|---|---|----|---------------------------|---|
| 2025                         | \$5,966,924,210                      | \$ 5,619,471,398                         | \$ 347,452,812  | 94.18 %   | \$ | 888,355,861               | 39.11 %   |
| 2024                         | 5,698,851,389                        | 5,094,638,405                            | 604,212,984   | 89.40   |    | 843,091,530               | 71.67   |
| 2023                         | 5,470,935,030                        | 4,592,157,753                            | 878,777,277   | 83.94   |    | 803,579,835               | 109.36  |
| 2022                         | 5,047,524,657                        | 4,234,738,389                            | 812,786,268   | 83.90   |    | 743,664,678               | 109.29  |
| 2021                         | 4,770,649,122                        | 4,820,204,144                            | (49,555,022)  | 101.04  |    | 730,059,624               | N/A   |
| 2020                         | 4,532,186,041                        | 3,840,070,735                            | 692,115,306   | 84.73   |    | 738,071,698               | 93.77   |
| 2019                         | 4,264,735,402                        | 3,791,712,511                            | 473,022,891   | 88.91   |    | 701,783,004               | 67.40   |
| 2018                         | 3,998,832,755                        | 3,615,367,904                            | 383,464,851   | 90.41   |    | 688,863,773               | 55.67   |
| 2017                         | 3,761,394,421                        | 3,328,367,058                            | 433,027,363   | 88.49   |    | 692,514,898               | 62.53   |
| 2016                         | 3,545,155,452                        | 2,910,465,956                            | 634,689,496   | 82.10   |    | 683,609,396               | 92.84   |

See notes to required supplementary information

SHERIFFS' PENSION AND RELIEF FUND  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULES OF CONTRIBUTIONS  
EMPLOYER AND NON-EMPLOYER CONTRIBUTING ENTITIES  
FOR THE TEN YEARS ENDED JUNE 30, 2025

| Fiscal<br>Year<br><u>End</u> | Actuarially<br>Determined<br><u>Contribution</u> | Contributions<br>in Relation to<br>the Actuarially<br>Determined<br><u>Liability</u> | Contribution<br>Deficiency<br>( <u>Excess</u> ) | Covered<br><u>Payroll</u> | Contributions<br>as a<br>Percentage<br>of Covered<br><u>Payroll</u> |
|------------------------------|--|--|---|---------------------------|---|
| 2025                         | \$ 163,355,760                                   | \$ 161,434,974   | \$ 1,920,786                                    | \$ 888,355,861            | 18.17 %   |
| 2024                         | 138,289,348                                      | 150,485,319  | (12,195,971)                                    | 843,091,530               | 17.85   |
| 2023                         | 126,867,066                                      | 140,550,220  | (13,683,154)                                    | 803,579,835               | 17.49   |
| 2022                         | 132,644,924                                      | 137,336,221  | (4,691,297)                                     | 743,664,678               | 18.47   |
| 2021                         | 122,879,347                                      | 135,623,953  | (12,744,606)                                    | 730,059,624               | 18.58   |
| 2020                         | 112,428,708                                      | 135,139,863  | (22,711,155)                                    | 738,071,698               | 18.31   |
| 2019                         | 108,811,242                                      | 128,328,878  | (19,517,636)                                    | 701,783,004               | 18.29   |
| 2018                         | 109,719,673                                      | 128,655,424  | (18,935,751)                                    | 688,863,773               | 18.68   |
| 2017                         | 105,465,110                                      | 131,453,422  | (25,988,312)                                    | 692,514,898               | 18.98   |
| 2016                         | 119,551,166                                      | 132,841,778  | (13,290,612)                                    | 683,609,396               | 19.43   |

See notes to required supplementary information



SHERIFFS' PENSION AND RELIEF FUND  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF INVESTMENT RETURNS  
FOR THE TEN YEARS ENDED JUNE 30, 2025

| Fiscal<br>Year<br><u>End</u> | Annual<br>Money-Weighted<br><u>Rate of Return*</u> |
|------------------------------|--|
| 2025                         | 11.52 %  |
| 2024                         | 12.00  |
| 2023                         | 9.64   |
| 2022                         | (11.33)  |
| 2021                         | 26.73  |
| 2020                         | 1.51   |
| 2019                         | 5.04   |
| 2018                         | 8.59   |
| 2017                         | 13.75  |
| 2016                         | (0.45)   |

\*Annual money-weighted rates of return are presented net of investment expense.

See notes to required supplementary information

SHERIFFS' PENSION AND RELIEF FUND  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN THE FUND'S  
TOTAL OPEB LIABILITY AND RELATED RATIOS  
FOR THE EIGHT YEARS ENDED JUNE 30, 2025

|  | 2025                | 2024                | 2023                | 2022                | 2021                | 2020                | 2019                | 2018                |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Total OPEB liability                           |                     |                     |                     |                     |                     |                     |                     |                     |
| Service cost                                   | \$ 37,909           | \$ 38,607           | \$ 50,473           | \$ 100,461          | \$ 80,808           | \$ 72,460           | \$ 74,024           | \$ 49,743           |
| Interest                                       | 102,641             | 98,155              | 84,611              | 63,683              | 69,888              | 69,563              | 76,138              | 51,690              |
| Effect of economic/demographic gain or losses  | 165,388             | 8,685               | 245,188             | (17,540)            | (104,210)           | (44,300)            | (260,573)           | (49,292)            |
| Change of assumptions or other inputs          | (242,477)           | (31,949)            | (15,302)            | (914,934)           | 257,363             | 60,768              | 83,806              | 1,091,645           |
| Benefit payments                               | <u>(53,436)</u>     | <u>(49,458)</u>     | <u>(41,037)</u>     | <u>(27,583)</u>     | <u>(31,639)</u>     | <u>(33,855)</u>     | <u>(33,158)</u>     | <u>(25,349)</u>     |
| Net change in total OPEB liability             | 10,025              | 64,040              | 323,933             | (795,913)           | 272,210             | 124,636             | (59,763)            | 1,118,437           |
| Total OPEB liability - beginning               | <u>2,426,552</u>    | <u>2,362,512</u>    | <u>2,038,579</u>    | <u>2,834,492</u>    | <u>2,562,282</u>    | <u>2,437,646</u>    | <u>2,497,409</u>    | <u>1,378,972</u>    |
| Total OPEB liability - ending                  | \$ <u>2,436,577</u> | \$ <u>2,426,552</u> | \$ <u>2,362,512</u> | \$ <u>2,038,579</u> | \$ <u>2,834,492</u> | \$ <u>2,562,282</u> | \$ <u>2,437,646</u> | \$ <u>2,497,409</u> |
| Covered payroll                                | \$ 1,109,826        | \$ 1,015,827        | \$ 947,873          | \$ 895,261          | \$ 829,815          | \$ 826,985          | \$ 799,750          | \$ 872,677          |
| Total OPEB liability as a % of covered payroll | 220%                | 239%                | 249%                | 228%                | 342%                | 310%                | 305%                | 286%                |

This schedule is intended to show information for 10 years. Additional years will be presented as they become available.

See notes to required supplementary information

SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2025 AND 2024

1. SCHEDULE OF CHANGES IN NET PENSION LIABILITY:

The total pension liability contained in this schedule was provided by the Fund's actuary, Curran Actuarial Consulting, Ltd. The net pension liability is measured as the total pension liability less the amount of the fiduciary net position of the Fund.

2. SCHEDULE OF EMPLOYERS' NET PENSION LIABILITY:

The schedule of employers' net pension liability shows the percentage of the Fund's employers' net pension liability as a percentage of covered payroll. The employers' net pension liability is the liability of contributing employers to members for benefits provided through the Fund. Covered payroll is the payroll on which contributions to the Fund are based.

3. SCHEDULE OF PENSION CONTRIBUTIONS – EMPLOYER AND NON-EMPLOYER CONTRIBUTING ENTITIES:

The difference between the actuarially determined contributions from employer and non-employer contributing entities and the contributions reported from employer and non-employer contributing entities, and the percentage of employer contributions received to covered payroll is presented in this schedule. Insurance premium tax, ad valorem and state revenue sharing funds received are considered support from non-employer contributing entities.

4. SCHEDULE OF INVESTMENT RETURNS:

The annual money-weighted rate of return is shown in this schedule. The money-weighted rate of return is calculated as the internal rate of return on pension plan investments, net of pension plan investment expense. This expresses investment performance adjusted for the changing amounts actually invested throughout the year, measured using monthly inputs with expenses measured on an accrual basis.

5. ACTUARIAL ASSUMPTIONS – NET PENSION LIABILITY (ASSET):

The information presented in the required supplementary schedules was used in the actuarial valuation for purposes of determining the actuarially determined contribution rate. The assumptions and methods used for the actuarial valuation were recommended by the actuary and adopted by the Board. Additional information on the assumptions and methods used as of the latest actuarial valuation are noted in Note 4, Net Pension Liability of Employers.

6. CHANGES OF BENEFIT TERMS:

*Pension Plan:*

During the year ended June 30, 2018, the Fund granted a 2.5% permanent benefit increase (PBI) to retired members and beneficiaries, effective January 1, 2018. The actuarial cost of the PBI was included as a change of benefit terms in the Schedule of Changes in Net Pension Liability for the year ended June 30, 2018.

SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2025 AND 2024

6. CHANGES OF BENEFIT TERMS: (Continued)

*Pension Plan:* (Continued)

During the year ended June 30, 2021, the Fund granted a 2.0% permanent benefit increase (PBI) to retired members and beneficiaries, effective January 1, 2021.

During the year ended June 30, 2023, the Fund granted a 2.5% permanent benefit increase (PBI) to retired members and beneficiaries, effective January 1, 2023.

During the year ended June 30, 2025, the Fund granted a permanent benefit increase (PBI) up to 2.0% of each qualifying retiree's current benefit. Applies to those who have been retired for at least one year and are at least age 65, effective January 1, 2025.

*OPEB Plan:*

There were no changes of benefit terms for the OPEB Plan during any of the years presented.

7. ACTUARIAL ASSUMPTIONS:

*Pension Plan:*

| Valuation Date | Discount Rate      | Inflation Rate     | Salary Increases   | Mortality Rate   |
|----------------|--------------------|--------------------|--|--|
| June 30, 2025  | 6.85%<br>per annum | 2.50%<br>per annum | Years of service:<br>1 to 2 - 10.20%<br>3 & over - 4.80% | Pub-2016 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 130% for males and 115% for females, each with full generational projection using the MP2021 scale. |
| June 30, 2024  | 6.85%<br>per annum | 2.50%<br>per annum | 5.00%  | Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 120% for males and 115% for females, each with full generational projection using the MP2019 scale. |
| June 30, 2023  | 6.85%<br>per annum | 2.50%<br>per annum | 5.00%  | Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 120% for males and 115% for females, each with full generational projection using the MP2019 scale. |
| June 30, 2022  | 6.85%<br>per annum | 2.50%<br>per annum | 5.00%  | Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 120% for males and 115% for females, each with full generational projection using the MP2019 scale. |

SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2025 AND 2024

7. ACTUARIAL ASSUMPTIONS: (Continued)

*Pension Plan: (Continued)*

| Valuation Date | Discount Rate      | Inflation Rate      | Salary Increases | Mortality Rate   |
|----------------|--------------------|---------------------|------------------|--|
| June 30, 2021  | 6.90%<br>per annum | 2.50%<br>per annum  | 5.00%            | Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 120% for males and 115% for females, each with full generational projection using the MP2019 scale. |
| June 30, 2020  | 7.00%<br>per annum | 2.50%<br>per annum  | 5.00%            | Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 120% for males and 115% for females, each with full generational projection using the MP2019 scale. |
| June 30, 2019  | 7.10%<br>per annum | 2.50%<br>per annum  | 5.50%            | RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables<br>RP-2000 Disabled Lives Mortality Table   |
| June 30, 2018  | 7.25%<br>per annum | 2.60%<br>per annum  | 5.50%            | RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables<br>RP-2000 Disabled Lives Mortality Table   |
| June 30, 2017  | 7.40%<br>per annum | 2.775%<br>per annum | 5.50%            | RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables<br>RP-2000 Disabled Lives Mortality Table   |
| June 30, 2016  | 7.50%<br>per annum | 2.875%<br>per annum | 5.50%            | RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables<br>RP-2000 Disabled Lives Mortality Table   |

*OPEB Plan:*

During the year ended June 30, 2025, the discount rate increased to 4.81% from 4.21% as of July 1, 2024

During the year ended June 30, 2024, the discount rate increased to 4.21% from 4.13% as of July 1, 2023

During the year ended June 30, 2023, the discount rate increased to 4.13% from 4.09% as of July 1, 2022

During the year ended June 30, 2022, the discount rate increased to 4.09% from 2.18% as of July 1, 2021.

SHERIFFS' PENSION AND RELIEF FUND  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2025 AND 2024

7. ACTUARIAL ASSUMPTIONS: (Continued)

*OPEB Plan: (Continued)*

During the year ended June 30, 2021, the discount rate decreased to 2.18% from 2.66% as of July 1, 2020.

During the year ended June 30, 2020, the discount rate decreased to 2.66% from 2.79% as of July 1, 2019.

During the year ended June 30, 2019, the discount rate decreased to 2.79% from 2.98% as of July 1, 2018.

During the year ended June 30, 2018, the discount rate decreased to 2.98% from 3.70% as of July 1, 2017.

8. SCHEDULE OF CHANGES IN THE FUND'S TOTAL OPEB LIABILITY AND RELATED RATIOS:

This schedule reflects the participation of the Fund's employees in the post-employment benefits plan and its total other post-employment liability, and the total other post-employment benefits liability as a percentage of its covered payroll. The employers' total other post-employment benefit liability is the liability of the Fund's employees for benefits provided through the post-employment benefits plan. Covered payroll is the payroll of all employees that are provided with benefits through the plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Governmental Accounting Standards Board (GASB) Statement No. 75 to pay related benefits.

SHERIFFS' PENSION AND RELIEF FUND  
SUPPLEMENTARY INFORMATION  
STATEMENT OF CHANGES IN RESERVE BALANCES  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2025

|   | <u>ANNUITY<br/>RESERVE</u> | <u>ANNUITY<br/>SAVINGS</u> | <u>PENSION<br/>ACCUMULATION</u> | <u>DROP /<br/>BACK-DROP</u> | <u>FUNDING<br/>DEPOSIT<br/>ACCOUNT</u> | <u>TOTAL</u>     |
|---|----------------------------|----------------------------|---------------------------------|-----------------------------|--|------------------|
| BALANCES - BEGINNING OF YEAR                                      | \$ 2,602,264,027           | \$ 756,630,552             | \$ 1,607,901,329                | \$ 24,091,593               | \$ 103,750,904                         | \$ 5,094,638,405 |
| REVENUES AND TRANSFERS:   |                            |                            |                                 |                             |  |                  |
| Contributions   | -                          | 90,915,676                 | 161,434,974                     | -                           | -                                      | 252,350,650      |
| Net income from investments                                       | -                          | -                          | 577,173,905                     | 1,011,288                   | 7,106,937                              | 585,292,130      |
| Miscellaneous income  | -                          | -                          | 10,896                          | -                           | -                                      | 10,896           |
| Annuities derived from<br>accumulated savings and DROP            | 50,481,579                 | -                          | -                               | -                           | -                                      | 50,481,579       |
| Contributions for purchased<br>or transferred services            | -                          | 2,414,707                  | 8,499,853                       | -                           | -                                      | 10,914,560       |
| Transfer of post-DROP contributions                               | -                          | -                          | -                               | 4,019,765                   | -                                      | 4,019,765        |
| DROP pensions accumulated<br>from Annuity Reserve                 | -                          | -                          | -                               | 29,523,922                  | -                                      | 29,523,922       |
| Actuarial transfer - permanent benefit<br>increase                | 43,923,193                 | -                          | -                               | -                           | -                                      | 43,923,193       |
| Actuarial transfer - employer contributions                       | -                          | -                          | 2,206,959                       | -                           | -                                      | 2,206,959        |
| Actuarial transfer  | 375,877,712                | -                          | -                               | -                           | -                                      | 375,877,712      |
| Total revenues, investment income<br>and transfers                | 470,282,484                | 93,330,383                 | 749,326,587                     | 34,554,975                  | 7,106,937                              | 1,354,601,366    |
| EXPENSES AND TRANSFERS:   |                            |                            |                                 |                             |  |                  |
| Retirement allowances paid<br>during the period                   | 269,288,945                | -                          | -                               | -                           | -                                      | 269,288,945      |
| Transfer to Annuity Reserve                                       | -                          | 43,368,001                 | -                               | 7,113,578                   | -                                      | 50,481,579       |
| Transfer of post-DROP contributions                               | -                          | 4,019,765                  | -                               | -                           | -                                      | 4,019,765        |
| Refunds to members  | -                          | 20,020,138                 | -                               | -                           | -                                      | 20,020,138       |
| Administrative expenses, OPEB<br>expense and depreciation expense | -                          | -                          | 2,908,422                       | -                           | -                                      | 2,908,422        |
| Funds transferred to other systems                                | -                          | -                          | 4,285,153                       | -                           | -                                      | 4,285,153        |
| Pensions paid into DROP   | 29,523,922                 | -                          | -                               | -                           | -                                      | 29,523,922       |
| Pensions paid out of DROP   | -                          | -                          | -                               | 27,232,585                  | -                                      | 27,232,585       |
| Actuarial transfer - permanent benefit<br>increase                | -                          | -                          | -                               | -                           | 43,923,193                             | 43,923,193       |
| Actuarial transfer - employer contributions                       | -                          | -                          | -                               | -                           | 2,206,959                              | 2,206,959        |
| Actuarial transfer  | -                          | -                          | 375,877,712                     | -                           | -                                      | 375,877,712      |
| Total expenses and transfers                                      | 298,812,867                | 67,407,904                 | 383,071,287                     | 34,346,163                  | 46,130,152                             | 829,768,373      |
| Net change  | 171,469,617                | 25,922,479                 | 366,255,300                     | 208,812                     | (39,023,215)                           | 524,832,993      |
| BALANCES - END OF YEAR  | \$ 2,773,733,644           | \$ 782,553,031             | \$ 1,974,156,629                | \$ 24,300,405               | \$ 64,727,689                          | \$ 5,619,471,398 |

SHERIFFS' PENSION AND RELIEF FUND  
SUPPLEMENTARY INFORMATION  
STATEMENT OF CHANGES IN RESERVE BALANCES  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024

|   | <u>ANNUITY<br/>RESERVE</u> | <u>ANNUITY<br/>SAVINGS</u> | <u>PENSION<br/>ACCUMULATION</u> | <u>DROP /<br/>BACK-DROP</u> | <u>FUNDING<br/>DEPOSIT<br/>ACCOUNT</u> | <u>TOTAL</u>     |
|---|----------------------------|----------------------------|---------------------------------|-----------------------------|--|------------------|
| BALANCES - BEGINNING OF YEAR                                      | \$ 2,473,000,803           | \$ 726,241,749             | \$ 1,277,471,618                | \$ 19,638,493               | \$ 95,805,090                          | \$ 4,592,157,753 |
| REVENUES AND TRANSFERS:   |                            |                            |                                 |                             |  |                  |
| Contributions   | -                          | 86,291,263                 | 149,102,154                     | -                           | 1,383,165                              | 236,776,582      |
| Net income from investments                                       | -                          | -                          | 540,592,785                     | 983,071                     | 6,562,649                              | 548,138,505      |
| Miscellaneous income  | -                          | -                          | 863                             | -                           | -                                      | 863              |
| Annuities derived from<br>accumulated savings and DROP            | 44,568,073                 | -                          | -                               | -                           | -                                      | 44,568,073       |
| Contributions for purchased<br>or transferred services            | -                          | 2,394,270                  | 6,949,404                       | -                           | -                                      | 9,343,674        |
| Transfer of post-DROP contributions                               | -                          | -                          | -                               | 3,474,096                   | -                                      | 3,474,096        |
| DROP pensions accumulated<br>from Annuity Reserve                 | -                          | -                          | -                               | 26,232,418                  | -                                      | 26,232,418       |
| Actuarial transfer  | 360,040,659                | -                          | -                               | -                           | -                                      | 360,040,659      |
| Total revenues, investment income<br>and transfers                | 404,608,732                | 88,685,533                 | 696,645,206                     | 30,689,585                  | 7,945,814                              | 1,228,574,870    |
| EXPENSES AND TRANSFERS:   |                            |                            |                                 |                             |  |                  |
| Retirement allowances paid<br>during the period                   | 249,113,090                | -                          | -                               | -                           | -                                      | 249,113,090      |
| Transfer to Annuity Reserve                                       | -                          | 37,096,078                 | -                               | 7,471,995                   | -                                      | 44,568,073       |
| Transfer of post-DROP contributions                               | -                          | 3,474,096                  | -                               | -                           | -                                      | 3,474,096        |
| Refunds to members  | -                          | 17,726,556                 | -                               | -                           | -                                      | 17,726,556       |
| Administrative expenses, OPEB<br>expense and depreciation expense | -                          | -                          | 3,101,898                       | -                           | -                                      | 3,101,898        |
| Funds transferred to other systems                                | -                          | -                          | 3,072,938                       | -                           | -                                      | 3,072,938        |
| Pensions paid into DROP   | 26,232,418                 | -                          | -                               | -                           | -                                      | 26,232,418       |
| Pensions paid out of DROP   | -                          | -                          | -                               | 18,764,490                  | -                                      | 18,764,490       |
| Actuarial transfer  | -                          | -                          | 360,040,659                     | -                           | -                                      | 360,040,659      |
| Total expenses and transfers                                      | 275,345,508                | 58,296,730                 | 366,215,495                     | 26,236,485                  | -                                      | 726,094,218      |
| Net change  | 129,263,224                | 30,388,803                 | 330,429,711                     | 4,453,100                   | 7,945,814                              | 502,480,652      |
| BALANCES - END OF YEAR  | \$ 2,602,264,027           | \$ 756,630,552             | \$ 1,607,901,329                | \$ 24,091,593               | \$ 103,750,904                         | \$ 5,094,638,405 |



SHERIFFS' PENSION AND RELIEF FUND  
SUPPLEMENTARY INFORMATION  
SCHEDULES OF ADMINISTRATIVE EXPENSES  
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

|   | <u>2025</u>         | <u>2024</u>         |
|---|---------------------|---------------------|
| Building maintenance                          | \$ 14,260           | \$ 12,373           |
| Computer services                             | 40,777              | 39,317              |
| Equipment maintenance                         | 42,519              | 61,024              |
| Equipment rental                              | 7,927               | 6,279               |
| Group medical and bond insurance              | 290,898             | 249,068             |
| Janitorial, garage, yard                      | 21,866              | 25,785              |
| Leases - office equipment                     | 5,566               | 5,526               |
| Medical fees - members                        | 9,932               | 2,850               |
| Members education                             | 682                 | 840                 |
| Office supplies and expense                   | 111,274             | 93,672              |
| Payroll taxes                                 | 19,471              | 18,904              |
| Professional development                      | 1,942               | 1,457               |
| Professional retainers and legal fees         | 364,949             | 379,971             |
| Salaries and related cost                     | 1,418,097           | 1,087,860           |
| Retirement contributions                      | 220,231             | 203,396             |
| Security                                      | 695                 | 4,376               |
| Telephone                                     | 20,885              | 19,617              |
| Travel & Board and Committee meeting expenses | 7,065               | 8,849               |
| Travel - LSA conferences                      | 24,759              | 4,239               |
| Board educational expense                     | 19,480              | 19,844              |
| Utilities                                     | 99,592              | 77,795              |
| Total administrative expenses                 | \$ <u>2,742,867</u> | \$ <u>2,323,042</u> |
| Professional retainers and legal fees:        |                     |                     |
| Legal   | \$ 143,281          | \$ 167,492          |
| GASB 67 and GASB 68 expenses                  | 32,309              | 19,519              |
| Other professional services                   | 62,159              | 65,760              |
| Retainer - actuary                            | <u>127,200</u>      | <u>127,200</u>      |
| Total professional retainers and legal fees   | \$ <u>364,949</u>   | \$ <u>379,971</u>   |

SHERIFFS' PENSION AND RELIEF FUND  
SUPPLEMENTARY INFORMATION  
SCHEDULE OF PER DIEM AND TRAVEL EXPENSES PAID TO BOARD OF TRUSTEES  
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

|                      | <u>2025</u>     |                                 |                 | <u>2024</u>     |                                 |                 |
|----------------------|-----------------|---------------------------------|-----------------|-----------------|---------------------------------|-----------------|
|                      | <u>Per Diem</u> | <u>Travel<br/>Reimbursement</u> | <u>Total</u>    | <u>Per Diem</u> | <u>Travel<br/>Reimbursement</u> | <u>Total</u>    |
| Wayne Melancon       | \$ 450          | \$ 420                          | \$ 870          | \$ 375          | \$ 301                          | \$ 676          |
| Debbie McBeth        | -               | -                               | -               | 375             | 472                             | 847             |
| Joe Seymour          | 300             | 818                             | 1,118           | 375             | 1,059                           | 1,434           |
| Victor Jones Jr.     | 375             | 449                             | 824             | 300             | 440                             | 740             |
| Ronnie Morse         | 600             | 750                             | 1,350           | 600             | 464                             | 1,064           |
| Donal L. Rittenberry | 375             | 1,189                           | 1,564           | 525             | 1,922                           | 2,447           |
| Willy Martin Jr.     | 225             | 703                             | 928             | -               | -                               | -               |
| Steven May           | 150             | 442                             | 592             | -               | -                               | -               |
| Jay Russell          | <u>75</u>       | <u>273</u>                      | <u>348</u>      | <u>-</u>        | <u>-</u>                        | <u>-</u>        |
| Totals               | \$ <u>2,550</u> | \$ <u>5,044</u>                 | \$ <u>7,594</u> | \$ <u>2,550</u> | \$ <u>4,658</u>                 | \$ <u>7,208</u> |

SHERIFFS' PENSION AND RELIEF FUND  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS  
 TO AGENCY HEAD  
FOR THE YEAR ENDED JUNE 30, 2025

**Agency Head: Willy Martin, Chairman of the Board**

| <u>Purpose</u>                         | <u>Amount</u>          |
|--|------------------------|
| Per Diem                               | \$ 225                 |
| Expense reimbursement                  | 703                    |
| * LSA Conference expense-room          | 2,346                  |
| ** Board Educational conference - room | <u>402</u>             |
|  | \$ <u><u>3,676</u></u> |

\* Due to a longstanding agreement with the Louisiana Sheriffs Association, our plan sponsors, Board of Trustees, limited, staff, attend the annual LSA conference, where elections and re-elections are held for active and retired Sheriffs for the Pension Fund Board of Trustees, as provided by law. In addition, LSPRF also provides financial reporting and education seminars for the membership

\*\*To meet the annual education requirement provided by law for the Board of Trustees.



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## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

December 30, 2025

Board of Trustees  
Sheriffs' Pension and Relief Fund  
State of Louisiana  
Baton Rouge, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the statements of fiduciary net position and the related statements of changes in fiduciary net position of the Sheriffs' Pension and Relief Fund, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Sheriffs' Pension and Relief Fund's basic financial statements, and have issued our report thereon dated December 30, 2025.

## Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Sheriffs' Pension and Relief Fund's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Sheriffs' Pension and Relief Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Sheriffs' Pension and Relief Fund's internal control.

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A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that were not identified.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Sheriffs' Pension and Relief Fund's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, and contracts, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Duplantier, Sharpner, Hogan and Parker, LLP*

Metairie, Louisiana

SHERIFFS' PENSION AND RELIEF FUND  
SUMMARY SCHEDULE OF FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2025

SUMMARY OF AUDITOR'S RESULTS:

1. The opinion issued on the financial statements of the Sheriffs' Pension and Relief Fund for the years ended June 30, 2025, was unmodified.
  
2. Internal control over financial reporting:  
  
Material weaknesses: None  
Significant deficiencies: None reported
  
3. Compliance and other matters:  
  
Noncompliance material to financial statements: None

FINDINGS REQUIRED TO BE REPORTED UNDER GENERALLY ACCEPTED  
GOVERNMENTAL AUDITING STANDARDS:

None

MANAGEMENT LETTER COMMENTS:

None

SUMMARY OF PRIOR YEAR FINDINGS:

None

SHERIFFS' PENSION AND RELIEF FUND

INDEPENDENT ACCOUNTANT'S REPORT  
ON APPLYING AGREED-UPON PROCEDURES

FOR THE FISCAL YEAR JULY 01, 2024  
THROUGH JUNE 30, 2025

SHERIFFS' PENSION AND RELIEF FUND

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INDEPENDENT ACCOUNTANT'S REPORT  
ON APPLYING AGREED-UPON PROCEDURES  
FOR THE FISCAL YEAR JULY 01, 2024  
THROUGH JUNE 30, 2025

November 25, 2025

To the Board of Trustees of the  
Sheriffs' Pension and Relief Fund and  
Louisiana Legislative Auditor

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 01, 2024 through June 30, 2025. The Sheriffs' Pension and Relief Fund's management is responsible for those C/C areas identified in the SAUPs.

The Sheriffs' Pension and Relief Fund has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in the LLA's SAUPs for the fiscal period July 01, 2024 through June 30, 2025. Additionally, the LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

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***1) Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)***

---

- A. **Procedure**: Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

**Results**: No findings noted as a result of applying the above agreed-upon procedures.

- B. **Procedure**: Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and:

- i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and
- ii. Observe that finance charges and late fees were not assessed on the selected statements.

**Results**: No findings noted as a result of applying the above agreed-upon procedures.

- C. **Procedure**: Using the monthly statements or combined statements selected under procedure #1B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

**Results**: No findings noted as a result of applying the above agreed-upon procedures.

We were engaged by the Sheriffs' Pension and Relief Fund to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Sheriffs' Pension and Relief Fund and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the results of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

*Duplantier, Chapman, Hogan and Parker, LLP*

Metairie, Louisiana