

REPORT  
LOUISIANA CLERKS' OF COURT  
RETIREMENT AND RELIEF FUND  
(STATE OF LOUISIANA)  
JUNE 30, 2011 AND 2010

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

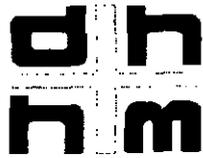
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(STATE OF LOUISIANA)

JUNE 30, 2011 AND 2010

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## INDEPENDENT AUDITOR'S REPORT

October 6, 2011

Louisiana Clerks' of Court  
Retirement and Relief Fund  
Board of Trustees  
11745 Bricksome Ave., Suite B-1  
Baton Rouge, LA 70816

We have audited the accompanying statements of plan net assets of the Louisiana Clerks' of Court Retirement and Relief Fund as of June 30, 2011 and 2010, and the related statements of changes in plan net assets for the years then ended. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Louisiana Clerks' of Court Retirement and Relief Fund as of June 30, 2011 and 2010 and changes in net assets for the years then ended in conformity with accounting principles generally accepted in the United States of America.

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Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 8 be presented to supplement the basic financial statements. Such information, 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 operations, economic, or historical context. We have applied certain limited procedures, 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.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements that collectively comprise the Fund's financial statements as a whole. The required supplementary information on pages 27 - 28, as required by the Governmental Accounting Standards Board, and the other supplementary information listed on pages 24 - 26 are presented for the purposes of additional analysis and are not a part of the basic financial statements. Such required statistical information for the years ending June 30, 2006 - 2011 and supplemental schedules for the years ending June 30, 2011 and 2010, have been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued a report dated October 6, 2011 on our consideration of the Louisiana Clerks' of Court Retirement and Relief Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audits.

*Duplantier, Hrapmann, Hogan & Maher, LLP*

LOUISIANA CLERKS' OF COURT RETIREMENT AND RELIEF FUND  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2011

The Management's Discussion and Analysis of the Louisiana Clerks' of Court Retirement and Relief Fund financial performance presents a narrative overview and analysis of the Louisiana Clerks' of Court Retirement and Relief Fund's financial activities for the year ended June 30, 2011. This document focuses on the current year's activities, resulting changes, currently known facts in comparison with the prior year's information. Please read this document in conjunction with the information contained in the financial statements, which begin on page 9.

FINANCIAL HIGHLIGHTS:

- The Louisiana Clerks' of Court Retirement and Relief Fund's assets exceeded its liabilities at the close of fiscal year 2011 by \$378,083,955. The net assets held in trust for pension benefits increased by \$76,391,482 or 25.32%. The increase was due primarily to the positive market conditions.
- Contributions to the plan by members and employers totaled \$21,949,587, an increase of \$2,275,015 or 11.56% over the prior year. The moderate increase is due to an increase in salaries and an increase in the employer rate.
- Funds collected from ad valorem taxes within the respective parishes totaled \$8,059,602, an increase of \$796,679 or 10.97% from the prior year.
- Funds collected from state revenue sharing funds totaled \$322,191, a decrease of \$1,917 or .59% from the prior year.
- Net appreciation in the fair value of investments reflected a net increase of \$64,403,968 as of June 30, 2011 as compared to a net increase of \$20,504,272 as of June 30, 2010. This is a result of the positive market returns.
- The total return on the Fund's investments for the year ended June 30, 2011 was a positive 24.3%. The Fund's total return was due primarily to the increased performance in the domestic, international equity markets and real estate and several active fund managers having strong results.
- Pension benefits paid to retirees and beneficiaries increased by \$963,707 or 5.28%. This increase is primarily due to increased number of retirees.
- DROP benefits paid to participants increased by \$76,146 or 5.26% over the previous year. This increase is due to more DROP participants retiring.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

LOUISIANA CLERKS' OF COURT RETIREMENT AND RELIEF FUND  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2011

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

- Statement of plan net assets,
- Statement of changes in plan net assets, and
- Notes to the financial statements.

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

The statement of plan net assets reports the system's assets, liabilities, and resultant net assets held in trust for pension benefits. It discloses the financial position of the System as of June 30, 2011 and 2010.

The statement of changes in plan net assets reports the results of the system's operations during the year disclosing the additions to and deductions from the plan net assets. It supports the change that has occurred to the prior year's net asset value on the statement of plan net assets.

FINANCIAL ANALYSIS OF THE FUND

Louisiana Clerks' of Court Retirement and Relief Fund provides benefits to the Clerk of the Supreme Court, each of the courts of appeal, each of the district courts and each of the city and traffic courts in cities having a population in excess of four hundred thousand and the employees of such clerks, whether full-time or part-time throughout the State of Louisiana, and the employees of the Louisiana Clerks' of Court Association. Employee contributions, employer contributions and earnings on investments fund these benefits.

	<u>Statement of Plan Net Assets</u> <u>June 30, 2011 and 2010</u>	
	<u>2011</u>	<u>2010</u>
Cash and investments	\$ 375,262,595	\$ 298,931,090
Receivables	4,581,310	3,051,767
Property and equipment	<u>6,676</u>	<u>8,500</u>
Total assets	379,850,581	301,991,357
Total liabilities	<u>1,766,626</u>	<u>298,884</u>
Net Assets Held in Trust for Pension Benefits	<u>\$ 378,083,955</u>	<u>\$ 301,692,473</u>

Plan net assets increased by 25.32% (\$378,083,955 as compared to \$301,692,473 ) All of these assets are restricted in use to provide monthly retirement allowances to members who contributed to the System as employees and their beneficiaries. The increase in plan net assets was a result of the increase in the value of investments due to favorable market performance and strong relative results from several of the investment managers.

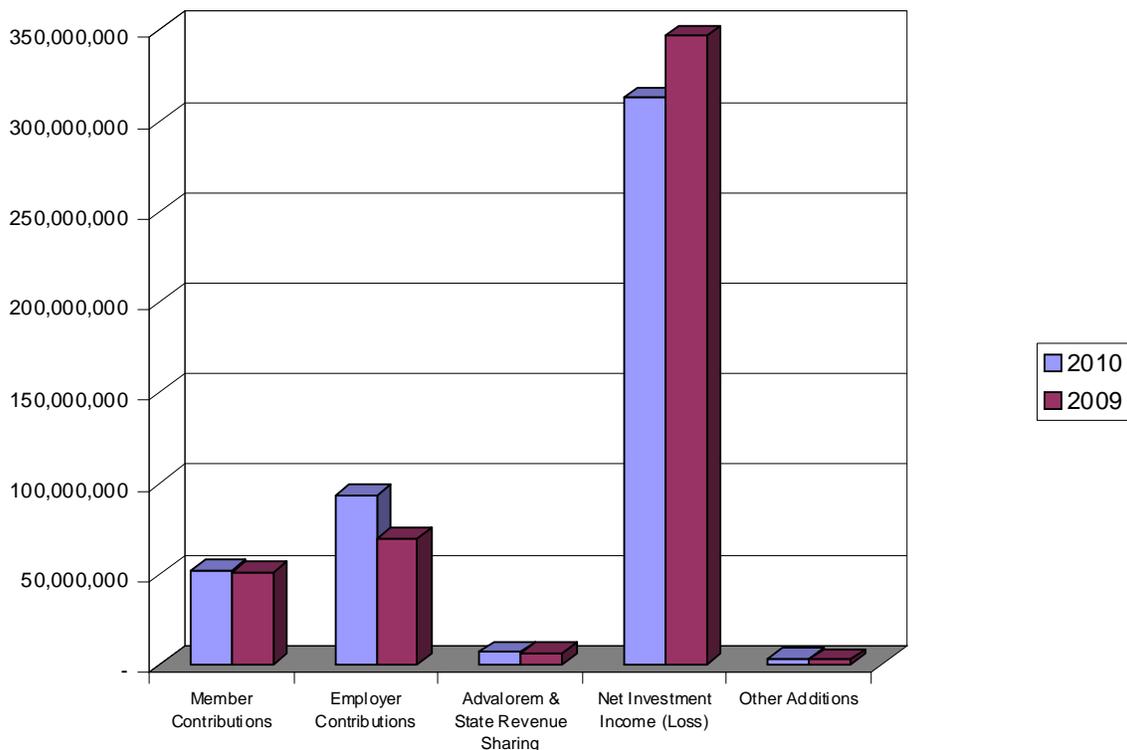
PAROCHIAL EMPLOYEES'  
RETIREMENT SYSTEM OF LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2010

FINANCIAL ANALYSIS OF THE FUND (Continued)

Additions to Plan Net Assets

Additions to the System's plan net assets were derived from member and employer contributions. Member contributions increased \$1,024,409 or 2.01% and employer contributions increased \$23,928,700 or 34.34%. The System experienced a net investment income of \$312,329,804 as compared to \$346,739,095 in the previous year. The increase in Plan net assets in 2010 was due mainly to the fact that equity markets, domestic and foreign, large cap and small cap, were up significantly as compared with the prior year.

	<u>2010</u>	<u>2009</u>	Increase (Decrease) <u>Percentage</u>
Member Contributions	\$ 51,996,119	\$ 50,971,710	2.01 %
Employer Contributions	93,615,463	69,686,763	34.34 %
Ad valorem & State Revenue Sharing	6,864,323	6,603,496	3.94 %
Net Investment Income	312,329,804	346,739,095	(9.92) %
Other Additions	<u>3,174,102</u>	<u>2,929,610</u>	8.35 %
Total additions	<u>\$ 467,979,811</u>	<u>\$ 476,930,674</u>	



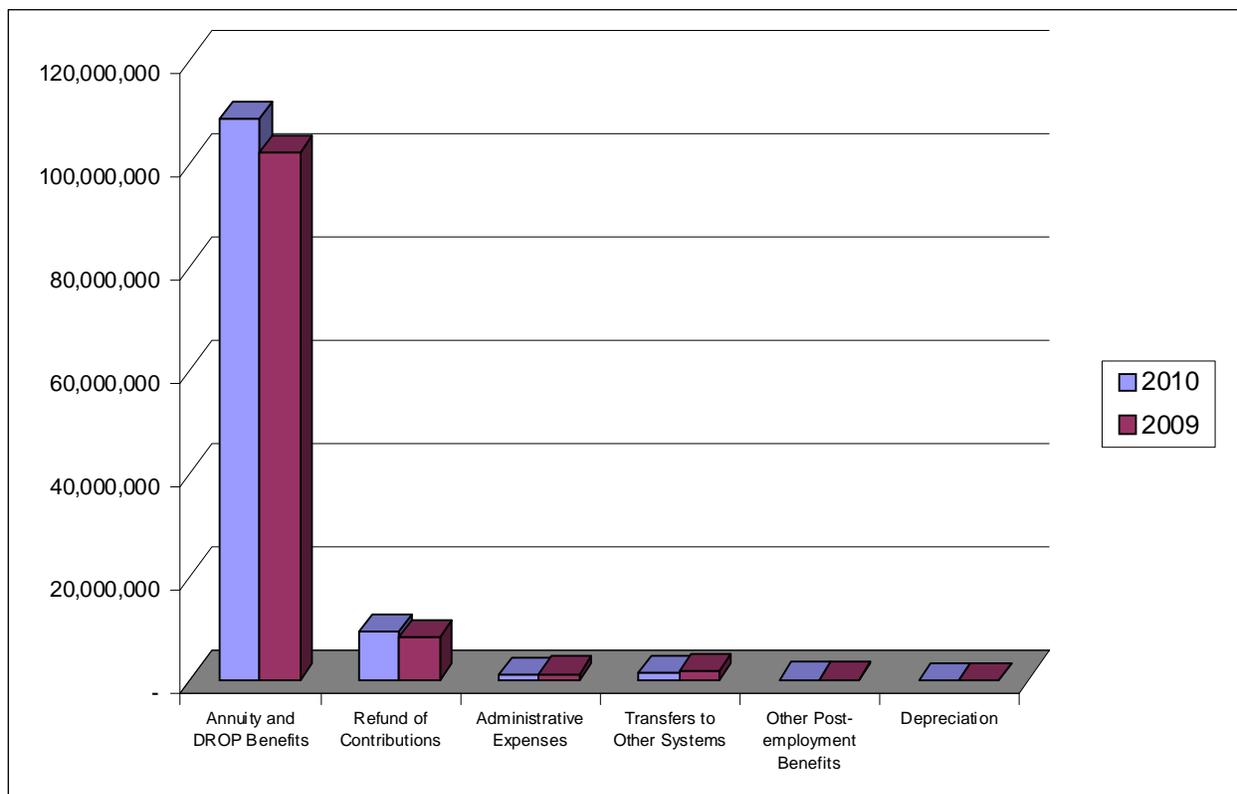
PAROCHIAL EMPLOYEES'  
RETIREMENT SYSTEM OF LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2010

FINANCIAL ANALYSIS OF THE FUND (Continued)

Deductions from Plan Net Assets

Deductions from plan net assets include mainly retirement, death and survivor benefits and administrative expenses. Deductions from plan net assets totaled \$120,919,256 in fiscal year 2010. Deductions from plan net assets increased by \$7,143,504. Retirement benefits accounted for the majority of the increase. Retirement benefits increased by \$6,299,172 as a result of the increase in the number of retirees and the larger benefit amounts generally paid to new retirees.

	<u>2010</u>	<u>2009</u>	<u>Increase Percentage</u>
Annuity and DROP Benefits	\$ 108,918,983	\$ 102,345,491	6.42 %
Refunds of Contributions	9,469,207	8,261,027	14.63 %
Administrative Expenses	1,067,392	1,056,270	1.05 %
Transfers to Other Systems	1,325,244	1,904,299	(30.40)%
Other Postemployment Benefits	103,837	173,619	(40.00) %
Depreciation	<u>34,593</u>	<u>35,046</u>	(1.29) %
<b>Total</b>	<b><u>\$ 120,919,256</u></b>	<b><u>\$ 113,775,752</u></b>	



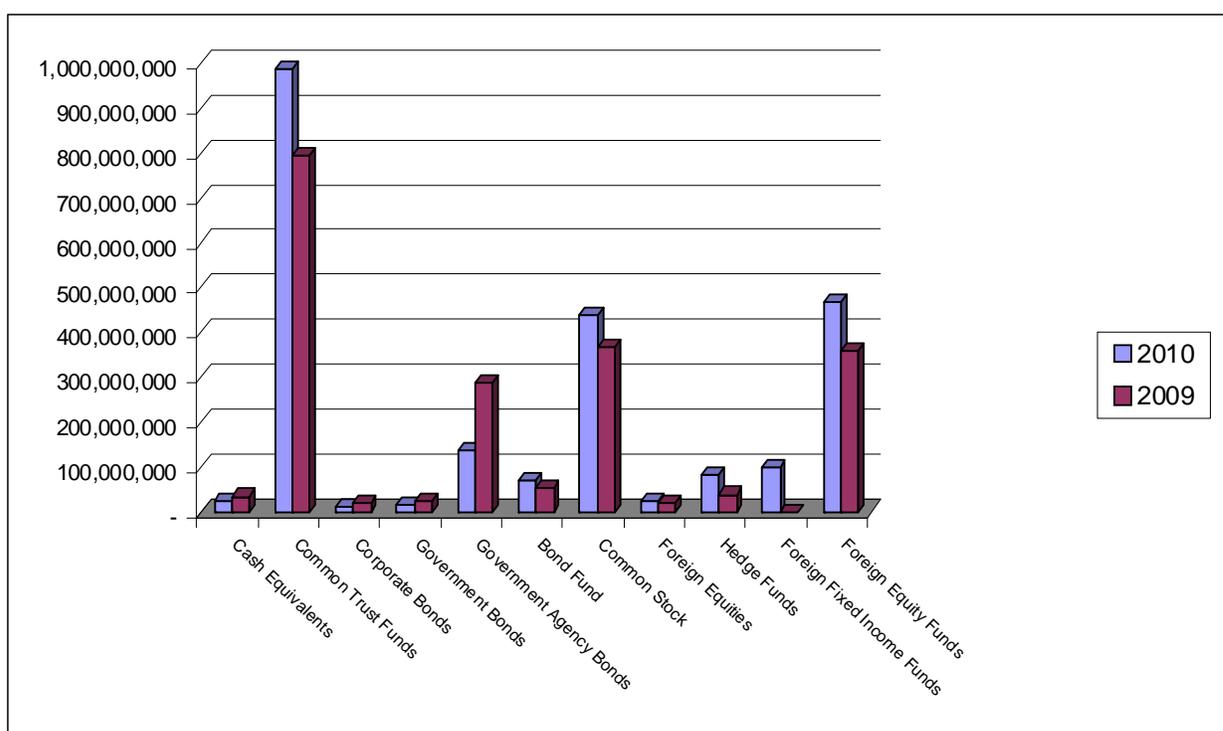
PAROCHIAL EMPLOYEES'  
RETIREMENT SYSTEM OF LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2010

FINANCIAL ANALYSIS OF THE FUND (Continued)

Investments

Parochial Employees' Retirement System is responsible for the prudent management of funds held in trust for the exclusive benefits of their members' pension benefits. Funds are invested to achieve maximum returns without exposing retirement assets to unacceptable risks. Total fair value of investments at December 31, 2010 was \$2,360,459,877 as compared to \$2,004,135,555 at December 31, 2009 which is an increase of \$356,324,322 or 17.78%. The System's investments in various markets at the end of the 2010 and 2009 fiscal years are indicated in the following table:

	<u>2010</u>	<u>2009</u>	Increase (Decrease) <u>Percentage</u>
Cash Equivalents	\$ 23,834,195	\$ 34,776,315	(31.46) %
Common Trust Funds	987,547,764	796,869,047	23.93 %
Corporate Bonds	9,979,854	19,757,704	(49.49) %
Government Bonds	15,614,632	24,724,738	(36.85) %
Government Agency Bonds	137,363,921	288,596,537	(52.40) %
Bond Fund	70,126,022	54,314,053	29.11 %
Common Stock	438,669,906	365,977,859	19.86 %
Foreign Equities	25,218,720	20,027,647	25.92 %
Hedge Funds	82,410,405	39,151,223	110.49 %
Foreign Fixed Income Funds	99,914,341	--	100.00 %
Foreign Equity Funds	<u>469,780,117</u>	<u>359,940,432</u>	30.52 %
Total	<u>\$ 2,360,459,877</u>	<u>\$ 2,004,135,555</u>	



LOUISIANA CLERKS' OF COURT RETIREMENT AND RELIEF FUND  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2011

Requests for Information

Questions concerning any of the information provided or requests for additional financial information should be addressed to Louisiana Clerks' of Court Retirement and Relief Fund, 11745 Bricksome Avenue, Suite B-1, Baton Rouge, Louisiana 70816, (225) 293-1162.

LOUISIANA CLERKS' OF COURT RETIREMENT AND RELIEF FUND  
STATEMENTS OF PLAN NET ASSETS  
JUNE 30, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
<b>ASSETS:</b>		
Cash:		
In bank	\$ <u>5,590,572</u>	\$ <u>3,345,198</u>
Receivables:		
Member contributions	523,453	574,906
Employer contributions	1,180,850	1,110,840
Investment receivable	2,015,131	998,300
Advalorem and revenue sharing	500,000	-
Miscellaneous receivable	338	2,711
Accrued interest and dividends	<u>361,538</u>	<u>365,010</u>
Total receivables	<u>4,581,310</u>	<u>3,051,767</u>
Investments at fair value:		
Short-term cash equivalents	22,576,850	6,096,232
Marketable securities - Domestic	82,448,670	28,929,013
Commingled funds	98,497,966	136,520,670
Equity funds - International	76,692,305	56,598,193
Master limited partnerships	14,754,915	-
Bond index fund	11,481,014	28,851,898
Real estate fund	23,627,252	19,624,812
Hedge funds	27,747,102	10,546,790
Mutual funds	<u>199,658</u>	<u>238,222</u>
Total investments at fair value	<u>358,025,732</u>	<u>287,405,830</u>
Investments at contract value:		
Synthetic Guaranteed Investment Contracts	<u>11,646,291</u>	<u>8,180,062</u>
Property, plant and equipment:		
Net of accumulated depreciation		
\$66,213 for 2011 and \$64,389 for 2010	<u>6,676</u>	<u>8,500</u>
Total assets	<u>379,850,581</u>	<u>301,991,357</u>
<b>LIABILITIES:</b>		
Accounts payable	366,059	298,884
Investment payable	<u>1,400,567</u>	<u>-</u>
Total liabilities	<u>1,766,626</u>	<u>298,884</u>
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS</b>	<u>\$ <u>378,083,955</u></u>	<u>\$ <u>301,692,473</u></u>

See accompanying notes.

LOUISIANA CLERKS' OF COURT RETIREMENT AND RELIEF FUND  
STATEMENTS OF CHANGES IN PLAN NET ASSETS  
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
ADDITIONS:		
Contributions:		
Member	\$ 6,720,514	\$ 6,741,380
Employer	15,229,073	12,933,192
Ad valorem tax	8,059,602	7,262,923
Revenue sharing	322,191	324,108
Total contributions	<u>30,331,380</u>	<u>27,261,603</u>
Investment income:		
Net appreciation in fair value of investments	64,403,968	20,504,272
Interest income	417,391	456,624
Dividend income	4,432,181	4,042,843
Securities lending income	-	71,247
	<u>69,253,540</u>	<u>25,074,986</u>
Less: Investment expense:		
Custodial fees	32,752	31,154
Money manager fees	1,382,780	938,435
Consultant fees	102,491	102,400
Securities lending	-	35,061
	<u>1,518,023</u>	<u>1,107,050</u>
Net investment income	<u>67,735,517</u>	<u>23,967,936</u>
Other additions:		
Transfer fees collected	320	240
Refund pay back	39,182	199,528
Transfers from another system	417,074	354,905
Miscellaneous	-	17,525
Total other additions	<u>456,576</u>	<u>572,198</u>
Total additions	<u>98,523,473</u>	<u>51,801,737</u>
DEDUCTIONS:		
Annuity benefits	18,983,957	18,029,059
Disability benefits	243,680	234,871
Refunds to terminated employees	918,722	743,869
DROP benefits	1,523,341	1,447,195
Transfer to another system	-	867,554
Reimbursement to affiliate for administrative expenses	300,000	288,000
Administrative expenses	160,357	120,395
Depreciation	1,824	2,415
Miscellaneous	110	-
Total deductions	<u>22,131,991</u>	<u>21,733,358</u>
NET INCREASE	76,391,482	30,068,379
NET ASSETS HELD IN TRUST FOR PENSION		
BENEFITS - BEGINNING OF YEAR	<u>301,692,473</u>	<u>271,624,094</u>
END OF YEAR	<u>\$ 378,083,955</u>	<u>\$ 301,692,473</u>

See accompanying notes.

LOUISIANA CLERKS' OF COURT RETIREMENT AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011 AND 2010

The Louisiana Clerks' of Court Retirement and Relief Fund (Fund) was established and provided for by R.S. 11:1501 of the Louisiana Revised Statutes (LRS). The Fund is administered by a board of trustees made up of ten members composed of three directors of the Clerks' Association, one retired clerk, the immediate past president, the president, first vice-president and treasurer of the Clerks' Association, the chairman of the Retirement Committee of the Louisiana House of Representatives, and the chairman of the Finance Committee of the Senate, or their designees.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements are prepared in accordance with the standards established by the Governmental Accounting Standards Board (GASB) as the successor to the National Council on Governmental Accounting (NCGA).

In addition, these financial statements include GASB Number 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* and related standards. This standard provides for inclusion of a management discussion and analysis as supplementary information and other changes.

Basis of Accounting:

Louisiana Clerks' of Court Retirement and Relief 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 income is recognized when earned. Ad valorem taxes and revenue sharing monies are recognized in the year appropriated by the Legislature.

Method Used to Value Investments:

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. The Fund invests in short-term highly liquid external investment pools. Shares in external investment pools are reported at cost value of the external investment pool which approximates fair value. Synthetic Guaranteed Investment Contracts are carried at contract value as required by GASB 53.

Equipment and Fixtures:

Equipment and fixtures of the Louisiana Clerks' of Court Retirement and Relief Fund are accounted for and capitalized in the Pension Fund. Depreciation of fixed assets is recorded as an expense in the Pension Fund. All fixed assets are valued on the basis of historical cost and depreciated using the straight-line method of depreciation.

LOUISIANA CLERKS' OF COURT RETIREMENT AND RELIEF FUND  
 NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011 AND 2010

2. PLAN DESCRIPTION:

The Louisiana Clerks' of Court Retirement and Relief Fund is the administrator of a cost sharing multiple-employer plan. The Fund is a statewide retirement plan for the Clerk of the Supreme Court, each of the courts of appeal, each of the district courts, and each of the city and traffic courts in cities having a population in excess of four hundred thousand at the time of their entrance into the Fund. The Fund includes the employees of such clerks, whether full-time or part-time, and the employees of the Louisiana Clerks' of Court Association. Employer and employee membership data as of June 30, 2011 and 2010 consists of:

	<u>2011</u>	<u>2010</u>
<u>Employer Members - Contributing</u>		
Parish courts	63	63
Supreme Court	1	1
Circuit Courts of Appeals	5	5
City courts of New Orleans	2	2
Louisiana Clerks' of Court Association	1	1
Civil Court of New Orleans	1	1
Criminal Court of New Orleans	1	1
Louisiana House of Representatives (reverse application by one member before the law changed)	<u>1</u>	<u>1</u>
<b>TOTAL EMPLOYER MEMBERS - CONTRIBUTING</b>	<u><b>75</b></u>	<u><b>75</b></u>
<u>Employee Members</u>		
Current retirees and survivors	975	929
Terminated due a deferred benefit	88	97
Terminated due a refund	372	360
DROP members	132	135
Fully vested, partially and non-vested active employees covered	<u>2,194</u>	<u>2,195</u>
<b>TOTAL PARTICIPANTS AS OF THE VALUATION DATE</b>	<u><b>3,761</b></u>	<u><b>3,716</b></u>

Those employees considered eligible for membership to the Louisiana Clerks' of Court Retirement and Relief Fund include all regular employees who work more than an average of 20 hours per week. Members are vested after 12 years of service time.

A member or former member shall be eligible for regular retirement benefits upon attaining twelve or more years of credited service, attaining the age of fifty-five years or more, and terminating employment. Regular retirement benefits, payable monthly for life, equal 3-1/3 percent of the member's average final compensation multiplied by the number of years of credited service, not to exceed one hundred percent of the monthly average final compensation. Monthly average

LOUISIANA CLERKS' OF COURT RETIREMENT AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011 AND 2010

2. PLAN DESCRIPTION: (Continued)

final compensation is based on the highest compensated thirty-six consecutive months, with a limit of increase of 10% in each of the last three years of measurement. For those members hired on or after July 1, 2006, compensation is based on the highest compensated sixty consecutive months with a limit of 10% increase in each of the last six years of measurement. Act 273 of the 2010 regular session applied the sixty consecutive months to all members. This Act has a transition period for those members who retire on or after January 1, 2011 and before December 31, 2012. Additionally, Act 273 of the 2010 regular session increased a member's retirement to age 60 with an accrual rate of 3% for all members hired on or after January 1, 2011.

A member leaving covered employment before attaining early retirement age but after completing twelve years' credited service becomes eligible for a deferred allowance provided the member lives to the minimum service retirement age and does not withdraw his or her accumulated contributions.

Effective through June 30, 2008, a member who has been officially certified as totally and permanently disabled by the State Medical Disability Board shall be paid disability retirement benefits determined and computed as follows:

- 1) A member who is totally and permanently disabled solely as the result of injuries sustained in the performance of his official duties shall be paid monthly benefits equal to the greater of one-half of his monthly average final compensation or, at the option of the disability retiree, two and one-half percent of his monthly average final compensation multiplied by the number of his years of credited service; however, such monthly benefit shall not exceed twenty-five dollars for each year of his credited service or two-thirds of his monthly average final compensation, whichever is less.
- 2) A member who has ten or more years of credited service and who is totally and permanently disabled due to any cause not the result of injuries sustained in the performance of his official duties shall be paid monthly benefits equal to three percent of his monthly average final compensation multiplied by the number of his years of credited service; however, such monthly benefit shall not exceed thirty-five dollars for each year of his credited service or eighty percent of his monthly average final compensation, whichever is less.

The following is effective for any disability retiree whose application for disability retirement is approved on or after July 1, 2008. The provisions related to the calculation of benefits will apply to any disability retiree whose application for disability retirement was approved before July 1, 2008, for benefits due and payable on or after January 1, 2008.

A member is eligible to receive disability retirement benefits from the Fund if he or she is certified to be totally and permanently disabled pursuant to R.S. 11:218 and one of the following applies:

- 1) The member's disability was caused solely as a result of injuries sustained in the performance of their official duties.
- 2) The member has at least ten years of service credit.

LOUISIANA CLERKS' OF COURT RETIREMENT AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011 AND 2010

2. PLAN DESCRIPTION: (Continued)

A member who has been certified as totally and permanently disabled will be paid monthly disability retirement benefits equal to the greater of:

- 1) Forty percent of their monthly average final compensation
- 2) Seventy-five percent of their monthly regular retirement benefit computed pursuant to R.S. 11:1521(c)

If a member who has less than five years of credited service dies, his accumulated contributions are paid to his designated beneficiary. If the member has five or more years of credited service, automatic option 2 benefits are payable to the surviving spouse. These benefits are based on the retirement benefits accrued at the member's date of death with option factors used as if the member had continued in service to earliest normal retirement age. Benefit payments are to commence on the date a member would have first become eligible for normal retirement assuming continued service until that time. In lieu of a deferred survivor benefit, the surviving spouse may elect benefits payable immediately with benefits reduced 1/4 of 1% for each month by which payments commence in advance of member's earliest normal retirement age. If a member has no surviving spouse, the surviving minor children under 18 or disabled children shall be paid 1/2 of the member's accrued retirement benefit in equal shares. Upon the death of any former member with 12 or more years of service, automatic option 2 benefits are payable to the surviving spouse with payments to commence on the member's retirement eligibility date. In lieu of periodic payments, the surviving spouse or children may receive a refund of the member's accumulated contributions.

In lieu of terminating employment and accepting a service retirement allowance, any member of the Fund who is eligible for a service retirement allowance may elect to participate in the Deferred Retirement Option Plan (DROP) for up to thirty-six months and defer the receipt of benefits. During the year ended June 30, 2007 participants had to have been an active contributing member for one full year before becoming eligible for DROP. Upon commencement of participation in the plan, active membership in the Fund terminates and the participant's contributions cease; however, employer contributions continue. Compensation and creditable service remain as they existed on the effective date of commencement of participation in the plan. The monthly retirement benefits that would have been payable, had the member elected to cease employment and receive a service retirement allowance, are paid into the Deferred Retirement Option Plan account. Upon termination of employment at the end of the specified period of participation, a participant in the program may receive, at his option, a lump sum payment from the Fund. If employment is not terminated at the end of the participation period, payments into the account cease and the member resumes active contributing membership in the Fund. Upon termination, the member receives a lump sum payment from the DROP fund equal to the payments made to that fund on his behalf, or a true annuity based on his account (subject to approval by the Board of Trustees). The monthly benefit payments that were being paid into the DROP fund are paid to the retiree and an additional benefit based on his additional service rendered since termination of DROP participation is calculated using the normal method of benefit computation. The average compensation used to calculate the additional benefit is that used to calculate

LOUISIANA CLERKS' OF COURT RETIREMENT AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011 AND 2010

2. PLAN DESCRIPTION: (Continued)

the original benefit unless his period of additional service is at least thirty-six months. In no event can the entire monthly benefit amount paid to the retiree exceed 100% of the average compensation used to compute the additional benefit. If a participant dies during the period of participation in the program, a lump sum payment equal to his account balance is paid to his named beneficiary or, if none, to his estate.

The Board of Trustees is authorized to provide a cost of living increase to members who have been retired for at least one full calendar year. The increase cannot exceed the lesser of 2.5% of the retiree's benefit or an increase of forty dollars per month. The Louisiana statutes allows the Board to grant an additional cost of living increase to all retirees and beneficiaries over age 65 equal to 2% of the benefit paid on October 1, 1977 or the member's retirement date if later. The increase may only be granted from investment earnings in excess of the valuation interest rate of 8%.

In lieu of granting a cost of living increase as described above, Louisiana statutes allows the board to grant a cost of living increase where the benefits shall be calculated using the number of years of service at retirement or at death plus the number of years since retirement or death multiplied by the cost of living amount which cannot exceed \$1.

In order to grant any cost of living increase, the ratio of the actuarial value of assets to the pension benefit obligation must equal or exceed a statutory target ratio.

3. CONTRIBUTIONS, RESERVES AND FUNDS:

Contributions:

Contributions for all members are established by state statute at 8.25% of earnable compensation. The contribution is deducted from the member's salary and remitted by the participating parish or court.

According to state statute, contributions for all employers are actuarially determined each year. The actuarially determined employer contribution rate for fiscal years ending June 30, 2011 and 2010 was 16.98% and 17.05%, respectively. The actual employer contribution rate for fiscal years ending June 30, 2011 and 2010 was 17.25% and 14.75%, respectively.

In accordance with state statute the Fund also receives  $\frac{1}{4}$  of 1% of ad valorem taxes collected by each parish and state revenue sharing funds. These additional sources of income are used as additional employer contributions.

Administrative costs of the Fund are financed through employer contributions.

LOUISIANA CLERKS' OF COURT RETIREMENT AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011 AND 2010

3. CONTRIBUTIONS, RESERVES AND FUNDS: (Continued)

Reserves:

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

A) Annuity Savings Fund:

The Annuity Savings Fund 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 fund. If a member dies and there is a survivor who is eligible for a benefit, the amount of the member's accumulated contributions is transferred from the Annuity Savings Fund to the Annuity Reserve Fund. When a member retires, the amount of his accumulated contributions is transferred to the Annuity Reserve Fund to provide part of the benefits payable. The Annuity Savings Fund as of June 30, 2011 and 2010 is \$61,337,284 and \$58,933,500, respectively. The Annuity Savings Fund is fully funded.

B) Employer Reserve Fund:

The Employer Reserve Fund consists of contributions paid by employers, interest earned on investments and any other income not covered by other accounts. This fund is charged annually with an amount, determined by the actuary, to be transferred to the Annuity Reserve Fund to fund retirement benefits for existing recipients. It is also relieved when expenditures are not covered by other accounts. The Employer Reserve Fund as of June 30, 2011 and 2010 is \$ 215,237,914 and \$202,880,437, respectively. The Employer Reserve Fund is 54% and 29% funded as of June 30, 2011 and 2010, respectively.

C) Annuity Reserve Fund:

The Annuity Reserve Fund consists of the reserves for all pensions, excluding cost-of-living increases, granted to members and is the fund from which such pensions and annuities are paid. Survivors of deceased beneficiaries also receive benefits from this fund. The Annuity Reserve Fund as of June 30, 2011 and 2010 is \$179,133,245 and \$167,079,868, respectively. The Annuity Reserve Fund is fully funded.

D) Deferred Retirement Option Account:

The Deferred Retirement Option Account consists of the reserves for all members who upon eligibility elect to deposit into this account an amount equal to the member's monthly benefit if he had retired. A member can only participate in the program for three years, at which time the member may receive his benefits in a lump sum payment or by a true annuity. The Deferred Retirement Option Account balance as of June 30, 2011 and 2010 is \$19,939,146 and \$16,482,780, respectively. The Deferred Retirement Option Account is fully funded.

LOUISIANA CLERKS' OF COURT RETIREMENT AND RELIEF FUND  
 NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011 AND 2010

3. CONTRIBUTIONS, RESERVES AND FUNDS: (Continued)

E) Funding Deposit Account:

The Funding Deposit Account consists of excess contribution 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 due to the Fund freezing the employer rate at a higher rate than actuarially required. The excess funds can be used for the following purposes: (1) reduce the unfunded accrued liability, (2) reduce the present value of future normal, and/or (3) pay all or a portion of any future net direct employer contributions. The Funding Deposit Account was established as of January 1, 2009 and has a balance as of June 30, 2011 and 2010 of \$603,658 and \$558,943, respectively. The Funding Deposit Account is fully funded.

4. ACTUARIAL COST METHOD:

The "Frozen Attained Age Normal" cost method was used to calculate the funding requirements of the Fund. Funding of pension plans under this method consists of two components. The first of these components is the Employer Normal Cost of the plan. In addition, amortization payments on the Fund's unfunded liability must be made. The actuarial present value of future normal cost is called the actuarial accrued liability. Act 81 of the 1988 legislative session requires that the unfunded accrued liability be amortized over a forty-year period beginning on July 1, 1989 with payments increasing at 4.75% per year.

5. REQUIRED SUPPLEMENTARY SCHEDULES:

Information in the required supplemental schedules is designed to provide information about the Fund's progress made in accumulating sufficient assets to pay benefits and is presented on pages 27 -- 28.

6. DEPOSITS, CASH EQUIVALENTS AND INVESTMENTS:

Following are the components of the Fund's deposits, cash equivalents and investments at June 30, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Deposits (bank balance)	\$ 5,008,471	\$ 3,429,101
Short-term cash equivalents	22,576,850	6,096,232
Investments	<u>347,095,173</u>	<u>289,489,660</u>
	<u>\$ 374,680,494</u>	<u>\$ 299,014,993</u>

Deposits:

The Fund's bank deposits were entirely covered by federal depository insurance and securities pledged. The pledged securities are held in joint custody with the Fund's bank.

LOUISIANA CLERKS' OF COURT RETIREMENT AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011 AND 2010

6. DEPOSITS, CASH EQUIVALENTS AND INVESTMENTS: (Continued)

Cash Equivalents:

The Fund invested in cash equivalents at June 30, 2011 and 2010 in the amount of \$22,576,850 and \$6,096,232, respectively. Cash equivalents in the amount of \$20,063,879 as of June 30, 2011 consist of a government money market fund which is held in the nominee name. Cash equivalents in the amount of \$1,090,129 as of June 30, 2010 consists of government-pooled investments which are managed and held by separate money managers and are in the name of the Fund.

Cash equivalents at June 30, 2011 and 2010 in the amount of \$2,512,971 and \$5,006,103, respectively, consist of governmental pooled investments. The funds are managed by the Louisiana Asset Management Pool (LAMP), held by a custodial bank and are in the name of the Fund.

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-RS 33:2955. LAMP is rated AAAm by Standard & Poor's.

The dollar weighted average portfolio 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. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. 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 value of the pool share.

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.

Investments:

Statutes authorize the Fund to invest under the Prudent-Man Rule. The Prudent-Man Rule shall require each fiduciary of a retirement system and each board of trustees acting collectively on behalf of the Fund to act with 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 invest sixty percent of the total portfolio in equities but in no event shall equities exceed sixty-five percent of the total portfolio. Also, at least ten percent of the equity allocation must remain indexed to the S&P 500 index.

LOUISIANA CLERKS' OF COURT RETIREMENT AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011 AND 2010

6. DEPOSITS, CASH EQUIVALENTS AND INVESTMENTS: (Continued)

Concentration of Credit Risk:

Concentration of credit risk is defined as the risk of loss attributed to the magnitude of the Fund's investment in a single issuer.

The Fund's investment policy states that no more than 30% of the equity portfolio market value may be invested in any one economic sector. Generally, the equity holdings in any single corporation shall not exceed 5% of the market value of the equity portfolio. In addition, no more than 7% of any fixed income portfolio based on market value at the time of purchase may be invested in any one issuer's securities (exclusive of issues of the U.S. Treasury or other Federal agencies). At June 30, 2011 and 2010, there were no investment holdings that exceeded the Fund's concentration of credit risk investment policy.

The investment policy states that the allocation to international equities will be made by investing in a commingled or mutual fund. The investment in international equities in the form of commingled or mutual funds shall not exceed 20% of the portfolio. The Fund invested in several international equity funds which had a total market value of \$76,692,305 and \$56,598,193 at June 30, 2011 and 2010, respectively. The Fund is in compliance with the investment policy limits of 20% in emerging market countries.

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, 2011 and 2010 for investments in the amount of \$349,608,144 and \$295,585,892 respectively, since investments are in the name of the Fund. The Fund is exposed to custodial credit risk in the amount of \$20,063,879 as of June 30, 2011 as these funds are held in nominee name and not in the name of the Fund. The Fund has no formal investment policy regarding custodial credit risk.

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.

At June 30, 2011 and 2010, the Fund held shares of bond index fund with a market value of \$11,481,014 and 10,662,394 respectively. The average maturity of bonds held by the Fund for the years ended June 30, 2011 and 2010 were 9.04 and 9.15 years respectively.

At June 30, 2010, the Fund held shares of a bond index fund with a market value of \$18,189,504. bonds held by the fund was 6.42 years during the year ended June 30, 2010.

LOUISIANA CLERKS' OF COURT RETIREMENT AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011 AND 2010

6. DEPOSITS, CASH EQUIVALENTS AND INVESTMENTS: (Continued)

Interest Rate Risk (Continued)

For the years ended June 30, 2011 and 2010, the System invested in two commingled funds in the amount of \$98,497,966 and \$136,520,670 for the years ended June 30, 2011 and 2010 respectively. The average maturity for assets held by Pyramis was 13.66 and 14.63 years for the years ended June 30, 2011 and 2010 respectively. The average maturity for Quantitative Core Equity Trust was not available for the years ended June 30, 2011 and 2010

The Fund has no formal policy regarding interest rate risk.

Credit Risk

For the years ended June 30, 2011 and 2010, the System invested in a bond fund in the amount of \$11,481,014 and \$10,662,394 respectively. This bond fund had holdings with an average credit rating of AAA for the years ended June 30, 2011 and 2010. For the year ended June 30, 2010, the System invested in a bond fund in the amount \$18,189,504. This bond fund had holdings with an average credit rating of AA1/AA2 for the year ended June 30, 2010.

For the years ended June 30, 2011 and 2010, the System invested in two commingled funds in the amount of \$98,497,966 and \$136,520,670 for the years ended June 30, 2011 and 2010 respectively. The average credit quality rating for assets held in the amount of \$62,963,642 and \$37,035,670 for the years ending June 30, 2011 and 2010 was A+. The average credit quality rating for assets in the amount of \$35,534,324 and \$99,485,000 for the years ended June 30, 2011 and 2010 was not available.

The Fund's policy regarding credit risk states that fixed income securities shall be limited to those with an S&P/Moody's rating of BBB/Baa or better.

Other Investments:

The Fund invested in hedge funds with market values as of June 30, 2011 and 2010 in the amount of \$27,747,102 and \$10,546,790, respectively. The objective of the hedge fund managers is to manage a portfolio of alternative or non-traditional managers that will seek to earn above-average, risk-adjusted, long-term returns.

LOUISIANA CLERKS' OF COURT RETIREMENT AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011 AND 2010

6. DEPOSITS, CASH EQUIVALENTS AND INVESTMENTS: (Continued)

Other Investments: (Continued)

During the year ended June 30, 2011, the Fund entered into subscription agreements with two master limited partnerships. At June 30, 2011 the market value of the master limited partnerships was \$14,754,915. The fund currently has no additional commitments to the partnerships. These master limited partnerships invest in equities of other limited partnerships which are publically traded.

The Fund provides a fully benefit-responsive Synthetic Guaranteed Investment Contract option for members of the Deferred Retirement Option Plan. This investment consists of two parts: an asset owned directly by the Fund and a wrap contract providing book value protection for participant withdrawals prior to maturity. The investment objective of this investment is to protect members from loss of their original investment and to provide a competitive interest rate. This investment is reported at contract value in the amount of \$11,646,291 and \$8,181,062 as of June 30, 2011 and 2010 respectively. The market value is unknown as of June 30, 2011 and 2010.

7. REIMBURSEMENT TO LOUISIANA CLERKS' OF COURT ASSOCIATION:

The Fund shares an office building, equipment, an automobile and other office expenses with the Clerks' of Court Association and Clerks of Court Insurance Trust, two related parties. Most of the expenses, including the salaries of employees of all three funds, are paid out of the Association. The Fund reimbursed the Association for shared expenses for the years ended June 30, 2011 and 2010 in the amount of \$300,000 and \$288,000 by the Association. There is no formal lease between the related parties.

8. USE OF ESTIMATES:

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America 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.

9. PROPERTY, PLANT AND EQUIPMENT:

Changes in property, plant and equipment are as follows:

	<u>2011</u>	<u>2010</u>
Beginning balance	\$ 72,889	\$ 72,889
Additions	-	-
Disposals	-	-
	<u>72,889</u>	<u>72,889</u>
Less accumulated depreciation	<u>(66,213)</u>	<u>(64,389)</u>
	<u>\$ 6,676</u>	<u>\$ 8,500</u>

Depreciation expense for the years ended June 30, 2011 and 2010 was \$1,824 and \$2,415, respectively.

LOUISIANA CLERKS' OF COURT RETIREMENT AND RELIEF FUND  
 NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011 AND 2010

10. TAX QUALIFICATION:

The Fund is a tax qualified plan under IRS Code Section 401(a).

11. FUNDED STATUS AND FUNDING PROGRESS – RETIREMENT PLAN:

The funded status of the Fund as of June 30, 2011, the most recent actuarial valuation date, is as follows:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
June 30, 2011	\$388,757,787	\$476,251,247	\$87,493,460	81.63	\$87,403,148	100.10

The schedule of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, presents multi-year trend information about whether the actuarial values of the Fund's assets are increasing or decreasing over time relative to the AALs for benefits.

Valuation Date	June 30, 2011
Actuarial Cost Method	Frozen Attained Age Normal Method with allocation based on earnings. The actuarial accrued liabilities utilized to calculate the frozen unfunded accrued liability were calculated on the Projected Unit Credit Cost Method.
Amortization Method	In accordance with Louisiana R. S. 11:103, the payment amounts increase at 4.75% each year for the remaining amortization period. The amortization period is for a specific number of years. (Closed Basis)
Remaining Amortization Period	18 years
Asset Valuation Method	Based on the market value of investment securities adjusted to average in asset earnings above or below the assumed rate of return over a five-year period with limits set at 85% and 115% of the market value of assets. When the adjusted value falls outside of the limits, the actuarial value is set equal to the average of the limited and adjusted value.
Actuarial Assumptions:	
Investment Rate of Return	8% net of investment expense

LOUISIANA CLERKS' OF COURT RETIREMENT AND RELIEF FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011 AND 2010

11. FUNDED STATUS AND FUNDING PROGRESS – RETIREMENT PLAN: (Continued)

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 cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.
Changes in Normal Costs	For the year ended June 30, 2011, the System incurred an increase in normal cost in the amount of \$939,484. This increase was due to an unfavorable asset experience. The increase was offset by a decrease in normal cost in the amount of \$1,677,195 due to new members, positive liability experience and contribution gain.

12. RECLASSIFICATIONS:

Certain reclassifications have been made to the 2010 comparative information to conform to the 2011 presentation. Such reclassifications had no effect on the change in net assets.

LOUISIANA CLERKS' OF COURT RETIREMENT AND RELIEF FUND  
 SUPPLEMENTARY INFORMATION  
 STATEMENTS OF CHANGES IN RESERVE BALANCES  
JUNE 30, 2011 AND 2010

	2011					
	ANNUITY SAVINGS	DROP	FUNDING DEPOSIT ACCOUNT	ANNUITY RESERVE	EMPLOYER RESERVE	UNFUNDED ACTUARIAL LIABILITY
BALANCE - BEGINNING	\$ 58,933,500	\$ 16,482,780	\$ 558,943	\$ 167,079,868	\$ 202,880,437	\$ (144,243,055)
REVENUES AND TRANSFERS:						
Employee contributions	6,720,514	-	-	-	-	-
Employer contributions	-	-	-	-	15,229,073	-
Net investment gain	-	-	44,715	-	67,690,802	-
Tax collector contributions	-	-	-	-	8,059,602	-
Revenue sharing copntributions	-	-	-	-	322,191	-
Repayment of refund	26,642	-	-	-	12,540	-
Miscellaneous income	-	-	-	-	320	-
Transfer from Annuity Savings	-	-	-	3,512,782	-	-
Transfer from Annuity Reserve	-	4,979,707	-	-	-	-
Transfer from Employer Reserve	-	-	-	-	-	-
Transfer from another System	88,132	-	-	-	328,942	-
Actuarial transfer	-	-	-	32,747,939	-	46,075,763
	<u>6,835,288</u>	<u>4,979,707</u>	<u>44,715</u>	<u>36,260,721</u>	<u>91,643,470</u>	<u>46,075,763</u>
EXPENDITURES AND TRANSFERS:						
Refunds to terminated employees	918,722	-	-	-	-	-
Transfer to Annuity Reserve	3,512,782	-	-	-	-	-
Transfer to Funding Deposit Account	-	-	-	-	-	-
Transfer to DROP	-	-	-	4,979,707	-	-
Pensions paid	-	-	-	19,227,637	-	-
Administrative	-	-	-	-	460,467	-
Depreciation	-	-	-	-	1,824	-
DROP benefits	-	1,523,341	-	-	-	-
Transfers to another system	-	-	-	-	-	-
Actuarial transfer	-	-	-	-	78,823,702	-
	<u>4,431,504</u>	<u>1,523,341</u>	<u>-</u>	<u>24,207,344</u>	<u>79,285,993</u>	<u>-</u>
NET INCREASE	<u>2,403,784</u>	<u>3,456,366</u>	<u>44,715</u>	<u>12,053,377</u>	<u>12,357,477</u>	<u>46,075,763</u>
BALANCE - ENDING	<u>\$ 61,337,284</u>	<u>\$ 19,939,146</u>	<u>\$ 603,658</u>	<u>\$ 179,133,245</u>	<u>\$ 215,237,914</u>	<u>\$ (98,167,292)</u>

2010							
<u>TOTAL</u>	<u>ANNUITY SAVINGS</u>	<u>DROP</u>	<u>FUNDING DEPOSIT ACCOUNT</u>	<u>ANNUITY RESERVE</u>	<u>EMPLOYER RESERVE</u>	<u>UNFUNDED ACTUARIAL LIABILITY</u>	<u>TOTAL</u>
\$ 301,692,473	\$ 57,903,737	\$ 13,688,231	\$ 517,540	\$ 156,634,742	\$ 196,196,275	\$ (153,316,431)	\$ 271,624,094
6,720,514	6,741,380	-	-	-	-	-	6,741,380
15,229,073	-	-	-	-	12,933,192	-	12,933,192
67,735,517	-	-	41,403	-	23,926,533	-	23,926,533
8,059,602	-	-	-	-	7,262,923	-	7,262,923
322,191	-	-	-	-	324,108	-	324,108
39,182	74,188	-	-	-	125,340	-	199,528
320	-	-	-	-	17,765	-	17,765
3,512,782	-	-	-	4,978,709	-	-	4,978,709
4,979,707	-	4,241,744	-	-	-	-	4,241,744
-	-	-	-	-	-	-	-
417,074	98,712	-	-	-	256,193	-	354,905
78,823,702	-	-	-	27,972,091	-	9,073,376	37,045,467
<u>185,839,664</u>	<u>6,914,280</u>	<u>4,241,744</u>	<u>41,403</u>	<u>32,950,800</u>	<u>44,846,054</u>	<u>9,073,376</u>	<u>98,026,254</u>
918,722	743,869	-	-	-	-	-	743,869
3,512,782	4,978,709	-	-	-	-	-	4,978,709
-	-	-	-	-	-	-	-
4,979,707	-	-	-	4,241,744	-	-	4,241,744
19,227,637	-	-	-	18,263,930	-	-	18,263,930
460,467	-	-	-	-	408,395	-	408,395
1,824	-	-	-	-	2,415	-	2,415
1,523,341	-	1,447,195	-	-	-	-	1,447,195
-	161,939	-	-	-	705,615	-	867,554
78,823,702	-	-	-	-	37,045,467	-	37,045,467
<u>109,448,182</u>	<u>5,884,517</u>	<u>1,447,195</u>	<u>-</u>	<u>22,505,674</u>	<u>38,161,892</u>	<u>-</u>	<u>67,999,278</u>
76,391,482	1,029,763	2,794,549	41,403	10,445,126	6,684,162	9,073,376	30,068,379
<u>\$ 378,083,955</u>	<u>\$ 58,933,500</u>	<u>\$ 16,482,780</u>	<u>\$ 558,943</u>	<u>\$ 167,079,868</u>	<u>\$ 202,880,437</u>	<u>\$ (144,243,055)</u>	<u>\$ 301,692,473</u>

LOUISIANA CLERKS' OF COURT RETIREMENT AND RELIEF FUND  
 SUPPLEMENTARY INFORMATION  
 SCHEDULES OF ADMINISTRATIVE EXPENSES  
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
PERSONAL SERVICES:		
Board Member - per diem	\$ <u>3,900</u>	\$ <u>2,925</u>
PROFESSIONAL SERVICES:		
Accountant	16,720	16,720
Actuarial	33,960	33,700
Legal	51,450	23,900
Program consultant	9,000	4,800
	<u>111,130</u>	<u>79,120</u>
COMMUNICATION:		
Travel	<u>4,805</u>	<u>3,355</u>
OTHER:		
Archival	7,944	-
Bank charges	1,815	1,250
Insurance	19,027	19,994
Meetings and seminars	8,954	10,827
Miscellaneous	1,326	1,498
Office supplies	1,456	1,426
	<u>40,522</u>	<u>34,995</u>
TOTAL EXPENSES	\$ <u><u>160,357</u></u>	\$ <u><u>120,395</u></u>

LOUISIANA CLERKS' OF COURT RETIREMENT AND RELIEF FUND  
 SUPPLEMENTARY INFORMATION  
 SCHEDULES OF PER DIEM PAID TO TRUSTEES  
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010

The per diem paid to the trustees is an expenditure of the Fund. For 2011 and 2010, the trustees received per diem at the rate of \$75.00 for attendance of a regularly scheduled meeting of the Board of Trustees. Per diem paid to the trustees for the years ended June 30, 2011 and 2010 are as follows:

<u>Trustee</u>	<u>2011</u>	<u>2010</u>
Ann Ardoin	\$ 525	\$ -
Andy Barousse	-	75
Robert Barousse	75	225
Louie Bernard	525	375
Kermit Bourque	450	375
Cliff Dressel	450	375
Tammy Foster	525	75
Mark Graffeo	450	375
Bill Hodge	-	300
H. Lynn Jones	450	75
Gary Loftin	450	375
Michael Thibodeaux	-	300
	<u>\$ 3,900</u>	<u>\$ 2,925</u>

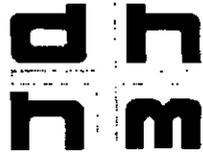
LOUISIANA CLERKS' OF COURT RETIREMENT AND RELIEF FUND  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULES OF CONTRIBUTIONS – EMPLOYERS AND OTHER SERVICES  
FOR THE YEARS ENDED JUNE 30, 2006 THROUGH 2011

<u>Fiscal Year</u>	<u>Actuarial Required Contributions Employer</u>	<u>Actuarial Required Contributions Other Sources</u>	<u>Percent Contributed Employer</u>	<u>Percent Contributed Other Sources</u>
2006	\$13,034,919	\$5,264,449	87.11%	104.64%
2007	8,966,665	5,811,504	141.21	100.33
2008	9,196,784	6,142,133	108.61	106.61
2009	10,032,170	6,897,827	101.59	104.74
2010	15,145,456	7,985,608	85.39	95.01
2011	15,058,335	8,219,879	101.13	101.97

For the years ending June 30, 2006 through 2011, the actuarially required contribution differs from actual contributions made due to state statute that requires the contribution rate be calculated and set two years prior to the year effective.

LOUISIANA CLERKS' OF COURT RETIREMENT AND RELIEF FUND  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF FUNDING PROGRESS  
JUNE 30, 2006 THROUGH 2011

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
June 30, 2006	\$288,606,478	\$371,386,765	\$82,780,287	77.71%	\$70,935,731	116.70%
June 30, 2007	325,278,452	409,351,418	84,072,966	79.46	78,384,249	107.26
June 30, 2008	356,502,864	441,718,760	85,215,896	80.71	83,637,009	101.89
June 30, 2009	338,755,452	424,940,525	86,185,073	79.72	85,840,893	100.40
June 30, 2010	358,981,529	445,935,528	86,953,999	80.50	86,484,686	100.54
June 30, 2011	388,757,787	476,251,247	87,493,460	81.63	87,403,148	100.10



DUPLANTIER, HRAPMANN,  
HOGAN & MAHER, L.L.P.

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(1919-1985)  
FELIX J. HRAPMANN, JR., C.P.A.  
(1919-1990)  
WILLIAM R. HOGAN, JR., CPA  
(1920-1996)  
JAMES MAHER, JR., C.P.A.  
(1921-1999)

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

October 6, 2011

Louisiana Clerks' of Court  
Retirement and Relief Fund  
Board of Trustees  
11745 Bricksome Ave., Suite B-1  
Baton Rouge, LA 70816

We have audited the financial statements of Louisiana Clerks' of Court Retirement and Relief Fund, as of and for the year ended June 30, 2011, and have issued our report thereon dated October 6, 2011. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Louisiana Clerks' of Court Retirement and Relief Fund's internal control over financial reporting as a basis for designing our auditing procedures 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 Louisiana Clerks' of Court Retirement and Relief Fund's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Louisiana Clerks' of Court Retirement and Relief Fund's internal control over financial reporting.

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, detect or 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.

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Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

#### Compliance and Other Matters

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

This report is intended solely for the use of the Board of Trustees and the Office of the Legislative Auditor of the State of Louisiana, and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Duplantier, Hrapmann, Hogan & Maher, LLP*

LOUISIANA CLERKS' OF COURT RETIREMENT AND RELIEF FUND  
SUMMARY SCHEDULE OF FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2011

SUMMARY OF AUDITORS RESULTS:

1. The opinion issued on the financial statements of Louisiana Clerks' of Court Retirement and Relief Fund for the year ended June 30, 2011 was unqualified.
2. Internal Control  
Significant deficiencies/Material weaknesses: None noted
3. Compliance and Other Matters  
Noncompliance material to financial statements: None noted

SUMMARY OF PRIOR YEAR FINDINGS:

None