

COMPLIANCE AUDIT

Allegheny County District Attorney Detectives' Retirement Fund

Allegheny County, Pennsylvania
For the Period
January 1, 2018 to December 31, 2022

June 2023



Commonwealth of Pennsylvania
Department of the Auditor General

Timothy L. DeFoor • Auditor General



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**TIMOTHY L. DEFOOR
AUDITOR GENERAL**

Board of Trustees
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Allegheny County
Pittsburgh, PA 15216

We have conducted a compliance audit of the Allegheny County District Attorney Detectives' Retirement Fund for the period January 1, 2018 to December 31, 2022. We also evaluated compliance with some requirements subsequent to that period when possible. The audit was conducted pursuant to authority derived from the Municipal Pension Plan Funding Standard and Recovery Act (Act 205 of 1984, as amended, 53 P.S. § 895.402(j)), which requires the Auditor General, as deemed necessary, to audit every municipality which receives general municipal pension system state aid and every municipal pension plan and fund in which general municipal pension system state aid is deposited. The audit was not conducted, nor was it required to be, in accordance with Government Auditing Standards issued by the Comptroller General of the United States. We planned and performed the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our conclusions based on our audit objective.

The objective of the audit was to determine if the pension plan was administered in compliance with applicable state laws, regulations, contracts, administrative procedures, and local ordinances and policies.

Our audit was limited to the areas related to the objective identified above. To determine whether the pension plan was administered in compliance with applicable state laws, regulations, contracts, administrative procedures, and local ordinances and policies, our methodology included the following:

- Whether state aid was properly determined and deposited in accordance with Act 205 requirements by verifying the annual deposit date of state aid and determining whether deposits were made within 30 days of receipt for all years within the period.

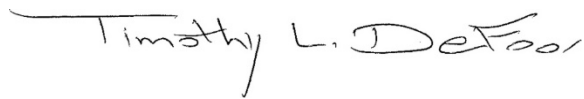
- Whether retirement benefits calculated pursuant to the supplemental District Attorney Detectives' pension plan for plan members who retired during the engagement period represent payments to all (and only) those entitled to receive them and were properly determined and disbursed in accordance with the plan's governing document, applicable laws, and regulations by recalculating the amount of the monthly pension benefits due to the retired individuals and comparing these amounts to supporting documentation evidencing amounts determined and actually paid to the recipients.

County officials are responsible for establishing and maintaining effective internal controls to provide reasonable assurance that the Allegheny County District Attorney Detectives' Retirement Fund is administered in compliance with applicable state laws, regulations, contracts, administrative procedures, and local ordinances and policies. As previously described, we tested transactions, interviewed selected officials, and performed procedures to the extent necessary to provide reasonable assurance of detecting instances of noncompliance with legal and regulatory requirements or noncompliance with provisions of contracts, administrative procedures, and local ordinances and policies that are significant within the context of the audit objective.

The results of our procedures indicated that, in all significant respects, the Allegheny County District Attorney Detectives' Retirement Fund was administered in compliance with applicable state laws, regulations, contracts, administrative procedures, and local ordinances and policies.

The accompanying supplementary information is presented for purposes of additional analysis. We did not audit the information or conclude on it and, accordingly, express no form of assurance on it.

The contents of this report were discussed with officials of Allegheny County District Attorney Detectives' Retirement Fund and, where appropriate, their responses have been included in the report. We would like to thank county officials for the cooperation extended to us during the conduct of the audit.



Timothy L. DeFoor
Auditor General
June 13, 2023

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BACKGROUND

The Allegheny County District Attorney Detectives' Retirement Fund is a single-employer defined benefit pension plan locally controlled by the provisions of a plan document effective January 1, 1999, as amended. The pension plan was established to provide pension benefits to eligible Allegheny County District Attorney Detectives and their beneficiaries in addition to any pension benefits provided through the Allegheny County Employees Retirement System. The plan is also subject to the provisions of Act 293 of 1972 (P.L. 1383, No. 293).

ALLEGHENY COUNTY DISTRICT ATTORNEY DETECTIVES' RETIREMENT FUND
 SUPPLEMENTARY INFORMATION
 (UNAUDITED)

SCHEDULE OF FUNDING PROGRESS

Historical trend information about the plan is presented herewith as supplementary information. It is intended to help users assess the plan's funding status on a going-concern basis, assess progress made in accumulating assets to pay benefits when due, and make comparisons with other state and local government retirement systems.

The actuarial information is required by Act 293 biennially. The historical information, beginning as of January 1, 2018, is as follows:

	(1)	(2)	(3)	(4)
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded (Assets in Excess of) Actuarial Accrued Liability (b) - (a)	Funded Ratio (a)/(b)
01-01-18	\$ 3,520,220	\$ 3,409,386	\$ (110,834)	103.3%
01-01-20	4,065,841	4,185,069	119,228	97.2%
01-01-22	5,181,890	4,538,666	(643,224)	114.2%

ALLEGHENY COUNTY DISTRICT ATTORNEY DETECTIVES' RETIREMENT FUND
SUPPLEMENTARY INFORMATION
(UNAUDITED)

The comparability of trend information is affected by changes in actuarial assumptions, benefit provisions, actuarial funding methods, accounting policies, and other changes. Those changes usually affect trends in contribution requirements and in ratios that use the actuarial accrued liability as a factor.

Analysis of the dollar amount of the actuarial value of assets, actuarial accrued liability, and unfunded (assets in excess of) actuarial accrued liability in isolation can be misleading. Expressing the actuarial value of assets as a percentage of the actuarial accrued liability (Column 4) provides one indication of the plan's funding status on a going-concern basis. Analysis of this percentage, over time, indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the plan.

ALLEGHENY COUNTY DISTRICT ATTORNEY DETECTIVES' RETIREMENT FUND
 SUPPLEMENTARY INFORMATION
 (UNAUDITED)

SCHEDULE OF CONTRIBUTIONS

Year Ended December 31	Actuarially Determined Contribution*	Actual Contributions	Contribution Deficiency (Excess)	Covered- Employee Payroll	Contributions as a Percentage of Covered- Employee Payroll
2014	\$ 216,870	\$ 216,870	\$ -	\$ 2,084,970	10.40%
2015	213,071	213,071	-	2,661,723	8.01%
2016	233,486	233,486	-	2,598,448	8.99%
2017	253,885	253,885	-	2,166,992	11.72%
2018	261,573	261,573	-	2,626,265	9.96%
2019	284,288	284,288	-	2,818,842	10.09%
2020	285,920	285,920	-	2,616,554	10.93%
2021	279,449	279,449	-	2,623,151	10.65%
2022	275,434	275,434	-	2,498,695	11.02%

* *The actuarially determined contribution is the actual state aid received each year.*

ALLEGHENY COUNTY DISTRICT ATTORNEY DETECTIVES' RETIREMENT FUND
SUPPLEMENTARY INFORMATION
NOTES TO SUPPLEMENTARY SCHEDULES
(UNAUDITED)

The information presented in the supplementary schedules was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation date follows:

Actuarial valuation date	January 1, 2022
Actuarial cost method	Entry age normal
Amortization method	Level dollar, closed
Remaining amortization period	N/A
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return	7.00%

ALLEGHENY COUNTY DISTRICT ATTORNEY DETECTIVES' RETIREMENT FUND
REPORT DISTRIBUTION LIST

This report was initially distributed to the following:

The Honorable Joshua D. Shapiro
Governor
Commonwealth of Pennsylvania

Ms. Jackelyn Weibel
President, Board of Trustees

Mr. Kevin Flanigan
Vice President, Board of Trustees

This report is a matter of public record and is available online at www.PaAuditor.gov. Media questions about the report can be directed to the Pennsylvania Department of the Auditor General, Office of Communications, 229 Finance Building, Harrisburg, PA 17120; via email to: news@PaAuditor.gov.