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**District Attorneys' Retirement Systems  
Board of Trustees Meeting  
June 28, 2021**

The meeting of the Board of Trustees of the Louisiana District Attorneys' Retirement System was held on Monday, June 28, 2021, at 2:00 p.m. at the Sandestin Resort in Destin, FL.

**Present:** Anthony Falterman, Don Burkett, Dale Lee, Todd Nesom, Scott Perrilloux, Andy Shealy, and Reed Walters

**Also Present:** Kristi Spinosa, Sharon Hill, Gwen Hicks, Aaron Vann, Bo Duhe', Garrett Orgeron, Krissy Orgeron, and Theo Sanders

**Absent:** Senator Kirk Talbot and Representative John Illg

Roll call was conducted and there was a quorum.

Tony Falterman asked the group to review the agenda regarding the following two statements concerning conflicts disclosure:

- I have reviewed the agenda, and I have no conflicts of interest to disclose.
- If a conflict arises during this meeting, I will disclose it and take appropriate action to resolve it.

The group reviewed the agenda and no conflicts were reported.

A motion was made and seconded to approve the May 20, 2021, minutes as presented. The motion carried.

A motion was made and seconded to approve the financial statements for May 2021 and the preliminary financial statement for June 2021. The motion carried.

A motion was made, seconded, and unanimously approved to accept the following retirements:

- Gail Schlosser, retired effective 5/17/2021, Maximum, benefit amount \$2,215.22;
- Ken Dohre, retired effective 6/5/2021, Option 2, benefit amount \$5,311.51;
- Michael W. Lee, retired effective 7/1/2021, Maximum, benefit amount \$2,903.84;
- Cynthia Guillory, retired effective 6/4/2021, Option 2, benefit amount \$3,941.21

The following deaths were reported:

- Richard Olsen, died 6/14/2021, no further benefit due

Aaron Vann reported that the total portfolio appreciated 20.60% for the fiscal year beginning July 1, 2020, while the index has appreciated 18.83%. The total portfolio appreciated 2.39% for the first quarter ending March 31, 2021, while the index has appreciated 1.96%. The portfolio appreciated 6.32% while the index appreciated 5.92% for the year to date through June 24, 2021. As of June 24, 2021, all assets total \$512,492,215.

Aaron Vann stated that a year ago, we thought that 2021 profits would remain below pre-pandemic levels, but subsequently we now see results at least 10% higher and stock prices being handsomely rewarded. He stated that with the rollout of vaccines for COVID, life could return to normal by the fall of 2021. A more realistic view on the federal budget over the next year suggests that the federal government will hit a new record high debt-to-GDP ratio by the end of FY2021. The economic recovery should accelerate in the second half of 2021, and job gains should follow as service sectors rebound in late 2021. The unemployment rate should fall to between 4.5% and 5% by the end of 2021, and to between 3.5% and 4% by the end of 2022. S&P 500 earnings

are poised to hit a new all-time high in 2021. Inflation should rise, but not surge. The Federal Reserve remains accommodative and has pledged to hold the federal funds rate at its current 0-0.25% target range until inflation is at 2% and on track to moderately exceed 2% for some time. Treasury yields have fallen to near-historic lows and real yields are negative. Valuations are high for U.S. equities and are likely to continue to grow quickly in the year ahead which should lead to some compression in the ratios. The plain vanilla 60/40 portfolio will be very low in the next few years, which highlights the urgency of finding other ways to boost portfolio returns without taking on inordinate amounts of risk. While growth has outperformed in recent years, value may do better over the next year or two. International stocks offer long-term opportunities.

Mr. Vann updated the Board on the Rastegar portfolio stating that the portfolio has been affected recently by COVID issues. Local restrictions have been extended another month regarding evictions due to COVID. Rastegar has implemented cost savings programs to reduce expenses and conserve cash. VEM has recommended to Rastegar that they continue to postpone quarterly distributions to conserve cash and protect the asset value of the portfolio. As conditions continue to improve, VEM would expect Rastegar to re-instate distributions. Unpaid distributions will accrue.

John Vann reported that Dorsey and Company has chosen to sell the firm to the parent company of a like-minded, independent broker-dealer/RIA, Prospera Financial Services, based in Dallas.

At the last meeting, Aaron Vann reported that VEM has been in contact with Setter Capital, an independent investment bank primarily focused on the private equity secondary market, and they have provided information on a buyer of the Louisiana Funds assets at 18% on the NAV. The Board accept the offer. DARS ran into problems with the contract with Setter Capital, so we do not have a signed contract, just a letter of intent. Now, Louisiana Funds wants to pay us \$1.2M. Kristi Spinosa and outside counsel are working on the details of whether we can get out of our letter of intent.

Ms. Spinosa reported on Diaz v. DARS, stating that the motion for summary judgment was denied. Now Mr. Diaz has filed a supervisory writ order. Ms. Spinosa will file an opposition soon.

She also reported that our legislative bill, HB 25 (Act 139), passed without any problems.

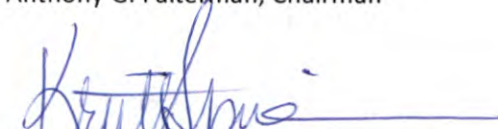
The LAPERS Seminar is scheduled for September 12-14, 2021, in New Orleans. Andy Shealy stated that we need to look for alternatives for Trustee education. Tony Falterman generally attends the Latec Investment Symposium by OPAL Group every year, but it is also held in New Orleans. Kristi Spinosa was planning to go to the National Association of Public Pension Attorneys (NAPPA) to check out the content, but it went virtual and was not worth the registration price. This year LAPERS will have a couple of more legal sessions that may be better suited for attorneys. Another option would be to bring in someone, like Greg Curran, after each Board meeting for an extra hour for education credit.

The date of the next meeting is Sunday, September 12, 2021, at 9:00 a.m. in conjunction with the LAPERS Seminar in New Orleans, LA.



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Anthony G. Falterman, Chairman



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Kristi Spinosa, Director