

District Attorneys' Retirement Systems
Board of Trustees Meeting
September 18, 2022

The meeting of the Board of Trustees of the Louisiana District Attorneys' Retirement System was held on Sunday, September 18, 2022, at 9:00 a.m. at the New Orleans Marriott.

Present: Anthony Falterman, Brad Burget, Don Burkett, Houston Gascon III, Scott Perrilloux, Andy Shealy, and Rep. John Illg.

Also Present: Kristi Spinosa, Sharon Hill, Greg Curran, Aaron Vann, Premal Amin, Richard Babb, and Roxie and Don Juneau.

Absent: Todd Nesom, Reed Walters, and Senator Kirk Talbot.

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.

Tony Falterman stated that he cannot participate in any Rastegar discussions because he has investments with them. No other conflicts were reported.

A motion was made and seconded to approve the June 26, 2022, minutes as presented. The motion carried. Hammy Gascon abstained from the vote.

A motion was made and seconded to approve the financial statements for June, July, and August 2022. The motion carried. Kristi Spinosa pointed out that we are breaking \$2M in retirement benefits every month now.

Tony Falterman reported that Brad Burget and Houston C. Gascon, III, were elected to the Board of Trustees in August 2022. They will each serve a five-year term.

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

- Roger W. Jordan, Jr., retired effective 1/10/22, Maximum, benefit amount \$3,385.76;
- Sharon L. Andrews, retired effective 7/9/22, Maximum, benefit amount \$1,540.10;
- Allen J. Myles, Sr., retired effective 6/1/22, Maximum, benefit amount \$712.07;
- Michele Billeaud, retired effective 6/18/22, Option 2, benefit amount \$4,870.75;
- Roberta Kitchens, retired effective 6/13/22, Option 2, benefit amount \$2,293.51;
- Josephine Heller, retired effective 8/2/22, Maximum, benefit amount \$6,617.31;
- Robert L. Freeman, Jr., retired effective 8/30/22, Maximum, benefit amount \$10,329.74;
- Louis Delahaye, retired effective 8/13/22, Option 2, benefit amount \$5,665.25;
- Darren M. Roy, retired effective 9/24/22, Option 2, benefit amount \$5,000.05.

The following retiree deaths were reported:

- Lee Wilson, died 5/29/22, Option 2, survivor benefit \$3,673.67;
- Michael J. Scurto, died 8/29/22, Option 2, survivor benefit \$1,672.12.

Aaron Vann introduced Premal Amin, Chief Operations Officer of Rastegar, who addressed the group stating that the real estate DARS is invested in is doing well after COVID. They are mostly caught up on rents since the rent moratorium ended in November 2021, and they are down from 140 evictions to 22 with an 80% occupancy. He also stated that they are current with quarterly payments to DARS.

Richard Babb, Managing Director at Louisiana Funds, presented an overview of Louisiana Funds I and Louisiana Funds II. Tony Falterman questioned Mr. Babb about the funds and their potential value. Mr. Falterman asked Mr. Babb to provide him with the names of the bankers who set the potential value.

Louisiana Funds II has a capital call of \$100K, which is the last call of our initial investment commitment.

Aaron Vann asked Mr. Babb to put him in touch with the other investors to pursue the sale of DARS' investment with Louisiana Funds.

Aaron Vann reported that the total portfolio appreciated 3.98% for the fiscal year beginning July 1, 2022, while the index has appreciated 2.60%. The total portfolio appreciated 3.98% for the 2nd quarter ending June 30, 2022, while the index has appreciated 2.60%. Updated year-to-date through September 13, 2022, the portfolio depreciated -11.02% while the blended index depreciated -11.85%. As of September 13, 2022, all assets total \$474,939,149.

Mr. Vann reported that the U.S. economy is beginning to lose momentum and there is a growing danger that the U.S. economy could slip into recession. The federal budget deficit will likely fall from 12.4% of GFP to less than 4% of GDP, which would be the single biggest decline since the demobilization following the end of World War II.

The unemployment rate is down to 3.6% from 6.2% a year ago. Inflation has remained elevated well above the Fed's 2% target. By the end of 2023 the rate could be 3.75% or even 4%. S&P 500 earnings should grow more slowly after soaring in 2021. Inflation has become a global concern and most central banks are tightening policy to combat it.

High inflation, falling unemployment, and the Fed's much more hawkish stance led to a sharp back up bond yields in the first half of 2022, resulting in negative returns across fixed income markets. U.S. equity valuations have fallen below their 25-year average. 2022 has been a challenging year for most asset classes.

Mr. Vann stated that if State Pension Funds were not allowed to use BlackRock, Vanguard, or State Street SPDR as ETF's it would be problematic but we could find replacement ETF's although they would likely come at a slightly higher cost and some form of variation or tilt and not be index specific as ones currently run by the big three.

Krist Spinosa asked the Board about taking a trip to VEM headquarters in Dallas in February or March 2023. The Board agreed.

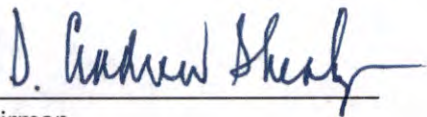
Ms. Spinosa reported that COLAs went into effect on July 1, 2022. We had to have some programming done on the DARS system so we may need to make a budget adjustment at some point. She also stated that we had to make program changes for the new W-4P for Federal tax withholdings which also increased our programming costs.

Kristi Spinosa asked the Trustees if they use their DARS email accounts, and if not, we could cancel them and reduce costs. The Board agreed to cancel DARS email addresses for Trustees.

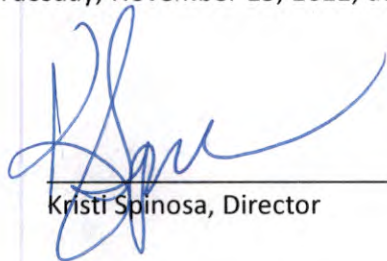
Ms. Spinosa reported that she held an administrative webinar training for all entities that report contributions for our members.

She reminded the Trustees about the VEM/Dorsey sponsored dinner to be held on Monday, September 19, 2022, at 7:00 at Antoine's in New Orleans.

The next meeting of the Board of Trustees will be at 12:30 p.m. on Tuesday, November 15, 2022, at the Golden Nugget Casino in Lake Charles following the Fall Meeting of Elected DAs.



Chairman



Kristi Spinosa, Director