

THE PROSECUTION RESTS

NEWS AND INFORMATION ABOUT DARS

Fall 2022 - Vol. 15

2022 BOARD OF TRUSTEE ELECTION RESULTS



Please join us in sharing a warm welcome to our two new Board of Trustee members! The Honorable Bradley R. Burget, District Attorney, 7th Judicial District (left), now holds the active member seat for Division B, and Houston C. “Hammy” Gascon III (right) was elected to the newly created retired assistant district attorney position.

The Honorable Brad Burget

Bradley R. Burget was elected District Attorney for 7th Judicial District (Catahoula and Concordia Parishes) in October 2008 and took office in January of 2009. Prior to his election, Brad served as First Assistant District Attorney and as Assistant District Attorney from 2002 to 2008 in Catahoula and Concordia Parishes. He also served as an Assistant District Attorney in Jefferson Parish from 1998 to 2002.

Brad has been a member of DARS and the LDAA for over 24 years. He has served on the LDAA Board of Directors and currently holds the NDAA State Director position.

Houston C. “Hammy” Gascon III

Houston C. “Hammy” Gascon III is no stranger to the DARS Board of Trustees. Prior to this election, Hammy served on the Board from 1997 to 2017. As a career prosecutor, Hammy has the distinction of having served as both an Assistant District Attorney and elected District Attorney. He was the District Attorney for the 18th Judicial District from 1981-1990. During this time, he also served a term as President of the LDAA Board of Directors.

Mr. Gascon rejoined the prosecutorial ranks as the First Assistant District Attorney in the 22nd Judicial District from 1992 until his retirement in 2015.

He currently resides in Covington with his wife of 55 years. They have one child and two grandsons.

BOARD OF TRUSTEES

CHAIRMAN

Anthony G.
“Tony” Falterman

BOARD MEMBERS

Bradley R. “Brad”
Burget
Don M. Burkett
Houston C. “Hammy”
Gascon III
Scott M. Perrilloux
H. Todd Nesom
S. Andrew “Andy”
Shealy
J. Reed Walters

EX-OFFICIO MEMBERS

Sen. Kirk Talbot
Rep. John Ilig, Jr.

DARS STAFF

DIRECTOR

Kristi Garcia Spinosa

PENSION ASSISTANTS

Sharon Hill
Gwen Hicks

NEXT BOARD MEETING

The final meeting of 2022 will be held in Lake Charles on Thursday, November 15, 2022, immediately following the Fall Meeting of Elected DAs.

URGENT TAX INFORMATION FOR RETIREES AND BENEFICIARIES

We are very pleased with the high number of initial responses to our August 29th notice!

For those who have not yet completed the revised W-4P, please submit it ASAP or seek help from a tax professional if needed. **While we pride ourselves on a high level of hands-on member service, DARS STAFF IS STRICTLY PROHIBITED FROM DISPENSING TAX ADVICE OR AIDING IN COMPLETION OF THE FORM.**

The W-4P for Monthly Benefits

If you choose not to submit the new form (or submit an incomplete form), we are required by federal law to withhold at the rate of *single with no adjustments* beginning with your January 1, 2023, monthly benefit. There is no “penalty” for deciding to withhold at the legally mandated default rate. If you decide to go this route and are not comfortable with the amount withheld in January, you may still submit a new W-4P at any time. Please note that the October 1, 2022, internal DARS deadline has passed. If your form is not received prior to the processing of January 2023 benefits, the default rate will be used for that month.

The form is available at: <https://www.irs.gov/pub/irs-pdf/fw4p.pdf> or call the DARS office.

The W-4R for Nonperiodic Distributions (including BackDROP)

The IRS has split the existing W-4P form into two new forms – Form W-4P to be used for monthly benefits (see above), and the newly created Form W-4R to be used for nonperiodic payments, including those from DROP/BackDROP accounts. Retirees and beneficiaries only need to complete a W-4R if requesting any type of disbursement other than a monthly pension benefit. As of December 1, 2022, the W-4R will be included in all DARS forms related to DROP/BackDROP disbursements, rollovers out of DARS, and refund of employee contribution requests.

Nonperiodic distributions are subject to a 10% withholding rate unless a different rate is elected on the W-4R. Eligible rollover distributions are subject to a mandatory 20% withholding rate on the taxable amount of the distribution unless a higher rate is elected.

**Recent Retirees
January – September 2022**

Richard Feinberg	Josephine Heller
John Michael Lawrence	Robert Freeman, Jr.
Martha Elliot	Louis Delahaye
Stephen Sylvester	Darron Roy
Michael Weinberg	Darwin Miller
Larry Buquoi	Camille Buras-Tifft
Charlotte Foster	Larry Bossier
Terri Andrews	Roger Jordan
Michael Poirrier	Sharon Andrews
Allen Myles, Sr.	Roberta Kitchens
Michele Billeaud	

**Retiree & Beneficiary Deaths
January – September 2022**

Faye Underwood Brown
 Wiley Ray Dial
 Paul Moresi, Jr.
 Dracos Burke
 Lee Wilson
 Michael Scurto
 Charles Gravel
 Leslie Ligon, Jr.
 Willard Armitage, Jr.
 David Hufft
 Abbott Reeves
 Gladys Jewell

DARS PORTFOLIO BY ASSET CATEGORY



Holding	Market Value	Units	Price	Percent
▶ Equity	\$253,837,209.99	--	--	56.14 %
▶ Bond	\$159,435,156.57	--	--	35.26 %
▶ Money Market	\$38,886,554.60	--	--	8.60 %
	\$452,158,921.16			100.00 %

District Attorneys' Retirement Systems
Board of Trustees Meeting
March 17, 2022

The meeting of the Board of Trustees of the Louisiana District Attorneys' Retirement System was held on Thursday, March 17, 2022, at 9:30 a.m. at the DARS office in Baton Rouge, LA.

Present: Anthony Falterman, Scott Perrilloux, Dale Lee, Andy Shealy, Todd Nesom, Reed Walters, Representative John Illg

Also Present: Kristi Spinosa, Gwen Hicks, Aaron Vann, Steve Rueb

Participating via Webex: Don Burkett and Cyndi McKinney

Absent: 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.

No conflicts were reported.

A motion was made and seconded to approve the January 27, 2022, minutes as presented. The motion carried.

A motion was made and seconded to approve the financial statements for January and February 2022. The motion carried.

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

- Larry S. Bossier, retired effective 1/25/2022, Option 2, benefit amount \$2,928.52

There were no retiree deaths to report.

Aaron Vann reported that the total portfolio depreciated -5.17% for the fiscal year beginning July 1, 2021, while the index has depreciated -4.89%. The total portfolio appreciated 3.93% for the fourth quarter ending December 31, 2021, while the index has appreciated 3.52%. Updated year-to-date through March 15, 2022, the portfolio depreciated -8.12% while the index depreciated -8.22%. As of March 15, 2022, all assets total \$485,880,240.

Steve Rueb, Dorsey & Company, provided an overview of the portfolio and talked about performance. He also provided perspective on the fixed income market as we move to take on higher inflation over the next few years and how that will affect rates and the portfolio. He reviewed their economic policy. Mr. Rueb stated that the stock market is up 90% from the lows and the housing market is up 30% from mid-2020. Commodities (CRB Index) is up 125% from mid-2020.

Mr. Rueb stated that based on CBO scoring of current law, Federal spending will drop in fiscal 2022 to \$5.55 trillion from \$6.85 trillion, which is a \$1.3 trillion Y/Y drop in spending, equivalent to around 6% of GDP. The bulk of the Y/Y decline will concentrate in 2Q of 2022. He reviewed the economic implications including the slowing economy Federal Reserve

(mis)step in monetary policy timing, long-term interest rates falling, recession probability rising, and inflation falling from 7% down to 4%-5% range.

Mr. Rueb explained their use of EFTs and explained the spread on yield curves and the floating of curves.

Aaron Vann stated that he would like to rotate presentations from different managers at upcoming DARS meeting so the Trustees can meet them.

Mr. Vann reported that the pandemic continues but its impact on the economy has diminished. Fiscal support provided by the federal government is also diminishing. The U.S. economy will continue its rebound until it reaches capacity limits. Unemployment has fallen and wages have risen. S&P 500 earnings are poised to moderate after hitting an all-time high in 2021. Slower economic growth, higher wage costs, higher interest rates and potentially higher corporate taxes could make further profit gains much more difficult to achieve. Inflation will moderate from its highs but remain above the Fed's 2% target. Interest rates are likely to resume their ascent. Valuations are high for U.S. equities.

Aaron Vann discussed buying power vs. selling pressure. He stated that a potentially positive sign is that the weakest small caps have not set new highs since January, suggesting that small stocks may have seen the worst of their declines. He also stated that performance in equities vs the benchmark is still mostly outperforming.

Kristi Spinosa disseminated a copy of a letter from John Schroder, Louisiana State Treasury, regarding the Russian invasion of Ukraine. Mr. Schroder urges all Louisiana retirement systems to divest any investments in any Russian entities and give strong consideration to future investment decisions and how it negatively impacts Louisiana jobs and the economy. HB 25 supports this concept.

Aaron Vann verified that we do not have any Russian exposure.

Kristi Spinosa discussed HB 213, a Law Institute bill, which has unintended consequences with beneficiaries after the death of a retiree. It is intended to go into the Civil Code to fix issues when member is divorced, then dies, and has not changed their beneficiary. All the retirement systems are looking at this bill with the author.

Greg Curran disseminated the recommended assumptions for actuarial equivalence and option factors beginning July 1, 2022, for review. A motion was made and seconded to approve the actuarial equivalence and option factors as presented. The motion carried.

At its February 2022 meeting PRSAC adopted the recommended valuation rate of 9.50%. A motion was made and seconded to set the DARS FY2023 Employer Rate at 9.50% effective July 1, 2022. The motion carried.

Greg Curran presented an hour of actuarial education for the DARS Trustees.

A motion was made and seconded to hold a Board of Trustees meeting on Sunday, June 26, 2022, in Destin, FL, in conjunction with the LDA Annual Conference. The motion carried.



Anthony G. Falterman, Chairman

s/Kristi Spinosa

Kristi Spinosa, Director

District Attorneys' Retirement Systems
Board of Trustees Meeting
June 26, 2022

The meeting of the Board of Trustees of the Louisiana District Attorneys' Retirement System was held on Sunday, June 26, 2022, at 1:00 p.m. at the Sandestin Resort in Destin, FL.

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

Also Present: Kristi Spinosa, Sharon Hill, Gwen Hicks, Aaron Vann, and Ari Rastegar

Absent: Representative John Illg 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.

No conflicts were reported.

A motion was made and seconded to approve the March 17, 2022, minutes as presented. The motion carried.

A motion was made and seconded to approve the financial statements for March, April, and May 2022. The motion carried.

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

- Richard Feinberg, retired effective 12/31/21, Option 2, benefit amount \$2,170.89;
- John Michael Lawrence, retired effective 2/7/22, Option 2, benefit amount \$2,841.83;
- Martha Elliott, retired effective 1/29/22, Maximum, benefit amount \$3,650.76;
- Stephen Sylvester, retired effective 2/19/22, Option 2, benefit amount \$8,609.35;
- Michael S. Weinberg, retired effective 4/4/22, Option 2, benefit amount \$3,886.77;
- Larry Buquoi, retired effective 3/1/22, Maximum, benefit amount \$6,311.17;
- Charlotte Foster, retired effective 5/3/22, Maximum, benefit amount \$6,319.74;
- Terri Andrews, retired effective 4/6/22, Maximum, benefit amount \$1,888.52;
- Michael Poirier, retired effective 4/1/22, Option 2, benefit amount \$3,603.42.

The following retiree deaths were reported:

- Faye Underwood Brown, died 3/28/2022, no further benefits due;
- Wiley Ray Dial, died 3/31/2022, survivor benefit \$3,639.37;
- Paul Moresi, Jr., died 4/25/22, survivor benefit \$3,519.78;
- Dracos D. Burke, died 4/20/22, no further benefits due.

Ari Rastegar addressed the group stating that one of their apartment complexes just sold and they are returning \$1M of our investment this week, ahead of schedule by one year, with a 42.7% return.

Aaron Vann reported that the total portfolio depreciated -10.52% for the fiscal year beginning July 1, 2021, while the index has depreciated -11.43%. The total portfolio depreciated -3.98% for the first quarter ending March 31, 2022, while the index has depreciated -4.81%. Updated year-to-date through June 22, 2022, the portfolio depreciated -13.32% while the index depreciated -14.53%. As of March 15, 2022, all assets total \$461,080,269.43.

Aaron Vann reported on the current portfolio value stating that the cash value is at 17%. He suggested moving Dorsey back to \$100M (currently \$75M) and he also suggested that we re-up with TWC Direct Lending in the next cycle. The Board agreed.

Kristi Spinosa led a discussion to explore the possibility of purchasing the Quail Drive building from LDAA. DARS would no longer be paying rent, but spending cash for the purchase of the building as an investment. Discussion was had. A motion was made and seconded to form a small committee to discuss with LDAA and obtain an appraisal. Ari Rastegar stated he could handle the appraisal. The motion carried.

Ms. Spinosa stated that the Board of Trustee election letter with the notice of intention will be mailed on July 1. The notice of intention form must be received by the DARS office by July 13. Ballots, if needed, will be mailed on July 20 and opened on August 5.

Discussion was had on adding an additional Trustee to Board next Session.

Discussion was had on a letter from Greg Curran concerning the retirement calculation on Roger Jordan. Mr. Jordan had repaid service credit from the old 3.0% plan that had a retirement age of 62. He is retiring at age 60, so the old service credit may be considered early retirement. Discussion was had. A motion was made and seconded to approve the retirement at no reduction. The motion carried.

Kristi Spinosa reported that both of our legislative bills passed without issue.

Ms. Spinosa reminded the Trustees that their education hours need to be completed by the end of August and reported to the DARS office as soon as possible. She disseminated information on where and how Trustees can access education hours.

Kristi Spinosa disseminated a draft of updated Internal Control Policies and Procedures. A motion was made and seconded to approve the update as presented. The motion carried.

Ms. Spinosa disseminated a draft of the updated Travel and Expense Reimbursement Policy. A motion was made and seconded to approve the update as presented. The motion carried.

Kristi Spinosa disseminated a draft of the updated DARS Personnel Policy Manual. A motion was made and seconded to approve the update as presented. The motion carried.

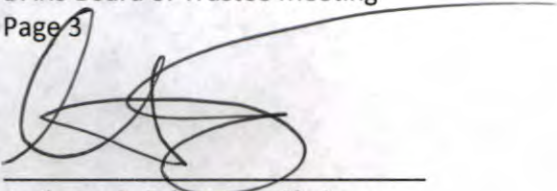
Ms. Spinosa reported on a letter from Rep. John Schroder requesting a breakdown of in-state and out-of-state investments. She will send him the most recent VEM investment report.

The next meeting of the Board of Trustees will be at 9:00 a.m. on Sunday, September 18, 2022, at the New Orleans Marriott in conjunction with the LAPERS Seminar.

June 26, 2022

DARS Board of Trustee Meeting

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Anthony G. Falterman, Chairman



Kristi Spinosa, Director