

LOUISIANA DISTRICT ATTORNEYS' RETIREMENT SYSTEM
Minutes of the Meeting of the Board of Trustees
February 19, 2025 9:30 a.m.
2525 Quail Dr. Baton Rouge, LA 70808

The Board of Trustees of the District Attorneys' Retirement System held a regular meeting on February 19, 2025, at the DARS Office, located at 2525 Quail Drive Baton Rouge, Louisiana 70808.

1. Roll Call

The meeting was called to order by Mr. Andy Shealy at 9:35 A.M.

Ms. Danielle Ball called roll.

Members Present

Mr. David Burton
Mr. Houston Gascon
Mr. Scott Perrilloux– virtual, via Teams
Mr. S. Andrew Shealy
Mr. Brad Burget
Mr. Joseph Green
Mr. Don Burkett– virtual, via Teams
Representative John R. Illg Jr.
Senator Kirk Talbot

Members Absent

Mr. J. Reed Walters

A Quorum was present.

Others Present

Mr. Philip Qualls, Director
Ms. Danielle Ball, Benefits Supervisor
Mr. Jon Breth, Mariner Wealth Advisors
Mr. Greg Curran, Curran Actuarial
Ms. Laura Gail Sullivan, Legal Counsel
Mr. David Wilson, CFA, Nuveen
Ms. Shannon Grieger, Nuveen
Mr. Matt Clark, PIMCO

2. Conflicts Disclosure

Mr. Shealy inquired if there were any conflicts of interest to report. No conflicts of interest were disclosed.

3. Public Comment

Mr. Shealy observed no members of the public were present for public comment.

4. Minutes of the meeting of December 19, 2024

Motion by Mr. Green, seconded by Mr. Gascon, to approve the meeting minutes of December 19, 2024. Unanimously, the motion passed.

5. Election of Officers (5 min)

Motion by Mr. Burget, seconded by Mr. Talbot, to nominate Mr. Andy Shealy for chairman and to close nominations. The motion carried with unanimous approval. Having no opposition, Mr. Andy Shealy was elected chairman.

Motion by Mr. Burton, seconded by Mr. Gascon, to nominate Mr. Scott Perrilloux as Vice Chairman. Without objection, the motion carried. Having no opposition, Mr. Scott Perrilloux was elected Vice Chairman.

6. December 2024 and January 2025 Financials (10 min)

Mr. Qualls identified that new laptops were required for staff, as the desktop computers were out of date. This will give DARS staff the ability to work remotely for disaster recovery purposes.

Mr. Qualls reported the bulk of ad valorem tax revenue has been received by DARS, in the approximate amount of \$10.5 million. Mr. Qualls estimated approximately \$13 million total ad valorem tax revenue is expected. Mr. Qualls explained legal fee expenses are out of the ordinary. DARS paid Wolfpopper, LLC fees billed for their work on records requests as well as additional research.

Mr. Qualls explained that DARS has paid the last invoice regarding the BREC case and anticipates less allocation to BREC and Diaz legal cases. Both the BREC and Diaz cases are closed in DARS' favor, though both parties have the possibility to appeal.

Mr. Qualls explained that auditing and accounting fees are typically higher January – February on an annual basis as DARS pays invoices upon completion of work.

Motion by Mr. Gascon, seconded by Mr. Burget, to approve the January and February financials. The motion passed unanimously.

7. Multi-Sector Fixed Income Presentations – Action Item

Mr. Qualls explained these candidates are managers with successful historical performance that have a wide mandate to find areas of opportunity in the Fixed Income sector.

In person presentations were given regarding the following strategies by their representatives:

- a. Hartford Strategic Income Fund**
- b. Nuveen Strategic Income Fund**
- c. PIMCO Income Fund**

Mr. Qualls summarized that the three managers represented very different viewpoints regarding investment processes and economic outlooks. Mr. Qualls recommended that it could be beneficiary to pair two managers together; in example, PIMCO has a greater macro centric viewpoint regarding the economy and asset classes whereas Nuveen focuses more on individual selection of bonds. Mr. Qualls recommended pairing PIMCO with Nuveen or Hartford to balance the benefits of both strategies.

Mr. Breth corroborated that a blend of two managers would advantage DARS to maximize exposure and full global economic considerations. Mr. Breth clarified the proposed strategies and provided comparison points for consideration within the frame of the DARS overall investment policy.

Motion by Mr. Burget, seconded by Mr. Gascon, to hire PIMCO and Hartford. Without opposition, the motion carried.

At 11:35 AM, Senator Talbot and Representative Illg took leave of the meeting, resulting in the loss of a quorum.

8. Retirement Activity

Mr. Shealy read aloud the exhibit outlining new retiree applications for Trustee approval.

To be voted on at the next meeting, as the quorum was lost.

9. Director Evaluation

Nine director evaluations were returned with the “outstanding” designation in reference to Mr. Qualls’ performance of duties. Mr. Shealy commended Mr. Qualls guidance and noted the positive impact his financial background has brought to DARS.

10. Investment Report – Mariner Institutional

a. Market Commentary and DARS Performance Report

Mr. Breth provided an overall market performance summary and analysis.

b. Investment Manager Update*

No updates were provided.

11. Director’s Report

a. International Retiree Benefit Payment

Mr. Qualls explained that one of the DARS retirees has moved out of the country, resulting in the inability to pay ACH to an international bank account based on our current banking capabilities. Since mailing a paper check proved untimely, Mr. Qualls proposed wiring the monthly benefit at the member’s expense. Mr. Qualls explained that this proposal was being brought before the board to set a policy going forward for any future members who may move out of country, based on this precedence.

It was discussed that no formal action was required and the solution of charging future members for extraneous international wiring fees due to change of residence was an acceptable course of action.

b. Q2 Budget Review

Mr. Qualls reported that second quarter financials were under the proposed budget. Mr. Qualls highlighted one line item pertaining to curtailing further investment towards the current administrative software in preparation to explore more efficient, updated opportunities.

c. FY26 Budget Draft

Mr. Qualls outlined the proposed budget for fiscal year ending 2026, including the assumption of historical year to year rate increases for professional audit, actuarial, and legal services.

As a quorum is not present, there will be an opportunity to vote on the proposed budget in April.

*Board may elect to enter Executive Session to discuss these items pursuant to the provisions of LSA-R. S. 42:17A(1)(2) or (10)

d. Member Service Credit

Mr. Qualls reported that the Louisiana District Attorneys' Association has one w2 employee with sporadic contribution history, resulting in exaggerated accumulation of service credit. Mr. Qualls explained that DARS will administer R.S. 16:11(E) by applying leave without pay for any period the employee does not receive compensation.

e. Audit Findings Review (10 min)

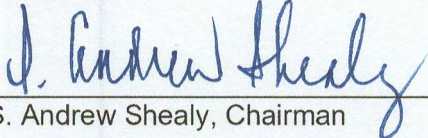
Mr. Qualls explained that the primary finding via the annual audit for fiscal year ending 2024 regarded investment accounting journal entries. Mr. Qualls reported that adjusting journal entries have been made to correct this issue and inquiries have been made to ensure the solution is in line with GASB standards.

12. Next Meeting – April 17, 2025

13. Meeting adjourned

The meeting was adjourned at 12:13 P.M.

To the best of my knowledge, the foregoing minutes accurately represent the actions taken at the meeting held on February 19, 2025.


S. Andrew Shealy, Chairman


Philip Qualls, Director