

LOUISIANA DISTRICT ATTORNEYS' RETIREMENT SYSTEM
Minutes of the Meeting of the Board of Trustees
December 2, 2025 1:00 p.m.
720 2nd St, Natchitoches, LA 71457

The Board of Trustees of the District Attorneys' Retirement System held a regular meeting on December 2, 2025, at the Natchitoches Event Center, located at 720 2nd St, Natchitoches, LA 71457.

1. Roll Call

The meeting was called to order by Mr. S. Andrew Shealy at 1:05 P.M.
Ms. Danielle Ball called roll.

Members Present

Mr. David Burton
Mr. Houston Gascon, Virtual
Mr. Scott Perrilloux
Mr. S. Andrew Shealy
Mr. Brad Burget
Mr. J. Reed Walters
Mr. Joseph Green
Mr. Don Burkett

Members Absent

Representative John R. Ilg Jr.
Senator Kirk Talbot

A Quorum was present.

Others Present

Mr. Philip Qualls, Director
Ms. Danielle Ball, Benefits Supervisor
Mr. Jon Breth, Mariner Institutional
Mr. Greg Curran, Curran Actuarial
Ms. Laura Gail Sullivan, Legal Counsel, Virtual
Mr. Billy Jo Harrington

2. Conflicts Disclosure

Mr. Walters disclosed a conflict of interest regarding agenda item 10 concerning La. R.S. 11:1631 and recused himself from voting on that item, while participating in discussion.

3. Public Comment

No public comments were offered.

4. Minutes of the Meeting of October 16, 2025

Motion by Mr. Burkett, seconded by Mr. Burton, to approve the meeting minutes of October 16, 2025. The motion passed unanimously.

5. September 2025 Financials

Mr. Qualls reviewed the September 2025 financial activity, noting increased registration fees attributable to LAPERS, with overall expenses otherwise consistent with expectations.

Motion by Mr. Green, seconded by Mr. Perrilloux, to approve the September 2025 financials. The motion passed with no opposition.

6. Retirement Activity

Mr. Qualls reported retirement activity requiring Board approval.

Motion by Mr. Perrilloux, seconded by Mr. Green, to approve the reported retirement activity. Without objection, the motion passed.

7. DARS Financial Audit Presentation – DHHM

Mr. Qualls reported that the audit was not ready for presentation and requested deferral to a future meeting.

By consensus, the Board agreed to defer the audit presentation to the February 2026 meeting.

8. DARS Actuarial Valuation – Curran Actuarial

Mr. Curran presented the actuarial valuation results, including changes in active and payable membership, actuarial accrued liability, funding deposit account balance, and market and actuarial values of assets. Discussion was held regarding employer contribution rates, system risks, and long-term funding sustainability. It was noted that the Funding Deposit Account increased to approximately \$5.8 million.

Mr. Curran presented a summary of valuation results including changes in active / payable members, benefits in payment, actuarial accrued liability, funding deposit account balance, and both actuarial and market value of assets. Mr. Curran explained the impact of this data on recommended target market rate of return and minimum recommended employer contribution rate.

Discussion was held regarding mandated employer contribution rate and the impact on the system's financial health.

Mr. Qualls explained that discussion and movement regarding Rehire statutes may affect office budgets similarly and highlighted that the employer contribution rate for FY 2026-2027 will officially come to vote in April.

Funding Deposit Account has increased from 2 million to 5.8 million, due to the current employer contribution rate set. It was discussed that this account can be released to negate future ER cost increases during market volatility or write-offs of negatively returned investments. This account can also be used to fund cost-of-living adjustments to retiree and survivor beneficiaries.

Mr. Qualls noted that the pending BREC case ruling of Ad Valorem also injects a level of uncertainty for which an additional buffer may be prudent.

Mr. Curran called attention to page 9 regarding cash flow pertaining to total contribution income compared to benefits and expenses illustrated over the past decade. Mr. Curran cautioned to keep in mind various risks including assumption, liability, maturity, and future changes in plan provisions.

Mr. Curran explained the low default risk obligation measure using the corporate bond yield curve compared to the actuarial accrued liability to determine cashflow discount rate sensitivity and impact on funding ratio.

9. Investment Report – Mariner Institutional

a. Market Commentary and DARS Performance Report

Mr. Breth provided an overview of market conditions and reviewed the System's investment performance. He reported that equity markets posted strong results, driven primarily by U.S. equities, with small-cap stocks outperforming during the quarter. International equities also delivered positive returns, though performance was moderated by movements in the U.S. dollar.

Fixed income markets produced positive results as interest rates declined, with higher-yielding sectors outperforming traditional core bonds. Multi-sector fixed income managers contributed favorably to overall performance, benefiting from exposure to corporate credit and non-traditional fixed income sectors.

Mr. Breth reported that the System's total return for the period was positive and generally in line with the policy benchmark. He noted that while certain asset classes experienced short-term volatility, the portfolio remains well diversified, conservatively positioned, and appropriately aligned with long-term objectives. Mr. Breth further advised that liquidity across the portfolio remains sufficient to meet benefit and operational needs without disruption.

b. Real Estate Education

Mr. Breth provided educational information regarding institutional core real estate as a potential component of the System's long-term asset allocation. He reviewed the role of core real estate in providing diversification, income generation, and inflation sensitivity, and discussed its historical performance characteristics relative to equities and fixed income.

Mr. Breth explained the distinctions among core, value-add, and opportunistic real estate strategies, noting that core real estate typically emphasizes stabilized, income-producing properties with lower risk and longer holding periods. He also reviewed common property types and trends within the commercial real estate market, including shifts away from traditional office exposure and increased emphasis on industrial, multifamily, office, and other property sectors.

Liquidity features of institutional core real estate funds were discussed, including the availability of periodic redemption options, while noting that such investments remain less liquid than publicly traded securities. Mr. Breth emphasized that any future consideration of real estate would be approached as a long-term allocation and presented for Board consideration at a later date.

c. Investment Manager Update

Motion by Mr. Burkett, seconded by Mr. Perilloux, to enter Executive Session for the purpose of discussing investment matters. The motion passed without objection.

Motion by Mr. Green, seconded by Mr. Perilloux, to return to regular session. The motion passed unanimously.

10. Director's Report

a. Legislation for the 2026 Legislative Session

Mr. Qualls reviewed proposed legislation for the 2026 Regular Session, including rehire provisions and potential staggered trustee election terms.

Mr. Qualls reviewed proposed legislative items for consideration during the 2026 Regular Legislative Session. Primary discussion focused on proposed revisions to La. R.S. 11:1631 addressing return-to-work provisions for retirees who are rehired without suspending their benefits. Mr. Qualls explained that the proposed language is intended to clarify the original legislative intent by requiring compensation for such rehires to be paid exclusively from local, non-state-warrant funds, thereby preventing the use of partial state warrants to circumvent statutory thresholds.

The Board engaged in discussion regarding the practical impact of the proposed changes on district attorney offices, particularly smaller and rural jurisdictions, workforce retention challenges, and the balance between operational needs and the long-term sustainability of the retirement system. Mr. Qualls noted that the proposal seeks to restore consistency with prior practice while minimizing unintended financial consequences to the system.

Motion by Mr. Burkett, seconded by Mr. Perrilloux, to support proposed legislation clarifying that members who return to work without suspending their DARS benefit must be compensated solely from local, non-state-warrant funds. Mr. Walters abstained from the vote. The motion passed with all voting in favor.

Mr. Qualls also reviewed draft language related to staggered trustee election terms, explaining that the proposal is intended to avoid multiple trustee positions expiring simultaneously and to promote continuity of Board governance.

Motion by Mr. Burget, seconded by Mr. Green, to support proposed legislation providing for staggered trustee election terms. The motion passed with no opposition and one abstention by Mr. Burton

b. Director Performance Review

Mr. Qualls advised the Board that the Director Performance Reviews reflected outstanding performance in all evaluated areas. Trustees indicated that no issues, deficiencies, or matters requiring discussion or corrective action were identified.

c. DARS Q1 Budget Review

Mr. Qualls reviewed the first quarter budget activity for the fiscal year and reported that revenues and expenditures were tracking in line with expectations. He noted that no material variances or budget concerns were identified at this time.

10. Meeting Adjournment

The meeting was adjourned at 4:32 P.M.

Mr. Qualls granted 1.5 hours of investment education credit and 1 hour of actuarial science education credit for this meeting.

To the best of my knowledge, the foregoing minutes accurately represent the actions taken at the meeting held on December 2, 2025.



S. Andrew Shealy, Chairman



Philip Qualls, Director