

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

MINUTES OF THE MEETING
OF THE BOARD OF TRUSTEES

March 21, 2024

The Board of Trustees of the Municipal Employees' Retirement System of Louisiana met in regular session on Thursday, March 21, 2024, at 9:00 a.m. at the Municipal Employees' Retirement System, 7937 Office Park Boulevard, Baton Rouge, Louisiana.

PRESENT:

Ms. Phyllis McGraw, Chair
Ms. Susan Percle, Vice-Chair
Mr. Ty Carlos, Trustee
Mayor Barney Arceneaux, Trustee
Mayor Rich Dupree, Trustee
Mayor Roderick Hampton, LMA Designee
Ms. Sonia Mallett, Commissioner of Administration Designee
Ms. Nicole Brown, State Treasurer's Designee

UNABLE TO ATTEND:

Representative Roy Daryl Adams, House Retirement Committee
Senator Valarie Hodges, Senate Retirement Committee
Mayor Rodney Grogan, Trustee

IN ATTENDANCE:

Maris LeBlanc, Executive Director
Nancy LaGarde, Chief Financial Officer
Christopher Saik, Chief Investment Officer
Lacey Weimer, Retirement Benefits Administrator
Gay Courson, Board Secretary
Greg Curran, Curran Actuarial Consulting Ltd.
Aaron Lally, Meketa Consulting
Jeff Jenkins, Bernhard Capital
Thomas Henley, Bernhard Capital

The Chair called the meeting to order.

The Chair asked Mayor Roderick Hampton to give the opening prayer.

The Chair led everyone in the pledge of allegiance.

The Chair asked Ms. Courson to call roll. Eight members were present and a quorum.

The Chair read a statement of opportunity for public comment.

Ms. LeBlanc introduced Ms. Sonia Mallett, the designee for the Commissioner of Administration.

The Chair read the Disclosure of Conflicts of Interest.

The Chair asked for approval of the minutes of the meeting held on December 14, 2023.

Mayor Dupree moved that the minutes of the meeting held on December 14, 2023, be approved; the motion was seconded by Mayor Hampton. The motion carried without objection.

The Chair asked for approval of the Plan A and Plan B retirements for November 2023, January 2024, February 2024, and March 2024. (A list was provided to the Board Members).

Mr. Carlos moved that Plan A and Plan B retirements be approved for the months of November 2023, January 2024, February 2024, and March 2024; the motion was seconded by Ms. Percle. The motion carried without objection.

Mr. Saik presented the investment cash flow reports as of December 31, 2023, January 31, 2024, and February 29, 2024.

Mr. Saik presented the Act 1004 Comparison Report as of December 31, 2023.

Ms. LeBlanc informed the Board that the buyers of the Gainesville property would like to close on an earlier date with a reduced price. Ms. LeBlanc asked the Board for the authority to negotiate the price.

Mayor Arceneaux moved to give the authority to negotiate the price for the Gainesville property; the motion was seconded by Mayor Hampton. The motion carried without objection.

Mr. Lally presented the Meketa Performance Report for the month ending February 29, 2024.

Mr. Lally presented Meketa's Fixed Income Exposure Deep Dive.

Mr. Lally presented the Board with the Annual Asset Study Review. No action was taken.

Mr. Jenkins and Mr. Henley of Bernhard Capital Partners gave the Board a presentation on Bernhard Capital Partners that served as investment education.

Items requiring a vote were taken out of order from the posted agenda.

Ms. LeBlanc informed the Board that a new member of the Personnel Committee was needed. Ms. LeBlanc recommended Commissioner Barras' designee be appointed to fill the vacant position.

Mayor Dupre moved to appoint Commissioner Barras' designee as the new Personnel Committee member; the motion was seconded by Mr. Carlos. The motion carried without objection.

Ms. LeBlanc informed the Board that the present employer rates for Plan A is 29.5% and Plan B is 15.5%. After consulting with Mr. Curran, Ms. LeBlanc recommended that the employer rates be lowered by 1.5% making Plan A 28% and Plan B 14%.

Mayor Hampton moved to accept the recommendation of the Executive Director to lower the employer rates to 28% for Plan A and 14% for Plan B; the motion was seconded by Mayor Dupree. The motion carried without objection.

Ms. LeBlanc informed the Board that the Town of Homer was more than 60 days late with employer contributions for the months of October, November, December. Ms. LeBlanc recommended that the Board certify the delinquency to the Treasurer in the amount of \$45,000.

Ms. Percle moved to certify the delinquency of contribution fund payments owed by the Town of Homer to the Municipal Employees' Retirement System of Louisiana (MERS) for employee and employer contributions more than 60 days late as evidenced by the attached invoice, totaling \$45,000, to be deducted from any other monies payable to Homer by any department or agency of the state; the motion was seconded by Mr. Carlos. The motion carried without objection.

Ms. LeBlanc presented the Board with a legislative update on bills that affect MERS. Ms. LeBlanc asked the Board to take a position on several pieces of the legislation.

SB 1 – Senator Price – Provides relative to transfers of service credit between systems. SB 1 has passed the Senate Retirement Committee and is on the Senate Floor for final passage. Ms. LeBlanc recommended that the Board support this legislation.

Ms. Percle moved to support SB 1; the motion was seconded by Mayor Dupree. The motion carried without objection. Ms. Mallett and Ms. Brown abstained.

SB 2 – Senator Price – (MERS bill) Provides relative to the Board of Trustees for the Municipal Employees' Retirement System. SB 2 has passed Retirement Committee and is on the Senate Floor for final passage. Ms. LeBlanc recommended that the Board support this legislation.

Mayor Arceneaux moved to support SB 2; the motion was seconded by Mayor Hampton. The motion carried without objection. Ms. Mallett and Ms. Brown abstained.

SB 5 - Senator Miguez – Requires fiduciaries for public retirement systems to make investment decisions based solely on financial factors. Ms. LeBlanc recommended that the Board oppose this bill as written and instruct Ms. LeBlanc to continue working with the author to put the bill in the proper posture.

Ms. Percle moved to oppose SB 5 and instruct Ms. LeBlanc to continue working with the author on the bill; the motion was seconded by Mayor Dupree. The motion carried without objection. Ms. Mallett and Ms. Brown abstained.

HB 22 – Representative Adams – (MERS bill) Provides for the purchase of a higher accrual rate for members of the Municipal Employees' Retirement System. Ms. LeBlanc stated the bill has a slight actuarial cost. She recommended that MERS no longer pursue this bill.

Mayor Hampton moved to no longer pursue HB 22; the motion was seconded by Mr. Carlos. The motion carried without objection. Ms. Mallett and Ms. Brown abstained.

HB 744 – Representative Glorioso – Provides relative to part-time reemployment of retirees in the Municipal Employees' Retirement System. Ms. LeBlanc stated this bill would be a cost to our system and recommended that the Board oppose it.

Mayor Dupree moved to opposed HB 744; the motion was seconded by Ms. Percle. The motion carried without objection. Ms. Mallett and Ms. Brown abstained.

Ms. LeBlanc informed the Board that the following bills were for information purposes only and no action was necessary.

HB 34 – Representative Tarver – Provides relative to membership in the District Attorney's Retirement System.

HCR 20 – Representative Johnson – Provides relative to the Government Pension Offset and Windfall Elimination Provision.

Ms. LeBlanc informed the Board that the Municipal Police Employees' Retirement System had several bills which will be watched closely.

Ms. LeBlanc informed the Board that HB 103 by Representative Mike Johnson, deals with the broadcasting of public meetings. At this time the bill is very specific in nature but will be monitored for any changes.

Ms. LaGarde presented the budget reports as of December 31, 2023, January 2024, and February 29, 2024.

Ms. LaGarde informed the Board that the premium for the Fiduciary Waiver of Recourse was due.

Ms. LaGarde informed the Board that the 1099 NEC forms have been mailed.

Ms. LaGarde informed the Board that the Employer Pension Report has been posted on the MERS website.

Ms. LaGarde informed the Board that she has begun the budget process for the 2025 Fiscal Year.

Ms. Weimer updated the Board on the current membership status.

Ms. Weimer informed the Board that she gave an educational presentation to the City of Gretna that was well received.

Ms. Weimer informed the Board that she participated in the City of Leesville Benefits Fair.

Ms. LeBlanc informed the Board that according to the Board Charter there is an annual review of the Executive Director. Ms. LeBlanc provided the Board with her accomplishments for the previous year.

Ms. LeBlanc informed the Board of the Louisiana Legislative Actuary's Review of the MERS 2023 Actuarial valuation. There were no material violations for MERS. Suggestions made by the auditor's office will be implemented by Mr. Curran.

Ms. LeBlanc reported there was no new litigation filed against MERS. Regarding the three BREC cases, the retirement systems have been successful in most of the procedural battles. A hearing has been set for April 3rd for the motion to recuse and motion to consolidate the cases.

Ms. LeBlanc informed the Board that Lafayette Consolidated Government has draft legislation changing the period to pay the liability from ten years to twenty-five years and recalculating the monthly payment structure.

Ms. LeBlanc reminded Board members that personal financial disclosure reports are due to the Ethics Board no later than May 15th.

Ms. LeBlanc informed the Board that the Trustee election will be for an elected and non-elected position. Ms. McGraw's seat will expire for the non-elected term. Mayor Arceneaux, the new Director of Louisiana Municipal Association, will vacate his elected term when he resigns as the Mayor of Gonzales.

The Chair stated that emails were sent to the Board regarding the Board Self-Evaluation. No action was recommended.

Ms. LeBlanc stated that Executive Session was not needed.

Ms. LeBlanc gave an update on the new AV equipment.

Mr. Carlos made a motion to adjourn; the motion was seconded by Mayor Dupree. The motion carried without objection.



APPROVED



ATTEST