

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA.

MINUTES OF THE MEETING
OF THE BOARD OF TRUSTEES

May 16, 2024

The Board of Trustees of the Municipal Employees' Retirement System of Louisiana met in regular session on Thursday, May 16, 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 Rich Dupree, Trustee
Mayor Roderick Hampton, LMA Designee
Ms. Sonia Mallett, Designee, Commissioner of Administration
Ms. Nicole Brown, Designee, State Treasurer

UNABLE TO ATTEND:

Representative Roy Daryl Adams, House Retirement Committee
Senator Valarie Hodges, Senate Retirement Committee

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, G. S. Curran & Company, Ltd
Barney Arceneaux, LMA
Anthony Monraz, ArrowMark Partners
Mayor Julius Alsandor

The Chair called the meeting to order.

Mayor Roderick Hampton gave the opening prayer.

The Chair led everyone in the pledge of allegiance.

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

The Chair read a statement of opportunity for public comment.

Ms. LeBlanc introduced Opelousas Mayor Julius Alsandor who was attending to observe the meeting.

The Chair read the Disclosure of Conflicts of Interest.

The Chair asked for approval of the minutes of the meeting held on April 18, 2024.

Mayor Hampton moved that the minutes of the meeting held on April 18, 2024, be approved; the motion was seconded by Mayor Dupree. The motion carried without objection.

The Chair asked for approval of the Plan A and Plan B retirements for May 2024. (A list was provided to the Board Members).

Mayor Hampton moved that Plan A and Plan B retirements be approved for the month of May; the motion was seconded by Mayor Dupree. The motion carried without objection.

Mr. Saik presented the investment cash flow report as of April 30, 2024.

Mr. Saik presented the Act 1004 Comparison as of March 31, 2024.

Mr. Saik presented the Meketa Performance Report for the month ending April 30, 2024.

*Mr. Carlos joined the meeting.

Mr. Monraz of ArrowMark Partners provided an educational presentation to the Board on Regulatory Capital Relief.

Ms. LeBlanc informed the Board there were no updates on the Gainesville property and no action was needed.

The Board went out of order to take up the final agenda item.

The Chair read a Resolution commending Mayor Barney Arceneaux for his service on the MERS Board.

RESOLUTION

WHEREAS, Gonzales Mayor Barney Arceneaux has provided valuable service to the Municipal Employees' Retirement System of Louisiana (MERS) as a member of the Board of Trustees from November 2020, through April 2024, and

WHEREAS, Mayor Arceneaux, bringing his more than 50 years of public service in the military, law enforcement, and Gonzales City Government, was an important voice on the Board of Trustees, and his participation as a board member has been of great benefit to the members of the system and the Board of Trustees, and

WHEREAS, Mayor Arceneaux leaves his service as Mayor of Gonzales and as a member of the MERS Board of Trustees to take the position of

Executive Director of the Louisiana Municipal Association which will allow him to continue to be a member of MERS and assist in the mission of MERS, and

WHEREAS, the Board of Trustees desires to unanimously express its gratitude and sincere appreciation to Mayor Barney Arceneaux for his service to the system and its congratulations for his successful sixteen year tenure as Mayor of Gonzales.

NOW, therefore, be it resolved that the Board of Trustees and the members thereof do hereby express their genuine appreciation and heartfelt thanks to Mayor Arceneaux for the benefits and assistance he has furnished to MERS.

BE IT FURTHER RESOLVED that this resolution be spread on the minutes of the Board of Trustees for permanent recordation and that a copy thereof be delivered to Mayor Arceneaux.

Mayor Dupree made a motion to adopt the Resolution; the motion was seconded by Mayor Hampton. The motion carried unanimously.

Ms. LaGarde presented the budget report as of April 30, 2024.

Ms. LaGarde presented the draft July 1, 2024 – June 30, 2025, Operating Budget.

Ms. LaGarde presented the financial statements as of March 31 and April 30, 2024.

Ms. LaGarde informed the Board of the engagement letter with Hawthorne, Waymouth and Carroll to perform the audit of financial statements and GASB 67 & 68 reporting and agreed upon procedures as required by the Louisiana Legislative Auditor for fiscal year ending June 30, 2024.

Mayor Hampton moved to approve the engagement with Hawthorne, Waymouth and Carroll to perform the audit of financial statements and GASB 67 & 68 reporting and agreed upon procedures as required by the Louisiana Legislative Auditor for fiscal year ending June 30, 2024; the motion was seconded by Mr. Carlos. The motion carried without objection.

The Chair asked that the Board adopt the following Resolution as part of the 2023-2024 fiscal year audit.

RESOLUTION

WHEREAS, as a part of the audit of the financial statements of the Municipal Employees' Retirement System of Louisiana as of June 30, 2024, and for the one-year period from July 1, 2023 through June 30, 2024, the Office of the Legislative Auditor requires that a system survey and compliance questionnaire be completed and presented to and adopted by the Board of Trustees of the Retirement System by means of a formal resolution at an open meeting, and

WHEREAS, the required system survey and compliance questionnaire has been completed,

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Municipal Employees' Retirement System of Louisiana that the said Board does hereby receive and adopt the system survey and compliance questionnaire during an open meeting of the Board being held on the 16th day of May 2024.

Mayor Dupree moved to adopt the above resolution; the motion was seconded by Mr. Carlos. The motion carried without objection.

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

The report of the Personnel Committee was deferred to later in the meeting.

Ms. LeBlanc reported that there were no employers with late contributions to be reported to the Treasurer's office.

Ms. LeBlanc provided an update on the upcoming trustee election. Due to Mayor Grogan's resignation, three seats are now open for election. The nominating period closes at 4 p.m. on May 22.

Ms. LeBlanc reported there was no new litigation filed against MERS and that an Executive Session was not needed.

Activity on the Lafayette matter remains on hold until the legislative session concludes.

A hearing was held last week regarding the BREC cases. A new judge, Wilson Fields, has been assigned with all three cases consolidated. The hearing became a status conference. Lawyers for the case said the conference was very productive. A trial should be scheduled within the next six months.

Ms. LeBlanc presented the Board with a legislative update on bills that affect MERS.
SB 1 (Price) – Provides relative to transfers of service credit between systems.
SB 1 has passed both chambers and is awaiting the Governor's signature.

SB 2 (Price) – (MERS bill) Provides relative to the service credit required for candidates to the Board of Trustees for MERS. SB 2 passed both chambers and has been signed by the Governor. Act 28 is effective June 30, 2024.

SB 5 (Miguez) – Requires fiduciaries for public retirement systems to make investment decisions based solely on financial factors. SB 5 is stalled in Senate Retirement Committee.

SB 478 (Boudreaux) – Changes the payment period for the Lafayette Consolidated Government for the UAL created when future employees are enrolled in the Parochial Employees' Retirement System. SB 478 is scheduled to be heard on the House Floor on May 20th.

Ty Carlos informed the Board that Senator Boudreaux was complimentary of Ms. LeBlanc and her work on the bill.

HB 744 (Glorioso) – Provides relative to part-time reemployment of retirees in MERS. The bill has been amended to only apply to employees with 30 years of service credit. Ms. LeBlanc recommends the Board still oppose the bill. HB 744 is in the Senate Retirement Committee.

HB 981 (Melerine) – Originally HB 902 which the Board voted to oppose due to restrictions on proxy voting. The bill has passed the House and should be heard in Senate Retirement next week. Ms. LeBlanc recommends the Board continue to oppose the bill.

HCR 20 (Johnson) – Provides relative to the Government Pension Offset and Windfall Elimination Provision. HCR 20 has passed both chambers.

The Chair reported that the Board accepted the recommendations of the Personnel Committee.

Mayor Dupree moved to approve a 2% cost of living increase for all staff excluding the Executive Director; the motion was seconded by Mayor Hampton. The motion carried without objection.


Mayor Dupree moved to approve a 3% merit pool for eligible staff with the exception of the Executive Director, Chief Financial Officer and Chief Investment Officer. Merit increases may be granted at the discretion of the Executive Director; the motion was seconded by Mayor Hampton. The motion carried without objection.

Mayor Dupree moved to approve a \$15,000 salary increase for the Executive Director; the motion was seconded by Mayor Hampton. The motion carried without objection.


Mayor Dupree moved to approve a \$10,000 market adjustment to be awarded to the Chief Financial Officer and Chief Investment Officer; the motion was seconded by Mayor Hampton. The motion carried without objection.

No action was taken regarding current salary ranges.

Mayor Hampton made a motion to adjourn; the motion was seconded by Ms. Mallett. The motion carried without objection.



APPROVED



ATTEST