MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

MINUTES OF THE MEETING
OF THE BOARD OF TRUSTEES — OCTOBER 21, 2021

The Board of Trustees of the Municipal Employees' Retirement System of Louisiana met in regular session on Thursday, October 21, 2021, at 9:00 A.M. at the Municipal Employees' Retirement System, 7937 Office Park Boulevard, Baton Rouge, Louisiana.

PRESENT:

Mayor Donald Villere, Chair
Ms. Susan Percle, Vice Chair
Mayor Barney Arceneaux, Trustee
Mr. Donald Clause, Trustee
Mayor Mark Piazza, Trustee
Mr. James Mack, State Treasurer's Office
Ms. Lindsay Schexnayder, Commissioner of Administration Office

UNABLE TO ATTEND:

Ms. Phyllis McGraw, Trustee
Mr. Richard Williams, LMA
Senator Robert Mills, Senate Retirement Committee
Representative Lance Harris, Chairman
House Retirement Committee

IN ATTENDANCE:

Maris LeBlanc, Executive Director
Susita Suire, Retirement Benefits Administrator
Christopher Saik, Chief Investment Officer
Nancy LaGarde, Chief Financial Officer
Aaron Lally, Investment Consultant
Gustavo Bikkesbakker, Investment Consultant
Stephen Daste, G.S. Curran
Joey David, House Retirement
Warren Ponder, former Executive Director and retiree

The Chair called the meeting to order.

The Chair asked Ms. Percle to open the meeting with a prayer.

The Chair led everyone in the pledge of allegiance.

The Chair asked Ms. Suire to call roll. A quorum was present.

Mayor Arceneaux moved to certify the election results submitted on September 8, 2021, naming Susan Percle as Trustee on the Board; the motion was seconded by Ms. Schexnayder. The motion carried without objection or opposition.

The Chair asked for approval of the minutes of the meeting held on August 19, 2021.

Ms. Percle moved that the minutes of the meeting held on August 19, 2021, be approved; the motion was seconded by Mayor Arceneaux. The motion carried without objection or opposition. A copy is attached and made a part of these minutes.

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

Ms. Percle moved that the Plan A and Plan B retirements be approved; the motion was seconded by Mayor Arceneaux. The motion carried without objection or opposition.

Mr. Saik presented the investment cash flow report as of August 31, 2021, and September 30, 2021.

Mr. Saik gave an update on the Louisiana Fund II, noting that the sale of the Fund had been completed.

Mr. Saik gave a recap of the Barrow Hanley proxy voting report.

Mr. Lally and Mr. Bikkesbakker presented the Board with the preliminary performance report for the month of September 30, 2021. A copy of this report is attached and made part of these minutes.

Mr. Saik updated the Board on the rebalancing of funds approved at the May 2021 meeting reallocating $10MM to the Barclays Aggregate Index, $10MM to the TIPS Index, and $10MM to TA Realty Core Property Fund from the S&P 500 Index. The rebalancing was funded with $20MM from the S&P 500 Index and $10MM from excess cash.

Mayor Piazza moved to accept the rebalancing update presented by Mr. Saik; the motion was seconded by Ms. Percle. The motion carried without objection or opposition.

Mr. Mack and Ms. LeBlanc requested to defer the report by the Personnel Committee to the December 16, 2021, meeting.

Ms. Percle moved to defer the Personnel Committee report to the December 16, 2021, meeting; the motion was seconded by Mayor Arceneaux. The motion carried without objection or opposition.

Ms. LaGarde presented the budget ending August 31, 2021, and September 30, 2021.

Ms. LaGarde presented financial statements and financial highlights as of June 30, 2021.

Ms. LaGarde gave the Board an update on the financial audit which will be presented at the December 16, 2021, meeting.

Ms. LaGarde informed the Board that Puryear IT was selected as the new vendor for the retirement system's information technology managed services.

Ms. LaGarde presented a request for approval to have PTG perform program changes to update the pension administration software for capability of storing both primary and contingent beneficiaries with percentages.

Ms. Percle moved to approve the beneficiary enhancement program changes with a cost of $7,500; the motion was seconded by Mr. Mack. The motion carried without objection or opposition.

Ms. Suire gave the Board an update on current membership statuses for actives, terminated, and retirees.

Ms. Suire updated the Board that 54 employers were affected by Hurricane Ida which made landfall on August 29. There were no late fees charged for August and September contributions received from those employers after the due date.

Ms. Suire received a request from the City of Harahan, Coordinating & Development Corporation, and Imperial Calcasieu Regional Planning & Development requesting a participation agreement to join the retirement system. The City of Harahan is a former employer of MERS and is considering re-entering their employees.

Ms. Suire informed the Board she gave a presentation on the Employer Portal at the Louisiana Municipal Clerks' Institute on Monday and staff was manning a booth yesterday and today.

Ms. Suire updated the Board that the Employee Self-Service Portal should be rolled out to limited members on November 4th. After receiving feedback from these members, the entire membership will be notified that the portal is available for registration.

Mayor Arceneaux moved to revoke Earl Jackson's disability benefit due to being deemed no longer disabled by his physician effective November 1, 2021; the motion was seconded by Ms. Percle. The motion carried without objection or opposition.

Mayor Arceneaux moved to approve Earl Jackson's promissory note for $100.00 per month to repay his benefit overpayment totaling $12,227.40; the motion was seconded by Mayor Piazza. The motion carried with opposition from Mayor Villere.

Mayor Piazza moved to approve the proposed 2022 meeting dates as presented; the motion was seconded by Ms. Percle. The motion carried without objection or opposition. A copy of these dates is attached and made part of these minutes.

Ms. LeBlanc presented the following potential 2022 Legislation:

a) Change the requirement for an actuarial experience study from every three years to every five years. R.S. 11:826B
b) Raise the limit on cash from one percent to 10 percent. R.S. 11:1843
c) Expand the statute dealing with conversion of leave to all participating employers, not just municipalities. R.S. 11:1755E
d) Provide for retroactivity of retirement benefits only if an application is filed within 60 days of retirement eligibility. R.S. 11:1756
e) Eliminate the rules specific to the MERS Board. R.S. 11:1821E, 1823(22) and 1842B

Ms. Percle moved to authorize Ms. LeBlanc to seek an author, draft, and advertise the proposed 2022 Legislation; the motion was seconded Mayor Piazza. The motion carried without objection or opposition.

Ms. LeBlanc updated the Board on the Lafayette Consolidated Government requesting approval to contact Attorney Brent Hicks to assist with collecting the unfunded accrued liability amounts due MERS.

Mayor Arceneaux moved to authorize Ms. LeBlanc to make inquiries on hiring Attorney Brent Hicks to assist with the Lafayette Consolidated Government's unfunded accrued liability due to MERS; the motion was seconded by Ms. Percle. The motion carried without objection or opposition.

Ms. LeBlanc informed the Board that MERS is still waiting on action by the Attorney General concerning the opinion request on Marshals.

Ms. LeBlanc updated the Board that there is no new litigation. The briefs have been submitted for the appeal on the Sigur case. Ms. Rainey has paid her initial payment and is currently making her monthly payments.

There is a new Legislative Auditor, Mike Waguespack, who has hired a Legislative Actuary, Kenny Herbold.

Ms. LeBlanc attended a luncheon with State Representative Mike Johnson concerning modifying or appealing the WEP/GPO with Social Security.

Ms. LeBlanc attended the October 6 LMA board meeting.

Ms. LeBlanc informed the Board that Joycelyn Gunby is resigning effective November 12, 2021.

Ms. LeBlanc reminded the Board that she will be on vacation from November 17 through 24, 2021.

Mayor Villere opened the floor for nominations for Chair for the 2021-2022 year.

Mayor Arceneaux moved to nominate Ms. Percle for Chair for the 2021-2022 year; the motion was seconded by Mayor Villere.

Mayor Piazza moved to close nominations for Chair for the 2021-2022 year; the motion was seconded by Mr. Mack.

The Board unanimously elected Ms. Percle as the 2021-2022 Chair.

Mayor Villere opened the floor for nominations for Vice-Chair for the 2021-2022 year.

Ms. Percle moved to nominate Ms. McGraw for Vice-Chair for the 2021-2022 year; the motion was seconded by Mr. Mack.

Mayor Piazza moved to close nominations for the Vice-Chair for the 2021-2022 year; the motion was seconded by Mayor Arceneaux.

The Board unanimously elected Ms. McGraw as the 2021-2022 Vice-Chair.

Mr. Warren Ponder requested permission to address the Board. He suggested some type of electronic voting system for members to vote for Trustees since the U.S. Postal Service has slowed down the delivery of mail. He received his ballot for the most recent election 2 days before the ballot deadline. Ms. LeBlanc agreed to gather information on voting systems.

Mayor Arceneaux moved to adjourn; the motion was seconded by Mayor Piazza. The motion carried without objection or opposition.

APPROVED

ATTEST