

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES

October 20, 2022

The Board of Trustees of the Municipal Employees' Retirement System of Louisiana met in regular session on Thursday, October 20, 2022, at 9:00 A.M. at the Municipal Employees' Retirement System, 7937 Office Park Boulevard, Baton Rouge, Louisiana.

PRESENT:

Ms. Susan Percle, Chair
Ms. Phyllis McGraw, Vice-Chair
Mayor Barney Arceneaux, Trustee
Mayor Rich Dupree, Trustee
Mr. Ty Carlos, Trustee
Mr. Richard Williams, LMA Designee
Mr. Brian Fleming, Commissioner of Administration Designee
Mr. Philip Qualls, State Treasurer's Office Designee

UNABLE TO ATTEND:

Mayor Rodney Grogan, Trustee
Senator Robert Mills, Vice Chair Senate Retirement Committee
Representative Roy Daryl Adams, House 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
Henry Juang, Managing Principal/Consultant, Meketa Investment Group
Greg Curran, Curran Actuarial Consulting, Ltd.
Casey Cass, Portfolio Manager, Barrow Hanley
Coleman Hubbard, Equity Portfolio Manager, Barrow Hanley
Kimberly Golden, Member
Brent Hicks, Attorney, McGlinchey Stafford, PLLC
Jason Burge, Attorney, Fishman Haygood
Tom Elrod, Partner, Kirby McInerney

The Chair called the meeting to order.

The Chair opened the meeting with a prayer and led everyone in the pledge of allegiance.

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

The Chair read a statement of opportunity for public comment and disclosure of conflicts of interest.

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The Chair asked for approval of the minutes of the meetings held on August 18, 2022, and September 19, 2022.

Mayor Arceneaux moved that the minutes of the meetings held on August 18, 2022, and September 19, 2022, be approved; the motion was seconded by Mr. Williams. The motion carried without objection.

Mayor Arceneaux moved to certify the Trustee election results confirming that Mr. Ty Carlos was elected without opposition; the motion was seconded by Mr. Williams. The motion carried without objection.

Mr. Ty Carlos was given the Oath of Office by Executive Director Maris LeBlanc.

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

Ms. McGraw moved that the Plan A and Plan B retirements be approved; the motion was seconded by Mayor Dupree. The motion carried without objection.

Mr. Saik presented the investment cash flow reports as of August 31, 2022, and September 30, 2022.

Mr. Juang presented the Board with the performance report for the month ending September 30, 2022.

Mr. Juang updated the Board on Meketa's fiduciary responsibility philosophy.

Ms. LeBlanc informed the Board of two letters from Attorney General Landry and other state Attorney Generals regarding Environmental, Social and Governance (ESG) investing strategies.

Mr. Saik and Mr. Juang presented the Board with the suggested asset allocation.

Mr. Qualls moved to accept the new asset mix recommendation by the CIO and consultant; the motion was seconded by Ms. McGraw. The motion carried without objection.

Mr. Hubbard and Mr. Cass of Barrow Hanley gave the Board a presentation on MERS investments with Barrow Hanley.

Mr. Williams made a motion to take agenda item #16 – Consideration of a Potential Change in Enrollment Status - out of order; Mayor Dupree seconded the motion. The motion carried without objection.

Ms. LeBlanc presented the Board with information regarding the MERS' policy of enrolling members in Tier 1 if they had service prior to 1/1/2013, even if they had received a refund for that service. Mr. Curran explained the reasoning and history of the statutory provision and the actuarial impact if a change were made.

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Ms. Golden gave public testimony regarding the effects of this rule on her retirement and other retirees in this category. Ms. Golden expressed her appreciation for consideration of the rule change and said she would not pursue legal action regardless of the Board's decision.

Mr. Williams made a motion to continue deliberation on this issue; Mayor Arceneaux seconded the motion. The motion carried without objection.

Ms. LaGarde presented the Budget Reports as of August 31, 2022, and September 30, 2022.

Ms. LaGarde presented the Board with an audit update.

Ms. Weimer updated the Board on the current membership status for actives, terminated, and retirees.

Ms. Weimer informed the Board that she attended the Thibodaux Benefits Fair, and she will attend the Clerks' Conference the week of October 24th. MERS will also have a booth at the Clerks' Conference.

Ms. LeBlanc informed the Board that the MERS Administrative Rules were final and published in the September 20, 2022 Louisiana Register. Ms. LeBlanc recommended that the Board revoke the following policies:

- Retirees Returning to Covered Employment Policy;
- Policy of the Board of Trustees for Election of Retired Members of the Retirement System to the Board of Trustees;
- Policy of the Board of Trustees for Election of Active Members of the Retirement System for the Board of Trustees; and
- Refund of Contributions Direct Deposit Board Policy.

These policies are superseded by the Administrative Rules.

Ms. McGraw made a motion that these policies be revoked; the motion was seconded by Mr. Williams. The motion carried without objection.

Mayor Arceneaux made a motion to appoint Mr. Ty Carlos to the Personnel Committee; the motion was seconded by Mayor Dupree. The motion carried without objection.

Ms. LeBlanc informed the Board there were no employers with late contributions that needed to be reported to the Treasurer's Office.

Ms. LeBlanc informed the Board that there is no new litigation.

Ms. LeBlanc informed the Board that the Supreme Court denied MERS' writ application in the Sigur case. Because the ruling of the Court of Appeal, First Circuit now stands, a MERS retiree who becomes a part-time elected official will not be subject to limits on earnings for that elected position.

Ms. LeBlanc informed the Board that she has approved 3.5 hours of crisis leave.

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Ms. LeBlanc informed the Board that the Town of Oberlin has been advised, in writing, of the consequences of their decision to enroll in Plan A. The Mayor has acknowledged those consequences and all six employees have enrolled in MERS.

Ms. LeBlanc informed the Board there is no update on the WEP/GPO legislation.

Ms. LeBlanc recommended to the Board that no legislation be introduced in the 2023 Louisiana Legislative Session. No objection was voiced to the recommendation.

The Chair read a Resolution commending Mr. Donald Clause on his work with the MERS Board.

RESOLUTION

WHEREAS Donald Clause has provided valuable service to the Municipal Employees' Retirement System of Louisiana (MERS) as a member of the Board of Trustees from August 2019, through September 2022, and

WHEREAS although his length of service was short, Donald Clause, bringing his human resources experience in Thibodaux City Government, was a voice for members of the system on the Board of Trustees, and his participation as a member of the Personnel Committee and board member has been of great benefit to the staff, members of the system, and the Board of Trustees, and

WHEREAS the Board of Trustees desires to express its gratitude and sincere appreciation to Donald Clause for his service to the system and to wish him well in his next endeavor,

NOW, therefore, be it resolved by the Board of Trustees of MERS that Donald Clause is hereby recognized for the outstanding service he has provided to the Municipal Employees' Retirement System of Louisiana during his membership on the system's Board of Trustees.

BE IT FURTHER RESOLVED that the Board of Trustees and the members thereof do hereby express their genuine appreciation and heartfelt thanks to Donald Clause 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 Donald Clause.

Ms. McGraw made a motion to adopt the Resolution; the motion was seconded by Mayor Arceneaux. The motion carried without objection.

Mr. Burge and Mr. Elrod made a presentation on Securities Monitoring Services that served as fiduciary responsibility education.

Ms. LeBlanc updated the Board on technology issues and computer updates for MERS.

Mayor Arceneaux moved to enter into Executive Session to discuss litigation in Joseph H. Broyles et al. v Cantor Fitzgerald & Co., No. 3:10-CV-854-SDD-CBV (M.D.La); the motion was seconded by Mayor Dupree. The motion carried without objection.

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Ms. McGraw made a motion to include Lafayette Consolidated Government withdrawal liability in the Executive Session; the motion was seconded by Mayor Dupree. The motion carried without objection.

Greg Curran was asked to join the Executive Session for Lafayette Consolidated Government discussions.

Ms. McGraw made a motion to enter regular session; the motion was seconded by Mr. Qualls. The motion carried without objection.

No action was taken on Executive Session issues.

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



APPROVED



ATTEST