

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES

May 18, 2023

Corrected Copy – July 19, 2023

The Board of Trustees of the Municipal Employees' Retirement System of Louisiana met in regular session on Thursday, May 18, 2023, 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
Mr. Ty Carlos, Trustee
Mayor Barney Arceneaux, Trustee
Mr. Richard Williams, LMA Designee
Mr. Julius Roberson, State Treasurer's Office Designee* (arrived at 11:00 am)

UNABLE TO ATTEND:

Mayor Rodney Grogan, Trustee
Mayor Rich Dupree, Trustee
Ms. Desireé Honoré Thomas, Commissioner of Administration Designee
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
Aaron Lally, Consultant, Meketa Investment Group
Stephen Brouillette, Curran Actuarial Consulting, Ltd.
Greg Curran, Curran Actuarial Consulting, Ltd.

The Chair called the meeting to order.

The Chair noted that due to the lack of a quorum at the start of the meeting, some agenda items would be taken out of 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. Five members were present with one member short of a quorum.

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

Mr. Saik presented the investment cash flow report as of April 30, 2023.

Mr. Lally presented the 10 Year Progress Report.

Mr. Lally stated that Meketa Investment Group, Inc. proposed a contract renewal to be discussed later in the agenda.

Mr. Lally presented the Board with the Performance Report for the month ending April 30, 2023.

Ms. LaGarde presented the first draft of the proposed July 1, 2023 – June 30, 2024, Operating Budget.

Ms. LaGarde presented the budget report as of April 30, 2023.

Ms. LeBlanc informed the board that the nominations for the Elected Trustee position close on May 24, 2023, with the election, if necessary, in July. Currently Mayor Barney Arceneaux is the only candidate.

Ms. Weimer gave the Board an update on the current membership status.

Ms. Weimer presented the Role of the Retirement Benefits Administrator as education for the Board.

Ms. LeBlanc informed the Board that the Town of Haynesville requested that the matter concerning a refund issued by MERS for contributions on supplemental pay be deferred until the June meeting.

Ms. LeBlanc informed the Board that the Renewal of the Contract for Self Directed DROP Program with Empower Retirement was still in negotiations and recommended it be deferred until the June meeting.

Ms. LeBlanc reported there was no new litigation and recommended that the Board not go into Executive Session due to no substantive action on the suits.

Ms. LeBlanc informed the Board that Lafayette Consolidated Government has continued to make the agreed upon monthly payments and there is not yet a hearing date for the suit.

Ms. LeBlanc informed the Board that Warren Ponder and Susita Suire have been served on the Sigur case and the hearing has been moved to June 19.

Ms. LeBlanc informed the Board that the retirement systems have filed a brief in Recreation and Park Cn for the Parish of East Baton Rouge v. Sid S. Gautreaux, III, in his official capacity as Sheriff of East Baton Rouge. The Sheriff has filed a concursus hearing, Sid Gautreaux, III, in his official capacity as Sheriff of East Baton

Rouge v. The City of Baton Rouge, et al, including the retirement systems. BREC requested that the concursus suit be consolidated with the original BREC suit. The request was denied.

Ms. LeBlanc updated the Board on pending legislation.

HCR 67 asks Congress to eliminate or reduce the WEP and GPO. HCR 67 has passed the House Retirement Committee and the House Floor.

HCR 69 urges and requests the House and Senate Committees on Retirement to study and make recommendations regarding benefit options for future employees of the state of Louisiana to avoid penalties associated with the WEP and GPO federal offsets to Social Security. HCR 69 has passed the House Retirement Committee and the House Floor.

HCR 70 urges and requests the state treasurer and state and statewide retirement systems to report on investment advisors and companies that discriminate against the fossil fuel industry through environmental, social, and governance policies; on their investment of funds using nonpecuniary factors; and on the asset allocation of all their investments. HCR 70 has passed the House Retirement Committee and the House Floor.

HCR 110 requests the state public retirement systems to avoid Environmental, Social and Governance investing. HCR 110 has passed the House Retirement Committee.

She noted two other bills of interest:

SB 18 provides a new COLA mechanism for the state retirement systems. SB 18 has passed the Senate and is being heard in the House Retirement Committee.

SB 201 provides for meetings of boards and commissions via electronic means. This bill has passed the Senate and has been referred to the Committee on House and Governmental Affairs.

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

*Julius Roberson joined the meeting at 11:00 a.m. and a quorum was declared present.

The Chair asked for approval of the minutes of the meeting held on April 20, 2023.

Mayor Arceneaux moved that the minutes of the meeting held on April 20, 2023, be approved; the motion was seconded by Ms. McGraw. The motion carried without objection.

The Chair asked for approval of the Plan A and Plan B retirements for April 2023. (A list was provided to the Board Members).

Mr. Williams moved that Plan A and Plan B retirements be approved for the month of April; the motion was seconded by Mayor Arceneaux. The motion carried without objection.

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, 2023.

Mr. Williams 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, 2023; the motion was seconded by Mayor Arceneaux. The motion carried without objection.

The Chair asked the Board to adopt the following Resolution as part of the 2022-2023 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, 2023, and for the one-year period from July 1, 2022 through June 30, 2023, 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 18th day of May 2023.

Ms. McGraw moved to adopt the above Resolution; the motion was seconded by Mr. Carlos. The motion carried without objection.

The Chair asked for approval of the Curran Actuarial Consulting, Ltd. contract for fiscal year beginning July 1, 2023.

Mayor Arceneaux moved to approve the Curran Actuarial Consulting, Ltd. contract for the fiscal year beginning July 1, 2023; the motion was seconded by Mr. Williams. The motion carried without objection.

The Chair asked for approval of the Meketa Investment Group, Inc. contract for five years beginning July 1, 2023. She noted that Meketa would personally appear at four meetings per year and be available via teleconference, if needed, at other meetings.

Ms. McGraw moved to approve the Meketa Investment Group, Inc. contract beginning July 1, 2023; the motion was seconded by Mr. Carlos.

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



APPROVED



ATTEST