

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES

October 19, 2023

The Board of Trustees of the Municipal Employees' Retirement System of Louisiana met in regular session on Thursday, October 19, 2023, 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
Senator Robert Mills, Vice Chair, Senate Retirement Committee
Mayor Rodney Grogan, Trustee
Mr. Ty Carlos, Trustee
Mr. Richard Williams, LMA Designee
Ms. Lawanna Green, Commissioner of Administration Designee
Ms. Nicole Brown, State Treasurer's Designee

UNABLE TO ATTEND:

Representative Roy Daryl Adams, House Retirement Committee
Mayor Barney Arceneaux, Trustee
Mayor Rich Dupree, Trustee

IN ATTENDANCE:

Maris LeBlanc, Executive Director
Nancy LaGarde, Chief Financial Officer
Lacey Weimer, Retirement Benefits Administrator
Gay Courson, Board Secretary
Greg Curran, Curran Actuarial Consulting Ltd.
Joey David, House Retirement Committee

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. Eight members were present and a quorum.

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

The Chair asked for approval of the minutes of the meeting held on August 17, 2023.

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Ms. Percle moved that the minutes of the meeting held on August 17, 2023, be approved; the motion was seconded by Mayor Grogan. The motion carried without objection.

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

Mr. Carlos moved that Plan A and Plan B retirements be approved for the months of August and September; the motion was seconded by Ms. Percle. The motion carried without objection.

Mr. Williams informed the Board that Ms. LeBlanc was recognized at the LMA meeting for assistance she and Ms. Weimer provided to a soon to be retired member.

Ms. LeBlanc announced that Christopher Saik was absent from the meeting to attend the annual meeting of Bernhard Capital Partners.

Ms. LeBlanc presented the investment cash flow reports as of August 31, 2023, and September 30, 2023.

Ms. LeBlanc informed the Board that the first closing of the Gainesville, GA property took place on September 22 with about \$4.9 million received on October 4. Legal fees and the share due to Austin Police Retirement System were deducted from that amount. The second closing for \$16.7 million must occur within five years.

Ms. LeBlanc presented the Meketa Performance Report for the months ending August 31, 2023, and September 30, 2023.

Ms. LeBlanc noted that Meketa had disclosed litigation against the firm in California.

Ms. LaGarde presented the budget reports as of August 31, 2023, and September 30, 2023.

Ms. LaGarde updated the Board that the annual audit is complete. GASB 68 is still being tested. MERS has no adjustments and no audit findings.

Ms. LaGarde reviewed the draft financial statements and reviewed financial highlights as of June 30, 2023.

Ms. LaGarde updated the board on the effects of the Lafayette UAL on the financial statements.

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

Ms. Weimer informed the Board that MERS will have a booth and she will make a presentation at the LMA Clerks' Conference.

Ms. Weimer informed the Board that a retiree who had his benefits revoked has provided medical information that he is in fact disabled. Staff recommended reinstating his disability benefit with retroactive payments.

Mr. Williams moved to accept the recommendation of staff for the reinstatement of the member's disability benefit and retroactive payments for September and October; Mr. Carlos seconded the motion. The motion carried without objection.

Ms. LeBlanc informed the Board of four proposed changes to the Board Charter.

The first change offered was to change the meeting date at which officers are elected from July to August.

Ms. Percle moved to change the election of the Board Chair and Vice Chair from July to August; Mr. Williams seconded the motion. After discussion, Ms. Percle made a revised motion to change the election of the Board Chair and Vice Chair to the first meeting of the fiscal year; Mr. Williams seconded the motion. The motion carried without objection.

The second proposal addressed the timing of considering Employer Agreements.

Mr. Carlos moved to prohibit the acceptance of Employer Agreements for municipalities or marshals' offices within the six-month period preceding an election for Mayor/Marshal and during the months after an election and prior to a change in administration; Ms. Percle seconded the motion. The motion carried without objection.

The third proposal was to broaden the language of required Board approval for certain providers.

Mr. Williams moved to add "relationships" to the Board approval of contracts; Mayor Grogan seconded the motion. The motion carried without objection.

The fourth proposal was to set protocols for payment of expenses for LAPERS.

Ms. Percle moved that MERS will pay the conference expenses of an elected Trustee who attends a majority of the Board's meetings in the period of September 1 through August 31, with certain exceptions; Mr. Carlos seconded the motion. The motion carried without objection. Ms. Percle amended the previous motion to include language that the rule may

be waived by a majority vote of the board; Mr. Carlos seconded the motion. The motion carried without objection.

Ms. LeBlanc informed the Board the Town of Homer has not paid contributions for July, August, or September. She recommended that the Board certify the delinquency to the Treasurer in the amount of \$26,333 if payment is not received by November 15. A certified letter will be sent requesting the funds.

Mr. Carlos moved to certify to the Treasurer the delinquency of \$26,333 for the Town of Homer if payment is not received by November 15; Ms. Percle seconded the motion. The motion carried without objection. Mr. Williams abstained from the vote.

Ms. LeBlanc informed the Board about possible legislation in the 2024 legislative session. She indicated that on the issues accepted by the Board she would proceed with drafting, seeking an author, and providing the required advertisement.

The first proposal was to reduce the qualification of an elected-member Trustee from 6 years of MERS service credit to 4 years.

Ms. Percle made a motion to pursue legislation to reduce the service credit of elected-member Trustees from six to four years of MERS service credit; Mr. Carlos seconded the motion. The motion carried without objection.

The second issue, which would involve multiple systems, deals with the appropriate amount of funds to be transferred when a system sets the employer contribution rate higher than the actuarially required rate. This issue was brought to the Board's attention by the actuary.

Mr. Carlos moved to proceed with the described legislation; Mr. Williams seconded the motion. The motion carried without objection.

The third issue was a suggestion to allow an upgrade of prior service from a retirement system upon a transfer into a different system at the time of retirement in addition to the current rule allowing the upgrade at the time of transfer.

Mr. Williams made a motion to move forward with proposed legislation to allow an upgrade of prior transferred service at the time of retirement; Mr. Carlos seconded the motion. After discussion and input from Mr. Curran, the motion carried without objection.

The fourth item of discussion dealt with survivor benefits for a minor of a deceased member.

Mr. Carlos made motion to move forward with proposed legislation to tie the survivor benefits to the child and not the surviving spouse; Ms. Percle

seconded the motion. After discussion the motion carried without objection.

The final item discussed was proposed by a member and would allow members with a 60-month final average compensation (FAC) to change to a 36-month FAC. The staff pointed out that the change to a 60-month FAC was adopted as a cost saving measure and recommended against the suggestion.

Mr. Carlos made a motion to accept staff recommendation to table this possible legislation; Ms. Percle seconded the motion. The motion carried without objection.

Ms. LeBlanc reported there was no new litigation.

The case involving Walter Morales and Commonwealth Advisors (Joseph H. Broyles et al v. Cantor Fitzgerald & Co., No. 3:10-CV-854-SDDCBV (M.D.La.)) has been settled for \$100,000. MERS will receive approximately \$49,000 by year end.

Ms. LeBlanc informed the board that the Municipal Police Employees' Retirement System (MPERS) received an Attorney General's Opinion (No. 22-0109) dealing with enrollment eligibility. The result of the opinion is that more employees of the cities of Kenner and Grena will be eligible to enroll in MPERS, rather than MERS. MPERS has agreed that this opinion will be applied prospectively only.

Ms. LeBlanc informed the Board that the new AV equipment will be delivered and hopefully installed by the December board meeting.

Ms. LeBlanc informed the Board that Ms. Weimer has updated many of the forms used by active members to make them consistent and more user friendly.

Ms. LeBlanc informed the board that Ms. Percle sent a note thanking everyone for their support during the time of her father's death. Ms. Percle also personally thanked the board for the support.

Ms. LeBlanc stated that Executive Session was not needed to discuss litigation.

Ms. LeBlanc explained the Lafayette litigation to the new Trustee designees. She informed the Board that Lafayette Consolidated Government has not yet supplied the requested discovery documents and Brent Hicks recommends filing a motion for summary judgment. Lafayette continues to make monthly payments.

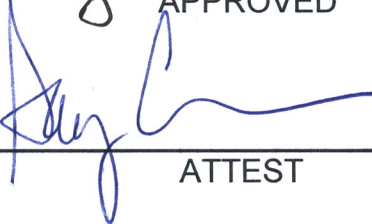
Ms. LeBlanc informed the board that the Sigur case has been settled for \$2,926. The dismissal should be filed shortly.

Ms. LeBlanc informed the Board that the BREC cases are waiting on the First Circuit to rule on the injunction and discovery should begin after the first of the year.

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



APPROVED



ATTEST