

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES

March 20, 2025

The Board of Trustees of the Municipal Employees' Retirement System of Louisiana met in regular session on Thursday, March 20, 2025, at 9:00 a.m. at the Municipal Employees' Retirement System, 7937 Office Park Boulevard, Baton Rouge, Louisiana.

PRESENT:

Ms. Susan Percle, Chair
Mr. Ty Carlos, Vice Chair
Ms. Phyllis McGraw, Trustee
Mayor Julius Alsandor, Trustee
Mayor Jan-Scott Richard, Trustee
Mayor Roderick Hampton, LMA Designee
Sonia Mallett, Designee, Commissioner of Administration
*Nicole Brown, Designee, State Treasurer

ABSENT:

Mayor Scott Rhodes, Trustee
Representative Roy Daryl Adams
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
Amanda Hall, Board Secretary
Joey David, House of Representatives
Greg Curran, Curran Actuarial Consulting

The Chair called the meeting to order.

Mayor Hampton gave the opening prayer.

The Chair led everyone in the Pledge of Allegiance.

The Chair asked Ms. Hall to call roll. Seven members were present and a quorum.

*Ms. Brown entered the meeting.

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 February 6, 2025.

Mayor Hampton moved to approve the minutes of the meeting held on February 6, 2025. The motion was seconded by Mr. Carlos and carried without objection.

The Chair asked for approval of the Plan A and Plan B retirements for January and March 2025. A list was provided to the Board members.

Mayor Hampton moved to approve the Plan A and Plan B retirements for the months of February and March 2025. The motion was seconded by Mayor Alsandor and carried without objection.

Mr. Saik presented the Act 1004 comparison.

Mr. Saik presented the investment cash flow report as of January 31, 2025, and February 28, 2025.

Mr. Saik presented Meketa's Performance Report as of February 28, 2025.

Ms. LaGarde presented the budget report as of February 28, 2025.

Ms. LaGarde presented the financial statements as of January 31, 2025.

Ms. LaGarde spoke about the Fiduciary Waiver of Recourse.

Ms. LaGarde presented the Budget Process for Fiscal year 2026.

Ms. Weimer provided the Board with an update on the current membership status for January and February 2025.

Discussion was held regarding the Executive Director's request to require a disability retiree to submit to an additional medical examination since earnings suggest the retiree may no longer be disabled.

A motion was made by Mr. Carlos to require the described disability retiree to undergo an additional medical examination. The motion was seconded by Mayor Hampton and carried without objection.

Ms. LeBlanc informed the board that a review of Curran Actuarial's annual valuation and recent Experience Study by the Legislative Auditor revealed no disagreements. Board members expressed satisfaction with Greg Curran's work and noted their appreciation for his efforts.

There was discussion regarding the employer contribution rates for both Plan A and Plan B. The current employer contribution rate for Plan A is 28%, and Greg Curran and Ms. LeBlanc recommended reducing the rate from 28% to 27%. For Plan B, the current employer contribution rate is 14%, and it was suggested by Greg Curran and Ms. LeBlanc to reduce the rate from 14% to 13.5%.

A motion was made by Mayor Hampton to reduce the employer contribution rates to 27% for Plan A and 13.5% for Plan B for Fiscal Year 2025-2026; the motion was seconded by Mayor Alsandor. The motion carried without objection.

The Board discussed granting a 2% cost-of-living adjustment (COLA) for retirees of both Plan A and Plan B. It was noted that the 2% COLA is the statutory regular COLA and the timing is supported by the system's improved funding status. The COLA would be for those retired for at least one year.

A motion was made by Mayor Hampton to grant a 2% COLA for eligible retirees and beneficiaries of Plan A and Plan B, effective July 1, 2025; the motion was seconded by Mr. Carlos. The motion carried without objection.

A motion was made by Mr. Carlos to approve the proposal to amend the Employee Handbook regarding the withholding of retiree insurance premiums from benefit payments; the motion was seconded by Mayor Hampton. The motion carried without objection.

A motion was made by Mayor Hampton to appoint Mr. Carlos as Chair of the Personnel Committee; the motion was seconded by Ms. McGraw. The motion carried without objection.

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

There was a discussion of the 2025 Trustee Election Packet for the non-elected official seat currently held by Mr. Carlos, with deviations from the established schedule to accommodate mailing and runoff timelines without incurring additional costs. The Executive Director will present amendments to the rules for future elections.

A motion was made by Mayor Hampton to approve the 2025 Trustee Election Packet for the non-elected official seat held by Mr. Ty Carlos, including schedule adjustments; the motion was seconded by Mayor Alsandor. The motion carried without objection.

Ms. LeBlanc reported on legislation currently filed which would impart MERS.

The Board discussed House Bill 8, which would allow a member of MERS who transitions to a LASERS-eligible position to remain in MERS. While the potential impact on costs is uncertain, it is not expected to be significant.

A motion was made by Mr. Carlos that the Board take a neutral position on House Bill 8; the motion was seconded by Ms. McGraw. The motion carried with abstentions by Ms. Mallett and Ms. Brown.

The Board discussed Senate Bill 7, introduced by Senator Hodges, which imposes restrictions on Environmental, Social, and Governance (ESG) factors for investment decisions. The bill could limit access to investment managers and create legal risks for the system. A similar bill from last year was projected to result in significant actuarial costs for state systems, and despite revisions, this year's bill does not address the Board's concerns.

A motion was made by Ms. McGraw that the Board oppose Senate Bill 7; the motion was seconded by Mayor Hampton. The motion carried with abstentions by Ms. Mallett and Ms. Brown.

Ms. LeBlanc reported there was no new litigation filed against MERS and that an Executive Session was needed to discuss the Lafayette matter.

Ms. LeBlanc reminded Board members that personal financial disclosure reports are due to the Ethics Board no later than May 15, 2025.

Ms. LeBlanc informed the Board that payments for retroactive Social Security benefits for 2024 are being made, unless the case is complex.

A motion was made by Mayor Hampton and seconded by Mayor Richard to enter into executive session to discuss the Lafayette matter, Lafayette City-Parish Consolidated Government v. Municipal Employees' Retirement System of Louisiana, Docket N. C-729932, Section 31, the 19th Judicial District Court. The motion passed unanimously.

A motion was made by Mayor Hampton to come out of executive session. The motion was seconded by Mr. Carlos and carried without objection.

A motion was made by Mayor Hampton to reject the settlement offer from Lafayette; the motion was seconded by Ms. Mallett. The motion carried without objection.

A motion was made by Mr. Carlos to adjourn the meeting; the motion was seconded by Ms. Mallett. The motion carried without objection.



APPROVED



ATTEST