

Public Retirement Systems' Actuarial Committee

Minutes of Meeting
2024-2025 Interim
December 11, 2024

I. CALL TO ORDER

Representative Tony Bacala, chair of the Public Retirement Systems' Actuarial Committee, called the meeting to order at 1:59 p.m. in House Committee Room 4, in the state capitol in Baton Rouge, Louisiana. The committee administrative assistant called the roll.

II. ROLL CALL

MEMBERS PRESENT:

Representative Tony Bacala, chair
Greg Curran
Patrick Goldsmith, proxy for Taylor Barras
Shelley Johnson
Amy Mathews, proxy for John Fleming, M.D.
Senator Ed Price, vice chair
Michael Waguespack

MEMBERS ABSENT:

None

STAFF MEMBERS PRESENT:

Joey David, House committee analyst
Jennifer Watson, House committee administrative assistant
Alana Perrin, Senate committee attorney

ADDITIONAL ATTENDEES PRESENT:

Kenneth Herbold, Louisiana legislative auditor
Johnaé Conner, House sergeant at arms
Casca Payne, Senate sergeant at arms

III. APPROVAL OF AUGUST 7, 2024, MINUTES

Senator Price offered a motion to approve the minutes of the August 7, 2024, meeting. Without objection, the minutes were approved by a vote of 7 yeas and 0 nays. Representative Bacala, Mr. Curran, Mr. Goldsmith, Ms. Johnson, Ms. Mathews, Senator Price, and Mr. Waguespack voted yea.

IV. PUBLIC COMMENT

There was no public comment.

V. DISCUSSION ITEMS

Discussion and approval of 2024 annual actuarial valuations and the required contributions and dedication of revenues contained therein for Louisiana State Employees' Retirement System

Shelley Johnson presented the valuation for the system, contained in Exhibit A in the records of this meeting, explained the effects of various factors on the fund's cost structure that increase or decrease the normal cost accrual rate, and discussed valuation results for the system from 2024.

Kenneth Herbold, Louisiana legislative auditor, no witness card provided, presented the Louisiana Legislative Auditor's Actuarial Review of the 2024 Actuarial Valuation of the Louisiana State Employees' Retirement System, contained in Exhibit A, and provided assessments of the review's actuarial treatment of cost of living adjustments, assumed net investment return, and assumed mortality rates.

Ms. Johnson offered a motion to adopt the actuarial funding valuation report for the Louisiana State Employees' Retirement System dated June 30, 2024, as presented by Foster & Foster Inc., as the official valuation for the system and, as specified in the report, to include all assumptions contained therein, including the aggregate employer contribution rate of 33.92% for the fiscal year ending in 2026, the DROP rate of 7.76%, and the specific contribution rates contained on page 2 of Exhibit A.

Without objection, the motion passed by a vote of 7 yeas and 0 nays. Representative Bacala, Mr. Curran, Mr. Goldsmith, Ms. Johnson, Ms. Mathews, Senator Price, and Mr. Waguespack voted yea.

Discussion of the July 1, 2018 - June 30, 2023, Experience Study for Louisiana State Employees' Retirement System

This item was not discussed.

Discussion and approval of 2024 annual actuarial valuations and the required contributions and dedication of revenues contained therein for Teachers' Retirement System of Louisiana

Shelley Johnson presented the valuation for the system, contained in Exhibit A in the records of this meeting, and explained the effects of various factors on the fund's cost structure that increase or decrease the normal cost accrual rate. She explained valuation results for the system from last year.

Kenneth Herbold, Louisiana legislative auditor, no witness card provided, presented the Louisiana Legislative Auditor's Actuarial Review of the 2024 Actuarial Valuation of the Teachers' Retirement System of Louisiana, contained in Exhibit A, and provided assessments of the review's actuarial soundness. No deficiencies were found.

Ms. Johnson offered a motion to adopt the actuarial funding valuation report for the Teachers' Retirement System of Louisiana dated June 30, 2024, as presented by Foster & Foster Inc., as the official valuation for the Teachers' Retirement System of Louisiana for fiscal year ending in 2026 and, as specified in the report, to include all of the assumptions contained therein, particularly the DROP rate of 6.51%, and the employer aggregate contribution rates of 20.84%, including 20.95% for K-12 and 20.33% for higher education.

Without objection, the motion passed by a vote of 7 yeas and 0 nays. Representative Bacala, Mr. Curran, Mr. Goldsmith, Ms. Johnson, Ms. Mathews, Senator Price, and Mr. Waguespack voted yea.

Discussion and approval of 2024 annual actuarial valuations and the required contributions and dedication of revenues contained therein for Louisiana School Employees' Retirement System

Greg Curran presented the valuation for the system, labeled Exhibit A and contained in the records of this meeting, and explained the effects of various factors on the fund's cost structure that increase or decrease the normal cost accrual rate. He explained valuation results for the system from last year.

Kenneth Herbold, Louisiana legislative auditor, no witness card provided, presented the Louisiana Legislative Auditor's Actuarial Review of the 2024 Actuarial Valuation of the Louisiana School Employees' Retirement System, contained in Exhibit A, and provided assessments of the review's actuarial treatment of cost of living adjustments, assumed net investment return, and assumed mortality rates.

Mr. Curran offered a motion to adopt the actuarial funding valuation report for the Louisiana School Employees' Retirement System dated June 30, 2024, as presented by Curran Actuarial Consulting, Ltd., as the official valuation for the Louisiana School Employees' Retirement System, and, as specified in the report, to set the minimum recommended employer contribution rate for fiscal year

2026 to 19.5%, with an additional 2.5% AFC rate, making the total employer contribution rate 22.0% for fiscal year 2026 22%, along with the credit rate on non-self-directed DROP accounts of 7.55%.

Without objection, the motion passed by a vote of 6 yeas and 0 nays. Representative Bacala, Mr. Curran, Mr. Goldsmith, Ms. Johnson, Ms. Mathews, and Mr. Waguespack voted yea.

Mr. Goldsmith in the chair.

Discussion and approval of 2024 annual actuarial valuations and the required contributions and dedication of revenues contained therein for Louisiana State Police Retirement System

Greg Curran presented the valuation for the system, labeled Exhibit A and contained in the records of this meeting, and explained the effects of various factors on the fund's cost structure that increase or decrease the normal cost accrual rate. He presented and explained valuation results for the system from last year.

Kenneth Herbold, Louisiana legislative auditor, no witness card provided, presented the Louisiana Legislative Auditor's Actuarial Review of the 2024 Actuarial Valuation of the Louisiana State Police Retirement System contained in Exhibit A and provided assessments of the review's actuarial treatment of cost of living adjustments, assumed net investment return, and assumed mortality rates.

Mr. Curran offered a motion to adopt the actuarial funding valuation report for the Louisiana State Police Retirement System dated June 30, 2024, as presented by Curran Actuarial Consulting, Ltd., as the official valuation for the Louisiana State Police Retirement System and, as specified in the report, to set the minimum recommended employer contribution rate for fiscal year 2026 to 65.5%, with an additional 2.5% AFC rate, making the total employer contribution rate 68.0% for fiscal year 2026, as approved by the board.

Without objection, the motion passed by a vote of 6 yeas and 0 nays. Representative Bacala, Mr. Curran, Mr. Goldsmith, Ms. Johnson, Ms. Mathews, and Mr. Waguespack voted yea.

V. ANNOUNCEMENTS

There were no announcements.

VI. ADJOURNMENT

Representative Bacala offered a motion to adjourn. Without objection, the motion passed by a vote of 6 yeas and 0 nays. Representative Bacala, Mr. Curran, Mr. Goldsmith, Ms. Johnson, Ms. Mathews, and Mr. Waguespack voted yea.

The meeting was adjourned at 3:11 p.m.

Respectfully submitted,



Chair Tony Bacala

Public Retirement Systems' Actuarial Committee

Date approved: 1/29/25