

Public Retirement Systems' Actuarial Committee

Minutes of Meeting
2024-2025 Interim
August 7, 2024

I. CALL TO ORDER

Representative Tony Bacala, chair of the Public Retirement Systems' Actuarial Committee, called the meeting to order at 9:00 a.m. in House Committee Room 1, in the state capitol in Baton Rouge, Louisiana. The committee administrative assistant recorded the roll.

II. ROLL CALL

MEMBERS PRESENT:

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

MEMBERS ABSENT:

Shelley Johnson

STAFF MEMBERS PRESENT:

Joey David, House committee analyst
Jennifer Watson, House committee administrative assistant

ADDITIONAL ATTENDEES PRESENT:

Kenny Herbold, Louisiana legislative auditor
Rebecca Marshall, House sergeant at arms
Tony Lumbard, Senate sergeant at arms

III. APPROVAL OF FEBRUARY 19, 2024, MINUTES

Senator Price offered a motion to approve the minutes of the February 19, 2024, meeting. Without objection, the minutes were approved by a vote of 6 yeas and 0 nays. Representative Bacala, Mr. Curran, Mr. Fleming, Ms. Mathews, Senator Price, and Mr. Waguespack voted yea.

IV. PUBLIC COMMENT

There was no public comment.

V. DISCUSSION ITEMS

Discussion and approval of 2023 annual actuarial valuations and the required contributions and dedication of revenues contained therein for Louisiana's Assessors' Retirement Fund

Greg Curran presented the valuation for the system, labeled in the records of the meeting as Exhibit A, and explained the effects of various factors on the funds' cost structure that increase or decrease the normal cost accrual rate. Mr. Curran noted since the Assessors' board granted a cost of living adjustment in October 2023, under R.S. 11:243, there would be no cost of living adjustment in 2024. He explained valuation results for the system from last year.

Kenny Herbold, Louisiana legislative auditor, presented the Louisiana Legislative Auditor's 2023 Actuarial Standards of Practice Disclosure Compliance Review of Louisiana Assessors' Retirement Fund, contained in Exhibit A, and provided assessments of the valuation's actuarial standards of practice regarding 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 Assessors' Retirement Fund dated September 30, 2023, as presented by Curran Actuarial Consulting, Ltd., as the official valuation for the system, and that, as specified in the report, the minimum net direct recommended employer contribution rate for Fiscal Year (FY) 2025 will be set at 1.25% and that the fund will receive the maximum allocated amount of ad valorem taxes and revenue sharing funds provided by law for FY 2025. Without objection, the motion was approved by a vote of 6 yeas and 0 nays. Representative Bacala, Mr. Curran, Mr. Fleming, Ms. Mathews, Senator Price, and Mr. Waguespack voted yea.

Discussion of 2023 Experience Study for Parochial Employees' Retirement System of Louisiana

Statutes dictate that boards must study their assumptions in an experience study on a periodic basis, which is five years for Parochial Employees' Retirement System of Louisiana. Actuaries took data

from years of actuarial valuations and considered how the valuations should look if they were to be redesigned. Mr. Curran noted COVID happened during the period studied.

The valuation interest rate and discount rate were the same in this plan at 6.4%. No changes were recommended.

Salary rate increase recommendations were maintained at 4.75% for Plan A and 4.25% for Plan B. Mr Curran discussed rates of withdrawal, disability, and retirement, and described two tiers of benefit structures.

Mr Curran discussed assumptions including accumulated leave conversion, vesting election percentage, Deferred Retirement Option Plan (DROP) participation and post-DROP participation. No changes were recommended.

Discussion and approval of 2023 annual actuarial valuations and the required contributions and dedication of revenues contained therein for Parochial Employees' Retirement System of Louisiana

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.

Kenny Herbold, Louisiana legislative auditor, presented the Louisiana Legislative Auditor's 2023 Actuarial Standards of Practice Disclosure Compliance Review of the Parochial Employees' Retirement System and provided assessments of the valuation's actuarial standards of practice. The presentation, Exhibit A, is contained in the committee records.

Mr. Curran offered a motion to adopt the actuarial funding valuation report for the Parochial Employees' Retirement System dated December 31, 2023, as presented by Curran Actuarial Consulting, Ltd., as the official valuation for the Parochial Employees' Retirement System, and that, as specified in the report, the minimum recommended employer contribution rate for FY 2025 will be set at 7.25% for Plan A and at 5.50% for Plan B. The system will receive the maximum allocated amount of ad valorem taxes and revenue sharing funds provided for by law for FY 2025. Without objection, the motion was approved by a vote of 6 yeas and 0 nays. Representative Bacala, Mr. Curran, Mr. Fleming, Ms. Mathews, Senator Price, and Mr. Waguespack voted yea.

V. ANNOUNCEMENTS

Chair Bacala announced the retirement of Dainna Tully, administrative director of Parochial Employees' Retirement System, and recognized her service.

VI. ADJOURNMENT

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

The meeting was adjourned at 9:58 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Tony Bacala", with a long horizontal flourish extending to the right.

Chair Tony Bacala
Public Retirement Systems' Actuarial Committee

Date approved: December 11, 2024