

PUBLIC RETIREMENT SYSTEMS' ACTUARIAL COMMITTEE

Thursday, September 16, 2010

1:30 – 2:00 PM

House Committee Room 2

State Capitol

Baton Rouge, Louisiana

MINUTES

1. Call to Order

Chairperson Steven Procopio called the meeting to order at 1:33 PM.

2. Roll Call

Ms. Sue Israel called the roll.

Members Present: Chairman Procopio, Mr. Henson for Treasurer Kennedy, Rep. Pearson for Speaker Tucker, Mr. Curran, Mr. Hall, and Mr. Purpera.

Absent: Rep. Guillory (designee for President Chaisson)

Also Present: Sue Israel, Laura Gail Sullivan, Paul Richmond, John Morgan, Karen Stephens, and Lauren Bailey.

3. Approval of Minutes

A motion was made by Mr. Henson to approve the minutes from the February 24, 2010, committee meeting. The motion was seconded by Mr. Purpera. There were no objections, and the motion passed unanimously.

4. Discussion and approval of the 9/30/2009 actuarial report, contributions, and tax sharing allocations for the **Louisiana Assessors' Retirement Fund (LARF)**:

Mr. Gary Curran presented the actuarial report for the system.

Mr. Curran made a motion to set the FY 2010-2011 minimum recommended employer contribution rate at 4.0% and to allow full ad valorem and revenue sharing. Mr. Hall seconded the motion.

Mr. Paul Richmond, actuary for the Louisiana Legislative Auditor's Office, testified that the report had been reviewed by their staff and is supported by the LLA.

Chairman Procopio called for a vote on the motion. There were no objections, and the motion passed unanimously.

5. Discussion and approval of the 9/30/2009 actuarial report, contributions, and tax sharing allocations for the **Parochial Employees Retirement System (PERS) Plans A & B:**

Mr. Gary Curran presented the actuarial report for Plan A of the system.

Mr. Curran made a motion to set the FY 2010-2011 minimum recommended employer contribution rate for Plan A at 13.25%, to allow full ad valorem and revenue sharing applicable to the plan, and to accept the report. Mr. Hall seconded the motion.

Mr. Purpera asked that Senate Counsel Laura Gail Sullivan be called on to provide guidance on the proper format of a motion for acceptance of the actuary's report. Ms. Sullivan stated that, in addition to accepting the recommended employer's contribution rate and tax sharing allocations, the motion should include the committee's acceptance of the actuarial report. She said Mr. Curran had worded his motion correctly for this motion, but his prior motion for LARF did not include language to adopt the valuation report.

Mr. Curran made a motion stipulating that his prior motion be amended to include approval of the actuarial valuation report for the LARF dated September 30, 2009. Mr. Henson seconded the motion. There were no objections, and the motion passed unanimously.

Based on Ms. Sullivan's testimony, Mr. Curran opted to defer his motion for PERS Plan A, to continue with his presentation for Plan B, and to combine the two recommendations under one motion. Mr. Curran continued his presentation of the report for Plan B.

Mr. Curran made a motion to adopt the valuation report for the system dated December 31, 2009, as presented; to set the FY 2010-2011 minimum recommended employer contribution rate for Plan A at 13.25%, with full ad valorem and revenue sharing; and to set the minimum recommended employer contribution rate for Plan B at 8.50%, with full ad valorem and revenue sharing. Mr. Hall seconded the motion.

Mr. Paul Richmond, actuary for the Louisiana Legislative Auditor's Office, introduced Mr. John Morgan of his staff to the committee, who he said had done much of the review for the two system reports being presented today. Mr. Richmond also made an observation that the two plans were very well funded (Assessors and PERS), even in a time of economic downturn, and that the committee should recognize the efforts they had made to maintain the strong funding

level. He testified that the report on PERS had been reviewed by their staff and is supported by the LLA.

Dr. Procopio asked why the recommended employer contribution rates were rounded up or down from the net direct employer contribution rates. Mr. Curran explained that this was required by statute.

With no other discussion, Chairman Procopio called for a vote on the motion. There were no objections, and the motion passed unanimously.

6. Other Business

7. Adjournment

With no other business to discuss before the committee, Chairman Procopio recognized a standing motion to adjourn. The meeting was adjourned at 1:55 PM.

Approved by PRSAC: _____ February 22, 2011
Date