

Reso.

2015-0157

INTRODUCED BY: V.J. ST. PIERRE, JR., PARISH PRESIDENT
(DEPARTMENT OF FINANCE)

RESOLUTION NO. 6153

A resolution requesting an Attorney General Opinion, to address the following question: "May a trust dedicated to the funding of post-employment benefits created by a local governing body in accordance with LRS 33:5161 invest those funds in any or all of the types of invests set forth in Subsection A of LRS 33:3162, subject to the restrictions and limitations set forth in Subsection B and C thereof?"

WHEREAS, the Government Accounting Standards Board (GSB) is the independent organization that establishes and improves standards of accounting and financial reporting for U.S. state and local government; and,

WHEREAS, in June 2004, GASB issued Statement 45 (GASB 45); and,

WHEREAS, GASB 45 provides that public employers, including municipalities, parishes and school systems that provide other post-employment benefits (OPEB), such as retiree health insurance, are required to measure and disclose an amount for annual OPEB cost on the accrual basis of accounting. Annual OPEB cost is equal to the employer's annual required contribution to the plan, with certain adjustments if the employer has a net OPEB obligation for past under or over contributions; and,

WHEREAS, many municipalities, parishes and school systems including, St. Charles Parish, provide such OPEBs; and,

WHEREAS, these OPEB's are, in effect, long term obligations under GASB 45 and as such need to be off-set with long-term assets to create balance on St. Charles Parish's financial statements; and,

WHEREAS, the Louisiana Legislature, in recognition of the need to comply with GASB 45, enacted LRS 33:5161 and 5162; and,

WHEREAS, LRS 33:5161 allows for local governments to segregate funds to meet OPEB obligations, or, alternatively create trusts dedicated to meeting OPEB obligations; and,

WHEREAS, LRS 33:5162 provides for expanded areas for investment of funds placed in trust pursuant to LRS 33:5161; and,

WHEREAS, among these investment options are Treasury instruments, US government bonds, mutual funds, LAMP, and stocks listed on the New York Stock Exchange, American Stock Exchange or NASDAQ; and,

WHEREAS, St. Charles Parish has created a trust for OPEB funds; and,

WHEREAS, St. Charles Parish is in need of confirmation that the trust so created can invest in any of the investment alternatives set forth in LRS 33:5162.

NOW, THEREFORE, BE IT RESOLVED, THAT WE THE MEMBERS OF THE ST. CHARLES PARISH COUNCIL, do hereby request an Attorney General Opinion, to address the following question: "May a trust dedicated to the funding of post-employment benefits created by a local governing body in accordance with LRS 33:5161 invest those funds in any or all of the types of invests set forth in Subsection A of LRS 33:3162, subject to the restrictions and limitations set forth in Subsection B and C thereof?"

BE IT FURTHER RESOLVED, that President St. Pierre is authorized to execute a joint letter which will include the Police Jury Association of Louisiana requesting an official opinion of the Louisiana Attorney General in this regard.

The foregoing resolution having been submitted to a vote, the vote thereon was as follows:

YEAS: SCHEXNAYDRE, LEWIS, WILSON, WOODRUFF, BENEDETTO, HOGAN, COCHRAN, FLETCHER, FISHER-PERRIER

NAYS: NONE

ABSENT: NONE

And the resolution was declared adopted this 4th day of May, 2015, to become effective five (5) days after publication in the Official Journal.

2015-0157 OPEB AG Request Model Resolution - SEP

CHAIRMAN: _____

SECRETARY: _____

DLVD/PARISH PRESIDENT: 5/5/15

APPROVED: _____ DISAPPROVED: _____

PARISH PRESIDENT: [Signature]

RETD/SECRETARY: 5/6/15

AT: 10:40a RECD BY: [Signature]