

APPROVED MINUTES

LOUISIANA CLERKS OF COURT ASSOCIATION CLERKS ONLY MEETING WEDNESDAY, MAY 9, 2018 LAFAYETTE, LA 1:30 P.M.

The Louisiana Clerks of Court Clerks Only Meeting was held on the above date in Lafayette at the DoubleTree and called to order by President Rick Arceneaux. Steve Andrews gave the opening prayer and Brian Lestage led the Pledge of Allegiance.

Secretary Robin Hooter called roll and the following members were present: Bridget Hanna, Connie Couvillon, Brian Lestage, Jill Sessions, Mike Spence, Lynn Jones, Cherie Lott, Susan Racca, Clyde Ray Webber, Jr., Jeremy Evans, J. Douglas "Doug" Welborn, David Dart, Randy Deshotel, Randy Briggs, Michael Thibodeaux, Amy Patin, Laura Culpepper, Richard "Rick" Arceneaux, Annette Fontana, Steve Andrews, Linda Cook, Arthur Morrell, Louise Bond, Kim Turlich-Vaughan, Lanell Landry, Robin Hooter, Tammy Foster, Mildred Cyprian, Shane LeBlanc, Becky Patin, Melissa Henry, Christy Lee, Theresa Robichaux, Dodi Eubanks, Jeff Skidmore, Johnny Crain, Jr., Holli Vining, Mark Graffeo, and Felicia Ann Hendl.

Also present: Debbie Hudnall, Jason Harris and Greg Brown.

Welcome

Rick Arceneaux welcomed everyone to Lafayette and thanked Diane and everyone in their district for hosting. Rick then welcomed Secretary of State Kyle Ardoin who then addressed the members.

Approval of Minutes

Motion was made by David Dart and seconded by Jeff Skidmore to approve the minutes of the Clerks Only Meeting held on November 28, 2017. Motion passed without opposition.

Financial Reports

Treasurer Randy Deshotel presented the financial reports for the Association, Retirement and Insurance Boards for the audited period ending June 30, 2017. He reported that the Association has total current assets of \$731,957, total current liabilities of \$93,048, and total net assets of \$638,909. He reported as of February 28, 2018 current total assets of \$554,623, total other assets of \$143,628, for total assets of \$707,927 and total current liabilities of \$53,488, total capital \$654,439. The Association saw a net increase of \$15,530 for the eight months ending February 28, 2018.

Randy reported the audited financials through June 30, 2017 of the Retirement Fund. Total assets are \$595,193,482 with a net position of \$593,677,582. He then reported total assets as of January 31, 2018 of \$653,083,836 with a net increase of \$59,229,253.

Randy then presented the balance sheet for the Insurance Trust-Administration Fund at February 28, 2018 with total current assets of \$365,158, total assets of \$401,339, and no current liabilities. The total increase for the two months ending February 28, 2018 was \$10,659.

Total Liabilities and Net Assets for the Insurance Trust Fund were \$7,240,968.

Motion made by Holli Vining, seconded by Kim Turlich-Vaughan to accept the financial reports of the Association, Retirement and Insurance Funds as presented. Motion passed without opposition.

Board Reports

Retirement

President Rick Arceneaux reported that the Fund is down from \$653M in January to \$626M at March 31st. The total fund composite went down about \$11M in investments. The Fund is still performing well overall.

LACCRMA

Chairman Mark Graffeo said LACCRMA is doing well with net assets at December 31, 2017 of \$2.1M, \$1.4M unrestricted and \$1.7M in investments. He reported claim reserves of \$439,000. Claims expenses were at \$44,000. We currently have 10-12 claims on the books. Mark reported that John Norris, who was our agent for many years, had retired and Steven Blake with Hunt Insurance will take his place. The Board met 2 weeks ago and received word that the reinsurance has gone down 10%. Mark then discussed the hired non-owned automobile liability insurance that was previously self-funded and will be available through the insurance company as a separate item, no longer self-funded as of July 1, 2018. It is estimated to be \$175.00 per year.

LCRAA

President Rick Arceneaux presented the June 30, 2017 audited financial reports for LCRAA. He reported total current assets of \$2,799,378, total capital assets of \$221,632, total assets of \$3,021,010, total current liabilities of \$21,330, total net position of \$2,999,680 and total liabilities and net position of \$3,021,010. Rick then presented the statements of revenues, expenses and changes in net position for the audited year ending June 30, 2017. He reported total operating revenues of \$1,430,514, total operating expenses of \$244,482, change in net position of \$784,800, net position at end of year of \$2,999,680. Rick then reported the balance sheet as of January 31, 2018 with total current assets of \$3,258,079, total property and equipment of \$3,479,711, total liabilities of \$439,870 for a total liabilities and net position of \$3,479,711. Rick then reported on the income statement for the seven months ending January 31, 2018. The current month actual revenue was \$96,013, total administrative fees of \$6,757 for a net income of \$84,414. There was discussion regarding HB 219 making the membership to LCRAA mandatory by July 1, 2020.

Supplemental Fund

Chairman Randy Deshotel presented the financial reports for the Clerks Supplemental Fund for the audited period ending June 2017 stating total liabilities and net position at \$196,381. He reported total current assets as of April 30, 2018 of \$200,606, total liabilities of \$126,750, total capital of \$73,856.88 with total liabilities and capital of \$200,606. Discussion was held regarding R.S. 13:761. Randy stated 14 parishes currently pay the maximum amount of \$4,400 per month, with approximately 3,800 suits from the rest of the state per month. Our current suit fee is \$17.00 per suit with each clerk

receiving supplemental pay of \$1,950 per month. Chairman Deshotel on behalf of the Supplemental Board presented two options for the next fiscal year: Option 1: An increase of the per suit fee to \$17.50, maximum of \$4,500, and Clerks Supplemental increase to \$2,000 per month. Option 1 would have a projected net loss of \$1,450 with the fund balance at approximately \$68,935 at June 30, 2019. Randy then presented Option 2: An increase of the per suit fee to \$17.50, maximum of \$4,500, and Clerks Supplemental increase to \$2,050 per month. Option 2 would result in a net loss of \$40,000, leaving an estimated fund balance of \$29,935 at June 30, 2019. A motion to accept Option 2 as presented effective July 1, 2018 was made by David Dart, seconded by Doug Welborn. Motion passed without opposition.

Committee Reports

Education Committee

Theresa Robichaux reported that committee met on March 16, 2018 in Baton Rouge. The Clerks Institute held February 6-9, 2018 in Baton Rouge at Embassy Suites returned a profit of \$10,915, the largest profit since 2012. The next Clerks Institute will be held at the Lafayette DoubleTree (formerly the Hilton) on August 21-24, 2018. The February 26-March 1, 2019 Institute will be held in Alexandria at the Holiday Inn. Theresa asked that any clerks who have employees that are very knowledgeable in their area to please let the committee know so they could possibly do a presentation.

Scholarship Committee

Brian Lestage reported at this time we have 58 participating offices and 4 courts of appeal offices. He reported this year there were 9 applicants with approximately \$10,000 available to award. The committee awarded a total \$9,000 in scholarships to all applicants. The top applicant received \$1,500.

Executive Director Report

Debbie reminded the Clerks their financial disclosures are due May 15, 2018. She also reminded everyone that the amounts for the GASB 68 are on the Association website. She also stated that GASB 45 is now GASB 75 regarding Insurance and you should have someone doing this for your audit. Debbie also reminded the clerks regarding payroll padding in regard to the election next year.

Actuary Report

Debbie presented the actuary report of the Clerks of Court Retirement and Relief Fund for the period ending June 2017. We have 2,164 active members, 1,311 retired member and survivors, 78 terminated due a deferred benefit and 550 terminated due a refund. Debbie reported we are 81.72% funded. She reported our market rate of return was 12.8%, with a five year smoothing period the actuarial rate of return is 7.6%, we are required to have a 7% rate of return. The minimum required employer contribution rate of 17.25%, however the Board has voted to maintain the rate at 19% to help increase the funding percentage. She presented a year-to-year comparison for the last 10 years and highlighted several categories. She stated that the number of active employees has continued to decrease with the number of retiree benefits increasing. Debbie reported in 2008 we were paying retiree benefits in the amount of \$15,861,293 and for fiscal year 2017 we paid \$34,679,675. She reported over \$3,000,000 per month is paid out to retirees. Debbie announced Evie will be staying at

least through December 2020.

The census data testing that the auditors will be conducting will be in Lafayette, Calcasieu and Terrebonne.

Insurance

Debbie reminded everyone about the continuation of coverage. After 12 weeks of leave, with or without pay, the employee is no longer eligible for insurance coverage and will be provided a COBRA notification.

Legislative Day

Debbie Hudnall thanked everyone for attending Legislative Day and thanked Doug Welborn and his staff for their help. A total of 112 people attended, even without the House members being able to attend. The total receipts were \$5,400.00 representing \$100.00 each from 54 clerks.

Legislation

Debbie reported on the various bills the clerks are monitoring. HB 8 will be effective July 1, 2018 requiring the Clerk to pay the employer contribution on any rehired retirees and increasing the total number of hours a retiree can work to 630 per calendar year. Debbie stated that she will be presenting a legislative update at the August Clerks Institute.

Retiree Report

Debbie provided the Clerks with a list of all retired persons as of June 30, 2017 as required by law.

Litigation

Debbie Hudnall reported on Lawrence vs. State of Louisiana and State of Louisiana vs. Cornell Carroll. These are suits regarding criminal court cost and the costd that are collected for various entities that are not court related.

LCRAA

Debbie gave an update on projects by LCRAA. The Board has approved developing our own recording software. Jefferson Parish is donating their recording software to use as a starting point. The advertising will hopefully be in June. The Board also approved looking into e-filing. Debbie went over a speech made by the Chief Justice at the legislature.

E-Filing

Debbie stated that Melissa Henry had requested an Attorney General's opinion regarding E-Filing of domestic matters. The AG stated in his opinion domestic matters could be e-filed.

New Business:

The By-Laws committee and the Nominating committee will meet immediately following this meeting.

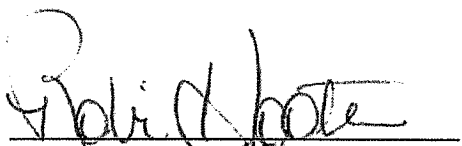
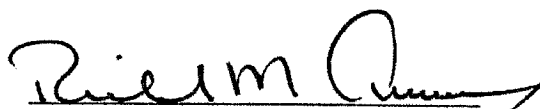
Other Business:

Rick Arceneaux announced the plans for the evening.

There being no further business, David Dart moved to adjourn, seconded by Mark Graffeo.
Motion passed without opposition.

Respectfully Submitted:

Approved:


Robin Hooter, Secretary
Richard "Rick" Arceneaux, President