

APPROVED MINUTES

LOUISIANA CLERKS OF COURT ASSOCIATION CLERKS ONLY MEETING TUESDAY, NOVEMBER 28, 2017 NATCHITOCHES, LA 2:00 P.M.

The Louisiana Clerks of Court Clerks Only Meeting was held on the above date in Natchitoches at Chateau Saint Denis Hotel and called to order by President Rick Arceneaux. Randy Deshotel 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, Darlene Landry, Connie Couvillon, Brian Lestage, Jill Sessions, Mike Spence, Lynn Jones, Cherie Cox, Susan Racca, Larisa Field, Brian Flynn, Clyde Ray Webber, Jr., Jeremy Evans, J. Douglas "Doug" Welborn, David Dart, Randy Deshotel, Ann Johnson, Randy Briggs, Michael Thibodeaux, Laura Culpepper, Jon Gegenheimer, Richard "Rick" Arceneaux, Louis Perret, Annette Fontana, Linda Cook, David Stamey, Louise Bond, Kim Turlich-Vaughan, Robin Hooter, Stuart Shaw, Tammy Foster, Lance Marino, Mildred Cyprian, Charles Jagneaux, Becky Patin, Cliff Dressel, Melissa Henry, Christy Lee, Theresa Robichaux, Dodi Eubanks, Diane Meaux Broussard, Jeff Skidmore, Johnny Crain, Jr., Holli Vining, Mark Graffeo, Felicia Ann Hendl, Chesney Baxley, and Lillian Richie.

Also present: Debbie Hudnall, Frank Borne, Jeremy Harris and Greg Brown.

Welcome:

Rick Arceneaux welcomed everyone to Natchitoches and thanked David Stamey for hosting. David Stamey also welcomed everyone.

Approval of Minutes:

Motion was made by Cliff Dressel and seconded by Tammy Foster to approve the minutes of the Clerks Only Meeting held on July 18, 2017 and of the 2017 Clerks Conference held on July 19 and 20, 2017. Motion passed without opposition.

Financial Reports:

Treasurer Randy Deshotel presented the financial reports for the Association, Retirement and Insurance Boards for the period ending August, 2017. He reported that the Association has total current assets of \$608,242, total assets of \$789,597 and total current liabilities of \$131,129 and total liabilities and capital of \$789,598. Current year to date actual total revenues are \$260,611, current year to date total expenses \$240,829 and net income of \$19,781. Randy reported the Retirement Fund as of July 31, 2017, total current assets are \$29,103,057, total other assets \$2,456,982, total investments \$571,026,359, and total assets of \$602,586,400. Total liabilities were 463,126. Total liabilities and reserves were reported at \$602,586,400. Year to date total contributions were \$1,988,217, total investment income \$9,980,049, total investment expenses \$53,978, with total other additions \$61,953, total deductions \$3,530,552 and net increase of \$8,445,689. He further reported as of August 31, 2017, the Insurance Trust had total assets, total

liabilities and capital for the administrative portion was reported as \$382,524. Current year to date revenues were \$100,358, current year to date expenses of \$90,210.16, with a year to date net income of \$10,148. Total assets for the trust, as of July 31, 2017 were \$7,734,716, total liabilities of \$1,417,360, leaving total liabilities and net assets of \$7,734,717. Total Revenue, excluding investment income of \$7,702.905, total claims/claims administration \$5,991,920, total other expenses \$1,522.343 for a total before investment income of 188,642. Investment income increase of \$243,683 leaving net assets of \$6,317,357. Motion made by Holli Vining, seconded by David Dart 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 at the meeting tomorrow the Actuarial and Audit reports will be presented. The investment committee met by phone conference, as of September 30, 2017 total investments were \$575,073,708, total assets of \$607,327,684. He reported a 1 month return on investment of 1.54%, FYD and QYD 3.56%, current YTD 11.8% and 12.9% for 1 year.

LACCRMA:

Chairman Mark Graffeo said LACCRMA is doing fine with just over \$1 million in assets; claims are in line with the past. He said they are struggling helping people with the marriage license suit and asked Debbie how the suit is progressing. Debbie reported the plaintiff's attorney has asked for \$400,000 in attorney's fees and the Clerks' attorneys are urging that the state should pay that because the Clerks were simply following the states statutes. The Clerks' attorney has submitted briefs to that extent and are waiting the court's ruling.

LCRAA:

President Rick Arceneaux presented the financial reports for the LCRAA Board for the period ending October 2017. He reported total assets of \$3,305,683.98 total liabilities of \$426,896.62 the bulk of that is \$405,000 in grants that have been awarded but not paid. Rick also reported accounts payables of \$21,000 with total liabilities and net position of \$3,305,683.98. He thanked all the members for participating. YTD actual revenues of fees received \$471,639 income of \$9,996 with total revenues of \$481,635. Portal direct cost of \$41,570 (maintenance) revenues over the direct cost of \$440,065, grant program \$156,934. Administrative expenses were \$38,292 with a net income of \$244,839 year to date. Rick reported 54 parishes with 50 active, 3 that are very close and 1 in negotiation to receive actual ownership of the records. Marriage license have about 30-38 active. Total grants approved to date are \$1,181,401.

Supplemental Fund:

Chairman Randy Deshotel presented the financial reports for the Clerks Supplemental Fund for the period ending October, 2017. He reported total current assets of \$66,863, total receivables of \$123,000, giving us total assets of \$190,509. He also reported current month we have \$126,750 in liabilities, total capital of \$63,759 with total liability and capital of \$190,509. Randy reported the year to date totals: revenues of \$502,429, total expenses of \$511,550 with a net loss of \$9,121. Debbie Hudnall stated a net loss was budgeted in order to keep the fund balance down.

Committee Reports:

Executive Committee – Strategic Planning

President Rick Arceneaux reported that the strategic planning meeting was held October 24-26, 2017 in Lake Arthur. The purpose is to plan the future of the association. Topics discussed were criminal records, e-filing through the LCRAA portal, developing clerks software for the clerks to use, best practices manual, reorganization of the committees, trying to receive funds from the general appropriations budget, e-recording, PTI revenue sharing, concealed weapon carry for clerks (to include in statute with other state elected officials) and agreed upon procedures from the legislative auditor. (We were experiencing technical difficulties so we moved to Lynn Jones to speak about e-filing - see notes below under heading) Rick discussed the topics mentioned above in detail. Criminal records: possibly pooling our records together in LCRAA as a revenue producer. The information would be basically what we are sending to the Supreme Court now so we are all set up to send it already. We would have a searchable database as well as a bulk option through LCRAA with a way to accept payments. There was discussion on how monies could be prorated. Rick called for a show of hands of those interested, being a majority, the board will move forward. Clerk's software: discussion of developing our own software as many have had issues with vendors and this would enable us to be uniform. This would be on a voluntary basis. Jon Gegenheimer has offered his recording software. There are two clerks willing to be the first to try it and also offered their case management systems and their programmers (Ascension and Rapides). Rick called for a show of hands of those interested in pursuing this, being a majority, the board will move forward. Best practices manual: starting with marriage license, indexing, criminal minutes and processing, appeals, registry of the court and record retention. Debbie stated that the marriage license best practices is almost complete and hopefully will be finalized by the Clerks institute Committee Reorganization: a lot of the committees haven't been active so a push will be made to reactivate the committee. Rick stated he will be contacting some people to request they serve on a committee. Funding from the general appropriations budget: will continue to monitor. E-Recording: like the e-filing, we would like to set something up we could all use statewide. PTI revenue sharing: Bridget gave an update. Her DA is president of their association. She spoke with him regarding having an agreement with the Clerks. He wants to work with us and she will keep in contact him. Rick asked everyone to contact their DA's. Concealed Weapon: there is a statute that allows certain elected officials to have an automatic concealed weapon permit. We will pursue getting the clerks added to the statute. Agreed upon procedures: continued discussion.

E-Filing

Lynn Jones spoke about e-filing. Last year the legislature put together a committee to see about Louisiana going into the e-filing business. The committee also includes trial and defense lawyers. Lynn stated they have had 2 meetings. In the meeting last month Dale Atkins demonstrated her new system and prior to that, they had other vendors come in and demonstrate their systems. Lynn, serving as chairman, would like to see this implemented by next fall. Dale stated that she would give the software to the clerks; however, there may be cost associated with having it added into your own system. There is also the possibility of going through LCRAA because the legislation is fairly broad and there are funds in there. There was discussion for future plans to make it a "shall" bill to require

everyone to e-file enabling us to save money with paper, scanning, etc. Debbie stated it would need to go before the LCRR board to approve some funding. Rick called for a show of hands of those interested, a majority raised, the committee will move forward.

Education Committee

Theresa Robichaux reported that committee met on October 19, 2017 in Baton Rouge. The next Clerks Institute will be held February 6-9, 2018 in Baton Rouge at Embassy Suites. The Clerks Institute in August will be held at the Lafayette DoubleTree (formerly the Hilton) on August 21-24, 2018. The institute held in Alexandria was one of the largest with 185 people registered and a net profit of approximately \$8,000.

Executive Director Report:

Deferred Compensation

Debbie Hudnall reported a vendor had been contacting some clerks about joining their deferred compensation fund. She informed the clerks they can only do business with the Louisiana Deferred Compensation Board according to LA R.S. 42:1301. Our attorney is of the opinion that this restricts us to only dealing with the Louisiana Deferred Compensation Board. Deferral rates are set for January 1, 2018 at \$18,500 for under age 50, \$24,500 for over age 50 and \$37,000 for special catch up.

Legislative Auditor Alert

Debbie Hudnall reported that an alert has gone out to all of the auditors that are approved to conduct clerk's audits. It states that have recently received questions regarding Clerks of Court's Advance Deposit. R.S. 13:482 requires that each suits unused balance be refunded to the person who made the original deposit after 5 years of inactivity. If the refund check is not cashed and the clerk is unable to locate the person who made the original deposit, the state's Unclaimed Property law requires that such funds be sent to the state treasury. State law does not allow the clerks to budget for his/her operations with these unused balances but should treat these funds as unclaimed property and remit to the state treasury as required by law.

Agreed upon Procedures

Debbie Hudnall reported that the Legislative Auditors and a group of auditors had a committee that agreed upon these procedures. They did not require state agencies to do this, only local government. Discussion was held regarding the cost of everyone's audit increasing.

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 all the cost we collect that is collected for various entities that are not court related. The Attorney General's office is handling this and they may be calling clerks in to take depositions on this. The marriage license litigation was previously discussed.

UCOs

Debbie Hudnall recently emailed all clerks the new UCO forms. These were discussed in the legislative session at the institute. It is no longer necessary to attach a copy of the minutes to the

UCO. This is to go into effect December 1, 2017. The law only requires Clerks to report when sentence is at hard labor. Debbie reported we will have 2 judges coming to the institute in February to be on the panel to discuss UCOs.

Access to Justice

Debbie Hudnall reported she will be sending out a survey to each office dealing with pauper cases. She asked everyone to please take the time to fill out the survey so we can let people know how much money we are losing on pauper cases and state cases. Debbie went over the information that will be requested in the survey. We are losing millions and would like to have an accurate number to present. Rick Arceneaux sits on this committee and will keep us updated.

Legislation:

Debbie Hudnall reported that she received legislation request from one district. It was a proposal to do away with mortgage certificates (with the exception of Sheriff's sales), if not, then define the amount of time the certificate must include. If all else fails, increase the fees for mortgage certificates. Discussion was held regarding the difficulty of completely doing away with them without a lot of legislative changes. Also the liability we are exposed to versus the amount of revenue we receive was discussed. Jon Gegenheimer discussed how they handle it in Jefferson Parish. They have a local abstracting company, by agreement that prepares the mortgage certificates for Sheriff's sales. Jefferson only prepares mortgage certificates for property bonds, liens and privilege; all others are handled by a third party. No clear consensus was reached. Debbie then presented proposed legislation like the District Attorney's passed indemnifying them for any liability if they are following state law. Debbie would like to present the same language for the clerks. All agreed to pursue that legislation. Debbie presented approved, proposed legislation from the Retirement Board. The Board would like to exempt the Clerks Retirement Fund from allowing members employed in other retirement systems for other agencies from remaining in the Clerks Retirement system. The other proposal was for the Clerks Retirement System to be in compliance with the statue regarding rollovers from non-spousal beneficiaries so we don't lose our qualified plan status. The next proposal was to introduce legislation to require that the employer's portion be paid for retirees that return to work for 60 days. Discussion was held regarding the necessity for this. All members were encouraged to attend the Retirement Board meeting for a more in depth understanding from the actuaries and others.

Proposed legislation was then presented from the floor. To repeal R.S. 13:781, particularly section (B) which states "A clerk who fails to comply with this Section shall forfeit to the parish fifty percent of the compensation received by him under R.S. 13:782".

2018 Conference Update:

Diane Meaux Broussard reported the conference will be held in Lafayette from May 8-11, 2018. The clerks will arrive on the 8th and will have dinner in Scott at a facility behind Don's Specialty Meats. The deputies will arrive on May 9th. The evening of the 9th will be a casual bohemian theme. The evening of the 10th the band GTO will play and the theme will be pink Cadillac (50's theme). The morning of the 11th will be the president's breakfast. More information will be mailed soon.

New Business:

Charlie Jagneaux stated he would like to be put in a new district due to the distance he must travel for a meeting. Rick stated this would require an amendment to the bylaws.

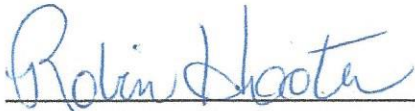
Other Business:

David Stamey announced that anyone wishing to visit the Louisiana Sports Hall of Fame could meet at the back door and they would take a tour. The social will be at 6:00, sponsored by 4 of our money managers. Dinner will be held at 7:00 in the hotel.

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

Respectfully Submitted:

Approved:



Robin Hooter, Secretary



Richard "Rick" Arceneaux, President