

APPROVED MINUTES

LOUISIANA CLERKS OF COURT ASSOCIATION BOARD OF DIRECTORS MEETING THURSDAY, DECEMBER 10, 2015 NATCHITOCHES, LA 1:00 P.M.

The Louisiana Clerks of Court Board of Directors meeting was held on the above date at the Natchitoches Events Center and called to order by President Holli Vining. Diane Meaux Broussard gave the opening prayer and Doug Welborn led the Pledge of Allegiance.

Secretary Bridget Hanna called roll and the following members were present: Holli Vining, David Dart, Richard "Rick" Arceneaux, Steve Andrews, Bridget Hanna, Robin Hooter, Diane Meaux Broussard, Brian Lestage, Becky Patin, Jeremy Evans, Randy Deshotel, Tammy Foster, Doug Welborn, and Cliff Dressel.

Also present: Debbie Hudnall, Frank Borne, Greg Brown, Malise Prieto, Davis Silk, Darlene Landry, Louis Perret, Dot Lundin, Louie Bernard, Louise Bond, Connie Couvillion, Melissa Henry, Kim Turlich-Vaughan, and Lynn Jones.

Ratification of Supplemental Board Members:

President Holli Vining appointed Doug Welborn and Randy Deshotel to the Supplemental Board. Motion made by Steve Andrews to accept the appointments, seconded by Tammy Foster. Motion passed without opposition.

Approval of Minutes:

Motion was made by Rick Arceneaux and seconded by Brian Lestage to approve the minutes of October 7, 2015. Motion passed without opposition.

Financial Reports:

Executive Director Debbie Hudnall presented the financial reports for the period ending November 30, 2015. She reported the total current assets for the Association as \$552,358. She pointed out a new line item of Notes Receivable-Current in the amount of \$9,325 and Notes Receivable- Long Term in the sum of \$77,525 which is for the sale of the Bricksome Condo. Total assets reported as \$775,122 with total capital of \$651,423 and total liabilities and capital of \$775,122. Debbie informed the Board that the current year to date actual total revenues are \$394,782 which includes \$100,730 from the sale of the condo and \$21,268 grant income. The grant income (from the Supreme Court) was not budgeted for this fiscal year. Current year to date expenses include grant salary (from the Supreme Court) of \$17,238 and a computer bought with grant money in the amount of \$1,856 for total actual year to date expenses of \$290,742. Total net income is \$104,041 which includes the sale of the Bricksome condo shown in notes receivable but not actual cash in hand. Motion made by David Dart to receive financial reports, seconded by Randy Deshotel. Motion passed without opposition.

Audit Report:

Michelle Cunningham presented the Association and Supplemental Compensation Financial Auditors reports for the period ending June 30, 2015 and 2014. She gave a brief statement on the details of the independent auditor's report. She explained that the Association is a non-profit entity and the Supplemental Fund is a governmental entity. Ms. Cunningham reported the Association's assets for the period ending June 30, 2015 as \$559,179 compared to \$541,404 in 2014. She also reported total liabilities in the sum of \$14,797 for 2015 compared to \$6,245 in 2014 and total liabilities and net assets of \$559,179 for 2015 compared to \$541,404 in 2014. She reported total unrestricted net assets- total revenue and support \$642,247 ending June, 2015 compared to \$597,037 in 2014. She stated the reason for the increase was a \$50,000 LCRAA reimbursement and an increase in institute earnings and association dues in 2015. She stated that there was \$500 in net assets released from restrictions to satisfy the scholarship program which leaves a total of \$642,747 unrestricted revenue and support. Expenses for 2015 were listed as follows: Membership services \$161,874, general and administrative- Association \$64,842, general and administrative- related entities (insurance and retirement) \$406,316 for a total of \$633,032 in expenses. There was an increase in net assets of \$9,223. Additionally, Ms. Cunningham reported a positive cash flow of \$48,691 and an equipment purchase of \$4484 for an increase in net change in cash of \$44,207. She pointed out a statement of functional expenses for the year end June 30, 2015 with comparative totals for 2014. The following totals were listed for General and Administrative services for 2015: Insurance Trust- \$50,738; Retirement & Relief Fund \$304,840; Remote Access Authority \$50,738; Association \$64,842 for a total of \$471,158 in general & administrative expenses. Membership Services expenses were listed as \$161,874 with total overall expenses being reported as \$633,032 in 2015 compared to \$619,601 in 2014. Ms. Cunningham now reported on the Supplemental Compensation Fund for the period June 30, 2015 and 2014. She highlighted that the net position of the supplemental fund decreased by \$4,126 with fee receipts decreasing \$22,846 or 1.60% due to a decrease in suits filed during the year ending June 30, 2015. She pointed out the statement of net position in comparative form for total assets for 2015 as \$218,555 compared to \$219,431 in 2014, which was not a significant change. Total Liabilities in 2015 were \$117,000 compared to \$113,750 in 2014 with a restricted total net position of \$101,555 in 2015. Fee receipts for program revenues for 2015 were \$1,403,948 with total program expenses –supplemental payments and other expenses of \$1,408,200 for a net decrease of \$4,126. She further reported that cash flow from operating activities for fee receipts were \$1,399,290 with payments to clerks of \$1,400,750 and other payments of \$4,074 for a net cash decrease of \$5,534 and cash and cash equivalents, end of year at \$93,133. Lastly, she informed the Board that there were no findings noted on the independent auditor's report. Motion made by Cliff Dressel, seconded by Doug Welborn to accept the reports on the Association and Supplemental Compensation Fund. Motion passed without opposition.

Board Reports:

LCRAA

Gary Loftin reported that some parishes are currently online with more coming on this month.

Retirement & Relief Fund

President Holli Vining reported that the Board met this morning and heard from Actuary Gary Curran who delivered a thorough report on the status of our contribution rates and unfunded liability. He indicated that we are currently funded at 78.13%. At Gary's recommendation motion was made to pursue legislation to allow the board to set a level payment rate toward our unfunded liability. Motion was also approved to retain the employer contribution at the current percentage rate. Total fund balance of \$523 million and was up almost 5% for the month of October. FYTD return rate was 1.36%. The Board adopted the Investment committee's recommendation to rebalance the asset allocation. Performance reports were delivered by Money Managers Tortoise Capital Advisors, AJO, Rothschild Asset Management Inc, and Blackstone Alternative Asset Management. President Vining thanked them all again for their sponsorship of last night's event Auditor Michelle Cunningham reported that there were no material weaknesses and we received a clean opinion on our audit of the Retirement fund. The Board approved a motion to amend the definition of an Employee to include an allowance for a "probationary employee" who may work more than 20 hours/week for a period of 6 months and waive all benefits during that probationary period.

Supplemental Compensation Board

Chairman Michael Thibodeaux gave the following report at yesterday's Clerks Only Meeting: He presented the financial reports for the Clerks Supplemental Fund for the period ending October 31, 2015. He reported total current assets of \$114,331, total assets of \$239,753, and total liabilities and capital of \$239,753. He also reported current month this year total revenues of \$119,230, total expenses of \$117,000 with a net income of \$2,230. Year to date this year net income was reported as \$21,198. Chairman Thibodeaux stated that the balance in the checking account was \$114,331. The committee recommended that there be a \$50 per month increase effective January 1, 2016 which will reduce the balance in the fund by \$19,600 with no increase in contributions. It was also recommended that the increase and fund balance be reviewed at the convention in March. Motion made by Gary Loftin and seconded by Malise Prieto to increase the supplemental fund to an additional \$50.00 per month effective January 1, 2016. Motion passed without opposition. Motion made by David Dart, seconded by Cindy Johnston to accept financials of supplemental fund as presented. Motion passed without opposition.

Committee Reports:

2016 Conference Report

President Holli Vining stated that the 2016 Conference will be held March 21-24 at the Astor Crowne Plaza in New Orleans. "Turning the Corner" is the theme of the conference. Registration will be coming in early 2016. A tentative agenda was read to the Clerks. Holli also informed everyone that she started e-recording yesterday in her office.

Education Committee

Tammy Foster informed the Board that the next institute will be held February 16-19, 2016 at Embassy Suites in Baton Rouge. The institute in August will be August 16-19, 2016 at the Lafayette Doubletree.

Executive Director Committee

Gary Loftin gave a history on the Executive Director and explained that President Vining appointed a committee to review and make a recommendation for the Executive Committee. Those appointed to the committee were Gary Loftin, Cliff Dressel, Louie Bernard, Rick Arceneaux, Tammy Foster, Mark Graffeo, and Louis Perret.

Cliff and Mark gathered information and met with Debbie. In the past it has been discussed that Debbie would be in line with the lowest paid bracket for Clerk including some benefits. A meeting was held in Lafayette with Debbie to answer questions. A letter was sent out to the Board of Directors showing the recommendation of the committee. Debbie's current contract expires in December 31, 2016 with total compensation in the amount of \$170,000 annually. The recommendation of the committee is a total compensation package of \$205,000 annually beginning 1-1-16 and ending 12-31-20. The breakdown is \$145,000 annual salary, \$21,800 automobile expense, \$27,500 employer portion of retirement expense, \$8,000 for health insurance, and \$2,400 for phone/IPAD. Custodian pay, jury commission, employee portion of retirement, deferred comp, and insurance deductible were not considered. Gary also gave some examples of other agencies and what they pay their Executive Director. Discussion was held. Motion was made by Randy Deshotel and seconded by Doug Welborn to accept the recommendation of the committee. Motion passed without opposition. Sheri Morris will draw up the contract.

Executive Director Report:

Bricksome Building Update

Debbie Hudnall gave the following report at yesterday's Clerks Only Meeting: Debbie Hudnall reported that the building has been sold. An attorney offered to purchase the building for \$106,850 with a down payment of \$12,000, note receivable of \$94,850 @ 5% interest for 10 years. Debbie made a counter offer with approval of the Executive Committee of a down payment of \$20,000, note receivable of \$86,850 @ 5% interest for 8 years which was accepted by the purchaser. The sale was closed on November 17, 2015 with the \$20,000 down payment received, less expenses of \$6,496, netting \$13,504. The first payment on the note has also been received.

Supreme Court Grants

Debbie reported that the Association is in the process of receiving two grants from the Supreme Court. 1) Commercial Driver's License Program Implementation Grant- Rosemary Cannon has been hired to work part time on this program for traffic tickets. 2) FBI/NICS Record Improvement Grant- Dawn Tricou is working part time on this program which includes criminal dispositions. Debbie requested that Dawn and/or Rosemary be given online access to Clerks Office information in order to assist them in completing these programs. She also advised that with the grant, the Association is getting paid for every hour that these employees work in addition to paying their salary.

District Reports:

District 1

Darlene Landry had no report.

District 2

Frank Borne reported they have two new members- Kim T. Vaughan from Plaquemines Parish and Melissa Henry from St. Tammany Parish.

District 3

Becky Patin had no report.

District 4

Jeremy Evans had no report.

District 5

No report.

District 6

Randy Deshotel had no report.

District 7

Tammy Foster reported Dist. 7 met yesterday at 1 p.m. and they spoke about possibly receiving some funding from the state. Discussion was held on this matter. Debbie suggested that it might be a good time for President Vining to appoint a committee to speak to the Governor concerning funding.

District 8

David Dart reported that a meeting was held in November and they talked about possible legislation, mandatory assignments being recorded, the need for minutes, and jurisdictional limits of city courts.

District 9

No report

Other Business:

None

Comments by Board Members:

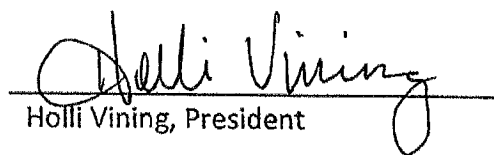
None

There being no further business, Cliff Dressel moved to adjourn, seconded by Doug Welborn.
Motion passed without opposition.

Respectfully Submitted:


Bridget Hanna, Secretary

Approved:


Holli Vining, President