

## **APPROVED MINUTES**

### **LOUISIANA CLERKS OF COURT ASSOCIATION BOARD OF DIRECTORS**

**WEDNESDAY, OCTOBER 29, 2014**

**1:00 PM**

**BATON ROUGE, LA**

The Louisiana Clerks of Court meeting held on the above date was called to order by President Diane Meaux Broussard. David Dart gave the opening prayer and Carl Broussard led the Pledge of Allegiance. The following members were present: Diane Meaux Broussard, Carl Broussard, Holli Vining, David Dart, Dodi Eubanks, Mark Graffeo, Richard Arceneaux, Jeremy Evans, Tammy Foster, Julian Dufreche, Dot Lundin, Brian Lestage, Cynthia Johnston, Ann Johnson, Lanell Landry, Steve Andrews, Doug Welborn Cliff Dressel, John Olivier. Also present: Debbie Hudnall, Connie Couvillon, Randy Deshotel, Darlene Landry, and Greg Brown.

Carl Broussard moved that the minutes of the Board of Directors meeting held on July 30, 2014, be approved. David Dart seconded the motion. **MOTION CARRIED.**

#### Comments by President

President Diane Meaux Broussard announced that the December Clerk's meetings will be held in Lafayette along with the Christmas social.

#### Financial Reports

Treasurer Mark Graffeo presented the Association Balance Sheet for September 2014, with total current assets of \$457,981 and total assets of \$635,250. Total Current Liabilities are \$150,269. The income statement for the three months ending September 30, 2014 reflects current year to date actual total revenues of \$145,787 and the amount budgeted was \$139,600. The difference between actual vs budget revenues are the institute proceeds which were not budgeted of \$6,200. The expenses year to date are \$164,416 and are in line with the budget. Mark pointed out that the Building Maintenance of \$7,595 was the maintenance on the old building. Debbie said they were about to begin the work on the outside of the building and there would remain some minor work to be done on the inside but cost would be well below the amount authorized by the Board. She stated that hopefully the condo units can be put back on the market after the repairs are completed. Carl Broussard made a motion to receive the financial report as presented and Lanell Landry seconded the motion. **MOTION CARRIED.**

#### Audit Reports

Debbie stated that the audit reports will be deferred at this meeting and will be presented at the December meetings in Lafayette.

#### BOARD REPORTS

LACCRMA - Treasurer Mark Graffeo stated that LACCRMA continues to be financially strong with lower claims.

**LCRAA**

Vice Chairman, Rick Arceneaux stated that the LCRAA Board has held two meetings and all is going well. Debbie stated that the attorney, Sheri Morris is in the process of drafting the RFP. All funds, except for one parish, had been received for the first month of reporting. The Board has approved the By-laws. Rick stated that there were minor changes to reporting form and that had been emailed to all participating Clerks. Brian Lestage asked if everyone is paying properly. Debbie stated there had been some issues as to the number of exemptions and some clerks had been called in reference to those. She said she thought many of the issues would be remedied after the first month.

**RETIREMENT AND RELIEF FUND**

Debbie reported that the Fund balance was down from June 30<sup>th</sup> \$519 million to \$510 as of September 30<sup>th</sup>. Summit had presented to the Investment committee several recommendations to rebalance the investments. They recommended and the Board approved that \$12 million dollars (6 million from domestics and 6 million from MLPs) be moved to international and fixed income. Also, they recommended changing the processing exposure from 20% to 30% for Tortoise which is one of the MLP strategies. The Board also approved that recommendation. Debbie further reported they had received an excellent Actuarial Report from Gary Curran reporting net investment income for the fiscal year \$72.6 million dollars with a 16.3% market value rate of return. Total contributions were \$33.4 million for the year and total benefits and expenses \$30.5 million. There will be no COLAs granted to retirees this year because a COLA had already been granted the prior year. She further reported the Board had reduced the required rate of return from 7.5% to 7.25% and although it does increase the cost at the time, it puts the fund in a better position to weather volatile markets in the future. She reported the actuary required employer contribution rate for fiscal year 2016 is 17.25% but the Board can approve up to 3% increase to help the funding status of the plan, but no decision can be made until the PRSAC committee meets in January to review the actuary report.

Debbie also reported that GASB 67 and 68 have changed the way the Actuary calculates the funding status. The funded ratio last year was 74.6% and this year it is 81.4%. She reminded the Board that GASB 67 applies to the retirement fund and GASB 68 applies to the employers – the clerks. Debbie had asked Michelle Cunningham, auditor with Duplaniter, Hrapman, Hogan and Maher to come to the retirement meeting to explain the increased audit fees from last year of \$19,200 to \$52,300 this year which is all due to GASB 67 and 68. Debbie reminded the Board that the unfunded liability of the fund will be prorated to each clerk to be included in their 2015 audit reports. Those numbers will be calculated by the Actuary and audited by the Auditors prior to furnishing them to the clerks' auditors. A payroll audit of employers also had to be conducted this year for a fee of \$8,500. The three parishes audited this year were St. Tammany, Orleans Criminal, and Supreme Court. Each year the auditors will select different clerks to audit their payroll.

Debbie further reported that there have been issues with the definition of an employee. The law requires that an employee who works more than an average of 20 hours per week must be a member of the clerks' retirement system. Debbie will send out the new definition adopted by the Board to all Clerks.

Julian questioned the number of audits that will be required next year. Debbie commented that the number of parishes that will have the payroll audit are determined by the auditors. He asked when the reports ready would be ready. Debbie stated that Gary has to prepare the numbers and they should be ready in December, but they then have to be audited by Duplantier. Julian asked if it could be suggested to the auditors which clerks are to be audited. Debbie said she would find out. It was asked what the audit included – and she said the auditors looked at date of birth and date of hire, salaries and to make sure those who are in the system are qualified to be in the system and to make sure clerks are not including any that should not be in the system. She stated that accuracy of all of these numbers affect the actuarial report. Debbie stated there were even issues as to the correct sex of some of the members.

#### **SUPPLEMENTAL COMPENSATION BOARD**

Debbie reported that the supplemental fund has total capital of \$117,000. The fund is \$11,595 to the good so far this fiscal year.

#### **COMMITTEE REPORTS**

##### **2015 Conference Report**

President Broussard said the plans for the upcoming conference are coming along. She reminded the Clerks that talented employees are needed to participate in the talent show that will be held during the conference.

##### **Best Practices Guide Committees**

Diane Meaux Broussard stated that this process has slowed down but will report in December.

##### **Education Committee**

Tammy Foster stated that the next Institute will be in February at the Embassy Suites in Baton Rouge. There will be sessions on Retirement, Ethics, and many other interesting topics.

##### **Government Services Committee**

On behalf of Chairman Louie Bernard, Diane Meaux Broussard reported that on Monday, October 22, 2014 the committee met at the Association Office. The purpose of the meeting was to interview applicants for the position of governmental relations consultant. The committee received four applications. One applicant withdrew from consideration the morning of the interviews. Three firms participated and were interviewed as follows The ARJ Group, The Picard Group and Arwin Bascle (Governmental Affairs). The committee was impressed with all

of those interviewed. Each brought many positives to the table. Upon completing the interview process, the committee discussed in detail the three firms and the contribution they could make toward the success of accomplishing our legislative goals. After discussion, it was the unanimous recommendation of the committee that Ms. Arwin Bascle continue as the consultant for the Louisiana Clerks of Court Association. The committee took note of the fact that, due to the retirement of Ms. Jo Wood, the contract between the Clerks and Ms. Bascle had been extended one year and will expire on December 31, 2014. It will be the decision of the Board of Directors as to whether the Association resumes the prior practice of entering into a two-year contract with the consultant. Rick Arceneaux moved to accept the recommendation of the Government Service Committee and to enter into a 2- year contract with Arwin Bascle. Tammy Foster seconded the motion. Mark asked if the date should be fiscal year or December 31st. Debbie stated at December 31st would be better because of the time of the sessions. **MOTION CARRIED.** Diane stated that a letter will be mailed out to the other candidates.

#### **EXECUTIVE DIRECTOR REPORT**

Debbie reminded the district representatives to hold their district meetings prior to the December meetings and to forward any proposed legislation to the Association office.

#### **DISTRICT REPORTS**

##### **District One**

Julian Dufreche reported that they have not met but will meet in December and will discuss legislation.

##### **District Two**

Dot Lundin reported that they have not met and will try to meet before December.

##### **District Three**

Brian Lestage reported that they have not met but will meet on November 13<sup>th</sup>.

##### **District Four**

Cindy Johnston reported that her district did meet and four members were present. She stated that they discussed LCRAA and office procedures.

##### **District Five**

Ann Johnson reported that no meeting was held.

##### **District Six**

Lanell Landry reported that no meeting was held but will they will meet before December.

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**District Seven**

Steve Andrews reported that they did have meeting. There were discussions about expungements, marriage license and the possibility about allowing deputies to meet for district meetings.

**District Eight**

Doug Welborn reported that will meet in November with tentative dates having been proposed.

**District Nine**

John Olivier reported that he sent an email to his district but did not receive any response. He also reported there had been a committee discussing court cost and those fees that did not directly apply to the operations of the courts. He said he realizes that court cost can appear high but some of it was due to all of the non-court related fees the clerks had to collect. He said the committee wanted to put together a comprehensive list of all of the non-court related fees collected in civil and criminal matters. Mark asked if John was going to send a questionnaire out to the clerks and he said he would. Debbie suggested that a questionnaire go out to the Sheriffs in regard to the different cost in criminal matters since they were the ones that collect those.

**Other Business**

Julian asked if there was anything that the Clerks needed to back away from regarding new legislation because of the upcoming elections. Debbie stated that she was not aware of any.

David Dart asked the board if anyone was familiar with the new GWEN's Law on protective orders. Discussions were made on this. Julian asked about expungements. Lanell Landry asked different clerks how much they were paying for audits.

Debbie announced in the month of October our President Diane Meaux Broussard and her daughter were recognized and honored with a Cancer Society Ball. Also, Debbie stated that Doug Welborn received the Red Pelican Award along with Tom Schedler and Jay Dardenne by the Republican Women Organization at the Old State Capital with 400 people present. Also, John Gegenheimer received the 2014 G. Thomas Musterman award from National Center of State Court for his significant improvements and innovations in jury procedures, operations and practices.

Debbie stated the Board had asked her to become involved in IACREOT. At the National conference this summer, she was asked to be a Presidential Advisor. IACREOT is hosting a mid-winter conference in California. Debbie was asked to attend the mid-winter conference. Doug Welborn moved that Debbie attend the IACREOT mid-winter conference and Jeremy Evans seconded the motion. **MOTION CARRIED.**

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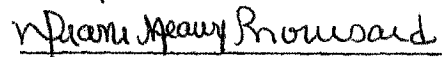
There being no further business, Cliff Dressel moved to adjourn the meeting. David Dart seconded the motion. **MOTION CARRIED.**

Respectfully Submitted:



Dodi Eubanks, Secretary

APPROVED:



Diane Meaux Broussard, President