

## **APPROVED MINUTES**

LOUISIANA CLERKS OF COURT ASSOCIATION  
BOARD OF DIRECTORS MEETING  
WEDNESDAY, OCTOBER 12, 2011  
1:00 PM  
WHITE CASTLE, LA

The Board of Directors of the Louisiana Clerks of Court Association met on the above date at Nottoway Plantation in White Castle, Louisiana.

The following members were present: Mark Graffeo, President, Lynn Jones, Tammy Foster, Diane Meaux Broussard, Holli Vining, Jim Martin, David Dart, Rick Arceneaux, Louie Bernard, Carl Broussard, Cindy Johnston, Lanell Landry, Cliff Dressel, Christine Crow, Darlene Landry and Debbie Hudnall, Executive Director.

The following guests were present: Hart Bourque, Gary Loftin, Michelle Cunningham & Chris Kershaw.

The meeting was called to order by President Mark Graffeo. Cindy Johnston gave the opening prayer and Richard Arceneaux led the Pledge of Allegiance.

### **APPROVAL OF MINUTES**

Motion by Louie Bernard, duly seconded by Cliff Dressel, that the minutes of July 27, 2011 be approved as presented. MOTION CARRIED with no objections.

### **COMMENTS BY PRESIDENT**

President Graffeo welcomed everyone to Nottoway Plantation. He then deferred to Gary Loftin who addressed the Board concerning the December Board meetings. He indicated that the meetings, which are to be held in Bossier City on December 6, 7 & 8, were initially scheduled around qualifying but that qualifying dates then changed to create a conflict. He also wanted to make everyone aware that meetings will be held outside Bass Pro at the Louisiana Boardwalk in a tent on the riverfront and the weather may be cool. President Graffeo commented that only 16 parishes, and 6 Board members, would be involved in qualifying and he was confident that we would have a quorum even if those Clerks affected could not attend.

### **FINANCIAL REPORTS (reports on file in office)**

The Financial Report of the Association was then presented by Jim Martin. The balance sheet ending July 31, 2011 indicates Total Assets of \$717,403.62 with a Net Loss of (\$11,368.28). Balance sheet ending August 31, 2011 indicates Total Assets of \$709,563.53 with Net Income of \$1,089.13. Balance Sheet ending September 30, 2011 indicates Total Assets of \$692,781.15 with Net Income of \$1,133.60. The Income Statement was presented for the 3 months ending September 30, 2011 showing that we were within our budget with an overage in revenues and

under budget in expenses. Jim reported that the budget is faring well with the reduction of Association dues which reduced the cost to Clerks.

Motion by Cliff Dressel, duly seconded by David Dart, that the Financial Reports be received and, with no objections, MOTION CARRIED.

**AUDIT REPORT (reports on file in office)**

Michelle Cunningham, CPA with Duplantier, Hrapmann, Hogan & Maher, L.L.P. reported on the audit report of the financial statements of the **Louisiana Clerks of Court Association** for the year ended June 30, 2011. After discussion, she reported that the audit report had a good clean opinion. Motion to accept the Louisiana Clerks of Court Association audit report made by Cliff Dressel and seconded by David Dart and, without objection, MOTION CARRIED.

The audit report of the financial statements of the **Louisiana Clerks of Supplemental Compensation Fund** Court for the year ended June 30, 2011. After some discussion, she reported that the audit report had a good clean opinion also. Motion to accept the Louisiana Clerks of Court Supplemental Compensation Fund audit report made by Lanell Landry and seconded by Rick Arceneaux and, without objection, MOTION CARRIED.

**BOARD REPORTS**

**RETIREMENT AND RELIEF FUND** - President Graffeo reported that the Retirement Board met today and Jessica Portis, with Summit Strategies, gave her report. She indicated that the market was down, with negative returns for the 5<sup>th</sup> consecutive month, and that we should expect some ups and downs over the next few months. She was not optimistic of any tremendous upswing.

President Graffeo reported the Fund balance on September 30, 2011 was \$332 million and the rate of return for the fiscal year is a negative 8.55%. He indicated that, at Jessica Portis' suggestion, the Board approved the movement of funds to rebalance the portfolio.

Michelle Cunningham delivered a clean audit report to the Retirement Board that showed no material weaknesses. The report showed fund assets on June 30, 2011 to be \$378 million. Our net appreciation for the year was \$64 million with a total return of 24.3%.

Gary Curran presented his annual actuarial report for the June 30, 2011 fiscal year. He spoke about possibly reducing our target rate from 8% to 7% but wants to do more research on that matter. He also reported the required Employer Contribution Rate of 16.25%, but recommended that it be maintained at its current rate for July 2012. After PRSAC approval of the actuarial

report, the Board will set the rate. President Graffeo indicated that the rate had been left at the current rate in the past to allow a cushion for market volatility.

Gary also indicated that statutory criteria has not been met to allow for a cost of living adjustment for retirees at this time. The last COLA was January 1, 2008.

The Retirement Board will also be looking at possible legislation recommended by our tax attorney to insure that the plan remains qualified under IRS guidelines.

**SUPPLEMENTAL COMPENSATION BOARD** - Jim Martin reported that the July 1<sup>st</sup> increase in the per-suit fee has stabilized the fund and got it back to even although filings have not increased. The financial report as of September 30, 2011 shows a net income of \$2500. Current month net income is \$8000, which is about \$10,000 more than this month last year.

**LACCRMA** - President Graffeo reported that LACCRMA continued to operate well and that there are no current issues. Dan Condon, of Hunt Insurance, will be invited to speak at the February Institute to go over the issues that are causing lawsuits involving Clerks' offices.

President Graffeo also indicated that with the move of some members from District 1 to District 8, the Board has been left with vacancies or extra members in those districts and will have to be realigned to comply with bylaws.

### **REPORT OF EXECUTIVE DIRECTOR**

Debbie indicated that she has been invited to speak at the DA's Association meeting on November 3<sup>rd</sup> on an expungement panel. She has also been invited to speak, along with John Gegenheimer, Dale Atkins, Lynn Jones and a few others, to the Title Attorney's Association on December 1<sup>st</sup> about the future of technology in Clerk's offices.

Concerning Vital Records' new electronic system for marriage license, Debbie advised that the Clerks are not mandated to use this system and that Vital Records was aware of that and understood that some Clerks will still be using their own software.

**LEGISLATION** - Debbie urged Districts to meet and to submit any possible 2012 legislation to her in November in preparation for the Clerks Only meeting in December.

Possible legislation has been suggested to require anyone filing an encumbrance to either include identifying information on the document, such as the last 4 digits of the SSN, or pay an additional fee to the Clerk. This fee would allow for anyone who needed to file an Affidavit of Distinction because of this filing to do so without paying a recording fee.

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Debbie was contacted by the Assessor's Association who expressed an interest in pursuing a 3% to 5% pay raise if the Clerks, and possibly the Sheriffs, would be interested in joining in that legislation.

Debbie was notified by Sheri Morris that there are Clerks listed on the Dept. Of Treasury's Unclaimed Property website that have unclaimed funds. It is recommended that all Clerks check into this for their office.

The State Police and the DOC have requested the Association to provide them with a list of the Clerks who have internet access to their records. They are requesting free internet access. After discussion, the Board authorized Debbie to provide them with this list and let each Clerk handle the requests individually.

Debbie wanted to make everyone aware that she received a call from one of our vendors who had a question concerning the law that requires Clerks to redact SSNs on filings viewable online after January 1, 2006. He asked if this law applied to civil suits because he did not think some Clerks were redacting these. It was suggested that this matter be discussed further.

Debbie, President Graffeo and Dawn Tricou were invited to the Secretary of State's Office to hear a proposal from Standard Medical Acceptance regarding a program that tracks daily accounts receivable for medical facilities. This program would create a daily UCC filing for these facilities to use as security when applying for lower interest loans. This would generate revenue for the Clerks. Louisiana could be the 1<sup>st</sup> state to implement this program. The Board asked President Graffeo and Debbie to continue gathering information about this proposal.

Debbie asked the Board if they would like to consider having a reception for Statewide Officials and Legislators at Inauguration. The Board was agreeable with moving forward with the possibility of having a reception during the Legislative session.

Debbie also reported that she is currently working on the planned orientation for new Clerks.

### **COMMITTEE REPORTS**

**BY-LAWS COMMITTEE** - Rick Arceneaux indicated there were no updates from the By-Laws Committee.

**2012 CONVENTION REPORT** – Cindy Johnston reported that dates for the Convention have been moved to April 29, 2012 – May 3, 2012 due to the change in election dates.



**EDUCATION COMMITTEE** – Debbie reported that the Institute will be held February 14-17, 2012 at the Crowne Plaza hotel in Baton Rouge.

**EXECUTIVE COMMITTEE** - President Graffeo presented the results of the Strategic Planning session held in July. The session involved a tremendous amount of discussion about technology including cloud backup, E-filing & E-recording, records preservation, data networking and many other technological issues. The committee also discussed the development of an online Best Practices Manual, beginning with Civil, as a resource for Clerks and deputies and to promote uniformity. Debbie is requesting that any Clerk who has a manual for their civil department to send a copy to the Association. Other topics discussed included alternative sources of office funding, civil cost collections, the possibility of moving the Association to a different building, direct deposits for retirement and supplemental checks, the possibility of videoing portions of the institutes, the need to reactivate certain committees, ethics training and convention dates.

**EXECUTIVE DIRECTOR COMMITTEE**- Debbie and Chris Kershaw stepped out of the meeting as Gary Loftin reported on contract negotiations. Gary commended the Clerks who served on this committee and thanked President Graffeo for his involvement. The committee's recommendation is to rehire Debbie effective January 1, 2012 through December 31, 2016 with a contract that will be more in line with an independent contractor. Her contract would be set at \$170,000, which includes all current benefits. Gary indicated that Debbie's current contract would not end until August 2012, but the committee is recommending the January 2012 date for the new contract to comply with IRS guidelines. Jim Martin made a motion to offer the contract as recommended by the Executive Director Committee, duly seconded by Lynn Jones. A lengthy discussion ensued. Motion by Cliff Dressel to vote by roll call was seconded by David Dart. A polling of members present resulted in a unanimous vote in favor of the recommended contract, MOTION CARRIED.

Gary further reported that since Debbie's contract does not provide for a vehicle that the committee recommended the vehicle she is currently using be sold with the value to be determined by a third party. It was also recommended that, with the concurrence of legal counsel, that Debbie be given the first opportunity to purchase the vehicle. Motion by Lanell Landry, duly seconded by Cindy Johnston, to negotiate the sale of the vehicle with it's value to be determined by a third party and, with no objections, MOTION CARRIED.

Gary also indicated that Renee Culotta would be submitting a final bill upon completion of the contract preparation. Motion by Louie Bernard, duly seconded by Rick Arceneaux, to pay Ms. Culotta all amounts associated with the preparation of the contract within 90 days and, with no objections, MOTION CARRIED.

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Motion by Cliff Dressel, duly seconded by Jim Martin, to allow President Graffeo to enter into a contract with the Executive Director once the final draft has been completed and, with no objections, MOTION CARRIED.

President Graffeo indicated that he would send the final contract to Board members for their perusal.


**DISTRICT REPORTS**

The individual districts had no items to report.

There being no other business, Cliff Dressel made a motion to adjourn the meeting. Rick Arceneaux seconded. MOTION CARRIED with no objection.

RESPECTFULLY SUBMITTED:

APPROVED:

  
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HOLLI VINING, SECRETARY  
BOARD OF DIRECTORS

  
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MARK GRAFFEO, PRESIDENT