

Approved Board Minutes

**LOUISIANA CLERKS OF COURT ASSOCIATION
BOARD OF DIRECTORS MEETING
TUESDAY, JULY 20, 2010
1:00 P.M.
PINEVILLE, LA.**

The **BOARD OF DIRECTORS** of The Louisiana Clerks of Court Association met on the above date at the Country Inn & Suites, Pineville, Louisiana.

The following members were present:

Louie Bernard, President, Mark Graffeo, Lynn Jones, Tammy Foster, Gary Loftin, Lanell Landry, Dot Lundin, Michael Thibodeaux, Carol Jones, Carolyn Ryland, ElRay Lemoine, and Debbie Hudnall, Executive Director.

The following Clerks of Court, as guests, were present: Malise Prieto, Diane Meaux Broussard, and Julian Dufreche.

The meeting was called to order by the President Louie Bernard with the opening prayer by Carolyn Ryland, followed by the Pledge of Allegiance by Lanell Landry.

APPROVAL OF MINUTES

Motion was made by Mark Graffeo and second by Lanell Landry that the minutes of May 5, 2010, Board meeting be approved as presented. **MOTION CARRIED.**

COMMENTS BY THE PRESIDENT

President Bernard reported that since the last meeting, HB 1060 had finally passed. He wanted to thank Tommy Sullivan for spearheading HB1060 and Debbie for also working so diligently on the bill. He reported that Kari Creighton with Summit Strategies Group had informed Debbie that she was leaving Summit at the end of September due to family reasons. The Retirement Board hated to lose Kari, but her replacement, Jessica Portis, was very well-versed on all of the issues and had impressed everyone. Dan Holmes and Jessica will be handling the Clerks' portfolio in the future.

President Bernard spoke briefly of the resignation of Randy Zinna. He informed the Board that he had authorized Debbie to meet with attorney, Denise Akers, on an interim basis until the Retirement Board had the opportunity to take action in replacing Mr. Zinna. He reported that Mrs. Akers currently represents the Parochial Retirement System, State Police Retirement System and Baton Rouge City Parish Retirement System. Mrs. Akers attended the Retirement Board meeting earlier today to answer questions regarding ongoing issues and presented her credentials as possible new counsel for the Retirement Board. President Bernard announced that the Retirement Board, did in fact, hire Mrs. Akers as counsel. The Association Board and Insurance Board will have to decide in what direction they will want to go as to new counsel.

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“ACTION LIST”

President Bernard related that Mark Graffeo, at the last Board meeting, brought up the need to have an Action List from the prior meeting to ensure that all pending issues were handled. One pending issue was that Parliamentarian, Lanell Landry, is working on the re-alignment of the Association Districts. Lanell said she is continuing to work on that at this time. Additionally, Jim Martin had proposed a resolution that the Department of Vital Statistics improve and increase birth certificate data available to Clerks on-line. Debbie said she had drafted the resolution for the President to review and reported the funds that had previously been designated to improve the system had been moved by the State into the general fund of the State. President Bernard said that would need to be revisited.

FINANCIAL REPORTS

Tammy Foster then presented the financial report of the Association, reflecting the balance sheet as of April 30, 2010 indicating current assets of \$443,828.15. The Income Statement for 10 months ending April 30, 2010 reflected total revenue of \$494,711.17, expenses of \$399,286.93 for total net income of \$95,454.24.

The balance sheet as of May 31, 2010 indicated current assets of \$430,780.09. The Income Statement for 11 months ending May 31, 2010 reflected total revenue of \$540,300.38, expenses of \$442,541.49 for total net income of \$97,758.89.

The balance sheet as of June 30, 2010 indicated current assets of \$412,938.77. The Income Statement for 12 months ending June 30, 2010 reflected total revenue of \$585,976.63, expenses of \$493,914.90 for total net income of \$92,061.73.

LEGAL FUND

Treasurer, Tammy Foster, further reported Total Assets of the Legal Fund as of June 30, 2010 of \$60,686.03. Debbie then gave history of the Legal Fund.

Malise Prieto asked that future financial reports include the comparison of the previous year's revenue and expenses. President Bernard said that would be included in future reports.

Motion was made by Gary Loftin to receive the financial reports. Motion was second by Lanell Landry. **MOTION CARRIED.**

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BOARD REPORTS

RETIREMENT AND RELIEF FUND

President Bernard reported that although the Retirement Fund had a bad second quarter, it had strong results for the year with a rate of return of 10.1%. Both equities and bonds performed well showing strong positive returns.

The best performing portion of the portfolio for the year was the US equity, generating 14.5% and the international equities outperformed the benchmark by 7.1%. He reported that the decision to add active fixed income to the portfolio had been beneficial, as Pyramis returned 6.8% ahead of the benchmark over the fiscal year. He informed the Board that through June 30, 2010, UBP had returned 67% of investors' capital. The Fund will receive an additional 9% in August and by the year-end, the Fund should receive 81-86% of its' redemption proceeds. The Fund exited the securities lending program at Northern Trust which resulted in a payment just shy of \$6000. The custodian transition from Northern Trust to Hancock Bank in Baton Rouge went very smoothly on June 30th with no issues.

SUPPLEMENTAL COMPENSATION BOARD

Gary Loftin, Chairman, advised the Board that the funds had been increasing and the Supplemental Board voted to allow a \$100.00 increase in payment to the Clerks without an increase in payment to the fund. The Clerks would also be entitled to an additional \$10 for the 10% expense allowance.

RISK MANAGEMENT BOARD (LACCRMA)

Mark Graffeo, Chairman, advised the Board that the renewal packages had gone out to all of the Clerks at the beginning of July along with an invoice. There was a slight increase in premiums. He reported that they had lost one parish at renewal. He informed the Board that the financials remain strong with a loss ratio less than 100%. He also reported that the labor hot-line is doing well and is a great benefit to the Clerks.

COMMITTEE REPORTS

2010 CONVENTION REPORT

No report at this time.

EDUCATION COMMITTEE

Debbie Hudnall reported on behalf of Chairman Bill Hodge that the Clerks' Institute will be held August 17- 20, 2010 at the Embassy Suites in Baton Rouge. She said that registrations were slowly coming in and urged everyone to attend because the legislative update would be discussing many bills that affect the Clerks' offices other than HB 1060.

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Louie Bernard reported that Allen Blanchard had been hospitalized with pneumonia and was not doing well and asked that everyone keep Georgie and Allen in their thoughts and prayers.

REPORT OF EXECUTIVE DIRECTOR

Debbie Hudnall, Executive Director, informed the Board that there had been an issue with the amount of money spent for the IACREOT dinner going over the budgeted amount. It was suggested in the future that it be handled as it had in the past, that if the Clerk brought more than one person, they would have to pay for the additional person.

Debbie presented the Declaratory Opinion by the Ethics Board in regard to whether or not the Clerks had to include the dollar salary amount or a range on the annual Financial Disclosure report. The opinion included the dissent by the Chairman. The opinion will be posted on the website.

Debbie reported that she is still working on the legislative presentation for the Clerks' Institute. She said that she had sent a spread sheet on HB 1060 to be used as a guide, but it was very difficult because so many Clerks have local court rules. It will be discussed in more detail at the Institute. Malise wanted to know if Clerks could attend the legislative session without paying because everyone needed to hear the legislative updates. President Bernard said that would need to be taken up by the Education Committee and asked Malise to send an email to Bill Hodge.

Debbie presented the Board with a copy of Randy Zinna's resignation.

OTHER BUSINESS

President Bernard related that although it did not require Board action, he wanted to remind the Board that the Executive Director's contract stated that she would be paid the same salary as the Clerks in the smallest districts; therefore she would also be entitled to the \$110 increase.

President Bernard gave an update on the situation with Randy Zinna. He informed the Board that the audit report by the Legislative auditors dealing with the Retirement fund should be made public on July 26th and Debbie would then post it on the Clerks' website. Gary Loftin made the motion that Randy Zinna's resignation as counsel of the Association Board be accepted. Motion seconded by Mark Graffeo. **MOTION CARRIED.**

Louie reported that Sherri Morris had been retained to help draft the response to the Legislative Auditors report and that he had authorized Debbie to use Sherri on an interim basis. He further discussed the possibility of the Board hiring Sherri Morris as counsel for the Association Board at the fee of \$175.00 per hour. Sherri's resume was distributed to the Board. There was discussion as to whether or not an attorney needed to be present at the Board meetings or whether they could be in attendance by means of video or conference call. After much discussion, it was decided that there would be a special joint meeting of the Association Board and the Insurance Board on August 18th at the Clerks' Institute.

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Sherri Morris, with the law firm - Roedel, Parsons, Koch, Blache, Balhoff & McCollister will be invited to meet with the two Boards to discuss the possibility of retaining her as counsel for both the Association and Insurance Boards.

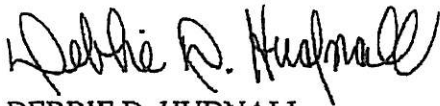
COMMENTS BY BOARD MEMBERS

There was additional discussion of HB 1060 by the Board and the difficulty surrounding its passage.

Motion by Carol Jones and seconded by ElRay Lemoine to adjourn.

The meeting was adjourned.

RESPECTFULLY SUBMITTED:



DEBBIE D. HUDNALL
EXECUTIVE DIRECTOR

APPROVED:



LOUIE BERNARD
PRESIDENT