

LOUISIANA CLERKS OF COURT RETIREMENT AND RELIEF FUND
BOARD OF TRUSTEES MEETING
WEDNESDAY, AUGUST 22, 2007
LAFAYETTE, LOUISIANA

President Jim Martin called the meeting to order at 11:00 A.M. Ann Ardoin gave the invocation followed by the Pledge of Allegiance by Gary Loftin.

Members Present: President Jim Martin, Michael Thibodeaux, Robby Barousse, Mark Graffeo, Felicia Ann Hendl, Hart Bourque, Gary Loftin, Cliff Dressel and Ann Ardoin were all present. Also in attendance: Executive Secretary, Debbie Hudnall; Actuary Gary Curran; and Consultant Kari Creighton. Members absent: Rep. Pete Schneider and Sen. Butch Gautreaux. Visitor present: Lynn Jones

APPROVAL OF MINUTES: Hart Bourque moved to accept the minutes of the previous meeting as written, motion seconded by Felicia Ann Hendl. **Motion carried.**

FINANCIAL REPORTS: (Attachment 1) Treasurer Mark Graffeo presented the financial reports as of June 30, 2007, reporting total assets of \$334,985,576 and a total fund balance of \$316,275,146. He reported total fiscal year revenues of \$37,776,561, total fiscal year expenditures of \$19,952,500 for a net profit for the fiscal year of \$17,824,061. Motion by Cliff Dressel and seconded by Michael Thibodeaux to receive the financial reports. **Motion carried.**

APPLICATION FOR BENEFITS: (On file in office) After reviewing the applications for benefits, Robby Barousse moved that the applications be approved. Motion seconded by Gary Loftin. **Motion carried.**

REFUNDS: (Attachment 2) Debbie reported that \$107,117 had been refunded to members in June with a total of \$1,086,398 for the fiscal year. She further reported \$80,927 had been refunded in the month of July.

COMMENTS BY INVESTMENT CONSULTANT: (Attachment 3)

Kari Creighton informed the Board that two money managers would be presenting their proposals on Hedge Funds today and distributed a Returns & Standard Deviation Comparison Report between the two managers and the current manager Froley Revy.

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John McCormick, Vice President and Head of Business Strategy with Blackstone Alternative Asset Management presented their proposal. (Report on file in office)

John Stimpson, Director, Institutional Services Group, and Christopher Ito, Managing Director and Head of Risk Management, with UBP Asset Management presented their proposal. (Report on file in office)

After hearing the proposals of the money managers, Cliff Dressel moved that Louisiana Clerks of Court Retirement and Relief Fund hire UBP Asset Management to invest in Hedge Funds, as proposed by Investment Consultant Kari Creighton, by transferring thirty million dollars from Frolely Revy with all expedience and with the transition to be facilitated through Northern Trust, subject to the contract approval by Attorney Randy Zinna. Motion seconded by Hart Bourque. **Motion carried.**

Kari further recommended that the Board delay investing in Core Plus Funds with Pyramis for the time being due to the credit issues in the market. Cliff Dressel moved that the Board give Kari authority to postpone the investment in Pyramis until she felt it feasible to do so. Motion seconded by Ann Ardoin. **Motion carried.**

COMMENT BY ACTUARY: Gary Curran informed the Board that he would be giving a presentation on a Back Drop proposal for the 2008 at the Clerks' Only meeting in December. He also presented the concept of possibly reducing the 8% target ratio in the future if it were feasible. The Board was in agreement with the actuary pursuing that concept.

OTHER BUSINESS: (On file in office) Gary Loftin moved that the Board pass a resolution adopting the System Survey and Compliance Questionnaire as presented. Motion seconded by Hart Bourque. **Motion carried.**

Debbie presented a copy of Act 78 which was passed by the Sheriffs' Retirement and Relief Fund that provided for advance education for candidates for membership of their Board of Trustees. (Attachment 4)

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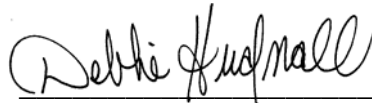
Debbie presented a copy of letter from Representative Pete Schneider thanking the Board and Staff for their cooperation and assistance during the 2007 Regular Legislative Session.

Additionally, she reported that a final notice had been sent to the Disability Retiree that had not sent her annual report and had also spoken to her by phone and had instructed her to simply file the affidavit, but it had not been received at this time.

She further reported that Vera Harrell would be retiring on September 1, 2007, and that she was in the process of trying to fill that position.

Robby Barousse moved that the meeting be adjourned

Respectfully submitted:

A handwritten signature in cursive script, reading "Debbie D. Hudnall", written in black ink.

Debbie D. Hudnall
Executive Director

ATTACHMENT "1"

LA CLERKS OF COURT RETIREMENT FUND

Balance Sheet

June 30, 2007

ASSETS

CURRENT ASSETS

Cash - Operating	1,911,880.76	
Cash - LAMP	14,728,659.20	
Cash - Securities Lending	397,909.55	

TOTAL CURRENT ASSETS		17,038,449.51

OTHER ASSETS

Contrib. Rec'd - Members	483,104.96	
Contrib. Rec'D - Employer	962,137.04	
Other Accounts Receivable	14,835.45-	
Miscellaneous Receivable	641.00	
Dividend - Receivable	158,053.40	
Accrued Interest - Investments	137,145.33	
Accrued Dividends	927,811.26	
Transfers Receivable-RR & ER	45,671.67	
Acct Rec - D. O'Rourke	2,754.52	
Office Equipment	60,340.84	
Accumulated Depreciation	53,619.35-	

TOTAL OTHER ASSETS		2,709,205.22

INVESTMENTS

Cash Equivalents	422,219.38	
Corporate Bonds	26,948,673.67	
Securities Lending Receivable	14,874.86	
Other Bonds-Froley Revy	419,820.00	
Net Appr(Dep)In FV-Bonds	1,980,207.63	
App/depr Other Fixed Income	3,024.96-	
Net Appr(Dep) FV-Stocks	3,692,039.41	
Common Stock	35,520,940.49	
Capital Guardian Equity Fund	70,238,691.31	
Net Apprec/Depr Cap Guardian	14,150,681.55	
Domestic Stock Fund - QMA	16,233,287.25	
Net Appre/Depre - QMA	1,515,179.06	
Equities - Foreign Stocks	29,870,586.25	
Net Appre/Depre/Foreign Stocks	10,186,919.36	
Clarion Real Estate Fund	26,894,232.00	
Bond-Index Funds	47,322,748.12	
Net Appre/Depre/FV-Bond Index	5,774,007.98	
Net Apprec/Depr Clarion Fund	5,812,789.50	

TOTAL INVESTMENTS		296,994,872.86
Collateral - Securities	18,243,048.70	

TOTAL ASSETS

334,985,576.29
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Unaudited Financial Statement

LA CLERKS OF COURT RETIREMENT FUND
Balance Sheet
June 30, 2007

LIABILITIES AND EQUITY

OPERATING LIABILITIES

Accounts Payable	433,285.38
Obligations - Securities	18,243,048.70
Insurance Collected Payable	34,096.03

TOTAL OPERATING LIABILITIES	18,710,430.11
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FUND BALANCE

Annuity Reserve - Retirees	126,324,593.87
Drop Equity Accumulative	9,721,564.74
Annuity Savings - Members	48,133,015.95
Employer Reserve	184,929,139.00
Unfunded Actuarial-Present	72,935,680.00-
Drop Equity Contrib.- YTD	2,278,451.62
NET CHANGE - CURRENT YEAR	17,824,061.00

TOTAL FUND BALANCE	316,275,146.18
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TOTAL LIABILITIES & EQUITY

334,985,576.29
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Unaudited Financial Statement

LA CLERKS OF COURT RETIREMENT FUND

Income Statement

June 30, 2007

	CURRENT PERIOD	%	YEAR TO DATE	%
Employees Contributions	520,810.44	59.80	5,934,625.21	33.30
Employer Contributions	1,057,403.63	121.42	11,990,495.18	67.27
Drop Employer Contributions	51,543.96	5.92	567,678.68	3.18
Tax Collectors	.00	.00	5,673,799.44	31.83
Revenue Sharing	65,753.39	7.55	360,317.47	2.02
Interest Income-LAMP/DRW	32,859.99	3.77	392,604.07	2.20
Interest Income-LAMP/Cash	33,901.37	3.89	220,567.34	1.24
Dividend Income	215,526.19	24.75	806,382.70	4.52
Interest Income-Prepaid Refund	34,209.08	3.93	171,476.29	.96
Interest Income-Investments	69,605.38	7.99	840,809.33	4.72
Transfer Fee Collected	80.00	.01	200.00	.00
Securities Lending Income	145,010.99	16.65	1,447,961.14	8.12
Transfer ER - Interest	3,823.39	.44	622,001.18-	3.49
Transfer EE - Contrib.	7,228.02-	.83-	118,583.50-	.67
Re-Payment of Refund -EE	11,108.00-	1.28-	47,401.70-	.27
Deferred Revenue	162,029.47-	18.61-	219,347.20	1.23
Income - Clairon Fund	.00	.00	1,825,782.00	10.24
Gain/Loss on Sale of Invest.	355,600.93	40.83	8,017,698.79	44.98
	=====		=====	
TOTAL REVENUES	2,427,979.25	278.79	37,776,561.86	211.94
Annuity Benefits	1,243,085.39	142.74	14,513,816.68	81.43
Disability Benefits	9,439.23	1.08	114,325.54	.64
Refund of Member Contributions	107,117.80	12.30	1,086,398.42	6.10
Drop Benefits Paid	22,149.96	2.54	1,131,057.82	6.35
Drop Annuity Payments	1,687.05	.19	19,290.99	.11
Reimbursement to Clerks Assn.	10,700.00	1.23	128,400.00	.72
Programing Fees	358.34	.04	4,300.04	.02
Actuary Fees	2,110.00	.24	25,320.00	.14
Legal Fees	1,800.00	.21	24,300.00	.14
Consultant Fee	25,000.00	2.87	100,000.00	.56
Custodial Fees	.00	.00	61,551.02	.35
Doctors' Fees	.00	.00	150.00	.00
Other Professional Fees	.00	.00	13,355.50	.07
Meeting Expense	57.43	.01	1,688.40	.01
Investment Manager Fees	.00	.00	1,330,136.86	7.46
Seminar Expense	.00	.00	662.50	.00
Per Diem	.00	.00	3,319.22	.02
Securities Lending Expense	130,136.13	14.94	1,360,721.44	7.63
Travel Expense	3,027.50	.35	7,963.16	.04
Office Supplies	.00	.00	1,922.17	.01
Fiduciary Insurance Expense	.00	.00	18,242.00	.10
Postage	.00	.00	717.21	.00
Auto Usage	50.00	.01	600.00	.00
Bank Charges	376.17	.04	4,252.36	.02
Misc. Other Income	.00	.00	105.47	.00
Misc. Other Expenses	.00	.00	115.00	.00
	=====		=====	
TOTAL EXPENSES	1,557,095.00	178.79	19,952,500.86	111.94
NET PROFIT (LOSS)	870,884.25	100.00	17,824,061.00	100.00

Unaudited Financial Statement

**LA CLERKS OF COURT RETIREMENT & RELIEF FUND
ADMINISTRATIVE EXPENSES
TWO YEAR COMPARISION
2007/2006**

Period Ended June 30, 2007

	<u>Mth to Date</u> <u>2007</u>	<u>Mth to Date</u> <u>2006</u>	<u>Yr to Date</u> <u>2007</u>	<u>Yr to Date</u> <u>2006</u>
Reimbursement to Association	10,700.00	10,700.00	128,400.00	128,400.00
Programing Fees	358.34	358.32	4,300.04	4,300.06
Actuary Fees	2,110.00	2,110.00	25,320.00	25,320.00
Legal Fees	1,800.00	1,800.00	24,300.00	24,410.96
Doctor's Fees	-	-	150.00	300.00
Other Professional Fees	-	-	13,355.50	14,360.00
Meeting Expense	57.43	301.23	1,688.40	1,205.43
Seminar Expense	-	-	662.50	430.00
Board Per Diem	-	-	3,319.22	2,025.00
Travel Expense	3,027.50	536.58	7,963.16	4,437.12
Office Equipement Purchase	-	-	-	3,110.92
Office Supplies	-	213.40	1,922.17	1,967.10
Fiduciary Insurance Expense	-	1,820.82	18,242.00	17,835.50
Repair & Maintenance	-	335.00	-	1,310.00
Postage	-	-	717.21	723.84
Auto Usage Expense	50.00	-	600.00	8,841.69
Bank Charges	376.17	377.28	4,252.36	4,332.25
Misc. Other Expense	-	-	115.00	318.77
Total Administrative Expenses:	<u>18,479.44</u>	<u>18,552.63</u>	<u>235,307.56</u>	<u>243,628.64</u>



Debbie D. Hudnall
Executive Director

Louisiana Clerks of Court Retirement and Relief Fund

11745 Bricksome Avenue * Suite B-1 * Baton Rouge, Louisiana 70816

Telephone (225) 293-1162 * (800) 256-6660 * Facsimile (225) 291-7859

LA CLERKS OF COURT RETIREMENT AND RELIEF FUND REFUNDED CONTRIBTUIONS YEARLY COMPARISON

YEAR	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	YEARLY TOTAL
2006/2007	135,359.56	110,213.65	109,106.81	70,197.06	148,004.92	103,233.91	66,386.61	62,294.68	55,924.56	53,707.37	64,851.49	107,117.80	1,086,398.42
2007/2008	80,972.50												80,972.50

RETURNS & STANDARD DEVIATION
From Inception through June 30, 2007

Annualized Returns through June 2007	1 year	2 year	3 year	4 year	5 year
Blackstone Alternative Asset Management	15.66%	13.17%	10.53%	9.42%	8.73%
UBP Selectinvest ARV, Ltd.	15.69%	13.98%	10.99%	10.22%	10.13%
<i>HFRI Fund of Funds Index</i>	13.90%	12.46%	10.11%	9.41%	8.50%
<i>Lehman Aggregate Bond Index</i>	6.12%	2.60%	3.98%	3.05%	4.48%
<i>Froley Revy</i>	12.62%	13.17%	9.17%	8.94%	8.05%

Calendar Year Returns through June 2007	YTD	2006	2005	2004	2003	2002
Blackstone Alternative Asset Management	8.86%	11.86%	6.97%	5.96%	9.26%	1.87%
UBP Selectinvest ARV, Ltd.	7.18%	14.85%	6.24%	7.68%	13.30%	
<i>HFRI Fund of Funds Index</i>	7.42%	10.13%	7.73%	6.19%	11.08%	2.15%
<i>Lehman Aggregate Bond Index</i>		4.33%	2.43%	4.34%	4.10%	10.25%
<i>Froley Revy</i>						

Standard Deviations through June 2007	1 year	2 year	3 year	4 year	5 year
Blackstone Alternative Asset Management	2.13%	3.26%	3.15%	2.91%	2.96%
UBP Selectinvest ARV, Ltd.	1.95%	2.73%	2.94%	2.75%	2.95%
<i>HFRI Fund of Funds Index</i>	2.63%	4.20%	4.10%	3.84%	3.67%
<i>Lehman Aggregate Bond Index</i>	2.84%	2.86%	2.87%	3.75%	3.71%
<i>Froley Revy</i>	1.78%	3.75%	6.65%	6.36%	6.52%

ENROLLED

ACT No. 78

Regular Session, 2007

HOUSE BILL NO. 254

BY REPRESENTATIVES ERDEY, MONTGOMERY, ARNOLD, CURTIS, GEYMAN, HARRIS, KLECKLEY, ROBIDEAUX, SCHNEIDER, AND TRAHAN AND SENATORS BOASSO, CRAVINS, B. GAUTREAUX, HOLLIS, SHEPHERD, AND THEUNISSEN

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

AN ACT

2 To enact R.S. 11:2173(C), relative to the Sheriffs' Pension and Relief Fund; to provide for
3 advance education for candidates for membership on the board of trustees; to provide
4 for educational requirements; to provide for place and manner of educational
5 sessions; to provide for costs of such educational sessions; and to provide for related
6 matters.

Notice of intention to introduce this Act has been published
8 as provided by Article X, Section 29(C) of the Constitution
9 of Louisiana.

10 Be it enacted by the Legislature of Louisiana:

11 Section R.S. 11:2173(C) is hereby enacted to read as follows

12 §2173. Board of trustees; executive counsel; educational requirements
13

14 C.(1) All candidates for service on the board of trustees shall have completed
15 the following educational requirements prior to participating in the election or
16 appointment process, as the case may be, in order to serve as a trustee for the fund:

17 (a) Two hours of education relative to the law, rules, and regulations
18 applicable to the fund, including information regarding the funding of the system.

19 (b) One hour of fiduciary duty and ethics education.

20 (c) One hour of education relative to actuarial science and information.

21 (d) Four hours of professional development in investment strategies.

- 2 (2) All such training sessions shall be conducted by the fund, and the fund
3 shall be responsible for the costs for such training sessions. Participating members
4 shall be responsible for travel costs to and from such training sessions. All training
5 sessions shall be conducted at the office of the fund or at the annual Louisiana
6 Sheriffs' Association conference. Training sessions conducted at such conference
7 shall additionally be offered at the office of the fund.
- 8 (3) Completion of the advance educational requirements prescribed in this
9 Subsection shall serve to satisfy the requirements of R.S. 11:185(C)(5) that no new
10 board member shall vote on any matter until he has completed one hour of education
11 in each of the required areas prescribed by R.S. 11:185.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____