

**Registrars of Voters Employees' Retirement System
Minutes of the Special Meeting of the Board of Trustees
April 4, 2018**

The special meeting of the Board of Trustees for the Registrars of Voters Employees' Retirement System was held at the Renaissance Hotel, located at 7000 Bluebonnet Boulevard in Baton Rouge, Louisiana.

I. Call to Order

Mr. Dennis DiMarco called the meeting to order at 1:00 p.m.

II. Invocation and Pledge of Allegiance

Mr. Joe Salter offered an invocation, and Mr. John Broussard led the Pledge of Allegiance.

III. Roll Call

Ms. Charlene Menard then called the roll. Board members present were: Mr. Dennis DiMarco, Ms. Charlene Menard, Mr. Robert Poche, Ms. Sandra Moorner, Ms. Deborah Waskom, Mr. John Broussard, and Mr. Joe Salter. Mr. Dwayne Wall arrived at 1:15 p.m. Representative Barbara Carpenter and Senator Barrow Peacock were absent. A quorum was present. Others present included: Ms. Denise Akers (Legal Counsel) and Mr. Greg Curran (representing Actuary and Administrator, G. S. Curran & Company, Ltd.). In the audience were: Ms. Stephanie Agee (Bossier ROV), Ms. Janet Burks (Retired Bossier ROV), Ms. Connie Crumhorn (St. Bernard ROV), Mr. Willie Johnson (Tangipahoa Chief Deputy), Ms. Pat Guidry (St. Martin ROV), Ms. Shelly Bouvier (Jefferson Confidential Assistant), Ms. Cheryl Decoteau (West Feliciana ROV), Ms. Billie Meyer (Acadia ROV), Mr. Michael Boudreaux (Lafourche ROV), Ms. Angie Quienalty (Calcasieu ROV), Ms. Linda Rodrigue (Terrebonne Retired ROV), Ms. Rhonda Rogers (Terrebonne ROV), Ms. Lisa Medine (St. James ROV), Ms. Joni Ronsonet (St. Mary Chief Deputy), Ms. Jolene Holcombe (St. Mary ROV), Mr. Brian Champagne (St. Charles ROV), and Ms. Lin Stewart (Rapides ROV).

IV. Public Comments

Mr. Brian Champagne handed out copies of a list of accounting firms that he had contacted after the prior board meeting. He added that the Registrars Association Legislative committee had met and voted to oppose House Bills 42 and 43 as written. He added that letters would go out to legislators. In addition, the Legislative committee supported House Bill 20 which would allow ROVERS to hire a firm to manage the retirement system. He stated that the majority of legislative committee members and Association board members were in favor of having a firm manage ROVERS.

Ms. Angie Quienalty further discussed that the Association Board asked that the Board hire a firm instead of an individual to manage ROVERS.

Mr. Dimarco stated that with regard to the list of firms provided by Brian Champagne, Ms. Akers had contacted them on the Board's behalf.

Ms. Denise Akers discussed her contacts with potential accounting firms following the previous meeting. She stated that she had spoken with Jon LeBlanc of Postlethwaite & Netterville who stated that after further thought they felt it was not the direction that the firm wanted to go in. Jay Montalbano of Hannis T. Bourgeois also stated that they would not be interested. Richard Brown of R. Brown & Company had been called and had

returned a call, but they had not been able to speak yet. Cherie Laishe of Kolder, Slaven & Company had indicated that their office did administer some 401(k) plans but indicated that they needed approval from their home office to consider working as a Third Party Administrator of a defined benefit plan. Ms. Akers stated that she had not received a return call from Barry Dufrene, CPA.

Ms. Akers added that she had spoken with Stephen Griffin whose firm performed some outside accounting services for the State Police Retirement System and had previously worked with the Assessors' Retirement Fund. He had indicated interest in bidding if the system received approval to hire a firm. She further discussed the possibility with a firm, Next Level Solutions that provided outside assistance to small businesses. The contact for Next Level was a former employee of the Teachers' Retirement System. They were sent an RFP for review.

Ms. Deborah Wascom clarified that currently the Board could not hire a firm.

Mr. Dimarco commented that at the meeting set up with Representatives Pearson and Jones at the Capitol, both mentioned their opposition to House Bill 20 and ROVERS hiring a firm without selecting a Director. He stated that with a Director, ROVERS could contract out part of the duties which does not preclude the system from hiring a CPA firm.

Ms. Akers stated that currently the system contracted out some of the duties with G. S. Curran & Company and nothing restricted the Board from continuing that.

Mr. Dimarco informed the Board that Ms. Lorraine Dees, Director of ROVERS, had turned in her retirement effective May 1, 2018, informing the Board that her last day at work would be April 30, 2018. He stated that he believed the constant requests for documentation has had an effect on Ms. Dees. He added that she felt her integrity had been questioned and on the advice of her doctor she is retiring. Mr. Dimarco stated that if the board does not act today, the system could have no one to insure that checks go out to retirees which would open the system up further to a merger. He stated that such a merger would require each parish to pay more, new employees to pay more, and put ROVERS in a system with a UAL of \$6 billion.

Mr. Dwayne Wall arrived at 1:15 pm.

Ms. Jodi Ronsonet stated that a merger with LASERS would provide the system with a guarantee from the State. Mr. Dimarco stated that the State was already responsible for 75% of the contributions to ROVERS.

Mr. John Broussard stated that the Treasurer's office sits on the LASERS Board and that a merger would take 1 to 2 years to complete. He stated that their experience with past mergers took almost 2 years. He added that although existing members would keep their plan, new members would get LASERS benefits which are lower and as the plan added new members, the cost to employers could go up.

Ms. Sandra Moorer stated that as with everything there are pros and cons. She discussed the State guarantee as a pro and spoke about her concerns for the health of the fund as more members become eligible to retire in the next few years.

Mr. Brian Champagne stated that several Registrars spoke with Representative Jones after the meeting at the Capitol. He stated they asked Rep. Jones to support House Bill 20 allowing ROVERS to hire a firm. Mr. Champagne stated that based on calls received from members, he felt that they had reason to have concerns.

Mr. Dimarco stated that as Chairman he had never received calls from members.

A member of the audience stated that in her discussions with Representative Jones, the reason that he is against House Bill 20 is that he did not want the actuary to act as the Director of the system.

Ms. Angie Quienalty stated she hoped that the Board would not hire a Director along with a CPA firm and G. S. Curran & Company. She stated that their hope was that a firm with an office and staff could do it. She further asked if it could be done on an emergency basis.

Mr. Dimarco stated that the Board did not have the authority to hire a firm and with the retirement of Lorraine Dees it was his recommendation that they hire someone on a one year contract. He added that even if a merger takes place it would take a couple of years to complete.

V. Discussion and Action related to the retirement of ROVERS Director, Lorraine Dees

Ms. Akers informed the Board that the system received word from Ms. Dees that she is retiring on May 1, 2018. Ms. Akers indicated that Ms. Dees was willing to stay on through April 30th to train a new Director.

Mr. Poche stated that in his conversations with Ms. Dees she has always stated her willingness to do whatever the Board needed to work with her replacement to the best of her ability.

Upon motion by Sandra Moorner and second by Robert Poche, the Board unanimously accepted the retirement of Ms. Lorraine Dees as system Director effective May 1, 2018, with her last day on the job to be April 30, 2018.

VI. Discussion Related to the Hiring of a New Director – Executive Session

Prior to going into executive session to discuss the personal qualifications of the candidates, the Board agreed to have a discussion about the system's needs.

Mr. Broussard stated that although it would be new for Louisiana, it was common for small systems in places like Florida to hire a firm to manage the retirement system. He stated that he would not be opposed to that possibility but that the problem was that even if House Bill 20 passes, it would not go into effect until possibly August 15th. He stated that having no Director for that long would not be practical. Therefore, the Board needed to look for a solution even if only on a temporary basis.

Mr. Dimarco stated that the Board could further look at the possibility of hiring a firm in the future during the next year.

Mr. Poche asked Mr. Curran if all of the systems had a Director. Mr. Curran stated that all of the State and Statewide systems do have Directors. He added that even the next smallest system, the District Attorneys' Retirement System has three employees with a Director, Assistant Director and long-term staff member who runs many of the daily operations. He added that they were a special circumstance with the Director also working as the Director of their Association. Mr. Curran further stated that even the local systems his firm works with have Directors with the exception of the local Capital Area Transit System Employees' Pension Fund that G. S. Curran & Company fully administers as a third party administrator. He added that it was this experience that led to the discussion of his firm as a possible solution last year. He further stated that when Senator Peacock voiced his concerns, the firm had indicated that they would not be an option.

Mr. Curran stated that in his opinion even if the system found the most intelligent CPA and hired their firm as of May 1st, there would not be a seamless transition because what they would lack is experience with public plans. He stated that his firm offered 20 plus years of experience working with Ms. Dees on issues related to ROVERS. He added that Ms. Dees was unique in that she was both a Director and a Registrar. He stated that no one they could hire would have as good of an understanding of the workings of a Registrar's office. He stated that even if they could hire the best Director from other systems in the state there would be a learning curve and despite the education and knowledge of a CPA, such firms would require significant training to take over management. Mr. Curran stated that of all of the CPA firms mentioned, Mr. Griffin's firm did have the most relevant experience, so they may be the best option among the CPA firms. Mr. Curran stated that he would worry about hiring a firm with no experience with Title 11 and system laws. He stated that the Board looked to its actuary, attorney and Director to interpret and follow the law and that he felt it would be difficult to find a partner at any of these firms that has read Title 11. Mr. Curran stated that in systems with larger staff during a transition a new Director would have the help of an experienced staff. Since ROVERS did not have an Assistant Director, the Board simply does not have the same options. He added that at least G. S. Curran & Company could offer historical knowledge and assistance if the Board wanted to retain them in their administrative role. He stated that he believed it was time to find even a temporary solution.

Mr. Dimarco stated that as a CPA, he should favor hiring a CPA firm more than others, but that such a decision was for some time down the road.

Ms. Moorer asked if Hollie and Joanne were working as assistants to Ms. Dees. Mr. Curran stated that Ms. Dees had been using two of her employees to provide some temporary assistance recently but that they would not be available once Ms. Dees retired as Registrar.

Mr. Broussard stated that the transition was a little harder with a small pension fund.

Ms. Moorer asked Mr. Broussard whether one member of the Griffin accounting firm be named the Director of ROVERS. Mr. Broussard stated that he had not had that conversation with Mr. Griffin. He stated that they had done back office accounting of the system and had not been involved in benefit calculations.

Ms. Akers stated that if the Board were looking for a full time Director, it would be difficult to get someone in an accounting firm to work full time for ROVERS.

Ms. Moorer further asked if another retirement system office could administer ROVERS from their office. Mr. Curran stated that the Board would have to communicate with system Directors if they wanted to consider such a plan. Mr. Curran stated that he had spoken to a couple of directors about the ROVERS transition and none had stated a desire to take on the role. He and Ms. Akers discussed the setup of the smaller system offices and the fact that the Assessors and Clerks Directors managed more than just their retirement system since their office managed the Association and Insurance Funds also. Mr. Curran stated that with an interim Director in place, the Board could discuss all of these longer run possibilities.

Upon motion by Mr. Dimarco and second by Mr. Salter, the Board voted unanimously to go into Executive Session to discuss the qualifications of candidates for the Director position.

Upon motion by Mr. Broussard and second by Ms. Waskom, the Board voted unanimously to exit the Executive Session.

VII. Action Related to the Hiring of a New Director

Upon motion by Ms. Waskom and second by Mr. Poche, the Board voted to hire Kathy Bourque as soon as possible as an Assistant Director, becoming Director as of May 1, 2018, at a salary of \$60,000 per year with the following stipulations: Ms. Bourque will be hired under a one-year contract, and as a temporary employee would not be enrolled in the retirement system but would be enrolled in Social Security. She will not be offered medical or health benefits. She will accrue paid personal leave at the rate of ten-twelfths of a day per month for a total of 10 paid working days per years but will be allowed to take leave for the week of April 15th without pay since she notified the Board prior to her hiring. She will get all of the state holidays. The motion carried with seven votes for the motion and one abstention by Ms. Moorer.

VIII. Discussion and Action Related to the Budget of a New Director

Ms. Akers stated that she suggested that Mr. Curran provide a copy of the estimated budget that his firm prepared for ROVERS.

The Board discussed having Ms. Bourque get three bids on office space and moving expenses. The Board agreed that reimbursements for travel, mileage, and meals would be at the State rate.

Mr. Curran stated that, prior to the next board meeting, he would work with Ms. Dees and Ms. Bourque to get all of the necessary paperwork ready for changing signatures for credit cards and banks.

Upon motion by Mr. Poche and second by Ms. Waskom, the Board voted unanimously to authorize reimbursement for travel, mileage, and meals at the State rate.

Ms. Moorer asked about having everything set up in time to get checks out for May. Mr. Curran stated that he felt that checks would be run out of Ms. Dees' office at the end of April with Ms. Bourque having to be set up to process at the end of May.

X. Other Business

The board agreed that the next meeting be scheduled for Tuesday, April 24, 2018, at 9:00 a.m. at the Renaissance Hotel in Baton Rouge.

Mr. Wall asked about the record retention policy. Mr. Curran stated that if possible, he would suggest to Ms. Dees and Ms. Bourque that they develop a list of records to be destroyed under the record retention policy for the Board's review at the next meeting.

XI. Adjourn

Upon motion by Mr. Broussard and second by Mr. Poche, the Board voted unanimously to adjourn the meeting at 3:30 p.m.