

**Registrars of Voters Employees' Retirement System  
Minutes of the Meeting of the Board of Trustees  
July 24, 2019**

The 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**

Ms. Charlene Menard called the meeting to order at 9:00 a.m.

**II. Invocation and Pledge of Allegiance**

Mr. Joe Salter offered an invocation, and Mr. Robert Poche led the Pledge of Allegiance.

**III. Roll Call**

Ms. Kathy Bourque then called the roll. Board members present were: Ms. Charlene Menard, Mr. Robert Poche, Ms. Sandra Moorer, Mr. Dwayne Wall, Mr. John Broussard, Mr. Joes Salter, Mr. Dennis DiMarco, and Mr. Brian Champagne. Representative Barbara Carpenter and Senator Barrow Peacock were absent. A quorum was present. Others present included: Ms. Kathy Bourque (System Director); Ms. Denise Akers (Legal Counsel); Ms. Cynthia Averette and Mr. Walker Reynolds (representing the Custodian of Assets, Hancock Whitney); Mr. Jon Breth (representing the Investment Consultant, AndCo Consulting); and Mr. Greg Curran and Ms. Sondra Bordelon (representing Actuary and Administrator, G. S. Curran & Company, Ltd.). In the audience were: Ms. Linda Stewart (Rapids ROV), Mr. Philip Trupiano (Jefferson Chief Deputy), and Ms. Shanika Olinde (Point Coupee ROV).

**IV. Public Comments**

There were no public comments

**V. Review and Approval of Minutes**

**Upon motion by Ms. Moorer and second by Mr. Wall, the Board voted unanimously to approve the minutes from the May 14, 2019 meeting.**

Mr. Wall thanked G. S. Curran & Co. and the System Directory for sending out the meeting packet in advance of the meeting via email and stated that he appreciated their hard work.

**VI. Presentation by Investment Consultant, AndCo Consulting**

Mr. Breth reviewed the 2019 second quarter performance ending June 30, 2019. He stated that the second quarter had a strong performance with a 4% gain over the 1<sup>st</sup> quarter of 2019. He also stated that both equity and fixed income indices extended their year-to-date gains and US stocks outperformed international stocks during this volatile quarter. Mr. Breth noted that within domestic equities, large cap stocks outperformed small cap equities. On page 10 of the investment performance review handout, Mr. Breth pointed out that fiscal year-to-date the ROVERS portfolio was at 7.78%. Mr. Broussard stated that being on other retirement Boards, he could confirm that ROVERS had the best result he had seen thus far. Mr. Breth then reminded the Board that Dodge & Cox International Stock Fund would continue to be on the watch list; however, he recommended no action at this time.

Next, Mr. Breth reviewed the handout with information regarding core plus real estate managers. He reviewed with the Board the overall similarities and differences between the ROVERS current real estate manager, American Realty and the two new potential managers, JP Morgan Asset Management and Principal Real Estate Investors. Ms. Moorer stated that she was not in favor of adding an additional real estate manager. After several questions from Board members, Mr. Breth recommended adding JP Morgan Asset Management as an additional real estate manager to the ROVERS current

investment portfolio with a commitment of \$5 million. He further explained that he wanted to take some equity risk out of the portfolio by increasing fixed income, decreasing domestic equity, and increasing real estate which would reduce the standard deviation. Mr. Breth stated that he would submit an updated IPS at the next meeting for approval which would illustrate a 10% allocation to real estate.

**Upon motion by Mr. Wall and second by Mr. Broussard, the Board voted unanimously to approve a \$5 million investment in JP Morgan Asset Management Special Situations Property Fund as an additional real estate manager contingent upon contract approval by the System Attorney and the System Director.**

A break was taken at 10:11 a.m. and resumed at 10:22 a.m.

**Upon motion by Mr. DiMarco and second by Mr. Salter, the Board voted unanimously to amend the agenda by moving item IX up on the agenda.**

### **IX. Report from G. S. Curran & Company**

Mr. Curran explained to the Board that the Actuarial Equivalence Assumption Sheet was updated to specify the interest rate for repayment of refunds. The interest rate would be 6.5% beginning July 1, 2019.

**Upon motion by Mr. Broussard and second by Mr. Poche, the Board voted unanimously to approve the updated Actuarial Equivalence Assumption Sheet including 6.5% interest rate for repayment of refunds.**

Next, Mr. Curran informed the Board that the System had not yet received an opinion from the Attorney General regarding upgrades of accrual rate after an initial transfer so the agenda item would be tabled until the next meeting.

Mr. Curran then discussed the Board's request for a Joint & Survivor 75% option at retirement. He explained that this option could be selected under option four but would require Board approval. Ms. Moorer stated she wanted this to be a standard option on the retirement application.

**Upon motion by Ms. Moorer and second by Mr. Wall, the Board voted unanimously to approve adding the Joint & 75% Survivor option as an additional ROVERS option under option four on the retirement application without requiring Board approval.**

Mr. Curran reminded the Board that the option would be effective immediately; however, it would take some time to update the forms and make them available on the ROVERS website.

**Upon motion by Mr. Poche and second by Mr. Broussard, the Board voted unanimously to amend the agenda by moving item X up on the agenda.**

### **X. Director's Report**

Ms. Bourque first discussed the disability application for Ms. Leah Craft. She handed out information packets to each Board member which included the state medical board's findings. Ms. Bourque informed the Board that she did inform Ms. Craft that her request would be on the meeting agenda.

**Upon motion by Ms. Moorer and second by Mr. DiMarco, the Board voted unanimously to accept the state medical board's recommendation and approve the disability application for Ms. Leah Craft.**

Next, Ms. Bourque informed that Board that the financials for ROVERS were included in their meeting packet and to let her know if they had any questions.

Ms. Bourque then updated the Board regarding the ROVERS Trustee Election. She stated that as of that morning she only received one nomination, and the deadline was Friday, July 26, 2019. Per Board request, Ms. Bourque agreed and stated that she would send out an email reminder about the Trustee Election deadline which would also explain the qualifications required to be a candidate

Then, Ms. Bourque discussed the possible hiring of an additional employee in her office. She asked the Board members to review the detailed handout she provided; however she suggested a part-time employee instead of full-time. Ms. Bourque asked the Board for direction as to specifically what duties they wanted taken from G. S. Curran & Co. to be given to the new employee. Ms. Bourque explained that G. S. Curran had an entire team doing the administrative and bookkeeping for the ROVERS account. Mr. Wall stated that it would be difficult to beat the value provided by the staff of G. S. Curran. Ms. Bourque agreed with Mr. Wall. Mr. DiMarco also stated that they should also keep in mind the history that G.S. Curran & Co. has with ROVERS that would be irreplaceable.

**Upon motion by Mr. Poche and second by Mr. DiMarco, the Board voted unanimously to continue with the current part-time employee at thirty-two hours per week and also to continue to the relationship with G. S. Curran & Co. for both administrative and bookkeeping purposes for ROVERS.**

Ms. Bourque discussed LAPERS and stated that all Board members were given a packet with information. She explained that she had already made reservations for all Board members.

Ms. Bourque also reminded the Board that new forms and applications had been updated and added to the ROVERS website. She also mentioned that there was a list of retirements, DROPS, refunds, new members, deaths, transfers, and terminated members in their meeting packets.

**Upon motion by Mr. Broussard and second by Mr. Salter, the Board voted unanimously to approve the System Director's reports including retirements, DROPS, refunds, new members, deaths, transfers, and terminated members as presented.**

#### **VII. Presentation by Hancock Whitney**

In order to save time, Ms. Averette informed the Board that they received the Hancock Whitney Custodial Report for period ending June 30, 2019, she instructed the Board to let her know if they had any questions. Due to the system conversion from the Capital One Platform to the Hancock Whitney Investment Reports, Ms. Bourque mentioned that it was discovered that there were investment account statements being sent out to former Board members. Ms. Averette agreed that a cleanup process was needed. The Board agreed that the Chairman and Co-Chairman would be given an online sign on, providing them access to the account investment statements along with G. S. Curran & Co., And Co Consulting, Duplantier, and the System Director. Next, Mr. Reynolds presented the Members Supplemental Savings Plan Investment Performance Review for June 30, 2019, totaling \$812,281.18. He discussed the breakdown of the portfolio asset allocation which showed that approximately 56.17% of the assets are in fixed income and cash, 40.68% of assets in equities, and the remaining 3.24% invested in alternative funds. He stated that the account was up 6.14% for the quarter, and the portfolio had averaged 4.79% since inception.

**Upon motion by Mr. Wall and second by Mr. DiMarco, the Board voted unanimously to approve the Custodial Report and the Member Supplemental Savings Report as presented by Hancock Whitney Bank.**

#### **VIII. Report from the System's Attorney, Denise Akers**

Ms. Akers discussed the ROVERS Travel Policy and Addendum. She stated that she made all the changes that were recommended at the last Board meeting. Ms. Bourque suggested that approving the policy and changes could be made at a later date if necessary.

**Upon motion by Mr. DiMarco and second by Mr. Broussard, the Board voted unanimously to approve the ROVERS Travel Policy and Addendum as presented by the System Attorney.**

