

**Registrars of Voters Employees' Retirement System
Minutes of the Special Meeting of the Board of Trustees
November 20, 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 9:03 a.m.

II. Invocation and Pledge of Allegiance

Ms. Sandra Moorer offered an invocation, and Mr. Joe Salter led the Pledge of Allegiance.

III. Roll Call

Ms. Kathy Bourque then called the roll. Board members present were: Mr. Dennis DiMarco, Ms. Charlene Menard, Mr. Robert Poche, Ms. Sandra Moorer, Mr. Dwayne Wall, Mr. John Broussard, and Mr. Joe Salter. Ms. Deborah Waskom, 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. Michelle Cunningham (representing Auditor, Duplantier, Hrapmann, Hogan, & Maher, LLP); 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: Mr. John M. Schroder, Sr. (State Treasurer), Ms. Margaret Corley (Senate Retirement Staff Attorney), Mr. Tyler Bosworth (House Retirement Staff Attorney), Ms. Cheryl Decoteau (West Feliciana ROV), Ms. Billie Meyer (Acadia ROV), Mr. Brian Champagne (St. Charles ROV), Ms. Rhonda Rogers (Terebonne ROV), Ms. Lisa Medine (St. James ROV), and Ms. Shelly Bouvier (Confidential Assistant Jefferson Parish ROV).

IV. Public Comments

Ms. Moorer requested for the agenda to be sent out at least one week prior to the meeting date.

V. Counting of Ballots for Board of Trustee Election

Ms. Bourque confirmed that one hundred sixty-five ballots and affidavits were received and met all election requirements. She stated that there were two hundred forty-two eligible ballot packages mailed to active and DROP members. Ms. Bourque then explained that she would split up the ballots between the seven present board members to be opened and counted. She also explained that she had a tally sheet for herself, Mr. Curran, and Ms. Bordelon to keep track of votes received for Mr. Brian Champagne and Ms. Billie Meyer.

VI. Announcement of Results of Board of Trustee Election

After the results of the ballots were announced by the seven present board members, Ms. Bourque confirmed that all three tally sheets collected totaled one hundred sixty-five ballots with Mr. Champagne receiving 100 votes and Ms. Meyer receiving 65 votes. Mr. Champagne was elected as the newest board member effective January 1, 2019. He will be taking the place of Ms. Deborah Waskom who will complete her term effective December 31, 2018.

Mr. DiMarco formally recognized and thanked Mr. John M. Schroder, Sr., State Treasurer, for attending the meeting.

Upon motion by Ms. Moorner and second by Mr. Wall, the Board voted unanimously to approve the counting of ballots for the Board of Trustee Election.

VII. Review and Approval of Minutes

Upon motion by Ms. Moorner and second by Mr. Poche, the Board voted unanimously to approve the minutes from the July 31, 2018 meeting.

VIII. Presentation by Investment Consultant, AndCo Consulting

First, Mr. Breth stated that there was extreme market volatility in the month of October which greatly affected the positive returns from the third quarter. Mr. Breth then reviewed the 2018 third quarter performance ending September 30, 2018. He indicated that the strength was in U.S. equities which were up just under 8% as measured by the S&P 500. Mr. Breth further stated that this strength was driven by the U.S. economy and the stock market. Then, he stated that in September both the United States and China backed away from trade negotiations which led to market upheaval. Mr. Breth stated that there were international indications of slowing growth and impacts of the U.S. rising dollar. He stated that fixed income continued to incur a weak environment. The current portfolio is biased away from the traditional core fixed income, because it is not a significant return generator as was revealed in the third quarter. Mr. Breth then discussed the graph on page 3 of his report noting that growth continued to outperform value in the third quarter of 2018. Mr. Breth stated that the Russell 1000 benefitted from strong performance from some of its largest exposures such as Apple Inc., Microsoft Corp, and Amazon.com Inc. which alone make up over 10% of the index and posted quarterly returns of over 20%.

Next, Mr. Breth reviewed page 8 which demonstrated that during an increasing interest rate environment the only area able to outperform was high yield bonds at up 2.4% for the quarter. On page 12, Mr. Breth pointed out that the portfolio was slightly overweight in domestic equities relative to the long term target and slightly underweight in international equities, core and non-core fixed incomes. However, he did not feel it was necessary to do any active rebalancing of the portfolio at this time.

Mr. Breth then informed the Board that the new fiscal year started the fund on July 1, 2018 at \$97.6 million, with total outflows at approximately \$1 million, fees and expenses under \$100,000, and income and appreciation together at approximately \$3.6 million in gains giving an ending to the quarter right under \$100 million. He confirmed that the quarter up 3.7% with domestic equities leading the way. He reminded the board that Eagle Capital had been held in the portfolio for over a year now and was up 6.6% for the quarter. Regarding the international equities, Mr. Breth stated that Dodge & Cox was still struggling, and he currently recommended placing them on watch based upon their performance. Mr. Breth stated that he may re-evaluate Dodge & Cox in February if their performance continues downward and possibly review mid-year a value manager that provides a more comfortable return stream. Mr. Broussard asked Mr. Breth how many positions were in the Dodge and Cox portfolio. Mr. Breth confirmed that there were seventy positions.

Also, Mr. Breth confirmed that Equitas was in liquidation however still received a moderate increase. Then, he discussed Westwood and Blackrock which are real return funds that performed well but slightly behind the policy indexes used for comparison. Mr. Breth reminded the board that the CIO of Westwood would be stepping away in March of 2019. He stated that approximately a year and a half ago Westwood brought in Mr. David Barnes to manage the Global Income Opportunity Fund which has not been overly competitive. Mr.

Breth stated that the AndCo Consulting research group met with Mr. Barnes but ultimately decided that they are not comfortable with Mr. Barnes as a portfolio manager nor can they identify a clear portfolio management track record. Lastly, Mr. Breth mentioned that the American Core Realty Fund had a good quarter up 2.2% and remained more conservative while still providing a steady income.

Next, Mr. Breth reviewed the Global Tactical Asset Allocation Manager Analysis handout with the board. He stated that the purpose of this research was to review other investment options to replace Westwood. He confirmed that the four options compared for this manager evaluation report were Blackrock Multi-Asset Income K, JPMorgan Income Builder R6, PIMCO All Asset Institutional, and Westwood Income Opportunity Institutional. For this report, Mr. Breth stated that management fees, strategy information and highlights, asset allocation, investment performance, return analysis, and risk versus reward were all components reviewed and compared in this evaluation. For the long term, Mr. Breth stated that Westwood overall had been a good investment; however, his recommendation would be to replace Westwood with JPMorgan Income Builder R6.

Upon motion by Mr. Robert and second by Mr. Salter, the Board voted unanimously to approve the recommendation to replace Westwood Income Opportunity Institutional (WHGIX) with JPMorgan Income Builder R6 (JNBZX) as presented by AndCo Consulting.

Upon motion by Ms. Menard and second by Mr. Wall, the Board voted unanimously to approve the report as presented by AndCo Consulting.

Next, Mr. Breth reviewed his last handout on private infrastructure which he stated was for educational purposes. He stated that infrastructure assets have characteristics that address investment challenges. Mr. Breth further explained that infrastructure assets provide a strong cash flow profile and expected total return with a low correlation to other asset classes, inflation protection, less economic sensitivity than public equities and long term nature of assets which match the profile of institutional investor's liabilities. He mentioned different types of infrastructure such as toll roads/bridges, parking lots, airports, mass transit networks, and oil and gas pipelines which are becoming extremely important in this part of the country. As of March 2017, Mr. Breth stated that there were approximately \$425 billion of unlisted infrastructure assets under management which had tripled over the last nine years.

Ms. Moorer asked Mr. Breth where the funds for infrastructure investing would come from in the ROVERS portfolio. Mr. Breth discussed three primary types of strategies that can be utilized to construct an infrastructure portfolio which were: core, value-added, and opportunistic. He stated that the most liquid and conservative strategy was core which used open-ended funds. He explained that value-added provides more upside potential but also more risk, and opportunistic offers the highest risk and highest return. Mr. Breth then stated that the next step would be to bring in managers for presentations. He said it would likely be funded by using real return such as Blackrock and JPMorgan (replacement for Westwood) at approximately \$5 million level. Mr. Breth further stated that infrastructure investing would act as a compliment to the existing portfolio as well as the real estate portfolio.

Mr. Broussard stated that it would be helpful to the board to see an example of an infrastructure portfolio. Mr. Breth agreed with Mr. Broussard's statement. Mr. Breth then recommended he would present at the next quarterly meeting examples of infrastructure portfolios and information on core plus real estate managers for the board to review. Ms. Moorer asked Mr. Breth to please send this information to the board in advance of the meeting allowing the board time to review the material and prepare questions.

Upon motion by Mr. Broussard and second by Ms. Moorer, the Board voted unanimously to place Dodge & Cox on watch per the recommendation of AndCo Consulting.

A five minute break was taken at 10:36 a.m.

IX. Report from Duplantier, Hrapmann, Hogan, & Maher, L.L.P.

Ms. Cunningham presented the financial statement and compliance audit report for Registrars of Voters Employees' Retirement System (ROVERS) for the year ending June 30, 2018. On page 2 and 3, she covered the management's and auditor's responsibilities. Ms. Cunningham stated that ROVERS received an unmodified opinion. She stated that there were no significant deficiencies or significant deficiencies that were material weaknesses in internal control. She added that there were no violations of laws and regulations that had a direct and material effect on the financial statements.

Ms. Cunningham reviewed the emphasis of matter paragraph which puts emphasis on a topic that the auditor wants the reader to be aware of, and in this case it was the Total Pension Liability. She noted that the number was now included in the footnotes. She confirmed that the Total Pension Liability was based on actuarial assumptions totaling \$121,468,264 as of June 30, 2018.

On page 10 of the report, Ms. Cunningham confirmed that there were no uncorrected misstatement, no difficulties encountered in performing the audit, no disagreements with management and that a management representation letter dated November 15, 2018, had been obtained by the firm. Also, she stated that there was no management letter for the year ended June 30, 2018.

Next, Ms. Cunningham reviewed the Condensed Comparative Statement of Fiduciary Net Position (balance sheet) which showed that the System's total assets as of June 30, 2018, were \$98,121,327 versus \$91,100,953 as of June 30, 2017.

On page 20, Net Pension Liability of Employers, showed information from the last 4 years, including the discount rate used, Expected Real Rates of Return, Money Weighted Rate of Return, Total Pension Liability, Plan Fiduciary Net Position, and the Employers' Net Pension Liability. She noted that the Net Pension Liability as of June 30, 2014, was \$103,598,305 and as of June 30, 2018, it was \$121,468,264. Ms. Cunningham confirmed that one of the reasons that the Employer's net pension liability increased was due to the decrease in the discount rate to 6.5% as well as the COLA. She also stated that the average money weighted rate of return was 6.4%, and for funding purposes ROVERS was funded at 80.57%.

Ms. Cunningham stated that the GASB 67 requires Census Data Testing. She added that they did testing on Caddo Parish, Red River Police Jury, Terrebonne Parish, Acadia Parish, Jeff Davis Police Jury, East Baton Rouge Parish, and State of Louisiana. Ms. Cunningham confirmed that there were no findings in any of the employers audited. She clarified that both employees and employers of these seven entities were tested. Per Mr. DiMarco's question, Ms. Cunningham also confirmed that there were no material omissions or misrepresentations of any kind from the previous ROVERS Director.

Next, Ms. Cunningham discussed the Statewide Agreed Upon Procedures which was dictated by the Louisiana Legislative Auditors Office and performed under AICPA attest standards. She confirmed that this was the second year for this audit, and only areas that had findings last year were reviewed this year. As of June 30, 2018, she confirmed that ROVERS did not have written policies and procedures for budgeting, purchasing, disbursements, receipts, payroll, contracting, ethics, travel, and expense reimbursement. She did, however, acknowledge that the board approved a policies and procedures manual for ROVERS at the July 31, 2018, meeting that would provide a response to these findings. Ms. Cunningham also stated that there was no documentation that reconciliations were approved by management other than the person preparing the reconciliation. Under collections, Ms. Cunningham stated that the current system does not have a proper segregation of duties in place for the collection of funds versus deposit of funds. She suggested with Ms.

Bourque now having a part-time employee that could be possible going forward. She stated that it was also noted that individuals responsible for collecting cash were not bonded or insured. Under disbursements, Ms. Cunningham stated there was a similar issue as with collections. There is not a separation of an individual to initiate the process and another to make the final approval. Ms. Cunningham suggested having a limit set for budget items and then only needing to be approved by the board if items purchased exceed the approved budgeted amount. Ms. Akers stated that she was under the impression that there was already a motion approved for having to approve purchases of budgeted items over \$10,000. Ms. Bourque stated that she would check into this motion. Also, Ms. Cunningham stated there was no written evidence noting that expense reimbursements for the Director were being approved by someone other than the Director, and those should be approved by the board. As of June 30, 2018, Ms. Cunningham informed the board that there was no record maintaining the attendance and leave for employees; however, she did confirm that Ms. Bourque informed her that a record of attendance and leave was currently in place.

Upon motion by Ms. Moorer and second by Ms. Menard, the Board voted unanimously to approve the auditor's report as presented.

Upon motion by Mr. Poche and second by Mr. Broussard, the Board voted unanimously to approve the Louisiana Compliance Questionnaire.

X. Presentation by Hancock Whitney

Ms. Averette informed the board that Hancock Whitney would be transitioning to their new computer system in May 2019.

Ms. Averette then directed the board's attention to the Custodial Report. She reviewed the breakdown of assets for the period ending September 30, 2018, with a total asset balance of \$97,336,987.63 and pointed out that 43% of the portfolio was invested in domestic equities. For comparison purposes, she stated that page four of the report demonstrated the growth, broken down by category going back to June 30, 2016, with a market value of \$76,346,142.05 through September 30, 2018, with a market value of \$97,336,987.63. Ms. Averette stated that the total mutual fund account was approximately 50.5%. Then, she explained that page 5 summarized the investment fees for period ending September 30, 2018, for each money manager as well as the consulting firm totaling \$117,529.58. Lastly, she confirmed that the class action settlement payment total received was \$4,989.20.

Next, Mr. Reynolds presented the Members Supplemental Savings Plan Investment Performance Review for September 30, 2018, totaling \$919,149.27. He discussed the breakdown of the Portfolio Asset Allocation which showed that approximately 61.3% of the assets are in fixed income and cash, 37.2% of assets in equities, and the remaining 1.5% invested in alternative funds. He stated that for the year, the account was up 2.13% for the quarter, up 3.82% for the year, and the portfolio had averaged 4.8% since inception. In the investment policy statement, he stated that the third quarter CPI was 0.18%. Mr. Walker noted that there was a lot of volatility for the month of October; therefore, the MSSF portfolio was down 2.4% for the fourth quarter as of November 16, 2018.

Upon motion by Ms. Menard and second by Ms. Moorer, the board voted unanimously to approve the Custodial Report and the Member Supplemental Savings Report as presented by Hancock Whitney Bank.

XI. Report from the System's Attorney, Denise Akers

First, Ms. Akers wanted to take responsibility for causing a delay in getting the ROVERS agenda out to the board by responding late to Ms. Bordelon's request for agenda items and review of the draft agenda.

Ms. Akers then updated the board regarding the Jensen overpayment collection. She confirmed that all funds plus interest had been collected, and the matter was settled.

Regarding the schedule for maintenance of old files, Ms. Akers reminded the board that a retention schedule had previously been adopted in 2015. Ms. Akers also stated that Ms. Bourque had been informed that no items from active or retired member files were to be destroyed without a plan or approval from the Board. Once time allows, Ms. Akers stated that Ms. Bourque would gather a list of items or documents that Ms. Bourque would like to destroy and then present that list to the Board for approval prior to taking any action.

Next, Ms. Akers discussed the re-advertisement of House Bill 20 during the 2019 Regular Session. She stated that she did speak with Representative Carpenter who confirmed that House Bill 20 would be one of the five bills that she would represent. Ms. Akers then introduced Mr. Tyler Bosworth, the new House Retirement Staff Attorney who would handle the re-advertisement of House Bill 20. Ms. Akers reminded the board that House Bill 20 passed the House of Representatives but stalled in the Senate. Mr. Broussard stated that both ROVERS and the ROV Association would need to show support for House Bill 20 and lobby against any bill supporting a merger.

Then, Ms. Akers discussed having a spousal consent for retirement option selection. According to the ROVERS plan document, Ms. Akers stated that a spousal consent at retirement or DROP when a member chooses the maximum option was not required. Ms. Bourque did inform Ms. Akers about a case at MPERS that did reach the court of appeals first circuit and that court specifically found that MPERS was required to give spousal consent if anything less than a 50% Joint & Survivor Annuity was chosen. She further stated that MPERS like ROVERS does not require a spousal consent in their plan document. Ms. Akers stated she sent that case off to two tax experts in the governmental retirement area, and they both responded stating that the judge's decision in the MPERS case was incorrect. So even though the judge may have been wrong in his decision, the same thing could happen at ROVERS. Ms. Akers stated that some of the other governmental systems that she works with have decided to add spousal consent to their required forms as protection.

Mr. Broussard suggested that legal counsel draft a document for spousal consent so that the board could review the language of the document and approve it at the January meeting. Ms. Moorer stated that she would like to have an exception added to the draft for married couples with separate property.

Upon motion by Ms. Moorer and second by Mr. Poche, the Board voted unanimously to approve ROVERS legal counsel to draft a form used by a member opting for retirement and/or DROP that would require spousal consent and this form would include an exception to that requirement if a member had a separate property regime. This draft will be reviewed at the January 2019 board meeting.

Ms. Bourque reminded the board that this spousal consent would only be necessary if the maximum benefit or a benefit not leaving at least 50% to the spouse was chosen at retirement and/or DROP.

Lastly, Ms. Akers stated that she wanted to discuss the public records requests from the ROV Association. She stated that Ms. Bourque responded to the ROV Association informing that the request she received in April 2018 was taking a significant amount of time. Ms. Akers informed Ms. Bourque that she did not need to create a document and that she only had to produce the document for a public records request if she had the document. She also informed Ms. Bourque that she could request payment for producing documents prior to delivery of

documents requested. Ms. Bourque explained that the public records request from the ROV Association requested copies of all parish vouchers from 2013 to 2017, copies of all deposit slips from 2013 to 2017, and the state payroll vouchers from those same years. Ms. Bourque explained that both 2013 and 2014 had been completed by copying all the vouchers and redacting all the social security numbers and copied 2013 deposit slips which so far had taken 18 hours and approximately 1500 copies. Ms. Bourque stated that she estimates and additional 40-45 hours and 2,500-3,000 copies for a total estimated cost of \$2070.00.

Ms. Moorer stated she did mention this request to the ROV Association Board members in September of 2018 and that Board approved a motion to allow the public records request to continue. Ms. Moorer stated that she would add to the ROV Association Board's February 2019 meeting agenda to discuss the estimated cost of the public records request.

Upon motion by Mr. Poche and second by Mr. Salter, the Board voted unanimously to authorize the System Director to send a letter to the ROV Association informing them that payment for their public records request would be due for the estimated amount of \$2070 prior to the delivery of documents requested.

A break was taken at 11:56 p.m. for lunch, and the meeting reconvened at 12:30 p.m.

Mr. Poche left the meeting after lunch. A quorum was still present.

XII. Report from G. S. Curran & Company

Before Mr. Curran began his presentation, Ms. Bourque announced that the presentation on the Actuarial Valuation report would count as one hour of continuing education for actuarial science for those that would require it. She asked for those individuals to please sign in on the sheet she prepared in order for her to keep record of those in attendance.

Mr. Curran stated that there was a Balance Sheet and Profit & Loss statement through October 31, 2018, in the board member packets. Mr. Curran then reviewed the Profit & Loss Budget vs. Actual report from July 1, 2018, through October 31, 2018. He mentioned that at the January board meeting insurance agents would give presentations for general liability insurance so that was why that budgeted item remained at zero. For security monitoring, Mr. Curran stated that ROVERS was already at 73% of budget due to the installation and set up costs but still projected to be on target by the end of the fiscal year. He stated that ROVERS had reached slightly over the budget for office supplies at 77% due to board member elections. However, Ms. Bourque was aware and would closely monitor the purchasing of office supplies and review this category again next quarter.

Then, Mr. Curran stated that Accounting & Consulting Fees were over budget by \$875. He explained that this was due to the installation, conversion and training of the QuickBooks online version at both Ms. Bourque's office as well as at G. S. Curran & Co. He also stated that another module for budgeting had to be added as well as further training. Mr. Curran stated this was the one budget item he recommended increasing by \$1,500 to a total of \$4,075.

Upon motion by Ms. Moorer and second by Ms. Menard, the Board voted unanimously to approve the proposed budget changes for fiscal year 2019 by increasing Accounting & Consulting Fees by \$1,500 to a total of \$4,075 as recommended by G. S. Curran and Company, LTD.

Next, Mr. Curran directed the board's attention to the System's Actuarial Valuation Report as of June 30, 2018.

He stated that the main topic was the change in the valuation interest rate which had been discussed at the past board meetings. He stated that although the current long-term assumed rate of return of 6.75% remains within the reasonable range, this valuation contained a recommended change in the assumption to 6.50%. Mr. Curran stated that assuming that expected returns on the portfolio as a whole were normally distributed, using a consultant average nominal rate of return of 6.57% and a long-term portfolio standard deviation of 2.04%, he estimated that there was a 51% probability that the fund would have earnings at or above 6.50%. Also, he stated that inflation should be reasonably matched to the assumed rate of return. Mr. Curran stated that 2.4% was the appropriate long term inflation assumption based on the 6.50% valuation interest rate.

Mr. Broussard asked Mr. Curran if he could confirm that the report was run at the assumed rate of return of 6.50% and that he was recommending 6.50%. Mr. Curran confirmed that was a correct statement. Mr. Broussard asked if going forward Mr. Curran could state that assumed rate of return on page one of the report for clarification, and Mr. Curran said he would make that update. He confirmed that this assumed rate of return would begin for fiscal year 2019 which begins July 1, 2018.

Regarding the funded ratio, Mr. Curran explained that it was determined by using the market value of assets divided by the entry age normal accrued liability which was 84.40%.

Next, Mr. Curran discussed factors that affected the System's cost. He stated that a cost of living increase, assumption changes, and asset experience loss increased the costs to the System. He then stated that plan liability experience gain, transfer of funds from the Funding Deposit Account to offset the cost of the 2018 COLA, and the impact new members decreased the cost to the System.

After completing a review of the valuation report exhibits, Mr. Curran directed the board to page 10 of the report and stated that the employer rate could be set between 17% and 20% for Fiscal 2020 if the Board of Trustees accepted his report.

Then, he reminded the board that since a COLA was given in January 2018, there was a three year waiting period before granting another COLA. Also, Mr. Curran stated it was projected that the System would receive approximately \$3 million in Ad Valorem taxes and Revenue Sharing funds which should be received at the beginning of 2019.

Upon motion by Ms. Moorer and second by Mr. Wall, the Board voted unanimously to approve the actuarial valuation report for June 30, 2018, as presented.

Next, Mr. Curran discussed the new IPAS member statements. He informed the board that a lot of time was spent getting records updated on both old and new IPAS. He also confirmed that he completed the Member's Supplemental Savings Report as of June 30, 2018. Ms. Bordelon explained that going forward, MSSF refunds/rollovers would be disbursed at the end of the quarter following the quarter that the member retired, went into DROP or terminated employment with ROVERS. She explained that this process would be done in accordance with ROVERS statutes. Ms. Bourque stated she would begin working on IPAS member statements as well as MSSF statements to be mailed out by the end of the year.

XIII. Director's Report

First, Ms. Bourque discussed the status of unemployment insurance and confirmed that ROVERS did have an account already established. She stated that she reached out to laworks.net and had updated the account, and no funds are paid unless a claim would be filed.

Ms. Bourque confirmed that the alarm system was installed in her office in August 2018 at \$72 per quarter which costs \$360 to install and also added a keypad to the door.

Next, Ms. Bourque discussed the status of the travel policy for ROVERS. She explained that the policies and procedures manual approved on July 31, 2018, included some travel procedures. After discussion with Ms. Cunningham and Ms. Akers, Ms. Bourque stated it was decided to use what was indicated in the policies and procedures manual for travel, and adhere to the state travel policy for anything not addressed in the ROVERS policy. Ms. Akers asked the board to review her handout under section titled, "Employee Travel and Expense Reimbursement." She stated that she changed mileage to reflect the federal mileage rate on page 4 of 5. Then, Ms. Akers stated that on page 5 of 5, she proposed adding F. which states to the extent not in conflict with this set of policies and procedures, ROVERS adopts the Louisiana Travel Guide, as it may be amended from time to time by the Division of Administration, State of Louisiana.

Mr. Broussard cautioned the board about using the Louisiana Travel Guide due to his recent experience with Firefighters' Retirement System having adopted the Louisiana Travel Guide then having issues with Legislative Auditor regarding the specific rules in that guide.

Ms. Moorer asked Ms. Bourque if she would attend the ROV Association Seminar in February 2019 and give a presentation after lunch.

Upon motion by Mr. Broussard and second by Mr. Salter, the Board voted unanimously to approve travel expenses for Ms. Bourque to attend the ROV Association Seminar in Bossier City in February 2019.

Upon motion by Mr. Joe and second by Mr. Wall, the Board voted unanimously to defer the decision regarding the travel policy until the January 2019 board meeting.

Then, Ms. Bourque reminded the board that at the last meeting a timeframe for completion for benefit estimates was decided to be between two to three weeks. She explained that approximately twelve to fourteen estimates had been received since the last meeting, so she would like to update that policy to increase the timeframe for completion to four to six weeks.

Upon motion by Ms. Menard and second by Mr. Salter, the Board voted unanimously to update the timeframe for completion of benefit estimates to four to six weeks.

Ms. Bourque handed out a 2019 tentative board meeting schedule. After discussion among the board, the following meeting dates were set for 2019: Wednesday, January 23, 2019, Tuesday, May 14, 2018, Wednesday, July 24, 2019, and Friday, November 22, 2019. She stated that all meeting dates were tentative and scheduled for 9:00 a.m. at the Renaissance Hotel in Baton Rouge, LA.

Upon motion by Ms. Menard and second by Ms. Moorer, the Board voted unanimously to approve the 2019 tentative board meeting schedule.

After discussion among the board, Ms. Bourque stated that the election of the 2019 Board Chairman and Co-Chairman would be deferred to the January 2019 Board meeting.

Then, Ms. Bourque reviewed her report of deaths, DROPS, new members, refunds, and transfers. She mentioned that there was one transfer into ROVERS with a total of \$591,377.00, so she would discuss this added amount to the cash account with Mr. Breth.

Ms. Moorer asked if the System had paid for Ms. Meyer to attend the LAPERS conference. Ms. Meyer stated that she paid for her registration and the meals were included in that fee.

Then, Ms. Bourque explained a conversation she had with Ms. Cunningham during the audit regarding board minutes being signed and posted to the ROVERS website. She stated that Ms. Cunningham said the board minutes should be signed, and the originals should be maintained at the Director's office and should not be posted or emailed until they are approved. Ms. Bordelon confirmed that several years ago the ROVERS Board made a motion to post the minutes to the ROVERS website prior to approval as long as they were marked as "draft" minutes. Ms. Bourque stated that typically the two individuals that sign the minutes would be the Chairman and the person that produces the minutes which would be Mr. DiMarco and Ms. Bordelon respectively.

Ms. Akers stated that she would contact Ms. Cunningham to determine the justification for not allowing draft minutes on the ROVERS website prior to their approval.

Ms. Bourque then announced that the LATEC Conference would be held February 27, 2018, through March 1, 2018, at the Royal Sonesta in New Orleans, LA.

Ms. Bourque reminded the board that she would have two insurance agencies make presentations at the January 2019 meeting for General Liability Insurance.

Upon motion by Ms. Moorer and second by Ms. Menard, the Board voted unanimously to accept the Director's report.

XIV. Other Business

Ms. Bourque stated that she made an error on a letter sent to an employee that had a transfer and had chosen to upgrade her transfer by paying \$18,823. Ms. Bourque explained that she made the error by stating in the letter that the member would be receiving 3.33333% instead of 3.00000%. When the member contacted the System, Ms. Bourque stated that she immediately sent out a new letter with the corrected rate and offered to reimburse the member the \$18,823 for the upgrade. Also, Ms. Bourque stated that she gave the member a deadline to respond to receive a reimbursement. Mr. Curran confirmed that we could not allow this member to upgrade to 3.33333% even if we wanted to because 3.00000% is the max in her tier.

Ms. Bourque confirmed that the next Board meeting would be Wednesday, January 23, 2018 at 9:00 a.m. at the Renaissance Hotel in Baton Rouge, LA.

XV. Adjourn

Upon motion by Ms. Moorer and second by Ms. Menard, the Board voted unanimously to adjourn the meeting at 2:20 p.m.

**These minutes are meant to provide readers with a summary of what took place during the meeting and are not intended to be verbatim transcription. They are in compliance with R.S. 42:20. The signatures that follow simply denote that these minutes were approved by the Board of Trustees as a reasonable representation of the meeting, including providing the substance of all matter decided.*

Sandra J. Bullon

01/28/2019

Recorder Signature

Date

[Signature]

02/08/2019

Chairman Signature

Date