

**Registrars of Voters Employees' Retirement System
Minutes of the Meeting of the Board of Trustees
September 11, 2020**

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

Mr. Brian Champagne called the meeting to order at 9:09 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: Mr. Robert Poche, Ms. Joanne Reed, Mr. Philip Qualls (Mr. John Broussard's designee), Mr. Joe Salter, Ms. Billie Meyer, Ms. Shanika Olinde, Mr. Brian Champagne, and Mr. Dwayne Wall. Representative Michael Firment, and Senator Kirk Talbot were absent. A quorum was present. Others present included: Ms. Kathy Bourque (System Director); Ms. Rebecca Wisbar (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.).

IV. Public Comments

There were no public comments.

V. Review and Approval of Minutes

Upon motion by Ms. Meyer and second by Mr. Poche, the Board voted unanimously to approve the minutes from the June 10, 2020, meeting.

VI. Presentation by Investment Consultant, AndCo Consulting

Mr. Breth first reviewed the 2020 second quarter performance ending June 30, 2020. He stated that the second quarter rebounded dramatically following one of the worst quarters in most recent memory. He stated that these changes occurred once the Federal Reserve Bank reduced interest rates and implemented of bond market liquidity plans. Mr. Breth stated that the higher risk markets performed the best in the second quarter and growth was still out performing relative to value.

Mr. Breth confirmed that the market value at the beginning of the fiscal year was \$104.3 million on July 1, 2019, and the ending value on June 30, 2020, was \$107.4 million. He stated that ROVERS was 14.24% for the second quarter and 4.3% fiscal year-to-date. Mr. Breth explained that equities were the main reason for outperformance and the only weakness was in the real estate sector but overall strong recovery for the portfolio.

Mr. Breth then reviewed the ROVERS portfolio through July 31, 2020. He stated the portfolio had a great start for the new fiscal year-to-date at up 4% and that returns continued to be driven by equity allocations. For August 2020, Mr. Breth stated that the portfolio was trending to be at approximately 4 to 4.5% for the month.

Next, Mr. Breth discussed the funding related to the J.P. Morgan real estate fund. He explained that the portfolio would be rebalanced in order to invest \$5 million in what had already been committed to the J.P. Morgan Real Estate Fund. He explained that the main source of funding would come from domestic equity and domestic fixed income. He stated that he expected that the capital call would likely come at the late part of September but could be as late as the first part of

2021. Mr. Breth stated that current allocation for real estate was \$7.2 million at 6.6%, and the target real estate allocation would be at 10%. Mr. Breth recommended a partial redemption of American Core Realty of \$1.75 million which would reduce that fund to 5% of the real estate portfolio leaving 5% available for the J.P. Morgan real estate fund once it was available.

Upon motion by Mr. Wall and second by Mr. Salter, the Board voted unanimously to approve the partial redemption of American Core Realty Fund in the amount of \$1.75 million for rebalancing purposes.

Upon motion by Ms. Meyer and second by Ms. Olinde, the Board voted unanimously to approve the Investment Performance Review reports presented by Mr. Jon Breth with AndCo Consulting.

VII. Presentation by Hancock Whitney

Ms. Averette directed the Board's attention to the Custodial Report. She reviewed the breakdown of assets for the period ending June 30, 2020, with a total asset balance of \$106,155,182.87 and pointed out that 42% of the portfolio was invested in domestic equities.

Next, Mr. Reynolds presented the Members' Supplemental Savings Plan Investment Performance Review for June 30, 2020, totaling \$643,934.12. Mr. Walker informed the Board the Investment Policy Statement for the Members' Supplemental Savings Plan needed to be updated. First, he explained that on page three of the executive summary the investment horizon was previously long term and would be changed to short-intermediate term (up to ten years). Secondly, Mr. Walker explained that on page eleven, investment performance review and evaluation, Barclays Intermediate Gov't/Credit Index would be updated to Bloomberg Barclays Intermediate Gov't/Credit Index. Lastly, he stated that the commodities sub-section on page eleven had been deleted since that hadn't been used.

Upon motion by Ms. Meyer and second by Ms. Reed, the Board voted unanimously to approve the updated Investment Policy Statement for the Members' Supplement Savings Plan as presented by Mr. Walker Reynolds with Hancock Whitney Bank.

Upon motion by Mr. Poche and second by Mr. Wall, 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. Wisbar reminded the Board that they had recently approved for her firm to request Senator Ed Price to sponsor a bill to reduce the ten year creditable service requirement for board member eligibility to five years of creditable service and also increase the term limits from two consecutive to three consecutive term limits. Since the last meeting, Ms. Wisbar stated that Senator Talbot had agreed to sponsor that bill. She also stated that her firm would be working on cleaning the bill.

Upon motion by Ms. Meyer and second by Ms. Olinde, the Board voted unanimously to authorize the System Attorney to request Senator Kirk Talbot to sponsor the bill requesting to reduce the ten year creditable service requirement for board member eligibility to five years of creditable service, and to increase the term limits from two consecutive to three consecutive term limits. This motion also approves the System Attorney's report as presented.

IX. Report from G. S. Curran & Company

Mr. Curran discussed the need for the Board's approval of the updated option factors and actuarial equivalence assumptions. He stated that by approving the new assumptions, ROVERS would acknowledge that the 6.40% interest rate utilized in the 2020 actuarial valuation would be used for transfers/purchases, disability award lifetime equivalences, single life option factors, and joint & survivor option factors beginning July 1, 2021. He further explained that DROP balance life annuity conversions would instead use an interest rate of 5.40% to protect the system.

Upon motion by Ms. Meyer and second by Mr. Salter, the Board voted unanimously to approve the option factors and actuarial equivalence assumptions effective July 1, 2021, as presented by G. S. Curran & Co.

X. Director's Report

Ms. Bourque informed the Board that the financials through June 30, 2020, were included in their meeting packets.

Then, Ms. Bourque discussed the Board election. She stated that only one nomination was received for Ms. Joanne Reed, and her term would begin January 1, 2021 through December 31, 2024.

Next, Ms. Bourque discussed the employer certification section of the ROVERS retirement application. She informed the Board that once the System received a retirement application then the retirement request would become public record, and the parish and state would be notified in order to know when to stop contributions.

Upon motion by Ms. Olinde and second by Ms. Poche, the Board voted unanimously to modify the employer certification section on the retirement application to no longer require the Chief Deputy's signature if the applicant is the Registrar.

Ms. Bourque reminded the Board that the meeting packets consisted of a list of retirements, DROPS, refunds, new members, deaths, transfers, and terminated members. She also informed the Board that Duplantier, Hrapmann, Hogan, & Maher had begun the audit. She asked the Board to review and approve the Louisiana Compliance Questionnaire.

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

XI. Other Business

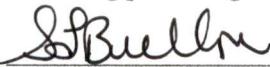
Ms. Bourque confirmed that the next Board meeting would be Friday, December 11, 2020, at 9:00 a.m. at the Renaissance Hotel in Baton Rouge, LA.

Upon motion by Mr. Qualls and second by Mr. Wall, the Board voted unanimously to approve the next meeting date for Friday, December 11, 2020, at 9:00 a.m. at the Renaissance Hotel in Baton Rouge.

XII. Adjourn

Upon motion by Mr. Wall and second by Ms. Olinde, the Board voted unanimously to adjourn the meeting at 10:55 a.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.*



Recorder Signature

12-11-2020

Date



Chairman Signature

12/11/2020

Date