

**Registrars of Voters Employees' Retirement System  
Minutes of the Meeting of the Board of Trustees  
February 13, 2023**

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 on February 13, 2023.

**I. Call to Order**

Mrs. Reed called the meeting to order at 1:14 p.m.

**II. Invocation and Pledge of Allegiance**

Mrs. Olinde offered an invocation and Mrs. Reed led the Pledge of Allegiance.

**III. Oath of Office**

Mrs. Denise Akers administered the oath of office for Mr. Brian Champagne as new Board of Trustees for ROVERS. The Board congratulated Mr. Champagne.

Upon motion by Mr. Champagne seconded by Mrs. Olinde, those board members present unanimously voted to move item V. Roll Call up on the agenda.

**V. Roll Call**

Ms. Kathy Bourque called the roll. Board members present: Mr. Brian Champagne, Ms. Charlene Menard, Ms. Billie Meyer, Mrs. Shanika Olinde, Mrs. Joanne Reed, and Senator Kirk Talbot. Mr. John Broussard joined the meeting while it was in progress. Representative Michael Firment, Mr. Joe Salter, and Mr. Dwayne Wall were absent. A quorum was present upon the arrival of Mr. Broussard at 1:30 p.m.. Others present included: Ms. Kathy Bourque (System Director); Mr. Greg Curran and Ms. Sondra Bordelon (representing Actuary and Administrator, Curran Actuarial Consulting, Ltd); Mr. Jon Breth (Investment Consultant, AndCo Consulting); Mrs. Denise Akers (Legal Counsel), Mrs. Cynthia Averette and Mr. Walker Reynolds (representing Custodian of Assets, Hancock Whitney), and Mr. Joey David, (House Retirement).

**IX. Presentation by Hancock Whitney**

Mrs. Averette presented the Custodian Report which included a breakdown of assets for the period ending December 31, 2022, with a market value of \$110,887,833.

Mr. Walker presented the Members Supplemental Savings Plan Investment Performance Review for quarter ending December 31, 2022, totaling \$310,883. He also mentioned to the Board that the MSSF account would eventually move to 100% cash as it was slowly beginning to draw down to a zero balance.

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

Mr. Breth presented the Board with a thank you for the opportunity to serve as consultant for ROVERS and an annual firm update from Mike Welker, CFA CEO. As of December 2022, AndCo advises on approximately \$90 billion in client assets. AndCo added three new partners, Jon Breth, Tyler Grumbles and Brooke Wilson. Mr. Breth stated that firm currently has 93 team members with plans to grow.

Mr. Breth advised that the contract with Barrow Hanley Global Investors was signed and was funded using funds from Eagle Capital Management and Westfield Capital Management. Andco began tracking Barrow Hanley's small cap value fund on February 1, 2023.

Mr. Breth presented the Investment Performance Review for the fourth quarter period ending December 31, 2022. The total market value as of December 31, 2022, was \$112,778,065 up 5.05% for the fourth quarter of 2022 and up 1.09% for the fiscal year.

Mr. John Broussard arrived at 1:30 p.m., his arrival confirmed a quorum.

Upon motion by Mrs. Olinde seconded by Mr. Champagne, the board voted unanimously to affirm the agenda items taken out of order.

Upon motion by Ms. Meyer seconded by Ms. Menard, the board voted unanimously to accept the Custodial Report and the Members Supplemental Savings Report as presented by Hancock Whitney.

Upon motion by Ms. Meyer seconded by Ms. Menard, the Board voted unanimously to accept Mr. Breth's report as given.

#### **IV. Election of 2023 Board Chairman and Vice Chairman**

Mrs. Reed opened nominations for Chairman of the Board.

Upon motion by Mrs. Olinde seconded by Mr. Champagne, Mrs. Joanne Reed was nominated for Chairman of the Board. Mrs. Reed asked if there were any other nominations. With no other nominations for Chairman, the Board voted unanimously to approve Mrs. Reed as Chairman and she accepted the position.

Mrs. Reed opened nominations for Vice Chairman of the Board.

Upon motion by Ms. Meyer seconded by Mr. Champagne, Mrs. Shanika Olinde was nominated for Vice Chairman of the Board. Mrs. Reed asked if there were any other nominations. With no other nominations for Vice Chairman, the Board voted unanimously to approve Mrs. Olinde as Vice Chairman and she accepted the position.

#### **VI. Public Comments**

There were no public comments.

#### **VII. Review and Approval of the Minutes**

Upon motion by Mrs. Olinde seconded by Ms. Meyer, the Board voted unanimously to approve the minutes from the November 15, 2022 and December 12, 2022 board meetings as presented.

**X. Report from System's Attorney, Akers & Wisbar**

Mrs. Akers reiterated that the contract for Barrow Hanley Global Investors was signed and completed.

Mrs. Akers advised that the Board must go into executive session to discuss litigation of the Recreations and Park Commission for the Parish of East Baton Rouge v Sid J. Gautreaux, III, in his capacity as Sheriff of East Baton Rouge Parish. She recommended that it would be easier to take this matter up at the end of the meeting, so all who cannot be present in executive session could just leave since the meeting will be over upon coming out of executive session.

Upon motion by Mrs. Olinde seconded by Ms. Menard, the Board voted unanimously to move item number X b. to the end of the meeting per Mrs. Akers recommendation.

**XI. Report from Curran Actuarial Consulting, LTD.**

Mr. Curran advised that no changes were needed at this time to the any actuarial assumptions, therefore no updates were needed for the actuarial equivalence factors for July 1, 2023. The factors will remain the same as the prior year.

Mr. Curran advised that Mr. Kenneth Herbold with the Louisiana Legislative Auditors (LLA) office presented a review at PRSAC of the LLA's perspective on ROVERS actuarial valuation. Mr. Curran presented the summary:

*Actuarial Review of ROVERS' 2022 Actuarial Valuation*

In accordance with La. R.S. 11:127(C) and 24:513(C)(1), the Louisiana Legislative Auditor has conducted an Actuarial Review for the Registrars of Voters Employees' Retirement System (ROVERS or System). The following presents the results of our Actuarial Review of ROVERS' June 30, 2022 Actuarial Valuation (prepared by Curran Actuarial Consulting, Ltd. and dated October 31, 2022). In doing so, we have reviewed certain actuarial assumptions and methods employed by ROVERS and its actuary for appropriateness.

**Executive Summary**

The Louisiana Legislative Auditor (LLA) performed an Actuarial Review (AR or Review) of the Registrars of Voters Employees' Retirement System's (ROVERS or System) June 30, 2022 Actuarial Valuation dated October 31, 2022. This Review is a limited-scope review intended to: 1. Evaluate the appropriateness of certain actuarial assumptions and methods adopted by ROVERS' board. 2. Identify potential improvements to these actuarial assumptions and methods. 3. Identify any actuarial assumption or method that clearly violates any relevant Actuarial Standards of Practice (ASOPs).

Summary of Conclusions

We did not identify any actuarial assumption or method that violates any ASOPs. Nevertheless, we offer the following recommendations for consideration by the ROVERS' board and by the Public Retirement Systems' Actuarial Committee: 1. *Cost-of-Living Adjustments (COLAs)*. Currently, ROVERS' board and its actuary do not anticipate future COLAs in the actuarial valuations. For ROVERS' 2022 Actuarial Valuation for funding purposes, we accept the treatment of not recognizing future COLAs in the determination of the statutorily required employer contribution rate as appropriate in this situation. 2. *Investment Return Assumption*. For 2022, a slight increase in both short-term return expectations and inflation assumptions resulted in a small increase in the ROVERS' benchmark. We recommend the System continues to closely monitor its investment return assumption and consider: Incorporating conservatism in the assumption by consistently targeting a rate that is closer to having a 60% probability of achieving the assumption over time; and Reflecting the impact of cash flow timing on total expected returns, recognizing when distributions are larger than contributions some portion of current assets will necessarily be needed to pay benefits and will therefore not be invested for the long-term.

Mr. Curran informed the Board that the ROVERS valuation produced by G. S. Curran & Company was approved by PRSAC and received a clean bill of health on their assumptions. He discussed setting the employer contribution rate for July 1, 2023 through June 30, 2024. Mr. Curran advised that the employer contribution rate could be set between 10% and 18%. The current rate is 18%. Any excess employer contributions will be deposited in the funding deposit account to use for future cost-of-living increases.

Mr. Curran stated ROVERS had \$4.4 million in the funding deposit account. The last cost-of-living increase was granted January 1, 2021; therefore, the system was not eligible to grant another cost-of-living increase until January 1, 2024.

Upon motion by Mr. Broussard seconded by Ms. Meyer, the Board voted unanimously to set the employer contribution rate at 18% for fiscal year July 2023-June 2024.

Upon motion by Mrs. Olinde seconded by Ms. Meyer. The Board voted unanimously to approve the report presented by ROVERS Actuary, Greg Curran.

## **XII. Director's Report**

Ms. Bourque informed the Board that included in their meeting packets were the financials through December 31, 2022, for their review. A list of recent retirements, DROP participants, refunds, new members, deaths, and transfers in and out of ROVERS since the last meeting was also included in the meeting packets.

Ms. Bourque advised the board that the current budget does not include any funds for special litigation legal fees outside of Mrs. Akers yearly fee. With the board hiring additional attorneys Robert Klasner and Robert Tarcza for the BREC v Sid J Gautreaux suit, funds must be added the budget.

Upon motion by Ms. Meyer seconded by Mr. Champagne, the board voted unanimously to approve adding \$50,000.00 to the budget to cover special legal fees for BREC v Sid J Gautreaux lawsuit.

Ms. Bourque stated that the GASB 68 report "The Employer Pension Report" dated June 30, 2022 prepared by the auditors, Duplantier, Hrapmann, Hogan and Maher, was sent to the board for their review and would be posted on the ROVERS website.

Upon motion by Ms. Menard seconded by Ms. Meyer, the Board voted unanimously to accept the GASB 68 report "The Employer Pension Report" prepared by Duplantier, Hrapmann, Hogan and Maher, CPA's.

Ms. Bourque reminded the Board that the Louisiana Ethics form 416b, Tier 2 Financial Disclosure, must be filed by May 15, 2023.

Upon motion by Mrs. Olinde seconded by Ms. Meyer, the Board voted to accept Director's report.

Ms. Bourque reminded the Board that the next schedule Board Meeting is scheduled for Tuesday, May 9, 2023 at 9:00 a.m. at the Renaissance Hotel in Baton Rouge.

Upon motion by Ms. Meyer seconded by Mrs. Olinde, the Board voted unanimously to go in to executive session at 2:29 p.m. to discuss litigation of the Recreation and Park Commission for the Parish of East Baton Rouge v Sid J. Gautreaux, III, in his capacity as Sheriff of East Baton Rouge, suit number 725,439, Div. 21 of the 19<sup>th</sup> JDC.

Upon motion by Ms. Meyer seconded by Mrs. Olinde, the Board voted unanimously come out of executive session at 3:00 p.m.

Upon motion by Ms. Meyer seconded by Ms. Menard, the Board voted unanimously to accept Mrs. Akers report.

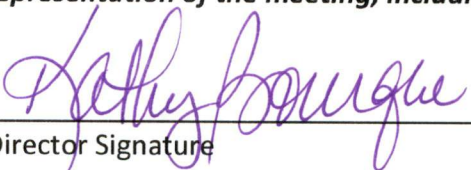
**XIII. Other Business**

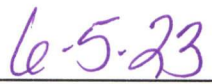
There was no other business

**XIV. Adjourn**

Upon motion by Mr. Broussard seconded by Mrs. Olinde the Board voted unanimously to adjourn at 3:01 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.***

  
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Director Signature

  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Chairman Signature

  
\_\_\_\_\_  
Date