

PROPOSED MINUTES

LOUISIANA CLERKS OF COURT RETIREMENT AND RELIEF FUND BOARD OF TRUSTEES MEETING TUESDAY, July 22, 2025 BATON ROUGE, LA 9:00 AM

A meeting of the Louisiana Clerks of Court Retirement and Relief Fund Board of Trustees was held on Tuesday, July 22, 2025, at 9:00 am in Baton Rouge, LA.

The meeting was called to order by President Jeff Skidmore. Mark Graffeo gave the opening prayer followed by the Pledge of Allegiance led by Rick Arceneaux.

MEMBERS PRESENT:

Jeff Skidmore
Randy Briggs
Annette Fontana
Jill Sessions
Louis Perret
Mark Graffeo
David Dart
Rick Arceneaux
Veronica Koclanes

OTHERS PRESENT:

Debbie Hudnall, Executive Director
Greg Curran, Actuary
Jon Breth, Consultant
Chris Brokaw, Consultant

ABSENT:

Senator Bob Owen
Representative Sylvia Taylor

GUESTS PRESENT:

Joey David for House of Representatives, Connie Desselle, Chelsey Richard Napoleon, Megan Laiche, and Chris Kershaw.

PUBLIC COMMENTS: None

APPROVAL OF MINUTES:

Randy Briggs moved the minutes of April 28, 2025, meeting be approved. Motion seconded by Rick Arceneaux. **MOTION CARRIED.**

FINANCIAL REPORT: (ON FILE IN OFFICE)

Treasurer Jill Sessions gave the financial report as of May 31, 2025:

| | May 31, 2025 | Fiscal Year 2024-25 |
|--------------------------|----------------------|---------------------|
| Contributions | \$3,762,177 | \$45,418,535 |
| Other Additions | \$100 | \$1,230,720 |
| Investment Gain (Loss) | \$32,181,164 | \$69,688,450 |
| Investment Expenses | \$337,524 | \$3,037,024 |
| Deductions | \$5,112,454 | \$56,925,093 |
| Net Increase (Decrease) | \$30,493,464 | \$56,375,589 |
| Total Investments | \$816,483,350 | |
| Total Assets | \$874,902,327 | |

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David Dart made a motion to receive the financial report. Motion was seconded by Louis Perret.
MOTION CARRIED

PROPOSED BUDGET:

Controller Chris Kershaw presented the proposed budget for fiscal year ending June 30, 2026. He showed the comparison to the previous 2025 budget pointing out the differences. He informed the Board that we were in the process of pricing a new alarm system that was included in the proposed budget. Motion was made by Rick Arceneaux to approve the budget. Motion was seconded by David Dart. **MOTION CARRIED. (SEE ATTACHED)**

INVESTMENT COMMITTEE: No report at this time.

MARINER:

Jon Breth informed the Board that Mariner Institutional once again received the Coalition Greenwich Best Investment Consultant Award for 2024-25. They also received the award for 2023, 2022 and 2021. This award recognizes quality leaders in the institutional investment consulting services. He also presented a list of the core services and additional services that Mariner offers. Jon discussed the second quarter of 2025 market environment highlights stating there had been a dramatic recovery after tariff announcements. Although the Fed's have held interest rates, Jon expects slight reductions in September and December of this year. Domestic equity results were higher for the quarter and the dominance of growth stocks resumed as well as all international stock indexes advanced during the quarter. Fixed-income markets also gained during the quarter. Global bonds outpaced domestic bonds due to the continued weakening of the US dollar.

Performance review – December 31, 2024:

| | June 30, 2025 | Percentage (FYTD) | | Dec 31, 2024 | Percentage (FYTD) |
|--|---------------|-------------------|-------------------------|----------------|-------------------|
| Total Funds Including Internal Cash | \$904,534,208 | --- | | | |
| US Equity | | | Fixed Income | | |
| Fidelity S&P 500 Index | \$ 83,905,187 | 15.15% | FIAM Core Plus | \$ 114,162,518 | 7.29% |
| Great Lakes | \$ 72,385,416 | 13.69% | FIAM Tactical Bond Fund | \$ 45,346,579 | 7.14% |
| Westfield | \$ 90,696,731 | 19.28% | Orleans Capital | \$ 44,735,451 | 5.95% |
| Earnest | \$ 42,509,459 | 7.80% | Infrastructure | | |
| Hood River | \$49,672,522 | 14.35% | IFM Global | \$ 39,915,999 | 12.68% |
| Int. Equity | | | Real Estate | | |
| WCM | \$33,614,406 | 23.46% | Clarion | \$ 30,238,820 | 4.86% |
| TS&W | \$ 32,676,897 | 21.50% | Principal | \$ 36,965,841 | 5.41% |
| LSV | \$ 35,982,528 | 27.23% | | | |
| Driehaus | \$ 47,963,067 | 20.88% | CASH – Hancock | \$ 76,820 | |
| SB&H | \$49,829,846 | 13.77% | CASH - DROP | \$ 37,877,066 | |
| | | | CASH – General | \$ 15,979,055 | |
| | | | | | |

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Chris Brokaw briefed the Board on the individual managers' performance stating that all the managers generally outperformed the index sticking to their strategies. Chris discussed the 2nd quarter performance and the fiscal year-to-date performance with a rate of return for the fiscal year of 13.51%, which is well above the required rate of 6.55%.

There was discussion on AI in the future and cryptocurrency as questions were proposed by Board members.

Rebalancing Discussion: Jon Breth recommended the following rebalancing to the Board to stay in compliance with our asset allocations.

| | |
|-------------------------|------------------------|
| Westfield U.S. Equity: | reduce by \$15 million |
| Earnest U.S. Equity: | reduce by \$5 million |
| Hood River U.S. Equity: | reduce by \$10 million |
| TSW – International: | reduce by \$10 million |

| | |
|------------------|--------------------------|
| FIAM Core Plus: | increase by \$20 million |
| FIAM Tactical: | increase by \$10 million |
| Orleans Capital: | increase by \$10 million |

A motion was made by Louis Perret to approve the rebalance recommendation of Mariner. The motion was seconded by Randy Briggs. **MOTION CARRIED.**

ACTUARY: Greg Curran reported that he understood that the Clerks retirement data was ready to be sent to his office so they would be ready to get started on the evaluation. He said after hearing the fiscal year investment report from Mariner which was good news, he had made some preliminary calculations. With a 13.55% market rate of return would mean an actuarial rate of return of about 9%. This could possibly lead to a 2% savings in the employer minimum rate. He reported there are many varying factors to take into consideration to make that determination. He stated that because there was a COLA given last year, there could not be another one given this year. He reminded the Board that they had set the employer contribution rate above the required rate and those funds would go into the Funding Deposit Account. He also reminded the Board the unfunded liability would be paid off in 2029 which could result in an 8 to 10 percent reduction in the employer contribution rate or the employer rate could be lowered in smaller intervals over a number of years. He said the Board might consider lowering the 6.55% required rate of return when the unfunded liability is paid off.

APPLICATIONS AND REFUNDS: (On file in office)

Debbie Hudnall reported since the last Board meeting there were 20 applications for DROP; 4 applications for regular retirement; 11 Post DROP retirement applications; no disability applications; and no True-Life Annuity applications.

Randy Briggs moved the applications to be approved. The motion was seconded by Rick Arceneaux. **MOTION CARRIED.**

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Debbie informed the Board there had been a total of 108 refunds in the amount of \$1,337,785 for the fiscal period ending June 20, 2025.

REPORT OF EXECUTIVE DIRECTOR:

Debbie informed the Board she had received the new contract with Curran Actuarial Consulting LTD. for the fiscal year ending 2026. After discussion, Louis Perret moved that the contract be approved. Motion was seconded by Mark Graffeo. **MOTION CARRIED**

Debbie reviewed the required educational hours that are still needed by a few of the Board members before August 31st because the annual report will be submitted to the state. Debbie also reminded the Board of the LAPERS Annual meeting that would be in New Orleans, September 7th – 9th and encouraged everyone to attend.

Debbie introduced the new employee Megan Lalche who had just started working on July 14th.

ATTORNEY

Attorney Sheri Morris stated there was no need to go into Executive Session and simply stated that appeals were still pending in the case:

The Recreation and Park Commission for the Parish of East Baton Rouge v. Sid J. Gautreaux, III, Sid J. Gautreaux v. The City of BR/Parish of EBR.

She further reported that in the matter *Louisiana Clerks of Court Retirement Fund v. Dolores Savona* had been settled and the Retirement System had been made whole in this matter.

OTHER BUSINESS: The next retirement meeting is scheduled for the first week in December in Lake Charles, but there will probably be a meeting scheduled sometime in October in Baton Rouge.

COMMENTS BY BOARD TRUSTEES: None

There being no other business, David Dart moved the meeting to be adjourned. Motion seconded by Louis Perret. **MOTION CARRIED.**

MEETING ADJOURNED.

Approved:


Jeff S. S. S. S.

Respectfully submitted,


Debbie D. Hudnall, Executive Director

Louisiana Clerks of Court Retirement Fund

Budget

| | 7/1/2024- 6/30/2025 | 7/1/2025- 6/30/2026 | |
|-----------------------------------|------------------------|------------------------|----------------|
| | ACTUAL BUDGET | PROPOSED BUDGET | BUDGET |
| | Difference | | |
| Administrative Expenses | | | |
| Actuary | 85,000 | 85,000 | 0 |
| Advertising | 500 | 500 | 0 |
| Auditing | 65,000 | 65,000 | 0 |
| Bank Charges | 20,000 | 20,000 | 0 |
| Building Maintenance / Fees | 35,000 | 35,000 | 0 |
| Depreciation (non-cash) | 15,000 | 24,000 | 9,000 |
| Doctors Fees | 4,000 | 4,000 | 0 |
| Insurance - Building, G/L & Cyber | 12,000 | 14,000 | 2,000 |
| Insurance - Fiduciary | 45,000 | 41,000 | (4,000) |
| Legal | 100,000 | 100,000 | 0 |
| Meeting Expense | 12,000 | 12,000 | 0 |
| Miscellaneous | 1,500 | 1,500 | 0 |
| Office Equipment | 5,000 | 10,000 | 5,000 |
| Office Supplies and Printing | 2,000 | 3,000 | 1,000 |
| Other Professional Fees | 3,000 | 3,000 | 0 |
| Per Diem | 3,375 | 3,375 | 0 |
| Postage | 3,500 | 4,000 | 500 |
| Programming - Computer | 20,000 | 20,000 | 0 |
| Reimbursement to Assoc. | 534,000 | 534,000 | 0 |
| Travel and Seminars | 18,000 | 14,000 | (4,000) |
| Administrative Expenses | 983,875 | 993,375 | 9,500 |
| Investment Expenses: | | | |
| Consultant Fees | 135,000 | 135,000 | 0 |
| Custodial Fees | 75,000 | 75,000 | 0 |
| Investment Managers | 4,250,000 | 4,500,000 | 250,000 |
| Total Investment Expenses | 4,460,000 | 4,710,000 | 250,000 |
| TOTAL EXPENSES | 5,443,875 | 5,703,375 | 259,500 |
| Rental Income: | | | |
| Association | 10,200 | 10,200 | 0 |
| Insurance | 10,200 | 10,200 | 0 |
| LCRAA | 12,000 | 12,000 | 0 |
| Total Rental Income | 32,400 | 32,400 | 0 |

Budget Adopted on this date: _____