

PROPOSED MINUTES

**LOUISIANA CLERKS OF COURT RETIREMENT AND RELIEF FUND
BOARD OF TRUSTEES MEETING
WEDNESDAY, December 3, 2025
9:00 AM
LAKE CHARLES, LA.**

A meeting of the Louisiana Clerks of Court Retirement and Relief Fund Board of Trustees was held on Wednesday, December 3, at 9:00 am in Lake Charles, LA.

The meeting was called to order by President Jeff Skidmore. Randy Briggs gave the opening prayer followed by the Pledge of Allegiance led by Annette Fontana.

MEMBERS PRESENT:

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

OTHERS PRESENT:

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

ABSENT:

Senator Bob Owen
Representative Sylvia Taylor
Veronica Koclanes

GUESTS PRESENT:

Cherie Lott, Susan Racca, Connie Desselle, Randy Deshotel, Laura Faul, Chelsey Napoleon, Greg Aucoin, Jeremy Williams, Laura Blanchard, Felicia Feist, Darren Lombard, Larry Cager, Ed Lombard, Sean Bruno, Amy Patin, Justin Moscardelli, Derek Dunn, Brent Heemskerk, John Foust, Lance Cannon, Joseph Shelly, Paul Roukis, Michelle Cunningham, Chris Kershaw, Davis Silk and Olivia Hymel

PUBLIC COMMENTS: None

APPROVAL OF MINUTES:

Rick Arceneaux moved the minutes of October 1, 2025, meeting be approved. Motion seconded by Louis Perret. **MOTION CARRIED.**

FINANCIAL REPORT: (ON FILE IN OFFICE)

Treasurer Jill Sessions gave the financial report as of September 30, 2025:

	Fiscal Year-to-Date
Total Contributions	\$8,422,371
Total Investment Income	\$47,472,871
Less: Total Investment Expenses	\$222,104
Total Other Additions	(\$302,520)
Total Deductions	\$14,623,008
Net Increase (Decrease)	\$40,747,610
Total Investments	\$896,954,766
Total Assets	\$947,433,165

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

MONEY MANAGERS PRESENTATIONS

Hood River (Small Cap Growth): John Foust thanked the Board for the opportunity for Hood River to manage the small cap growth portfolio for the past 5 years. He stated that when they were hired 5 years ago, they had an investment team of 5 and now it is up to 8 or 9. He said our fund had benefited from excess returns compared to their competitors and versus the benchmark. He said the Fund is healthy and growing and they are bringing on new resources to continue to generate the returns they have been. He said he couldn't promise the returns we received in the first 5 years would continue. Lance Cannon then explained their investment process. He said they do proactive research and have better returns with lower risk.

Westfield (Large Cap Growth): Justin Moscardelli made a presentation on behalf of Westfield and thanked the Board for their faith and confidence over the past 15 years. He said he had never seen a "casino" type market because of all of the speculations in the markets. He told the Board that Westfield is 80% employee owned. Justin explained their investment philosophy is that they employ a growth at a reasonable price investment style and believe in fundamental research with deep due diligence. They believe their philosophy and approach implemented consistently over time that has been critical to alpha generation. He said they were slightly underperforming the benchmark since inception, but despite that, the returns have been really strong. Justin explained that Westfield does better when the market is down and that is when they protect the clerks' Fund. He reported that this is the 6th out of 7 years that the clerks' Fund is up over 20% and 4 of those 7 years the strategy has been over 30%.

Principal (Real Estate): Derek Dunn thanked the Board for their partnership and for hosting them for the meeting. He said Principal had been doing business with the Clerks since April 2023. He reported that they are a top-10 global real estate manager with more than 740 clients across 33 countries. They have more than \$105.2 billion in assets under management. Brent Heemskerck, portfolio manager, then spoke about their strategy that is managed by a very tenured management team. He reported it is a very diversified real estate fund that invests across the spectrum. He said they focus on income generation and growth with emphasis on risk-adjusted relative value. He said they monitor demographics and real estate use trends. Brent reported that the gross total return has exceeded the benchmark for 14 consecutive calendar years.

Great Lake Advisors (Large Cap): Joe Shelly thanked the Board for their business and said it had been an absolute pleasure to work with the Clerks. He said when they began business with the Clerks they were Rothschild, but in April of 2023 they became Great Lakes Advisors. He said there had been no change in the team or the investment policy. He said the word used to describe their strategy is consistency that is managed by a 5-person team. Their investment process is centered on seeking to maximize stock selection and manage risk. He said through September 30th since inception the Fund had returned 7.7%. He also reported for the year to date, as of November, the return for the Clerks was 16% which is well above the historical averages.

Louisiana Clerks of Court Retirement and Relief Fund**Board of Trustees Meeting, December 3, 2025****Page 3****INVESTMENT COMMITTEE:** No report at this time.**MARINER – INVESTMENT REPORT**

Jon Breth said the Clerks have a very good group of investment managers. He reported on the 3rd Quarter Market Environment stating it was a very good environment for traditional stocks and traditional bonds. He noted the Federal Reserve cut interest rates in September and October and probably another interest rate cut in December. He said the Fund had ended up in a much better position than really expected. The Fund for first quarter had a 5.59% return which placed it in the top 15 percentile compared to our peers and for calendar year to date in September – the Fund was just under a 15% return which placed the Fund in the top 2 percentile compared to our peers. He said it was exciting to see how the portfolio continues to move higher compared to its peer rankings and beat the benchmark. When they took over the portfolio, they made some significant changes tilting the portfolio a little more toward the US and made a few money manager changes but remained pretty patient with the Fund. Jon said the portfolio appears to be clicking on all cylinders and that inflation is the biggest risk for the future. He said that we would look at the asset allocation again in 2026 to see if we need to re-allocate some of the funds.

Performance review – September 30, 2025:

	September 30, 2025	Percentage (FYTD)			September 30, 2025	Percentage (FYTD)
Total Funds Including Internal Cash	\$944,046,035	---				
US Equity				Fixed Income		
Fidelity S&P 500 Index	\$ 90,722,179	8.12%		FIAM Core Plus	\$ 136,804,878	2.21%
Great Lakes	\$ 76,290,035	5.39%		FIAM Tactical Bond Fund	\$ 56,471,756	2.31%
Westfield	\$ 81,392,889	7.08%		Orleans Capital	\$ 55,678,453	2.13%
Earnest	\$ 40,867,167	7.90%		Infrastructure		
Hood River	\$48,764,608	20.04%		IFM Global	\$ 40,722,127	2.02%
Int. Equity				Real Estate		
WCM	\$34,058,073	1.54%		Clarion	\$ 30,304,620	1.13%
TS&W	\$ 23,577,998	3.27%		Principal	\$ 37,902,602	2.83%
LSV	\$ 38,751,916	7.70%		CASH – Hancock	\$ 76,546	.54%
Driehaus	\$ 49,731,416	3.69%		CASH - DROP	\$ 38,364,802	
SB&H	\$54,726,705	9.83%		CASH – General	\$ 8,837,262	

AUDIT REPORT (Report on file in office)

Michelle Cunningham, with Duplantier, Hrapmann Hogan & Maher, LLP, presented the results of the audit for the fiscal year ending June 30, 2025. She stated that it was an unmodified opinion on the basic financial statements with no significant deficiencies or material weaknesses in internal control. She reported the pension liability based on actuarial assumptions as of June 30, 2025, to be \$999,614,342 compared to \$984,190,431 for June 2024. Total assets for June 2025 were \$908,463,434 compared to 2024 - \$821,285,386. The net position as a percentage of the total pension liability is 90.69%. She reported the big story was the net investment income for the year of \$100,477,258. Michelle reported that the Net Pension Liability for 2025 was \$93,024,919 down from \$166,382,860 from 2024. This is the number that is prorated and shown on each of the members' financial statements. Michelle also reported on the Census Data Testing and found no errors for St. Tammany Parish or the Supreme Court but found that the Orleans Criminal Clerk's office had two employees birthdates recorded in the personnel file that does not match with those recorded the System's records, but overall, very good. Michelle thanked the staff for their cooperation in the performance of the audit.

A motion was made by Mark Graffeo to accept the audit report. Motion was seconded by Rick Arceneaux. **MOTION CARRIED.**

Debbie presented the Compliance Questionnaire in which she asked the Board to approve. A motion was made by Rick Arceneaux to approve the questionnaire. Motion seconded by Randy Briggs. **MOTION CARRIED.**

APPLICATIONS FOR REFUNDS

Debbie presented a list of applications for retirement to the Board for approval. Mark Graffeo moved that the applications be approved. David Dart seconded the motion. **MOTION CARRIED.**

Debbie also informed the Board there have been 32 requests for refunds for the fiscal in the amount of \$326,648.

REPORT OF EXECUTIVE DIRECTOR

City of New Orleans Resolution on Ad Valorem: Debbie reminded the Board that each year since the Consent Judgment between the City of New Orleans and the Clerks' Retirement Fund, the Board passes a Resolution authorizing the Retirement Fund to make a demand upon the Treasurer of the State of Louisiana pursuant to Revised Statute 11:1561B that he deduct from the Revenue Sharing Funds of Orleans Parish and the City of New Orleans a certain sum due to the Louisiana Clerks' of Court Retirement and Relief Fund under R.S. 11:1561A as further clarified by a Consent Judgment dated April 26, 2011, and then remit such funds to the Fund forthwith and prior to any distributions of revenue sharing funds to the City of New Orleans or Orleans Parish. Motion was made David Dart to pass the Resolution. Motion seconded by Jill Sessions. **MOTION CARRIED** with 8 Yeas, No Nays and 3 Absent (see attached Resolution)

Sexual Harassment, Ethics and Conflicts of Interest: Debbie reported that she would need each Board member to sign an affidavit stating they had completed the Sexual Harassment and Ethics training and that they had no conflict of interest to serve on the Retirement Board. She said she would email the affidavits to them to sign.

ATTORNEY

Debbie reported on behalf of Attorney Sheri Morris, stating there was no need to go into Executive Session. In the matter of *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*, Debbie reported that the appeal had been filed but the case probably would not be heard until sometime in February.

ACTUARY (Report on file in office)

Greg Curran presented the Board with the 2025 Actuarial Valuation. Greg said it had been a great year for the Fund. Greg reported that the number of active members is slightly down, but the payroll is up a little bit. He said the payment of about \$9.6 million per year toward the Frozen Unfunded Liability will go away in 2029, and then you would see the employer contribution rate go down significantly. The number of retirees is up to 1661, and the average retirement benefits are up from what they used to be, which is expected. The Fund is now 88.08% actuarially funded because our assets grew faster than our liabilities. The Funded Deposit Account now has a total of \$12,484,951. He reported that the minimum recommended net direct employer contribution rate is 14.75%. The Board will have to set the employer rate between 14.75% and 23% after PRSAC has approved the actuarial report. Greg informed the Board that they would not be able to give a COLA this year because the law only allows the Board to give a COLA every 3 years if the Fund is not more than 90% funded. The Board would not be able to give a COLA until January 1, 2027. He said their report shows that the current assumed rate of return of 6.55% remains well in the reasonable range which is between 6.38% and 7.54%. Greg went over the cash flow of the system showing that total contribution income is less than the benefits and expenses which are expected to happen with mature systems and the negative cash flow will only get worse in the future when the employer contribution rates come down. Greg reminded the Board that when he talks about rate of returns, he is referring to the actuarial rate of return which is smoothed over a 5-year period. In 2021, the Fund had a market rate of return of 27.2% which will fall off in next year's evaluation so it could cause a little bad news next year. Greg informed the Board that his assumptions were more conservative than they were. He said the Fund had a year where everything went well. Louis Perret stated that he felt the Board should continue to be conservative when deciding where to set the employer contribution rate.

After the presentation, David Dart moved to accept the actuarial report. Rick Arceneaux seconded the motion. **MOTION CARRIED.**

LEGISLATION: Debbie informed the Board that Greg had previously sent a letter to her suggesting some possible Legislation for 2026. She said that because the legislation had to be advertised in December, that she had asked the Legislative staff to go ahead with the advertisement in a general way to cover any possible legislation. She asked Greg to explain his suggested legislation.

Greg suggested that R.S. 11:1549 be amended to remove the \$40-cap on COLA's and to remove the language that requires the level of the Consumer Price Index for All Urban Consumers (CPI-U) for the current fiscal year is at least 3 percent higher than the level of the CPI-U for the fiscal year in which the last COLA was granted. He said there may also be other proposed legislation by other systems that if you were more than 100% funded, a COLA could be granted in consecutive years. He suggested the clerks might want to look at that because he didn't know if it would be in the general retirement statutes or only for a particular system. He also said that some systems were going to change the statute stating the COLA would be based on the current benefit rather than the original benefit and were going to bring that statute from the general statute to their statutes. He said it was much easier to keep up with the current benefit rather than the original specially when survivors are involved.

Randy Briggs moved that the Investment Committee have the authority to work with Greg on moving forward with his recommendations for proposed legislation. Motion seconded by Louis Perret. **MOTION CARRIED.**

Debbie suggested they look at proposed legislation to change the law that allows retirees to return to work for 630 hours to say they can return to work and earn up to a percentage of their benefit. She said some systems have you can earn up to 50% of your benefit. Louis Perret moved to authorize the Investment Committee to work with Greg Curran on moving this proposed legislation. Motion seconded by Mark Graffeo. **MOTION CARRIED.**

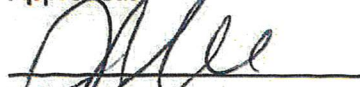
OTHER BUSINESS: The next retirement meeting is tentatively scheduled for 9:00 AM on April 27th, 2026, in Baton Rouge, LA.

COMMENTS BY BOARD TRUSTEES: None

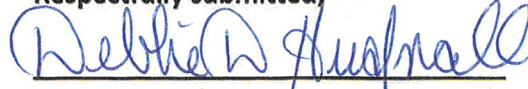
There being no other business, David Dart moved the meeting to be adjourned. Motion seconded by Louis Perret. **MOTION CARRIED.**

MEETING ADJOURNED.

Approved:


Jeff Skidmore

Respectfully submitted,


Debbie D. Hudnall, Executive Director

The following resolution was offered by David Dart and seconded by Jill Sessions;

RESOLUTION

A resolution making demand upon the Treasurer of the State of Louisiana pursuant to Louisiana Revised Statutes §11:1561.B that he deduct from revenue sharing funds of Orleans Parish and the City of New Orleans a certain sum due to the Louisiana Clerks' of Court Retirement and Relief Fund under §11:1561.A, as further clarified by a Consent Judgment dated April 26, 2011, and then remit such funds to the Fund forthwith and prior to any distribution of revenue sharing funds to the City of New Orleans or Orleans Parish.

WHEREAS the Louisiana Clerks' of Court Retirement and Relief Fund is entitled to receive, from taxes shown to be collectible by the tax rolls in Orleans Parish, a contribution of a certain percentage of such taxes, which amount is to be remitted periodically and at the same time as disbursement of such taxes to the tax recipient bodies in Orleans Parish;

WHEREAS the City of New Orleans and Orleans Parish are co-terminous and has a consolidated city/parish government, as recognized in *City of New Orleans v. Louisiana Assessors' Retirement and Relief Fund*, No. 2005-2548 (La. 10/1/07), 986 So.2d 1, fn. 14;

WHEREAS no such contribution was received for many years by the Louisiana Clerks' of Court Retirement and Relief Fund from the taxes shown to be collectible by the tax rolls in Orleans Parish;

WHEREAS the City of New Orleans disputed the constitutionality and amount of any contributions directed to be made to the Louisiana Clerks' of Court Retirement and Relief Fund pursuant to §11:1561;

WHEREAS the Louisiana Clerks' of Court Retirement and Relief Fund and the City of New Orleans reached a compromise in that certain matter styled "Louisiana Clerks' of Court Retirement and Relief Fund versus City of New Orleans, et al," Cause No. 415,496 on the docket of the 19th Judicial District Court in and for the Parish of East Baton Rouge, which compromise is memorialized by a Consent Judgment signed by the Court on April 26, 2011 and provided previously to the Treasurer of the State of Louisiana;

WHEREAS the Louisiana Clerks' of Court Retirement and Relief Fund desires to enforce its right pursuant to Louisiana Revised Statutes §11:1561.A, as further clarified by the aforementioned Consent Judgment, to collect such contributions from Orleans Parish taxes;

WHEREAS Louisiana Revised Statutes §11:1561.B and the Consent Judgment authorize and empower the board of trustees of the Louisiana Clerks' of Court Retirement and Relief Fund to submit a resolution to the state treasurer making demand that the monies due to the Fund be deducted from revenue sharing dollars that would otherwise be distributed within Orleans Parish;

WHEREAS Louisiana Constitution Article 7, §26 provides that the revenue sharing funds distributed to Orleans Parish shall be distributed in said Parish by the city treasurer of New Orleans and revenue sharing appropriations to be distributed in Orleans Parish are directed to the City of New Orleans:

Section 1. BE IT RESOLVED that the Louisiana Clerks' of Court Retirement and Relief Fund does hereby demand, pursuant to Louisiana law (including without limitation Louisiana Revised Statutes §11:1561), that the Treasurer of the State of Louisiana deduct the sums calculated as set forth hereinbelow and any additional sums that the authorized representative identified below may subsequently certify on behalf of the board of trustees from any revenue sharing dollars that would otherwise be distributed to the City of New Orleans or Orleans Parish in 2025, particularly including without limitation those revenue sharing dollars to be distributed to the city treasurer of New Orleans; and, that such sums be paid to the Louisiana Clerks' of Court Retirement and Relief Fund forthwith and prior to any distribution of revenue sharing funds during 2025 to the City of New Orleans or within Orleans Parish.

Section 2. BE IT FURTHER RESOLVED that the Louisiana Clerks' of Court Retirement and Relief Fund does hereby certify, pursuant to Louisiana Revised Statutes §11:1561.B, that an additional contribution will be due from the *ad valorem* taxes shown to be collectible for 2025 by the tax rolls located in Orleans Parish in an amount to be calculated by applying a contribution rate of .250% (.00250) to a certain portion of *ad valorem* tax collections, namely forty-five (45%) of the total *ad valorem* tax collections, made by the CITY OF NEW ORLEANS for said year. By way of example, and to illustrate such calculation, if *ad valorem* tax collections during 2025 total \$500,000,000, then the contribution required for the 2025 calendar-tax year shall be \$562,500. The aforementioned calculation method is set forth in the April 26, 2011 Consent Judgment, including without limitation the provisions and example contained in Item #5 of Paragraph FIRST of the Consent Judgment, and shall be applied to the actual tax collections made during 2025. This additional contribution shall also be due from the first revenue sharing dollars appropriated for delivery in 2026 to the City of New Orleans or Orleans Parish. The calculation method will change in future years as set forth in the Consent Judgment.

Section 3. BE IT FURTHER RESOLVED that the Louisiana Clerks' of Court Retirement and Relief Fund does hereby authorize and empower Deborah D. Hudnall, its Executive Director, to forward this resolution to the State Treasurer at an appropriate time to ensure timely collection of all sums due; to certify on behalf of the board of trustees of the Louisiana Clerks' of Court Retirement and Relief Fund the precise amount of the additional contribution sum due from taxes collected by the City of New Orleans in 2025, with said amount to be based on collection information obtained from the City of New Orleans pursuant to the procedure set forth in the April 26, 2011 Consent Judgment; and, to take all other action reasonably necessary to enforce its right to collect these sums and to require remittance of these funds by the State Treasurer from revenue sharing funds.

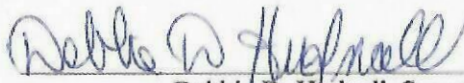
This Resolution having been submitted to a vote, and the vote thereon was as

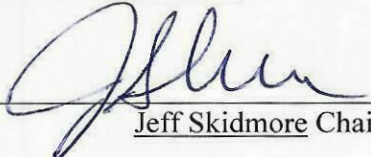
follows: YEAS: 8

NAYS: 0

ABSENT: 3

And the resolution was declared adopted on this, the 3rd day of December.


Debbie D. Hudnall, Secretary


Jeff Skidmore Chairman