**Registrars of Voters Employees’ Retirement System**

**Minutes of the Meeting of the Board of Trustees**

**at the Registrars of Voters Association Seminar**

**January 18, 2012**

The meeting of the Board of Trustees for the Registrars of Voters Employees’ Retirement System was held at the Baton Rouge Marriott at 5500 Hilton Avenue in Baton Rouge, Louisiana.

**Call to Order**

The Chairman of the Board, Robert Poche, called the meeting to order at 2:30 p.m.

**Invocation and Pledge**

The invocation was led by Linda Rodrigue, followed by the Pledge of Allegiance led by John Moreau.

**Roll Call**

Robert Poche called the roll. Board members present were: Dennis Dimarco, Charlene Menard, John Moreau, Robert Poche, Linda Rodrigue, and Dwayne Wall. Board members absent were: Representative J. Kevin Pearson and Senator Elbert Guillory. A quorum was present.

Others present included Gregory Curran (Representing Actuary and Administrators, G. S. Curran & Company, Ltd.), Denise Akers (General Counsel), Lorraine Dees (Administrative Director), and attendees from the Registrars of Voters Association Seminar.

**Public Comments**

The Chairman asked if anyone had public comments. Hearing none, the meeting proceeded.

**Agenda Item V – Adoption of a Board Resolution Related to Legislation by the Tax Attorney**

Ms. Akers reviewed resolutions that had been recommended by the Fund’s tax attorney. She first explained that, in order for the plan to remain qualified, the IRS required the Board to adopt certain provisions of the HEART Act, which addressed benefits for retirement system members who left their jobs for active military service. Ms. Akers went on to explain that the second resolution recommended by the tax attorney added general language necessary to keep the plan in compliance with the provisions of the Internal Revenue Code in the future. She suggested to the Board that these resolutions could be adopted through the administrative procedures act rather than requiring legislation in future years. Ms. Akers stated that the Board could vote on the resolutions during the regular January 24, 2012 meeting.

**Agenda Item VI – Approval of Language to be Submitted as Legislation During the 2012 Regular Legislative Session**

Ms. Akers reviewed prospective legislation to be presented during the 2012 regular session. She explained that these changes would demonstrate to the legislature that the retirement system was taking proactive steps to keep the plan financially sound. Ms. Akers reviewed the first act, which would change the definition of average compensation from three-year final average compensation to five-year final average compensation. She added that there would be a transition period, and existing plan members would not receive a benefit lower than the accrued benefit at the time of enactment.

Ms. Akers reviewed the next proposed act, which would establish a second tier of benefits for new hires only. She explained that even if the previous act did not pass, this act could still change the final average compensation period for new hires from three years to five years. Additionally, the act would provide for an actuarially reduced retirement benefit, require new hires to work longer in order to be eligible for retirement (10 years of service and retirement eligibility at age 62; 20 years of service and age 60; 30 years of service and age 55), and change projected continuous service for disability benefit calculations from age 60 to age 62. Ms. Akers further explained that the act would entitle new hires who had accrued at least thirty years of service, with at least 20 years in ROVERS, to a 3 1/3% accrual rate. Ms. Akers concluded her presentation with a description of a proposed legislative change, requested by the actuary, to remove unnecessary language in the statutes. She stated that this change was a clarification that would have no effect on benefits of the system.

**Agenda Item VII – Approval and Signing of the Side Letter Agreement for the CA Recovery Fund**

Mr. Curran reminded the Board that the System had made an investment with Commonwealth Advisors Inc., a lawsuit had been filed, and part of the investment had been split off into the CA Recovery Fund. He explained that the relevant documents had not been fully executed by both parties, and he asked the Board to approve a resolution which authorized the Chairman of the Board, Mr. Robert Poche, to sign the subscription agreement with the CA Recovery Fund, L.L.C., and authorized the Director of the Retirement System, Ms. Lorraine Dees, to sign the side letter amendment to the subscription agreement. Upon motion by Ms. Rodrigue and second by Mr. Dimarco, the Board voted unanimously to sign the resolution.

**Agenda Item VIII – Presentation by the Chairman of the Board of Trustees**

The Board Chairman recognized Ms. Terry Meagher from Capital One, and Ms. Meagher gave a report on Capital One’s duties as custodian for the plan and money manager for the supplemental savings plan. Ms. Meagher explained that Capital One was responsible for such tasks as holding assets, handling cash transactions, making vendor payments, filing class action settlements, and overall accounting reporting of all assets in the fund. Mr. Poche thanked Ms. Meagher for Capital One’s service to the plan.

**Agenda Item IX – Director’s Report**

Ms. Dees gave an overview of the work her office had completed during the past year, which included: making changes to procedures for the election of officers, updating files for inclusion of overtime, and providing information for the legislative auditor’s review. Ms. Dees added that the final auditor’s report had not yet been released, and Board members could contact her with any questions about the report. Ms. Dees then reviewed some of the suggestions made by the auditor, and she and Mr. Curran answered questions from the Board members and seminar attendees about the audit.

**Agenda Item X – Presentations by the System’s Attorney, Investment Consultant, and Actuary**

Mr. Curran discussed the growing costs of the plan, and explained that they were partially due to investment results and sensitivity to the market environment. Mr. Curran emphasized that the actuary believed that due to recent investment experience, continued contribution increases would be necessary to sustain the plan unless the benefit structure was changed. He explained that although the Board could not control the investment market, they did have the ability to pursue legislation regarding necessary changes to the benefit structure.

**Adjourn**

Upon motion by John Moreau and second by Dwayne Wall, the Board voted unanimously to adjourn the meeting at 3:07 p.m.

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 Chairman Director