



FIREFIGHTERS RETIREMENT SYSTEM

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Telephone (225) 925-4060 • Fax (225) 925-4062



MEETING OF THE BOARD OF TRUSTEES OCTOBER 14, 2010

A meeting of the board of trustees was held on October 14, 2010, at the Public Safety Building in Baton Rouge. Mr. Charles Fredieu, Chairman, called the meeting to order at 8:30 a.m.

Mayor Durbin gave the invocation and Mr. Birdwell led the pledge of allegiance.

Ms. Penny Gandy called the roll.

MEMBERS PRESENT

Mr. Charles Fredieu, Chairman
Mr. Stacy Birdwell, Vice Chairman
Mr. Steve Procopio
Mayor Jimmy Durbin
Mayor Mayson Foster
Mr. Sammy Halphen
Mr. John Broussard

OTHERS PRESENT

Mr. Steven Stockstill
Ms. Kelli Rogers
Mr. Jason Starns
Ms. Penny Gandy
Mr. Gary Curran
Ms. Lauren Bailey
Mr. Joe Meals
Mr. Matt Ross
Mr. David Kuhn
Mr. Bill McInnis
Mr. Chris Kaufmann
Mr. Frederick Eisemann
Mr. Eldon Ledoux
Mr. Mike Gallagher
Mr. Donald Chauvin
Mr. Leo Jackson

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MINUTES

MOTION: Mr. Stacy Birdwell moved to approve the minutes of the board meeting held on September 9, 2010. Mayor Durbin seconded. The motion passed.

APPLICANTS

- Retirees

PROCEDURE: Written notification of retirement is received and the member's file is reviewed for proper documentation and to determine that the applicant meets the legal criteria necessary to receive payment in the form of a monthly retirement benefit. Calculations for retirement are performed by the benefit analyst and verified by the system's administrator. All retirement applications were submitted and benefits calculated in accordance with all applicable state laws.

Mr. Starns presented the list of new retirees. (see attached Exhibit #1) He stated that all applications were in order.

MOTION: Mr. Birdwell moved to approve the new retiree applicants. Mr. Halphen seconded. The motion passed.

- Survivor Applications

PROCEDURE: Survivors applying for benefits must furnish the retirement office with a notarized application for survivor benefits, a copy of the member's death certificate, a marriage license (if beneficiary is a spouse), and the beneficiary's birth certificate. Once received, the deceased member's records are reviewed by staff to determine survivor benefit eligibility and to determine that the survivor's benefit calculation is completed per all applicable state laws and any merger agreements. [NOTE: Individuals who retired under another retirement system where FRS is a third party administering payments as a result of a merger, and where the individual becomes deceased after the merger, the beneficiary or survivor is still required to submit all necessary documents; however, payment is made as set forth in the merger agreement (contract) affecting beneficiaries and survivors.] (R.S. 11:2256 and R.S. 11:2259)

Mr. Starns presented the application of Mrs. Janet Ann Sonnier Dugas surviving spouse of Mr. Glenn Anthony Dugas and Cody Glenn Dugas surviving child of Mr. Glenn Anthony Dugas. He stated that the application was in order.

MOTION: Mr. Birdwell moved to approve surviving spouse benefits for Mrs. Janet Ann Sonnier Dugas and the surviving child benefits for Cody Glenn Dugas. Mr. Halphen seconded. The motion passed.

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- Disability Application

PROCEDURE: Application for disability retirement, current job duties, and all medical records pertaining to the injury or illness were received and reviewed by the retirement office staff. An appointment was scheduled with a state medical disability board doctor specializing in the area of the claimed disability. The doctor has submitted a detailed report in laymen's terms of his findings based on the examination performed and the medical records reviewed. The board of trustees has been provided with the disability application, job description, state medical disability board doctor's report and all medical records for review. (R.S. 11:215, 216, 218, & 2258)

Mr. Starns presented the application for disability retirement of [REDACTED]

MOTION: Mr. Birdwell moved to enter executive session. Mr. Halphen seconded. The motion passed and the board entered executive session.

MOTION: Mr. Birdwell moved to resume public session. Mayor Durbin seconded. The motion passed and the board resumed public session.

Mr. Starns cited the medical narrative report written by Dr. Rubin Patel which states in part as follows: "Due to the patient's . . . paraplegia . . . the patient will remain permanently disabled as a firefighter. The patient's paraplegia was caused by a lawnmower accident . . . which is not work related." Based on the report of Dr. Patel, Mr. Starns recommended approval of non-job-related disability benefits with discontinuation of the recertification requirement.

MOTION: Mr. Birdwell moved to accept the staff's recommendation for [REDACTED] Mayor Durbin seconded. The motion passed.

- Disability Recertification Applications

PROCEDURE: Once each year during the first five years following the initial board of trustees approval for disability retirement, and once every three year period thereafter, all disability retirement members must undergo a medical examination by a state medical disability board doctor who must recertify that the disability retiree continues to be disabled from performing his duties. This recertification is required for the continuation of a disability member's benefits. The state medical disability board doctor's report has been provided to the board trustees.

[REDACTED] Mr. Starns presented the application for disability recertification of [REDACTED] [REDACTED] Mr. Starns stated that the applicant was seen by Dr. Rubin Patel, the State Medical Disability Board doctor. In his report, Dr. Patel stated, that "At this time, [REDACTED] will be permanently disabled from his duties as a firefighter. Until he gets clearance from his cardiologist, the patient will not be able to return to active duty as a firefighter. If at any time the patient does get clearance from his cardiologist, the patient will then need to have clearance for his

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lumbar disk disease. The patient's disability is due to cardiology condition that did not occur in active duty as a firefighter. However, it was found during a fit for return to duty testing after his lumbar problems sustained during active duty as a firefighter."

Based upon the report of Dr. Rubin Patel, the staff recommendation was for the approval of continuation of disability retirement and the approval for discontinuation of disability recertification.

MOTION: Mr. Birdwell moved to approve the staff recommendation. Mr. Halphen seconded. The motion passed.

██████████ Mr. Starns presented the application for disability recertification of ██████████
██████ Mr. Starns stated that the applicant was seen by Dr. Rubin Patel, the State Medical Disability Board doctor. In his report, Dr. Patel stated, that "At this time, the patient should remain permanently disabled with the Firefighters' Retirement System due to his pulmonary conditions. The patient is unable to work at this time due to shortness of breath with activity, especially in the heat. His functional capacity is limited on a day to day basis...as per my note last year, it was stated that the patient would need to have pulmonary clearance in order for him to return to work; however, since the patient has now been diagnosed with chronic obstructive pulmonary disease, he will have to remain permanently disabled."

Based upon the report of Dr. Rubin Patel, the staff recommendation was for the approval of continuation of disability retirement and the approval for discontinuation of disability recertification.

MOTION: Mr. Birdwell moved to approve the staff recommendation. Mr. Broussard seconded. The motion passed.

MONTHLY FLASH REPORT - SEPTEMBER 2010

Mr. Joe Meals presented the monthly flash report for September 2010. (see attached Exhibit #3) He began by noting that the overall fund was up/down as follows: 4.2% for the month of September as compared to the blended index of 5.4%; 7.0% for the fiscal year to date as compared to the blended index of 7.9%; 8.8% for the trailing 12 months as compared to the blended index of 9.9%.

COMMITTEE REPORT

[NOTE: The Investment Committee met on September 8, 2010, at the FRS office in Baton Rouge at 2:00 p.m. to discuss the business set forth in its posted agenda. The minutes of that meeting are embedded herein. Committee members present were Mr. Stacy Birdwell-Chairman, Mr. Sammy Halphen, Mayor Mayson Foster, Mr. Steve Procopio and Mr. Charles Fredieu, ex officio. Also

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present were Ms. Lauren Bailey, Mr. Joe Meals, Mr. Matt Ross, Mr. Mike Fontenot, Mr. Curtis Johnson, Mr. Greg Brunk and Mr. Rob Heitner]

Mr. Birdwell gave the Investment Committee report. He stated that the committee made two recommendations to bring before the board of trustees and he asked Mr. Joe Meals to present information relative thereto.

- Vision Capital - Gainesville Property

Mr. Meals noted that Rob Heitner came before the Investment Committee to update the committee on the cost of the proposed acquisition of 15.8 acres of land contiguous to the 1,197 acres of property already owned by FRS in Gainesville, Georgia. Mr. Heitner presented a set of maps displaying the property he recommended to be purchased along with related settlement statements. (see attached Exhibit #3) Mr. Meals said the investment committee recommended approval of the proposed property acquisition.

MOTION: After further discussion, Mr. Birdwell moved to accept the investment committee's recommendation and acquire the 15.8 acres of land in Gainesville, Georgia. Mr. Halphen seconded. The motion passed.

MOTION: After further discussion, Mayor Durbin moved to allow Mr. Van Mayhall to handle the closing for the property being purchased by FRS in Gainesville, Georgia. Mr. Birdwell seconded. The motion passed.

- Watch Status

Mr. Meals indicated that FRS had received responses from four existing FRS managers after they had been placed on "watch status" by FRS. He said the responses were submitted by the investment advisors known as BlackRock, Advisory Research, Fisher Investments, and LSV. He said he had reviewed the responses and was comfortable with the explanations provided therein. (see attached Exhibit #4)

The discussion of this matter was concluded with no action being needed or taken.

- AEW Partners VI, Advisory Board

Mr. Meals notified the board that the investment management firm known as AEW, an existing FRS manager, is soliciting nominations for the AEW Partnership Advisory Board. He said AEW asked for a nomination to be submitted by FRS.

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MOTION: After further discussion, Mayor Durbin moved to appoint the Chairman of the FRS Investment Committee as a nominee to the AEW Advisory Board. Mr. Halphen seconded. The motion passed.

IRREVOCABILITY OF COST-OF-LIVING ADJUSTMENTS (COLAs)

Mr. Frederick Eisemann came before the board to discuss his election to receive an actuarial offset to his monthly retirement benefit in order to receive the automatic 2½% annual cost of living. Mr. Eisemann is seeking to reverse his decision because he did not understand that his benefit would be reduced by about \$600 per month. Mr. Eisemann believed that the automatic 2.5% COLA, was that if all other retirees received a 5% COLA, he would only receive 2½%. Mr. Eisemann did not receive his actual monthly benefit until after he retired because per board policy you must submit your retirement application at least thirty days prior to your effective retirement date. Ms. Rogers stated that Mr. Eisemann's effective date was September 1 and the retirement office was still receiving salary information for Mr. Eisemann in the month of September. So therefore, Mr. Eisemann's final salary was not received until after his effective date. Then after the final salary was received, Mr. Starns made the final benefit calculation and mailed a letter to Mr. Eisemann, stating what his monthly benefit amount would be.

MOTION: After further discussion, Mayor Durbin moved to revoke Mr. Eisemann's choice for selection on his retirement application based on this being a "case of first impression". He noted that Mr. Eisemann was the first such applicant to experience the process of selecting and receiving benefits without first having been provided with a written estimate of his reduced benefits. Mr. Halphen seconded. Mr. Broussard, Mayor Foster and Mr. Procopio were opposed. Mr. Fredieu, Mr. Birdwell, Mr. Halphen and Mayor Durbin voted for. The motion did not pass because five yes votes were not obtained.

MOTION: After further discussion, Mr. Procopio moved to direct the FRS staff to review the retirement application process and particularly the aspects of selecting the 2½% COLA option or Option 4, or those two choices selected together, and to report back to the board with any policy recommendations that result from the review. Mr. Halphen seconded. The motion passed.

MOTION: Mr. Broussard made a clarifying motion to have the FRS staff to review the policy that "If a person elects Option 4, they can't have the 2½% COLA option also." Mayor Foster seconded. The motion passed.

FRS COMPUTER OPERATING SYSTEM

Ms. Kelli Rogers updated the board on the conversion process of the FRS computer operating system. Ms. Rogers advised that Phase 1 of the conversion has been successfully completed. Phase 2 of the conversion is projected to be completed by November 1.

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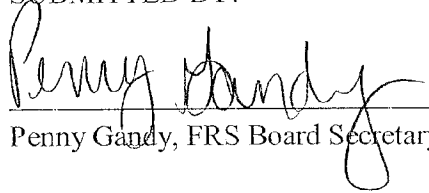
ADJOURNMENT

There being no further business, the meeting of the FRS board of trustees was adjourned.

FUTURE MEETINGS

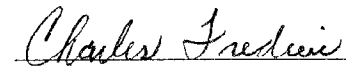
**FRS Board of Trustees
Public Safety Building
3100 Brentwood Drive
Baton Rouge, Louisiana
Wednesday, November 10 2010, at 01:00 pm**

SUBMITTED BY:



Penny Gandy, FRS Board Secretary

APPROVED BY:



Mr. Charles Fredieu, FRS Chairman