



FIREFIIGHTERS RETIREMENT SYSTEM

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<p style="text-align: center;">MEETING OF THE BOARD OF TRUSTEES AUGUST 12, 2010</p>

A meeting of the board of trustees was held on August 12, 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. Paul Smith
Mr. John Broussard

OTHERS PRESENT

Mr. Steven Stockstill
Ms. Kelli Rogers
Mr. Jason Starns
Ms. Penny Gandy
Mr. Gary Curran
Mr. Joe Meals
Ms. Lauren Bailey
Mr. Matt Tessier
Ms. Laura Gail Sullivan
Mr. Donnie Gauthier
Mr. Pat Searcy
Mr. Eldon Ledoux
Mr. Mike Gallagher
Mr. Allen Frederick
Mr. Stewart Chester
Ms. Gay Frederick
Mr. Mike Hammer
Mr. Frank Cusimano

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MINUTES

MOTION: Mr. Stacy Birdwell moved to approve the minutes of the board meeting held on July 8, 2010. Mayor Durbin seconded. The motion passed.

APPLICANTS

- New Members

PROCEDURE: Each enrollment application is reviewed by staff to determine eligible job classification, date of hire, employer certification, and medical waiver information. Each application for membership was completed and submitted in accordance with all applicable state laws.

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

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

- 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 #2) He stated that all applications were in order.

MOTION: Mr. Birdwell moved to approve the new retiree applicants. Mayor Durbin 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

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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 Mr. Gregory Mims surviving spouse of Mrs. Deborah Mims. He stated that the application was in order.

MOTION: Mr. Birdwell moved to approve surviving spouse benefits for Mr. Gregory Mims. Mr. Halphen seconded. The motion passed.

Mr. Starns presented the application of Mrs. Virginia Pike, surviving spouse of Mr. Harold Pike. He stated that the application was in order.

MOTION: Mr. Birdwell moved to approve surviving spouse benefits for Mrs. Virginia Pike. Mayor Durbin seconded. The motion passed.

- Disability Conversion Applicant

PROCEDURE: Retirees who apply for conversion from regular retirement to a disability retirement are required to submit detailed medical information as part of the application in support of their claim that the disability was job-related and occurred during active employment as a firefighter, even though the actual physical disability may not have become manifest until after the effective date in DROP or after commencement of service retirement. Once received, the application is reviewed by staff and medical records are forwarded to a State Medical Disability Board doctor to determine if sufficient documentation is present to certify that the retiree's disability occurred during active employment and was a direct result of working as a firefighter. If the medical information submitted is not sufficient for the doctor to determine the date and cause of the disability, then an appointment is scheduled for the applicant to undergo a physical examination. The State Medical Disability Board doctor must furnish a medical report certifying the retiree's disability and that the disability was a direct result of employment as a firefighter. (R.S. 11:2258(B) and Administrative Rule)

██████████ Mr. Starns presented the application for disability conversion of ██████████
Mr. Starns stated that the applicant was seen by Dr. Kenneth Gaddis, the State Medical Disability Board doctor. In his report, Dr. Gaddis stated, that "Within reasonable degree of medical certainty, this tumor did not develop or begin development during the time that he was actively employed prior to June 1, 1997. It would be the opinion of this physician that the malignant tumor developed after his active employment in June 1997. This type of malignant tumor is very rapidly growing and within reasonable degree of medical certainty, was not present during his active employment years."

Based upon the report of Dr. Kenneth Gaddis, the staff recommendation was for the denial of the disability conversion.

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

MONTHLY FLASH REPORT - JULY 2010

Mr. Joe Meals presented the monthly flash report for July 2010. (see attached Exhibit #3) He began by noting that the overall fund was up/down as follows: 3.5% for the month of July as compared to the blended index of 4.6%; 3.5% for the fiscal year to date as compared to the blended index of 4.6%; 11.5% for the trailing 12 months as compared to the blended index of 12.2%.

COMMITTEE REPORT - [No committee meetings were held this month.]

- **Clinton Equity Strategies**

Mr. Meals notified the board that representatives of Clinton Equity Strategies (an existing FRS investment manager) made a request regarding calculation of the NAV applicable to certain distributions from the fund. (see attached Exhibit #4)

MOTION: After further discussions, Mr. Broussard moved to approve the agreement regarding the calculation of the NAV applicable to distributions from the fund. Mr. Smith seconded. The motion passed.

- **Republic Business Credit, LLC**

Mr. Allen Frederick, Mr. Stewart Chester and Ms. Gaye Frederick, the principals of a firm known as Republic Business Credit, LLC presented the board with information regarding investing in a fund with a strategy commonly known as factoring. (see attached Exhibit #5)

MOTION: After further discussion, Mayor Durbin moved for the board to reconsider the matter in September or October after background checks of the principals are conducted by FRS staff and a term sheet is finalized. Mr. Birdwell seconded. The motion passed.

LITIGATION REPORT - FRS v. REGIONS BANK, ET AL

Mr. Stockstill notified the board that an attorney, Mr. Peter Mougey, was left out of the previous contract between FRS and the attorneys handling the litigation against Regions Bank. The contract needs to be amended adding Mr. Mougey's name.

MOTION: Mr. Birdwell moved to allow Mr. Stockstill to amend the contract to add Mr. Mougey's name. Mr. Halphen seconded. The motion passed.

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ADJOURNMENT

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

FUTURE MEETINGS

**FRS Investment Committee
Public Safety Building
3100 Brentwood Drive
Baton Rouge, Louisiana
Wednesday, September 8, 2010, at 3:00 p.m.**

**FRS Board of Trustees
Public Safety Building
3100 Brentwood Drive
Baton Rouge, Louisiana
Thursday, September 9, 2010, at 8:30 a.m.**

SUBMITTED BY:



Penny Gandy, FRS Board Secretary

APPROVED BY:



Mr. Charles Fredieu, FRS Chairman