



## **FIREFIIGHTERS RETIREMENT SYSTEM**

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### **MEETING OF THE BOARD OF TRUSTEES DECEMBER 7, 2011**

A meeting of the board of trustees was held on December 7, 2011 at the Public Safety Building in Baton Rouge. Mr. Charlie Fredieu, Chairman, called the meeting to order at 8:30 a.m.

Dr. Procopio gave the invocation and Mr. Birdwell led the pledge of allegiance.

Mrs. Penny Gandy called the roll. A quorum was present.

#### **MEMBERS PRESENT**

Mr. Charlic Fredieu  
Mr. Stacy Birdwell  
Mr. Jerry Tarleton  
Mr. Paul Smith  
Mr. John Broussard  
Dr. Steven Procopio  
Mayor James Durbin

#### **OTHERS PRESENT**

Steven Stockstill  
Kelli Rogers  
Jason Starns  
Penny Gandy  
Greg Curran  
Lauren Bailey  
Robert Mayence  
Claudia Mayence  
Joel Meals  
Michael Jacobs  
Kirk Reasonover

#### **MINUTES**

**MOTION:** Mr. Birdwell moved to approve the minutes of the board meeting held on November 10, 2011. Mr. Tarleton seconded. The motion passed.

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**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. Tarleton seconded. The motion passed.

- Retirees

PROCEDURE: To retire, a member must furnish the retirement office with an application for retirement. When the application is received by the retirement office, 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. Mr. Tarleton seconded. The motion passed.

- Disability Applications

PROCEDURE: To obtain disability benefits, a member must furnish the retirement office with an application for disability retirement. For the following applicant(s), the 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 submitted a detailed report in laymen's terms of his findings based on the examination performed and the medical records reviewed. Prior to the meeting, the board of trustees was provided with the disability application, job description, State Medical Disability Board doctor's report and all medical records related to each applicant, for their advance review. (R.S. 11:215, 216, 218, & 2258)

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[NOTE: By giving advance notice on its posted agenda, the board of trustees reserved its right to enter executive session pursuant to R.S. 42:17(A)(1) for discussion of any privacy protected physical or mental health information related to the disability applicants.]

[REDACTED] - Ms. Gandy presented the application for disability retirement of [REDACTED]. Mrs. Gandy stated that the applicant was referred by FRS to the State Medical Disability Board doctor, Dr. Garland Green. In his report, Dr. Green stated, "This male, 58 years of age, presents to Southeastern Cardiovascular Consultants on 09/20/11 for cardiovascular evaluation for Firefighters' Retirement System. Patient has angina last October and was found to have three vessel CAD. He was given six bypass grafts. He has occasional minor chest pain. Patient denies dyspnea. Recommendations: 1.) Continue medications as prescribed. 2.) Patient is limited from performing duties as Firefighter due to CAD. CAD is a progressive process and has developed during the time he was a firefighter." Mrs. Gandy said a follow-up letter was forwarded to Dr. Garland Green, in which Dr. Green was asked, "Based upon your Independent Medical Evaluation regarding [REDACTED] application for disability retirement and based upon [REDACTED] "job description" is [REDACTED] totally incapacitated for the further performance of his normal duties?" Dr. Green responded "No."

Based upon the report of Dr. Garland Green, the staff recommendation was for the denial of a job-related disability retirement.

MOTION: Mr. Smith moved to reject the staff recommendation and approve a job-related disability and discontinue recertification. Mr. Broussard seconded. The motion passed.

- Disability Conversion Applicants

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. For the applicant to become eligible for conversion, 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 referred by FRS to the State Medical Disability Board doctor, Dr. Indira Sastry. In her report, Dr. Sastry stated, "I have reviewed PFT's done at VAMC in 06/2010 and 08/2011 and compared them. Forced vital capacity and FEV1 fall within normal limits in both exams, with the ratio just below the normal limit with no significant change in the two exams. Chest x-ray reports from 01/2011 and 08/2011 were noted. Both showed pulmonary calcifications with upper lobe fibrosis with no change in the interval. At this time I note he does have the sarcoidosis which was diagnosed in 1995 with evidence of the disease on chest x-ray (per reports). His PFT's remain within normal limits (though the FEV1/FVC ratio is mildly reduced, this may or may not be clinically significant). He is symptomatic with the shortness of breath on exertion, cough with occasional wheezing requiring medications. Associated co-morbidities include hypertension, chronic back pain, and degenerative joint disease. Based on his subjective symptoms he may be considered for disability though this could not be substantiated by his PFT's." Mr. Starns stated that a follow-up letter was forwarded Dr. Indira Sastry, in which she was asked, if ██████████ was totally incapacitated for the further performance of his normal duties as Director of Fire Prevention Bureau? Dr. Sastry responded "Subjectively yes, but cannot confirm it objectively per his PFT's." When Dr. Sastry was asked, if ██████████ is totally incapacitated for the further performance of his normal duties, then is the disabling condition likely to be permanent? Dr. Sastry stated "Yes." Dr. Sastry was asked whether, based upon her review of the medical records and her medical examination, did ██████████ demonstrate by clear and convincing evidence that the conditions causing the disability occurred during active employment as Director of Fire Prevention Bureau? Dr. Sastry stated "No."

Based upon the report of Dr. Indira Sastry, the staff recommendation was for the denial of disability conversion.

MOTION: Mr. Broussard moved to reject the staff recommendation and approve disability conversion and discontinue recertification. Mr. Smith seconded. The motion passed.

██████████ - Mr. Starns presented the application for disability conversion of ██████████. Mr. Starns stated that the applicant was referred by FRS to the State Medical Disability Board doctor, Dr. Garland Green. In his report, Dr. Green stated, "The patient has a cardiac history extending back to 02/27/2011 when the patient had a heart attack and subsequently had coronary intervention with partial treatment of his coronary artery disease performed. The patient had three-vessel coronary artery disease and subsequently had coronary artery bypass surgery in March 2011. The patient has been progressing somewhat slowly; however, he is undergoing cardiovascular rehabilitation at this time." "The patient formerly worked as a captain on a rescue truck at the airport. There are no risk factors associated with the patient's job that predisposes him to develop any coronary artery disease. Although the patient will not be able to return to his job at this time, as he is in the recovery phase from his bypass surgery, it is not in comprehension when the patient could return to work after undergoing this surgical intervention. Patients are usually able to return

to work after bypass surgery with about six months of recovery time. At this point, [REDACTED] would only be a little over three months into his postoperative period."

Based upon the report of Dr. Garland Green, the staff recommendation was for the denial of disability conversion.

MOTION: Mr. Broussard moved to reject the staff recommendation and send [REDACTED] back to Dr. Garland Green for a follow-up appointment. Mr. Smith seconded. The motion passed.

#### **MONTHLY FLASH REPORT - NOVEMBER 2011**

Mr. Joe Meals presented the monthly flash report for November 2011. (see attached Exhibit #3) He began by noting that the overall fund was up/down as follows: -0.6% for the month of November as compared to the blended index of -0.2%; -3.6% for the fiscal year to date as compared to the blended index of -1.1%; 3.8% for the trailing twelve months as compared to the blended index of 7.3%; and 11.0% for the trailing 3 years as compared to the blended index of 12.0%.

#### **COMMITTEE REPORT - INVESTMENT COMMITTEE**

[NOTE: The Investment Committee met on December 6, 2011, at the FRS office in Baton Rouge at 3:00 p.m. to discuss the business set forth in its posted agenda. The minutes of that meeting are embedded herein. Committee members present were Stacy Birdwell, chairman; John Broussard, Dr. Steven Procopio, Paul Smith and Charlie Fredieu, ex officio. Also present were Mayor James Durbin, Joe Meals, Lauren Bailey, Laura Gail Sullivan, Kirk Reasonover, and Wesley Barr.]

Committee chairman Birdwell recognized Mr. Joe Meals to give the investment committee report.

- **CA Recovery Fund**

Mr. Meals advised that two of the funds managed by Commonwealth Advisors, i.e., CA Core Fund and Sand Spring III, have both filed for bankruptcy. Mr. Meals advised that the CA Recovery Fund is not a party to the bankruptcy. Mr. Meals said the investment committee recommended that FRS submit a full redemption notice from the CA Recovery Fund, an existing FRS investment managed by Commonwealth Advisors.

MOTION: Mr. Birdwell moved the investment committee recommendation in the form of a motion. Mr. Smith seconded. The motion passed.

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

- **Litigation - Bank of New York Mellon (BoNY)**

Mr. Meals advised the board that FRS' custodial bank, BoNY, has been alleged in a lawsuit filed by the New York Attorney General of cheating the state and other pension funds nationwide out of foreign exchange fees. He gave a general overview of the allegations, but observed that all FRS managers have the right to choose or decline to use BoNY's foreign exchange desk when executing trades involving international securities.

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

- **Advisory Research, Inc.**

Mr. Meals advised the board that Advisory Research, Inc., an existing FRS manager, was placed on "watch status" after last month's flash report. Mr. Meals advised the board that Advisory sent a response letter and it was discussed at the investment committee meeting, with no recommendations being made by the committee.

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

- **LSV Asset Management**

Mr. Meals advised the board that LSV Asset Management, an existing FRS manager, was placed on "watch status" after last month's flash report. Mr. Meals advised that LSV responded by stating they were adding emerging markets into their investment universe in order to improve their performance. No recommendations were made by the committee.

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

- **Barrow Hanley (BH)**

Mr. Joe Meals advised the board that, at the November board meeting, a transition strategy was discussed regarding Barrow Hanley, an existing FRS manager. He noted that December is not a good month to be making transition moves in the portfolio. Mr. Meals said that he spoke with a representative of Barrow Hanley who said that BH's portfolio is comprised of about 90% investment grade bonds and 10% high yield bonds. Mr. Meals said he would like to discuss the transition at the January 2012 board meeting.

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

- **Tradewinds Global All-Cap Fund**

Mr. Meals recalled that FRS previously decided to move the Tradewinds U.S. equity portfolio, an existing FRS manager, to Tradewinds Global All-Cap strategy. Mr. Meals said that it appeared that the best avenue to access this strategy was participation in a commingled trust. He said the legal agreement for the commingled trust has been reviewed. Mr. Meals said the legal agreement does not specifically say that Tradewinds agrees to be a fiduciary under Louisiana law. He said that both him and Mr. Stockstill have had several discussions with Tradewinds representatives regarding the fiduciary matter. Mr. Meals said that Tradewinds has not yet agreed to be a fiduciary in unequivocal terms. He said the investment committee recommends that, unless Tradewinds agrees to the terms of the contract as proposed by Mr. Stockstill, making the contract consistent with Louisiana law, and thereby expressly acknowledging its role as a fiduciary, specifically as it relates to Louisiana law, that FRS should not proceed with the transition to the Global All-Cap portfolio.

Mr. Meals said the investment committee further recommends that, from this day forward, FRS should be prohibited by policy from entering into a contract with a manager for a discretionary account, if the prospective manager is not willing to affirm its role as a fiduciary under Louisiana law in a manner acceptable to the FRS executive director.

MOTION: Mr. Birdwell moved the two investment committee recommendations in the form of a motion. Mr. Broussard seconded. The motion passed.

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

- **Sail Venture Partners II**

[NOTE: By giving notice on its duly posted agenda, the FRS board of trustees reserved its right to enter executive session pursuant to R.S. 42:17(A)(2) for discussion of strategy or negotiations with respect to actual or prospective litigation where an open meeting would have a detrimental effect on the litigating position of FRS in the matter referenced in agenda item III(1)(G); and the board of trustees further reserved its right to enter executive session pursuant to R.S. 42:17(A)(1) for discussion of character or professional competence of the juridical entities identified in agenda item III(1)(G); all pertinent notifications had been provided.]

Mr. Meals recalled that FRS made a \$15 million commitment to the Louisiana Sustainability Fund, in July 2011. He said the fund has called around \$4.9 million and, because the fund has deployed the called capital to portfolio companies, the fund has depreciated in value for the short time it has been an FRS investment.

Mr. Meals observed that Sail Capital Partners, LLC has retained a new chief financial officer (CFO). He said that Marcia Bateson was the prior CFO who is being replaced. Mr. Meals said that Ms.

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Bateson has alleged incorrect accounting treatment of certain specific management fee calculations. He said the investment committee recommends asking the General Partner to appear and give an explanation to the committee regarding Ms. Bateson's allegations and all steps implemented to correct the accounting errors, if any. Mr. Meals said FRS should ask Sail Capital Partners to waive the confidentiality agreement that is in place with Ms. Bateson, so she can speak freely to the board.

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

- **Fletcher Asset Management, Inc.**

[NOTE: By giving notice on its duly posted agenda, the FRS board of trustees reserved its right to enter executive session pursuant to R.S. 42:17(A)(2) for discussion of strategy or negotiations with respect to actual or prospective litigation where an open meeting would have a detrimental effect on the litigating position of FRS in the matter referenced in agenda item III(1)(H); and the board of trustees further reserved its right to enter executive session pursuant to R.S. 42:17(A)(1) for discussion of character or professional competence of the juridical entities identified in agenda item III(1)(H); all pertinent notifications had been provided.]

Mr. Stockstill suggested that the board approve his travel to appear in New York on December 13th to hold discussions with the principals of Fletcher Asset Management, Inc., regarding resolving FRS' outstanding redemption request.

The discussion of this matter was concluded with no action being taken. [NOTE: See "In Globo Travel Motion" below.]

**Firefighters' Retirement System v. Regions Bank, et al**

[NOTE: By giving notice on its duly posted agenda, the FRS board of trustees reserved its right to enter executive session pursuant to R.S. 42:17(A)(2) for discussion of strategy or negotiations with respect to actual or prospective litigation where an open meeting would have a detrimental effect on the litigating position of FRS in the judicial matters cited in agenda item III(2); all pertinent notifications had been provided.]

MOTION: Mr. Birdwell moved to enter executive session. Dr. Procopio seconded. The motion passed unanimously. The board entered executive session.

MOTION: Mr. Birdwell moved to resume public session. Mr. Smith seconded. The motion passed unanimously. The board resumed public session.

MOTION: Mayor Durbin moved enter executive session. Mr. Broussard seconded. The motion passed unanimously. The board entered executive session.



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

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

**In re Robert Black & Kelly J. Black**

[NOTE: By giving notice on its duly posted agenda, the FRS board of trustees reserved its right to enter executive session pursuant to R.S. 42:17(A)(2) for discussion of strategy or negotiations with respect to actual or prospective litigation where an open meeting would have a detrimental effect on the litigating position of FRS in the judicial matters cited in agenda item III(3); all pertinent notifications had been provided.]

MOTION: Mr. Birdwell moved to defer this item until the January 2012 board meeting. Mr. Broussard seconded. The motion passed.

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

**In re Sand Spring Capital III**

[NOTE: By giving notice on its duly posted agenda, the FRS board of trustees reserved its right to enter executive session pursuant to R.S. 42:17(A)(2) for discussion of strategy or negotiations with respect to actual or prospective litigation where an open meeting would have a detrimental effect on the litigating position of FRS in the matter cited in agenda item III (4); and the FRS board of trustees further reserved its right to enter executive session pursuant to R.S. 42:17(A)(1) for discussion of character or professional competence of the juridical entities identified in agenda item III(4); all pertinent notifications had been provided.]

MOTION: Mr. Birdwell moved to enter executive session. Mr. Tarleton seconded. The motion passed unanimously. The board entered executive session.

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

MOTION: Mr. Birdwell moved to authorize the FRS executive director to execute any appropriate settlement agreement on behalf of FRS regarding the funds managed by Commonwealth Advisors and Walter Morales, or both. Mayor Durbin seconded. The motion passed.

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

**In Globo Travel Motion**

MOTION: Mr. Birdwell moved to approve the travel request of the FRS executive director to attend bankruptcy mediation proceedings on December 12<sup>th</sup> and 13<sup>th</sup> in New York regarding Commonwealth Advisors, and to meet with representatives of Fletcher Asset Management on December 13<sup>th</sup> and 14<sup>th</sup> in New York regarding FRS' redemption request, and to meet with representatives of Flex Energy on December 15<sup>th</sup> in New Hampshire regarding a capital call from the Louisiana Sustainability Fund. Mayor Durbin seconded. The motion passed.

MOTION: Mr. Birdwell moved to recess the meeting for lunch. Mr. Smith seconded. The board meeting was recessed.

MOTION: Mr. Birdwell moved to resume the public meeting. Mr. Tarleton seconded. The board meeting was resumed.

**Unclassified FRS Staff Position - Investment Officer**

Mr. Stockstill recalled that the board had previously approved the addition of an Investment Officer as a newly created FRS staff position. He presented the board with a job description for the unclassified FRS staff position of Investment Officer.

MOTION: Mr. Birdwell moved to approve the job description and adopt the job description as a model for hiring an Investment Officer. Mr. Broussard seconded. The motion passed.

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

**Funding Review Panel Proposals**

Mr. Stockstill recalled that a memorandum was previously sent to the FRS board regarding three items that had been discussed at the Funding Review Panel. He said the FRS board had been asked to provide feedback about those items to the Funding Review Panel members. Mr. Stockstill said that the first proposal involved creating a new tier in FRS that would only apply to employees hired on and after January 1, 2013. He briefly covered the features of this proposal. (see attached Exhibit #4) He said it divides employees into two categories - hazardous duty and non-hazardous duty. Hazardous duty employees would have to be post certified. Anyone not post certified would be a non-hazardous duty employee. He stated the employee contribution rate for new hires would be Hazardous duty employees, 9.5%, and non-hazardous duty employees would be 8%. He said the average final compensation would be sixty (60) months. The benefit accrual rate for hazardous duty employees would be 3.33% and non-hazardous duty employees would be 2.5%. Disability provisions would be the same for both categories.

MOTION: Mr. Broussard moved to authorize the FRS actuary to study the new tier concept and develop an actuarial impact analysis by using a model of 0%, 4% and 8% non-hazardous duty employees in the new tier being proposed. Mayor Durbin seconded. The motion passed.

Mr. Stockstill advised the board of a second proposal presented to the Funding Review Panel by the president of the Louisiana Fire Chiefs' Association (LFCA) as a means of providing a cost-reducing affordable benefit. (see attached Exhibit #5)

MOTION: Mr. Birdwell moved to oppose the proposal submitted by the LFCA president. Mayor Durbin seconded. The motion passed.

Mr. Stockstill advised the board of a third proposal presented to the Funding Review Panel to extend DROP participation from 3 years to 5 years. The board asked the executive director to furnish the Funding Review Panel with the report that the FRS actuary previously published addressing this concept.

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

#### **Prospective Direct Real Estate Investment**

MOTION: Mr. Birdwell moved to defer this item until the January 2012 board meeting. Mr. Broussard seconded. The motion passed.

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

#### **Actuarial Valuation - 06/30/11**

Mr. Greg Curran presented an overview of the Actuarial Valuation as of June 30, 2011. (see attached Exhibit #6) He discussed the contribution rates for FY 2012. Mr. Curran advised the board of two major factors considered in the funding of FRS. The first being a normal cost calculation. He said that is an annual cost of the benefits promised under the plan assumptions. The second being the unfunded accrued liability, the UAL. He said that, instead of paying for the UAL over the working lifetime of the plan's members, it is paid for on a specific schedule. The schedule is set by statute. Mr. Curran said that when he looked at members in the plan and calculated the normal costs for the upcoming year, 2012, he found that the total comes to \$47.8 million for year, based on the benefit structure that exists and the population of the members. Mr. Curran said the most expensive piece of the benefit structure is the retirement benefits, which includes DROP.

Mr. Curran said the total UAL of the plan is \$416 million. He said, by spreading the components of the UAL over the specified period of time, the payment comes to be \$85.7 million for 2012. He said that the total amount of money to be used for FY 2012 from all sources is \$89.9 million.

Mr. Curran said that the insurance premium tax funds received by FRS equals \$21.8 million. He said that, after reducing the total required contributions by the amount of the insurance premium tax funds received, FRS still needs \$68 million, which comes from employee and employer contributions. He said that the total contributions from employees and employers has been calculated based a percentage, 34.02%, giving consideration to the new employee rate changes that were implemented along with the poverty guidelines. That amount is needed from employees and employers. Mr. Curran said that, after the rounding adjustment required by law, the percentage of total required contributions is 34%. Mr. Curran said that the employers contributing on behalf of employees whose pay is above the poverty level will contribute 24% on behalf of the employer and will collect and remit 10% from its employees. He said that the employers contributing on behalf of employees whose pay is below the poverty level will contribute 26% on behalf of the employer and will collect and remit 8% from its employees.

Mr. Curran said the present value of future benefits exceeds \$2 billion. He said that the market value of FRS' assets is \$1 billion. He noted that FRS has to collect the difference over the future lives of employees. Mr. Curran advised the board of the actuarial value of assets is more than the market value of assets because of the smoothing technique. He said the goal of the actuarial smoothing technique is simply trying to avoid large ups and downs in the employer contribution rate based solely on investment experience. He said the smoothing technique helps the cities avoid extraordinary spikes and dips in the employer contribution rate. Mr. Curran said that he expects to see more employer contribution rate increases over the next couple of years, because years 2008 and 2009 are still included in the overall average used as part of the smoothing technique.

Mr. Broussard observed that the board adopted the June 2011 Actuarial Valuation last month (November 2011) in order to expedite its submission to the Public Retirement Systems' Actuarial Committee (PR SAC) for the purpose of formally adopting the employer contribution rate, but it had been handled under "Other Business" instead of being a designated agenda item. In an abundance of caution, it was expressly included again on the December 2011 agenda as a specific item for discussion and action.

MOTION: Mr. Broussard moved to ratify the action taken at the November 2011 board meeting, whereby the board adopted the June 2011 Actuarial Valuation. Dr. Procopio seconded. The motion passed.

Mr. Curran presented the board with a list of all assumptions, option factors, and mortality tables used in publishing the annual FRS actuarial valuation. (see attached Exhibit #7)

MOTION: Mr. Birdwell moved to adopt the list of assumptions, factors, and tables as presented by the FRS actuary. Mr. Broussard seconded. The motion passed.

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

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**ADJOURNMENT**

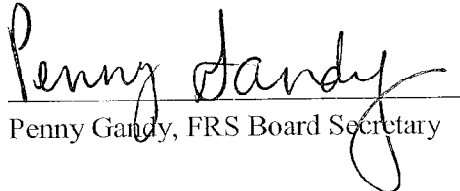
There being no further business, the meeting of the FRS board of trustees was adjourned.

**FUTURE MEETINGS**

**FRS Investment Committee  
Public Safety Building  
3100 Brentwood Drive  
Baton Rouge, Louisiana  
Wednesday, January 11, 2012 at 3:00 p.m.**

**FRS Board of Trustees  
Public Safety Building  
3100 Brentwood Drive  
Baton Rouge, Louisiana  
Thursday, January 12, 2012 at 8:30 a.m.**

SUBMITTED BY:

  
Penny Gandy, FRS Board Secretary

APPROVED BY:

  
Mr. Charles Fredieu, FRS Chairman