



FIREFIIGHTERS RETIREMENT SYSTEM

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MEETING OF THE BOARD OF TRUSTEES February 13, 2015

A meeting of the Board of Trustees was held on February 13, 2015 at the Astor Crowne Plaza Hotel, Toulouse Room B, 739 Canal Street New Orleans, Louisiana. Mr. Charlie Fredieu, Chairman, called the meeting to order at 2:30 p.m.

Mr. Jeselink gave the invocation and Mr. Birdwell led the pledge of allegiance.

Mr. Starns called the roll. A quorum was present.

MEMBERS PRESENT

Mr. Charlie Fredieu
Mayor Amrhein
Mr. Stacy Birdwell
Mr. John Broussard
Mr. Perry Jeselink
Mr. John McLean
Mayor Ron Roberts
Mr. Jerry Tarleton

OTHERS PRESENT

Steven Stockstill
Layne McKinney
Jason Starns
Michael Becker
David Barnes
Greg Curran
Paul Schmidt
Phil Preis
Nick Lavene
Thomas Meagher
Kirk Reasonover
Bob Burkett

MINUTES

MOTION: Mr. Birdwell moved to approve the minutes of the board meeting held on January 8, 2015, with a correction showing Mr. Birdwell had assumed the chair in the absence of Mr. Fredieu. Mr. Tarleton seconded. The motion passed.

APPLICANTS

- New Members

PROCEDURE: The FRS enrollment process, including the completion of the applicant forms, the physical examination, and the completion of any waivers of preexisting conditions, must be completed and all documents received by FRS within six months of the date of employment. If the FRS enrollment process is not completed within six months from the date of employment, the applicant will be a member eligible to begin vesting for regular benefits from the date of employment, but not eligible to begin vesting for disability benefits until the completion of the enrollment process. It is the statutory responsibility of the employer to insure that the enrollment process is timely completed or to provide FRS with notice of noncompliance by the applicant. If a member who has not completed the enrollment process becomes injured in the line of duty and applies for disability benefits, then the member must prove that the disabling condition was not preexisting. 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. 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. Tarleton moved to approve the new retiree applicants. Mr. Birdwell seconded. The motion passed.

FRS ET AL v. CITCO GROUP LIMITED ET AL

FRS, et al. v. Citco Group Limited, et al., Suit No. 619601, 19th Judicial District Court, East Baton Rouge Parish, Louisiana

[NOTE: By giving notice on its duly posted agenda, the 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 litigation, and where an open meeting would have a detrimental effect on the litigating position of FRS in the judicial matter cited in agenda item II(1) (see litigation cited above); all pertinent notifications had been provided.]

MOTION: Mr. Birdwell moved to enter executive session to discuss the agenda item shown above. Mr. Tarleton seconded. The motion passed unanimously.

MOTION: Mr. Tarleton moved to resume public session. Mr. Birdwell seconded. The motion passed unanimously.

MOTION: Mr. Tarleton moved, based on the recommendation of counsel (Phil Preis), to authorize the Firefighters' Retirement System to enter into a settlement agreement with Soundview/BVI in consideration of Soundview/BVI's release of all claims against the Fletcher entities and, further, to authorize the FRS executive director to negotiate the the final terms thereof and to execute the settlement on behalf of FRS. Mr. Birdwell seconded. The motion passed.

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

BROYLES v. CANTOR ET AL

Joseph N. Broyles v. Cantor Fitzgerald & Co., et al., Civil Action No. 3:10-854-JJB-SCR, United States District Court, Middle District of Louisiana consolidated with *Joseph N. Broyles, et al. versus Cantor Fitzgerald & Co. et al.*, Civil Action No. 3:10-857-JJB-SCR, United States District Court, Middle District of Louisiana; and *In re Sand Spring Capital III*, Case No. 11-13393, US Bankruptcy Court, District of Delaware - A consolidation of five funds managed by Commonwealth Advisors.

[NOTE: By giving notice on its duly posted agenda, the board of trustees 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 II(2); The board of trustees further 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 matters referenced in agenda item II(2) (see litigation cited above); all pertinent notifications had been provided.]

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MOTION: Mr. Birdwell moved to enter executive session to discuss the agenda item shown above. Mr. Tarleton seconded. The motion passed unanimously.

MOTION: Mr. Tarleton moved to resume public session. Mr. Birdwell seconded. The motion passed unanimously.

MOTION: Mr. Tarleton moved, based on advice of counsel (Kirk Reasonover) to support the litigation committee's decision to dismiss defendant Charles Schwab from the litigation cited above. Mr. Birdwell seconded. The motion passed.

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

SAIL VENTURE PARTNERS II AND LOUISIANA SUSTAINABILITY FUND

[NOTE: By giving notice on its duly posted agenda, the board of trustees 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 II(3); The FRS board of trustees further reserved its right to enter executive session pursuant to R.S. 42:17(A)(1) 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 regarding the juridical entities identified in agenda item II(3); all pertinent notifications had been provided.]

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

MOTION: Mr. Jeselink moved to resume public session. Mr. Birdwell seconded. The motion passed unanimously.

MOTION: Mr. Tarleton moved to authorize the firm of Klausner and Kauffman to file a petition versus the Sail investment entities and Consulting Services Group and authorized payment of the initial retainer for legal services. Mr. Birdwell seconded. The motion passed.

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

MONTHLY FLASH REPORT - JANUARY 2015

Mr. Barnes presented the monthly flash report for January 2015. (see attached Exhibit #3) The overall fund was up/down as follows: -0.7% for the month of January as compared to the allocation index of -0.8%; -3.0% for the fiscal year to date as compared to the allocation index of -1.9%; 3.0% for the trailing 12 months as compared to the allocation index of 6.4%; and 4.9% for the trailing 3 years as compared to the allocation index of N/A%.

2015 ASSET ALLOCATION UPDATE

Mr. Barnes presented the contents of an NEPC report titled "2015 Asset Allocation Update". (see attached Exhibit #4)

MOTION: Mr. Birdwell moved to approve the new target asset allocation identified as Mix A as recommended by NEPC, in addition to the minimum and maximum allocation rankings on the investment policy statement update. Mr. Tarleton seconded. The motion passed. Mr. Roberts abstained.

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

COST-OF-LIVING ADJUSTMENT (COLA); METHOD OF PAYMENT

[NOTE: Based on information presented to the board of trustees during its business meeting held on January 8, 2015, and upon confirmation by the legislative actuary that all appropriate action had been taken by the Legislative Auditor's office, the FRS board authorized the payment of a cost-of-living adjustment in an amount as determined by the FRS actuary. (see minutes 01-08-15)]

The board of trustees reviewed proposed FRS Policy No. 02132015 regarding the method for payment of cost-of-living adjustments (COLAs) relative to "Act 170" of the 2013 Regular Legislative Session, as presented by FRS staff. (see attached Exhibit #5)

MOTION: Mr. Birdwell moved to adopt the method for paying cost-of-living adjustments as presented in proposed Policy No. 02132015. Mr. Tarleton seconded. The motion passed.

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

MURPHREE VENTURE PARTNERS

[NOTE: By giving notice on its duly posted agenda, the board of trustees 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(3); The FRS board of trustees further reserved its right to enter executive session pursuant to R.S. 42:17(A)(1) 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 regarding the juridical entities identified in agenda item III(3); all pertinent notifications had been provided.]

MOTION: Mr. Tarleton moved to enter executive session. Mr. Jeselink seconded. The motion passed unanimously.

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MOTION: Mr. Birdwell moved to resume public session. Mr. Tarleton seconded. The motion passed unanimously.

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

LANGSFORD V. FRS

Langsford v. FRS, Suit No. 632,154, 19th Judicial District Court, East Baton Rouge Parish.

[NOTE: By giving notice on its duly posted agenda, the 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, and where an open meeting would have a detrimental effect on the litigating position of FRS in the judicial matter cited in agenda item III(4); all pertinent notifications had been provided.]

MOTION: Mr. Birdwell moved to enter executive session to discuss the agenda item shown above. Mr. Tarleton seconded. The motion passed unanimously.

MOTION: Mr. Tarleton moved to resume public session. Mr. Birdwell seconded. The motion passed unanimously.

MOTION: Mr. Tarleton moved to authorize enrollment of Henry Olinde as trial counsel in the above cited litigation. Mr. Birdwell seconded. The motion passed.

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

FRS ENROLLMENT REPORT - STATE SUPPLEMENTAL PAY

MOTION: Mayor Amrhein moved to defer the report regarding this item until the March 2015 business meeting. Mr. Birdwell seconded. The motion passed.

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

FRS STATEMENT OF CHANGES IN PLAN NET ASSETS; FRS STATEMENT OF PLAN NET ASSETS FOR QUARTER ENDING 12/31/14

MOTION: Mr. Tarleton moved to accept the reports identified above. (see attached Exhibit # 6) Mr. Birdwell seconded. The motion passed.

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

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ITB - FRS BANKING SERVICES

The staff presented and the board discussed a form identified as "Invitation to Bid Governmental Banking Services". (see attached Exhibit #7)

MOTION: Mr. Tarleton moved to accept the form and authorize the issuance of the invitation to bid for FRS banking services. Mr. McLean seconded. The motion passed.

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

ADJOURNMENT

Mr. McLean moved to adjourn the meeting. Mr. Tarleton seconded. The motion passed.

FUTURE MEETINGS


**FRS Board of Trustees
3100 Brentwood Drive
Baton Rouge, Louisiana
Wednesday, March 11, 2015 at 3:00 p.m.**

**FRS Board of Trustees
3100 Brentwood Drive
Baton Rouge, Louisiana
Thursday, March 12, 2015 at 8:30 a.m.**

SUBMITTED BY:

APPROVED BY:


Steven S. Stockstill, Executive Director


Mr. Charles Fredieu, FRS Chairman