



FIREFIGHTERS RETIREMENT SYSTEM

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MEETING OF THE BOARD OF TRUSTEES June 14, 2018

A meeting of the Board of Trustees was held on June 14, 2018 at the Firefighters' Retirement System building in Baton Rouge, Louisiana. Mr. Stacy Birdwell, Chairman, called the meeting to order at 8:30 a.m.

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

Ms. Poche called the roll. A quorum was present.

MEMBERS PRESENT

Mr. Stacy Birdwell
Mr. Perry Jeselink
Mr. Afranie Adomako (designee of Commissioner Jay Dardenne)
Mayor David Amrhein
Mr. John Broussard (designee of Treasurer John Schroder)
Mr. Louis Romero
Mr. Jerry Tarleton
Mayor Ronny Walker

OTHERS PRESENT

Steven Stockstill
Layne McKinney
Denise Poche
Michael Becker
Ben Johnson
Jason Starns
Andrew Tufts
David Barnes
Greg Curran
Dawn Moeller
Paul Schmidt
Gary Welchel
Farrell Crane

MINUTES

MOTION: Mr. Jeselink moved to approve the minutes of the board meeting held on May 10, 2018. Mr. Romero 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. Tarleton moved to approve the new member applicants. Mr. Adomako seconded. The motion passed.

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

- 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 retiree applicants. Mayor Walker seconded. The motion passed.

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

- 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 licence (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)

Lauren Plaisance Headley- Mr. Starns presented the application of Lauren Plaisance Headley, surviving spouse of Allen Tanner Headley. He stated that the application was in order.

MOTION: Mr. Jeselink moved to approve the application of Lauren Plaisance Headley. Mr. Tarleton seconded. The motion passed.

Catherine Elizabeth Herron- Mr. Starns presented the application of Catherine Elizabeth Herron, surviving child of Allen Tanner Headley. He stated that the application was in order.

MOTION: Mr. Tarleton moved to approve the application of Catherine Elizabeth Herron. Mayor Walker seconded. The motion passed.

Margaret Boylan King- Mr. Starns presented the application of Margaret Boylan King, surviving spouse of Edwin Louis King. He stated that the joint application was in order.

MOTION: Mr. Tarleton moved to approve the application of Margaret Boylan King. Mr. Romero seconded. The motion passed.

Patricia Bromell Shaw- Mr. Starns presented the application of Patricia Bromell Shaw, surviving spouse of Max Eugene Shaw. He stated that the application was in order.

MOTION: Mr. Tarleton moved to approve the application of Patricia Bromell Shaw. Mayor Walker seconded. The motion passed.

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

COMMITTEE REPORT - BUDGET AND FINANCE COMMITTEE

[NOTE: The Budget and Finance Committee met on June 13, 2018, at the FRS office in Baton Rouge at 2:00 p.m. to discuss the following business set forth in its posted agenda- (i) Discussion and action regarding FRS Proposed Operating Budget for Fiscal Year 2018-2019, and all related matters. The minutes of that meeting are embedded herein. Committee members present were Mr. Tarleton, chairman; Mayor Amrhein, Mr. Jeselink, and Mr. Romero. Also present were Mr. Birdwell, Mayor Walker, Steven Stockstill, Layne McKinney, Denise Poche, Michael Becker, Ben Johnson, and Andrew Tufts.]

Mr. Tarleton gave the Budget and Finance Committee report.

- Proposed FRS Operating Budget for Fiscal Year 2018-2019

Mr. Tarleton reported that Mr. Layne McKinney, FRS System CPA, presented the FRS Proposed Operating Budget for Fiscal Year 2018-2019 to the Budget and Finance Committee. (see attached Exhibit #3)

MOTION: Mr. Tarleton said the Budget and Finance Committee voted to recommend to the full board approval of the Proposed FRS Operating Budget for Fiscal Year 2018-2019 as submitted by Mr. McKinney and he moved that recommendation in the form of a motion. Mr. Jeselink seconded. A roll call vote was taken and the motion passed with the following tally-

Birdwell	Yes	
Jeselink	Yes	
Adomako	Yes	
Amrhein	Yes	
Broussard	No	
Ivey		Absent
Peacock		Absent
Romero	Yes	
Tarleton	Yes	
Walker	Yes	

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

That concluded the Budget and Finance Committee report.

RECESS FRS BOARD MEETING

CONVENE FRS-LLC JOINT ADVISORY COMMITTEE

[NOTE: The FRS-LLC Joint Advisory Committee met on June 14, 2018, at the FRS office in Baton Rouge at 8:30 a.m. to discuss the following business set forth in its posted agenda- Discussion and action regarding the annual operating budgets of Limited Liability Corporations identified as FRS-LB, FRS-LB#1, FRS-LB#3, and FRS-GA, and all related matters. The minutes of that meeting are embedded herein. Committee members present were Mr. Stockstill, manager; Mr. Birdwell, Mr. Jeselink, Mr. Adomako, Mayor Amrhein, Mr. Broussard, Mr. Romero, Mr. Tarleton, and Mayor Walker. Also present were Layne McKinney, Denise Poche, Michael Becker, Ben Johnson, Andrew Tufts, David Barnes, Gary Welchel, Farrell Crane, Greg Curran, Dawn Moeller and Paul Schmidt.]

- FRS-LB, LLC's Budget

Mr. McKinney presented the FRS-LB, LLC's Budget for Fiscal Year 2018-2019 to the joint advisory committee and answered any questions that arose relative thereto. (see attached Exhibit #4)

Mr. Stockstill stated this presentation was for informational purposes only.

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

ADJOURN FRS-LLC JOINT ADVISORY COMMITTEE

RE-CONVENE FRS BOARD MEETING

MONTHLY FLASH REPORT - MAY 2018

Mr. Barnes presented the monthly flash report for May 2018. (see attached Exhibit #5) The overall fund was up/down as follows: -0.1% for the month of May as compared to the allocation index of 0.1%; 7.3% for the fiscal year to date as compared to the allocation index of 8.3%; 7.8% for the trailing 12 months as compared to the allocation index of 9.1%; and 5.5% for the trailing 3 years as compared to the allocation index of 6.6%.

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

COMMITTEE REPORT - INVESTMENT COMMITTEE

[NOTE: The Investment Committee met on June 13, 2018, at the FRS office in Baton Rouge upon adjournment of the Budget and Finance Committee meeting to discuss the following business set forth in its posted agenda- (i) Monthly flash report for May 2018, (ii) Passive Treasury Inflation Protected Securities (TIPS) Manager Search, (iii) Presentation by representatives of the Orleans Energy Fund, and all matters related to the foregoing items. The minutes of that meeting are embedded herein. Committee members present were Mr. Jeselink, chairman; Mr. Adomako, Mr.

Broussard, Mr. Romero, and Mr. Tarleton. Also present were Mr. Birdwell, Mayor Amrhein, Mayor Walker, Steven Stockstill, Layne McKinney, Denise Poche, Michael Becker, Ben Johnson, Andrew Tufts, and David Barnes.]

Mr. Jeselink gave the Investment Committee report. In doing so he recognized Mr. Barnes who recalled his presentation of the monthly flash report to the Investment Committee for the month of May 2018. (see minute entry captioned above as "Monthly Flash Report - May 2018")

- Passive Treasury Inflation Protected Securities (TIPS) Manager Search

Mr. Jeselink reported that the "Passive TIPS Manager Search" report was presented by Mr. Barnes of NEPC. (see attached Exhibit #6) Mr. Jeselink said the committee voted to recommend BlackRock as the Passive TIPS Manager, subject to review of documents by FRS legal counsel.

MOTION: Mr. Jeselink moved the foregoing Investment Committee recommendation in the form of a motion. Mr. Tarleton seconded. The motion passed.

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

That concluded the Investment Committee report.

ORLEANS ENERGY FUND

Mr. Stockstill recalled that the board previously reviewed two different asset allocation options, one of which would have terminated the Orleans Energy Opportunities Fund. For the time being, the board opted for the asset allocation that did not terminate the Orleans Energy Opportunities Fund, but also requested that representatives of the Orleans fund appear and provide a status update to the board. Mr. Stockstill advised that Mr. L. Farrell Crane and Gary Welchel, both of Orleans Energy were present and prepared to provide a status report.

Mr. Crane, presented the board with the "Energy Opportunities Capital Management Strategy Update". (see attached Exhibit #7) He discussed the report and answered questions that arose relative thereto.

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

FRS LEGISLATION - 2018 REGULAR SESSION

Mr. Stockstill explained the following 2018 legislative bills to the board and addressed questions that arose relative thereto-

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- HB9 Ivey RETIREMENT/FIREFIGHTERS: Provides for definitions relative to rollovers of sums to the Firefighters' Retirement System from other qualified plans under the provisions of the Internal Revenue Code (EN NO IMPACT APV) Signed by the Governor - Act 109
- HB40 Ivey RETIREMENT/FIREFIGHTERS: Allows members of the Firefighters' Retirement System to allocate Deferred Retirement Option Plan funds between two separate interest bearing accounts (EN NO IMPACT APV) Signed by the Governor - Act 114
- HB41 Ivey RETIREMENT/FIREFIGHTERS: Provides relative to the fiduciary relationship between the Firefighters' Retirement System and its investment advisors (EN NO IMPACT APV) Signed by the Governor - Act 115

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

FRS RETIREE MONTHLY DEPOSIT CONFIRMATIONS

Mr. Birdwell advised the board that he would like to revisit a policy that had been created years ago by a prior board chairman. Mr. Birdwell explained that each month, the FRS staff has to send out direct deposit confirmations to every retiree. He further explained this takes a lot of time for the staff to manually do each month and there is also a large cost for the postage and envelopes. Mr. Birdwell stated that most retirees, including himself, do not even open these envelopes when they arrive, they usually get tossed aside.

MOTION: Mr. Tarleton moved to approve sending out FRS retirees' direct deposit confirmations only when there has been a change to the net deposit amount effective January 1, 2019. Mr. Romero seconded. The motion passed.

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

ADJOURNMENT

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

FUTURE MEETINGS

**FRS Board of Trustees
Louisiana Municipal Association
700 North 10th Street
Baton Rouge, Louisiana
Tuesday, July 10, 2018 at 01:30 p.m.**

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**FRS Board of Trustees
3100 Brentwood Drive
Baton Rouge, Louisiana
Wednesday, July 11, 2018 at 8:30 a.m.**

SUBMITTED BY:



Denise Poche, FRS Board Secretary

APPROVED BY:



Stacy Birdwell, FRS Chairman