



FIREFIGHTERS' RETIREMENT SYSTEM

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MEETING OF THE BOARD OF TRUSTEES January 10, 2019

A meeting of the Board of Trustees was held on January 10, 2019 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
Dawn Moeller
Margaret Corley
David Barnes
Phil Preis
Chuck Gordon
Gary Curran

ELECTION OF BOARD OFFICERS

Chairman. Mr. Birdwell conducted the election of board chairman. Upon call for nominations, Mr. Jeselink nominated Stacy Birdwell for the position of FRS board chairman. Upon three calls for further nominations, no other nominees were submitted for consideration.

MOTION: After three unanswered calls for further nominations, Mr. Jeselink moved that nominations be closed and Mr. Birdwell be deemed elected by acclamation to the position of FRS board chairman. Mayor Walker seconded. The motion passed.

Vice Chairman. Mr. Birdwell conducted the election of board vice-chairman. Upon call for nominations, Mr. Romero nominated Perry Jeselink for the position of FRS board vice-chairman. Upon three calls for further nominations, no other nominees were submitted for consideration.

MOTION: After three unanswered calls for further nominations, Mr. Romero moved that nominations be closed and Mr. Jeselink be deemed elected by acclamation to the position of FRS board vice-chairman. Mr. Tarleton seconded. The motion passed.

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

MINUTES

MOTION: Mr. Tarleton moved to approve the minutes of the board meeting held on December 20, 2018. Mr. Romero and Mayor Walker jointly 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. Romero 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. Jeselink moved to approve the retiree applicants. Mr. Tarleton 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)

Verna Arceneaux- Mr. Starns presented the application of Verna Arceneaux, surviving spouse of Harry Arceneaux. He stated that the application was in order.

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MOTION: Mr. Tarleton moved to approve the application of Verna Arceneaux. Mayor Walker seconded. The motion passed.

Nelda Darlene Lewis - Mr. Starns presented the application of Nelda Darlene Lewis, surviving spouse of Danny Farrell Lewis. He stated that the application was in order.

MOTION: Mr. Tarleton moved to approve the application of Nelda Darlene Lewis. Mayor Walker seconded. The motion passed.

Angela Ray Pilgreen - Mr. Starns presented the application of Angela Ray Pilgreen, surviving spouse of Travis Dale Pilgreen. He stated that the application was in order.

MOTION: Mr. Tarleton moved to approve the application of Angela Ray Pilgreen. Mr. Romero seconded. The motion passed.

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

FRS, ET AL v. CITGO GROUP LIMITED, ET AL

FRS, et al. v. Citgo Group Limited, et al., Suit No. 3:13-cv-00373-SDD-EWD, U.S. District Court, Middle District, 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 or prospective litigation, and where an open meeting would have a detrimental effect on the litigation position of FRS in the judicial matter cited in Agenda Item II(1); all pertinent notifications had been provided.]

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

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

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

MONTHLY FLASH REPORT - DECEMBER 2018

Due to the date of the board meeting and the timing of the investment data availability, or lack thereof, there was no flash report for the month of December 2018. In lieu thereof, Mr. Barnes presented and explained a chart containing the composite returns for each major asset class. (see attached Exhibit #3)

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

COMMITTEE REPORT - INVESTMENT COMMITTEE

[NOTE: The Investment Committee met on January 9, 2019, at the FRS office in Baton Rouge at 3:00 p.m. to discuss the following business set forth in its posted agenda- **(i)** The FRS monthly investment performance results for December 2018, **(ii)** Report titled "Themes and Opportunities" presented by NEPC, **(iii)** Report titled "Asset Class Assumptions" presented by NEPC, 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, Elizabeth Thornton, and David Barnes.]

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

- Themes and Opportunities

Mr. Jeselink reported that the "Themes and Opportunities" report was presented by Mr. Barnes with NEPC. (see attached Exhibit #4) Mr. Jeselink said the report was presented for educational purposes and the investment committee took no action on this item.

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

- Asset Class Assumptions

Mr. Jeselink reported that the "Asset Class Assumptions" report was presented by Mr. Barnes with NEPC. (see attached Exhibit #5) Mr. Jeselink said the report was presented for educational purposes and the investment committee took no action on this item.

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

That concluded the Investment Committee report.

FRS EMPLOYER PENSION REPORT

Ms. Dawn Moeller, Audit Manager, Office of the Louisiana Legislative Auditor, presented the "Employer Pension Report for the Year Ended June 30, 2018." (see attached Exhibit #6) She explained the report on a line-by-line basis and answered all questions that arose.

MOTION: Mr. Jeselink moved to accept the report as presented. Mr. Tarleton seconded. The motion passed.

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

RECESS FRS BOARD MEETING

CONVENE FRS-LLC JOINT ADVISORY COMMITTEE MEETING

[NOTE: The FRS-LLC Joint Advisory Committee met on January 10, 2019, at the FRS office in Baton Rouge at 8:30 a.m. to discuss the following business set forth in its duly posted agenda- Discussion and advice regarding Agreed Upon Procedures report produced by the Office of Louisiana Legislative Auditor regarding Limited Liability Corporations identified as FRS-LB, FRS-LB#1, FRS-LB#3, and FRS-GA. 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, Margaret Corley, David Barnes, and Gary Curran.

Agreed Upon Procedures

Ms. Moeller presented the report compiled by the Louisiana Legislative Auditor titled "Agreed-Upon Procedures Report" and answered all questions that arose. (see attached Exhibit #7)

MOTION: Mr. Jeselink moved to accept the report as presented. Mr. Tarleton seconded. The motion passed.

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

ADJOURN FRS-LLC JOINT ADVISORY COMMITTEE MEETING

CONVENE FRS-GA LLC ADVISORY COMMITTEE MEETING

[NOTE: The FRS-GA LLC Advisory Committee met on January 10, 2019, at the FRS office in Baton Rouge at 8:30 a.m. to discuss the following business set forth in its duly posted agenda- Discussion and advice regarding interest expressed by the City of Gainesville to purchase a certain tract of land from FRS-GA LLC, 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, Margaret Corley, David Barnes, and Gary Curran.

Mr. Michael Becker, FRS CIO, presented the advisory committee with a purchase offer received from the Law Offices of Hulsey, Oliver and Mahar, LLP on behalf of the City of Gainesville, Georgia. The City offered to purchase an 88.9 acre tract within the Gainesville Vision property, for development as a youth sports complex. (see attached Exhibit #8) The City offered the sum of \$777,875.00, which represented \$8,750.00 per acre

MOTION: Mr. Jeselink moved the following compound motion- Regarding FRS-GA, to advise the manager to hire a professional at a cost not to exceed \$15,000.00 to analyze the feasibility of the purchase proposal received from the City of Gainesville; and, Regarding FRS, advising the manager to seek an appropriation from FRS to FRS-LB for distribution to FRS-GA to pay the associated professional cost, if needed. Mr. Tarleton seconded both components of the motion. The motion passed.

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

ADJOURN FRS-GA LLC ADVISORY COMMITTEE MEETING

RE-CONVENE FRS BOARD MEETING

FRS LEGISLATION - 2019 REGULAR SESSION

Mr. Stockstill explained the following 2019 legislative bill drafts to the board and addressed questions that arose relative thereto-

- Provides with respect to actuarial funding methods and amortization of unfunded accrued liabilities. Mr. Stockstill distributed a second bill draft which was different compared to the bill draft that had been included in the board book. He explained that the second bill draft incorporated language that had recently been suggested by Mr. Curran. Mr. Jeselink moved to approve submission of the newly revised bill draft to the legislature. Mr. Romero and Mayor Walker jointly seconded. The motion passed. (see attached Exhibit #9)
- Repeals provision allowing a retiree to name a designated beneficiary if he becomes married after retirement. Mr. Jeselink moved to approve submission of the bill draft to the legislature. Mayor Walker seconded. The motion passed. (see attached Exhibit #10)
- Prohibits persons from rejoining the Firefighters' Retirement System if they also participate in the federal Social Security program and elect to opt out of membership in the Firefighters' Retirement System. Mr. Tarleton moved to approve submission of the bill draft to the legislature. Mayor Walker seconded. The motion passed. (see attached Exhibit #11)

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- Reduces processing period for refund of employee contributions from 90 to 30 days and repeals refunds after 45 days based on hardship. Mr. Tarleton moved to approve submission of the bill draft to the legislature. Mr. Jeselink seconded. The motion passed. (see attached Exhibit #12)
- Provides that NFPA 1582 is the governing standard regarding physical examinations required for membership in the system. Mr. Tarleton moved to approve submission of the bill draft to the legislature. Mr. Jeselink seconded. The motion passed. (see attached Exhibit #13)

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

ADJOURNMENT

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

FUTURE MEETINGS

**FRS Investment Committee
3100 Brentwood Drive
Baton Rouge, Louisiana
Wednesday, February 13, 2019 at 3:00 p.m.**

**FRS Board of Trustees
3100 Brentwood Drive
Baton Rouge, Louisiana
Thursday, February 14, 2019 at 8:30 a.m.**

SUBMITTED BY:



Denise Poche, FRS Board Secretary

APPROVED BY:



Stacy Birdwell, FRS Chairman