



FIREFIIGHTERS' RETIREMENT SYSTEM

3100 Brentwood Drive
Baton Rouge, Louisiana 70809
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MEETING OF THE BOARD OF TRUSTEES April 11, 2019

A meeting of the Board of Trustees was held on April 11, 2019 at the Firefighters' Retirement System building in Baton Rouge, Louisiana. Vice Chairman Perry Jeselink 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. Perry Jeselink (Presiding as Chairman)
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
Elizabeth Thornton
Jacob Putnam
Phil Preis
Paul Schmidt
Michael Richmond
Bryce Haws

MINUTES

MOTION: Mr. Tarleton moved to approve the minutes of the board meeting held on March 14, 2019. 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. Mayor Walker 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. Mr. Romero 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)

Suzanna Schroder Crabtree- Mr. Starns presented the application of Suzanna Schroder Crabtree, surviving spouse of Phillip Aarons Crabtree. He stated that the application was in order.

MOTION: Mr. Tarleton moved to approve the application of Suzanna Schroder Crabtree. Mayor Walker seconded. The motion passed.

Carol Jean Tibbitts- Mr. Starns presented the application of Carol Jean Tibbitts, surviving spouse of CC Tibbitts. He stated that the application was in order.

MOTION: Mr. Tarleton moved to approve the application of Carol Jean Tibbitts. Mr. Romero seconded. The motion passed.

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

- 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 review. (R.S. 11:215, 216, 218, & 2258)

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[NOTE: By giving advance notice on its duly posted agenda, the board of trustees reserved the 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.]

██████████ - Mr. Starns presented the disability application of ██████████. Mr. Starns stated that, based on the report by State Medical Disability Board doctor, Dr. Matthew Giglia, the staff recommendation was for approval of the Application for Disability Retirement (Job-Related) and suspending the requirement of disability recertification.

MOTION: Mr. Tarleton moved to accept the staff recommendation regarding ██████████. 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. CITCO GROUP LIMITED, ET AL

FRS, et al. v. Citco 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. Romero 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. Mayor Walker seconded. The motion passed unanimously.

MOTION: Mr. Tarleton moved to supercede the prior instructions given by the FRS board to the law firm of Preis Gordon regarding appealing the Citco matter in the 5th Circuit Court of Appeals and, instead, he further moved to retain Preis Gordon to prepare and file the appeal with a maximum expenditure limitation of 1/3 of \$200,000.00 applicable to FRS for the period of April 11, 2019 to May 31, 2019. Mayor Walker 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 April 11, 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- (A) FRS-LB#1 LLC. For informational purposes only: WSJ Article provided. A Decade After Bust, The Exurbs Are Back, (B) Discussion and advice regarding certain land owned by FRS-LB#3 proposed to be annexed into the city limits of the City of Washington, Utah, and (C) Discussion and advice regarding interest expressed by the City of Gainesville to purchase a certain tract of land from FRS-GA LLC. The minutes of that meeting are embedded herein. Committee members present were Mr. Stockstill, manager; Mr. Jeselink, Mr. Adomako, Mayor Amrhein, Mr. Broussard, Mr. Romero, Mr. Tarleton and Mayor Walker. Also present were Layne McKinney, Denise Poche, Michael Becker, Andrew Tufts, David Barnes, Elizabeth Thornton, Paul Schmidt, and Jacob Putnam.

FRS-LB#1

Mr. Stockstill advised the committee that FRS had received a letter from Mr. Van Mayhall of Breazeale, Sachse & Wilson, L.L.P. Mr. Mayhall advised that he had noted an article in the Wall Street Journal entitled "A Decade After Bust, The Exurbs Are Back." (see attached Exhibit #3) The article indicated real estate is beginning to come back in the Maricopa, Arizona area. Mr. Mayhall recalled that Nothing Left to Prove, LLC acquired an approximate 571 acre tract made up of several smaller tracts in the Surprise/Whittmann, Arizona area. Whittmann and Surprise are actually located in Maricopa County. Maricopa, Arizona, Whittmann and Surprise, Arizona are all incorporated suburbs of the Phoenix, Scottsdale, and Glendale area. Mr. Mayhall stated that he believed it may be worth a discussion with the real estate people up there to determine what's going on in the area and whether now might be a time to consider putting the property back up and marketing it.

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

FRS-LB#3

Mr. Michael Becker, FRS CIO, addressed the committee. He advised that FRS had received notice from Washington City, Utah that the property owned by FRS-LB#3 in St. George, Utah is intended to be included in a proposed annexation to Washington City. (see attached Exhibit #4) There will be no public election on the proposed annexation because Utah law does not provide for an annexation to be approved by voters at a public election. Signing or not signing a petition is the method under Utah law for owners of the property within the area proposed for annexation to demonstrate their support of or opposition to the proposed annexation.

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

FRS-GA LLC

Mr. Stockstill recalled to the committee that, at the last meeting, Treasurer Schroder volunteered to reach out to representatives of the City of Gainesville to discuss an offer that had been presented by the city and to possibly negotiate a higher selling price. Mr. Stockstill advised that Treasurer Schroder has been in contact with the pertinent parties and Treasurer Schroder and Mr. Becker have a scheduled meeting with representatives of the City of Gainesville on Thursday, May 2nd.

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

ADJOURN FRS-GA LLC ADVISORY COMMITTEE MEETING

RECONVENE FRS BOARD MEETING

MONTHLY FLASH REPORT - MARCH 2019

Mr. Barnes presented the monthly flash report for March 2019. (see attached Exhibit #5) The overall fund was up/down as follows: 0.9% for the month of March as compared to the allocation index of 1.0%; 1.2% for the fiscal year to date as compared to the allocation index of 2.4%; 0.7% for the trailing 12 months as compared to the allocation index of 2.5%; and 7.6% for the trailing 3 years as compared to the allocation index of 8.3%.

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

BLACKROCK

Mr. Barnes advised the board that NEPC had been notified that BlackRock recently announced that Rick Rieder, CIO of Global Fixed Income, will be leading the Global Allocation investment team and will be a named portfolio manager joining portfolio managers Dan Chamby, Russ Koesterich, and David Clayton. (see attached Exhibit #6) The addition of Mr. Rieder to the Global Allocation investment team brings an experienced global macro research resource that benefits the Global Allocation Fund (GAF). In addition, Blackrock announced that Portfolio Manager Dan Chamby will be retiring in March 2020, following 26 years of service working on the GAF investment team. Lastly, Portfolio Manager Kent Hogshire will be leaving BlackRock for personal and medical reasons.

While NEPC has a positive view of Mr. Rieder's investment abilities and of him joining the GAF investment team, NEPC believes that an NEPC due diligence status of *Hold* is warranted due to the number of portfolio manager changes for the strategy.

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MOTION: Mayor Walker moved to request the presence of BlackRock representatives at the next available board meeting to give a strategy update and answer any questions. Mr. Tarleton seconded. The motion passed.

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

CYBER-SECURITY

Mr. Stockstill recalled to the board that, at the last meeting, the System's Recommendations Committee had requested a security expert to discuss the security aspects of the tablets to be issued to board members and the newly installed NAS unit. Mr. Stockstill introduced Mr. Michael Richmond of the firm Postlewaite & Netterville. Mr. Richmond discussed the security risks of accessing FRS data (board books, committee and board meeting recordings, fund manager interviews and training videos maintained on an FRS network attached storage (NAS unit) through an FRS issued tablet and answered all questions that arose.

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

LINEA SOLUTIONS

Mr. Bryce Haws of Linea Solutions presented the board with a power point presentation of their offerings and solutions as a retirement software consultant and answered all questions that arose. (see attached Exhibit #7)

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

G.S. CURRAN & COMPANY, LTD

Mr. Jacob Putnam, FRS Actuary, with G.S. Curran & Company, LTD presented their proposed annual contract (see attached Exhibit #8) for actuarial services for fiscal year 2020. He noted there were no significant changes from the prior year.

MOTION: Mayor Walker moved to approve G.S. Curran's annual contract. Mr. Tarleton seconded. The motion passed.

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

ADJOURNMENT

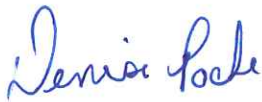
Mr. Romero moved to adjourn the meeting. Mayor Amrhein seconded. The motion passed.

FUTURE MEETINGS

**FRS Investment Committee
3100 Brentwood Drive
Baton Rouge, Louisiana
Wednesday, May 1, 2019 at 3:00 p.m.**

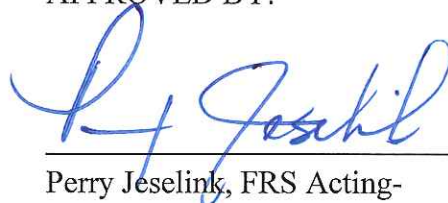
**FRS Board of Trustees
3100 Brentwood Drive
Baton Rouge, Louisiana
Thursday, May 2, 2019 at 8:30 a.m.**

SUBMITTED BY:



Denise Poche, FRS Board Secretary

APPROVED BY:



Perry Jeselink, FRS Acting-
Chairman