



FIREFIIGHTERS' RETIREMENT SYSTEM

3100 Brentwood Drive
Baton Rouge, Louisiana 70809
Telephone (225) 925-4060 • Fax (225) 925-4062



MEETING OF THE BOARD OF TRUSTEES June 6, 2019

A meeting of the Board of Trustees was held on June 6, 2019 at the Firefighters' Retirement System building in Baton Rouge, Louisiana. Chairman Stacy Birdwell 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)
Mr. Louis Romero
Mr. Jerry Tarleton
Mayor Ronny Walker

OTHERS PRESENT

Steven Stockstill
Layne McKinney
Denise Poche
Ashley Duhe
Ben Johnson
Michael Becker
Brandon Trahan
Jason Starns
David Barnes
Gary Curran
Phil Preis

MINUTES

MOTION: Mr. Tarleton moved to approve the minutes of the board meeting held on May 2, 2019. Mayor Walker seconded. The motion passed.

APPLICANTS

- New Members

**FIREFIGHTERS' RETIREMENT SYSTEM
BOARD MEETING**

**JUNE 6, 2019
PAGE 2**

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. Jeselink moved to approve the new member applicants. Mr. Tarleton 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)

Anna Brossette- Mr. Starns presented the application of Anna Brossette, surviving former spouse of John Andrew Brossette. He stated that the application was in order.

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

Doris Chauffepied- Mr. Starns presented the application of Doris Chauffepied, surviving spouse of Lindsey Chauffepied. He stated that the application was in order.

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

Melody Golihar- Mr. Starns presented the application of Melody Golihar, surviving spouse of Billy George Golihar. He stated that the application was in order.

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

Judith Kreppin- Mr. Starns presented the application of Judith Kreppin, surviving spouse of Erik Thomas Samuel Kreppin. He stated that the application was in order.

MOTION: Mr. Tarleton moved to approve the application of Judith Kreppin. Mr. Jeselink seconded. The motion passed.

Mary Langlinais- Mr. Starns presented the application of Mary Langlinais, surviving spouse of John Lee Langlinais. He stated that the application was in order.

**FIREFIIGHTERS' RETIREMENT SYSTEM
BOARD MEETING**

**JUNE 6, 2019
PAGE 4**

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

Rebecca McCoy- Mr. Starns presented the application of Rebecca McCoy, surviving spouse of Daniel Arthur McCoy. He stated that the application was in order.

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

Merle Mulkey- Mr. Starns presented the application of Merle Mulkey, surviving spouse of Shelton William Mulkey Jr. He stated that the application was in order.

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

James Michael Mackey- Mr. Starns presented the application of James Michael Mackey, surviving spouse of Karen Denise Pilcher. He stated that the application was in order.

MOTION: Mr. Tarleton moved to approve the application of James Michael Mackey. Mayor Walker 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)

[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. Rubin Patel, 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 [REDACTED]. 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. Tarleton moved to enter executive session to discuss the agenda item shown above. Mayor Walker seconded. The motion passed unanimously.

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

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

COMMITTEE REPORT - BUDGET AND FINANCE COMMITTEE

[NOTE: The Budget and Finance Committee met on June 5, 2019, 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 2019-2020, 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, Steven Stockstill, Layne McKinney, Denise Poche, Ashley Duhe, Michael Becker, and Ben Johnson.]

Mr. Tarleton gave the Budget and Finance Committee report.

- Proposed FRS Operating Budget for Fiscal Year 2019-2020

**FIREFIGHTERS' RETIREMENT SYSTEM
BOARD MEETING**

**JUNE 6, 2019
PAGE 6**

Mr. Tarleton reported that Mr. Ben Johnson, FRS System Accountant, presented the proposed FRS Operating Budget for Fiscal Year 2019-2020 to the Budget and Finance Committee. (see attached Exhibit #3)

MOTION: Mr. Tarleton moved to amend the proposed FRS Operating Budget for Fiscal Year 2019-2020 as follows: (1) To delete the \$200,000 that was previously allocated for retention of a pension software consultant, and (2) To add \$2 million to be allocated for retention of a pension software vendor to replace the system's increasingly obsolete operating software, and (3) To add \$50,000 to purchase an emergency back-up generator for the FRS premises as part of the system's disaster recovery plan. Mr. Adomako seconded. A roll call vote was taken and the motion passed with the following tally-

Birdwell	Yes	
Jeselink	Yes	
Adomako	Yes	
Amrhein		Absent
Broussard		Absent
Ivey		Absent
Peacock		Absent
Romero	Yes	
Tarleton	Yes	
Walker	Yes	

(6-0)

MOTION: Mr. Tarleton also moved to amend the proposed FRS Operating Budget for Fiscal Year 2019-2020 to add the sum of \$11,942.00 to the employer contributions that are being remitted by FRS on behalf of a FRS employee who was statutorily ineligible to participate in the FRS system on that employee's date of hire, and who was instead enrolled in the Louisiana Deferred Compensation Plan (LDCP), and the annual FRS employer contribution remittance to LDCP is to continue hereafter until that employee's date of retirement at the maximum amount allowable by LDCP but not to exceed the rate of employer contributions that are remitted to FRS for all other employees, and then only if the following two conditions remain continuously satisfied: (1) The employee must continuously remit employee contributions to the LDCP without intentional disruption and at a rate that is equivalent to the FRS statutory employee contribution rate, and (2) Provided that an employer contribution to LDCP is confirmed to be legally permissible. Mayor Walker seconded. The motion passed.

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

That concluded the Budget and Finance Committee report.

COMMITTEE REPORT - SYSTEM'S RECOMMENDATIONS COMMITTEE

[NOTE: The System's Recommendations Committee met on June 5, 2019, at the FRS office in Baton Rouge upon adjournment of the Budget and Finance Committee to discuss the following business set forth in its posted agenda- **(I)** Discussion and action regarding retention of a consultant to advise FRS board's selection of pension operating software, and all related matters. The minutes of that meeting are embedded herein. Committee members present were Mr. Adomako, chairman; Mr. Birdwell, Mr. Jeselink, and Mr. Tarleton. Also present were Mr. Romero, Steven Stockstill, Layne McKinney, Denise Poche, Ashley Duhe, Michael Becker, Ben Johnson, Nancy Legarde and Susita Suire.]

Mr. Adomako gave the System's Recommendations Committee report. He reported the following action item for consideration by the full board.

- Discussion and action regarding retention of a consultant to advise FRS board's selection of pension operating software

[NOTE: The System's Recommendations Committee discussed the exigent circumstances related to FRS' increasingly obsolete pension operating software and concerns about the current FRS computer programmer, the subject of which is prohibited from public disclosure by the Health Insurance Portability and Accountability Act (HIPPA); and how those concerns cause a degree of urgency for immediate action by FRS.] Mr. Adomako recalled that the System's Recommendations Committee met to discuss the feasibility of retaining a consultant to advise the FRS board's selection of a pension operating software. Mr. Adomako further recalled that three software consultant companies had previously made individual presentations to the FRS board regarding the cost of their services and the potential cost of the pension software needed by FRS. Mr. Adomako said the committee voted to recommend discontinuing the search for a software consultant and, instead, invite the company known as Pension Technology Group (PTG) to make a presentation to the FRS board as soon as possible and forwarded that recommendation to the full board of trustees. Mr. Adomako informed the board that PTG is the same pension software vendor that had already been selected by the MERS board for a similar update of MERS' pension operating software.

MOTION: Mr. Tarleton moved the foregoing recommendation of the System's Recommendations Committee in the form of a motion. Mr. Romero seconded. The motion passed.

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

That concluded the System's Recommendations Committee report.

RECESS FRS BOARD MEETING

CONVENE FRS-LLC JOINT ADVISORY COMMITTEE

[NOTE: The FRS-LLC Joint Advisory Committee met on June 6, 2019, at the FRS office in Baton Rouge at 8:30 a.m. to discuss the following business set forth in its posted agenda- (i) Discussion and advice regarding the annual operating budgets of Limited Liability Corporations identified as FRS-LB, FRS-LB#1, FRS-LB#3, and FRS-GA, (ii) Discussion and advice regarding interest expressed by the City of Gainesville to purchase a certain tract of land from 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, Mr. Romero, Mr. Tarleton, and Mayor Walker. Also present were Layne McKinney, Denise Poche, Ashley Duhe, Ben Johnson, Michael Becker, Brandon Trahan, Gary Curran, and David Barnes.]

- FRS-LB, LLC's Budget

Mr. McKinney presented the FRS-LB, LLC's Budget for Fiscal Year 2019-2020 to the joint advisory committee and answered questions that arose relative thereto. (see attached Exhibit #4)

MOTION: Mr. Tarleton moved to advise acceptance of the annual operating budget of the Limited Liability Corporation identified as FRS-LB, inclusive of the subsidiary LLCs identified as FRS-LB#1, FRS-LB#3, and FRS-GA. Mr. Jeselink seconded. The motion passed.

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

- City of Gainesville

Mr. Stockstill recalled that Treasurer Schroder and Mr. Becker had traveled to Gainesville, GA and had met with city representatives during the prior month to discuss due diligence related aspects of the FRS-GA property after the city had made an offer to purchase a tract of land owned by FRS-GA. Treasurer Schroder followed his visit by reporting back that the City of Gainesville would consider making certain in-kind exchanges of value instead of increasing their purchase offer.

MOTION: Mr. Tarleton moved to advise the formation of a subcommittee chaired by Treasurer Schroder, with authority to advise expenditures up to \$65,000 to work with counter-party representatives in Georgia to advance the cause of the property sale to the city of Gainesville, including but not limited to developing a feasibility study or a land use study if that expenditure is required. Mr. Adomako seconded. 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

RECONVENE FRS BOARD MEETING

MONTHLY FLASH REPORT - MAY 2019

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 May 2019. In lieu thereof, Mr. Barnes presented and explained a chart containing the composite returns for each major asset class. (see attached Exhibit #5)

FRS 2018 4th QUARTER PERFORMANCE REPORTS

Mr. Barnes presented the reports titled "Private Equity Performance Report, December 31, 2018" (see attached Exhibit #6) and the "Real Estate Performance Report, December 31, 2018". (see attached Exhibit #7) Mr. Barnes answered all questions that arose.

MOTION: Mr. Tarleton moved to accept the reports as presented by Mr. Barnes. Mr. Romero seconded. The motion passed.

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

LEGISLATION

Mr. Stockstill advised the board that all of FRS' legislative package had passed through the House Retirement Committee and Senate Retirement Committee and were on the Governor's desk awaiting signature.

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

ADJOURNMENT

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

FUTURE MEETINGS

**FRS Investment Committee
3100 Brentwood Drive
Baton Rouge, Louisiana
Wednesday, July 10, 2019 at 3:00 p.m.**

**FIREFIGHTERS' RETIREMENT SYSTEM
BOARD MEETING**

**JUNE 6, 2019
PAGE 10**

**FRS Board of Trustees
3100 Brentwood Drive
Baton Rouge, Louisiana
Thursday, July 11, 2019 at 8:30 a.m.**

SUBMITTED BY:



Denise Poche, FRS Board Secretary

APPROVED BY:



Stacy Birdwell, FRS Chairman