



FIREFIGHTERS' RETIREMENT SYSTEM

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MEETING OF THE BOARD OF TRUSTEES January 13, 2022

Pursuant to Proclamation No. 117 JBE 2021 issued by Governor John Bel Edwards, there are no further restrictions reducing building occupant capacities. Full capacity as authorized by the OSFM, based upon the adopted codes, is now permitted. For that reason, the FRS board meetings are now being held in the FRS board room in Baton Rouge, Louisiana, without regard to the former capacity limitations. Proclamation Nos. 133 JBE 2021 and 137 JBE 2021 provide, in part: "All individuals in the State of Louisiana shall be required to wear a face covering over the nose and mouth when indoors in any place outside of a private residence[.]" For anyone who would like to view the meetings by remote means, the meetings will continue to be offered through Zoom audio/video sessions. Any person (including the public) can choose to attend by teleconference and submit comments regarding matters on the agenda.

A meeting of the Board of Trustees was held on January 13, 2022 at the Firefighters' Retirement System building in Baton Rouge. Chairman Perry Jeselink called the meeting to order at 8:30 a.m.

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

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

MEMBERS PRESENT

Mr. Perry Jeselink
Mr. Jerry Tarleton
Mr. Stacy Birdwell
Ms. Lindsay Schexnayder (designee of Commissioner Jay Dardenne)
*Mayor David Amrhein
*Mr. John Broussard (designee of Treasurer John Schroder)
Mr. Louis Romero

*Attended via Zoom

OTHERS PRESENT

Steven Stockstill
Layne McKinney
Michael Becker
Ashley Vicknair
* Paul Schmidt
* Chris Kaufmann
* Joe Ebisa
* Drew Fox

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BOARD MEETING**

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Caitlin Myers
Joey David
David Barnes
Dawn Moeller
Greg Curran
Brennen LeBlanc

* Lindsay Saienni

*Attended via Zoom

EDITORIAL NOTE: IN THE FOLLOWING MINUTE ENTRIES, ACTION REGARDING EACH VOTE WAS ACCOMPLISHED BY ROLL CALL VOTE. IN INSTANCES WHERE THE VOTE WAS UNANIMOUS, THE MINUTE ENTRY WILL SIMPLY MEMORIALIZE THE RESULT AS UNANIMOUS. IN ANY INSTANCE WHERE THE VOTE WAS NOT UNANIMOUS, THE MINUTE ENTRY WILL MEMORIALIZE THE ACTUAL ROLL CALL VOTE AND TALLY. ALL VOTING CAN BE VERIFIED BY AVAILABLE SOURCES.

ELECTION OF BOARD OFFICERS

Chairman. Mr. Jeselink conducted the election of board chairman. Upon call for nominations, Mr. Birdwell nominated Perry Jeselink 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. Birdwell moved that nominations be closed and Mr. Jeselink be deemed elected by acclamation to the position of FRS board chairman. Mr. Romero seconded. The motion passed unanimously.

Vice Chairman. Mr. Jeselink conducted the election of board vice-chairman. Upon call for nominations, Mr. Birdwell nominated Gerard Tarleton 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. Birdwell moved that nominations be closed and Mr. Tarleton be deemed elected by acclamation to the position of FRS board vice-chairman. Ms. Schexnayder seconded. The motion passed unanimously.

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

MINUTES

MOTION: Mr. Romero moved to approve the minutes of the board meeting held on December 9, 2021. Ms. Schexnayder seconded. The motion passed unanimously.

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

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 ensure 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.

Ms. Myers presented the list of new member applicants for the month of January 2022. (see attached Exhibit #1) She stated that all applications were in order.

MOTION: Mr. Birdwell moved to approve the new member applicants for the month of January 2022. Mr. Romero seconded. The motion passed unanimously.

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.

Ms. Myers presented the list of new retirees for the month of January 2022. (see attached Exhibit #2) She stated that all applications were in order.

MOTION: Mr. Birdwell moved to approve the retiree applicants for the month of January 2022. Mr. Romero seconded. The motion passed unanimously.

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 license (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)

Dixie Callahan- Ms. Myers presented the application of Dixie Callahan, surviving spouse of Robert Callahan. She stated that the application was in order.

MOTION: Mr. Birdwell moved to approve the survivor application for Dixie Callahan. Mr. Romero seconded. The motion passed unanimously.

Lisa Frances Condon- Ms. Myers presented the application of Lisa Frances Condon, surviving spouse of Horace Nathaniel Condon. She stated that the application was in order.

MOTION: Mr. Birdwell moved to approve the survivor application for Lisa Frances Condon. Mr. Romero seconded. The motion passed unanimously.

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

MONTHLY FLASH REPORT - DECEMBER 2021

Mr. Barnes presented the monthly flash report for the month of December 2021. (see attached Exhibit #3) The overall fund was up/down as follows: 2.7% for the month of December as compared to the allocation index of 3.0%; 3.2% for the fiscal year to date as compared to the allocation index of 4.1%; 13.0% for the trailing 12 months as compared to the allocation index of 11.9%; and 14.0% for the trailing 3 years as compared to the allocation index of 14.4%.

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 12, 2022, at the Firefighters' Retirement System building in Baton Rouge at 1:00 p.m. to discuss the following business set forth in its posted agenda- **(i)** Presentation by representatives of BlackRock Asset Management, regarding strategy and performance of FRS investment known as Global Tactical Asset Allocation (GTAA), **(ii)** The FRS monthly investment performance results for December 2021, **(iii)** Follow-up questions provided by FRS to NEPC regarding NEPC's due diligence of Hamilton Lane, **(iv)** Follow-up questions provided by FRS to NEPC regarding NEPC's due diligence of HarbourVest, and all related matters. The minutes of that meeting are embedded herein. Committee members present were Mr. Jeselink, board chairman, Mr. Birdwell, Mr. Romero, and Ms. Schexnayder. Also present were Steven Stockstill, Layne McKinney, Michael Becker, Ashley Vicknair, and David Barnes. Attended by teleconference Mayor Amrhein, Mr. Broussard, Matt Estes, Will Bardeen, Brennen LeBlanc, Kevin Balaod, and Kenneth Herbold.]

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 2021. (see minute entry above captioned as "Monthly Flash Report - December 2021")

- BlackRock Asset Management - Global Tactical Asset Allocation (GTAA)

Mr. Jeselink explained to the board that Matt Estes and Will Bardeen with BlackRock Asset Management presented the committee with an educational presentation regarding strategy and performance of the FRS investment known as Global Tactical Asset Allocation. After answering questions from the committee, Mr. Jeselink explained that Mr. Estes and Mr. Bardeen concluded their presentation.

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

- NEPC Due Diligence - Hamilton Lane

Mr. Jeselink explained to the board that FRS sent follow-up questions to NEPC regarding NEPC's due diligence of Hamilton Lane. He added that Mr. Barnes explained NEPC's responses to the committee. (see attached Exhibit #4)

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

- NEPC Due Diligence - HarbourVest

Mr. Jeselink explained to the board that FRS sent follow-up questions to NEPC regarding NEPC's due diligence of HarbourVest. He added that Mr. Barnes explained NEPC's responses to the committee. (see attached Exhibit #5)

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

Mr. Jeselink explained to the board that Mr. Stockstill had presented the committee with an educational PowerPoint presentation regarding the correlation between employer contribution rates and portfolio performance. Mr. Jeselink added that Mr. Stockstill wanted to give the committee a preview of the presentation before presenting it to the Professional Firefighters Association (PFFA) members. Mr. Jeselink then added that Mr. Stockstill's presentation educated the committee on how the employer contribution rate has fluctuated from 2001 until now. Mr. Stockstill's presentation also educated the committee on how the system's numbers compare to other systems and that the numbers are fairly close to one another. Mr. Jeselink explained to the board that this was for educational purposes only and no action was needed.

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, 2021." (see attached Exhibit #6) She explained the report on a line-by-line basis and answered all questions that arose.

MOTION: Mr. Birdwell moved to accept the report as presented. Ms. Schexnayder seconded. The motion passed unanimously.

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

AGREED UPON PROCEDURES

Ms. Dawn 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. Birdwell moved to accept the report as presented. Ms. Schexnayder seconded. The motion passed unanimously.

Mr. Stockstill explained that, in the process of the billing and invoices, there was a duplicate one-line entry and the auditors found it, which indicated that FRS needed to make a correction. He added that, when there are humans involved, there will be human error. He added this report shows the control measures that are in place are working.

Mr. Stockstill explained that there is an item in the report that prompts board action if the board is so inclined. He explained that FRS-LB requires the property manager to get insurance on the property for \$2 million dollars. Instead of a \$2 million dollar policy, the property manager obtained a \$1 million dollar policy. He added that, when that information was brought to the attention of the property manager, to get a \$2 million dollar insurance policy, the manager said FRS-LB would have to renew the property manager's contract, which was way more extensive than dealing solely with the insurance item. Mr. Stockstill suggested the board recommend to FRS-LB that the agreed upon procedures be changed to \$1 million dollar insurance coverage.

MOTION: Mr. Tarleton moved to recommend to FRS-LB that the agreed upon procedures be changed to \$1 million dollars of insurance coverage. Mr. Birdwell seconded. The motion passed unanimously.

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

HR166 STUDY COMMITTEE

[The HR166 Study Committee met on January 12, 2022 in Baton Rouge at 3:00 p.m. to discuss the following business set forth on its posted agenda - (i) Discussion and action regarding HR166 requiring the formation of a FRS study committee to submit a report to the House of Representatives prior to the beginning of the 2022 regular session of the legislature, and all related matters. The minutes of that meeting are embedded herein. Committee members present were; Mr. Jeselink, Mayor Amrhein, Mr. Bergeron, Birdwell, Mr. Broussard, Mr. Romero, and Ms. Schexnayder. Also present were: Mr. Stockstill, Ashley Vicknair, Kenneth Herbold, Robert Klausner, and Kevin Balaod.]

Attorney Robert Klausner provided an update to the committee. He explained that a draft of the proposed final report was completed and sent to all members of the committee. He added that a motion would be in order to approve the report and to submit to the legislature.

MOTION: Mr. Birdwell moved to approve the report and to submit to the legislature. Mr. Romero seconded. The motion passed unanimously.

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

ADJOURNMENT

Mr. Birdwell moved to adjourn. Mr. Romero seconded. The motion passed unanimously.

FUTURE MEETINGS

**FRS Board of Trustees
Wednesday, February 09 at 1:00 p.m.
3100 Brentwood Dr. Baton Rouge, LA**

**FRS Board of Trustees
Thursday, February 10 at 8:30 a.m.
3100 Brentwood Dr. Baton Rouge, LA**

SUBMITTED BY:

APPROVED BY:



Ashley Vicknair, FRS Board Secretary



Perry Jeselink, FRS Chairman