



FIREFIIGHTERS' RETIREMENT SYSTEM

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MEETING OF THE BOARD OF TRUSTEES December 8, 2022

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

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

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

MEMBERS PRESENT

Perry Jeselink
Jerry Tarleton
Stacy Birdwell
Brian Fleming (designee of Commissioner Jay Dardenne)
Mayor David Amrhein
Representative Michael "Gabe" Firment
Louis Romero

OTHERS PRESENT

Steven Stockstill	Richard Williams
Marella Houghton	David Marcase
Layne McKinney	Chris Kaufmann
Michael Becker	DJ Bruno
Ashley Vicknair	Chad Duffaut
Ben Johnson	Chad Major
Caitlin Myers	Dennis Onderick
Daniel Loper	Alana Perrin
William Hall	Bernie Piro
Debbie Charleville	Chase Gorr
Dawn Moeller	Paul Smith
Tyler Brennan	Dennie Boyt
Brian Cox	
Phil Preis	

LITIGATION

Piro, et al v. The Board of Trustees, Firefighters' Retirement System, Suit No. C72606326, 19th Judicial District Court, Parish of East Baton Rouge, Louisiana

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[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 litigation, where an open meeting would have a detrimental effect on the litigation position of FRS in the judicial matter cited herein above; all pertinent notifications had been provided.]

MOTION: Mr. Romero moved to enter executive session. Mr. Birdwell seconded. The motion passed unanimously.

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

TRUSTEE ELECTION - PUBLIC OPENING OF SEALED NOMINATIONS

[NOTE: On November 14, 2022, nomination forms were sent to the FRS retirees for the purpose of nominating a person or persons to fill the Retiree Representative position that will become vacant on December 31, 2022. The subsequent election was held according to R.S. 11:2260. A two-person system was used for the nomination process; meaning at least two people had to be involved anytime a nomination form was mailed out, received in, or logged. The nomination process was conducted under the supervision of the FRS accounting department. All returned nomination forms were logged on a master list and verified to assure the postmark was no later than Monday, December 5, 2022. Only those nomination forms were submitted in the election. All nomination forms were kept under lock and key from the date they were received at FRS until the date of opening. Nomination forms were opened on Thursday, December 8, 2022, in an open public meeting as noted on the duly posted FRS agenda. There were a total of 60 different names placed in nomination. Seven of the nomination forms were deemed spoiled and publicly displayed for inspection, which did not have an impact on the outcome of the subsequent election.]

Mr. Stockstill reported that the system conducted a successful nomination process. He then submitted the authenticated log of nominees to all board members present. He explained the statutory process governing the election of a Retiree Representative to the board and then Chairman Jeselink opened the floor for nominations to be made from the authenticated list.

MOTION: Mr. Tarleton moved to elect David Glass to the position of Retiree Representative on the FRS board of trustees. Representative Firment seconded. Upon a roll call vote, the motion failed with the following tally-

- Mr. Jeselink - No
- Mr. Tarleton - Yes
- Mr. Birdwell - No
- Mr. Fleming - No
- Mayor Amrhein - No
- Representative Firment - Yes
- Mr. Romero - No

5 N - 2 Y

MOTION: Mr. Romero moved to elect Stacy Birdwell to the position of Retiree Representative on the FRS board of trustees. Mayor Amrhein seconded. Upon a roll call vote, the motion passed unanimously with the following tally-

Mr. Jeselink - Yes
Mr. Tarleton - Yes
Mr. Birdwell - Yes
Mr. Fleming - Yes
Mayor Amrhein - Yes
Representative Firment - Yes
Mr. Romero - Yes

7 Y - 0 N

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

MINUTES

MOTION: Mr. Birdwell moved to approve the minutes of the board meeting held on November 10, 2022. Mr. Romero 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 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.

Ms. Myers presented the list of new member applicants for the month December 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 December 2022. Mr. Tarleton 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 December 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 December 2022 including the additions. 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 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)

Linda Caruso- Ms. Myers presented the application of Linda Caruso, surviving spouse of Louis Anthony Caruso. She stated that the application was in order.

MOTION: Mr. Birdwell moved to approve the application of Linda Caruso. Mr. Romero seconded. The motion passed unanimously.

Deborah Dunaway- Ms. Myers presented the application of Deborah Dunaway, surviving spouse of Joe Dunaway. She stated that the application was in order.

MOTION: Mr. Birdwell moved to approve the application of Linda Caruso. Mr. Romero seconded. The motion passed unanimously.

Succession of Harvey Eli Kennedy- Ms. Myers presented the application of the Succession of Harvey Eli Kennedy, DROP account for Harvey Kennedy. She stated that the application was in order.

MOTION: Mr. Birdwell moved to approve the application of the Succession of Harvey Eli Kennedy. Mr. Romero seconded. The motion passed unanimously.

Judy Morris- Ms. Myers presented the application of Judy Morris, surviving spouse of Frank Jerel Morris. She stated that the application was in order.

MOTION: Mr. Birdwell moved to approve the application of Judy Morris. Mr. Romero seconded. The motion passed unanimously.

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

FIA Leveraged Fund, In Official Liquidation, Cayman Islands; and Fletcher Income Arbitrage Fund, In Official Liquidation, Cayman Islands

Mr. Stockstill explained to the board that there is one remaining release that needs to be approved by FRS. He said attorney Phil Pries, who represented FRS in the lawsuit, recommended approval thereof. (see attached Exhibit #3)

MOTION: Mr. Tarleton moved approve the referenced release agreement as recommended by attorney Pries. Mr. Birdwell seconded. The motion passed unanimously.

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

[NOTE: The FRS-LLC Joint Advisory Committee met on December 8, 2022, 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 advisory action regarding updates of the following LLC's: 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. Jeselink, Mr. Tarleton, Mr. Birdwell, Mr. Fleming, Representative Firment, Mr. Romero, Marella Houghton, Layne McKinney, Michael Becker, Ben Johnson, Ashley Vicknair, Caitlin Myers, William Hall, Dennis Onderick, Dawn Moeller, Tyler Brannan, Brian Cox, Richard Williams, David Marcase, DJ Bruno, Chris Kaufmann, Paul Smith, Bernie Piro, Paul Smith, Dennie Boyt, Chase Gorr, Chad Major, Chad Duffaut, and Alana Perrin.]

- Discussion and advisory action regarding updates of the following LLCs: FRS-LB, FRS-LB#1, FRS-LB#3, and FRS-GA

Mr. Becker updated the committee on the sale of the property in Utah. He explained to the committee that the system received the \$10.9 million for the property and the sale has concluded.

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

ADJOURN FRS-LLC JOINT ADVISORY COMMITTEE

RECONVENE FRS BOARD MEETING

FY 2021-22 FRS FINANCIAL STATEMENTS

Dawn Moeller, Audit Manager with the Louisiana Legislative Auditors office, addressed the board. She presented the report titled "Financial Statement Audit For The Years Ended June 30, 2021, and 2022, Issued December 8, 2022." (see attached Exhibit #4). Ms. Moeller noted that the annual audit had been conducted and published by the Office of the Legislative Auditor. She said that FRS received an unmodified opinion on the audit, in other words, this was a clean opinion.

MOTION: Mr. Birdwell moved to accept the Financial Statement Audit for The Year Ending June 30, 2022. Mr. Tarleton seconded. The motion passed.

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

FY2022-23 FRS OPERATING BUDGET

Mr. Johnson drew the board's attention to the FY 2022-23 Budget Amendment Request (see attached Exhibit #5) Mr. Johnson explained that there are five main amendments to the budget. He explained the amendment under salary and payroll reflected the hire of the new Deputy Director, Marella Houghton. He added that the two amendments under office were for a tree that fell on the office shed and an increase in cyber-security insurance. Mr. Johnson then added that the amendment under travel, hotel, and conferences was for the staff to attend conferences. Lastly, he explained that the amendment under staff training and continuing education was for Investment Analyst, Daniel Loper, to complete a chartered financial analyst training program. He added that these expenses are being reclassified to the operating budget.

MOTION: Mr. Birdwell moved to accept the budget amendments as presented by Mr. Johnson. Mr. Romero seconded. The motion passed unanimously.

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

COMMITTEE REPORT - INVESTMENT COMMITTEE

[NOTE: The Investment Committee met on December 7, 2022, at the FRS office in Baton Rouge at 1:00 p.m. discuss the following business set forth in its posted agenda- (i) The FRS monthly investment performance results for November 2022 , (ii) FRS securities proxy voting policy, and all items related to the foregoing items. The minutes of that meeting are embedded herein. Committee members present were Mr. Tarleton, chairman; Mr. Birdwell, Mr. Romero and Mr. Fleming. Also present were Perry Jeselink, Steven Stockstill, Marella Houghton, Layne McKinney, Michael Becker, Daniel Loper, Ashley Vicknair, David Barnes, Alana Perrin, Ben Johnson, and Brennen LeBlanc.]

- Monthly performance report - November 2022

Mr. Tarleton gave the investment committee report. In doing so he recognized Mr. Becker who summarized the report previously given by Mr. Barnes (NEPC) regarding the estimated performance for the month of November 2022.

- FRS securities proxy voting policy

Mr. Tarleton explained to the board that the investment committee heard from Michael Becker. He explained that Mr. Becker informed the committee that he does not recommend taking any action with regard to changing the investment manager proxy voting policy, but if the board felt otherwise, then there are options. (see attached Exhibit #6) Mr. Tarleton explained that the committee accepted Mr. Becker's recommendation of no action.

MOTION: Mr. Tarleton moved to accept the investment committee's recommendation to not take any action on the matter at this time. Mr. Birdwell seconded. The motion passed unanimously.

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

That concluded the Investment Committee report.

COMMITTEE REPORT - HR136 COLA STUDY COMMITTEE

[NOTE: The HR136 COLA Study Committee met on December 7, 2022, at the FRS office in Baton Rouge at 3:00 p.m. to discuss the following business set forth in its posted agenda- (i) Discussion and action regarding alternative methods of granting Cost-of-Living Adjustments, and all related matters. The minutes of that meeting are embedded herein. Committee members present were Mr. Jeselink, chairman; Mr. Curran, Mr. Herbold, Mr. Williams, Dr. Procopio, Mr. Birdwell, Mr. Broussard, Mr. Fleming, Representative Firment, Mr. Romero, and Mr. Tarleton. Also present were, Steven Stockstill, Marella Houghton, Layne McKinney, Ashley Vicknair, Caitlin Myers, William Hall, Ben Johnson, Robert Klausner, Alana Perrin, Tyler Brannan, Karen White, David Marcuse, Bernie Piro, Paul Smith, Dennie Boyt, Virgil Lowell, Steven Lemoine, Robert Cade, Cary Rodrigue, Brian Hughes and Paul Huval.]

- Alternative methods of granting Cost-of-Living Adjustments - Final Report

Chairman Jeselink explained to the board that the committee heard from attorney Robert Klausner on the final report that is to be submit to the legislature. He added that Mr. Klausner included in the report two recommendations for the legislature to consider. First, a one-time, lump sum nonrecurring payment to recipients that have been in active status for five years; and second, for the legislature to consider creating a COLA prefunding account. (see attached Exhibit #7) Chairman Jeselink explained that the committee approved the recommendations contained in the report by the following tally-

One-time COLA Payment-

Mr. Jeselink - Yes
Mr. Curran - Abstain
Mr. Herbold - Abstain
Mr. Williams - No
Dr. Procopio - Yes
Mr. Birdwell - Yes
Mr. Broussard - Yes
Mr. Fleming - Yes
Representative Firment - Yes
Mr. Romero - Yes
Mr. Tarleton - Yes

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8 Y, 2 ABSTAIN, 1 N

COLA prefunding account-

Mr. Jeselink - No
Mr. Curran - Abstain
Mr. Herbold - Abstain
Mr. Williams - No
Dr. Procopio - Yes
Mr. Birdwell - No
Mr. Broussard - Yes
Mr. Fleming - Yes
Representative Firment - Yes
Mr. Romero - No
Mr. Tarleton - Yes

5 Y, 2 ABSTAIN, 4 N

Chairman Jeselink recognized and authorized the following persons who were present in the audience to have their verbal expression of opposition to the proposed COLA prefunding account noted for the record-

Virgil Lovill
Steven Lemoine
Bernie Piro
Paul Smith
Robert Cade
Cary Rodrigue
Dennie Boyt
Brian Hughes
Paul Huval

Chairman Jeselink explained that the committee approved the final form of the report by the following tally-

Mr. Jeselink - No
Mr. Curran - Abstain
Mr. Herbold - Yes
Mr. Williams - Yes
Dr. Procopio - Yes
Mr. Birdwell - No
Mr. Broussard - Yes
Mr. Fleming - Yes

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Representative Firment - Yes
Mr. Romero - No
Mr. Tarleton - Yes

7 Y, 1 ABSTAIN, 3 N

Chairman Jeselink recognized and authorized the following person who was present in the audience to have his verbal expression of opposition to the proposed final committee report noted for the record-

Bernie Piro

That concluded the HR 136 COLA Study Committee report.

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

OTHER BUSINESS

Mr. Stockstill requested authority to seek an Attorney General opinion regarding the recent payments made from the State Fire and Police Supplemental Pay Board.

MOTION: Mayor Amrhein moved to authorize the staff seek an Attorney General opinion regarding the supplemental pay matter. Mr. Tarleton seconded. The motion passed unanimously.

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

ADJOURNMENT

MOTION: Mr. Birdwell moved to adjourn. Mr. Tarleton seconded. The motion passed unanimously.

FUTURE MEETINGS

**FRS Board of Trustees
Wednesday, January 11, 2022 at 8:30 a.m.
3100 Brentwood Dr. Baton Rouge, LA**

SUBMITTED BY:

APPROVED BY:


Ashley Vicknair, FRS Board Secretary


Perry Jeselink, FRS Chairman