



FIREFIIGHTERS' RETIREMENT SYSTEM

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MEETING OF THE BOARD OF TRUSTEES April 13, 2023

A meeting of the Board of Trustees was held on April 13, 2023 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 Kim Gaspard
Louis Romero
Mayor Darnell Waites

OTHERS PRESENT

Steven Stockstill
Marella Houghton
Layne McKinney
Michael Becker
Ashley Vicknair
Caitlin Myers
Ben Johnson
William Hall
Daniel Loper
David Barnes
Greg Curran
Brennen LeBlanc
Dennis Onderick
Stephen Brouillette
Henry Olinde
Shinji Hain
Terry Stuard

MINUTES

MOTION: Mr. Birdwell moved to approve the minutes of the board meeting held on March 9, 2023. Mr. Tarleton 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 April 2023. (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 April 2023. 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 April 2023. (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 April 2023. 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)

Patsy J. Brandao- Ms. Myers presented the application of Patsy J. Brandao, drop beneficiary of Alvin Ray Johnston. She stated that the application was in order.

MOTION: Mr. Birdwell moved to approve the application of Patsy J. Brandao. Mr. Romero seconded. The motion passed unanimously.

Kandi Connetti- Ms. Myers presented the application of Kandi Connetti, surviving spouse of Edmund Charles Connetti. She stated that the application was in order.

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

Roxie L. Davis- Ms. Myers presented the application of Roxie L. Davis, drop beneficiary of Alvin Ray Johnston. She stated that the application was in order.

MOTION: Mr. Birdwell moved to approve the application of Roxie L. Davis. Mr. Romero seconded. The motion passed unanimously.

Dennis R. Hayes- Ms. Myers presented the application of Dennis R. Hayes, drop beneficiary of Alvin Ray Johnston. She stated that the application was in order.

MOTION: Mr. Birdwell moved to approve the application of Dennis R. Hayes. Mr. Romero seconded. The motion passed unanimously.

Harvey P. Johnston Jr.- Ms. Myers presented the application of Harvey P. Johnston Jr., drop beneficiary of Alvin Ray Johnston. She stated that the application was in order.

MOTION: Mr. Birdwell moved to approve the application of Harvey P. Johnston. Mr. Romero seconded. The motion passed unanimously.

Leisa Moore- Ms. Myers presented the application of Leisa Moore, drop beneficiary of Alvin Ray Johnston. She stated that the application was in order.

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

Dorothy Rothenberger- Ms. Myers presented the application of Dorothy Rothenberger, drop beneficiary of Alvin Ray Johnston. She stated that the application was in order.

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

Rhonda H. Tyl- Ms. Myers presented the application of Rhonda H. Tyl, drop beneficiary of Alvin Ray Johnston. She stated that the application was in order.

MOTION: Mr. Birdwell moved to approve the application of Rhonda H. Tyl. Mr. Romero seconded. The motion passed unanimously.

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

- Disability Applicants

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.]

Ms. Myers presented the disability application of [REDACTED] Ms. Myers stated that, based on the report by State Medical Disability Board doctor, the staff recommendation is for approval of the Application for Disability Retirement (Non-Job-Related) and requiring disability recertifications.

MOTION: Mr. Birdwell moved to accept the staff recommendation for approval of a Non-Job-Related Disability Retirement and the requirement of disability recertifications for [REDACTED] Mr. Romero seconded. The motion passed unanimously.

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

KENNER FIREFIGHTERS, ET AL. V CITY OF KENNER AND FRS

Kenner Firefighters, et al. v. City of Kenner and FRS, Suit No. 687-197. 24th Judicial District Court, Parish of Jefferson, State of 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. Birdwell moved to enter executive session to discuss the agenda item shown above. Mr. Tarleton seconded. The motion passed unanimously.

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

MOTION: Mr. Tarleton moved to approve the agreement between the litigants regarding settlement of the Kenner lawsuit. Mr. Romero 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 April 13, 2023, 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, Mayor Waites, Mr. Romero, Mayor Gaspard, Marella Houghton, Layne McKinney, Michael Becker, Ben Johnson, Ashley Vicknair, Caitlin Myers, William Hall, Daniel Loper, David Barnes, Greg Curran, Brennan LeBlanc, Dennis Onderick, Stephen Brouillette, Henry Olinde, Shinji Hain, and Terry Stuard.]

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

Mr. Stockstill drew the advisory committee's attention to a document regarding FRS-GA, LLC, the property in Gainesville, Georgia. (see attached Exhibit #3) He explained that the document was from the buyer requesting a 90 day extension of the closing date. Mr. Stockstill informed the committee that he and the Treasurer recommend approval of the extension.

MOTION: Mr. Tarleton moved to approve the extension of 90 days regarding the Georgia property. Mr. Birdwell seconded. The motion passed unanimously.

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

ADJOURN FRS-LLC JOINT ADVISORY COMMITTEE

RECONVENE FRS BOARD MEETING

STATE SUPPLEMENTAL PAY

Mr. Stockstill drew the board's attention to a letter that was sent to the Attorney General requesting an opinion regarding the one-time lump-sum appropriation of state supplemental pay. (see attached Exhibit #4) He explained that the payment is a one-time appropriation that is going to be spread out over 12 months, but the law states that since the payment is not recurring it is not considered earnable compensation. He further explained that there is a bill referencing this matter to be heard in the current legislative session and the board may want to hold its AG request until the final legislative disposition of the bill.

MOTION: Mr. Birdwell moved to permanently withdraw the request for an AG opinion regarding the one-time lump-sum appropriation. 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 - MARCH 2023

Mr. Barnes presented the monthly flash report for the month of March 2023. (see attached Exhibit #5) The overall fund was up/down as follows: 1.5% for the month of March as compared to the allocation index of 1.6%, 6.3% for the fiscal year to date as compared to the allocation index of 5.1%; -4.8% for the trailing 12 months as compared to the allocation index of -5.8%; and 9.6% for the trailing 3 years as compared to the allocation index of 8.7%.

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

COMMITTEE REPORT - INVESTMENT COMMITTEE

[NOTE: The Investment Committee met on April 12, 2023, at the FRS office in Baton Rouge at 1:00 p.m. discuss the following business set forth in its posted agenda- (i) Educational presentation by LSV Capital Management regarding the methodology and industry standards of equity trading and investing, (ii) The FRS monthly investment performance results for March 2023, (iii) FRS fiscal agent bank - minimum criteria, (iv) Multi-Sector Fixed Income presentation by NEPC, 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, Mayor Gaspard, Mayor Waites, Steven Stockstill, Marella Houghton, Layne McKinney, Michael Becker, Daniel Loper, Ashley Vicknair, David Barnes, Ben Johnson, Caitlin Myers, William Hall, Scott Kemper, and Kevin Phelan.]

Mr. Tarleton invited Mr. Barnes to give a summary of the Flash Report for March 2023. (see attached Exhibit #5 above) Mr. Tarleton then gave the investment committee report.

- Educational presentation - LSV Capital Management

Mr. Tarleton explained to the board that the investment committee received information from LSV Capital Management's Partner and Director, Scott Kemper, and Chief Operating Officer, Kevin Phelan. He explained to the board that the representatives from LSV Capital Management educated the committee with topics regarding the company's philosophy and process, performance and portfolio characteristics, and trading. (see attached Exhibit #6) Mr. Tarleton informed the board that there was no action taken on this item.

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

- RFP - FRS Fiscal Agent Bank

Mr. Tarleton explained to the board that the committee received information from Mr. Stockstill and Mr. Becker regarding the definition of a Louisiana fiscal agent bank. The committee found that the law is vague and ambiguous with respect to a definition thereof. Mr. Stockstill provided the committee with a proposed policy defining a Louisiana fiscal agent bank. The committee voted to recommend the proposed policy, particularly regarding the minimum criteria applicable to the ongoing FRS RFP for custodial banking services. (see attached Exhibit #7) He explained that the investment committee moved to recommend to the full board adoption of this policy.

MOTION: Mr. Tarleton moved the investment committee's recommendation in the form of a motion. Mr. Birdwell seconded. The motion passed unanimously.

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

- RFP - Multi-Sector Fixed Income

Mr. Tarleton explained to the board that the investment committee received information from David Barnes. He explained that Mr. Barnes educated the committee regarding Multi-Sector Fixed Income. (see attached Exhibit #8) Mr. Tarleton explained that the investment committee moved to recommend to the full board approval for NEPC to draft a Request for Proposal for a Multi-Sector Fixed Income manager.

MOTION: Mr. Tarleton moved the investment committee's recommendation in the form of a motion. 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 - PERSONNEL COMMITTEE

[NOTE: The Personnel Committee met on April 12, 2023, 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 FRS career retention and salary study, (ii) Extended vacancy of employee position, and all related matters. The minutes of that meeting are embedded herein. Committee members present were Mr. Romero, chairman; Mayor Waites, Mr. Birdwell, and Mr. Fleming. Also present were Mr. Jeselink, Mayor Gaspard, Mr. Tarleton, Steven Stockstill, Marella Houghton, and Ashley Vicknair.]

Mr. Romero gave the Personnel Committee report regarding the following three agenda items.

- FRS Career Retention Salary Study

Mr. Romero explained to the board that the committee heard from Marella Houghton, FRS Deputy Director, regarding a career retention and salary study of FRS employees. (see attached Exhibit #9) He explained that the committee requested additional information be provided to the committee. He added that there was no action taken on this item.

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

- Employee Extended Medical Leave - Step Up Pay

Mr. Romero explained to the board that the committee received information from Steven Stockstill regarding extended medical leave of an FRS employee. He added that the committee moved to recommend to the full board approval of step-up pay for the FRS employee who fills in while another FRS employee is prescribed extended medical leave.

MOTION: Mr. Romero moved the committee's recommendation in the form of a motion. Mr. Birdwell seconded. The motion passed unanimously.

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

- FRS Employee OPEB

Mr. Romero explained to the board that the personnel committee discussed existing health insurance for retirees of the FRS office. He added that a motion was made by the committee to recommend to the full board authority for the staff to develop an internal policy allowing retirees from FRS the option to utilize either the Office of Group Benefits (OGB) or Medicare, provided that FRS would pay no more money than it would have paid if the employee solely used OGB.

MOTION: Mr. Romero moved the committee's recommendation in the form of a motion. 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 Personnel Committee report.

FRS POLICY

- Definition of "Surplus Funds" Relative to COLAs

Mr. Stockstill drew the board's attention to a proposed policy titled "Definition of the Phrase 'Surplus Funds'". (see attached Exhibit #10) He recalled that the FRS board verbally established this same policy in concept at its prior meeting in March 2023. He explained that the previous verbally adopted

board policy has now been memorialized in the form of a written, proposed policy. It is being presented for review and approval of the board, provided the board is inclined to find that the written policy is consistent with the previous verbally approved policy. According to the proposed written policy, the phrase "surplus funds" means an amount attributable to the difference between the net direct employer contribution rate and the minimum recommended rate; and, further, surplus funds must be promptly credited to the system's funding deposit account. Mr. Stockstill recommended approval of this policy.

MOTION: Mr. Birdwell moved the staff recommendation in the form of a motion. Mayor Gaspard seconded. The motion passed unanimously.

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

- Interest Payable to DROP Participants

Mr. Stockstill then drew the board's attention to certain FRS laws regarding benefits; refund of contributions, application, and payment. (see attached Exhibit #11) He explained that there are several questions that need board guidance. For example, if a member is retired with a DROP account and the DROP account is earning interest and the same member returns to work part-time for a fire department in the system, should the DROP account continue to earn interest? Or, if a person retires with a DROP account from another retirement system, such as the New Orleans Firefighters' Retirement System, and that person goes to work for a fire department in FRS, would that person be allowed to transfer the N.O. service credit to FRS? Would that person also be able to enter the FRS DROP plan? Mr. Curran explained his thoughts. He said that there is not much guidance in the statues regarding transfers, so it may be up to the board to make a decision. Mr. Stockstill suggested that the questions be addressed by the FRS System's Recommendations Committee.

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

PROPOSED LEGISLATION

Mr. Stockstill explained that there was an amendment to HB No. 44.

- HB44 Horton Provides relative to the board of trustees of the Firefighters' Retirement System

Mr. Stockstill drew the board's attention to HB44. (see attached Exhibit #12) He explained the original bill would have increased the members of the board of trustees from ten members to fifteen. He added that the author of the bill filed an amendment to change the number of members of the board of trustees from fifteen to twelve. If enacted, the board would be comprised of two mayors, a member of the House Committee on Retirement, the chairman of the Senate Committee on retirement or his designee, the state treasurer or his designee, and the commissioner of administration

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or his designee, two active firefighters that are elected by all active members, two fire chiefs, and two retirees elected by beneficiaries.

MOTION: Mayor Gaspard moved to oppose HB 44 in the amended version. Mr. Tarleton seconded. A roll call vote was taken and the motion passed with the following tally-

Tarleton	Yes
Birdwell	Yes
Fleming	Yes
Gaspard	Yes
Qualls	Absent
Firment	Absent
Hensgens	Absent
Romero	Yes
Waites	Yes
Jeselink	Yes

(7-0)

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

- HB37 Emerson Provides relative to the board of trustees of the Firefighters' Retirement System

Mr. Stockstill drew the board's attention to HB37. (see attached Exhibit #13) He explained the bill would increase the membership of the board of trustees from ten members to eleven by including the addition of one fire chief.

MOTION: Mr. Birdwell moved to oppose the HB 37. Mayor Waites seconded. A roll call vote was taken and the motion passed with the following tally-

Tarleton	No
Birdwell	Yes
Fleming	Yes
Gaspard	Yes
Qualls	Absent
Firment	Absent
Hensgens	Absent
Romero	Yes
Waites	Yes
Jeselink	Yes

(6-1)

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

OTHER BUSINESS

Mr. Stockstill drew the board's attention to a request from Curran Actuarial Consulting, LTD. (see attached Exhibit #14) Mr. Curran's office received a request from a former Curran employee for FRS data to be included in a study of retirement plans with a DROP feature. He added that no additional work would need to be done by the staff and Curran Actuarial would use the valuation data already available. He further added that the names and social security numbers would be removed from the records.

MOTION: Mr. Birdwell moved to allow Curran Actuarial to share redacted information regarding the DROP study. 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. Tarleton moved to adjourn. Mr. Romero seconded. The motion passed unanimously.

FUTURE MEETINGS

**FRS Investment Committee
Wednesday, May 10, 2023 at 1:00 p.m.
3100 Brentwood Dr. Baton Rouge, LA**

**FRS System's Recommendations Committee
Wednesday, May 10, 2023
at the later of 3:00 p.m. or adjournment of the FRS Investment Committee
3100 Brentwood Dr. Baton Rouge, LA**

**FRS Board of Trustees
Thursday, May 11, 2023 at 8:30 a.m.
3100 Brentwood Dr. Baton Rouge, LA**

SUBMITTED BY:

APPROVED BY:



Ashley Vicknair, FRS Board Secretary



Perry Jeselink, FRS Chairman