



FIREFIIGHTERS' RETIREMENT SYSTEM

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MEETING OF THE BOARD OF TRUSTEES June 8, 2023

A meeting of the Board of Trustees was held on June 8, 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)
State Treasurer John Schroder (via zoom)
Louis Romero
Mayor Kim Gaspard

OTHERS PRESENT

Steven Stockstill
Marella Houghton
Layne McKinney
Michael Becker
Ashley Vicknair
Caitlin Myers
Ben Johnson
William Hall
Daniel Loper
David Barnes
Dawn Moeller
Garth Wieger
John Reidy
Brandon Johnson
Dennis Onderick
Chris Kaufmann
Chad Duffaut
Stephen Brouillette
Susita Suire
Catharine Byrne

MINUTES

Ms. Vicknair indicated the minutes state Mr. McKinney presented the Statement of Fiduciary Net Position report, but it was Mr. Johnson who presented the report.

MOTION: Mr. Tarleton moved to approve the minutes of the board meeting held on May 11, 2023 with the administrative correction. 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 June 2023. (see attached Exhibit #1) She stated that all applications were in order.

MOTION: Mr. Romero moved to approve the new member applicants for the month of June 2023. Mr. Jeselink 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 June 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 June 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)

Peggy Bourque- Ms. Myers presented the application of Peggy Bourque, surviving spouse of Guy Bourque. She stated that the application was in order.

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

Cherry Dumas- Ms. Myers presented the application of Cherry Dumas, surviving spouse of Gerald Dumas. She stated that the application was in order.

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

Toni H. Wilson- Ms. Myers presented the application of Toni H. Wilson, surviving spouse of Robert B. Wilson. She stated that the application was in order.

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MOTION: Mr. Birdwell moved to approve the application of Toni H. Wilson. 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 ██████████ Ms. Myers stated that, based on the report by the State Medical Disability Board doctor, the staff recommendation is for approval of the Application for Disability Retirement (Job-Related) and suspending the requirement of disability recertification.

MOTION: Mr. Romero moved to accept the staff recommendation for approval of the application for a Job-Related Disability Retirement for ██████████ and suspending the requirement of disability recertification. Mr. Tarleton seconded. The motion passed unanimously.

██████████ Ms. Myers presented the disability application of ██████████ Ms. Myers stated that, based on the report by the State Medical Disability Board doctor, the staff recommendation is for denial of the Application for Disability Retirement (Job-Related).

MOTION: Mr. Birdwell moved to enter executive session to discuss the agenda item above. Mr. Tarleton seconded. The motion passed unanimously.

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

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MOTION: Mr. Birdwell moved to accept the staff recommendation for denial of the application for a Job-Related Disability Retirement for [REDACTED] Mr. Tarleton 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 June 8, 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 FY 2023-24 Budget regarding FRS-LB, and as parent of FRS-LB#1, FRS-LB #3, and FRS-GA, and request for modification of purchase agreement relative to FRS-LB #1, 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, Treasurer Schroder, Mr. Romero, Mayor Gaspard, Marella Houghton, Layne McKinney, Michael Becker, Ben Johnson, Ashley Vicknair, Caitlin Myers, William Hall, Daniel Loper, David Barnes, Dennis Onderick, Dawn Moeller, Garth Wieger, John Reidy, Brandon Johnson, Stephen Brouillette, Susita Suire, Catharine Byrne, Chris Kaufmann, and Chad Duffaut.]

- Discussion and advisory action regarding FY 2023-24 Budget regarding FRS-LB, and as parent of FRS-LB#1, FRS-LB#3, and FRS-GA

Mr. Johnson presented the FRS-LB, LLC Budget for Fiscal Year 2023-2024 to the joint advisory committee and answered questions that arose relative thereto. (see attached Exhibit #3)

MOTION: Mr. Tarleton moved to accept the FRS-LB budget as presented. Mr. Birdwell seconded. The motion passed unanimously.

- Request for modification of purchase agreement relative to FRS-LB#1

Mr. Stockstill explained to the advisory committee that this item refers to the property in Arizona and FRS has received communication from the purchaser stating there was a water issue on the property, which gave rise to a request for a 25% price discount. Treasurer Schroder and Garth Wieger, who were both attending via zoom, provided an update regarding the property. (see attached Exhibit #4) Treasurer Schroder addressed the committee and explained that he has been in communication with the buyer regarding the flooding issue. He continued explaining that there are

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a few options for the committee to choose from in order to take action referring to this matter today. Treasurer Schroder offered to renegotiate the purchase agreement and explained that there is always room for negotiation. He added that FRS should not take anything less than what is on the table.

MOTION: Mr. Tarleton moved to allow the Treasurer to renegotiate the purchase agreement to try to get the original \$25 million and if not, how fast can the system get the offer of \$19 million for the Arizona 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

COMMITTEE REPORT - INVESTMENT COMMITTEE

[NOTE: The Investment Committee met on June 7, 2023, at the FRS office in Baton Rouge at 1:00 p.m. to discuss the following business set forth in its posted agenda- (i) Educational presentation by PGIM Quantitative Solutions (ii) The FRS monthly investment performance results for May 2023, (iii) FRS Investment Policy Statement, (iv) FRS 2023 Asset Allocation Update, (v) Custodial Bank RFP Update 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, Steven Stockstill, Marella Houghton, Layne McKinney, Michael Becker, Daniel Loper, Ashley Vicknair, David Barnes, Ben Johnson, Caitlin Myers, William Hall, Stephen Courtney, Kevin O'Rourke and Patrick McMEnamin.]

Mr. Tarleton invited Mr. Barnes to give a summary of the preliminary flash report for May 2023, since the full report was not ready. (see attached Exhibit #5) Mr. Tarleton then gave the investment committee report.

- Educational presentation by PGIM Quantitative Solutions

Mr. Tarleton explained to the board that the investment committee heard from PGIM's Managing Director and Portfolio Manager, Stephen Courtney, Managing Director and Head of East Coast Sales, Kevin O'Rourke, and Vice President in the Global Client Relationship Management team, Patrick McMEnamin. Mr. Tarleton explained to the board that the PGIM representatives educated the committee with topics regarding quantitative equity investing, model and system demo, and

portfolio reiew. (see attached Exhibit #6) Mr. Tarleton informed the board that there was no action taken.

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

- FRS Investment Policy Statement

Mr. Tarleton explained to the board that the committee received a presentation from Mr. Barnes regarding the FRS Investment Policy Statement. (see attached Exhibit #7) He explained that Mr. Barnes informed the committee of a few small updates to the investment policy statement. Mr. Tarleton explained that the committee moved to recommend approval of the FRS investment policy statement with the updates stated.

MOTION: Mr. Tarleton moved to accept the investment committee's recommendation to approve the investment policy statement with the updates stated. Mr. Birdwell seconded. The motion passed unanimously.

- FRS 2023 Asset Allocation Update

Mr. Tarleton explained to the board that the committee received a presentation from Mr. Loper, FRS Investment Analyst (see attached Exhibit #8), and Mr. Barnes (see attached Exhibit #9) regarding the 2023 Asset Allocation Update. Mr. Tarleton explained that Mr. Loper educated the committee regarding capital markets forecasts and understanding standard deviation. Mr. Tarleton then explained that Mr. Barnes presented the committee with NEPC's asset allocation recommendations. Mr. Tarleton explained that the committee voted to recommend to the full board approval of Mix A of the asset allocation recommendations from NEPC.

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

- Custodial Bank RFP Update

Mr. Tarleton explained to the board that the committee received a presentation from Mr. Becker regarding the custodial bank RFP update. Mr. Tarleton invited Mr. Becker to provide a summary of the discussion. Mr. Becker reminded the board that the system will be receiving the full RFP responses by Friday of this week. Mr. Becker added that the committee discussed to allow the staff to form a due diligence team to visit various locations. Mr. Tarleton explained there was no action taken.

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

That concluded the Investment Committee report.

FRS OPERATING SOFTWARE CONVERSION

Mr. Stockstill asked the chairman to recognize John Reidy, Principal of Pension Technology Group, to update the board regarding the FRS software conversion. Mr. Reidy addressed the board and announced that PTG has partnered with Case 5 Capital (C5). He then introduced Brandon Johnson, Managing Director at Case 5 Capital. Mr. Reidy explained that C5 will provide PTG with the financial resources and expertise that will be instrumental in the modernization of PTG's technology solutions. Mr. Reidy then invited Catharine Byrne, PTG Implementation Consultant, (who was attending via Zoom) and Susita Suire, PTG Retirement Specialist to present the board with an update regarding the software conversion for FRS. (see attached Exhibit #10) Ms. Byrne explained to the board the information FRS staff has already tested and that which is currently being tested. She added that PTG has tested two months of payroll and the reports have been reviewed by FRS staff. Ms. Suire explained that Morgan Records, a third-party company who scanned all files for FRS, has been indexing the scanned documents into the PTG system. Ms. Suire also added that employer contribution reports are currently being tested by FRS staff through the employer portal.

Mr. Reidy then informed the board that PTG has partnered with a company called, DocuWare. (see attached Exhibit #11) He explained that this software will be a great tool to use for FRS' medical enrollment form. He further explained that this company is HIPAA compliant and meets several other privacy standards. Chairman Jeselink requested for the board to receive a report each month with a list of what was tested in the new system. Mr. Stockstill responded by stating a report will be prepared for next month's meeting with the requested information. Mr. Reidy concluded his presentation and informed the board that the portal will go live around January 2024 for the FRS staff. He added that the employer and member portal will go live shortly thereafter.

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

OPERATING BUDGET

Ben Johnson, FRS System Accountant, presented the proposed FRS Operating Budget for Fiscal Year 2023-2024. (see attached Exhibit #12) He highlighted pertinent line items of the report and explained certain variances thereto.

MOTION: Mr. Tarleton moved to approve the operating budget as presented by staff. Mr. Birdwell seconded. The motion passed unanimously.

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

PROPOSED LEGISLATION

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

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Mr. Stockstill drew the board's attention to the engrossed version of 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. He added that the amendment to the bill is to remove the language regarding the six member affirmative vote.

- HB43 Reengrossed Firment Provides for nonrecurring lump-sum supplemental payment to certain eligible retirees and beneficiaries

Mr. Stockstill drew the board's attention to the engrossed version of HB43. (see attached Exhibit #14) He explained that there is an amendment to change the time period that benefits must have been paid for retirees or beneficiaries to be eligible for the additional payment from five years to one year.

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

Mr. Stockstill drew the board's attention to the engrossed version of HB44. (see attached Exhibit #15) He explained the bill would increase the membership of the board from ten members to twelve members. He explained that there were three amendments. The first amendment is to insert "for a term of five years" after system. The second amendment is to insert "Section 2. The provisions of this Act shall not affect the term of the retiree member of the board of trustees serving pursuant to the provisions of R.S. 11:2260(A)(2)(e) as they existed before the effective date of this Act." The third amendment is to change Section 2 to Section 3 on page 2.

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

OTHER BUSINESS

Mr. Stockstill informed the board that FRS is changing the hours that the office is open to the public from its current hours to closing at 12:00 noon on Fridays, beginning July 5, 2023. He explained that with the abundance of phone calls received in the office, it is difficult for the staff to complete a task or project without stopping to answer the phone. He further added that this decision was made in an effort to ensure the system's members and employers receive prompt service and the staff's undivided attention. He clarified that the staff will continue working until 4:30 on Friday, but the phone system will be inactivated after 12:00 noon.

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

ADJOURNMENT

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

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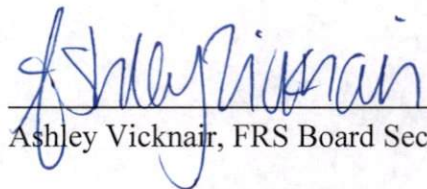
FUTURE MEETINGS

**FRS Investment Committee
Wednesday, July 12, 2023 at 1:00 p.m.
3100 Brentwood Dr. Baton Rouge, LA**

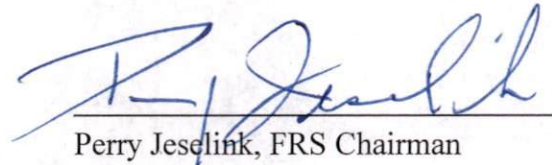
**FRS Board of Trustees
Thursday, July 13, 2023 at 8:30 a.m.
3100 Brentwood Dr. Baton Rouge, LA**

SUBMITTED BY:

APPROVED BY:



Ashley Vicknair, FRS Board Secretary



Perry Jeselink, FRS Chairman