



FIREFIGHTERS' RETIREMENT SYSTEM

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MEETING OF THE BOARD OF TRUSTEES September 14, 2023

A meeting of the Board of Trustees was held on September 14, 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 Darnell Waites
Louis Romero
Mayor Kim Gaspard

OTHERS PRESENT

Steven Stockstill	Chad Duffaut
Marella Houghton	Chris Kaufmann
Layne McKinney	Lynda Cabo
Michael Becker	Troy Schmidt
Daniel Loper	Alana Perrin
Caitlin Myers	
William Hall	
Ben Johnson	
Ashley Vicknair	
David Barnes	
Jerry Schaefer	
Richard Williams	
Joey David	
Greg Curran	
Dawn Moeller	
Steven Moses	
Monica Moses	
Terry Stuard	

MINUTES

MOTION: Mr. Birdwell moved to approve the minutes of the board meeting held on August 16, 2023. 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 of September 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 September 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 September 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 September 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)

Patricia Floyd- Ms. Myers presented the application of Patricia Floyd, surviving spouse of Tommy Floyd. She stated that the application was in order.

MOTION: Mr. Birdwell moved to approve the application of Patricia Floyd. Mayor Waites seconded. The motion passed unanimously.

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

- Disability Conversion Applicant

PROCEDURE: Retirees who apply for conversion from regular retirement to a disability retirement are required to submit detailed medical information as part of the application in support of their claim that the disability was job-related and occurred during active employment as a firefighter, even though the actual physical disability may not have become manifest until after the effective date in DROP or after commencement of service retirement. Once received, the application is reviewed by staff and medical records are forwarded to a State Medical Disability Board doctor to determine if sufficient documentation is present to certify that the retiree's disability occurred during active employment and was a direct result of working as a firefighter. If the medical information submitted is not sufficient for the doctor to determine the date and cause of the disability, then an appointment is scheduled for the applicant to undergo a physical

examination. For the applicant to become eligible for conversion, the State Medical Disability Board doctor must furnish a medical report certifying the retiree's disability and that the disability was a direct result of employment as a firefighter. (R.S. 11:2258(B) and Administrative Rule)

[NOTE: By giving advance notice on its posted agenda, the board of trustees reserved its 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 conversion applicant.]

Ms. Myers presented the disability conversion application of Ms. Myers stated that, based on the report by State Medical Disability Board doctor, the staff recommendation is for the approval of disability conversion and suspending the requirement of disability recertification. (see attached Exhibit #3)

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

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

MOTION: Mr. Birdwell moved to accept the staff recommendation regarding Mr. Romero seconded. The motion passed unanimously.

Ms. Myers presented the disability conversion application of Ms. Myers stated that, based on the report by State Medical Disability Board doctor, the staff recommendation is for the approval of disability conversion and suspending the requirement of disability recertification. (see attached Exhibit #4)

MOTION: Mr. Birdwell moved to accept the staff recommendation regarding 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 September 14, 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) Status of purchase agreement relative to FRS-LB#1, (ii) Status of purchase agreement relative to 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. Broussard, Mr. Romero, Mayor Gaspard, Marella Houghton,

Layne McKinney, Michael Becker, Ben Johnson, Caitlin Myers, William Hall, Daniel Loper, Ashley Vicknair, David Barnes, Greg Curran, Dawn Moeller, Joey David, Chad Duffaut, Terry Stuard, Chris Kaufmann, Richard Williams and Alana Perrin.]

- Status of purchase agreement relative to FRS-LB#1

Mr. Stockstill informed the committee of a status update regarding FRS-LB#1. He explained that the purchase agreement was terminated, and FRS is now the sole owner of the property. He added that there is no action required at this time.

- Status of purchase agreement relative to FRS-GA

Mr. Stockstill informed the committee of a status update regarding FRS-GA. He explained that the closing is being undertaken at this time and that is because the buyers have multiple parties that are financing the transaction and it is taking time for them to coordinate a way to make one payment. He added that once that is completed, we will move forward. He then added that there is no action required at this time.

Committee members questioned if it would be appropriate to authorize Marella Houghton to be the manager of the LLC's, since she will be the Interim Executive Director. Mr. Stockstill recommended the committee to do so.

MOTION: Mr. Birdwell moved to authorize the Interim Executive Director, Marella Houghton, to act as the manager for the LLC's. Mayor Waites 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 - PERSONNEL COMMITTEE

[NOTE: The Personnel Committee met on September 13, 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, 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, Mr. Tarleton, Mayor Gaspard, Steven Stockstill, Marella Houghton, Layne McKinney, and Ashley Vicknair.]

Mr. Romero gave the Personnel Committee report. He reported that one agenda item was discussed and resulted in multiple action items being approved for recommendation to the full board.

- FRS career retention and 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 #5) He explained that the committee made several motions related to this matter to recommend to the full board.

MOTION: Mr. Romero moved to accept the personnel committee's recommendation to appoint Marella Houghton as Interim Executive Director, with step-up pay to be determined by negotiations between the personnel committee and Ms. Houghton, with payment of the step-up pay to be paid retroactively to the effective date of the step-up until a permanent Director is hired. Mr. Birdwell seconded. The motion passed unanimously.

MOTION: Mr. Romero moved to accept the personnel committee's recommendation to authorize the Interim Executive Director to approach the Parochial Employees Retirement System for the purpose of discovering the components of their system's personnel study and, if they didn't get anything that FRS needs as a part of that study, then the Interim Executive Director is authorized to offer to pay for the extra component, plus an amount equal up to one half of their original cost, provided FRS is given a copy of the entire study. Mr. Birdwell seconded. The motion passed unanimously.

In addition to the motions made during the Personnel Committee, Mr. Romero announced he would like to offer up two additional motions regarding the matter.

MOTION: Mr. Romero moved to authorize the Interim Executive Director to offer Municipal Police Employees' Retirement System the opportunity to participate in a joint effort with FRS and MERS if they agree to pay a prorated share of the costs. Mr. Birdwell seconded. The motion passed unanimously.

MOTION: Mr. Romero moved to authorize the Interim Executive Director to enter negotiations to retain SSA Consultants to provide salary study services, with payment up to \$19,700.00 for the initial one-time cost, plus \$13,200.00 for the cost of reviews every five years. Mr. Birdwell seconded. The motion passed unanimously.

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

That concludes the Personnel Committee report.

MONTHLY FLASH REPORT - AUGUST 2023

Mr. Barnes, consultant with NEPC, presented the monthly flash report for the month of August 2023. (see attached Exhibit #6) The overall fund was up/down as follows: -2.1% for the month of August as compared to the allocation index of -2.2%, 7.4% for the calendar year to date as compared to the allocation index of 7.4%, 7.6% for the trailing 12 months as compared to the allocation index of 6.6%; and 5.1% for the trailing 3 years as compared to the allocation index of 4.2%.

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

COMMITTEE REPORT - INVESTMENT COMMITTEE

[NOTE: The Investment Committee met on September 13, 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 Heitman Capital Management Company (ii) The FRS monthly investment performance results for August 2023, (ii) Global Multi-Sector Fixed Income Search Report, 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. Broussard, Mr. Romero, and Mr. Fleming. Also present were Perry Jeselink, Mayor Waites, Mayor Gaspard, Steven Stockstill, Marella Houghton, Layne McKinney, Michael Becker, Daniel Loper, Ashley Vicknair, Ben Johnson, Caitlin Myers, William Hall, David Barnes, Jeffrey Bingham, Danielle Hernandez, Christina Fyelling, Blaise Keane, and Amy Krass.]

Mr. Tarleton invited Mr. Barnes to give a summary of the flash report for August 2023. (see attached Exhibit #6) Mr. Tarleton then gave the investment committee report.

- Educational presentation by Heitman Capital Management Company

Mr. Tarleton explained to the board that the investment committee heard from Heitman Capital Management Company's Executive Vice President, Christina Fyelling, Portfolio Manager, Blaise Keane, Assistant Portfolio Manager, Amy Krass, and Director of Investment Strategy, Jeffrey Bingham. Mr. Tarleton explained to the board that the Heitman representatives educated the committee with topics regarding market overview, portfolio allocation, and debt financing. (see attached Exhibit #7) 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.

- Global Multi-Sector Fixed Income Search Report

Mr. Tarleton explained to the board that the committee received a presentation from Mr. Barnes and Mr. Becker regarding the Multi-Sector Fixed Income Search. (see attached Exhibit #8) He

said Mr. Barnes informed the committee of NEPC's recommendation to accept three of the nine candidates to include for further screening. Mr. Tarleton explained that the committee approved a motion to recommend to the full board, acceptance of the three candidates, Brandywine Global Investment Management, LLC, Loomis, Sayles & Company L.P., and Fort Washington Investment Advisors, for further screening. Mr. Tarleton moved that recommendation in the form of a motion.

MOTION: Mr. Tarleton moved the investment committee's recommendation to accept NEPC's recommendation to perform further screening of Brandywine Global Investment Management, LLC., Loomis, Sayles & Company L.P., and Fort Washington Investment Advisors. 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.

OFFICE OF RISK MANAGEMENT

Mr. Stockstill drew the board's attention to documents regarding Directors and Officers insurance coverage provided through the Office of Risk Management and third-party providers. (see attached Exhibit #9)

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.

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

REQUEST FOR PROPOSAL - CUSTODIAL BANKING SERVICES

Mr. Stockstill explained to the board that this item was a placeholder and there was not an update at this time. Mr. Becker informed the board that finalists will attend the board meeting next month.

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

INVITATION TO BID - AUDIT SERVICES

Mr. McKinney addressed the board. He drew their attention to a document regarding the Invitation to Bid for audit services. (see attached Exhibit #10) He noted that there is a list of staff-recommended auditors for invitation to bid for FRS' audit services. Mr. Johnson explained the anticipated timeline to initiate the bid is in October 2023 and select the auditor no later than March

2024. Mr. Birdwell questioned if the auditors for the other statewide systems were included and if not, he requested to include them on the list.

MOTION: Mayor Waites moved to accept the staff-recommended auditor list, add the current auditors for the other 12 statewide systems, and to add Ericksen Krentel to the list. Mr. Tarleton seconded. The motion passed unanimously.

Dawn Moeller, with the Louisiana Legislative Auditor's office, noted that the FRS staff may want to consider changing the date that the draft report is due to the actuary to October 15th in the Invitation to Bid for audit services.

MOTION: Mr. Tarleton moved to approve the Invitation to Bid packet with the change of date noted by the LLA for the draft report to the actuary. Mr. Birdwell 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 Investment Committee Meeting
Wednesday, October 11, 2023 at 1:00 p.m.**

**FRS Personnel Committee Meeting
Wednesday, October 11, 2023 at the earlier of 2:00 p.m. or adjournment of the Investment
Committee Meeting**

**FRS Board of Trustees
Thursday, October 12, 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