

**MEETING OF THE BOARD OF TRUSTEES  
February 6, 2024**

A meeting of the Board of Trustees was held on February 6, 2024, at the Firefighters' Retirement System building in Baton Rouge. Chairman Perry Jeselink called the meeting to order at 8:30 a.m.

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 Taylor Barras)  
Louis Romero  
Mayor Chad Monceaux  
Clarence Reese, Jr.

**OTHERS PRESENT**

Barbara Goodson	Henry Olinde
Marella Houghton	Steve Lemoine
Layne McKinney	Chris Kaufmann
Michael Becker	Chad Duffaut
Ben Johnson	Robert Atkinson
Ashley Vicknair	Earl Borden
Caitlin Myers	
William Hall	
Daniel Loper	
David Barnes	
Greg Curran	
Alana Perrin	

**TRUSTEE-OATH OF OFFICE**

Ms. Goodson reminded the board that Mayor Chad Monceaux of Crowley has been appointed as the new LMA representative and since he attended via zoom last month, he was not able to perform the oaths. Henry Olinde administered the statutory and constitutional oaths to Mayor Monceaux.

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

## COMMITTEE ASSIGNMENTS

Chairman Jeselink distributed a list of FRS committee assignments and asked anyone to contact him if a change of assignment was desired. (see attached Exhibit #1)

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

## MINUTES

MOTION: Mr. Birdwell moved to approve the minutes of the board meeting held on January 11, 2024. 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 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.

William Hall, FRS Benefits Analyst, presented the list of new member applicants for the month of February 2024. (see attached Exhibit #2) He stated that all applications were in order.

MOTION: Mr. Birdwell moved to approve the new member applicants for the month of February 2024. 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.

Mr. Hall presented the list of new retirees for the month of February 2024. (see attached Exhibit #3). He stated that all applications were in order.

MOTION: Mr. Birdwell moved to approve the retiree applicants for the month of February 2024. Mr. Fleming 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)

Mr. Hall presented the list of new survivor applicants for the month of February 2024. (see attached Exhibit #4). He stated that all applications were in order.

MOTION: Mr. Birdwell moved to approve the survivor applicants for the month of February 2024. Mr. Fleming 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.]

██████████ Mr. Hall presented the disability application of ██████████ Mr. Hall stated that, based on the report by State Medical Disability Board doctor, the staff recommendation is for approval of the Application for Disability Retirement (Job-Related). (see attached Exhibit #5)

MOTION: Mr. Birdwell moved to accept the staff recommendation for approval of a job-related disability retirement. 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 February 6, 2024, 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 LLCs: FRS-LB, FRS-LB#1, and FRS-GA, and all related matters. The minutes of that meeting are embedded herein. Committee members present were Ms. Goodson, manager; Mr. Jeselink, Mr. Tarleton, Mr. Birdwell, Mr. Fleming, Mr. Romero, Mayor Monceaux, Mr. Reese, Marella Houghton, Layne McKinney, Michael Becker, Ben Johnson, Caitlin Myers, William Hall, Daniel Loper, Ashley Vicknair, David Barnes, Greg Curran, Robert Atkinson, Steve Lemoine, Alana Perrin, Chris Kaufmann, Chad Duffaut and Henry Olinde .]

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

Ms. Goodson invited Michael Becker and Robert Atkinson to provide an update regarding an offer to purchase the property in Arizona, FRS-LB#1. Mr. Becker referred to a timeline regarding the sale of the property. (see attached Exhibit #6) He explained that if the committee approves the action today, the manager of the LLCs will sign the purchase and sale agreement and the opening of escrow will begin on February 16, 2024. He added that the first deposit of \$250,000.00 will be due February 19<sup>th</sup>, 2024 with the second deposit of \$750,000.00 due July 15<sup>th</sup>, 2024.

Mr. Becker further added that \$9,200,000.00 will be due August 14<sup>th</sup>, 2024 and the remaining balance of \$14,800,000.00 will be paid out by a waterfall. He explained the waterfall for the deferred balance; first \$6,000 per gross acre from closings to buyer up to \$3m total, 80% to FRS LB#1, 20% to buyer until deferred balance has been received, 100% to buyer up to \$10.2m, 10% to FRS LB#1, 90% to buyer up to \$5.1m, and 100% to buyer thereafter. Mr. Becker further explained that payments to FRS LB #1 are paid at each close and are nonrefundable, the buyer has agreed that gross sales proceeds from transactions shall be not less than \$21.5m, and the buyer has 12 years from outside payment date for deferred balance payment. Mr. Becker then concluded by recommending the committee authorize the manager of the LLC's to sign the purchase and sale agreement.

MOTION: Mr. Birdwell moved to accept Mr. Becker's recommendation to give authority to the manager of the LLCs, Barbara Goodson, to proceed with signing the purchase and sale agreement for the property in Arizona. Mr. Reese seconded. The motion passed unanimously.

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

#### **ADJOURN FRS-LLC JOINT ADVISORY COMMITTEE**

#### **RECONVENE FRS BOARD MEETING**

#### **COMMITTEE REPORT - INVESTMENT COMMITTEE**

[NOTE: The Investment Committee met February 5, 2024, at the FRS office in Baton Rouge at 1:00 p.m. to discuss the following business set forth in its posted agenda- (i) Discussion and action regarding FRS' monthly investment performance results for January 2024, (ii) 2024 Annual FRS Asset Allocation Education and 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 Monceaux, Mr. Reese, Barbara Goodson, Marella Houghton, Michael Becker, Daniel Loper, Ashley Vicknair, Ben Johnson, William Hall, Caitlin Myers and David Barnes.]

Mr. Tarleton provided the investment committee report. He explained that Mr. Barnes provided the committee with an estimated flash report since the meeting was held early in the month and the final report was not ready. (see attached Exhibit #7)

- 2024 Annual FRS Asset Allocation Education and Update

Mr. Tarleton explained to the board that Mr. Barnes provided the committee with an educational presentation regarding FRS' Asset Allocation for 2024. (see attached Exhibit #8)

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

That concluded the Investment Committee report.

### **STATEMENT OF FIDUCIARY NET POSITION - PRELIMINARY - 2Q FY2023-24**

**I.** Statement of Changes in Fiduciary Net Position - Preliminary - 2Q FY2023-24

**II.** Statement of Fiduciary Net Position - Preliminary - 2Q FY2023-24

Ben Johnson, FRS Accountant, presented to the board the Statement of Changes in Fiduciary Net Position - Preliminary for the second quarter of FY2023-24. (see Exhibit #9) He then presented to the board the Statement of Fiduciary Net Position - Preliminary for the second quarter of FY2023-24. (see attached Exhibit #10) He explained each report on a line-by-line basis.

MOTION: Mr. Birdwell moved to accept the reports 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.

### **FRS BUDGET TO ACTUAL COMPARISON - 2Q FY 2023-24**

Mr. Johnson drew the board's attention to a report titled FRS "Budget to Actual Comparison" for the 2<sup>nd</sup> Quarter of FY 2023-24. (see attached Exhibit #11) He highlighted pertinent line items of the report and explained certain variances related thereto. Mr. Johnson summarized by saying that, overall, FRS is on target for the year.

MOTION: Mr. Birdwell moved to accept the Budget to Actual report 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.

### **AUDIT – INVITATION TO BID**

Layne McKinney, FRS Controller, presented the board with a summary of the Audit ITB Review. (see attached Exhibit #12) He explained that the CPAs in the FRS office interviewed the three companies that submitted a bid. He then explained the location, staffing, IT, client information and fees for each company. Mr. McKinney recommended contracting with EisnerAmper to the board.

MOTION: Mr. Romero moved to accept the staff recommendation to move forward with contract negotiations with EisnerAmper as FRS' new auditor. Mayor Monceaux seconded. The motion passed unanimously.

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

**LEGISLATION**

Ms. Goodson drew the board's attention to bills that may have an impact on FRS in the upcoming legislative session.

HOUSE BILL NO. 13            A bill relative to Firefighters' Retirement System; to provide for membership on the board of trustees; proposed law increases membership to thirteen and adds an additional fire chief selected by association officers to the FRS board; proposed law increases the number of mayors appointed by LMA to three. (see attached Exhibit #13)

HOUSE BILL NO. 40            A bill relative to Firefighter's Retirement System; to provide for membership on the board of trustees; proposed law increases membership to twelve; proposed law increases the number of elected retirees to two. (see attached Exhibit #14)

HOUSE BILL NO. 41            A bill relative to Firefighters' Retirement System; to provide for amortization of the balance of the frozen UAL over 15 years; to provide that survivor benefits are payable to such a child if the child has the disability at the time of retirement of the retiree, rather than the death of the retiree, and removes the requirement that the child be dependent on the surviving spouse or other legal guardian; to provide for a self-directed benefits account and authorizes retirees to direct the system to deposit retirement benefits into such accounts; to remove the requirement that the member have 20 years of creditable service for eligibility to participate in DROP; to increase the maximum DROP participation period to five years; to provide that an examination pursuant to present law is limited to an evaluation of the condition or injury that qualified a retiree for disability retirement; to authorize a disability retiree who is no longer disabled to return to active service for a trial period of not more than 18 months with no effect other than the suspension of the retirement allowance during the period of reemployment; striking language from current law requiring the re-employed retiree to be reemployed in the same rank and position that was held at time of disability; to retain present law and provide employers with the option of paying the actuarial costs of unused leave conversions to creditable service on an annual period; to provide that such nominations of beneficiaries are revocable at any time except with regards to a spouse who had a community property interest in the benefit; to remove the requirement for the former spouse's consent to the removal; to authorize an employer to develop and implement a plan for increasing the average final compensation of its

employees subject to: no such plan shall be implemented unless it has been approved by the board of trustees, the employer shall submit a proposed plan to the board of trustees, the system actuary shall determine the cost of a plan submitted by an employer and shall certify the cost to the board of trustees prior to the board's approval of the plan. (see attached Exhibit #15)

**SENATE BILL NO. 5**

A bill relative to all retirement systems; requires fiduciaries for public retirement systems to make investment decisions based solely on financial factors. (see attached Exhibit #16)

**MOTION:** Mr. Birdwell moved to oppose all bills presented to the board. Mr. Romero seconded. The motion passed with the following tally-

- Tarleton – Yes
- Birdwell – Yes
- Fleming – Yes
- Romero – Yes
- Monceaux – Yes
- Reese – Yes
- Jeselink – Yes

(7 Y – 0 N)

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

**ADJOURNMENT**

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

**FUTURE MEETINGS**

**FRS Investment Committee Meeting  
Wednesday, March 13, 2024, at 1:00 p.m.  
3100 Brentwood Dr. Baton Rouge, LA**

**FRS Board of Trustees  
Thursday, March 14, 2024, at 8:30 a.m.  
3100 Brentwood Dr. Baton Rouge, LA**



SUBMITTED BY:

  
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Ashley Vicknair, FRS Board Secretary

APPROVED BY:

  
\_\_\_\_\_  
Perry Jeselink, FRS Chairman