FIREFIGHTERS RETIREMENT SYSTEM
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MEETING OF THE BOARD OF TRUSTEES
April 13, 2017

A meeting of the Board of Trustees was held on April 13, 2017 at the Firefighters' Retirement System building in Baton Rouge, Louisiana. Mr. Stacy Birdwell, Chairman, called the meeting to order at 8:30 a.m.

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

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

MEMBERS PRESENT

Mr. Stacy Birdwell
Mr. Perry Jeselink
Mr. Afranie Adomako (designee of Commissioner Jay Dardenne)
Mayor David Amrhein
Mr. John Broussard (designee of Treasurer Ron Henson)
Mr. Charlie Fredieu
Mayor Ron Roberts
Mr. Jerry Tarleton

OTHERS PRESENT

Steven Stockstill
Layne McKinney
Denise Poche
Michael Becker
Jamie Grady
Brandi Brown
David Barnes
Greg Curran
Paul Schmidt
Barett Hunter
Nicole Edmonson
Dawn Moeller

MINUTES

MOTION: Mr. Jeselink moved to approve the minutes of the board meeting held on March 9, 2017. Mr. Tarleton seconded. The motion passed.

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. Brown presented the list of new member applicants. (see attached Exhibit #1) She stated that all applications were in order.

MOTION: Mr. Tarleton moved to approve the new member applicants. Mr. Adomako seconded. The motion passed.

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. Brown presented the list of new retirees. (see attached Exhibit #2) She stated that all applications were in order.

MOTION: Mr. Tarleton moved to approve the retiree applicants. Mr. Jeselink seconded. The motion passed.

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)

Phyllis Goza Bird- Ms. Brown presented the application of Phyllis Goza Bird, surviving spouse of Samuel Frederick Bird, Sr. She stated that the application was in order.

MOTION: Mr. Tarleton moved to approve the application of Phyllis Goza Bird. Mr. Adomako seconded. The motion passed.

Diana Boylston Clark- Ms. Brown presented the application of Diana Boylston Clark, surviving spouse of Wesley Andrew Clark. She stated that the application was in order.

MOTION: Mr. Tarleton moved to approve the application of Diana Boylston Clark. Mr. Jeselink seconded. The motion passed.

Priscillia Rance McGee - Ms. Brown presented the application of Priscillia Rance McGee, surviving spouse of John Forrest McGee. She stated that the application was in order.

MOTION: Mr. Tarleton moved to approve the application of Priscillia Rance McGee. Mr. Jeselink seconded. The motion passed.

Ayovee Cummings Montgomery- Ms. Brown presented the application of Ayovee Cummings Montgomery, surviving spouse of Ervin James Montgomery. She stated that the application was in order.

MOTION: Mr. Tarleton moved to approve the application of Ayovee Cummings Montgomery. Mr. Jeselink seconded. The motion passed.

Linda Hood Neal- Ms. Brown presented the application of Linda Hood Neal, surviving spouse of John Michael Neal. She stated that the application was in order.

MOTION: Mr. Tarleton moved to approve the application of Linda Hood Neal. Mr. Jeselink seconded. The motion passed.

Barbara Borsch Rodgers- Ms. Brown presented the application of Barbara Borsch Rodgers, surviving spouse of Charles Martin Rodgers. She stated that the application was in order.

MOTION: Mr. Tarleton moved to approve the application of Barbara Borsch Rodgers. Mr. Jeselink seconded. The motion passed.

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

- Disability Applications

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 reserves 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.]

[redacted]- Ms. Brown presented the disability application of [redacted]. She advised the board that based upon the report by State Medical Disability Board doctor, Dr. Rubin Patel, the staff recommendation was for the approval of non-job-related disability retirement and suspension of the requirement of disability recertification.

MOTION: Mr. Jeselink moved to accept the staff recommendation regarding [redacted]. Mr. Tarleton seconded. The motion passed.

[redacted]- Ms. Brown presented the disability application of [redacted]. She advised the board that based upon the report by State Medical Disability Board doctor, Dr. Thad Broussard, the staff recommendation was for the approval of job-related disability retirement and suspension of the requirement of disability recertification.

MOTION: Mr. Jeselink moved to accept the staff recommendation regarding [redacted]. Mr. Tarleton seconded. The motion passed.

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

FRS AUDIT FIRM ROTATION POLICY

Mr. McKinney directed the board's attention to the updated FY 2017 Audit Services handout that contained the names of each firm that responded to the system's Invitation to Bid (ITB) along with their proposed fees for services. (see attached Exhibit #3) The updated list now included the Louisiana Legislative Auditor.

Mr. Stockstill introduced the board to Barett Hunter, Nicole Edmonson and Dawn Moeller as representatives from the office of the Louisiana Legislative Auditor and they answered all questions that arose relative their bid.

MOTION: Mr. Tarleton moved to accept the Louisiana Legislative Auditor's bid to provide audit services for a period of three years. Mayor Amrhein seconded. A roll call vote was taken and the motion passed by the following tally-

Birdwell	Yes	
Jeselink	Yes	
Adomako	Yes	
Amrhein	Yes	
Broussard	Yes	
Fredieu	Yes	
Ivey		Absent
Peacock		Absent
Roberts	Yes	
Tarleton	Yes	
(8-0)		

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

MONTHLY FLASH REPORT - MARCH 2017

Mr. Barnes presented the monthly flash report for March 2017. (see attached Exhibit #4) The overall fund was up/down as follows: 0.8% for the month of March as compared to the allocation index of 0.71%; 10.0% for the fiscal year to date as compared to the allocation index of 8.8%; 11.3% for the trailing 12 months as compared to the allocation index of 10.8%; and 3.4% for the trailing 3 years as compared to the allocation index of 4.8%.

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, 2017, at the FRS office in Baton Rouge at 3:00 p.m. to discuss the following business set forth in its posted agenda- **(i)** The FRS monthly investment performance results for March 2017, **(ii)** NEPC response to FRS Consultant Questionnaire **(iii)** FRS investment portfolio returns, net of write-offs, **(iv)** FRS Investment Policy Statement amendments, **(v)** FRS investment manager monitoring procedure, **(vi)** Timbervest LLC; and all matters related to the foregoing items. The minutes of that meeting are embedded herein. Committee members present were Mr. Birdwell, chairman; Mr. Adomako, Mr. Broussard, Mayor Roberts and Mr. Tarleton. Also present were Mayor Amrhein, Mr. Fredieu, Steven Stockstill, Layne McKinney, Denise Poche, Michael Becker, David Barnes, Patrick Leardo, Joel Shapiro and David Jacobson.]

Mr. Birdwell gave the investment committee report. In doing so he recognized Mr. Barnes who recalled his presentation of the investment performance results to the Investment Committee for the month of March 2017. (see minute entry captioned above as "Monthly Flash Report - March 2017")

- NEPC Response to FRS Consultant Questionnaire

Michael Becker, FRS CIO, presented the board with NEPC's response to the 2017 FRS Consultant Questionnaire. (see attached Exhibit #5) He explained that the questionnaire is required to be submitted by the FRS investment consultant on a bi-annual basis. Mr. Becker advised that this item was for informational purposes only.

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

- FRS Investment Portfolio: Write-Offs

Mr. Barnes explained that, at last month's board meeting, Representative Ivey asked NEPC to isolate the impact of the FRS investments that had been written off (write-offs) compared to the overall value of the portfolio. In response, NEPC created a spreadsheet showing the monetary commitment to each investment, distributions, FY gains (losses), FY ending value, and percentage of total impairment to the portfolio. (see attached Exhibit #6)

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

- FRS Investment Policy Statement Amendments

Mr. Becker recommended certain changes to the FRS Investment Policy Statement. (see attached Exhibit #7) He explained each item.

MOTION: Mr. Jeselink moved to approve the FRS Investment Policy Statement amendments. Mr. Tarleton seconded. The motion passed.

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

- FRS Investment Manager Monitoring Procedure

Mr. Becker presented the board with a form titled "Procedure in Monitoring Investment Managers" (see attached Exhibit #8) He explained that the form is to be used for purposes of recording and summarizing manager's responses to information that is requested from each manager pursuant to FRS Policy No. 03092017.

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

- Timbervest LLC

[NOTE: This matter was discussed and action was taken during the FRS Investment Committee meeting held on 04/12/17. However, for purposes of the meeting of the FRS Board of Trustees held on 04/13/17, the item was listed under "Old Business" of the meeting Agenda. For that reason, the board's discussion of this item actually occurred earlier in the board meeting than indicated here. The minute entry is recorded here under the caption of Investment Committee - Committee Report, because the committee's discussion did result in a committee recommendation being made to the full board of trustees.]

[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)(1) for discussion of character or professional competence of the juridical entity identified in agenda item II(1); The board of trustees further reserved its right to enter executive session pursuant to R.S. 42:17(A)(2) for discussion of strategy or negotiations with respect to prospective litigation where an open meeting would have a detrimental effect on litigation position of FRS in the matter referenced in agenda litem II(1); all pertinent notifications had been provided.]

MOTION: Mr. Tarleton moved to accept the Investment Committee's recommendation and take no action regarding Timbervest's request for approval of sale to Domain. Mayor Amrhein seconded. The motion passed.

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

That concluded the Investment Committee report.

GASB 67 & 68

Greg Curran, FRS' actuary, explained the Information for Financial Reporting statements which are designed to comply with GASB Standards 67 and 68. (see attached Exhibit #9)

MOTION: Mr. Jeselink moved to adopt the GASB 67 and 68 Reports as presented by Mr. Curran. Mr. Tarleton seconded. The motion passed.

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

ADJOURNMENT

Mr. Tarleton moved to adjourn the meeting. Mr. Jeselink seconded. The motion passed.

FUTURE MEETINGS

FRS Investment Committee
3100 Brentwood Drive
Baton Rouge, Louisiana
Wednesday, May 10, 2017 at 3:00 p.m.

FRS Board of Trustees
3100 Brentwood Drive
Baton Rouge, Louisiana
Thursday, May 11, 2017 at 8:30 a.m.

SUBMITTED BY:

Denise Poche

Denise Poche, FRS Board Secretary

APPROVED BY:

Stacy Birdwell

Stacy Birdwell, FRS Chairman