



FIREFIGHTERS RETIREMENT SYSTEM

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MEETING OF THE BOARD OF TRUSTEES August 11, 2016

A meeting of the Board of Trustees was held on August 11, 2016 at the Firefighters' Retirement System building in Baton Rouge, Louisiana. Mr. Charlie Fredieu, Chairman, called the meeting to order at 8:30 a.m.

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

Ms. Poche called the roll. A quorum was not yet present.

MEMBERS PRESENT

Mr. Charlie Fredieu
Mr. Afranie Adomako (designee of Commissioner Jay Dardenne)
Mayor Amrhein (arrived after roll call)
Mr. Broussard (designee of Treasurer John Kennedy; arrived after roll call)
Mr. Perry Jeselink
Mayor Ron Roberts
Mr. Jerry Tarleton

OTHERS PRESENT

Steven Stockstill
Layne McKinney
Jason Starns
Michael Becker
Denise Poche
David Barnes
Gary Curran
Annie Smith
Eron Brainard
Ronald Mulford
Phil Preis
Chuck Gordon
Nick Berg
Jim Swanson
Jason Burge

[NOTE: FRS Policy No. 03022010 provides that "During any month . . . in which a quorum of the board is unattainable, there is hereby established an 'Interim Committee' comprised of any five members of the board that is hereby delegated the authority to discuss and take action regarding

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items set forth in Section I(4) of the duly posted agenda. The authority conferred by this policy shall be limited in nature and shall only encompass the business described as applications for membership, retirement, survivor benefits, disability benefits, recertifications or conversions."]

Chairman Fredieu announced that, as a result of a quorum not yet being present and pursuant to FRS Policy No. 03022010, he called those board members present into an Interim Committee for the limited purpose of transacting the business described as applications for membership, retirement, survivor benefits, disability benefits, recertifications or conversions. Committee members present were Chairman Fredieu, Mr. Adomako, Mr. Jeselink, Mayor Roberts, and Mr. Tarleton. All actions by the committee are inscribed more fully below.

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.

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

MOTION: Mr. Jeselink moved to approve the new member applicants. Mr. Tarleton 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

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

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

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

- **Survivor Application**

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).

Winde Reyenga Chambers, et al- Mr. Starns presented the application of Winde Reyenga Chambers, surviving spouse of George William Chambers IV, which also included the applications of George William Chambers V and Ava Grace Chambers, surviving children of George William Chambers IV. He stated that the joint application was in order.

MOTION: Mr. Tarleton moved to approve the joint application of Winde Reyenga Chambers, George William Chambers V, and Ava Grace Chambers. Mr. Adomako seconded. The motion passed.

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

MONTHLY FLASH REPORT - JULY 2016

Mr. Barnes presented the monthly flash report for July 2016. (see attached Exhibit #3) The overall fund was up/down as follows: 2.8% for the month of July as compared to the allocation index of

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2.7%; 2.8% for the fiscal year to date as compared to the allocation index of 2.7; 0.1% for the trailing 12 months as compared to the allocation index of 3.1%; and 2.9% for the trailing 3 years as compared to the allocation index of 5.5%.

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

COMMITTEE REPORT - INVESTMENT COMMITTEE

[NOTE: The Investment Committee met on August 10, 2016, at the FRS office in Baton Rouge at 3:00 p.m. to discuss the following business set forth in its posted agenda- (i) Monthly flash report for July 2016, (ii) Global Equity search screening process and candidate recommendations, and all matters related to the foregoing items. The minutes of that meeting are embedded herein. Committee members present were Mr. Fredieu, acting chairman; Mr. Broussard, Mr. Jeselink, Mayor Roberts, and Mr. Tarleton. Also present were Mr. Adomako, Steven Stockstill, Layne McKinney, Denise Poche, Michael Becker, and David Barnes.]

Mr. Fredieu gave the Investment Committee report. In doing so he recognized Mr. Barnes who recalled his presentation of the monthly flash report to the Investment Committee for the month of July 2016. (see minute entry captioned above as "Monthly Flash Report - July 2016")

QUORUM: Mayor Amrhein arrived thereby establishing a quorum of the board of trustees.

- Global Equity Manager search

Mr. Barnes also recalled his presentation of the Global Equity manager search screening. He directed the board's attention to NEPC's report titled "Global Equity Manager Search" containing the proposed list of managers for further consideration in this search. (see attached Exhibit #4) Mr. Barnes noted that the FRS Investment Committee voted to recommend three managers to be interviewed at the next FRS board meeting to be held in September 2016.

MOTION: Mr. Jeselink moved to invite Boston Partners, Principal Global Equities, and Walter Scott & Partners for the purpose of interviewing the candidates and selection of a search-finalist. Mr. Tarleton 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.

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MINUTES

MOTION: Mr. Tarleton moved to approve the minutes of the special board meeting held on July 5, 2016, and the regular board meeting held on July 14, 2016. Mr. Adomako seconded. The motion passed.

IN THE MATTER OF RONALD MULFORD

This matter pertained to a proceeding involving Mr. Ronald Mulford which is currently pending before the Shreveport Fire and Police Civil Service Board relative to a claim for wrongful termination of employment. Mr. Mulford was represented by legal counsel, Eron Brainard, who sought an advisory opinion from the FRS board of trustees regarding retroactive placement in the Deferred Retirement Option (DROP) Plan if Mr. Mulford is reinstated to his employment with the Shreveport Fire Department.

Mr. John Broussard (designee of Treasurer John Kennedy) entered the meeting.

MOTION: Mr. Tarleton moved to enter executive session. Mr. Adomako and Mayor Roberts jointly seconded. The motion passed unanimously.

[NOTE: The board of trustees entered 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 litigation position of FRS in the civil service matter referenced above.]

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

MOTION: Upon request by Mr. Mulford, regarding retroactive placement in the Deferred Retirement Option (DROP) Plan, if he is reinstated to his former employment with the Shreveport Fire Department, and upon hearing testimony of Mr. Mulford and argument of his legal counsel, Mr. Tarleton moved to acknowledge that the FRS board of trustees is not in a position to act on Mr. Mulford's request until it is first determined whether he will be reinstated to his employment by the Shreveport Fire and Police Civil Service Board. Mr. Broussard seconded. The motion passed.

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

RECESS FRS BOARD MEETING

MOTION: Mr. Tarleton moved to recess the FRS board meeting in order to facilitate a meeting of the FRS-LB#3 Advisory Committee. Mr. Jeselink seconded. The motion passed.

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CONVENE FRS-LB#3 ADVISORY COMMITTEE

[NOTE: The FRS-LB#3 Advisory Committee met on August 11, 2016, at the FRS office in Baton Rouge at 8:30 a.m. to discuss the following business set forth in its posted agenda- Consideration of offers to purchase parcel in whole or in part regarding property held by FRS-LB#3 LLC and listing agreement existing between FRS-LB#3 LLC and Avison Young applicable thereto, and all related matters. The minutes of that meeting are embedded herein. Committee members present were Mr. Stockstill, manager; Mr. Fredieu, Mr. Adomako, Mayor Amrhein, Mr. Broussard, Mr. Jeselink, Mayor Roberts, and Mr. Tarleton. Also present were Layne McKinney, Denise Poche, Michael Becker, and Annie Smith.]

[NOTE: By giving notice on its duly posted agenda, the FRS-LB#3 Advisory Committee reserved its right to enter executive session pursuant to R.S. 42:17(A)(1) for discussion of the character or professional competence of the juridical entity known as Avison Young.]

MOTION: Mr. Tarleton moved to convene the FRS-LB#3 Advisory Committee meeting. Mr. Jeselink seconded. The motion passed.

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

MOTION: Mr. Jeselink moved to resume public session. Messrs. Broussard and Tarleton jointly seconded. The motion passed unanimously.

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

ADJOURN FRS-LB#3 LLC ADVISORY COMMITTEE

MOTION: Mr. Tarleton moved to adjourn the FRS-LB#3 LLC Advisory Committee meeting. Mr. Jeselink seconded. The motion passed.

MOTION: Mr. Tarleton moved to reconvene the FRS board meeting. Mayor Roberts seconded. The motion passed.

RE-CONVENE FRS BOARD MEETING

FRS, ET AL v CITGO GROUP LIMITED, ET AL

FRS, et al. v. Citgo Group Limited, et al., Suit No. 3:13-cv-00373-SDD-EWD, U.S. District Court, Middle District, Louisiana

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[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 litigation position of FRS in the judicial matter cited in agenda item II(1) above; all pertinent notifications had been provided.]

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

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

MOTION: Mr. Broussard moved to assign to the FILB litigation pool all rights FRS has to its claims against RBS and, in consideration for that assignment, FRS will receive its pro rata share of 75% of any recovery from any settlement or judgment against RBS, and he further moved as part of the same motion, that all legal fees for New York counsel shall be paid by the litigation pool and all legal fees for Preis Gordon will be paid by the Louisiana funds, and upon distribution of any settlement or judgment, each of the respective parties will be reimbursed for their legal fees, and no settlement shall be effective without the approval of the Louisiana funds. Mr. Tarleton seconded. A roll call vote was taken and the motion passed with the following tally-

Fredieu	Yes
Adomako	Yes
Amrhein	Yes
Broussard	Yes
Jeselink	Yes
Roberts	Yes
Tarleton	Yes
(7-0)	

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

JOSEPH N. BRYLES v. CANTOR FITZGERALD & CO., ET AL

Joseph N. Bryles v. Cantor Fitzgerald & Co., et al., Civil Action No. 3:10-854-JJB-SCR, United States District Court, Middle District of Louisiana consolidated with *Joseph N. Broyles, et al. versus. Cantor Fitzgerald & Co. et al.*, Civil Action No. 3:10-857-JJB-SCR, United States District Court, Middle District of Louisiana; and *In re Sand Spring Capital III*, Case No. 11-13393, US Bankruptcy Court, District of Delaware - A consolidation of five funds managed by Commonwealth Advisors.

[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

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to actual or prospective litigation where an open meeting would have a detrimental effect on litigation position of FRS in the matters referenced in agenda item II(2) (see litigation cited above); all pertinent notifications had been provided.]

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

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

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

ADJOURNMENT

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

FUTURE MEETINGS

**FRS Policy, Bylaws & Procedures Committee
3100 Brentwood Drive
Baton Rouge, Louisiana
Wednesday, September 7, 2016 at 1:00 p.m.**

**FRS Board of Trustees
3100 Brentwood Drive
Baton Rouge, Louisiana
Wednesday, September 7, 2016 at 2:00 p.m.
and
Thursday, September 8, 2016 at 8:30 a.m.**

SUBMITTED BY:

APPROVED BY:


Steven S. Stockstill, Executive Director


Mr. Charlie Fredieu, FRS Chairman