



FIREFIGHTERS' RETIREMENT SYSTEM

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MEETING OF THE BOARD OF TRUSTEES August 16, 2023

A meeting of the Board of Trustees was held on August 16, 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
John Broussard (designee of State Treasurer John Schroder)
Louis Romero

OTHERS PRESENT

Steven Stockstill
Marella Houghton
Layne McKinney
Michael Becker
Daniel Loper
Caitlin Myers
William Hall
Ben Johnson
Ashley Vicknair
Joey David
Alex Sollers
Stephen Brouillette
Brennen LeBlanc
Chad Duffaut
Terry Stuard

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MINUTES

MOTION: Mr. Birdwell moved to approve the minutes of the board meeting held on July 13, 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 August 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 August 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.

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Ms. Myers presented the list of new retirees for the month of August 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 August 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)

Connie Barbera- Ms. Myers presented the application of Connie Barbera, DROP beneficiary of Verdell Moore. She stated that the application was in order.

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

Angela M. Bass, Luke J. Bass, Rosalie M. Bass- Ms. Myers presented the application of Angela M. Bass, Luke J. Bass and Rosalie M. Bass, surviving spouse and children of Taylor Eugene Bass. She recommended an in the line of duty benefit for Angela Bass and surviving child benefits based upon R.S. 11:2256(B)(2)(a). She stated that the application was in order.

MOTION: Mr. Birdwell moved to approve the application of Angela M. Bass, Luke J. Bass, and Rosalie M. Bass and to accept the staff recommendations. Mr. Tarleton seconded. The motion passed unanimously.

Gracie Bertsch- Ms. Myers presented the application of Gracie Bertsch, surviving spouse of Rudolph Bertsch. She stated that the application was in order.

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

Betty Felts- Ms. Myers presented the application of Betty Felts, surviving spouse of David Felts. She stated that the application was in order.

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

Rebecca Michwich- Ms. Myers presented the application of Rebecca Michwich, DROP beneficiary of Tommy Michwich. She stated that the application was in order.

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

Harold Moore- Ms. Myers presented the application of Harold Moore, DROP beneficiary of Verdell Moore. She stated that the application was in order.

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

Robert Moore- Ms. Myers presented the application of Robert Moore, DROP beneficiary of Verdell Moore. She stated that the application was in order.

MOTION: Mr. Birdwell moved to approve the application of Robert Moore. Mr. Romero 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

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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.

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 August 16, 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) Extension of purchase agreement relative to FRS-LB#1, (ii) Extension 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, Treasurer Schroder, Mr. Broussard, Mr. Romero, Marella Houghton, Layne McKinney, Michael Becker, Ben Johnson, Caitlin Myers, William Hall, Daniel Loper, Ashley Vicknair, Alex Sollers, Joey David, Brennen LeBlanc, Stephen Brouillette, Chad Duffaut, and Terry Stuard.]

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

Treasurer Schroder, who was attending via Zoom, provided an update regarding the Arizona property. He explained that an email was received from Brian Willis requesting a large discount based on the different findings that the buyer has experienced. Treasurer Schroder recommended that the advisory committee not take action at this time.

MOTION: Mr. Tarleton moved to accept the Treasurer's recommendation. Mr. Romero seconded. The motion passed unanimously.

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- Extension of purchase agreement relative to FRS-GA

Treasurer Schroder provided an update regarding the Georgia property. He explained that the committee gave an extension of the agreement until the end of this month and the buyer was trying to secure their financing. He recommended that the buyer's request for an additional extension be granted.

MOTION: Mr. Tarleton moved to accept the Treasurer's recommendation. 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 - PERSONNEL COMMITTEE

[NOTE: The Personnel Committee met on August 15, 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, Steven Stockstill, Marella Houghton, Layne McKinney, Ashley Vicknair, and Joey David.]

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 #3) He explained that the committee made several motions related to this matter to recommend to the full board.

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

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

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MOTION: Mr. Romero moved to table the committee's recommendation to remove the Executive Director, Deputy Director, and Legal Council from page 147 of the salary study document. Mr. Birdwell seconded. The motion passed unanimously.

MOTION: Mr. Romero moved to table the committee's recommendation to make the beginning salaries for new hires only and to mandate a minimum of 2% increase for every employee for longevity pay. Mr. Broussard seconded. The motion passed unanimously.

MOTION: Mr. Romero moved to table the committee's recommendation to make salary adjustments for the Investment Analyst, Accountant, Benefits Manager, and Office Manager in the total combined sum of \$14,398. Mr. Birdwell seconded. The motion passed unanimously.

MOTION: Mr. Romero moved to table the committee's recommendation to amend the budget by \$14,398.00 for salary adjustments. Mr. Fleming seconded. The motion passed unanimously.

MOTION: Mr. Broussard moved to hire a consulting firm to study the job descriptions and salaries of FRS employees compared to other surrounding retirement systems. Mr. Tarleton seconded. The motion passed unanimously.

MOTION: Mr. Romero moved to table the committee's recommendation of adopting the proposed amendment to the Rehired Retiree Policy No. 06092016, including the recommendation of striking the last line thereof. Mayor Waites seconded. The motion passed unanimously.

MOTION: Mr. Romero moved to table the committee's recommendation to amend page 2 of 5 of the bylaws to replace the word "He" for "Deputy Director". Mr. Broussard seconded. The motion passed unanimously.

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

That concluded the Personnel Committee report.

MONTHLY FLASH REPORT - JULY 2023

Alex Sollers, Consultant with NEPC, presented the monthly flash report for the month of July 2023. (see attached Exhibit #4) The overall fund was up/down as follows: 2.4% for the month of June as compared to the allocation index of 2.5%, 9.7% for the calendar year to date as compared to the allocation index of 9.8%, 7.1% for the trailing 12 months as compared to the allocation index of 6.2%; and 6.8% for the trailing 3 years as compared to the allocation index of 5.9%.

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 15, 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 Mesirow Financial Services, (ii) The FRS monthly investment performance results for July 2023, (iii) Multi-Sector Fixed Income Candidate Screening, 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, Steven Stockstill, Marella Houghton, Layne McKinney, Michael Becker, Daniel Loper, Ashley Vicknair, Ben Johnson, Joey David, David Barnes, Alex Sollers, Bob DeBolt, Andrew Pataky, Mike Aleshire, and Chad Monceaux.]

Mr. Tarleton invited Ms. Sollers to give a summary of the flash report for July 2023. (see attached Exhibit #4) Mr. Tarleton then gave the investment committee report.

- Educational presentation by Mesirow Financial Services

Mr. Tarleton explained to the board that the investment committee received a presentation from Mesirow Financial Service's Chief Executive Officer, Bob DeBolt, Senior Vice President, Andy Pataky, and Vice President, Mike Aleshire. Mr. Tarleton explained to the board that the Mesirow representatives educated the committee with topics regarding private equity, FRS' portfolio, and co-investments. (see attached Exhibit #5) 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.

- Multi-Sector Fixed Income Candidate Screening

Mr. Tarleton explained to the board that the committee received a presentation from Mr. Barnes and Ms. Sollers regarding the Multi-Sector Fixed Income Candidate Screening. (see attached Exhibit #6) He said Mr. Barnes informed the committee of NEPC's recommendation to accept the nine candidates to include in further screening. Mr. Tarleton explained that the committee approved a motion, to recommend to the full board, acceptance of the nine candidates for further screening and he moved that recommendation in the form of a motion.

MOTION: Mr. Tarleton moved the investment committee's recommendation. 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.

DEFERRED RETIREMENT OPTION PLAN

Mr. Stockstill drew the board's attention to a document regarding DROP and the statutes governing participation therein and benefits thereof. (see attached Exhibit #7)

MOTION: Mr. Birdwell moved to enter executive session. Mr. Tarleton 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.

**STATEMENT OF CHANGES IN PLAN NET ASSETS - PRELIMINARY AND
STATEMENT OF PLAN NET ASSETS - PRELIMINARY FOR FIRST QUARTER OF 4Q
FY2022-23**

- Statement of Changes in Plan Net Assets - Preliminary - 4Q FY2022-23
- Statement of Plan Net Assets - Preliminary - 4Q FY2022-23

Mr. McKinney presented to the board the Statement of Changes in Plan Net Assets - Preliminary for the fourth quarter of FY2022-23. (see attached Exhibit #8) and the Statement of Plan Net Assets - Preliminary for the fourth quarter of FY2022-23. (see attached Exhibit #9) He explained each report on a line-by-line basis.

MOTION: Mr. Birdwell moved to accept the Statement of Changes in Plan Net Assets - Preliminary for the fourth quarter of FY2022-23 and the Statement of Plan Net Assets - Preliminary for the fourth quarter of FY2022-23 as presented by Mr. McKinney. Mr. Tarleton 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 - 4Q FY 2022-23

Mr. Ben Johnson, FRS Accountant, drew the board's attention to a report titled FRS "Budget to Actual Comparison" for the 4th Quarter of FY 2022-23. (see attached Exhibit #10) He highlighted pertinent line items of the report and explained certain variances related thereto. Mr. Johnson summarized by saying that the close of the 4th quarter is also the close of the 2022-23 fiscal year and, as such, FRS ended the year at 89% of total budgeted administrative expenses.

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MOTION: Mr. Birdwell moved to approve the FRS Budget to Actual Comparison for 4Q FY 2022-23 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.

ADJOURNMENT

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

FUTURE MEETINGS

**FRS Investment Committee
Wednesday, September 13, 2023 at 01:00 p.m.
3100 Brentwood Dr. Baton Rouge, LA**

**FRS Personnel Committee
Wednesday, September 13, 2023
at the earlier of 03:00 p.m.
or adjournment of the FRS Investment Committee
3100 Brentwood Dr. Baton Rouge, LA**

**FRS Board of Trustees
Thursday, September 14, 2023 at 8:30 a.m.
3100 Brentwood Dr. Baton Rouge, LA**

SUBMITTED BY:



Ashley Vicknair, FRS Board Secretary

APPROVED BY:



Perry Jeselink, FRS Chairman