

**Not Yet
Approved**

MINUTES OF THE HOUSTON FIREFIGHTERS' RELIEF AND RETIREMENT FUND

A meeting of the Houston Firefighters' Relief and Retirement Fund Board of Trustees convened at the Fund offices at 4225 Interwood North Parkway on Thursday, February 18, 2010, at 10:46 a.m.

Trustees present were Todd E. Clark (Chair), Harold W. McDonald (Vice Chair), Ted Downing (Secretary), Kevin Brolan, Gary M. Vincent, Francis "Frank" X. Maher, Craig T. Mason, Dr. Robert Stobaugh, Albertino Mays, and the Honorable Helen Huey. Others present were staff members Christopher Gonzales (Executive Director/Chief Investment Officer), Jonathan W. Needle (Chief Legal Officer) and Glenna Hicks (Deputy Director of Member Services).

Todd Clark called the meeting to order at 10:46 a.m. and invited comments from the public.

Bill Hausinger requested a change to the wording of his public comments in the January 21, 2010 Board minutes. Mr. Hausinger requested that the acronyms for Pension Benefits Committee exhibits be made more clear.

Member David McBroom expressed concern that members' questions in past years about incentive pay, setting of incentive goals, and insurance issues have gone unanswered. He congratulated the Chair and asked that all board members be allowed to vote.

David Lantrip thanked Kevin Brolan for his service as Chair and congratulated Todd Clark for being elected Chair. He recommended that the Board hold elections for board officers later in the year to allow new Trustees to gain more experience before voting for Chair. He expressed dissatisfaction that Kevin Brolan was not allowed to vote for Chair. He stated support for Mr. Hausinger's position concerning his issue about survivor benefits.

Jose Garza expressed his concerns about the appearance of infighting among Trustees at meetings and does not agree with the voting procedure for Chair. He proposed that Fund members be able to submit agenda items for board meetings. Mr. Garza expressed disfavor about City representatives serving as Trustees on the board.

George Gober expressed dissatisfaction with a number of matters, including the Board making a change in the Chair at a time of contention with the City.

Jack Mobley stated concerns about funding procedures and asked that the Board keep pension and union issues separate. He requested a policy that any Trustee who accepts an appointed position with the City should resign as Trustee. He also suggested that members have more advance time to view agendas.

There was a motion by Helen Huey, seconded by Harold McDonald to approve the minutes of the Board meeting held on January 21, 2010 as amended to better reflect Mr. Hausinger's public comment at the meeting. The motion carried.

There was a motion by Kevin Brolan, seconded by Al Mays, to adopt the report of the Pension Benefits Committee meeting held on January 21, 2010. The motion carried. The report noted an application for a General On-Duty disability benefit under Section 6(c) of the Statute as shown on "PB1" which was approved based on the Fund physician's report with a follow up evaluation in one year. The motion carried.

The Chair announced that the Deferred Retirement Option Plan (DROP) information effective March 1, 2010 will be noted at the next board meeting.

Dr. Robert Stobaugh asked that reference to him not being present at the January 21, 2010 Budget and Audit Committee meeting be removed from the report because he is an alternate member of the Committee. There was then a motion by Dr. Robert Stobaugh, seconded by Harold McDonald, to adopt the report of the Budget and Audit Committee meeting held on January 21, 2010, as amended. Motion carried.

The Board noted revisions in the 2010 calendar year Committee assignments.

The Chair announced that use of cell phones during Committee and Board meetings will be prohibited. A reminder to mute all cell phones will be placed on the marquee outside the Board room for future meetings.

The Board discussed the development of a plan for addressing the public in response to misinformation disseminated about the Fund. Gary Vincent stated his belief that the Fund should respond appropriately when false or inaccurate information about Fund activities, investments, funding stability and other matters is reported. He proposed scheduling meetings or other communications with persons or entities issuing false information so that inaccuracies may be corrected. Several Trustees spoke to experiences, approaches and uses of Fund resources as to this area of concern.

There was a Motion by Harold McDonald, seconded by Gary Vincent, to combine discussion of agenda items 9 (addressing misinformation) and 10 (subcommittee to advise on possible legislation) because of some overlap in subject matter. Motion carried. The Chair appointed the members of a legislative subcommittee: himself, Kevin Brolan, Helen Huey, and Harold McDonald, in order to study the issues of both agenda items and report any conclusions or recommendations to the Legislative Committee or the Board.

Lee James and Carly Nichols, actuaries with Buck Consultants, LLC, discussed actuarial effects of possible future investment return scenarios, including results employing 10-year and 5-year asset smoothing methodologies. They responded to Trustees' questions.

The Board reviewed the monthly reports of the Chair, Executive Director, Chief Legal Officer and the Deputy Director of Member Services. The Chair announced that a Special Board meeting is scheduled for March 19, 2010 at 1:00 PM to meet with Mayor Parker at the Greer & Lowdermilk Conference Center. The Deputy Director of Member Services reminded the board about the financial planning seminar to be held on March 3rd and the Retiree Coffee on March 9th.

The following items were noted for a future agenda:

Harold McDonald asked that we see if the agenda can be distributed to members via Outlook;

Frank Maher asked that agendas be sent out to Fund members who wish to receive them through the Fund's member e-mail system.

Frank Maher recommended that the Fund coordinate with the Union to schedule the organizations' respective holiday parties so that they are not scheduled so closely together.

There being no further business, the meeting adjourned at 12:00 p.m. on a motion by Harold McDonald, seconded by Kevin Brolan. The motion carried.

Respectfully submitted,

Todd Clark
Chair