

MINUTES OF THE HOUSTON FIREFIGHTERS' RELIEF AND RETIREMENT FUND

A meeting of the Houston Firefighters' Relief and Retirement Fund (HFRRF) Board of Trustees convened at the Fund offices at 4225 Interwood North Parkway on Thursday, November 19, 2009 at 10:10 a.m.

Trustees present were Kevin Brolan (Chair), Ted Downing (Secretary), Harold W. McDonald, Todd E. Clark, Albertino Mays, Craig T. Mason, Dr. Robert Stobaugh, and the Honorable Helen Huey. Members absent were V.E. Rogers (Vice Chair) and Gary M. Vincent. 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).

The Chair called the meeting to order at 10:10 a.m. and invited comments from the public.

Retired firefighter Francis "Frank" Maher inquired about an item requested by a Trustee for a future agenda regarding the Board's rules for conducting meetings. Retired firefighter Lance Stahl inquired about the same.

There was a motion by Dr. Robert Stobaugh, seconded by Harold W. McDonald, to approve the minutes of the regular Board meeting held on Thursday, October 15, 2009. The motion carried.

There was a motion by Todd E. Clark, seconded by Ted Downing, to adopt the report of the Pension Benefits Committee meeting held on Thursday, October 15, 2009. The report noted the following: Deferred Retirement Option Plan (DROP) applications effective November 1, 2009. An application for disability benefits under Sections 6(c) and 6(d) as shown on "PB4" (1), was approved for a General On-Duty disability benefit with a re-examination in one year. An application for disability benefits under Sections 6(c) and 6(d) as shown on "PB4" (2), was approved for a General On-Duty disability benefit with re-examination in one year. An application for survivor benefits under Sections 1(5), 1(8), and 7(a) as shown on "PB3", was approved. Draft policy revisions to Sections 3.07 and 21.08 of the Pension Benefit Policies on requests for the holding of DROP and/or PROP distributions during legal proceedings or disputes was recommended for Board approval. Draft policy revisions to Section 13.00 of the Pension Benefits Policy concerning retiree deductions from pension payments, was tabled pending further staff research. The motion carried.

The Board noted Deferred Retirement Option Plan (DROP) information effective December 1, 2009.

There was a motion by Harold W. McDonald, seconded by Albertino Mays to adopt the report of the Budget and Audit Committee held on October 15, 2009. The motion carried.

There was a motion by Albertino Mays, seconded by Todd E. Clark to approve the minutes of the Investment Committee held on October 15, 2009. The motion carried.

There was a motion by Ted Downing, seconded by Harold W. McDonald to approve the minutes of the Personnel and Procedures Committee meeting held on October 15, 2009. The motion carried.

There was a motion by Harold W. McDonald, seconded by Dr. Robert Stobaugh to approve the minutes of the Legislative Committee meeting held on October 15, 2009. The motion carried.

The Chair noted a letter from the Honorable Helen Huey, expressing interest to serve another two-year term as a Citizen Member of the Board of Trustees and noted the election for this position by the firefighter Trustees at the December 2009 Board meeting.

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There was a motion by Harold W. McDonald, seconded by Ted Downing, to accept the Pension Benefits Committee recommendation to include in the Pension Benefits Policies a policy amendment to consist of a new Section 7.06 F, that would not have the Fund assess a fee for certain Domestic Relation Orders submitted for review or approval concerning Child Support (only), as presented and as shown in "Exhibit A". The motion carried.

The Honorable Helen Huey entered the meeting at 10:25 a.m.

Lee James and Carly Nichols of Buck Consultants, LLC reviewed the Preliminary Actuarial Valuation Report as of July 1, 2009, and responded to Trustees' questions. Craig T. Mason presented proposed concepts to make changes to the plan and actuarial methods to lessen the financial stress of the plan to the City of Houston. The Trustees indicated that Buck Consultants were to work with staff to prepare certain possible contribution scenarios based upon varying investment returns. The Board discussed the possible impacts of an assumption and experience study. There was a motion by Harold W. McDonald, seconded by Albertino Mays to accept the preliminary 2009 actuarial valuation performed by Buck Consultants as the 2009 actuarial valuation, but not adopt the valuation for the purposes of certifying a revised municipal contribution to the City of Houston rate based upon its results. The motion carried, with Craig T. Mason voting against.

There was a motion by Todd E. Clark, seconded by Dr. Robert Stobaugh to defer agenda item #13 – "Board discussion about the development of a plan toward addressing the public in response to misinformation disseminated about the Fund and concerns with its strengths and liabilities", for a future meeting. The motion carried.

The Board Chair, Executive Director, Chief Legal Officer and Deputy Director of Member Services provided their monthly reports.

The Chairman noted miscellaneous letters sent and received.

There being no further business, the meeting adjourned at 12:08 p.m. on a motion by Harold W. McDonald, seconded by Albertino Mays. The motion carried.

Respectfully submitted,

A handwritten signature in black ink that reads "Ted Downing". The signature is written in a cursive, flowing style.

Ted Downing
Secretary