

**After the worst occurs,  
we always talk about how much  
we owe our firefighters.**



**Do we mean it?**



## Firefighters put their lives on the line

### Did you know?

Houston firefighters take an active role in their retirement, amid unique circumstances. For instance:

- Members contribute 9 percent of their pay to the Fund.
- The City of Houston contributes 18 percent of firefighters' pay to the Fund.
- The city does not contribute to a 401(K) or other retirement savings plans for firefighters.
- Houston firefighters do not participate in Social Security.

In the private sector, employers often provide retirement benefits of 60 percent of pay or more for a 30-year career.

- Many major Houston-area employers provide pension benefits that range from 45 to 60 percent of pay, at no cost to the worker.
- These employers also usually contribute to retirement savings in the form of 401(K) plans. Employer contributions are often 5 to 10 percent of pay each year; over a 30-year career, depending on investment results, they can grow to provide additional retirement income of 15 to 30 percent of pay.

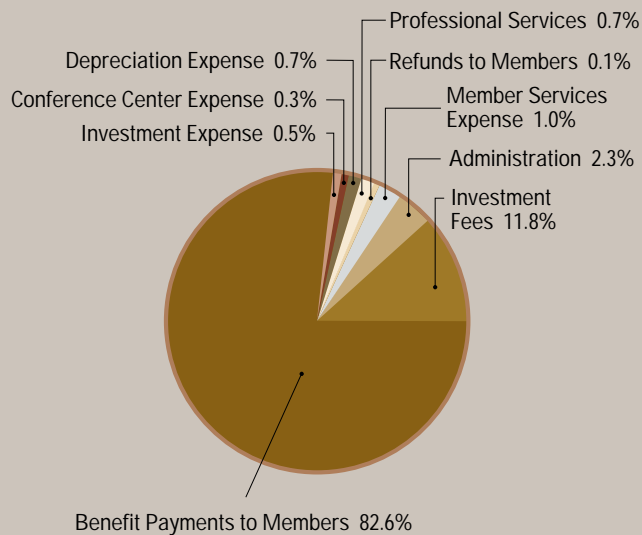




for us – every day.

Firefighters selflessly risk it all to save people's lives and property. But they also work in the public sector, which typically has limited resources to pay them the kind of salaries they really deserve. That's why society tries to compensate them in other ways.

### Expenditures



Benefits Payments to Members	83,618,595	82.6%
Refunds to Members	97,363	0.1%
Professional Services	661,517	0.7%
Depreciation Expense	703,798	0.7%
Administration	2,277,569	2.3%
Investment Fees	11,965,521	11.8%
Member Services Expense	1,112,468	1.0%
Investment Expense	506,234	0.5%
Conference Center Expense	303,740	0.3%
	101,246,805	

The vast majority of the pension fund's expenditures go toward paying for benefits. In the last fiscal year, benefit payments to members made up 83 percent of our costs – far and away the greatest expenditure. By comparison, administrative costs represent only a sliver of that amount, at 2.3 percent.

Houston and its firefighters are no different. With The Houston Firefighters' Relief and Retirement Fund, the firefighters in Texas' largest city have the most responsive level of retirement benefits, through a system that is carefully crafted to meet their needs and remain affordable for firefighters and taxpayers alike. It's a good deal for firefighters and the community.

Ask any Houston firefighter. They appreciate their benefits, and that's one reason they stay on the job – for all of us. For instance:

- 20/50, 30/80: Houston firefighters may work 20 years and retire at 50 percent of their average monthly salary plus an additional 3 percent for each year of participation over 20 years; or a maximum of 30 years and retire at 80 percent of their average monthly salary.
- DROP: The Deferred Retirement Option Plan allows firefighters to accumulate a lump-sum cash amount for retirement to be paid in addition to their monthly retirement benefit. With DROP, firefighters can pay off their car note, house mortgage or credit cards and start retirement free of debt.
- COLA: Houston firefighters also receive cost-of-living adjustments, to keep their benefits in line with inflation.
- Disability: Firefighters are eligible for off-duty and on-duty disability benefits.
- Healthcare premium stipend: This monthly benefit helps retirees and beneficiaries offset their healthcare costs.

Overall, Houston firefighters' compensation package (pay and benefits) is comparable to private industry jobs that require similar levels of education, training and physical duties. Yet, few private industry jobs involve the high level of physical risk and stress that firefighters knowingly accept. Firefighter benefits must help firefighters and their families deal with the risks of injury, disability retirement and death that are part of the job.

## Affordable Benefits – Well-Earned

Most Houston firefighters would also tell you the 9 percent they contribute annually from their pay is well worth it. They have expressed confidence in the way their benefits are managed. The Fund's Board of Trustees is well-educated in benefit matters, guided by a staff with vast background and knowledge in benefits administration. Our Member Services director has extensive expertise in administering qualified and non-qualified benefit plans in the private and public sectors. The Member Services team is a group of talented, experienced and caring people who always have firefighters' and the Fund's best interests at heart. To support Houston firefighters' retirement goals, staff members also provide active and retired members with free educational seminars that promote personal financial management and retirement planning. Our staff also provides emotional support, information and referrals regarding local agencies, advocacy and support groups. Why? Because the Fund believes an educated membership builds understanding and is important to the future.

We owe firefighters something more than a pat on the back after they've put their lives on the line for us. We owe our firefighters – and their families – a strong, responsible pension benefits plan while they're living. A plan that provides the most responsible level of benefits we can afford. A plan that balances their future needs with fiscal realities. A plan designed to last as long as there are Houston firefighters with families to raise.

Our firefighters and their families are worth it. They're committed to protecting us, day in and day out. We count on them. They expect the same of their pension. That's why we're also committed – to them, their families and their future – with well-deserved and affordable pension benefits.

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*Investing for Firefighters and Their Families®*



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