



Spring 2021

Investing for Firefighters and Their Families®

MESSAGE FROM THE CHAIRMAN

Dear Fund Members,

I think it is safe to say we are all glad a new year is here. There is a sense of relief & excitement to be able to get out & do some everyday activities. We can finally see a light at the end of the tunnel.

Our hearts go out to everyone who lost loved ones & those still fighting COVID. Thousands of active members reported COVID exposure & sadly, three lost that battle.

Thankfully, we are in a new phase of the pandemic, but it is still important to follow safety guidelines. We had been looking forward to seeing our retirees at the annual BBQ, but large gatherings still create a high risk of COVID exposure. So, the decision was made to cancel this year's BBQ.

With safety protocols in place, it is my pleasure to announce the pension office is now open! We encourage everyone to wear a mask, but it is not mandatory. In-person appointments fill up quickly, so please call ahead to ensure someone will be available to assist you. For your convenience, you can also schedule a virtual meeting & access [MemberDirect](#) resources 24/7.

In the last [Red Line](#), I mentioned encouraging news that the District Court ruled SB 2190 is unconstitutional as applied to HFRRF. The City appealed & HFRRF filed a response. The City's reply is due by June 18th. Unfortunately, an appeals court decision in this matter is not expected anytime soon.

The 87th Texas Legislative Session will conclude on May 31st without moving any bills that negatively affect the Fund. HFRRF Executive Director, Ralph Marsh, & I recently met with U.S. Congressman Brady to discuss issues affecting our members. We appreciate the support of Congressman Brady & we will continue to work with our Congressmen on your behalf.

Our investment team has had a phenomenal year & is expecting excellent returns, if markets continue to cooperate. Our fund is extremely healthy & well-funded. Our portfolio includes some of the highest-graded private equity investors in the world which should realize gains for years to come.

I look forward to seeing our retirees at the Christmas luncheon this year!

Stay safe,

Brett Besselman
Chairman
Houston Firefighters' Relief and Retirement Fund



Board News

Stephen Whitehead (Position III) & Pete Ng (Position IV) were sworn in January 19th



Stephen Whitehead
Position III

Albertino “Al” Mays (Citizen Member)
was sworn in February 24th



Al Mays
Citizen Member



Pete Ng
Position IV

2021 HFRRF BOARD OFFICERS



CHAIRMAN
Brett Besselman



VICE CHAIRMAN
Stephen Whitehead



SECRETARY
Lisa Slagle

HFRRF Board members demonstrated confidence in its 2020 officers
by re-electing them to the same positions for 2021

Board agendas & minutes are posted on the HFRRF website: [Board Agendas & Minutes](#)



State & Federal News



HR 2337 Public Servants Protection & Fairness Act of 2021

U.S. Congressman Richard Neal (D-MA) is Chairman of the House Ways & Means Committee which has jurisdiction over taxation, healthcare, & Social Security. On April 1st, Congressman Neal reintroduced his legislation to amend the Social Security Act & modify the Windfall Elimination Provision (WEP).

His reform bill, HR 2337, establishes a more equitable formula to pay Social Security benefits to current & future public servant retirees. Based on details in the bill, existing WEP exemptions would remain in place & those retirees affected by WEP would receive up to \$150 extra per month, not to exceed the WEP deduction. The proposed Public Servant Protection (PSP) formula uses a “proportion of lifetime earnings covered by Social Security” to calculate benefits for future retirees. The bill also ensures that future retirees will automatically receive the higher benefit of PSP & WEP.

Neal, 2021. [Public Servants Protection & Fairness Act of 2021 Press Release](#)

HFRRF Meets with U.S. Congressman Kevin Brady

U.S. Congressman Kevin Brady (R-TX) is a longtime friend & ally of HFRRF & he currently serves as senior Republican on the House Ways & Means Committee. On April 7th, Brett Besselman, HFRRF Board of Trustees Chairman, & Ralph Marsh, HFRRF Executive Director, met with Congressman Brady in his Conroe District Office to discuss important federal issues impacting HFRRF members.

The first issue discussed was WEP, the Social Security penalty affecting those who earn Social Security benefits & a pension from work not covered by Social Security (Houston firefighters). Congressman Brady has been a champion for WEP repeal & Social Security benefit formula modification. In the current session, he is working with Congressman Neal on HR 2337. Presently, when you reach 21 years of substantial earnings for Social Security-covered employment, WEP penalty phases out by 5% each year & is eliminated at 30 years. HR 2337 maintains phase-out for those currently on that path. Another bill, HR 22 Social Security Fairness Act of 2021, has been introduced by Rep. Rodney Davis (R-IL) to repeal WEP & GPO (GPO reduces Social Security benefits to beneficiaries who also receive their own government pension). Thus far, a full repeal has been unsuccessful due to the financial costs.

Another issue discussed with Congressman Brady is related to the Healthcare Enhancement for Local Public Safety Retirees Act (HELPS), part of the Pension Protection Act of 2006. HELPS allows eligible retired public safety workers to exclude up to \$3K from gross income each year for health care or long-term care premiums paid by the retirement system. In the 116th Congress, HR 4897 doubled the exclusion amount & HR 6436 removed the requirement that premiums must be paid by the retirement system, but both bills died in Congress. A combination bill is expected to be introduced in the current session that will also index the exclusion amount for inflation in subsequent years.

As always, we appreciate the support of Congressman Brady. We will continue to work together on these & other issues that affect our members.

HFRRF Office News



The pension office is now open regular business hours: Monday – Friday 7:30am – 4:00pm.

A limited number of in-person appointments are available daily so please call ahead.

If you have COVID symptoms or may have been exposed, please use our online & virtual options. Individual ZOOM meetings are offered for your convenience & a wide range of forms & self-service tools are available 24/7 in [MemberDirect](#). If you need help enrolling, please watch this short [tutorial](#). For further assistance, contact Member Services at 281-372-5100, 800-666-9737 or memberservices@hfrrf.org

A new **DROP OFF BOX** for HFRRF documents is available 24/7 on the covered porch at the Fund.



The **DROP OFF BOX** is **only for HFRRF documents:**

- ☒ DROP Distribution Forms
- ☒ Direct Deposit Forms
- ☒ W4P's
- ☒ Retirement Application Forms
- ☒ Other HFRRF forms

The Greer & Lowdermilk Conference Center remains closed at this time, but we are available to assist you with future events: cc@hfrrf.org or 281-372-5124.

Staff Announcements



Judy Sese

Systems Engineer

Celebrating 20 years in May



Emily Brunson

Member Services Benefits Manager

Joined the Fund in March

ASK MEMBER SERVICES

Q: Did the IRS extend the due date for filing 2020 federal tax returns?

A: Yes. The IRS extended the tax return deadline to May 17th, but gave Texans an additional extension because of the recent winter storm disaster declaration:

June 15, 2021 is the deadline for Texans to file individual & business 2020 tax returns.

Q: I am on general on-duty disability pension. When are my 2020 tax forms due to HFRRF?

A: Following the IRS filing extension, the Board will allow Members to submit 2020 tax forms & returns to HFRRF until **June 30, 2021**.

Q: Does mustering out pay get deposited into my DROP account?

A: Yes - if you have a current DROP balance at the time of mustering out payment.

No - if you don't have a balance, The City will contact you when a paper check is ready.

Q: How will I know if my mustering out pay was deposited?

A: Effective April 8, 2021, Member Services contacts a member when their mustering out pay has been deposited.

Q: HFRRF automatically took out my RMD so I would avoid the 50% penalty. Why was 10% tax withheld?

A: Members may elect to withhold 0% – 99% for taxes on their RMD. If no election is made, HFRRF automatically withholds 10%.

Q: When will I see my check stub in my MemberDirect account?

A: Payment history is uploaded on the 2nd business day of every month.

Q: Do I need an appointment to go to the pension office?

A: We love to see our members & it is our pleasure to serve you. We are currently accepting a limited number of appointments, so **we advise calling ahead to schedule yours**.

Please help us provide the best service to all members by using [MemberDirect](#) for DROP/PROP withdrawals, to access pay stubs, DROP/PROP statements, change direct deposit or update your address. Forms are available in [MemberDirect](#) before you select My Account.

Contact Member Services at 281-372-5100, 800-666-9737 or memberservices@hfrf.org



HFD Memorial Ceremony **POSTPONED**

*HFD Public Affairs will announce
a new date later this year*

2021 Retiree BBQ **CANCELLED**

*No seminars, retiree coffees or other
events are currently scheduled*

Monthly Pension Payments

Direct Deposit monthly pension payments are scheduled by BNY Mellon & should reach your bank by the last day of the month.

If you still receive your monthly pension checks by mail, consider having the funds automatically deposited into your bank account every month.

For more information about **Direct Deposit** or to enroll, contact Member Services at 800-666-9737 or 281-372-5100.

Key Dates

May						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	X					

June						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

July						
S	M	T	W	T	F	S
				1	2	3
4	X	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

August						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

September						
S	M	T	W	T	F	S
			1	2	3	4
5	X	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

October						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	X	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

HFRRF Board & Committee Meetings 3rd Tuesday of every month

*In May & June, the Investment Committee
will meet the day after the Board Meeting*

Office Closings

- May 31 Memorial Day
- July 5 Independence Day
- September 6 Labor Day
- October 11 Columbus Day

Office Noon Closures

- May 28
- July 2
- September 3
- October 8

IN MEMORY

Our condolences & heartfelt sympathies are extended to families of our members who recently passed away.

RETIRED MEMBERS	DEPARTED	HFD SERVICE
Morgan Williams	10/29/2020	1951 – 1971
Bob Tabor	11/1/2020	1972 – 2008
Jesse Salazar Sr	11/5/2020	1957 – 1979
Robert Schlieter	11/13/2020	1982 – 2017
Chester Kimbrell	11/13/2020	1966 – 1987
James Cooksey Jr	11/22/2020	1961 – 2000
Ray Crawford	11/24/2020	1970 – 1990
Jack Wedgeworth	12/10/2020	1966 – 2000
Darren Grant	12/11/2020	1983 – 2006
Jack Davis	12/14/2020	1966 – 2002
Daniel Pitts	12/14/2020	1968 – 1990
Antoine Yazbeck	12/14/2020	1979 – 1999
James Eli	12/21/2020	1986 – 2019
Arnel Brown	12/22/2020	1956 – 1979
Richard Tellez	1/7/2021	1969 – 1997
Danny Watkins	1/12/2021	1978 – 2012
Milton Buell	1/23/2021	1981 – 2014
James Hobbs	1/27/2021	1972 – 2000
Fred Conrad	1/29/2021	1968 – 2005
Paul Vern	2/2/2021	1975 – 2000
Calvin Lee	2/9/2021	1968 – 2001
Robert Malek Sr	2/11/2021	1963 – 1990
Anthony Dibello	2/14/2021	1972 – 2002
Aaron Bernard	2/15/2021	1959 – 1979
Roger Davis	2/16/2021	1978 – 1993
Eugene Leonard	2/18/2021	1965 – 2001
Mitchell Vetuski	2/22/2021	1975 – 1999
Woodrow Bell Jr	3/4/2021	1969 – 1985
Lloyd Irvin	3/15/2021	1964 – 2002
Bland Pruitt	3/23/2021	1954 – 1987
Houston Lafleur	3/28/2021	1974 – 2009
Morris Wood	3/29/2021	1960 – 1992
Paul Richardson	4/4/2021	1971 – 1991
James Owens	4/16/2021	1966 – 1987
Robert Morris	4/29/2021	1966 – 1977
Gaston Popovich	4/30/2021	1980 – 2018

ACTIVE MEMBERS	DEPARTED	HFD SERVICE
Caesar Doyle III	10/25/2020	1990 – 2020
Michael Hogue	10/30/2020	1980 – 2020
Jason Coronado	1/4/2021	1998 – 2021
Walter Luna	3/9/2021	1995 – 2021
Donald C. Stamps	3/25/2021	1993 – 2021
William Gunderson	4/2/2021	1994 – 2021

BENEFICIARIES	DEPARTED
Winnie Davis	11/11/2020
Verna Hardy	11/23/2020
Melba Wilson	12/8/2020
Sharon Campbell	12/9/2020
Annie Barclay	12/10/2020
Patsy Hopkins	12/26/2020
Virginia Mayfield	12/27/2020
Betty Johnson	1/12/2021
Dorothy Pilkenton	1/14/2021
Patsy Manning	2/3/2021
Barbara Fahr	2/10/2021
Joan Hudgens	3/17/2021
Erma McLeroy	4/20/2021



Out-of-Date Beneficiary Designation

When was the last time you updated your beneficiary designations? It is truly amazing the number of people who have prior spouses or deceased relatives listed as their beneficiaries. That is a common, but costly mistake.

Classic case: Years ago, you entered DROP. Later, you got married & wanted your spouse to get the full DROP benefit, so you listed your spouse as beneficiary. Remember, you weren't married when you entered DROP & your children were minors. Now, you're divorced. Your children are grown, so they don't qualify as eligible survivors. You updated your will leaving everything to your children, but you did not update your DROP beneficiary form. Therefore, the ex-spouse receives all your DROP money. Remember, beneficiary forms always trump your estate plan!

When should you review/change beneficiaries? Examine beneficiary forms after major life events such as marriage or divorce of the account holder, a family birth, your children turn 18, or a death - especially death of an eligible survivor.

Every 3 to 5 years, it is a good idea to check your beneficiary designations & their contact information to ensure the data is current. As a reminder, the pension pays benefits to eligible survivors (spouse, minor child, disabled child, etc.). When there are no eligible survivors, payments are made to the beneficiary listed on your forms. E.g. [DROP/PROP](#) & [Refund of Contributions](#)

Beneficiary Complexity - In addition to [DROP/PROP](#) & [Refund of Contributions](#) (active members) pension forms, you may want to review all accounts with "Transfer on Death" designation: IRA, deferred-compensation employer plans, life insurance, 529 education & bank accounts, etc.

Naming beneficiaries is not as simple as it sounds. Watch out for the three most common mistakes made by plan holders: 1) Naming a minor child* 2) Naming someone incapable of managing funds & 3) Leaving money to a high earner which puts them in a higher tax bracket.

Finally, consider a [Power of Attorney](#). This will allow HFRRF to communicate with your loved one about pension issues should you be unable to do so.

Summary - Update beneficiary designation & contact info every 3 to 5 years & after life events:

Life Event	Documents to send to HFRRF	Beneficiary Designation
Marriage	Marriage License	Update all accounts
Children*	Birth Certificates (for all minor children)	Update all accounts
Divorce	Divorce Decree	Update all accounts
Death of Spouse	Death Certificate	Update all accounts

You work hard to protect your loved ones. Keeping beneficiary designations & their contact info current ensures that protection will continue.

Forms are available on our website: www.hfrrf.org/members/forms/

For assistance, contact Member Services at 281-372-5100 or memberservices@hfrrf.org

* When your children turn 18, update the [Eligible Survivor Form](#) & consider [Extension of Survivor Benefits](#), [Adult Child Beneficiary for DROP](#) & [Adult Child Beneficiary for PROP](#) forms.

Kristi Marx, LCSW
Family Services Counselor

HOUSTON FIREFIGHTERS' RELIEF AND RETIREMENT FUND

HFRRF's mission is to provide a secure retirement benefit plan for our members through professional administration, prudent management of system assets, sound investment practices, & prompt, courteous delivery of accurate benefits & useful information.

HFRRF Board of Trustees

Brett Besselman	Chairman
Stephen Whitehead	Vice Chairman
Lisa Slagle	Secretary
Gerard Daniels	Active Member
Pete Ng	Active Member
David Riegor	Active Member
David Lantrip	Retired Member
Al Mays	Citizen Member
Arif Rasheed	City Treasurer Designee
Earnest Wotring	Mayor's Representative

HFRRF Executive Director

Ralph Marsh

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www.hfrrf.org

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