

## MINUTES OF THE HOUSTON FIREFIGHTERS' RELIEF AND RETIREMENT FUND

A regular meeting of the Houston Firefighters' Relief and Retirement Fund (HFRRF) Board of Trustees convened at the Fund offices at 4225 Interwood North Parkway, Houston, Texas 77032 on Tuesday, May 21, 2019 at 10: 08 A.M.

Trustees present were Brett Robert Besselman (Chair), Lisa R. Slagle (Secretary), Garry W. Blackmon, Sr., Juliet N. Higgins, Gerard L. Daniels, and David O. Lantrip, Earnest W. Wotring (Mayor's Representative), Arif Rasheed (City Treasurer Designee), and Albertino "Al" Mays (Citizen Member). Trustee absent was Stephen R. Whitehead (Vice Chair). Others present were staff members Ralph D. Marsh (Executive Director), Jonathan W. Needle (Chief Legal Officer), and Ajit Singh (Chief Investment Officer).

The Chair called the meeting to order at 10: 08 A.M.

The Board recited the Pledge of Allegiance and observed a moment of silence.

Retired Fund Member John Bush inquired about the effect of contributions to the Fund because of a report in news of the unconstitutionality of a voter-approved measure that granted Houston firefighters the same pay as police (Proposition B).

There was a motion by Albertino "Al" Mays, seconded by Lisa R. Slagle, for approval of the minutes of the regular Board meeting held on Tuesday, April 16, 2019. The motion carried.

There was a motion by Arif Rasheed seconded by Garry W. Blackmon, Sr., to approve the following items listed on the Consent Agenda:

- a) Report of the Pension Benefits Committee meeting held on Tuesday, April 16, 2019.
- b) Report of the Pension Benefits Committee meeting held on Thursday, May 2, 2019.
- c) Report of the Pension Benefits Committee meeting held on Wednesday, May 15, 2019.
- d) Report of the Memorial Committee meeting held on Tuesday, April 16, 2019.
- e) Minutes of the Investment Committee meeting held on Tuesday, April 16, 2019, and;
- f) Approval for Ajit Singh (Chief Investment Officer) to attend the Lone Star Value-Add Fund I Group due diligence meeting on May 29, 2019, and the Lone Star Real Estate Fund V, L.P. & Lone Star Real Estate Fund VI, L.P. annual investor informational meeting on May 30, 2019 in Irving, TX with one-night hotel accommodation to be paid for by the Lone Star Funds.

The motion carried.

The Report of the Pension Benefits Committee meeting held on Tuesday, April 16, 2019 noted the following: Approval of 2 Deferred Retirement Option Plan (DROP) applications effective May 1, 2019; approval of an application for On-Duty Occupational Disability under Sections 6(b) and 6(d) of the Statute, as shown on Member Services Report (1); and, approval of application(s) for Membership into the Fund as shown on Member Services Report (2) and Member Services Report (3).

The Report of the Pension Benefits Committee meeting held on Thursday, May 2, 2019 noted the following: Approval of 1 Deferred Retirement Option Plan (DROP) applications effective June 1, 2019; Approval of an application for survivor benefits for a disabled child under Article 6343e2 (1), Section 7 of the statute, and; Approval to advise the non-complying members, as presented, by certified mail that they have 45 days to submit tax information; and further, if the documents are not submitted within 45 days from receipt of the certified letter, the pension benefits will be suspended with the July 2019 payment until they come into compliance.

The Report of the Pension Benefits Committee meeting held on Wednesday, May 15, 2019 noted the following: Approval of a recommendation to the Board to amend section 5.11 of the Pension Benefits Policies on "Disability Reapplication" for benefits prior to board appeal.

The Chair announced that the Board was going into closed session pursuant to Government Code Section 551.071 for confidential advice of legal counsel on informal marriages, section 1(10) of the Fund's statute and Pension Benefits policy 6.06.

The Board went into closed session at 10:11 A.M.

The Board resumed open session at 10:28 A.M

There was a motion by Lisa R. Slagle, seconded by Garry W. Blackmon, Sr., that under its statutory powers to manage the Fund according to Article 6243e.2(1) ("the statute"), including the power to adopt rules, policies and procedures not inconsistent with the statute, to interpret and construe the statute and benefits procedures, to correct any defect, supply any omission and reconcile any inconsistency in the statute to the extent the Board considers expedient to administer the statute for the greatest benefit of all members; and to determine all questions, whether legal or factual, relating to eligibility for participation, service or benefits, or relating to the administration of the fund to promote its uniform administration for the benefit of all members; all in accordance with the statute, sections 2(p)(1), 2(p)(2), 2(p)(3) and 2(p)(5), the Board determines that under section 1(10) of the statute, a judicial declaration constituting proof of an informal marriage as described in section 6.06(2) of the Pension Benefit Policies must be: (a) clear, final and non-appealable, (b) issued by a Texas district court, and (c) submitted to the Fund's Member Services Department prior to the death of the member. The motion carried.

There was a motion by David O. Lantrip, seconded by Juliet N. Higgins to accept the proposed Pension Benefits Policy revision(s) to Section 5.11 regarding "Disability Re-application" for benefits prior to board appeal, and as presented. The motion carried. (Exhibit A)

The Fund's FY20 Operations Budget was tabled for a future meeting.

Tony Essalih (Cornerstone Government Affairs), and Chelbi Mims (One World Strategy Group) updated the Board on Fund governmental relations.

The Chair updated the Board on Federal governmental relations.

The Chief Legal Officer reviewed various bills of interest to the Fund in the 86th Texas legislature.

The Chief Legal Officer provided an update on Fund litigation against the City of Houston related to Senate Bill 2190 in the 85th Texas legislature, noting no new development

The Chief Legal Officer provided an update on an appeal of a disability determination, including advice from legal counsel.

The Chair noted his, Lisa R. Slagle, Gerard L. Daniels, and David O. Lantrip's attendance and report at the TEXPERS 30th Annual 2019 Conference, and Basic and Advance Trustee Training April 5-10, 2019 in Austin, TX; and, Stephen R. Whitehead's attendance at the Forum for Institutional Investors "Protecting Shareholder Rights" Conference April 10-13, 2019 in New Orleans, La.

There being no further business, the meeting adjourned at 11:15 A.M., on a motion by Garry W. Blackmon, Sr., seconded by David O. Lantrip. The motion carried.

Sincerely,

Lisa R. Slagle  
Board Secretary