

MINUTES OF THE HOUSTON FIREFIGHTERS' RELIEF AND RETIREMENT FUND

A regular meeting of the Houston Firefighters' Relief and Retirement Fund (HFRRF) Board of Trustees as authorized under sections 551.125 & 551.127 of the Texas Government Code and in accordance with the order of Governor Greg Abbott on March 16, 2020, last extended on August 8, 2020, suspending certain requirements of the Open Meetings Act, convened via a telephone/video conference on Tuesday, August 18, 2020 at 10:01 a.m.

Trustees present were Brett R. Besselman (Chair), Stephen R. Whitehead (Vice Chair), Lisa R. Slagle (Secretary), Gerard L. Daniels, Pete Ng, David O. Lantrip, Arif Rasheed (City Treasurer Designee), Earnest W. Wotring (Mayor's Representative), and Albertino "Al" Mays (Citizen Member). Trustee absent was David Riegor. Also present were staff members Ralph D. Marsh (Executive Director), Ajit Singh (Chief Investment Officer), Claudia McInnis (Director of Finance and Administration), Dalia "Dolly" De La Cruz (Director of Member Services), Andrea Sharayha (Director of Human Resources), John D. Moore II (Director of Technology & Building Services), Adam E. Smith (General Counsel), and Ryan Splawn (Senior Investment Analyst).

The Chair called the meeting to order at 10:01 a.m.

The Chair invited comments from the public. No comments were received.

There was a motion by David O. Lantrip, seconded by Earnest W. Wotring, to approve the minutes of the regular Board meeting held on Tuesday July 21, 2020. The motion carried.

The Board reviewed the Deferred Retirement Option Plan (DROP) applications effective September 1, 2020.

There was a motion by Lisa R. Slagle, seconded by Gerard L. Daniels, to approve the Deferred Retirement Option Plan (DROP) applications effective September 1, 2020, as presented. The motion carried.

The Board reviewed the application(s) for membership into the Fund. There was a motion by Lisa R. Slagle, seconded by David O. Lantrip, to approve the application(s) for membership into the Fund, as presented, as shown on Member Services Reports 1 - 3. The motion carried.

The Director of Member Services discussed the yearly random disability re-examinations.

There was a motion by David O. Lantrip, seconded by Pete Ng to forego the yearly random disability re-examinations for Fiscal Year 2021 due to the risks involved under the current pandemic situation. The motion carried.

The Director of Member Services updated the Board on the Reporting of the 2019 Employment Activities and Earnings verifications for tax year 2019. She stated that there were 6 members who filed an extension, 3 members who have incomplete documents, and 2 members who have not submitted any information. In addition, the Director of Member Services indicated there are also 3 surviving disabled children who are not in compliance. She stated that all attempts have been made to reach out to these members.

There was a motion by Lisa R. Slagle, seconded by Stephen R. Whitehead, for the Board to authorize the Fund staff to suspend pension benefits until the parties involved come into compliance. The motion carried.

The Senior Investment Analyst (SIA), with additional comments from the Chief Investment Officer (CIO), presented an overview of the proposed investment with European Secondary Development Fund VI, LP.

There was a motion by David O. Lantrip, seconded by Gerard L. Daniels, to authorize the CIO to commit up to €20 million in European Secondary Development Fund VI, LP, a private equity partnership, pending final diligence and negotiations between HFRRF and ARCIS. The motion carried.

The Chief Investment Officer (CIO), with additional comments from the SIA, reviewed the investment performance for the period ending June 30, 2020. He noted the market value of the Fund's assets as of June 30, 2020 to be \$4.092 billion with a rate of return of 2.14%.

The CIO reviewed the Allocation and Activity Summary, the Fiscal Year 2021 Private Equity and Real Estate commitment targets, and the monthly investment actions taken.

The General Counsel provided an update on the appeal of a disability determination.

Arif Rasheed and Earnest Wotring departed the meeting at 11:23 a.m.

The Chair announced that the Board was going into closed session pursuant to Government Code Section 551.071 for confidential advice of legal counsel regarding litigation updates relating to SB 2190 in the Texas 85th Legislature.

The Board went into closed session at 11:25 a.m.

The Board resumed open session at 11:39 a.m.

The following were noted for future agenda items:

The Chair asked further discussion of applications for membership into the Fund.

Lisa R. Slagle requested that a "Lunch 'N Learn" meeting be held before the end of the year at the Greer and Lowdermilk Conference Center.

There being no further business, the meeting adjourned at 11:45 a.m., on a motion by David O. Lantrip, seconded by Albertino Mays. The motion carried.

Respectfully submitted,

Lisa R. Slagle
Board Secretary