

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 January 5, 2021, suspending certain requirements of the Open Meetings Act, convened via a telephone/video conference on Tuesday, January 19, 2021 at 10:00 a.m.

Trustees present were Brett R. Besselman (Chair), Stephen R. Whitehead (Vice Chair), Lisa R. Slagle (Secretary), Gerard L. Daniels, Pete Ng, David Riegor, David O. Lantrip, Arif Rasheed (City Treasurer Designee), and Earnest W. Wotring (Mayor's Representative). Member absent was Albertino "Al" Mays (Citizen Member). 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 10:00 a.m.

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

The Chair administered the oath of office to newly elected Board members for their new terms: Stephen R. Whitehead (Position III) and Pete Ng (Position IV).

The Chair called for election of the HFRRF Board of Trustee Officers for calendar year 2021. There was a nomination by Gerard L. Daniels, seconded by David O. Lantrip, to re-elect Brett R. Besselman as Chair, Stephen R. Whitehead as Vice Chair, and Lisa R. Slagle as Secretary, for calendar year 2021. The motion carried. There were no other nominations received.

There was a motion by David O. Lantrip, seconded by Gerard L. Daniels, to approve the following items listed on the Consent Agenda:

A. Approval of the minutes of the regular Board meeting held on Tuesday, December 15, 2020.

The motion carried.

David Riegor and Earnest Wotring joined the meeting at 10:09 a.m. and 10:17 a.m. respectively.

The Chief Investment Officer (CIO) presented an overview of the proposed investment with Portfolio Advisors Secondary Fund IV, L.P.

There was a motion by Lisa R. Slagle, seconded by Stephen R. Whitehead, to authorize the CIO to commit up to \$20 million in Portfolio Advisors Secondary Fund IV, L.P., a private equity partnership, pending final diligence and contract discussions and negotiations between HFRRF and Portfolio Advisors. The motion carried.

The Senior Investment Analyst (SIA) presented an overview of the proposed investment with iShares Russell 2000 ETF.

There was a motion by Gerard L. Daniels, seconded by David Riegor, to authorize the CIO to invest up to \$80 million in the iShares Russell 2000 ETF, with the timing and amount of the initial investment to be determined by the CIO. Funding for the investment will come from within the Public Markets portfolio. 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 SPDR Gold Shares.

There was a motion by Lisa R. Slagle, seconded by Stephen R. Whitehead, to authorize the CIO to invest up to \$80 million in the SPDR Gold Shares, with the timing and amount of the initial investment to be determined by the CIO. Funding for the investment will come from within the Public Markets portfolio. The motion carried.

The CIO reviewed the Allocation and Activity Summary showing the market value of the Fund's assets as of December 31, 2020 to be approximately \$4.618 billion with an estimated rate of return of 14.77%. He also noted that as of January 19, 2021, the estimated rate of return is 15.97%. He then reviewed the Fiscal Year 2021 Private Equity and Real Estate commitment targets and the monthly investment actions taken.

The Chair announced that the Board was going into closed session pursuant to Government Code Section 551.089 of the Texas Open Meetings Act.

The Board went into closed session at 10:53 a.m. and resumed open session at 11:34 a.m.

The General Counsel presented an overview of the legislative bills of interest to the Fund in the 87th Texas legislature.

The General Counsel provided updates on the Fund's lawsuits against the City of Houston and City officials related to Senate Bill 2190 in the 85th Texas legislature and on the appeal of a disability determination.

The Chair announced that the Board was going into closed session pursuant to Government Code Section 551.071 of the Texas Open Meetings Act to obtain the confidential advice of legal counsel.

The Board went into closed session at 11:40 a.m. and resumed open session at 11:46 a.m.

There being no further business, the meeting adjourned at 11:48 a.m. on a motion by David O. Lantrip, seconded by Pete Ng. The motion carried.

Respectfully submitted,

Lisa R. Slagle
Board Secretary