

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 on Tuesday, December 19, 2017 at 10:33 a.m.

Trustees present were David L. Keller, Jr., (Chair), Stephen R. Whitehead (Vice Chair), Francis "Frank" X. Maher (Secretary), Juliet N. Higgins, Garry W. Blackmon, Sr., Brett R. Besselman, Arif Rasheed, Earnest W. Wotring, Albertino G. Mays, and Carroll G. Robinson. 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 10:33 a.m.

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

Fund Member (Retired) Steve Williams expressed support for Carroll G. Robinson to return as a citizen member on the Board for the new term.

Fund Member (Retired) Lance Stahl expressed support for Carroll G. Robinson to return as a citizen member on the Board for the new term.

There was a motion by Carroll G. Robinson, seconded by Garry W. Blackmon, Sr., to discuss item #21, *Citizen Member Appointment*", before agenda Item #4 *Approval of the minutes of the regular Board meeting held on Tuesday, November 21, 2017*". The motion carried.

The Chair announced that Carroll G. Robinson withdrew his name for consideration for reappointment to the citizen member position on the Board of Trustees he currently holds, which expires on December 31, 2017. The Chair noted one eligible nominee remaining for consideration, Mrs. Lisa Slagle. There was a motion by Garry W. Blackmon, seconded by David L. Keller, Jr., to appoint Mrs. Slagle to the citizen member position of the Board of Trustees effective in January 2018. The Chair called for a vote by the elected members of the Board. The motion carried.

The Chair thanked Carroll G. Robinson for his service and welcomed Mrs. Slagle as a Citizen member-elect to the Board of Trustees.

Trustee Carroll G. Robinson exited the meeting at 10:44 a.m.

There was a motion by Stephen R. Whitehead, seconded by Albertino G. Mays, to approve the minutes of the regular Board meeting held on Tuesday, November 21, 2017, as presented. The motion carried.

There was a motion by Stephen R. Whitehead, seconded by Arif Rasheed, to approve the following items listed on the Consent Agenda:

- a. Report of the Pension Benefits Committee meeting held on Tuesday, November 21, 2017.
- b. Minutes of the Investment Committee meeting held on Tuesday, November 21, 2017.
- c. Minutes of the Personnel and Procedures Committee meeting held on Tuesday, November 21, 2017.

The motion carried.

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The Report of the Pension Benefits Committee held on Tuesday, November 21, 2017 noted the following: Approval of an application for On-Duty Occupational Disability benefits under Section 6(b) of the statute as shown on Member Services Report (1), an application for survivor benefits under Section 6(c) and 6(d) of the statute was deferred until further medical information is obtained; approval of application(s) for membership into the Fund as shown on Member Services Report 3 and 4, and noted survivor(s) receiving benefits, member(s) exiting the DROP and member(s) receiving a Refund of Contributions.

Director of Finance and Administration Claudia McInnis presented a review of the Fund's September 30, 2017 Quarterly Consolidated Financial Statements.

There was a motion by Juliet N. Higgins, seconded by Brett R. Besselman, to accept the Pension Benefits Committee recommendation to issue a Board interpretation of Section 4(a) of the Statute concerning certain individuals returning to Fund membership and paying back contributions, as presented. The motion carried.

There was a motion by Garry W. Blackmon, Sr., seconded by Albertino G. Mays, to accept the Pension Benefits Committee recommendation regarding a proposed policy regarding pro-rated death benefits, as presented. The motion carried.

There was a motion by Albertino G. Mays, seconded by Stephen R. Whitehead, to accept the Pension Benefits Committee recommendation regarding a proposed policy regarding re-evaluation of individuals receiving disability benefits, as presented. The motion carried.

Mr. Brad Kelly of Global Governance Advisors gave a presentation to the Board on a proposed study regarding Board effectiveness assessment. There was a motion by Garry W. Blackmon, Sr., seconded by Albertino G. Mays, to begin the Board effectiveness assessment study, pending legal negotiations on a contract. The motion carried with Brett R. Besselman and Juliet N. Higgins voting no.

The Chairman provided an update on the Federal tax reform bill in the 115th Congress.

The Executive Director provided an update to the Board on The Fund's latest *Risk Sharing Valuation Study* prepared as required in Senate Bill 2190, assuming that SB 2190 is determined to be constitutional by the Texas courts.

The Chief Legal Officer discussed the Fund's litigation against the City relating to Senate Bill 2190 in the latest Texas legislature, noting that the City appellees' briefs are due on January 8, 2018.

The Chief Legal Officer provided an update on the City's litigation against the Fund's former actuarial firm.

The Chief Legal Officer provided an update on an appeal of disability determination.

The Chair noted Carroll G. Robinson's report on attendance at the Opal Group's Alternative Investing Summit 2017 and on his attendance at the Texas Institutional Investor Forum.

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Stephen R. Whitehead, Francis “Frank” X. Maher, and Juliet N. Higgins presented their reports on their attendance at the International Foundation of Employee Benefit Plans (IFEBP) 63rd Annual Conference and Certificate Program.

Chairman David L. Keller, Jr., discussed his and Brett R. Besselman’s attendance at the Blackrock Training Academy and at the Blackrock iShares Factor Investing Leaders Circle.

Juliet N. Higgins requested discussion on the effects of the ultimate entry age methodology and the rise of the plans unfunded liability.

There being no further business, the meeting adjourned at 12:24 p.m. on a motion by Garry W. Blackmon, Sr., seconded by Albertino G. Mays. The motion carried.

Respectfully submitted,

Francis “Frank” X. Maher
Secretary