

MINUTES OF THE HOUSTON FIREFIGHTERS' RELIEF AND RETIREMENT FUND
AMENDED

A special 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, May 30, 2017, at 8:00 a.m.

Trustees present were David L. Keller, Jr., (Chair), Stephen R. Whitehead (Vice Chair), Francis "Frank" X. Maher (Secretary), Garry W. Blackmon, Sr., Brett R. Besselman, Arif Rasheed, Earnest Wotring, and Carroll G. Robinson. Trustees absent were Juliet N. Higgins and Albertino Mays. Others present were staff members Ralph D. Marsh (Executive Director), and Jonathan W. Needle (Chief Legal Officer).

Chairman David L. Keller, Jr., called the meeting to order at 8:00 a.m.

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

Retired member Steve Williams commented that bills passed in this legislative session that affect pensions for Houston firefighters were originated by the leadership of the City of Houston, not the Board of Trustees. He then acknowledged the immense efforts of the Chair, Board of Trustees, and Fund staff, Firefighter Wives and Widows, Houston Professional Fire Fighters Association – Local 341, and the Houston Retired Firefighters Association, in resistance to Senate Bill 2190 by Senator Joan Huffman.

Surviving spouse Reneé Jahnke expressed her continued support of sustaining the retirement benefits of Houston firefighters, both active and retired, and acting as the voice of her husband in his absence. She gave thanks on behalf of the Firefighter Wives and Widows to Chairman David L. Keller, Jr., the Board of Trustees, Fund staff, the Houston Retired Firefighters Association, and the Houston Professional Fire Fighters Association – Local 341.

Brett Besselman entered the meeting at 8:12 a.m.

The Chief Legal Officer introduced attorneys George Shipley of the Shipley Snell firm and Michael Shaunessy of McGinnis Lochridge & Kilgore, LLP. The Fund's Associate Legal Counsel distributed an analysis by Mr. Shaunessy on the constitutionality of a version of Senate Bill 2190, as provided to the legislature, and discussed in a March 2017 Legislative Committee meeting. Mr. Wotring questioned whether he had been provided a copy of the analysis.

The Chair announced that the Board was going into closed session pursuant to Government Code Section 551.071 to receive legal advice concerning legal issues related to the passage of Senate Bill 2190 in the latest Texas Legislature.

The Board went into closed session at 8:24 a.m.

Arif Rasheed entered the meeting at 8:29 a.m.

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The Board resumed open session at 8:41 a.m.

There was a motion by Stephen R. Whitehead, seconded by Garry W. Blackmon, Sr., to authorize the Chief Legal Officer, in consultation with the Board Chair and Executive Director, to cause any such legal actions to be taken as appear appropriate to protect the interests of the Fund, the Board, and the Fund members as a whole, in relation to legal issues arising from SB 2190 or its constitutionality. The motion carried, with Earnest W. Wotring and Arif Rasheed opposed.

The Chair introduced David Driscoll, FSA, EA, MAAA, FCA, and Janie Shaw, ASA, MAA, consulting actuaries with Conduent Business Services, LLC, who then discussed drafts of a summary of key results of the "Actuarial Valuation Report as of July 1, 2016". Mr. Driscoll reviewed with the Board various projections of estimated assets and liabilities under current law. There was a motion by Garry W. Blackmon, Sr., seconded by Stephen R. Whitehead, to adopt an "*Actuarial Valuation Report as of July 1, 2016*" performed by Conduent Business Services, LLC, including its assumed rate of return of 7.25%, as final; and to further adopt such valuation for the purpose of certifying a revised municipal contribution rate of 48.5% of firefighter payroll for fiscal year 2018 to the City of Houston. The motion carried with abstentions from Carroll G. Robinson, Earnest Wotring and Arif Rasheed.

The following items were requested for discussion at a future meeting:

Carroll G. Robinson requested discussion on the fiduciary responsibility of non-firefighter trustees.

Stephen R. Whitehead requested an analysis of the 85th Texas legislature and of the Fund's future strategy with respect to pension policy makers.

Francis "Frank" X. Maher requested educational sessions open to the members and to be held in the conference center be conducted by the Chair and the Executive Director as soon as possible on the modifications to firefighter benefits under the enactment of Senate Bill 2190.

There being no further business, the meeting adjourned at 9:48 a.m. on a motion by Francis "Frank" X. Maher, seconded by Stephen R. Whitehead. The motion carried.

Respectfully submitted,

Francis "Frank" X. Maher
Secretary