

Minutes of the Meeting
of the Board of Trustees of the
Fire and Police Retiree Health Care Fund, San Antonio
April 19, 2022

Meetings of the Health Care Fund are being held under provision of the Texas Open Meeting Act for video conferencing (Chaper 551). A quorum of the Board, and the Chair, will be present at the meeting location: 112 E. Pecan, Suite 1616, San Antonio, TX 78205. Meetings will be visible and audible recording of the meeting. There will be two-way audio and video of the meeting between each Board member sufficient that Board members and public can hear and see them. Health Fund will comply with all Videoconferencing Guidelines.

PRESENT: Henry Trevino, Fire Department Retiree Representative;
Chris Lutton, Police Department Representative;
Mike Depres, Retired Police Representative;
Doug Berry, Fire Department Representative;
Jason Sanchez, Police Department Representative;
Mayoral Appointee Tom Silliman, City of San Antonio.

ABSENT: Andrew Estrada, Fire Department Representative;
Councilperson John Courage, City of San Antonio;
Councilperson Melissa Cabello Havrda, City of San Antonio;

OTHERS James Bounds, Executive Director;
PRESENT: Cecilia Puga Retiree Health Care;
Frank Burney and Jon Lowe, Martin & Drought, P.C.;
Melanie Keeton, City of San Antonio; and
Martin Trevino, Representing Councilwoman Cabello Havrda.

At 10:00 a.m., Chair Berry called the meeting to order. The roll was called, and a quorum was declared present. The minutes from the meetings held on March 28, 2021 were reviewed and unanimously approved upon motion by Trustee Despres and second by Trustee Lutton.

EXECUTIVE
SESSION: None.

MEMBERS
TO BE
HEARD: Mr. Trainor expressed appreciation for Trustee Despres for attending Retirees' meeting.

ACTION
ITEMS:

1. Investments: Next meeting is May 17, 2022 for quarterly report. On May 10, 2022, Intercontinental Real Estate will be making a presentation to Investment Committee.
2. Personnel/ Audit: None.
3. Benefits: Negotiations are on-going with PBM for new contract. There also may be an appeal from a member on benefits determination.
4. Legislative: Police Contract is being reviewed and voted on by membership with likely Council vote on May 19, 2022.
5. Administrative Report:
 - a. Expenses: Mr. Bounds presented the expenditures for the Fund. Upon motion by Trustee Sanchez and second by Trustee Despres, a list of expenses and claims and the Financial Report were unanimously approved by the Board. Trustees Lutton and Silliman asked for additional information on contributions and increased expenditures for benefits.
6. Consultant Report:
 - a. Legal: Mr. Burney informed the Board that WebTPA Employee Services has filed a demand for arbitration concerning the Bay Area Healthcare Group lawsuit against WebTPA. A special Board meeting will be set for 1:00 p.m., April 29, 2022 to discuss.
 - b. Actuarial: None.
7. Educational Opportunities:

Upon motion by Trustee Despres and second by Trustee Trevino, the Board approved attendance at any of the following educational opportunities:

 - NAPPA 2022 Legal Education Conference, June 21-24, 2022
 - IFEBP Benefit Communication and Technology Institute, July 18-19, 2022
8. Next Meeting: The next regularly scheduled meeting will be May 23, 2022 at 10:00 a.m.

ADJOURNMENT: There being no further business, a motion was made by Trustee Despres and second by Trustee Silliman that the meeting adjourn. The motion carried unanimously. The meeting adjourned at 10:20 a.m.

Enclosures

- Financial Statement
- List of approved claims and expenses
- Agenda
- Minutes

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AGENDA
BOARD OF TRUSTEES MEETING
FIRE AND POLICE RETIREE HEALTH CARE FUND
TO BE HELD AT 5250 ROGERS ROAD, SAN ANTONIO, TX 78251
Tuesday, April 19, 2022-10:00 a.m.

Meetings of the Health Care Fund are being held under provision of the Texas Open Meeting Act for video conferencing (Chapter 551). A quorum of the Board, and the Chair, will be present at the meeting location: 5250 Rogers Road, San Antonio, TX 78251. Meetings will be visible and audible to the public at the Host location, and there will be a visual or audio recording of the meeting. There will be two-way audio and video of the meeting between each Board member sufficient that Board members and public can hear and see them. Health Fund will comply with all Videoconferencing Guidelines.

Members of the public may provide comment on any Agenda item, consistent with procedural rules governing the Board meetings and state law. Public comment may be provided as follows:

- a. Written: Submit written comments, along with name and address, by emailing them to Leticia Deleon at leticia.deleon@swbell.net by 12:00 p.m. on the day before the meeting. Comments will be read into the record during the designated time on the agenda.
- b. In Person: Speakers shall be given the opportunity to speak at the beginning of the meeting during “Public Comment” for up to 2 minutes (6 minutes if translation is needed).

For those members of the public that would like to participate by Zoom, please use this code:
<https://us06web.zoom.us/j/82676922311?pwd=dzdPUTRLNWxGNjkxbIVKVUJDN2xJQT09>

Meeting ID: 826 7692 2311
Passcode: 413446

1. Call to Order:
2. Roll Call: Doug Berry, Henry Trevino, Andrew Estrada, Chris Lutton, Michael Despres, Jason Sanchez, Councilperson Melissa Cabello Havrda, Councilperson John Courage, Tom Silliman.

3. EXECUTIVE SESSION (Discussion only – Closed to Public):

The Board of Trustees may recess the meeting to the public at any time and hold an Executive Session pursuant to the Texas Open Meetings Act, Chapter 551.071, of the Texas Government Code. Such Act provides for Executive Session on any matter to be considered during the meeting as it relates to consultation with attorneys, real property, personnel and other matters. While any matter on the agenda may also be discussed, these specific matters may be discussed with counsel in Executive Session:

- a. **Government Code §551.072 – Discussions Regarding Purchase, Exchange, Lease, or Value of Real Property if Deliberation in an Open Meeting Would Have a Detrimental Effect on the Position of Health Fund in Negotiations with a Third Party;**
- b. **Government Code §551.071 - All Matters Where Health Fund Seeks the Advice of its Attorney as Privileged Communications under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas:**
- c. **Pending or Contemplated Litigation; and**
- d. **Government Code §551.074- Personnel Matters involving Senior Executive Staff and Employees of Health Fund.**

4. Minutes (Discussion and possible action):

- Board Meeting Minutes for March 28, 2022

5. Public Comment

6. Committee Reports (discussion and possible action):

- a. Investments:
- b. Personnel/Audit:
- c. Benefits:
- d. Legislative:

7. Administrative report (discussion and possible action):

- a. Draft financial reports and list of expenditures for March 28, 2022

8. Consultant Reports (discussion and possible action):

- a. Legal: Report by Frank Burney
- b. Rudd & Wisdom:

9. Educational Opportunities (discussion and possible action):

- NAPPA: 2022 Legal Education Conference June 21-24, 2022
- IFEBP: Benefit Communication and Technology Institute July 18-19, 2022

10. Adjournment:

NOTE:

Speakers may address the Board regarding any specific Agenda Item, on any matter related to Fund business, or on matters that are within the scope of the authority and legislative functions of the Board. Speakers shall be given the opportunity to speak at the beginning of the meeting during "Public Comment" for up to 3 minutes (6 minutes if translation is needed.) Enumerated agenda items are assigned numbers for ease of reference only and will not necessarily be considered by the Board in that particular order. For those who need assistance due to physical challenges, accommodations can be made by contacting James Bounds at 210-494-6500.



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ABSENT: Henry Trevino, Fire Department Retiree Representative;
Andrew Estrada, Fire Department Representative;
Councilperson John Courage, City of San Antonio; and
Councilperson Melissa Cabello Havrda, City of San Antonio.

OTHERS PRESENT: James Bounds, Executive Director,
Cecilia Puga Retiree Health Care; and
Frank Burney, Martin & Drought, P.C.
Vicky Roeder, City of San Antonio
Melissa Gonzales, Frost Bank

At 10:05 a.m., Chair Berry called the meeting to order. The roll was called, and a quorum was declared present. The minutes from the meeting held on February 28, 2022 were reviewed and unanimously approved upon motion by Trustee Despres and second by Trustee Lutton.

EXECUTIVE

SESSION: The Board went into Executive Session at 10:36 a.m. to discuss legal issues regarding health care benefits for spouses of members and litigation. The Executive Session adjourned at 11:36 a.m.

MEMBERS
TO BE

HEARD: Dan Savino (Retired Police) voiced concerns that there is too much turnover in medical staff resulting in reduced quality of service. He also expressed that medical staff was not listening to patient's needs. Finally, he believes staff should more frequently make referrals.

ACTION
ITEMS:

1. Investments: Final investment returns are still coming in for CY 2021. Next meeting is May 17, 2022 at 2:30 p.m.
2. Personnel/ Audit: None.
3. Benefits:
 - a. PBM Audit: Issue will be discussed at Benefits Committee.
 - b. Weldyne: Committee recommends negotiation with Weldyne for extended/revised contract through Randy Gregory and USI.
4. Legislative: Texas House Speaker's Interim Changes were released but none affect local plan issues.
5. Administrative Report:
 - a. Expenses: Mr. Bounds presented the expenditures for the Fund. Upon motion by Trustee Sanchez and second by Trustee Despres, a list of expenses and claims and the Financial Report were unanimously approved by the Board.
6. Consultant Report:
 - a. Legal: Mr. Burney reported on a \$20,000 lead plaintiff reimbursement/compensation for litigation involving Valeant.
 - b. Actuarial: Rudd & Wisdom: None.
7. Educational Opportunities:

Upon motion by Trustee Sanchez and second by Trustee Despres, the Board approved attendance at any of the following educational opportunities:

- IFEBP: Investments Institute, April 27-28, 2022

- TEXPERS

8. Next Meeting: The next regularly scheduled meeting will be April 19, 2022 at 10:00 a.m.

ADJOURNMENT: There being no further business, a motion was made by Trustee Lutton and second by Trustee Despres that the meeting adjourn. The motion carried unanimously. The meeting adjourned at 11:37 a.m.

Enclosures

- Financial Statement
- List of approved claims and expenses
- Agenda
- Minutes

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CERTIFIED AGENDA OF CLOSED MEETING

HEALTH FUND

I, DOUG BERRY, THE PRESIDING OFFICER OF HEALTH FUND, CERTIFY THAT THIS DOCUMENT ACCURATELY REFLECTS ALL SUBJECTS CONSIDERED IN AN EXECUTIVE SESSION OF THE BOARD CONDUCTED ON MARCH 28, 2022.

1. The executive session began with the following announcement by the presiding officer: "Health Fund is now in executive session March 28, 2022 at 10:36 a.m.
2. SUBJECT MATTER OF EACH DELIBERATION:
 - Discussions with attorney relating to his or her advice on legal matters related to any matter in which the duty of the attorney to Health Fund under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Open Meetings Act; and
 - Discussions regarding contractual, real estate, and benefit matters.
3. No further action was taken.
4. The executive session ended with the following announcement by the presiding officer: "This executive session ended on March 28, 2021 at 11:36 a.m."

Presiding Officer

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F&P Retiree Health Care Fund - Calendar
Statement of Plan Net Assets
March 31, 2022

	March 31, 2022	December 31, 2021
ASSETS		
Cash - City	\$ 0.00	\$ 0.00
Cash - Trust	523,126.54	26,516.15
Leasehold Improvements	5,482,490.79	5,482,490.79
Investments - Trust	536,099,770.48	548,553,506.97
Accrued Interest - Trust	2,206,805.26	1,639,737.68
Pre-paid Expenses	519,744.56	18,328.00
	<hr/>	<hr/>
Total Assets	544,831,937.63	555,720,579.59
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LIABILITIES		
Claims Payable	4,536,500.35	4,522,968.68
Accounts Payable	86,196.47	158,532.42
Security Lending Collateral	0.00	0.00
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Total Liabilities	4,622,696.82	4,681,501.10
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Net Assets Held in Trust	\$ <u>540,209,240.81</u>	\$ <u>551,039,078.49</u>

F&P Retiree Health Care Fund - Calendar
Statement of Changes in Plan Net Assets
For the Three Months Ending March 31, 2022

	Current Month	Current Budget	Year to Date	YTD Budget
Additions				
Contributions:				
City of San Antonio	\$ 3,381,745.29	3,875,000.00	\$ 10,182,260.76	11,625,000.00
Active	1,689,792.00	1,937,000.00	5,090,800.00	5,811,000.00
Retirees less than 30	103,898.22	91,000.00	302,334.46	273,000.00
COBRA	4,053.00	2,000.00	9,840.00	5,000.00
Children	38,150.00	37,000.00	114,100.00	110,000.00
Total Contributions	<u>5,217,638.51</u>	<u>5,942,000.00</u>	<u>15,699,335.22</u>	<u>17,824,000.00</u>
Investment Income:				
Interest	141,431.92	333,000.00	450,060.20	999,000.00
Net Appreciation of Inves	6,219,823.11	2,932,000.00	(11,282,788.50)	8,512,000.00
Other Income	6,041.82	2,000.00	13,499.98	5,000.00
Less Investment Expense	(28,833.33)	(13,000.00)	(110,104.42)	(36,000.00)
Net Investment Income	<u>6,338,463.52</u>	<u>3,254,000.00</u>	<u>(10,929,332.74)</u>	<u>9,480,000.00</u>
Total Additions	<u>11,556,102.03</u>	<u>9,196,000.00</u>	<u>4,770,002.48</u>	<u>27,304,000.00</u>
Deductions				
Members Benefit Payment	5,459,439.75	2,653,000.00	12,679,432.11	7,959,000.00
COBRA Benefit Payment	31.03	2,000.00	1,410.62	5,000.00
Children's Benefit Payme	31,408.59	36,000.00	61,987.33	108,000.00
General and Administrati	967,787.18	975,400.00	2,857,010.10	2,889,200.00
Total Deductions	<u>6,458,666.55</u>	<u>3,666,400.00</u>	<u>15,599,840.16</u>	<u>10,961,200.00</u>
Net Increase	<u>5,097,435.48</u>	<u>5,529,600.00</u>	<u>(10,829,837.68)</u>	<u>16,342,800.00</u>

April 19, 2022

Expenses Paid since last Board Meeting

4/12/2022 Frost \$ 238.49

Expenses to be paid at this Board Meeting

5782	Andrew Estrada	Phone	\$	70.00
5783	AT&T Mobility	Data	\$	68.75
5784	Doug Berry	Phone/PerDiem	\$	358.00
5785	Frost	Jan-Mar 20222	\$	18,684.50
5786	GDC	March	\$	5,000.00
5787	Henry Trevino	Phone	\$	70.00
5788	James Bounds	Hotel	\$	1,577.14
5789	Jason Sanchez	Phone	\$	70.00
5790	Christopher Lutton	Phone	\$	70.00
5791	Martin Drought	March	\$	7,771.28
5792	Meketa	April	\$	20,833.33
5793	Mike Despres	Phone/PerDiem	\$	358.00
5794	USI	January	\$	500.00
5795	T-Moble	April	\$	83.33
5796	USI	April	\$	7,750.00

Total \$ 63,502.82

IFEBP	Trustee Ed	\$	11,811.07	*
Ironsides VI	Annual Meeting	\$	1,020.40	*
TexPERS	Trustee Ed	\$	344.96	*
2023 Workshop	Deposit	\$	1,356.56	*
CPS	Electric	\$	1,772.65	*
AT&T	Phone	\$	543.71	*
Supplies	sam's	\$	843.81	*
Documation	Copier	\$	397.00	*
Meeting	Workshop	\$	211.75	*
Postage	Claim Forms	\$	204.44	*
Dues	Paper	\$	162.00	*
Frost	Fees	\$	28.59	*

Total \$ 18,696.94