



FIRE AND POLICE RETIREE HEALTH CARE FUND, SAN ANTONIO



Minutes of the Meeting of the Board of Trustees of the Fire and Police Retiree Health Care Fund, San Antonio April 29, 2019

PRESENT: Doug Berry, Fire Department Representative;
Henry Trevino, Fire Department Retiree Representative;
Andrew Estrada, Fire Department Representative;
Michael Despres, Police Department Representative;
Chris Lutton, Police Department Representative;
Alex Perez, Police Department Retiree Representative; and
Mayoral Appointee Tom Silliman, City of San Antonio.

ABSENT: Councilperson Rebecca Viagran, City of San Antonio; and
Councilperson John Courage, City of San Antonio.

OTHERS PRESENT: James Bounds, Executive Director,
Cecilia Puga Retiree Health Care;
Frank Burney, Martin & Drought, P.C.; and
Chief of Staff (Courage) Derek Roberts.

At 10:02 a.m., Chair Despres called the meeting to order. The roll was called, and a quorum was declared present. The minutes from the meeting held on March 18, 2019 were reviewed and unanimously approved upon motion by Trustee Trevino and second by Trustee Perez.

EXECUTIVE

SESSION: Executive Session: None.

ACTION ITEMS:

1. Investments: Mr. Bounds reported on quarterly Investment Committee meeting scheduled for May 30, 2019. Some trustees met with Advisor Meketa recently in its office in California. Contingency plans for major market drops were discussed, with possibility of Board authorization through Investment Committee for rapid response. A discussion of the domestic stock market and its future took place.
2. Personnel/ Audit: Audit is being scheduled for June and completed by September 1, 2019. Committee also discussed updating Fund's workforce study to provide salary ranges.

3. Benefits: No formal report. Lawsuit involving WebTPA and Corpus hospital is in mediation.
4. Legislative: Mr. Burney gave an update of the Texas Legislature's activities.
5. Administrative Report:
 - a. Expenses: Mr. Bounds presented the expenditures for the Fund. Upon motion by Trustee Berry and second by Trustee Trevino, a list of expenses and claims and the Financial Report were unanimously approved by the Board.
 - b. Board Elections: Board elections are being scheduled for August, 2019.
6. Consultant Report:
 - a. Legal: Mr. Burney reported on recent BLBG conference.
 - b. Actuarial: None.
7. Educational Opportunities:

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

 - IFEBP: Public Employee Benefits Institute, June 24-26, 2019
 - IFEBP: 2019 Trustees and Administrators Institutes, June 24-26, 2019
 - IFEBP: Health Care Cost Management, June 28-29, 2019
 - NAPPA: Legal Education Conference, June 25-28, 2019
8. Other Matters Requiring Board Action: None.
9. Members to be Heard: None.
10. Next Meeting: The next meeting will be rescheduled to May 28, 2019 at 10:00 a.m. Upon motion by Trustee Lutton and second by Trustee Berry, the reschedule was unanimously approved by the Board.

ADJOURNMENT: There being no further business, a motion was made by Trustee Lutton and second by Trustee Perez that the meeting adjourn. The motion carried unanimously. The meeting adjourned at 10:50 a.m.

Enclosures

- Financial Statement
- List of approved claims and expenses
- Agenda
- Minutes
- BLBG Conference Summary

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FIRE AND POLICE RETIREE HEALTH CARE FUND, SAN ANTONIO



AGENDA BOARD OF TRUSTEES MEETING FIRE AND POLICE RETIREE HEALTH CARE FUND TO BE HELD AT THE OFFICE OF MARTIN & DROUGHT 300 CONVENT, SUITE 2500, SAN ANTONIO, TX 78205 Monday April 29, 2019 – 10:00 a.m.

1. Call to Order:
2. Roll call:
3. EXECUTIVE SESSION (Discussion only – Closed to Public):
The Board of Trustees may close 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 will be discussed with counsel in Executive Session: litigation concerning investments.
4. Minutes (Discussion and possible action):
- Board Meeting Minutes for March 18, 2019
5. Committee Reports (discussion and possible action):
 - a. Investments:
 - b. Personnel/Audit:
 - c. Benefits:
 - d. Legislative:
6. Administrative report (discussion and possible action):
 - a. Draft financial reports and list of expenditures for March 2019
7. Consultant Reports (discussion and possible action):
 - a. Legal: Report by Frank Burney

8. Educational Opportunities (discussion and possible action):

- IFEBP: Public Employee Benefits Institute
June 24-26, 2019
- IFEBP: 2019 Trustees and Administrators Institutes
June 24-26, 2019
- IFEBP: Health Care Cost Management
June 28-29, 2019

9. Other items requiring board action:

10. Members to be heard:

11. Adjournment:

NOTE:

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.



**FIRE AND POLICE RETIREE
HEALTH CARE FUND,
SAN ANTONIO**



**Minutes of the Meeting
of the Board of Trustees of the
Fire and Police Retiree Health Care Fund, San Antonio
March 18, 2019**

PRESENT: Doug Berry, Fire Department Representative;
Henry Trevino, Fire Department Retiree Representative;
Andrew Estrada, Fire Department Representative;
Michael Despres, Police Department Representative;
Chris Lutton, Police Department Representative;
Alex Perez, Police Department Retiree Representative;
Mayoral Appointee Tom Silliman, City of San Antonio.

ABSENT: Councilperson Rebecca Viagran, City of San Antonio;
Councilperson John Courage, City of San Antonio.

**OTHERS
PRESENT:** James Bounds, Executive Director,
Cecilia Puga Retiree Health Care; and
Jon D. Lowe, Martin & Drought, P.C.

At 10:03 a.m., Chair Despres called the meeting to order. The roll was called, and a quorum was declared present. The minutes from the two-day annual meeting held on February 19, 2019 and February 20, 2019 in Austin were reviewed and unanimously approved upon motion by Trustee Trevino and second by Trustee Berry. The minutes from the monthly meeting held on January 28, 2019 were reviewed and unanimously approved upon motion by Trustee Berry and second by Trustee Perez. There was no monthly meeting in February, 2019 due to the lack of a quorum.

**ACTION
ITEMS:**

1. Investments: Mr. Bounds reported that he, Chairman Despres, Trustee Berry and Trustee Perez will be traveling to San Diego, California to meet with the Fund's investment advisor, Meketa Investment Group, at its offices to discuss investment strategy and objectives.
2. Personnel/ Audit: Mr. Bounds reported that the annual audit is expected to begin earlier than has been the case in previous years. He also advised that the Fund's actuarial firm, Rudd & Wisdom, was well underway with the preparation of the annual actuarial report.

3. Benefits: Mr. Bounds reported that Staff is in the process of scheduling a meeting with Health By Design to discuss the possible need for a third clinic.
4. Legislative: Trustee Lutton reported that the Legislative Committee had no report to the Board.
5. Administrative Report:
 - a. Expenses: Mr. Bounds presented the expenditures for the Fund. Upon motion by Trustee Berry and second by Trustee Lutton, a list of expenses and claims and the Financial Report were unanimously approved by the Board.
 - b. 2019 Elections: Mr. Bounds presented the schedule for upcoming Trustee elections, and advised that Staff would be entering into discussions with the same consultant used by the Fund previously concerning coordinating the elections.
6. Consultant Report:
 - a. Legal: No Legal Report was presented.
 - b. Actuarial: No Actuarial Report was presented.
7. Educational Opportunities:

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

 - IFEBP: Health Care Management Conference, May 6-8, 2019
 - The TEXPERS 30th Annual Conference, April 7-10, 2019
 - IFEBP: Washington Legislative Update, May 20-21, 2019
8. Other Matters Requiring Board Action: None
9. Members to be Heard: None
10. Next Meeting: The next regularly scheduled meeting will be April 29, 2019 at 10:00 a.m.

ADJOURNMENT: There being no further business, a motion was made by Trustee Lutton and second by Trustee Estrada that the meeting adjourn. The motion carried unanimously. The meeting adjourned at 10:35 a.m.

Enclosures

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

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F&P Retiree Health Care Fund - Calendar
Statement of Plan Net Assets
March 31, 2019

March 31, 2019 December 31, 2018

ASSETS

Cash - City	\$ 0.00	\$ 0.00
Cash - Trust	299,261.20	0.00
Leasehold Improvements	664,922.73	664,922.73
Investments - Trust	388,532,787.25	373,626,628.79
Accrued Interest - Trust	5,073,116.61	2,363,655.69
Pre-paid Expenses	234,924.00	15,000.00
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Total Assets	394,805,011.79	376,670,207.21

LIABILITIES

Claims Payable	3,574,625.95	3,457,744.00
Accounts Payable	638,289.34	92,853.19
Security Lending Collateral	346,372.98	0.00
	<hr/>	<hr/>
Total Liabilities	4,559,288.27	3,550,597.19

Net Assets Held in Trust	\$ <u>390,245,723.52</u>	\$ <u>373,119,610.02</u>
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F&P Retiree Health Care Fund - Calendar
Statement of Changes in Plan Net Assets
For the Three Months Ending March 31, 2019

	Current Month	Current Budget	Year to Date	YTD Budget
Additions				
Contributions:				
City of San Antonio	\$ 2,626,810.64	2,750,000.00	\$ 7,866,408.88	8,250,000.00
Active	1,312,963.08	1,350,000.00	3,932,018.85	4,050,000.00
Retirees less than 30	57,928.08	58,000.00	173,077.80	172,000.00
COBRA	4,124.72	2,000.00	12,726.08	6,000.00
Children	75,646.58	93,000.00	233,159.69	279,000.00
Total Contributions	<u>4,077,473.10</u>	<u>4,253,000.00</u>	<u>12,217,391.30</u>	<u>12,757,000.00</u>
Investment Income:				
Interest	248,263.69	621,663.00	575,099.48	1,864,989.00
Net Appreciation of Inves	1,638,847.38	1,643,200.00	13,874,355.98	4,929,600.00
Other Income	0.00	450.00	0.00	1,350.00
Less Investment Expense	(33,433.33)	(20,500.00)	(98,499.99)	(58,400.00)
Net Investment Income	<u>1,853,677.74</u>	<u>2,244,813.00</u>	<u>14,350,955.47</u>	<u>6,737,539.00</u>
Total Additions	<u>5,931,150.84</u>	<u>6,497,813.00</u>	<u>26,568,346.77</u>	<u>19,494,539.00</u>
Deductions				
Members Benefit Paymen	2,301,747.68	2,900,000.00	7,821,514.92	8,681,000.00
COBRA Benefit Payment	46.73	2,100.00	8,428.01	6,100.00
Children's Benefit Payme	25,551.58	93,000.00	129,303.77	278,000.00
General and Administrati	466,190.40	483,250.00	1,482,986.57	1,428,150.00
Total Deductions	<u>2,793,536.39</u>	<u>3,478,350.00</u>	<u>9,442,233.27</u>	<u>10,393,250.00</u>
Net Increase	<u>3,137,614.45</u>	<u>3,019,463.00</u>	<u>17,126,113.50</u>	<u>9,101,289.00</u>

April 29, 2019

Expenses Paid since last Board Meeting

4802	T-Mobile	Void	\$ (83.33)
4945	Harold Thomaston	Refund	\$ 3,979.64
4/12/2019	Frost		\$ 47.25

Expenses to be paid at this Board Meeting

4946	Alex Perez	Phone	\$ 70.00
4947	Andrew Estrada	Phone	\$ 70.00
4948	AT&T Mobility	Data	\$ 68.96
4949	Cecilia Puga	Per Diem	\$ 72.00
4950	Doug Berry	Phone	\$ 70.00
4951	Frost	Jan-Mar 2019	\$ 15,580.80
4952	Henry Trevino	Phone	\$ 70.00
4953	JCH	WEB	\$ 20.00
4954	James Bounds	Air/Per Diem	\$ 997.96
4955	Lee Munder	Jan-Mar 2019	\$ 25,050.36
4956	Christopher Lutton	Phone	\$ 70.00
4957	Martin Drought	March	\$ 7,632.35
4958	Meketa	April	\$ 20,833.33
4959	Mike Despres	Phone	\$ 70.00
4960	USI	April	\$ 6,909.00
4961	T-Mobile	Phone	\$ 166.66
4962	City Base	Rent	\$ 7,233.10
4963	Clinic	Rent	\$ 9,649.11
4964	Office	Rent	\$ 6,197.55

Total \$ 104,774.74

IFEBP	Certification	\$ 7,058.62
IFEBP	Certification	\$ 853.90
Documation	Copier	\$ 505.58
AT&T	Phone	\$ 510.14
CPS	Electric	\$ 885.21
Neopost	Postage	\$ 41.64
IFEBP	Certification	\$ 602.97
Meetings	San Diego	\$ 997.11
Sams	Supplies	\$ 258.58
Meetings	Tacos	\$ 44.01
Express News	News	\$ 47.00
Frost	Fees	\$ 22.43

Total \$ 11,827.19