



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 May 28, 2019

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

ABSENT: Andrew Estrada, Fire Department Representative; and
Councilperson Rebecca Viagran, City of San Antonio.

OTHERS PRESENT: James Bounds, Executive Director,
Cecilia Puga Retiree Health Care; and
Frank Burney, Martin & Drought, P.C.

At 10:05 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 April 29, 2019 were reviewed and unanimously approved upon motion by Trustee Berry and second by Trustee Trevino.

EXECUTIVE
SESSION: Executive Session: None.

ACTION ITEMS:

1. Investments: Portfolio Advisors made a presentation to the Board on private credit strategies. Fund has existing investments in several Portfolio strategies. Portfolio offers credit strategies with current yield, liquidity, diversified investments, both fixed and floating rates, and redemption over a twelve-month period. Investment will be discussed at Investment Committee meeting this Thursday.
2. Personnel/ Audit: A Werling study has been commissioned to evaluate staff and salaries.

3. Benefits: Next meeting will be scheduled on June 4th at 10:00 a.m.
4. Legislative: None.
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. Office Hours: Mr. Bounds has authority to set office hours.
6. Consultant Report:
 - a. Legal: Mr. Burney reported on Texas Legislature bill on prescription drug prices and opioid litigation.
 - b. Actuarial: None.
7. Educational Opportunities:

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

 - TEXPERS: 2019 Summer Educational Forum, August 18-20, 2019.
 - IFEBP: 38th Annual ISCEBS Employee Benefits Symposium, September 8-11, 2019
8. Other Matters Requiring Board Action: None.
9. Members to be Heard: Mike Trainer announced the formation of a healthcare retirees committee.
10. Next Meeting: The next regularly scheduled meeting will be rescheduled to June 17, 2019 at 10:00 a.m. upon motion by Trustee Perez and second by Trustee Silliman (with one exception).

ADJOURNMENT: There being no further business, a motion was made by Trustee Courage and second by Trustee Trevino that the meeting adjourn. The motion carried unanimously. The meeting adjourned at 11:32 a.m.

Enclosures
- Financial Statement

- List of approved claims and expenses
- Agenda
- Minutes

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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
Tuesday May 28, 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 April 29, 2019
5. Committee Reports (discussion and possible action):
 - a. Investments:
 - Presentation by Portfolio Advisors
 - b. Personnel/Audit:
 - Schedule a meeting to review Werling Study
 - c. Benefits:
 - d. Legislative:
6. Administrative report (discussion and possible action):
 - a. Draft financial reports and list of expenditures for April 2019
 - b. Discussion and possible action on changing office hours
7. Consultant Reports (discussion and possible action):
 - a. Legal: Report by Frank Burney

8. Educational Opportunities (discussion and possible action):

- TEXPERS: 2019 Summer Educational Forum
August 18-20, 2019
- IFEBP: 38th Annual ISCEBS Employee Benefits Symposium
September 8-11, 2019

9. Other items requiring board action:

- Discussion on reschedule of June 24th Board Meeting to June 17th

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 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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F&P Retiree Health Care Fund - Calendar
Statement of Plan Net Assets
April 30, 2019

	April 30, 2019	December 31, 2018
ASSETS		
Cash - City	\$ 0.00	\$ 0.00
Cash - Trust	314,000.96	0.00
Leasehold Improvements	664,922.73	664,922.73
Investments - Trust	388,115,155.55	373,626,628.79
Accrued Interest - Trust	7,077,303.51	2,363,655.69
Pre-paid Expenses	241,804.00	15,000.00
	396,413,186.75	376,670,207.21
Total Assets	396,413,186.75	376,670,207.21
 LIABILITIES		
Claims Payable	3,686,680.16	3,457,744.00
Accounts Payable	606,246.29	92,853.19
Security Lending Collateral	346,372.98	0.00
	4,639,299.43	3,550,597.19
Total Liabilities	4,639,299.43	3,550,597.19
 Net Assets Held in Trust	 \$ 391,773,887.32	 \$ 373,119,610.02

F&P Retiree Health Care Fund - Calendar
Statement of Changes in Plan Net Assets
For the Four Months Ending April 30, 2019

	Current Month	Current Budget	Year to Date	YTD Budget
Additions				
Contributions:				
City of San Antonio	\$ 2,616,630.94	2,750,000.00	\$ 10,483,039.82	11,000,000.00
Active	1,308,235.50	1,350,000.00	5,240,254.35	5,400,000.00
Retirees less than 30	52,535.56	58,000.00	225,613.36	230,000.00
COBRA	4,146.48	2,000.00	16,872.56	8,000.00
Children	73,863.24	93,000.00	307,022.93	372,000.00
Total Contributions	<u>4,055,411.72</u>	<u>4,253,000.00</u>	<u>16,272,803.02</u>	<u>17,010,000.00</u>
Investment Income:				
Interest	210,487.40	621,663.00	785,586.88	2,486,652.00
Net Appreciation of Inves	195,047.97	1,647,200.00	14,069,403.95	6,576,800.00
Other Income	546.95	450.00	546.95	1,800.00
Less Investment Expense	(33,433.33)	(18,900.00)	(131,933.32)	(77,300.00)
Net Investment Income	<u>372,648.99</u>	<u>2,250,413.00</u>	<u>14,723,604.46</u>	<u>8,987,952.00</u>
Total Additions	<u>4,428,060.71</u>	<u>6,503,413.00</u>	<u>30,996,407.48</u>	<u>25,997,952.00</u>
Deductions				
Members Benefit Paymen	2,380,637.18	2,900,000.00	10,202,152.10	11,581,000.00
COBRA Benefit Payment	197.62	2,100.00	8,625.63	8,200.00
Children's Benefit Payme	50,336.40	94,000.00	179,640.17	372,000.00
General and Administrati	468,713.21	482,100.00	1,951,712.28	1,910,250.00
Total Deductions	<u>2,899,884.41</u>	<u>3,478,200.00</u>	<u>12,342,130.18</u>	<u>13,871,450.00</u>
Net Increase	<u>1,528,176.30</u>	<u>3,025,213.00</u>	<u>18,654,277.30</u>	<u>12,126,502.00</u>

May 28, 2019

Expenses Paid since last Board Meeting

4965	Mike Despres	Per Diem	\$	288.00
5/12/2019	Frost		\$	0.95

Expenses to be paid at this Board Meeting

4966	Alex Perez	Phone	\$	70.00
4967	Andrew Estrada	Phone	\$	70.00
4984	AT&T Mobility	Data	\$	68.96
4968	Cecilia Puga	Per Diem	\$	360.00
4969	Christopher Tobar	Per Diem	\$	216.00
4970	Doug Berry	Phone	\$	70.00
4971	Henry Trevino	Phone	\$	70.00
4972	JCH	WEB	\$	20.00
4973	Leslie Martinez	Per Diem	\$	360.00
4974	Christopher Lutton	Phone	\$	70.00
4975	Martin Drought	April	\$	8,091.50
4976	Meketa	May	\$	20,833.33
4977	Mike Despres	Phone	\$	70.00
4978	USI	May	\$	6,909.00
4979	Vincent Flores	Per Diem	\$	216.00
4980	T-Mobile	Phone	\$	83.33
4981	City Base	Rent	\$	7,243.12
4982	Clinic	Rent	\$	7,810.18
4983	Office	Rent	\$	6,467.13

Total	\$	59,387.50
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Documation	Copier	\$	505.58
AT&T	Phone	\$	494.97
CPS	Electric	\$	1,098.77
Neopost	Postage	\$	220.21
IFEBP	Certification	\$	1,950.00
Meetings	San Diego	\$	1,685.41
Sams	Supplies	\$	47.63
Meetings	Tacos	\$	34.47
Express News	News	\$	47.00
Frost	Fees	\$	24.72

Total	\$	6,108.76
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