



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 December 16, 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; and
Councilperson Jada Andrews-Sullivan, City of San Antonio.

ABSENT: Andrew Estrada, Fire Department Representative;
Councilperson Melissa Cabello Havrda, City of San Antonio; and
Mayoral Appointee Tom Silliman, City of San Antonio.

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

At 10:13 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 November 25, 2019 were reviewed and unanimously approved upon motion by Trustee Trevino and second by Trustee Andrews-Sullivan.

EXECUTIVE SESSION: Executive Session: The Board adjourned into Executive Session at 10:27 a.m. pursuant to state law to discuss with counsel legal issues relating to benefit and real property issues. The Executive Session adjourned at 11:20 a.m.

ACTION ITEMS:

1. Investments: Investment Consultant will meet with Board on February 18, 2019 at Annual Meeting of the Board.
2. Personnel/ Audit: None.
3. Benefits: None.
4. Legislative: Interim charges from the House have been released, none of which affect the Fund.

5. Administrative Report:

- a. Expenses: Mr. Bounds presented the expenditures for the Fund. Upon motion by Trustee Lutton and second by Trustee Berry, a list of expenses and claims and the Financial Report were unanimously approved by the Board.
- b. 2020 CY Budget: Mr. Bounds reported on the CY 2020 Budget. Upon motion by Trustee Trevino and second by Trustee Andrews-Sullivan, the 2020 Budget was unanimously approved.

6. Consultant Report:

- a. Legal: Mr. Burney reported on successful denial of Motion to Dismiss by the Defendant in the Sinclair litigation by BLBG. He also reported that SAPOA was joined in Parks/SAT lawsuit.
- 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: Trustees & Administrators Institute, February 10-12, 2020
- IFEBP: Investments Institute, April 27-29, 2020

8. Other Matters Requiring Board Action: None.

9. Members to be Heard: None.

10. Next Meeting: The next regularly scheduled meeting will be January 27, 2020 at 10:00 a.m.

ADJOURNMENT: There being no further business, a motion was made by Trustee Berry and second by Trustee Perez that the meeting adjourn. The motion carried unanimously. The meeting adjourned at 11:22 a.m.

Enclosures

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



FIRE AND POLICE RETIREE HEALTH CARE FUND, SAN ANTONIO

CERTIFIED AGENDA OF CLOSED MEETING

HEALTH FUND

I, MIKE DESPRES, THE PRESIDING OFFICER OF HEALTH FUND, CERTIFY THAT THIS DOCUMENT ACCURATELY REFLECTS ALL SUBJECTS CONSIDERED IN AN EXECUTIVE SESSION OF THE BOARD CONDUCTED ON DECEMBER 16, 2019.

1. The executive session began with the following announcement by the presiding officer: "Health Fund is now in executive session on December 16, 2019 at 10:27 a.m.
2. SUBJECT MATTER OF EACH DELIBERATION:
 - 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.**
3. No further action was taken.
4. The executive session ended with the following announcement by the presiding officer: "This executive session ended on December 16, 2019 at 11:20 a.m."

Presiding Officer

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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 December 16, 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 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 will 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 the Health Fund in Negotiations with a Third Party;**
 - b. **Government Code §551.071 - All Matters Where the 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 November 25, 2019
5. Committee Reports (discussion and possible action):
 - a. Investments:
 - b. Personnel/Audit:

- c. Benefits:
 - Change of language on appeals process.
 - d. Legislative:
6. Administrative report (discussion and possible action):
 - a. Draft financial reports and list of expenditures for November 2019
 - b. 2020 Budget
 7. Consultant Reports (discussion and possible action):
 - a. Legal: Report by Frank Burney
 8. Educational Opportunities (discussion and possible action):
 - IFEBP: Trustees & Administrators Institute
February 10-12, 2020
 - IFEBP: Investments Institute
April 27-29, 2020
 10. 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 that wish to address any Agenda item, they will be allowed up to 3 minutes (6 minutes if translation is needed) if they register at the beginning of meeting, 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 November 25, 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;
Mayoral Appointee Tom Silliman, City of San Antonio.

ABSENT: Andrew Estrada, Fire Department Representative;
Councilperson Melissa Cabello Havrda, City of San Antonio;
Councilperson Jada Andrews-Sullivan, City of San Antonio;

OTHERS: James Bounds, Executive Director,
PRESENT: 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 October 14, 2019 were reviewed and unanimously approved upon motion by Trustee Trevino and second by Trustee Lutton.

EXECUTIVE

SESSION: Executive Session: The Board adjourned into Executive Session at 10:23 a.m. pursuant to state law to discuss with counsel legal issues relating to benefit issues. The Executive Session adjourned at 10:53 a.m.

ACTION ITEMS:

1. Investments: Chair Berry reported on quarterly investment performance from Meketa. He also reported on site visit to New York City for meetings with managers and investment conference. Meketa is preparing for Annual Meeting of Health Fund on February 18-19, 2020 in Austin, Texas.
2. Personnel/ Audit: None.

3. Benefits:

- a. Software Update: Health by Design is scheduling a conference on APH Software with WebTPA for training on APH Software.
- b. Air Ambulance Appeal: Ms. Puga briefed the Board on an appeal by the provider of Air Ambulance services for reimbursement of \$43,000.00, which Fund reimbursed \$6,000. Upon motion by Trustee Lutton and second by Trustee Berry, the appeal was unanimously denied.

4. Legislative: None.

5. Administrative Report:

- a. Expenses: Mr. Bounds presented the expenditures for the Fund. Upon motion by Trustee Silliman and second by Trustee Lutton, a list of expenses and claims and the Financial Report were unanimously approved by the Board.
- b. 2020 Meeting and Holiday Schedules: Upon motion by Trustee Lutton and second by Trustee Perez, the 2020 Schedules were unanimously approved.
- c. Budget: Mr. Bounds reviewed the draft budget for 2020 CY. It will be voted on at December meeting. He requested Board call him with any questions.
- d. Frost Bank: Steve introduced his fellow employee, Melissa Gonzales, who will be primary Frost contact for the Fund.

6. Consultant Report:

- a. Legal: None.
- 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:

- NCPERS: 2020 Legislative Conference, January 26-28, 2020
- OPAL: LATEC Annual Investment Education Symposium, February 19-21, 2020

8. Other Matters Requiring Board Action: None.
9. Members to be Heard: Board extended congrats to Michael Trainer for his re-election as President of Retirees' Association.
10. Next Meeting: The next regularly scheduled meeting will be rescheduled from December 23, 2019 at 10:00 a.m. to December 16, 2019.

ADJOURNMENT: There being no further business, a motion was made by Trustee Berry and second by Trustee Lutton that the meeting adjourn. The motion carried unanimously. The meeting adjourned at 10:56 a.m.

Enclosures

- Financial Statement
- List of approved claims and expenses
- Agenda
- Minutes
- 2020 Meeting and Holiday Schedules



FIRE AND POLICE RETIREE
HEALTH CARE FUND,
SAN ANTONIO



CERTIFIED AGENDA OF CLOSED MEETING

HEALTH FUND

I, MIKE DESPRES, THE PRESIDING OFFICER OF HEALTH FUND, CERTIFY THAT THIS DOCUMENT ACCURATELY REFLECTS ALL SUBJECTS CONSIDERED IN AN EXECUTIVE SESSION OF THE BOARD CONDUCTED ON NOVEMBER 25, 2019.

1. The executive session began with the following announcement by the presiding officer: "Health Fund is now in executive session on November 25, 2019 at 10:23 a.m.
2. SUBJECT MATTER OF EACH DELIBERATION:
 - 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.**
3. No further action was taken.
4. The executive session ended with the following announcement by the presiding officer: "This executive session ended on November 25, 2019 at 10:53 a.m."

Presiding Officer

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

November 30, 2019 December 31, 2018

ASSETS

Cash - City	\$ 0.00	\$ 0.00
Cash - Trust	300,665.15	0.00
Leasehold Improvements	659,942.70	659,942.70
Investments - Trust	408,035,675.33	364,884,819.00
Accrued Interest - Trust	1,559,074.99	2,430,360.09
Pre-paid Expenses	285,785.00	15,000.00
	<u>410,841,143.17</u>	<u>367,990,121.79</u>
Total Assets	410,841,143.17	367,990,121.79

LIABILITIES

Claims Payable	3,735,036.14	3,457,744.00
Accounts Payable	627,167.02	93,249.94
Security Lending Collateral	346,372.98	0.00
	<u>4,708,576.14</u>	<u>3,550,993.94</u>
Total Liabilities	4,708,576.14	3,550,993.94

Net Assets Held in Trust	<u>\$ 406,132,567.03</u>	<u>\$ 364,439,127.85</u>
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F&P Retiree Health Care Fund - Calendar
Statement of Changes in Plan Net Assets
For the Eleven Months Ending November 30, 2019

	Current Month	Current Budget	Year to Date	YTD Budget
Additions				
Contributions:				
City of San Antonio	\$ 4,418,059.35	3,600,000.00	\$ 32,256,369.20	31,950,000.00
Active	2,216,101.62	1,800,000.00	16,121,416.05	15,750,000.00
Retirees less than 30	55,078.80	58,000.00	613,008.52	636,000.00
COBRA	2,056.92	2,000.00	30,574.48	22,000.00
Children	72,971.57	94,000.00	799,299.95	1,030,000.00
Total Contributions	<u>6,764,268.26</u>	<u>5,554,000.00</u>	<u>49,820,668.20</u>	<u>49,388,000.00</u>
Investment Income:				
Interest	230,330.15	621,669.00	2,578,101.27	6,838,331.00
Net Appreciation of Inves	2,062,054.40	1,653,300.00	22,655,975.97	18,120,700.00
Other Income	0.00	450.00	9,016.50	4,750.00
Less Investment Expense	(38,333.33)	(18,950.00)	(399,297.88)	(204,350.00)
Net Investment Income	<u>2,254,051.22</u>	<u>2,256,469.00</u>	<u>24,843,795.86</u>	<u>24,759,431.00</u>
Total Additions	<u>9,018,319.48</u>	<u>7,810,469.00</u>	<u>74,664,464.06</u>	<u>74,147,431.00</u>
Deductions				
Members Benefit Paymen	2,423,260.69	2,950,000.00	27,022,698.18	32,204,000.00
COBRA Benefit Payment	222.77	2,100.00	8,863.86	22,900.00
Children's Benefit Payme	51,624.37	94,000.00	344,228.24	1,030,000.00
General and Administrati	534,261.84	536,950.00	5,595,234.60	5,565,900.00
Total Deductions	<u>3,009,369.67</u>	<u>3,583,050.00</u>	<u>32,971,024.88</u>	<u>38,822,800.00</u>
Net Increase	<u>6,008,949.81</u>	<u>4,227,419.00</u>	<u>41,693,439.18</u>	<u>35,324,631.00</u>

December 16, 2019

Expenses Paid since last Board Meeting

5117	GDC	Research	\$	9,017.24
5118	Void	Misprint		0.00
5119	Void	Misprint		0.00
5120	Void	Misprint		0.00

12/9/2012	Frost		\$	249.54
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Expenses to be paid at this Board Meeting

5121	Alex Perez	Phone/Taxi	\$	121.21
5122	Andrew Estrada	Phone	\$	70.00
5123	AT&T Mobility	Data	\$	68.75
5124	Doug Berry	Phone	\$	70.00
5125	Henry Trevino	Phone	\$	70.00
5126	JCH	Web	\$	20.00
5127	James Bounds	Air & Hotel	\$	789.42
5128	Christopher Lutton	Phone	\$	70.00
5129	Martin Drought	Oct-Dec	\$	22,179.41
5130	Meketa	December	\$	20,833.33
5131	Mike Despres	Phone	\$	70.00
5132	Rudd & Wisdom	GASB 75	\$	1,569.75
5133	USI	December	\$	6,909.00
5134	T-Mobile	December	\$	83.33

Total			\$	62,190.98
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TexPERS			\$	50.00
Newbury	Site visit		\$	906.00
IFEBP	Annual		\$	4,402.80
CPS	Electric		\$	777.03
Neopost	Mailout		\$	765.87
AT&T	Phone		\$	489.96
Documation	Copier		\$	505.58
CPI	Supplies		\$	280.65
Meetings			\$	94.11
Express News	News		\$	51.00
Frost	Fees		\$	26.44

Total			\$	8,349.44
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