



# 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 January 27, 2020

**PRESENT:** Doug Berry, Fire Department Representative;  
Henry Trevino, Fire Department Retiree Representative;  
Michael Despres, Police Department Representative;  
Chris Lutton, Police Department Representative;  
Councilperson Jada Andrews-Sullivan, City of San Antonio; and  
Mayoral Appointee Tom Silliman, City of San Antonio.

**ABSENT:** Andrew Estrada, Fire Department Representative;  
Alex Perez, Police Department Retiree Representative; 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.

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 December 16, 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 10:18 a.m. pursuant to state law to discuss with counsel legal issues relating to real estate matters. The Executive Session adjourned at 10:49 a.m.

### ACTION ITEMS:

1. Investments: Mr. Bounds reported that consultant will conduct a full-day review of investments and policies at the Annual Meeting in February.
2. Personnel/ Audit: None.
3. Benefits: Ms. Puga briefed the Board on the policy for out-of-network appeals. USI recommended that WEB conduct the independent third party

appeal (second-level) rather than outside company, which is industry standard. Upon motion by Trustee Trevino and second by Trustee Andrews-Sullivan, this revised appeals policy was unanimously approved.

4. Legislative: Chair Lutton indicated that there likely would be no Legislative proposal in 2021.
5. Administrative Report:
  - a. Expenses: Mr. Bounds presented the expenditures for the Fund. Upon motion by Trustee Silliman and second by Trustee Berry, a list of expenses and claims and the Financial Report were unanimously approved by the Board.
  - b. Third Clinic: Mr. Bounds and the Chair briefed the Board on Committee discussions regarding location of third clinic. Recommendation by staff is to lease the premises at 5530 Tezel Road, San Antonio, Texas, with a purchase option, for a term of 3-years. Upon motion by Trustee Lutton and second by Trustee Berry, the Board unanimously approved a lease with purchase option of the premises at 5530 Tezel Road and authorized the negotiation and execution of the lease by the Chair.
6. Consultant Report:
  - a. Legal: None.
  - b. Actuarial: None.
7. Educational Opportunities:

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

  - TEXPERS: 2020 Annual Conference, May 3-6, 2020
  - SKYBRIDGE: SALT, May 19-21, 2020
8. Other Matters Requiring Board Action: None.
9. Members to be Heard: None.
10. Next Meeting: The next regularly scheduled meeting will be February 24, 2020 at 10:00 a.m. Annual Meeting of the Fund will be held on February 18 and 19, 2020 for a review of all policies, contracts, and investments.

ADJOURNMENT: There being no further business, a motion was made by Trustee Andrews-Sullivan and second by Trustee Trevino that the meeting adjourn. The motion carried unanimously. The meeting adjourned at 10:51 a.m.

Enclosures

- Financial Statement
- List of approved claims and expenses
- Agenda
- Minutes
- Plan Amendment regarding appeals process

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# 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 JANUARY 27, 2020.

1. The executive session began with the following announcement by the presiding officer: "Health Fund is now in executive session on January 27, 2020 at 10:18 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 current and pending real estate 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 January 27, 2019 at 10:49 a.m."

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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 January 27, 2020 – 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 December 16, 2019
5. Committee Reports (discussion and possible action):
  - a. Investments:
  - b. Personnel/Audit:

- c. Benefits:
    - Amendment to plan documents for out of network appeals
  - d. Legislative:
6. Administrative report (discussion and possible action):
- a. Draft financial reports and list of expenditures for December 2019
  - b. Lease or buy the land and premises at 5530 Tezel Road in Northwest San Antonio, Bexar County, Texas and authorization for the Executive Director, with input from the Chair, to negotiate and execute a lease or purchase contract on terms acceptable to them.
7. Consultant Reports (discussion and possible action):
- a. Legal: Report by Frank Burney
8. Educational Opportunities (discussion and possible action):
- TEXPERS: 2020 Annual Conference  
**May 3-6, 2020**
  - SKYBRIDGE: SALT  
**May 19-21, 2020**
9. 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 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."

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Presiding Officer

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**SUMMARY OF MATERIAL MODIFICATIONS  
TO THE FIRE AND POLICE RETIREE HEALTH CARE PLAN  
OF FIRE AND POLICE RETIREE HEALTH CARE FUND, SAN ANTONIO**

BY THIS AGREEMENT, Fire and Police Retiree Health Care Fund, San Antonio, the health care plan (herein called the "Plan") is hereby amended as follows, **effective as of January 01, 2020.**

The REVIEW PROCESS FOR DISPUTED CLAIMS section will be **DELETED** in its entirety and **REPLACED** by the following:

**APEALS PROCESS FOR DISPUTED CLAIMS**

The appeals process for disputed claims shall include the following:

1. Within 90 days of the denial of the claim, you may request, in writing to the Claims Administrator, that the Plan conduct a review of the processed claim. The appeal must be in writing and sent by mail (certified is recommended). Once the written appeal is received, the Claims Administrator has 60 days to respond. They will review the processed claim and inform you whether or not an error was made and any errors will be corrected. All requests for a review of denied benefits should include a copy of the initial denial letter and any other pertinent information.
  
2. If you wish to request a variance from the Plan specifications or to appeal after the Claims Administrator's determination, then you may send a second appeal within 45 days of the first appeal denial, to the Claims Administrator. The appeal must be in writing and sent by mail (certified is recommended). When the written request is received, the claim will be reviewed by the Claims Administrator and this review will be approved by the Plan Administrator. The results of this review will be furnished in writing to you within 90 days in most cases, but in no case more than 150 days. The decision of the Plan Administrator will be final and binding upon all parties.

Any such appeal should be addressed in writing as follows:

WebTPA  
8500 Freeport Parkway  
Suite 400  
Irving, TX 75063

This agreement has been executed on behalf of Fire and Police Retiree Health Care Fund, San Antonio.

By \_\_\_\_\_

Date \_\_\_\_\_

Title \_\_\_\_\_

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

	December 31, 2019	December 31, 2018
<b>ASSETS</b>		
Cash - City	\$ 0.00	\$ 0.00
Cash - Trust	0.00	0.00
Leasehold Improvements	458,601.69	659,942.70
Investments - Trust	412,866,997.08	364,884,819.00
Accrued Interest - Trust	3,422,047.33	2,430,360.09
Pre-paid Expenses	15,000.00	15,000.00
	416,762,646.10	367,990,121.79
<b>Total Assets</b>	<b>416,762,646.10</b>	<b>367,990,121.79</b>
 <b>LIABILITIES</b>		
Claims Payable	4,139,357.67	3,457,744.00
Accounts Payable	83,746.02	93,249.94
Security Lending Collateral	0.00	0.00
	4,223,103.69	3,550,993.94
<b>Total Liabilities</b>	<b>4,223,103.69</b>	<b>3,550,993.94</b>
	412,539,542.41	364,439,127.85
<b>Net Assets Held in Trust</b>	<b>\$ 412,539,542.41</b>	<b>\$ 364,439,127.85</b>

F&P Retiree Health Care Fund - Calendar  
Statement of Changes in Plan Net Assets  
For the Twelve Months Ending December 31, 2019

	Current Month	Current Budget	Year to Date	YTD Budget
<b>Additions</b>				
Contributions:				
City of San Antonio	\$ 2,977,146.12	2,806,000.00	\$ 35,233,515.32	34,756,000.00
Active	1,484,053.34	1,390,000.00	17,605,469.39	17,140,000.00
Retirees less than 30	51,538.02	59,000.00	664,546.54	695,000.00
COBRA	1,371.28	3,000.00	31,945.76	25,000.00
Children	74,754.91	94,000.00	874,054.86	1,124,000.00
Total Contributions	<u>4,588,863.67</u>	<u>4,352,000.00</u>	<u>54,409,531.87</u>	<u>53,740,000.00</u>
Investment Income:				
Interest	899,975.56	621,669.00	3,478,063.35	7,460,000.00
Net Appreciation of Inves	4,547,154.89	1,654,300.00	27,203,130.86	19,775,000.00
Other Income	0.00	250.00	27,060.04	5,000.00
Less Investment Expense	(38,448.56)	(16,150.00)	(442,099.10)	(220,500.00)
Net Investment Income	<u>5,408,681.89</u>	<u>2,260,069.00</u>	<u>30,266,155.15</u>	<u>27,019,500.00</u>
Total Additions	<u>9,997,545.56</u>	<u>6,612,069.00</u>	<u>84,675,687.02</u>	<u>80,759,500.00</u>
<b>Deductions</b>				
Members Benefit Paymen	2,960,982.02	2,950,000.00	29,832,365.00	35,154,000.00
COBRA Benefit Payment	113.73	2,100.00	8,877.59	25,000.00
Children's Benefit Payme	13,871.87	94,000.00	358,326.44	1,124,000.00
General and Administrati	780,139.46	509,600.00	6,375,703.43	6,075,500.00
Total Deductions	<u>3,755,107.08</u>	<u>3,555,700.00</u>	<u>36,575,272.46</u>	<u>42,378,500.00</u>
Net Increase	<u>6,242,438.48</u>	<u>3,056,369.00</u>	<u>48,100,414.56</u>	<u>38,381,000.00</u>

January 27, 2020

Expenses Paid since last Board Meeting

5135	Alex Perez	Per Diem	\$	288.00
5136	City Base	Jan Rent	\$	5,137.35
5137	James Bounds	Travel	\$	1,215.53
5138	Mike Despres	Per Diem	\$	288.00
5139	SA FP Holding	Jan Rent	\$	7,761.44
5140	SA FP Holding	Office Rent	\$	6,424.38

1/12/2020	Frost		\$	249.58
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Expenses to be paid at this Board Meeting

5141	Alex Perez	Phone/Air	\$	395.96
5142	Andrew Estrada	Phone	\$	70.00
5143	AT&T Mobility	Data	\$	68.75
5144	Doug Berry	Phone	\$	70.00
5145	Frost	Oct-Dec 2019	\$	17,210.73
5146	Henry Trevino	Phone/Miles	\$	636.63
5147	JCH	Web	\$	20.00
5148	Lee Munder	Oct-Dec 2019	\$	37,404.50
5149	Christopher Lutton	Phone	\$	70.00
5150	Martin Drought	December	\$	8,316.35
5151	Meketa	January	\$	20,833.33
5152	Mike Despres	Phone	\$	70.00
5153	USI	January	\$	6,909.00
5154	T-Moble	January	\$	83.33
5155	City Base	Feb Rent	\$	7,275.63
5156	SA FP Holding	Feb Rent	\$	8,420.52
5157	SA FP Holding	Office Rent	\$	6,424.38

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		Total	\$	135,643.39
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