

**Minutes of the Meeting
of the Board of Trustees of the
Fire and Police Retiree Health Care Fund, San Antonio
March 29, 2021**

COVID-19 NOTICE: Due to the COVID-19 Pandemic, special rules are in effect for members of the public who choose to attend this meeting at Martin & Drought, 112 E. Pecan, Suite 1616, San Antonio, Texas 78205. Guidelines issued by the City of San Antonio will be observed: <https://covid19.sanantonio.gov/Home>

To protect the health of the public and limit the potential spread of COVID 19 as directed by Governor of Texas, Bexar County and City of San Antonio, the meeting will be held in compliance with the suspended provisions of the Texas Open Meetings Act. For those members of the public that would like to participate by phone, please call:

Dial-in Information:

<https://zoom.us/j/99244353945?pwd=M0g5N3NKSElva1RCQUJEWUt5OGQzUT09>

Meeting ID: 992 4435 3945

Passcode: 253074

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

ABSENT: Councilperson Jada Andrews-Sullivan, City of San Antonio;
Councilperson Melissa Cabello Havrda, City of San Antonio;

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

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 meetings held on February 22, 2021, were reviewed and unanimously approved upon motion by Trustee Trevino and second by Trustee Silliman.

EXECUTIVE

SESSION: Executive Session: The Board adjourned into Executive Session at 10:53 a.m. pursuant to state law to discuss with counsel legal issues relating to benefit issues. The Executive Session adjourned at 11:03 a.m.

MEMBERS
TO BE

HEARD: None.

ACTION
ITEMS:

1. Investments: Mr. Bounds reported on full-day investment analysis next Tuesday with consultant at Annual Board Meeting.
2. Personnel/ Audit: Mr. Bounds is trying to expedite timeline for audit. Staff and GDC continue to work on more virtual communications such as “live chat,” with a target date of May 1st.
3. Benefits: None. (Methodist pre-qualification is being handled in-house).
4. Legislative: Mr. Burney reported on some of the bills related to COVID-related illnesses and deaths. He raised the issue of COVID-related LOD deaths at COSA. Board discussed option of Health Fund coverage vs. COSA coverage for surviving spouse and children. Board asked Benefit Committee to review issue.

Mr. Burney also reported on legislation that would require statewide funds to divest from investments that require green mandates in investment decisions.

5. Administrative Report:
 - a. Expenses: Mr. Bounds presented the expenditures for the Fund. Upon motion by Trustee Sanchez and second by Trustee Lutton, a list of expenses and claims and the Financial Report were unanimously approved by the Board. Trustee Trevino asked for separate breakdown of full construction expenses and costs/budget for clinics.
6. Consultant Report:
 - a. Legal: Mr. Burney advised the Board that a Mediation will take place this Friday on Valaent Pharmaceuticals Lawsuit.

b. Actuarial: None.

7. Educational Opportunities:

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

- TEXPERS: May 23-26, 2021 (Austin, Texas)

8. Next Meeting: The next regularly scheduled meeting will be April 26, 2021 at 10:00 a.m. The May meeting was unanimously rescheduled to Monday, May 17, at 10:00 a.m. due to conflict with TEXPERS on motion by Trustee Sanchez and second by Trustee Perez.

ADJOURNMENT: There being no further business, a motion was made by Trustee Trevino and second by Trustee Perez that the meeting adjourn. The motion carried unanimously. The meeting adjourned at 11:08 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 THE OFFICE OF MARTIN & DROUGHT LOCATED AT
112 E. PECAN STREET, SUITE 1616, SAN ANTONIO, TX 78205
Monday, March 29, 2021-10:00 a.m.

COVID-19 NOTICE: Due to the COVID-19 Pandemic, special rules are in effect for members of the public who choose to attend this meeting. Guidelines issued by the City of San Antonio will be observed: <https://covid19.sanantonio.gov/Home>

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*in-person attendance for those Trustees or public that can attend;

*for those that cannot attend, Public or Trustees can join the meeting through: Zoom

<https://zoom.us/j/99244353945?pwd=M0g5N3NKSElva1RCQUJEWUt5OGQzUT09>

Meeting ID: 992 4435 3945

Passcode: 253074

For additional information, please call 210-494-6500

Call to Order:

1. Roll Call: Doug Berry, Henry Trevino, Andrew Estrada, Chris Lutton, Alex Perez, Jason Sanchez Councilperson Jada Andrews-Sullivan, Councilperson Melissa Cabello Havrda, Tom Silliman.
2. 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.**

3. Minutes (Discussion and possible action):
 - Board Meeting Minutes for February 22, 2021
4. Public Comment
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
7. Consultant Reports (discussion and possible action):
 - a. Legal: Report by Frank Burney
8. Educational Opportunities (discussion and possible action):
9. 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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Dial-in Information:

<https://zoom.us/j/94600896969?pwd=NzBhdnhULzBaWG5pYiRNaVlOXRFUT09>

Meeting ID: 946 0089 6969

Passcode: 519581

PRESENT: Henry Trevino, Fire Department Retiree Representative;
Chris Lutton, Police Department Representative;
Doug Berry, Fire Department Representative;
Jason Sanchez, Police Department Representative;
Alex Perez, Police Department Retiree Representative;
Councilperson Melissa Cabello Havrda, City of San Antonio;
Mayoral Appointee Tom Silliman, City of San Antonio.

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

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

At 10:03 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 January 25, 2021 were reviewed and unanimously approved upon motion by Trustee Lutton and second by Trustee Perez.

EXECUTIVE
SESSION: None.

MEMBERS
TO BE
HEARD: None.

ACTION
ITEMS:

1. Investments: Mr. Bounds reported on discussion on additional private debt to asset allocation, which has a higher return than traditional Bonds. One way to increase allocation to this class would be to add to existing investments, being a \$6M investment in PADCOF III (Portfolio Advisors). (At the Annual Meeting, Meketa would have recommended this investment in an overall discussion of asset allocation.) Upon motion by Trustee Cabello Havrda and second by Trustee Sanchez, the Board unanimously approved the investment in PADCOF as recommended by Meketa.
2. Personnel/ Audit: None.
3. Benefits:
 - a. COVID Vaccine: The Vaccine is still not available at clinics. Members are encouraged to use one of the 4 locations (UHS; COSA; Well-Med; and UTHSC).
 - b. Telemedicine Coverage: Upon motion by Trustee Sanchez and second by Trustee Perez, the availability/use of telemedicine was continued to members through end of May, 2021. Staff was requested to schedule discussion on pros and cons of telemedicine for future care.
4. Legislative: Mr. Burney reported on COVID-related legislation for public safety officers.
5. Administrative Report:
 - a. Expenses: Mr. Bounds presented the expenditures for the Fund. Upon motion by Trustee Trevino and second by Trustee Perez, a list of expenses and claims and the Financial Report were unanimously approved by the Board.
 - b. Annual Meeting: Due to inclement weather, the Annual Meeting was rescheduled for April 5-6 subject to availability.

6. Consultant Report:

- a. Legal: Mr. Burney reported on mediation of Valaent litigation this Spring by outside counsel BLBG.
- b. Actuarial: None.
- c. Website: Mr. Bounds discussed new website and working with Health by Design.

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 21st Annual Conference May 23-26, 2021

8. Next Meeting: The next regularly scheduled meeting will be March 29, 2021 at 10:00 a.m.

ADJOURNMENT: There being no further business, a motion was made by Trustee Sanchez and second by Trustee Perez that the meeting adjourn. The motion carried unanimously. The meeting adjourned at 10:45 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
February 28, 2021

February 28, 2021 December 31, 2020

ASSETS

Cash - City	\$ 0.00	\$ 0.00
Cash - Trust	442,253.36	0.00
Leasehold Improvements	458,601.69	458,601.69
Investments - Trust	465,032,447.52	455,907,716.39
Accrued Interest - Trust	2,012,959.69	2,165,325.22
Pre-paid Expenses	507,876.07	23,190.00
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Total Assets	468,454,138.33	458,554,833.30
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LIABILITIES

Claims Payable	4,135,087.69	4,330,301.02
Accounts Payable	82,599.62	278,189.15
Security Lending Collateral	0.00	0.00
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Total Liabilities	4,217,687.31	4,608,490.17
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Net Assets Held in Trust	\$ 464,236,451.02	\$ 453,946,343.13
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F&P Retiree Health Care Fund - Calendar
Statement of Changes in Plan Net Assets
For the Two Months Ending February 28, 2021

	Current Month	Current Budget	Year to Date	YTD Budget
Additions				
Contributions:				
City of San Antonio	\$ 3,161,623.65	3,412,000.00	\$ 6,329,596.22	6,824,000.00
Active	1,579,901.18	1,707,000.00	3,162,784.29	3,414,000.00
Retirees less than 30	64,658.25	68,000.00	127,647.90	136,000.00
COBRA	3,440.00	1,700.00	3,440.00	3,400.00
Children	44,835.14	46,000.00	89,123.51	92,000.00
Total Contributions	<u>4,854,458.22</u>	<u>5,234,700.00</u>	<u>9,712,591.92</u>	<u>10,469,400.00</u>
Investment Income:				
Interest	231,512.04	423,400.00	448,056.09	846,800.00
Net Appreciation of Inves	4,680,823.05	1,976,000.00	6,647,755.88	3,952,000.00
Other Income	270.54	1,000.00	759.10	2,000.00
Less Investment Expense	(40,733.33)	(41,000.00)	(89,522.30)	(79,000.00)
Net Investment Income	<u>4,871,872.30</u>	<u>2,359,400.00</u>	<u>7,007,048.77</u>	<u>4,721,800.00</u>
Total Additions	<u>9,726,330.52</u>	<u>7,594,100.00</u>	<u>16,719,640.69</u>	<u>15,191,200.00</u>
Deductions				
Members Benefit Paymen	2,132,309.96	2,916,000.00	4,924,654.09	5,831,000.00
COBRA Benefit Payment	106.60	1,749.00	118.68	3,498.00
Children's Benefit Payme	19,487.82	46,000.00	36,530.53	91,000.00
General and Administrati	750,917.62	812,950.00	1,468,229.50	1,630,200.00
Total Deductions	<u>2,902,822.00</u>	<u>3,776,699.00</u>	<u>6,429,532.80</u>	<u>7,555,698.00</u>
Net Increase	<u>6,823,508.52</u>	<u>3,817,401.00</u>	<u>10,290,107.89</u>	<u>7,635,502.00</u>

March 29, 2021

Expenses Paid since last Board Meeting

3/12/2021	Frost		\$	260.96
Expenses to be paid at this Board Meeting				
5434	Alex Perez	Phone	\$	70.00
5435	Andrew Estrada	Phone	\$	70.00
5436	AT&T Mobility	Data	\$	68.75
5437	Capital Development	February	\$	2,579.94
5438	CDS Muery	February	\$	17,986.50
5439	Cecilia Puga	Per Diem/Mileage	Void	
5440	Cincinnati Ins	Liability	\$	132.00
5441	Doug Berry	Per Diem/Mileage	\$	392.08
5442	FCB	February	\$	3,705.00
5443	Paul Garza Jr.	Refund	\$	11,096.02
5444	GDC	March	\$	5,000.00
5445	Henry Trevino	Phone/PerDiem	\$	214.00
5446	JCH		Void	
5447	James Bounds	Per Diem/Mileage	\$	249.28
5448	Jason Sanchez	Per Diem/Mileage	\$	336.08
5449	Christopher Lutton	Per Diem/Mileage	\$	327.12
5450	Martin Drought	February	\$	7,535.96
5451	Meketa	March	\$	20,833.33
5452	RVK	February	\$	29,907.50
5453	USI	March	\$	7,250.00
5454	USI Rx	February	\$	9,772.50
5455	T-Mobile	March	\$	83.33
5456	Cecilia Puga	Per Diem/Mileage	\$	275.79
	City Base	Dec Rent	\$	-
	SA F&P	Dec Rent	\$	-
	5530 Tezel	Dec Rent	\$	-
	SA F&P	Dec Rent	\$	-
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Total			\$	118,146.14
	CPS	Electric	\$	1,561.49
	AT&T	Phone	\$	488.60
	Supplies	sam's	\$	29.42
	Documation	Copier	\$	385.00
	Meeting		\$	56.41
	Postage		\$	-
	Dues	IFEBP, Ncpers	\$	60.00
	Frost	Fees	\$	25.32
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Total			\$	2,606.24