



**Minutes of the Meeting
of the Legislative Committee of the
Fire and Police Retiree Health Care Fund, San Antonio
February 20, 2024**

PRESENT: Frank Gutierrez, Fire Department Retiree Representative;
Chris Lutton, Police Department Representative; and
Steve Carse, Fire Department Representative;

ABSENT: None.

OTHERS James Bounds, Executive Director;
PRESENT: Frank Burney and Jon Lowe, Martin & Drought, P.C.;
Mike Despres, Retired Police Representative;
Jason Sanchez, Active Police Representative;
Warren Schott, Executive Director of Pension Fund;
Larry Reed, Retired Fire Representative for the Pension Fund;
Amanda Viera, Active Police Representative of the Pension Fund;
Curtis Franz and Charlie Ricketts, Representatives of Retirees Association;
Victoria Roeder, Representative of City of San Antonio.

At 10:00 a.m., Chair Carse called the meeting to order. The roll was called, and a quorum was declared present. The minutes from the meetings held on January 8, 2024 and January 26, 2024, were reviewed and unanimously approved upon motion by Trustee Gutierrez and second by Trustee Lutton.

**EXECUTIVE
SESSION:** None.

**MEMBERS
TO BE
HEARD:** Representatives of COSA, Fire Union, and Retirees Association were present to submit and listen to any changes/amendments to the governing statute of the Health Fund to be considered by the Board for inclusion for the 2025 Legislative Amendments.

**ACTION
ITEMS:** **2025 Legislative Proposals**

Mr. Burney and Mr. Lowe provided a review of Legislative calendar and possible issues to be addressed as recommended by legal counsel (attached).

Proposals submitted at the meeting included:

COSA: None at this time.
Fire Union: None at this time.
Police Union: No representative.
Retirees: Presented to Board previously.

ADJOURNMENT: There being no further business, the meeting adjourned at 10:51 a.m.

Enclosures

- Agenda
- Timeline
- Draft Issues – Texas Legislature 2025

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AGENDA

LEGISLATIVE COMMITTEE MEETING

FIRE AND POLICE RETIREE HEALTH CARE FUND

TO BE HELD AT THE PENSION OFFICE LOCATED AT

11603 W, COKER LOOP SUITE 201, SAN ANTONIO, TX 78216

Tuesday, February 20, 2024 – 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 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.**
4. Minutes (Discussion and possible action):
 - Legislative Meeting Minutes for January 8, 2024
 - Legislative Meeting Minutes for January 26, 2024
 5. 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.

11603 W. Coker Loop, Suite 210 | San Antonio, Texas 78216
Office: (210) 494-6500 | Fax: (210) 494-6505 | thehealthfund@thefundsa.org



Minutes of the Meeting
of the Legislative Committee of the
Fire and Police Retiree Health Care Fund, San Antonio
January 8, 2024

PRESENT: Frank Gutierrez, Fire Department Retiree Representative;
Chris Lutton, Police Department Representative;
Steve Carse, Fire Department Representative; and
Doug Berry, Board Chair (attending but not a member)

ABSENT: None.

OTHERS James Bounds, Executive Director; and

PRESENT: Jon Lowe, Martin & Drought, P.C.

At 10:00 a.m., Chair Carse called the meeting to order. The roll was called, and a quorum was declared present.

EXECUTIVE

SESSION: The Committee went into Executive Session at 10:04 a.m. It adjourned at 11:06 a.m.

MEMBERS

TO BE

HEARD: None.

ACTION

ITEMS:

1. 2025 Texas Legislature: No action taken
2. Next Meeting: January 23, 2024 at 10:00 a.m.

ADJOURNMENT: There being no further business, the meeting adjourned at 11:09 a.m.

Enclosure

- Agenda

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AGENDA

LEGISLATIVE COMMITTEE MEETING

FIRE AND POLICE RETIREE HEALTH CARE FUND

TO BE HELD AT 11603 W, COKER LOOP SUITE 210, SAN ANTONIO, TX 78216

Monday, January 8, 2023 – 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 may be discussed with counsel in Executive Session:

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 - 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.
4. Discussion and possible action on House Bill 2068.
 5. Adjournment

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Minutes of the Meeting
of the Legislative Committee of the
Fire and Police Retiree Health Care Fund, San Antonio
January 26, 2024

PRESENT: Frank Gutierrez, Fire Department Retiree Representative;
Chris Lutton, Police Department Representative;
Steve Carse, Fire Department Representative.

ABSENT: Mike Despres, Retired Police Representative; and
Mayoral Appointee Tom Silliman, City of San Antonio.

OTHERS: James Bounds, Executive Director; and
PRESENT: Frank Burney and Jon Lowe, Martin & Drought, P.C.

At 10:00 a.m., Chair Carse called the meeting to order. The roll was called, and a quorum was declared present.

EXECUTIVE

SESSION: The Committee went into Executive Session at 10:01 a.m. It adjourned at 11:00 a.m. No action was taken.

MEMBERS
TO BE

HEARD: Representatives of Retirees Association voiced their desire to be consulted on any proposed Legislative changes.

ACTION

ITEMS: None.

ADJOURNMENT: There being no further business, the meeting adjourned at 11:01 a.m.

Enclosures
- Agenda

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AGENDA

LEGISLATIVE COMMITTEE MEETING

FIRE AND POLICE RETIREE HEALTH CARE FUND

TO BE HELD AT 11603 W, COKER LOOP SUITE 210, SAN ANTONIO, TX 78216

Friday, January 26, 2024 – 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 may be discussed with counsel in Executive Session:

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 - c. Pending or Contemplated Litigation; and
 - d. Government Code §551.074- Personnel Matters involving Senior Executive Staff and Employees of Health Fund.
4. Discussion and possible action on House Bill 2068.
 5. 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.

DRAFT ISSUES: TEXAS LEGISLATURE 2025

Fire And Police Retiree Health Care Fund, San Antonio

I. Substantive Changes:

(the “Act” is the governing state statute found in Art. 6243q; the “Retiree Health Plan” is the Board approved plan setting out benefits and requirements.)

A. Obligation of the Pension Fund to Collect Contributions Post-Retirement

The Act requires retirees who retire with less than 30 years of service (and their surviving spouses, if applicable) to continue making contributions until (i) the retiree becomes or would have become eligible for Medicare coverage, or (ii) the 30-year level of contributions are made. The Pension Fund is required by the Act to deduct those contributions from annuity payments made by the Pension Fund. [Section 4.02 (c), (d)]

The recommendation is to remove the requirement that the Pension Fund make the deductions. Instead, the obligation to make the contributions would rest with the retirees/surviving spouses as facilitated by the Health Care Fund, and the contribution for each month must be made by the last day of that month, commencing on the first month following the month in which the retiree retires. Contributions not made in a timely manner would bear interest at the Health Fund’s actuarial rate of return then in effect.

B. Benefits for Widows who Remarry after Retirement

It is our understanding that some retirees have expressed concern over the requirement that widows of retirees who remarry then become ineligible for coverage under the Retiree Health Plan. That provision is not set out in the Act, but rather in the Retiree Health Plan. The Act provides that the Retiree Health Plan may be amended by the Board so long as the Health Fund’s total actuarial unfunded liability is not thereby increased. The recommendation is to amend the Act to give the Board specific authority to amend the Retiree Health Plan to address the remarriage issue regardless of the effect on the actuarial unfunded liability, thereby allowing widows who remarry to continue to receive benefits subject to certain conditions.

C. Members who are Married Couples

The Act requires that members who are married must each make contributions to the Health Fund while they are active, and, if necessary to satisfy the 30 years of service contribution requirement, post-retirement. [Section 4.02 (a)] The recommendation is as follows: (i) for as long as either spouse is an active member, that spouse will be required to continue to make contributions, (ii) upon the retirement of the *first* spouse to retire (Spouse A), Spouse A may elect to become covered under Spouse B’s health insurance with the City, and if such election is

made, Spouse A's obligation to make post-retirement contributions for purposes of satisfying the 30 years of service contribution requirement will be suspended, and (iii) if Spouse A and Spouse B become divorced following Spouse A's retirement, Spouse A's obligation to make contributions to the Fund will resume, beginning in the first month following the month in which the divorce occurs, at the then-current contribution level.

II. Clean-up Changes

A. Retiree Health Plan Coverage of Dependent Children

The Plan currently provides for health coverage for dependent children, subject to certain conditions. The recommendation is to clarify that the Board has authority to set a premium for the coverage.

B. Division of Benefits Upon Divorce

The recommendation is to specifically set out in the Act that benefits payable by the Health Fund do not constitute property divisible upon divorce.

C. Waiver of Right to Receive Benefits

The Act does not specifically provide that a member or other beneficiary may waive his or her rights to receive benefits under the Act post-retirement. The recommendation is to amend the Act to include such a provision. The option will only be available to retirees and dependents.

Fire and Police Retiree Health Care Fund 2025 Legislative Timeline

	Legislation Passed in Austin
Mar - May 2025	Legislative Hearings
Nov 2024	Pre-File Pension Bill in Austin
Oct 2024	Consideration by City Council
Aug 2024	Consideration by Fire, Police and Retirees Associations
July 2024	Initial Draft of Bill Consideration by Health Care Fund Board
Jun 2024	Present Proposal to All Interested Constituents ID Senate and House Sponsors and reach out to them
May 2024	Committee will finalize and approve Proposal- Independent Actuarial Review
Mar - Apr 2024	Committee Will Begin Developing Proposal
Feb 20, 2024 10:00 a.m.	Meet with Fire, Police, Retirees Associations and City of San Antonio Gather input (Pension Fund Offices)