



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 August 31, 2020

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 the Hilton Garden Inn San Antonio Airport, 12828 San Pedro Avenue, San Antonio, Texas 78216. Guidelines issued by the City of San Antonio will be observed: <https://covid19.sanantonio.gov/Home>

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

ABSENT: 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 10:04 a.m., Vice Chair Berry called the meeting to order. The roll was called, and a quorum was declared present. The minutes from the meeting held on July 27, 2020 were reviewed and unanimously approved upon motion by Trustee Trevino and second by Trustee Perez.

EXECUTIVE

SESSION: Executive Session: The Board adjourned into Executive Session at 11:10 a.m. pursuant to state law to discuss with counsel legal issues relating to benefit and litigation issues. The Executive Session adjourned at 11:33 a.m.

MEMBERS

TO BE

HEARD: Mr. Trainer informed the Board of upcoming Pensioners' Meeting. He also requested the Board provide actuary report on cost of surviving spouse remarriage.

ACTION
ITEMS:

1. Investments: Chair Berry reported on Investment Committee meeting with Meketa. Asset allocation will be considered for adjustment at September meeting as well as review of manager performance.
2. Personnel/ Audit: All final audit adjustments have been made but are waiting for final input from actuary. Final audit will be delivered by October.
3. Benefits:
 - a. TPA Agreement: Ms. Puga reported on TPA Agreement with WEB. While all issues were not resolved, agreement with WEB was executed with attorney approving final contract. Trustee Silliman voiced his concern that the TPA search did not produce the best options and recommends review at Annual Meeting of the Board in February 20, 2021.
 - b. Telemedicine: Coverage for telemedicine services due to COVID is expiring August, 2020. Upon motion by Trustee Perez and second by Trustee Silliman, the Board unanimously approved extending telemedicine services through February, 2021. Trustee Silliman recommended review of use of telemedicine in future contracts.
4. Legislative: Mr. Burney reported on November Texas elections.
5. Administrative Report:
 - a. Expenses: Mr. Bounds presented the expenditures for the Fund. Upon motion by Trustee Estrada and second by Trustee Trevino, a list of expenses and claims and the Financial Report were unanimously approved by the Board.
 - b. Shavano Center: Current lease expires September 1, 2020. New lease is for three years, with an option to terminate early. Item will be scheduled for September Board meeting.
 - c. Election: Two candidates applied: Amanda Viera and Jason Sanchez. Ballots will be sent out this month for voting on active Police Representative until September 30, 2021.
6. Consultant Report:
 - a. Legal: None.

- b. Actuarial: None.
7. Educational Opportunities: None.
8. Next Meeting: The next regularly scheduled meeting will be September 28, 2020 at 10:00 a.m.

ADJOURNMENT: There being no further business, a motion was made by Trustee Lutton and second by Trustee Estrada that the meeting adjourn. The motion carried unanimously. The meeting adjourned at 11:35 a.m.

Enclosures

- Financial Statement
- List of approved claims and expenses
- Agenda
- Minutes
- Shavano Lease Renewal Notice
- Certification of Executive Session



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 AUGUST 31, 2020.

1. The executive session began with the following announcement by the presiding officer: "Health Fund is now in executive session on August 31, 2020 at 11:10 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 benefits, real estate, litigation and personnel 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 August 31, 2020 at 11:33 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 HILTON GARDEN INN SAN ANTONIO AIRPORT
12828 SAN PEDRO AVENUE, SAN ANTONIO, TX 78216
Monday, August 31, 2020-10:00 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>

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 with a hybrid format:

*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/98871046076?pwd=NDU3cVJSdE9QckhsMzkxMVMwdDZQU09>

For additional information, please call 210-494-6500

Call to Order:

1. Roll Call: Doug Berry, Henry Trevino, Andrew Estrada, Chris Lutten, Alex Perez, 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 July 27, 2020
4. Public Comment
5. Committee Reports (discussion and possible action):
 - a. Investments:
 - Quarterly report for June 30, 2020
 - b. Personnel/Audit:
 - Update on Audit
 - c. Benefits:
 - Update of WEB-TPA agreement
 - Extension of Telemedicine coverage
 - d. Legislative:
6. Administrative report (discussion and possible action):
 - a. Draft financial reports and list of expenditures
 - b. Lease extension for 3602 Paesano's Parkway Ste 130
 - c. Update on Election
7. Consultant Reports (discussion and possible action):
 - a. Legal: Report by Frank Burney
 - b. Rudd & Wisdom: None.
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.



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 July 27, 2020

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
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;
Frank Burney, Martin & Drought, P.C.;
Jerry Strickland, Police retiree; and
Representatives of the San Antonio Fire and Police Pensioners' Association

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 June 29, 2020 were reviewed and unanimously approved upon motion by Trustee Silliman and second by Trustee Perez.

EXECUTIVE
SESSION: Executive Session: None

ACTION
ITEMS:

1. Investments: All investments meeting will be virtual. Next meeting will address absence of site visits due to COVID.
2. Personnel/ Audit: Audit is finished, but Mr. Bounds is discussing three adjustments for final resolution. It should be finalized quickly.

3. Benefits:

- a. WEB: Ms. Puga and Mr. Burney reported on the status of negotiations of WEB TPA contract. Primary issues relate to indemnity and liability re administration of claims.

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 Trevino, a list of expenses and claims and the Financial Report were unanimously approved by the Board. Trustee Berry asked about budget for clinic, which Mr. Bounds responded that budget was on target except utilities.
- b. Elections: Chair Despres announced that he would be retiring from SAPD this month and therefore would no longer serve on the Board. Mr. Bounds was instructed to commence election process for active Police Trustee.
- c. Administrative Agreement with COSA: Mr. Bounds reported on proposed Administrative Agreement with COSA re sharing of personal data with the Health Fund on active members. Upon motion by Trustee Perez and second by Trustee Lutton, the Board approved the Administrative Agreement with COSA for five years subject to thirty days termination provision (with Trustee Berry voting no).

6. Consultant Report:

- a. Legal: None
- b. Actuarial: None

7. Educational Opportunities: None

8. Other Matters Requiring Board Action: None

9. Members to be Heard:

- a. Mr. Stickland voiced that he was not pleased with the service provided by Welldyne re providing prescriptions to his wife. Customer service is not helpful, and many times he has to make several calls to insure delivery of prescriptions. Ms. Puga indicated that Welldyne has been responsive to her requests for customer service, but some of the problems are issues relating to manufacturing supplies and delivery. She is having bi-monthly meetings with Welldyne to address members' concerns. Staff was requested to schedule a teleconference with Welldyne to address members' concerns.
- b. Retirees Trainer and other representatives of the Pensioners' Association voiced its concern that medical benefits should be continued for a surviving spouse if they remarry. Board directed that the Benefits Committee discuss this issue. Mr. Burney noted that this request required review of Section 5.01d.

10. Next Meeting: The next regularly scheduled meeting will be August 31, 2020 at 10:00 a.m.

ADJOURNMENT: There being no further business, a motion was made by Trustee Berry and second by Trustee Silliman that the meeting adjourn. The motion carried unanimously. The meeting adjourned at 11:01 a.m.

Enclosures

- Financial Statement
- List of approved claims and expenses
- Agenda
- Minutes
- Letter from Pensioners' Association

F&P Retiree Health Care Fund - Calendar
Statement of Plan Net Assets
July 31, 2020

July 31, 2020 December 31, 2019

ASSETS

Cash - City	\$	0.00	\$	0.00
Cash - Trust		386,861.83		0.00
Leasehold Improvements		458,601.69		458,601.69
Investments - Trust		411,420,341.99		402,493,837.16
Accrued Interest - Trust		1,626,706.27		3,805,344.93
Pre-paid Expenses		400,166.00		15,000.00
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Total Assets		414,292,677.78		406,772,783.78
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LIABILITIES

Claims Payable		4,210,424.22		4,139,357.67
Accounts Payable		98,075.08		92,062.37
Security Lending Collateral		0.00		0.00
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Total Liabilities		4,308,499.30		4,231,420.04
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Net Assets Held in Trust	\$	409,984,178.48	\$	402,541,363.74
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F&P Retiree Health Care Fund - Calendar
Statement of Changes in Plan Net Assets
For the Seven Months Ending July 31, 2020

	Current Month	Current Budget	Year to Date	YTD Budget
Additions				
Contributions:				
City of San Antonio	\$ 2,982,551.05	3,200,000.00	\$ 22,330,528.58	22,286,000.00
Active	1,491,316.54	1,600,000.00	11,154,313.31	11,144,000.00
Retirees less than 30	52,324.86	58,000.00	385,551.60	406,000.00
COBRA	0.00	2,100.00	7,814.74	14,500.00
Children	67,871.40	69,000.00	469,339.89	478,000.00
Total Contributions	<u>4,594,063.85</u>	<u>4,929,100.00</u>	<u>34,347,548.12</u>	<u>34,328,500.00</u>
Investment Income:				
Interest	222,353.95	48,600.00	1,620,831.17	340,200.00
Net Appreciation of Inves	6,088,095.00	2,090,000.00	(8,085,425.80)	14,583,000.00
Other Income	0.00	450.00	23.24	2,950.00
Less Investment Expense	(37,633.33)	(37,334.00)	(262,834.35)	(269,734.00)
Net Investment Income	<u>6,272,815.62</u>	<u>2,101,716.00</u>	<u>(6,727,405.74)</u>	<u>14,656,416.00</u>
Total Additions	<u>10,866,879.47</u>	<u>7,030,816.00</u>	<u>27,620,142.38</u>	<u>48,984,916.00</u>
Deductions				
Members Benefit Paymen	2,180,569.83	2,973,000.00	15,583,824.39	20,807,000.00
COBRA Benefit Payment	0.00	2,100.00	316.39	14,300.00
Children's Benefit Payme	18,321.46	68,000.00	158,093.18	476,000.00
General and Administrati	706,905.63	629,850.00	4,435,093.68	4,264,950.00
Total Deductions	<u>2,905,796.92</u>	<u>3,672,950.00</u>	<u>20,177,327.64</u>	<u>25,562,250.00</u>
Net Increase	<u>7,961,082.55</u>	<u>3,357,866.00</u>	<u>7,442,814.74</u>	<u>23,422,666.00</u>

August 31, 2020

Expenses Paid since last Board Meeting

5272	Frost	Apr-Jun 2020	\$	17,289.01	*
5273	Terracon	Site Asses	\$	3,900.00	*
5274	Marsh	Liability Ins	\$	26,154.00	*

8/12/2020	Frost		\$	240.84	*
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Expenses to be paid at this Board Meeting

5275	Alex Perez	Phone	\$	70.00
5276	Andrew Estrada	Phone	\$	70.00
5277	AT&T Mobility	Data	\$	68.75
5278	CDS Muery	Site Asses	\$	19,562.50
5279	Cincinnati	Insurance	\$	764.00
5280	Doug Berry	Phone	\$	70.00
5281	Garza/Gonzalez	Audit	\$	29,120.00
5282	Henry Trevino	Phone	\$	70.00
5283	JCH	Web/PCs	\$	4,108.80
5284	Christopher Lutton	Phone	\$	70.00
5285	Martin Drought	July	\$	38,772.70
5286	Meketa	August	\$	20,833.33
5287	SWCA	Diligence	\$	3,640.50
5288	Terracon	Site Asses	\$	3,900.00
5289	USI	August	\$	6,909.00
5290	USI Rx	July	\$	10,408.50
5291	T-Mobile	July	\$	83.33
5292	City Base	Aug Rent	\$	7,275.63
5293	SA F&P	Aug Rent	\$	7,890.23
5294	5530 Tezel	Aug Rent	\$	17,669.17
5295	SA F&P	Aug Rent	\$	6,550.38

Total	\$	225,490.67
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CPS	Electric	\$	214.13
AT&T	Phone	\$	510.14
Supplies	sam's	\$	76.76
Documation	Copier	\$	833.52
Meeting		\$	581.73
Mailout		\$	279.52
Express News	News	\$	56.00
Frost	Fees	\$	27.45

Total	\$	2,579.25
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July 10, 2020

Mr. James Bounds, Executive Director
Fire and Police Retiree Health Care Fund
11603 W. Cooker Loop, Ste 130
San Antonio, TX 78216

Via Email: faprhc@swbell.net

**RE: LEASE RENEWAL PROPOSAL:
Shavano Center IV**

Dear Mr. Bounds:

On behalf of the Landlord, **SA F&P Property Holding Corp**, I am pleased to include for your consideration a proposal to renew your lease space at Shavano Center IV. Enclosed are the basic economic points from which Landlord would lease space. This is a proposal for discussion purposes and is non-binding on either party until such time as a lease amendment is fully executed between both parties.

BUILDING: Shavano Center IV
3602 Paesanos Parkway
San Antonio, TX 78231

PREMISES: Approximately 3,188 rentable square feet

TERM: Renewal lease term of Thirty-six (36) months

**PROPOSED RENT
COMMENCEMENT:** October 1, 2020

BASIC RENTAL RATE 3 YR:

Time Period	Rate/SF/YR	Monthly Rent
Months 1-12	\$29.00	\$7,704.33
Months 13-24	\$29.50	\$7,837.17
Months 25-36	\$30.00	\$7,970.00

SECURITY DEPOSIT: N/A