

**Minutes of the Meeting  
of the Board of Trustees of the  
Fire and Police Retiree Health Care Fund, San Antonio  
July 26, 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://us06web.zoom.us/j/81357778007?pwd=OXVXYzBLbEx4ZDQ3UEJSUWJvaEhDZz09>

Meeting ID: 813 5777 8007

Passcode: 500595

**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; and  
Mayoral Appointee Tom Silliman, City of San Antonio.

**ABSENT:** Andrew Estrada, Fire Department Representative; and  
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.

At 10:00 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 June 28, 2021 were reviewed and unanimously approved upon motion by Trustee Trevino and second by Trustee Sanchez.

**EXECUTIVE**

**SESSION:** Executive Session: The Board adjourned into Executive Session at 10:50 a.m. pursuant to state law to discuss with counsel legal issues relating to benefit issues. The Executive Session adjourned at 11:10 a.m.

MEMBERS  
TO BE

HEARD: None.

ACTION  
ITEMS:

1. Investments:
  - a. Lee Munder: Mr. Bounds reported on investments with Lee Munder. One of the lead managers on Growth Strategy passed away unexpectedly and the portfolio was liquidated (\$13 M valuation) and moved into a Growth Index Fund. Future search may be undertaken to determine how to manage future allocation.
  - b. VCFA (5): Mr. Bounds and Mr. Burney advised the Board of an opportunity to sell the remaining investments in private investments by VCFA. A limited partner has offered to purchase the Fund's interests in the remaining investments. Upon motion by Trustee Sanchez and second by Trustee Silliman, the Board unanimously approved sale of investment.
  - c. Next Meeting: August 31, 2021 at 2:00 p.m. (location tbd).
2. Personnel/ Audit:
  - a. Audit: Final field work is underway with target for completion in September with actuarial assumptions presentation.
3. Benefits:
  - a. Diabetic Program: Ms. Puga reported that diabetic intervention program on-going with report likely on or before September 2021.
  - b. Website: Website update on-going with "live" App under construction.
4. Legislative: Special Session on-going with no quorum.
5. Administrative Report:
  - a. Expenses: Mr. Bounds presented the expenditures for the Fund. Upon motion by Trustee Silliman and second by Trustee Perez, a list of expenses and claims and the Financial Report were unanimously approved by the Board.

- b. Trustee Elections: Trustees Berry (Active Fire) and Sanchez (Active Police) did not have any candidates file to run against them and therefore will serve for another 4-year term. For Retired Police Representative, three candidates have filed: Alex Perez (I), Dennis May and Mike Despres. Voting occurs August 9-20, 2021.
- c. Fiduciary & Cyber Insurance: Quotes for insurance are being negotiated before expiration of policy.
- d. August Board Meeting: Upon motion by Trustee Sanchez and second by Trustee Lutton, the August Board meeting was scheduled for 1:00 p.m. on Thursday, August 31, 2021.

6. Consultant Report:

- a. Legal: Mr. Burney advised the Board that the “COVID” provisions of Open Meeting Act will expire on September 1, 2021. Mr. Burney will work with Cecilia for compliance for future virtual meeting.
- b. Actuarial: None.

7. Educational Opportunities:

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

- DRA Advisors: Annual Investor Conference, November 30, 2021

8. Next Meeting: The next regularly scheduled meeting will be August 30, 2021 at 10:00 a.m.

ADJOURNMENT: There being no further business, a motion was made by Trustee Silliman and second by Trustee Sanchez that the meeting adjourn. The motion carried unanimously. The meeting adjourned at 11:12 a.m.

Enclosures

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

**CERTIFIED AGENDA OF CLOSED MEETING**

**HEALTH FUND**

I, DOUG BERRY, THE PRESIDING OFFICER OF HEALTH FUND, CERTIFY THAT THIS DOCUMENT ACCURATELY REFLECTS ALL SUBJECTS CONSIDERED IN AN EXECUTIVE SESSION OF THE BOARD CONDUCTED ON JULY 26, 2021.

1. The executive session began with the following announcement by the presiding officer: "Health Fund is now in executive session on July 26, 2021 at 10:50 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 July 26, 2021 at 11:10 a.m."

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Presiding Officer

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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, July 26, 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://us06web.zoom.us/j/81357778007?pwd=OXVXYzBLbEx4ZDQ3UEJSUWJvaEhDZz09>

Meeting ID: 813 5777 8007

Passcode: 500595

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 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 June 28, 2021
4. Public Comment
5. Committee Reports (discussion and possible action):
  - a. Investments:
    - Update on Lee Munder and VCFA
  - b. Personnel/Audit:
    - Update on Audit
  - c. Benefits:
    - Update on Diabetic Program
  - d. Legislative:
6. Administrative report (discussion and possible action):
  - a. Draft financial reports and list of expenditures
  - b. Update on Elections
  - c. Schedule August Board Meeting
7. Consultant Reports (discussion and possible action):
  - a. Legal: Report by Frank Burney
8. Educational Opportunities (discussion and possible action):
  - DRA Advisors: Annual Investor Conference November 30, 2021
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: Join Zoom Meeting

<https://us06web.zoom.us/j/82266856458?pwd=ZytwYWxsWUhhNcTVRVVXIrMlhWL3RJUT09>

Meeting ID: 822 6685 6458

Passcode: 085757

**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;  
Mayoral Appointee Tom Silliman, City of San Antonio.

**ABSENT:** Andrew Estrada, Fire Department Representative; and  
Councilperson Melissa Cabello Havrda, City of San Antonio.

**OTHERS** James Bounds, Executive Director;  
**PRESENT:** Cecilia Puga Retiree Health Care;  
Frank Burney, Martin & Drought, P.C.; and  
Kimberly Nunez, City of San Antonio.

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 May 17, 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 10:45 a.m. pursuant to state law to discuss with counsel legal issues relating to litigation and other matters that require consultation with Fund attorney. The Executive Session adjourned at 11:31 a.m.

MEMBERS

TO BE

HEARD: None.

ACTION

ITEMS:

1. Investments: Mr. Bounds report on discussions at the Investment Committee for a \$25 Million investment in Portfolio Advisors Private Equity Fund XI. Upon motion by Trustee Lutton and second by Trustee Trevino, the investment was unanimously approved. Next Committee meeting will be Tuesday, August 31, 2021, in conjunction with TEXPERS.
2. Personnel/ Audit: Mr. Bounds reported that field work for audit is complete but certain adjustments in private equity continue with an estimated annual return of 13+%.
3. Benefits:
  - a. Diabetic Program. Ms. Puga reported that the Program will go "live" this week with the goal of steering members into Health-by-Design for consultation and possible treatment. Board asked for reports on participation in program.
  - b. Health-by-Design. Mr. Bounds reported that Health-by-Design was purchased by Medici, a doctor group out of Austin, Texas. Mr. Bounds will meet with new group to insure continuity of service.
  - c. Next Meeting. The next meeting will be on July 7, 2021 at 10:00 a.m.
4. Legislative: Mr. Burney reported that Special Session will begin on July 8<sup>th</sup>. He also reported on some bills affecting statewide pension plans. Mr. Burney will research cost cap of insulin legislation.
5. Administrative Report:
  - a. Expenses: Mr. Bounds presented the expenditures for the Fund. Upon motion by Trustee Lutton and second by Trustee Silliman, a



list of expenses and claims and the Financial Report were unanimously approved by the Board. Mr. Bounds noted that Fund's assets now exceed \$500 Million.

Construction costs related to real estate/clinic projects are on-going. Board asked for construction meeting update on Tuesday, July 13, 2021 at 10:00 a.m.

6. Consultant Report:

a. Legal: None.

b. Actuarial: None.

7. Educational Opportunities:

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

- TEXPERS, August 29-31, 2021, San Antonio, Texas.
- IFEBP: Certificate Series, September 27 – October 2, 2021.
- IFEBP: 67<sup>th</sup> Annual Employee Benefits Conference, October 17-20, 2021.

8. Next Meeting: The next regularly scheduled meeting will be July 26, 2021 at 10:00 a.m.

ADJOURNMENT: There being no further business, a motion was made by Trustee Lutton and second by Trustee Sanchez that the meeting adjourn. The motion carried unanimously. The meeting adjourned at 11:32 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  
June 30, 2021

June 30, 2021                      December 31, 2020

**ASSETS**

Cash - City	\$	0.00	\$	0.00
Cash - Trust		388,136.71		0.00
Leasehold Improvements		5,844,522.99		5,844,522.99
Investments - Trust		514,873,598.28		477,023,114.49
Accrued Interest - Trust		1,470,556.80		2,100,235.22
Pre-paid Expenses		447,840.07		18,190.00
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Total Assets		523,024,654.85		484,986,062.70
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**LIABILITIES**

Claims Payable		3,759,286.23		3,643,523.02
Accounts Payable		293,925.55		287,825.22
Security Lending Collateral		0.00		0.00
		<hr/>		<hr/>
Total Liabilities		4,053,211.78		3,931,348.24
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Net Assets Held in Trust	\$	518,971,443.07	\$	481,054,714.46
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F&P Retiree Health Care Fund - Calendar  
Statement of Changes in Plan Net Assets  
For the Six Months Ending June 30, 2021

	Current Month	Current Budget	Year to Date	YTD Budget
<b>Additions</b>				
Contributions:				
City of San Antonio	\$ 3,177,489.48	3,412,000.00	\$ 20,590,198.86	20,472,000.00
Active	1,588,689.57	1,707,000.00	10,290,308.13	10,242,000.00
Retirees less than 30	76,755.60	68,000.00	401,882.48	408,000.00
COBRA	2,906.58	1,700.00	20,422.68	10,200.00
Children	49,209.30	46,000.00	279,399.47	276,000.00
<b>Total Contributions</b>	<u>4,895,050.53</u>	<u>5,234,700.00</u>	<u>31,582,211.62</u>	<u>31,408,200.00</u>
Investment Income:				
Interest	253,592.40	424,500.00	1,455,309.05	2,542,600.00
Net Appreciation of Inves	5,475,997.73	1,991,000.00	25,749,224.90	11,905,000.00
Other Income	0.00	2,000.00	30,473.92	8,000.00
Less Investment Expense	(49,124.49)	(39,000.00)	(289,648.28)	(245,000.00)
<b>Net Investment Income</b>	<u>5,680,465.64</u>	<u>2,378,500.00</u>	<u>26,945,359.59</u>	<u>14,210,600.00</u>
<b>Total Additions</b>	<u>10,575,516.17</u>	<u>7,613,200.00</u>	<u>58,527,571.21</u>	<u>45,618,800.00</u>
<b>Deductions</b>				
Members Benefit Paymen	2,684,942.18	2,916,000.00	15,835,072.66	17,495,000.00
COBRA Benefit Payment	26.72	1,750.00	470.48	10,496.00
Children's Benefit Payme	16,941.40	47,000.00	107,786.23	276,000.00
General and Administrati	805,576.08	825,650.00	4,667,513.23	4,919,500.00
<b>Total Deductions</b>	<u>3,507,486.38</u>	<u>3,790,400.00</u>	<u>20,610,842.60</u>	<u>22,700,996.00</u>
<b>Net Increase</b>	<u>7,068,029.79</u>	<u>3,822,800.00</u>	<u>37,916,728.61</u>	<u>22,917,804.00</u>

July 26, 2021

Expenses Paid since last Board Meeting

5527	City Base	Jul Rent	7,461.16
5528	Clinic	Jul Rent	8,166.70
5529	5530 Tezel	Jul Rent	17,669.17
5530	Office	Jul Rent	9,086.04

7/12/2021	Frost		\$ 238.58
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Expenses to be paid at this Board Meeting

5531	Capital Development	June	\$ 26,068.27
5532	CDS Muery	June	\$ 7,743.13
5533	FCB	June	\$ 3,160.00
5534	PSI	June	\$ 5,491.00
5535	RVK	June	\$ 90,849.43
5536	Alex Perez	Phone	\$ 70.00
5537	Andrew Estrada	Phone	\$ 70.00
5538	AT&T Mobility	Data	\$ 68.75
5539	Doug Berry	Phone	\$ 70.00
5540	Frost	Apr-Jun	\$ 20,032.25
5541	GDC	July	\$ 5,000.00
5542	Henry Trevino	Phone	\$ 70.00
5543	Jason Sanchez	Phone	\$ 70.00
5544	Lee Munder	Apr-Jun	\$ 68,658.91
5545	Christopher Lutton	Phone	\$ 70.00
5546	Martin Drought	June	\$ 14,576.10
5547	Meketa	July	\$ 20,833.33
5548	Sylvia Cisneros	Refund	\$ 2,085.75
5549	USI	July	\$ 7,250.00
5550	USI Rx	June	\$ 12,376.50
5551	T-Moble	July	\$ 83.33

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Total		\$ 327,318.40
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Made in America	Hotel	\$ 167.50
TexPERS	Registration	\$ 1,281.18
CPS	Electric	\$ 1,570.55
AT&T	Phone	\$ 663.97
Supplies	sam's	\$ 818.91
Documation	Copier	\$ 397.00
Mailouts	Notices	\$ 4,502.85
Meeting	Workshop	\$ 131.81
Postage	Fed Ex	\$ 204.44
Dues	IFEBP, Ncpers	\$ 60.00
Frost	Fees	\$ 31.50

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Total	\$ 9,829.71
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