

**Minutes of the Meeting
of the Board of Trustees of the
Fire and Police Retiree Health Care Fund, San Antonio
August 26, 2024**

PRESENT: Frank Gutierrez, Fire Department Retiree Representative;
Doug Berry, Fire Department Representative;
Chris Lutton, Police Department Representative;
Steve Carse, Fire Department Representative;
Mike Despres, Retired Police Representative;
Jason Sanchez, Police Department Representative; and
Mayoral Appointee Tom Silliman, City of San Antonio.

ABSENT: Councilperson Marc Whyte, City of San Antonio; and
Councilperson Melissa Cabello Havrda, City of San Antonio.

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

At 10:01 a.m., 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 29, 2024, were reviewed and unanimously approved upon motion by Trustee Sanchez and second by Trustee Despres.

EXECUTIVE

SESSION: The Board went into Executive Session at 10:30 a.m. to discuss with its attorneys legal issues and competitive bidding. The Executive Session adjourned at 11:10 a.m.

**MEMBERS
TO BE
HEARD:**

1. Tom & Josephine Bearden: Beardens presented their request that the Board consider TOPS orthoplasty procedure as a “medical necessity.” They reported that a denial for coverage was received three (3) days before scheduled for surgery (May 8). Procedure is Medicare approved according to the Beardens. (Mrs. Bearden is not Medicare-eligible). Board referred this issue to Benefits Committee for further review.

2. Dr. Rogers: He expressed appreciation for Board's support for information on Tricare to its members.

ACTION
ITEMS:

1. Investments: Chair Lutton had no report. Next meeting is in November.
2. Personnel/ Audit:
 - a. Audit: Audit is complete waiting for actuarial report, which is due this week. Mr. Bounds recommended that the actuarial report be updated to reflect Fire Fighter's new CBA.
3. Benefits: None.
4. Legislative Mr. Burney reported on Legislative Committee's recommendation. Upon motion by Trustee Lutton and second by Trustee Silliman, the Board unanimously approved the draft Legislative amendments as presented by the Legislative Committee, subject to final draft of the lump-sum payment of contributions.
5. Administrative Report:
 - a. Expenses: Mr. Bounds presented the expenditures for the Fund. Upon motion by Trustee Sanchez and second by Trustee Despres, a list of August expenses and claims and the Financial Report were unanimously approved by the Board.
 - b. LRS Contract: Mr. Bounds presented the draft of the LRS Contract. It will be reviewed at the next meeting.
6. Consultant Report:
 - a. Legal: None.
7. Educational Opportunities:

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

 - Newbury: Annual Meeting Newbury Equity Partners Funds I-VI, November 14, 2024
8. Next Meeting: The next regularly scheduled meeting will be September 29, 2024 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 11:11a.m.

Enclosures

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

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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 SEPTEMBER 26, 2024.

1. The executive session began with the following announcement by the presiding officer: "Health Fund is now in executive session September 26, 2024 at 10:30 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 attorney-client discussions on legal issues and competitive bidding.
3. No further action was taken.
4. The executive session ended with the following announcement by the presiding officer: "This executive session ended on September 26, 2024 at 11:10 a.m."

Presiding Officer

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AGENDA
BOARD OF TRUSTEES MEETING
FIRE AND POLICE RETIREE HEALTH CARE FUND
LOCATED AT 11603 W. COKER LOOP, SUITE 210, SAN ANTONIO, TX 78216
Monday, August 26, 2024-10:00 a.m.

Members of the public may provide comment on any Agenda item, consistent with procedural rules governing the Board meetings and state law. Public comment may be provided as follows:

- a. Written: Submit written comments, along with name and address, by emailing them to Leticia Deleon at ldeleon@thefundsa.org by 12:00 p.m. on the day before the meeting. Comments will be read into the record during the designated time on the agenda.
- b. In Person: 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).

1. Call to Order:
2. Roll Call: Doug Berry, Frank Gutierrez, Steven Carse, Chris Lutton, Michael Despres, Jason Sanchez, Councilperson Melissa Cabello Havrda, Councilperson Marc Whyte, Tom Silliman.
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):
 - Board Meeting Minutes for July 29, 2024

5. Public Comment
6. Committee Reports (discussion and possible action):
 - a. Investments:
 - b. Personnel/Audit:
 - Update on Audit
 - c. Benefits:
 - Appeal of denial by Mr. Bearden
 - d. Legislative:
 - 2025 Legislative Proposals for the Texas Legislature
7. Administrative report (discussion and possible action):
 - a. Draft financial reports for July 2024
 - b. Discussion of Strategic Business Planning Committee Meeting
 - c. Engage LRS for Software Development
8. Consultant Reports (discussion and possible action):
 - a. Legal: Report by Frank Burney
9. Educational Opportunities (discussion and possible action):
 - Newbury: Annual Meeting Newbury Equity Partners Funds I-VI
November 14, 2024
10. 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 order. For those who need assistance due to physical challenges, accommodation can be arranged by contacting James Bounds at 210-494-6500.

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ABSENT: Chris Lutton, Police Department Representative;
Steve Carse, 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 10:00 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 24, 2024, were reviewed and unanimously approved upon motion by Trustee Despres and second by Trustee Gutierrez.

**EXECUTIVE
SESSION:** The Board went into Executive Session at 10:25 a.m. to discuss legal issues regarding litigation. The Executive Session adjourned at 10:34 a.m. due to lack of a quorum.

**MEMBERS
TO BE
HEARD:** Dr. Rogers voiced his concern that he has raised concerns of retired military members. He is concerned with the health conditions of retirees who suffer from PTSD and Gulf War Syndrome resulting in higher rate of suicide. He is requesting that Board address Tricare interface with PBM Weldyne. Chair Berry commented that Board has referred this matter to the Benefits Committee.

**ACTION
ITEMS:**

1. Investments: Quarterly report will be provided at next meeting (Tuesday, August 20, 2024).
2. Personnel/ Audit: Mr. Bounds reported that the audit is almost final and

is being reviewed by actuary on or before September 1, 2024.

3. Benefits:

- a. PBM Search: Proposed contract with Capital X was received this morning and is being reviewed.
- b. Member Software: Contract is still being reviewed by staff.

4. Legislative: No report.

5. Administrative Report:

- a. Expenses: Mr. Bounds presented the expenditures for the Fund. Upon motion by Trustee Sanchez and second by Trustee Despres, a list of expenses and claims and the Financial Report were unanimously approved by the Board.
- b. Strategic Business Planning Committee Meeting: No report.

6. Consultant Report:

- a. Legal: None.

7. Educational Opportunities:

Upon motion by Trustee Sanchez and second by Trustee Whyte, the Board approved attendance at any of the following educational opportunities, with Board Member Sanchez voting no:

- CPPC: Colorado Public Plan Coalition Annual Conference, August 27-30, 2024

8. Next Meeting: The next regularly scheduled meeting will be August 26, 2024 at 10:00 a.m.

ADJOURNMENT: The meeting adjourned at 10:34 a.m. due to lack of a quorum.

Enclosures

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

F&P Retiree Health Care Fund - Calendar
Statement of Plan Net Assets
August 31, 2024

August 31, 2024

December 31, 2023

ASSETS

Cash - City	\$ 0.00	\$ 0.00
Cash - Trust	419,947.98	0.00
Leasehold Improvements	45,010,595.49	45,371,860.41
Investments - Trust	580,302,821.25	537,868,897.86
Accrued Interest - Trust	2,071,438.81	1,898,302.26
Pre-paid Expenses	1,141,694.00	40,985.50
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Total Assets	628,946,497.53	585,180,046.03
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LIABILITIES

Claims Payable	5,086,505.60	4,895,039.90
Accounts Payable	1,067,824.21	1,391,505.91
Security Lending Collateral	0.00	0.00
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Total Liabilities	6,154,329.81	6,286,545.81
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Net Assets Held in Trust	\$ 622,792,167.72	\$ 578,893,500.22
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F&P Retiree Health Care Fund - Calendar
Statement of Changes in Plan Net Assets
For the Eight Months Ending August 31, 2024

	Current Month	Current Budget	Year to Date	YTD Budget
Additions				
Contributions:				
City of San Antonio	\$ 5,786,501.11	4,136,000.00	\$ 34,493,601.10	33,088,000.00
Active	2,893,993.30	2,068,800.00	17,246,954.59	16,550,400.00
Retirees less than 30	123,052.75	136,500.00	1,031,976.25	1,092,000.00
COBRA	1,305.31	4,000.00	29,353.88	32,000.00
Children	60,200.00	55,500.00	462,700.00	444,000.00
Total Contributions	<u>8,865,052.47</u>	<u>6,400,800.00</u>	<u>53,264,585.82</u>	<u>51,206,400.00</u>
Investment Income:				
Interest	218,294.89	179,100.00	1,512,236.30	1,432,800.00
Net Appreciation of Inves	7,072,732.09	2,747,900.00	34,634,867.33	21,983,200.00
Other Income	0.00	1,660.00	133,499.11	13,280.00
Less Investment Expense	<u>(28,233.33)</u>	<u>(29,660.00)</u>	<u>(214,366.64)</u>	<u>(226,480.00)</u>
Net Investment Income	<u>7,262,793.65</u>	<u>2,899,000.00</u>	<u>36,066,236.10</u>	<u>23,202,800.00</u>
Total Additions	<u>16,127,846.12</u>	<u>9,299,800.00</u>	<u>89,330,821.92</u>	<u>74,409,200.00</u>
Deductions				
Members Benefit Paymen	4,561,189.42	2,883,400.00	40,009,100.95	23,067,200.00
COBRA Benefit Payment	44.98	3,900.00	35,848.51	31,200.00
Children's Benefit Payme	109,816.98	55,600.00	459,934.67	444,800.00
General and Administrati	<u>306,000.37</u>	<u>1,486,450.00</u>	<u>4,927,270.29</u>	<u>11,891,600.00</u>
Total Deductions	<u>4,977,051.75</u>	<u>4,429,350.00</u>	<u>45,432,154.42</u>	<u>35,434,800.00</u>
Net Increase	<u>11,150,794.37</u>	<u>4,870,450.00</u>	<u>43,898,667.50</u>	<u>38,974,400.00</u>