

**Minutes of the Meeting
of the Board of Trustees of the
Fire and Police Retiree Health Care Fund, San Antonio
November 25, 2024**

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

ABSENT: Chris Lutton, Police Department Representative; and
Councilperson Marc Whyte, City of San Antonio.

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

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 October 28, 2024, were reviewed and unanimously approved upon motion by Trustee Despres and second by Trustee Carse.

EXECUTIVE

SESSION: The Board went into Executive Session at 10:42 a.m. to discuss legal issues regarding litigation and benefit issues with counsel. The Executive Session adjourned at 12:10 p.m.

**MEMBERS
TO BE**

HEARD: Mr. Burney asked representatives of COSA, Unions, and Retirees to provide a letter of support for Health Fund legislation.

**ACTION
ITEMS:**

1. Investments:
 - a. Add \$10M to CBRE Open Ended Real Estate (current \$5M investment)
 - b. Commit \$8M to PADCOF IV Junior Debt Fund (current investment

- of \$12M)
- c. Commit \$10M to Ironside IV Fund of Fund and \$10M to Ironside IV Co Invest Fund (prior investments).

Upon motion by Trustee Despres and second by Trustee Sanchez, the three investments were unanimously approved as recommended by Consultant.

- 2. Personnel/ Audit: None.
- 3. Benefits: None.
- 4. Legislative:
 - a. Update on 2025 Legislative Proposals for the Texas Legislature. Mr. Burney reported that he has outreached to Representative Lujan and Senator Campbell regarding authorship of Bill, which were positively received. He is waiting for letters of support from all supporters of the Legislation.
- 5. Administrative Report:
 - a. Expenses: Mr. Bounds presented the expenditures for the Fund. Upon motion by Trustee Cabello Havrda and second by Trustee Gutierrez, a list of expenses and claims and the Financial Report were unanimously approved by the Board.
 - b. Strategic Business Planning Committee Meeting: No report.
 - c. Budget: Mr. Bounds informed the Board of the draft budget, which will be considered in December.
 - d. Red Light on Rogers Road: Bill Coats with Foresite RE made a presentation on the need for a red light at Rogers Road. Board directed that the representatives meet with Traffic COSA Department to discuss its position on installing light, and if warranted, come back to Board with specific costs and timeline. Coats also briefed Board on pending sales and appraised values in the area (\$345 per sq. ft.).
- 6. Consultant Report:
 - a. Legal: None.
- 7. Educational Opportunities:

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

- NAPO: 36th Annual Police, Fire, EMS & Municipal Employee Pension Benefits Seminar, February 2-4, 2025
- Opal: Investment Education Symposium 2025, February 26-28, 2025

8. Next Meeting: The next regularly scheduled meeting will be December 16, 2024 at 10:00 a.m. Mr. Burney informed the Board of possible conflict of 2025 meeting schedule with Pension Fund. Upon motion by Trustee Sanchez and second by Trustee Cabello Havrda, the March meeting was changed to March 24th and May meeting to May 27 at 10:30 a.m.

ADJOURNMENT: There being no further business, a motion was made by Trustee Cabello Havrda and second by Trustee Despres that the meeting adjourn. The motion carried unanimously. The meeting adjourned at 12:13 p.m.

Enclosures

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

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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 EXECUTIVE SESSIONS OF THE BOARD CONDUCTED ON NOVEMBER 25, 2024.

1. The executive session began with the following announcement by the presiding officer: "Health Fund is now in executive session November 25, 2024 at 10:42 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 regarding litigation and benefit issues with counsel.
3. No further action was taken.
4. The executive session ended with the following announcement by the presiding officer: "This executive session ended on November 25, 2024 at 12:10 p.m."

Presiding Officer

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**Minutes of the Meeting
of the Board of Trustees of the
Fire and Police Retiree Health Care Fund, San Antonio
October 28, 2024**

PRESENT: Frank Gutierrez, Fire Department Retiree Representative;
Chris Lutton, Police Department Representative;
Mike Despres, Retired Police Representative;
Steve Carse, Fire Department Representative;
Doug Berry, Fire Department Representative;
Jason Sanchez, Police Department Representative;
Councilperson Marc Whyte, City of San Antonio (left at 11:15 a.m.); and
Mayoral Appointee Tom Silliman, City of San Antonio.

ABSENT: 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.
Victoria Roeder, COSA.

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 meeting held on September 30, 2024, was reviewed and unanimously approved upon motion by Trustee Despres and second by Trustee Silliman. The Board recessed the meeting at 11:41 a.m. and reconvened at 1:05 p.m.

EXECUTIVE

SESSION: The Board went into Executive Session at 10:20 a.m. to discuss legal issues regarding litigation and attorney-client matters. The Executive Session adjourned at 11:40 a.m.

The Board went into a second Executive Session at 1:03 p.m. and adjourned at 2:27 p.m.

MEMBERS

TO BE

HEARD: None.

ACTION

ITEMS:

1. Investments: Chair Lutton announced a meeting with investment consultant on November 18, 2024 at 2:30 p.m.

2. Personnel/Audit: None
3. Benefits:
 - a. Capital RX Contract: Ms. Puga reviewed the final Capital RX agreement. Upon motion by Trustee Sanchez and second by Trustee Gutierrez, the Board unanimously approved the Capital RX Contract.
4. Legislative: Mr. Burney reported on status of Legislative proposals. We are still waiting for final actuarial review.
5. Administrative Report:
 - a. Expenses: Mr. Bounds presented the expenditures for the Fund. Upon motion by Trustee Sanchez and second by Trustee Gutierrez, a list of expenses and claims and the Financial Report were unanimously approved by the Board.
 - b. Strategic Business Planning Committee: Meeting to be scheduled.
 - c. 2025 Holiday Schedule and Tentative 2025 Meeting Schedule: Upon motion by Trustee Lutton and second by Trustee Carse, the 2025 Holiday Schedule and the 2025 Meeting Schedule was approved.
6. Consultant Report:
 - a. Legal: Mr. Burney reported that COSA has provided a letter that it would not be making any adjustment to the contributions from COSA and active members for FY 24-25 as requested in a revised letter from actuary.
7. Educational Opportunities:

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

 - OPAL: Public Funds Summit, January 9-10, 2024.
8. Next Meeting: The next regularly scheduled meeting will be November 25, 2024 at 10:00 a.m.

ADJOURNMENT: There being no further business, a motion was made by Trustee Lutton and second by Trustee Gutierrez that the meeting adjourn. The motion carried unanimously. The meeting adjourned at 2:33 p.m.

Enclosures

- Financial Statement
- List of approved claims and expenses
- Agenda
- Minutes
- 2025 Holiday Schedule
- Tentative 2025 Meeting Schedule
- COSA letter regarding contributions

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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, November 25, 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 comments 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 including, but not limited to, PBM contractors and City of San Antonio"**
- 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 October 28, 2024

5. Public Comment

6. Committee Reports (discussion and possible action):

a. Investments:

- Add \$10 million to CBRE Open Ended Real Estate
- Commit \$8 Million to PADCOF IV Junior Debt Fund
- Commit \$10 Million to Ironside IV Fund of Fund and \$10 Million to Ironside IV Co Invest Fund

b. Personnel/Audit:

c. Benefits:

d. Legislative:

- Update on 2025 Legislative Proposals for the Texas Legislature

7. Administrative report (discussion and possible action):

- a. Draft financial reports for October 2024
- b. Discussion of Strategic Business Planning Committee Meeting
- c. Draft Budget
- d. Possible Red light on Rogers Road

8. Consultant Reports (discussion and possible action):

- a. Legal: Report by Frank Burney

9. Educational Opportunities (discussion and possible action):

- NAPO: 36th Annual Police, Fire, EMS & Municipal Employee Pension & Benefits Seminar
February 2-4, 2025
- Opal: Investment Education Symposium 2025
February 26-28, 2025

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.

F&P Retiree Health Care Fund - Calendar
Statement of Plan Net Assets
September 30, 2024

October 31, 2024

December 31, 2023

ASSETS

Cash - City	\$	0.00	\$	0.00
Cash - Trust		406,211.63		0.00
Leasehold Improvements		45,010,595.49		45,371,860.41
Investments - Trust		588,997,824.63		537,868,897.86
Accrued Interest - Trust		2,682,188.31		1,898,302.26
Pre-paid Expenses		1,107,483.41		40,985.50
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Total Assets		638,204,303.47		585,180,046.03
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LIABILITIES

Claims Payable		6,159,826.29		4,895,039.90
Accounts Payable		1,101,823.20		1,391,505.91
Security Lending Collateral		0.00		0.00
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Total Liabilities		7,261,649.49		6,286,545.81
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Net Assets Held in Trust	\$	<u>630,942,653.98</u>	\$	<u>578,893,500.22</u>
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F&P Retiree Health Care Fund - Calendar
Statement of Changes in Plan Net Assets
For the Ten Months Ending October 31, 2024

	Current Month	Current Budget	Year to Date	YTD Budget
Additions				
Contributions:				
City of San Antonio	\$ 3,967,644.23	4,136,000.00	\$ 42,315,884.35	41,360,000.00
Active	1,983,763.48	2,068,800.00	21,160,574.90	20,688,000.00
Retirees less than 30	125,774.68	136,500.00	1,282,764.68	1,365,000.00
COBRA	8,914.78	4,000.00	38,268.66	40,000.00
Children	61,250.00	55,500.00	584,500.00	555,000.00
Total Contributions	<u>6,147,347.17</u>	<u>6,400,800.00</u>	<u>65,381,992.59</u>	<u>64,008,000.00</u>
Investment Income:				
Interest	262,165.85	179,100.00	2,058,480.91	1,791,000.00
Net Appreciation of Inves	2,682,347.44	2,747,900.00	43,779,103.96	27,479,000.00
Other Income	1,149.07	1,660.00	134,648.18	16,600.00
Less Investment Expense	<u>(30,383.33)</u>	<u>(29,660.00)</u>	<u>(280,783.30)</u>	<u>(285,800.00)</u>
Net Investment Income	<u>2,915,279.03</u>	<u>2,899,000.00</u>	<u>45,691,449.75</u>	<u>29,000,800.00</u>
Total Additions	<u>9,062,626.20</u>	<u>9,299,800.00</u>	<u>111,073,442.34</u>	<u>93,008,800.00</u>
Deductions				
Members Benefit Paymen	6,109,075.29	4,050,000.00	52,747,551.57	40,500,000.00
COBRA Benefit Payment	(170.99)	3,900.00	39,597.56	39,000.00
Children's Benefit Payme	46,955.60	55,600.00	547,115.04	556,000.00
General and Administrati	484,462.68	319,850.00	5,690,024.41	3,198,500.00
Total Deductions	<u>6,640,322.58</u>	<u>4,429,350.00</u>	<u>59,024,288.58</u>	<u>44,293,500.00</u>
Net Increase	<u>2,422,303.62</u>	<u>4,870,450.00</u>	<u>52,049,153.76</u>	<u>48,715,300.00</u>