



# 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 June 17, 2019

PRESENT: Henry Trevino, Fire Department Retiree Representative;  
Michael Despres, Police Department Representative;  
Chris Lutton, Police Department Representative;  
Alex Perez, Police Department Retiree Representative;

ABSENT: Doug Berry, Fire Department Representative;  
Andrew Estrada, Fire Department Representative;  
Councilperson Rebecca Viagran, City of San Antonio;  
Councilperson John Courage, City of San Antonio; and  
Mayoral Appointee Tom Silliman, City of San Antonio.

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

At 10:14 a.m., Chair Despres called the meeting to order. The roll was called, and a quorum was not present. No action was taken.

### CALENDAR:

Chair Despres tentatively set the following meetings:

1. Personnel at 10:00 a.m., July 9, 2019 at Pension Fund office.
2. Benefits at 10:00 a.m., July 2, 2019 at Pension Fund office.
3. Next Meeting: The next regularly scheduled meeting will be July 29, 2019 at 10:00 a.m.

### Enclosures

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

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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 THE OFFICE OF MARTIN & DROUGHT 300 CONVENT, SUITE 2500, SAN ANTONIO, TX 78205 Monday June 17, 2019 – 10:00 a.m.

1. Call to Order:
2. Roll call:
3. EXECUTIVE SESSION (Discussion only – Closed to Public):  
The Board of Trustees may close 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 will be discussed with counsel in Executive Session: litigation concerning investments.
4. Minutes (Discussion and possible action):
  - Board Meeting Minutes for May 28, 2019
5. Committee Reports (discussion and possible action):
  - a. Investments:
    - Quarterly Report ending March 31, 2019
    - Adoption of new Asset Allocation
    - Adoption of tactical reallocation
  - b. Personnel/Audit:
    - Schedule a meeting to review Werling Study
    - Update on 2018 Audit
  - c. Benefits:
    - Update on Alternative Therapy List
    - APH Software
  - d. Legislative:

6. Administrative report (discussion and possible action):
  - a. Draft financial reports and list of expenditures for May 2019
  - b. Update on Elections
7. Consultant Reports (discussion and possible action):
  - a. Legal: Report by Frank Burney
8. Educational Opportunities (discussion and possible action):
  - 2019 Nashville Mid-Sized Retirement & Healthcare Plan Management Conference
  - **September 15-18, 2019**
  - Newbury Equity Partners Fund I, II, III & IV
  - **November 12, 2019**
9. Other items requiring board action:
10. Members to be heard:
11. 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.



**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  
May 28, 2019**

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

**ABSENT:** Andrew Estrada, Fire Department Representative; and  
Councilperson Rebecca Viagran, City of San Antonio.

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

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 April 29, 2019 were reviewed and unanimously approved upon motion by Trustee Berry and second by Trustee Trevino.

**EXECUTIVE SESSION:** Executive Session: None.

**ACTION ITEMS:**

1. Investments: Portfolio Advisors made a presentation to the Board on private credit strategies. Fund has existing investments in several Portfolio strategies. Portfolio offers credit strategies with current yield, liquidity, diversified investments, both fixed and floating rates, and redemption over a twelve-month period. Investment will be discussed at Investment Committee meeting this Thursday.
2. Personnel/ Audit: A Werling study has been commissioned to evaluate staff and salaries.

3. Benefits: Next meeting will be scheduled on June 4<sup>th</sup> at 10:00 a.m.
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 Lutton, a list of expenses and claims and the Financial Report were unanimously approved by the Board.
  - b. Office Hours: Mr. Bounds has authority to set office hours.
6. Consultant Report:
  - a. Legal: Mr. Burney reported on Texas Legislature bill on prescription drug prices and opioid litigation.
  - b. Actuarial: None.
7. Educational Opportunities:

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

  - TEXPERS: 2019 Summer Educational Forum, August 18-20, 2019.
  - IFEBP: 38<sup>th</sup> Annual ISCEBS Employee Benefits Symposium, September 8-11, 2019
8. Other Matters Requiring Board Action: None.
9. Members to be Heard: Mike Trainer announced the formation of a healthcare retirees committee.
10. Next Meeting: The next regularly scheduled meeting will be rescheduled to June 17, 2019 at 10:00 a.m. upon motion by Trustee Perez and second by Trustee Silliman (with one exception).

ADJOURNMENT: There being no further business, a motion was made by Trustee Courage and second by Trustee Trevino 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
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F&P Retiree Health Care Fund - Calendar  
Statement of Plan Net Assets  
May 31, 2019

	May 31, 2019	December 31, 2018
<b>ASSETS</b>		
Cash - City	\$ 0.00	\$ 0.00
Cash - Trust	312,597.09	0.00
Leasehold Improvements	664,922.73	664,922.73
Investments - Trust	389,578,952.29	373,626,628.79
Accrued Interest - Trust	1,018,900.70	2,363,655.69
Pre-paid Expenses	215,000.00	15,000.00
	391,790,372.81	376,670,207.21
<b>Total Assets</b>	<b>391,790,372.81</b>	<b>376,670,207.21</b>
 <b>LIABILITIES</b>		
Claims Payable	3,687,450.36	3,457,744.00
Accounts Payable	617,524.87	92,853.19
Security Lending Collateral	346,372.98	0.00
	4,651,348.21	3,550,597.19
<b>Total Liabilities</b>	<b>4,651,348.21</b>	<b>3,550,597.19</b>
 <b>Net Assets Held in Trust</b>	 <b>\$ 387,139,024.60</b>	 <b>\$ 373,119,610.02</b>

F&P Retiree Health Care Fund - Calendar  
Statement of Changes in Plan Net Assets  
For the Five Months Ending May 31, 2019

	Current Month	Current Budget	Year to Date	YTD Budget
<b>Additions</b>				
Contributions:				
City of San Antonio	\$ 3,922,914.04	3,600,000.00	\$ 14,405,953.86	14,600,000.00
Active	1,961,011.11	1,800,000.00	7,201,265.46	7,200,000.00
Retirees less than 30	53,336.22	58,000.00	278,949.58	288,000.00
COBRA	3,428.20	2,000.00	20,300.76	10,000.00
Children	72,971.57	94,000.00	379,994.50	466,000.00
<b>Total Contributions</b>	<b>6,013,661.14</b>	<b>5,554,000.00</b>	<b>22,286,464.16</b>	<b>22,564,000.00</b>
Investment Income:				
Interest	215,413.73	621,668.00	1,055,430.09	3,108,320.00
Net Appreciation of Inves	(8,302,175.76)	1,647,200.00	5,765,295.41	8,224,000.00
Other Income	0.00	450.00	8,860.81	2,250.00
Less Investment Expense	(33,433.33)	(18,950.00)	(165,366.65)	(96,250.00)
<b>Net Investment Income</b>	<b>(8,120,195.36)</b>	<b>2,250,368.00</b>	<b>6,664,219.66</b>	<b>11,238,320.00</b>
<b>Total Additions</b>	<b>(2,106,534.22)</b>	<b>7,804,368.00</b>	<b>28,950,683.82</b>	<b>33,802,320.00</b>
<b>Deductions</b>				
Members Benefit Paymen	2,024,790.51	2,923,000.00	12,226,942.43	14,504,000.00
COBRA Benefit Payment	0.00	2,100.00	8,625.63	10,300.00
Children's Benefit Payme	37,454.53	94,000.00	217,094.70	466,000.00
General and Administrati	517,621.62	505,800.00	2,478,606.48	2,416,050.00
<b>Total Deductions</b>	<b>2,579,866.66</b>	<b>3,524,900.00</b>	<b>14,931,269.24</b>	<b>17,396,350.00</b>
<b>Net Increase</b>	<b>(4,686,400.88)</b>	<b>4,279,468.00</b>	<b>14,019,414.58</b>	<b>16,405,970.00</b>



June 17, 2019

Expenses Paid since last Board Meeting

6/12/2019 Frost \$ 66.88

Expenses to be paid at this Board Meeting

4985	Alex Perez	Phone	\$ 70.00
4986	AMCORP	Rx Audit	\$ 3,000.00
4987	Andrew Estrada	Phone	\$ 70.00
4988	AT&T Mobility	Data	\$ 68.96
4989	Doug Berry	Phone	\$ 70.00
4990	Henry Trevino	Phone	\$ 70.00
4991	JCH	WEB	\$ 20.00
4992	Christopher Lutton	Phone	\$ 70.00
4993	Martin Drought	May	\$ 8,030.73
4994	Meketa	June	\$ 20,833.33
4995	Mike Despres	Phone/Per Diem	\$ 430.00
4996	USI	June	\$ 6,909.00
4997	T-Mobile	Phone	\$ 83.33
4998	Werling	Report	\$ 4,500.00
4999	City Base	Rent	\$ 7,243.12
5000	Clinic	Rent	\$ 7,810.18
5001	Office	Rent	\$ 6,467.13

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Total \$ 65,812.66

SALT	Hotel	\$ 733.05
IFEBP	DC	\$ 1,735.35
IFEBP	Annual	\$ 1,515.00
Meetings	Dallas	\$ 58.00
CPS	Electric	\$ 593.00
AT&T	Phone	\$ 494.35
Documation	Copier	\$ 505.58
Shred-It	Shredding	\$ 400.09
Sams	Supplies	\$ 68.84
Meetings	Tacos	\$ 108.76
Express News	News	\$ 51.00
Frost	Fees	\$ 26.29

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Total \$ 6,289.31