

**Minutes of the Meeting
of the Board of Trustees of the
Fire and Police Retiree Health Care Fund, San Antonio
January 25, 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://zoom.us/j/98954805618?pwd=SExDbks1YUNncUxaQkZLVnV5Vm54QT09>

Meeting ID: 989 5480 5618

Passcode: 510547

PRESENT: Henry Trevino, Fire Department Retiree Representative;
Chris Lutton, Police Department Representative;
Doug Berry, Fire Department Representative;
Jason Sanchez, Police Department Representative; and
Alex Perez, Police Department Retiree Representative.

ABSENT: Andrew Estrada, Fire Department Representative;
Councilperson Jada Andrews-Sullivan, City of San Antonio;
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 10:03 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 December 14, 2020 were reviewed and unanimously approved upon motion by Trustee Trevino and second by Trustee Lutton.

EXECUTIVE
SESSION: None.

MEMBERS
TO BE
HEARD: None.

ACTION
ITEMS:

1. Investments: Annual Workshop will take place in February 2021. With 70% investment returns reported, CY 2020 performance is approximately 8%.
2. Personnel/ Audit: Staff is still working modified work schedule for COVID risks. Additional virtual options are being considered.
3. Benefits:
 - a. Precertification: Ms. Puga reported that issue regarding Methodist (Floyd Curl) on pre-certification is still a problem. Staff is handling any members that go to Methodist to avoid coverage issues.
 - b. COVID Vaccine: It is not likely that clinics will offer vaccines in the near future. Members are being advised to pursue other locations.
4. Legislative: Mr. Burney briefed the Board on developments at State Capitol.
5. Administrative Report:
 - a. Expenses: Mr. Bounds presented the expenditures for the Fund, including costs associated with construction of new clinics. Upon motion by Trustee Lutton and second by Trustee Trevino, a list of expenses and claims and the Financial Report were unanimously approved by the Board. Mr. Burney will look into ad valorem exception for properties.
6. Consultant Report:
 - a. Legal: None.

b. Actuarial: None.

7. Educational Opportunities:

- FRA: Made in America Taft-Hartley Benefits Summit, June 3-4, 2021 Annual

Upon motion by Trustee Trevino and second by Trustee Lutton, this educational opportunity was unanimously approved by the Board.

8. Next Meeting: Annual Meeting will occur February 15-17, 2021, which will include discussion of vaccines, telemedicine, and intercept program. The next regularly scheduled meeting will be February 22, 2021 at 10:00 a.m.

ADJOURNMENT: There being no further business, a motion was made by Trustee Trevino and second by Trustee Sanchez that the meeting adjourn. The motion carried unanimously. The meeting adjourned at 10:45 a.m.

Enclosures

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

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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, January 25, 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>

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/98954805618?pwd=SExDbks1YUNncUxaQkZLVnV5Vm54QT09>

Meeting ID: 989 5480 5618

Passcode: 510547

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 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 December 14, 2020
4. Public Comment
5. Committee Reports (discussion and possible action):
 - a. Investments:
 - b. Personnel/Audit:
 - c. Benefits:
 - Hospital Precertification Update
 - Covid-19 Vaccine Update
 - d. Legislative:
6. Administrative report (discussion and possible action):
 - a. Draft financial reports and list of expenditures
7. Consultant Reports (discussion and possible action):
 - a. Legal: Report by Frank Burney
8. Educational Opportunities (discussion and possible action):
 - FRA: Made in America Taft-Hartley Benefits Summit June 3-4, 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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of the Board of Trustees of the
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December 14, 2020**

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Dial-in Information:

<https://zoom.us/j/99565757874?pwd=RnhiSVdiQlVuaVVjTUtXODFEWXJldz09>

Meeting ID: 995 6575 7874

Passcode: 573388

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

ABSENT: 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 10:08 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 November 30, 2020 were reviewed and unanimously approved upon motion by Trustee Perez and second by Trustee Trevino.

EXECUTIVE
SESSION: None.

MEMBERS
TO BE
HEARD: None.

ACTION
ITEMS:

1. Investments: Meeting scheduled for tomorrow at 10:00 a.m. with Portfolio Advisors to brief Committee on Fund's investments (six different investments with three different styles). Investment returns year-to-date are 5.6%.
2. Personnel/ Audit: None.
3. Benefits:
 - a. Pre-certification: Ms. Puga briefed Board on status of Methodist pre-certification – still awaiting confirmation.
 - b. COVID: COVID vaccines will be distributed through normal pharmacy service. Vaccine is at no cost but administration of vaccines will be approximately \$30.00 per vaccine. Upon motion by Trustee Perez and second by Trustee Cabello Havrda, the Board unanimously approved paying cost of administration of vaccine at an "in-network pharmacy," with preferred vaccine being Moderna.
4. Legislative: Mr. Burney reported on Legislature's meetings in 2021 as a result of COVID pandemic.
5. Administrative Report:
 - a. Expenses: Mr. Bounds presented the expenditures for the Fund. Upon motion by Trustee Sanchez and second by Trustee Lutton, a list of expenses and claims and the Financial Report were unanimously approved by the Board.
 - b. 2021 Holiday Schedule: Upon motion by Trustee Sanchez and second by Trustee Lutton, the 2021 holiday schedule was unanimously approved.

- c. 2021 Meeting Schedule: Upon motion by Trustee Lutton and second by Trustee Sanchez, the 2021 meeting schedule was unanimously approved.
6. Consultant Report:
 - a. Legal: Mr. Burney introduced Hannah Ross and Tony Gelderman with BLBG, who reported on the Sinclair settlement. In the Justice's opinion, the Fund was recognized for quality corporate governance reforms and financial settlement that benefited the shareholders.
 - b. Actuarial: None.
 7. Educational Opportunities: None.
 8. Next Meeting: The next regularly scheduled meeting will be January 25, 2021 at 10:00 a.m. Upon motion by Trustee Perez and second by Trustee Trevino.

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 10:52 a.m.

Enclosures

- Financial Statement
- List of approved claims and expenses
- Agenda
- Budget
- Minutes
- Holiday & Meeting Schedules

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

December 31, 2020 December 31, 2019

ASSETS

Cash - City	\$	0.00	\$	0.00
Cash - Trust		(735.04)		0.00
Leasehold Improvements		458,601.69		458,601.69
Investments - Trust		455,927,716.39		402,468,272.77
Accrued Interest - Trust		2,235,293.22		3,803,346.93
Pre-paid Expenses		20,000.00		15,000.00
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Total Assets		458,640,876.26		406,745,221.39
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LIABILITIES

Claims Payable		4,330,301.02		4,139,357.67
Accounts Payable		94,246.78		92,062.37
Security Lending Collateral		0.00		0.00
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Total Liabilities		4,424,547.80		4,231,420.04
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Net Assets Held in Trust	\$	454,216,328.46	\$	402,513,801.35
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F&P Retiree Health Care Fund - Calendar
Statement of Changes in Plan Net Assets
For the Twelve Months Ending December 31, 2020

	Current Month	Current Budget	Year to Date	YTD Budget
Additions				
Contributions:				
City of San Antonio	\$ 3,188,500.32	3,600,000.00	\$ 39,479,614.30	39,486,000.00
Active	1,592,366.03	1,800,000.00	19,726,523.56	19,744,000.00
Retirees less than 30	60,903.90	60,000.00	663,114.99	702,000.00
COBRA	2,752.00	2,100.00	24,808.34	25,000.00
Children	82,071.18	70,000.00	825,444.21	825,000.00
Total Contributions	<u>4,926,593.43</u>	<u>5,532,100.00</u>	<u>60,719,505.40</u>	<u>60,782,000.00</u>
Investment Income:				
Interest	711,117.44	48,800.00	3,317,823.05	584,000.00
Net Appreciation of Inves	9,870,481.90	2,104,000.00	28,293,906.14	25,073,000.00
Other Income	7,379.81	250.00	340,733.52	5,000.00
Less Investment Expense	(48,788.97)	(37,333.00)	(474,156.64)	(468,000.00)
Net Investment Income	<u>10,540,190.18</u>	<u>2,115,717.00</u>	<u>31,478,306.07</u>	<u>25,194,000.00</u>
Total Additions	<u>15,466,783.61</u>	<u>7,647,817.00</u>	<u>92,197,811.47</u>	<u>85,976,000.00</u>
Deductions				
Members Benefit Paymen	2,380,579.52	2,973,000.00	32,270,420.77	35,672,000.00
COBRA Benefit Payment	41.22	2,200.00	759.45	25,000.00
Children's Benefit Payme	11,596.68	70,000.00	259,799.96	825,000.00
General and Administrati	745,078.40	606,600.00	7,964,304.18	7,359,000.00
Total Deductions	<u>3,137,295.82</u>	<u>3,651,800.00</u>	<u>40,495,284.36</u>	<u>43,881,000.00</u>
Net Increase	<u>12,329,487.79</u>	<u>3,996,017.00</u>	<u>51,702,527.11</u>	<u>42,095,000.00</u>

January 25, 2021

Expenses Paid since last Board Meeting

5380	City Base	Jan Rent	\$	7,275.63
5381	SA F&P	Jan Rent	\$	8,984.12
5382	5530 Tezel	Jan Rent	\$	17,669.17
5383	SA F&P	Jan Rent	\$	6,550.38

1/12/2021	Frost		\$	276.24
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Expenses to be paid at this Board Meeting

5384	Alex Perez	Phone	\$	70.00
5385	Andrew Estrada	Phone	\$	70.00
5386	AT&T Mobility	Data	\$	68.75
5387	Capital Development	December	\$	2,673.85
5388	CDS Muery	December	\$	27,900.50
5389	Doug Berry	Phone	\$	70.00
5390	Frost	Oct-Dec	\$	18,137.28
5391	GDC	December	\$	30,456.64
5392	Henry Trevino	Phone	\$	70.00
5393	JCH	Web/PCs	\$	20.00
5394	Jason Sanchez	Phone	\$	70.00
5395	Lee Munder	Oct-Dec	\$	48,952.61
5396	Christopher Lutton	Phone	\$	70.00
5397	Martin Drought	December	\$	7,509.51
5398	Meketa	January	\$	20,833.33
5399	Rudd & Wisdom	Remarriage	\$	1,268.00
5400	RVK	December	\$	12,400.00
5401	USI	January	\$	7,250.00
5402	USI Rx	December	\$	11,628.00
5403	T-Mobile	January	\$	83.33
5404	Albert Uresti	Office Tax	\$	173.98
5405	Albert Uresti	Rogers Rd	\$	58,696.19
5406	Albert Uresti	Rialto	\$	30,968.70
5407	Guadalupe	Schertz	\$	21,259.51
5408	City Base	Feb Rent	\$	7,275.63
5409	SA F&P	Feb Rent	\$	8,984.12
5410	5530 Tezel	Feb Rent	\$	17,669.17
5411	SA F&P	Feb Rent	\$	6,550.38

Total			\$	381,935.02
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