



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 February 23, 2015

PRESENT: Doug Berry, Fire Department Representative;
Henry Trevino, Fire Department Retiree Representative;
Gerald P. Clancy, Police Department Retiree Representative;
Michael Despres, Police Department Representative;
Andrew Estrada, Fire Department Representative; and
Councilperson Ray Lopez, City of San Antonio.

ABSENT: Shawn Ury, Police Department Representative;
Councilperson Shirley Gonzales, City of San Antonio; and
Mayoral Appointee Art Hall, 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 Despres called the meeting to order. The roll was called, and a quorum was declared present. The minutes from the meeting held on December 15, 2014 were reviewed and unanimously approved upon motion by Trustee Berry and second by Trustee Clancy. There were no meetings in January or February because of lack of quorum.

EXECUTIVE
SESSION: Executive Session: None.

ACTION ITEMS:

1. Investments: No report except quarterly review.
2. Personnel/ Audit: No report.
3. Benefits: Committee received reports from PBM (highlighting high generic uses) and TPA on member services/usages.
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 Clancy, a list of expenses and claims and the Financial Report were unanimously approved by the Board. (Clancy abstaining.)
- b. Proposed Lease: Mr. Bounds reviewed proposed term sheet lease for the proposed clinic operated by "Health Design." Upon motion by Trustee Berry and second by Trustee Trevino, the Board approved the letter of intent for the lease.

6. Consultant Report:

- a. Legal: None.
- b. Actuarial: Mark Fenlaw with Rudd & Wisdom presented actuarial report for years ending September 30, 2014 with actuarial assumptions, including reducing assumed actuarial return from 8% to 7.5%. The actuarial condition of the Fund will likely result in increase of contributions and decrease in benefits equal to a total savings of 15%, commencing FY 2017 – 18, over two years. Upon motion by Trustee Berry and second by Trustee Estrada, the assumptions and Actuarial Report of the Fund as of September 30, 2014 were unanimously approved.
- c. Audit: Rene Gonzalez and staff with Garza Gonzalez presented draft reports from audit as of September 30, 2014. It presented an "unmodified" opinion (a/k/a unqualified), no material weaknesses or significant deficiencies. Final verifications will be submitted this week and the audit completed.

7. Educational Opportunities:

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

- NCPERS: 2015 Annual Conference and Exhibition, May 2-3, 2015
- IFEBP: Health Care Management Conference, April 13-15, 2015

8. Other Matters Requiring Board Action: None.

9. Members to be Heard: None.

10. Next Meeting: The next regularly scheduled meeting will be March 23, 2015 at 10:00 a.m.

ADJOURNMENT: There being no further business, a motion was made by Trustee Berry and second by Trustee Trevino that the meeting adjourn. The motion carried unanimously. The meeting adjourned at 11:42 a.m.

Enclosures

- Financial Statement
- List of approved claims and expenses
- Agenda
- Minutes
- Audit Summary
- Actuary Report
- Lease Proposal

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