

MINUTES
LEGISLATIVE COMMITTEE MEETING
FIRE AND POLICE PENSION FUND, SAN ANTONIO
WEDNESDAY, FEBRUARY 16, 2022
PENSION OFFICE – 9:30 A.M.

**COMMITTEE
MEMBERS**

PRESENT: Dean Pearson, Active Fire Representative; Vance Meade, Active Fire Representative, Larry Reed, Retired Fire Representative.

**COMMITTEE
MEMBERS**

ABSENT: None.

OTHERS

PRESENT: Warren Schott, Executive Director; Jim Smith, Active Police Representative; Harry Griffin, Retired Police Representative; Mark Gremmer; Gail Jensen; Rick Matye; Nancy Ybarra, Pension Fund Staff; and Frank Burney, Martin & Drought.

At 9:30 a.m., Mr. Pearson called the meeting to order. Roll was called, and a quorum was declared present.

**APPROVAL
OF MINUTES:**

Mr. Reed moved to approve the minutes of the meeting of March 9, 2021. The motion carried unanimously.

**REVIEW &
DISCUSSION**

Texas 88th (2023) Legislative Session

Mr. Schott provided the Committee and attendees with copies of the Pension Fund's Funding Policy, the latest Actuarial Valuation Report and the Legislative Timeline. The Committee discussed the funding requirements for any benefits improvements to be included in a Legislative Package. Representatives from the Firefighters Association and Retirees Association, along with the City of San Antonio, were in attendance. The Committee emphasized the need to include the numerous language changes which had been included in the Legislative Packages for the previous two sessions, but which had not been passed by the Legislature. The Committee then requested that each of the organizations meet with their constituent groups and bring any legislative changes they would like considered for inclusion in the Package to the next meeting, which is anticipated to be scheduled in March.

Payment of 13th/14th Check to Estates Policy

The Committee then reviewed a draft of a 13th and 14th Check Policy. The Policy sets out the criteria and guidelines for the issuance of a 13th or 14th Check to the estate of a member or

beneficiary. After discussion, Mr. Reed made a motion to recommend the Board approve the Policy as drafted, with an effective date of January 1, 2022. The Motion carried unanimously.

ADJOURNMENT: Mr. Reed moved to adjourn at 10:25 a.m., and the Motion carried.

Approved this _____ day of _____, 2022.

Dean Pearson, Chairman

FIRE AND POLICE PENSION FUND, SAN ANTONIO PAYMENT OF 13TH/14TH CHECK TO ESTATES

POLICY STATEMENT

Purpose. To provide criteria and guidelines for the issuance of duly authorized 13th and 14th checks to the estates of individuals eligible to receive such checks who die prior to the issuance of payment.

Background. Under Article 6243o Vernon's Texas Civil Statutes (the "Pension Law"), the Board is vested with the complete authority and power to administer the fund for the exclusive benefit of all members and retirees and to defray the reasonable administrative expenses of the fund as well as to order payments from the fund as required by the Pension Law.

Sections 5.11, 5.12 and 6.12 of the Pension Law give the Board discretion to authorize disbursement of a 13th and/or 14th pension check under certain conditions. Those sections further provide that those payments shall be paid as the Board directs.

In accordance with that charge, the Board adopts this Policy to address how duly authorized 13th and 14th checks will be paid in the event a Retiree or Beneficiary is eligible under the Pension Law to receive such a check but dies prior to the issuance of such payment.

Conditions:

- (1) The Board has authorized payment of 13th or 14th check in accordance with Pension Law;
- (2) A Retiree and/or Beneficiary (as defined by the Pension Law) who received an annuity payment in the last month of the fiscal year preceding the fiscal year in which the check is disbursed and so would be entitled to receive a 13th or 14th check (hereinafter referred to as an "Eligible Payee") dies prior to payment of that check; and
- (3) In the case of an Eligible Payee who was a Retiree, he or she leaves no surviving spouse or dependent child.

Procedures

In the event all Conditions have been met, payments of duly authorized 13th and/or 14th checks will be made/attempted in the following order and under the following conditions:

- (1) Payment first will be direct deposited in the Eligible Payee's bank account on file with the Pension Fund at the time of the Eligible Payee's death.
- (2) Upon being notified that such payment was unsuccessful, Pension Fund staff will send a letter to the Eligible Payee's address on file, advising of the attempted payment and outlining the necessary steps for payment to be issued.

Representatives of the Eligible Payee's Estate must present the following documentation to the Pension Fund:

- (i) A Certified Copy of Letters Testamentary/Letters of Administration or other court order formally recognizing the authority of the individual to act on behalf of the Eligible Payee's Estate ("Court Order"); and
- (ii) Documentation of the Estate's federal Tax ID Number ("IRS Documentation").

Upon receipt of these documents, the 13th or 14th check will be issued, made payable to the order of the Eligible Payee's Estate (consistent with the Court Order and IRS Documentation, as applicable).

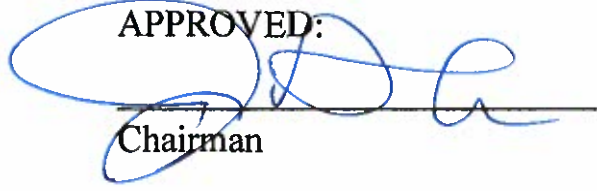
- (3) If the above payment methods are unsuccessful or not possible, a relative of the Eligible Payee may collect a check made payable to the order of the deceased Eligible Payee, but only upon the following conditions:
 - (i) Presentation to the Pension Fund of proper identification establishing the individual's relationship to the Eligible Payee; and
 - (ii) Execution by the individual of appropriate Release/Waiver documentation (a) certifying that no Estate of the Eligible Payee exists or is in existence, that the individual taking possession of the check has appropriate legal standing to accept funds on behalf of the Estate and will handle such funds in accordance with Eligible Payee's wishes, and (b) waiving and releasing the Pension Fund from any and all claims or liability associated with issuance of payment and agreeing to defend and indemnify the Pension Fund against any such claims.

The Board authorizes and directs the Executive Director to take such action as he deems necessary to ensure compliance with this Policy and to be the primary point of contact for any question involving the implementation of this Policy.

Policy to be effective as of January 1, 2022.


ADOPTED BY THE BOARD OF TRUSTEES ON 2/27/22.

APPROVED:



Chairman

ATTEST:



Vice Chairman/Secretary