



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 18, 2020

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 Melissa Cabello Havrda, City of San Antonio (via Zoom);
Mayoral Appointee Tom Silliman, City of San Antonio.

ABSENT: Andrew Estrada, Fire Department Representative;
Councilperson Jada Andrews-Sullivan, 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 February 24, 2020 were reviewed and unanimously approved upon motion by Trustee Lutton and second by Trustee Perez.

PUBLIC COMMENT: None.

EXECUTIVE

SESSION: Executive Session: The Board adjourned into Executive Session at 11:05 a.m. pursuant to state law to discuss with counsel legal issues relating to benefit, real estate, litigation and personnel issues. The Executive Session adjourned at 11:46 a.m.

ACTION ITEMS:

1. Investments: Mr. Bounds reported on recent meeting of the Investment Committee. Consultant is reviewing new recommendations but no action is recommended by the Investment Committee at this time.
2. Personnel/ Audit: Audit field work is underway.

3. Benefits:

- a. Status of TPA contract: Mr. Bounds and Ms. Puga reviewed the RFP process for the Fund's TPA. It is the recommendation of the Benefits Committee that negotiations continue with WEB to extend the existing contract.
- b. Coverage of costs of Telemed Medical Services in light of COVID: Mr. Bounds and Ms. Puga reviewed the delivery of medical services by telemedicine during the COVID pandemic. Under the Plan, telemedicine services are not reimbursable. It is the recommendation of Mr. Bounds that reimbursement be allowed during the pandemic so long as the services are provided by existing in-network doctor-patient relationships. Upon motion by Trustee Berry and second by Trustee Perez, reimbursement of telemedicine medical services is unanimously approved with in-network doctors with pre-existing doctor-patient relationships between January 1, 2020 and June 30, 2020 (should result in lower overall medical costs).
- c. Mid-year review of Alternative Therapy treatments: Normally alternative therapies for coverage by Plan are evaluated annually at the time of Plan review. Mr. Bounds recommends that there are some new alternative therapies that may be beneficial to include that should be evaluated by WellMed on a mid-year basis. Upon motion by Trustee Silliman and second by Trustee Lutton, the Board unanimously directed a mid-year of alternative therapies list.
- d. Health-by-Design: Yvonne Garcia introduced the leadership of HbD services and provided a briefing to the Board on clinical utilization, NW clinic, and diabetes treatments. There are very few cases of Type 1 but over 800 members affected by Type 2 diabetes. HbD is actively managing these cases. An endocrinologist has been added to staff and is targeting diabetes members. Additional monitoring equipment is being recommended.

HbD also discussed its assistance to members during the COVID crisis. Only one member has been diagnosed with COVID.

There are no costs associated with these additional services.

4. Legislative: None.

5. Administrative Report:

- a. Expenses: Mr. Bounds presented the expenditures for the Fund. Upon motion by Trustee Trevino and second by Trustee Perez, a list of expenses and claims and the Financial Report were unanimously approved by the Board.
- b. Ratification of Executive Director actions: Due to the COVID

pandemic, Mr. Bounds has taken several actions in the intervening months when no Board meetings occurred. Upon motion by Trustee Perez and second by Trustee Berry, the Board approved all expenditures paid during March, April, and May by the Executive Director.

6. Consultant Report:

a. Legal:

- (i) Settlement of the shareholder derivative lawsuit on behalf of the Fire and Police Retiree Health Care Fund, San Antonio ("San Antonio Health") against officers and directors of Sinclair Broadcast Group: Mr. Burney and BLBG discussed settlement discussions regarding Sinclair lawsuit.
- (ii) Standards of Conduct: Mr. Burney reviewed revisions of Standards and recommended approval. Upon motion by Trustee Lutton and second by Trustee Berry, the Standards are unanimously approved.
- (iii) Revised Public Comments Policy: Mr. Burney reviewed revisions to the Public Comments Policy in light of OAG guidance and recommended approval. Upon motion by Trustee Perez and second by Trustee Silliman, the revisions to the Public Comments Policy was unanimously approved.
- (iv) Real Estate:

- 1604 and Rogers Road:

Authorization for the Chairman of the Board to (I) enter into a Contract of Sale with Two Owls Two Aggies, LLC (the "Contract") for the purchase of an unimproved 7.609-acre tract of land near the intersection of Loop 1604 and Rogers Road in San Antonio, Texas (the "Property") containing the following material terms: (a) a purchase price of \$3,138,813.00; (b) earnest money in the amount of \$50,000.00 due upon Contract execution; (c) a sixty-day feasibility period during which the earnest money is refundable, (d) additional non-refundable earnest money of \$50,000.00 due upon the expiration of the feasibility period, (e) a closing date of October 1, 2020; and (f) a cap on Seller's liability equal to four percent (4.0%) of the sales price, (II) execute any amendments to the Contract the Chairman deems necessary or appropriate in consultation with the Fund's counsel, and (III) take any and all actions required to effectuate the Fund's performance of its obligations under the Contract or that the Chairman otherwise deems necessary or appropriate in consultation with the Fund's counsel in order to effectuate the closing of the transaction contemplated by the Contract.

Authorization for the Executive Director to take any and all action and expend such funds as he deems necessary to perform a thorough due diligence investigation of the Property during the

feasibility period to determine if the Property is suitable for the Fund's purposes.

Upon motion by Trustee Berry and second by Trustee Lutton, the motion was unanimously approved.

- Schertz Parkway:
Authorization for the Executive Director to (i) enter into negotiations directly or through the Health Fund's broker for the purchase of a 2.54-acre undeveloped tract of land situated on Schertz Parkway in the Legacy at Forest Ridge Subdivision in San Antonio, Texas, and, (ii) execute, or authorize the Health Fund's broker to execute, a non-binding Letter of Intent with the owner of the tract or the owner's broker. Any definitive contract of sale must be approved by the Board.

Upon motion by Trustee Berry and second by Trustee Lutton, the motion was unanimously approved.

- 25111 IH-10 West:
Authorization for the Executive Director to (i) enter into negotiations directly or through the Health Fund's broker for the purchase of a 1.32-acre undeveloped tract of land situated at 25111 IH-10 West, San Antonio, Texas 78257, and, (ii) execute, or authorize the Health Fund's broker to execute, a non-binding Letter of Intent with the owner of the tract or the owner's broker. Any definitive contract of sale must be approved by the Board.

Upon motion by Trustee Berry and second by Trustee Lutton, the motion was unanimously approved.

- (v) Valeant Pharmaceuticals International, Inc.: Mr. Burney and BLBG provided an update. No action taken.

b. Actuarial: None.

7. Educational Opportunities: None.

8. Other Matters Requiring Board Action: none

9. Next Meeting: The next regularly scheduled meeting will be June 29, 2020 at 10:00 a.m.

ADJOURNMENT: There being no further business, a motion was made by Trustee Trevino and second by Trustee Alex that the meeting adjourn. The motion carried unanimously. The meeting adjourned at 12:09 pm.

Enclosures

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



FIRE AND POLICE RETIREE HEALTH CARE FUND, SAN ANTONIO



CERTIFIED AGENDA OF CLOSED MEETING

HEALTH FUND

I, MIKE DESPRES, THE PRESIDING OFFICER OF HEALTH FUND, CERTIFY THAT THIS DOCUMENT ACCURATELY REFLECTS ALL SUBJECTS CONSIDERED IN AN EXECUTIVE SESSION OF THE BOARD CONDUCTED ON MAY 18, 2020.

1. The executive session began with the following announcement by the presiding officer: "Health Fund is now in executive session on May 18, 2020 at 10:00 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 current and pending benefits, real estate, litigation and personnel matters.
3. No further action was taken.
4. The executive session ended with the following announcement by the presiding officer: "This executive session ended on May 18, 2020 at 11:46 a.m."

Presiding Officer

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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 HILTON GARDEN INN SAN ANTONIO AIRPORT
LOCATED AT 12828 SAN PEDRO AVENUE
SAN ANTONIO, TX 78216
May 18, 2020*
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>

1. Call to Order:
2. Roll Call: Mike Despres, Doug Berry, Henry Trevino, Andrew Estrada, Chris Lutton, Alex Perez, Councilperson Jada Andrews-Sullivan, Councilperson Melissa Cabello Havrda, 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, litigation involving**
 - (i) **Valeant, its related companies, and its officers in Civil Action No. 16-3087(MAS)(LHG), In Re Valeant Pharmaceuticals International, Inc. Third-Party Payor Litigation; and**
 - (ii) **Sinclair Broadcast Group in Civil No. CCB-18-3170 in the U.S. District Court for the District of Maryland**
 - 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 February 24, 2020

5. Public Comment

6. Committee Reports (discussion and possible action):

a. Investments:

b. Personnel/Audit:

c. Benefits:

- (i) Status of RFP for TPA Services
- (ii) Coverage of costs of Telemed Medical Services in light of COVID
- (iii) Mid-year review of Alternative Therapy treatments

d. Legislative:

7. Administrative report (discussion and possible action):

- a. Draft financial reports and list of expenditures for March 1 through May, 2020
- b. Ratification of all expenditures paid by Executive Director during March, April and May

8. Consultant Reports (discussion and possible action):

a. Legal: Report by Frank Burney

- (i) Discussion and possible settlement of the shareholder derivative lawsuit on behalf of the Fire and Police Retiree Health Care Fund, San Antonio ("San Antonio Health") against officers and directors of Sinclair Broadcast Group.
- (ii) Discussion and Possible Action on Standards of Conduct
- (iii) Discussion and Possible Action on Revised Public Comments Policy
- (iv) Discussion and Possible Action on real estate:

- 1604 and Rogers Road:

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necessary or appropriate in consultation with the Fund's counsel in order to effectuate the closing of the transaction contemplated by the Contract.

Authorization for the Executive Director to take any and all action and expend such funds as he deems necessary to perform a thorough due diligence investigation of the Property during the feasibility period to determine if the Property is suitable for the Fund's purposes.

- Schertz Parkway:
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- 25111 IH-10 West:
Authorization for the Executive Director to (i) enter into negotiations directly or through the Health Fund's broker for the purchase of a 1.32-acre undeveloped tract of land situated at 25111 IH-10 West, San Antonio, Texas 78257, and, (ii) execute, or authorize the Health Fund's broker to execute, a non-binding Letter of Intent with the owner of the tract or the owner's broker. Any definitive contract of sale must be approved by the Board.

- (v) Discussion and possible action on litigation including Valeant Pharmaceuticals International, Inc.

b. Rudd & Wisdom: None.

9. Educational Opportunities (discussion and possible action):

10. Adjournment:

*Meetings originally scheduled for March and April have been postponed until May date because of COVID Pandemic

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. Persons wishing to address the Board are requested to sign the sign-up sheet at least 5 minutes prior to the Board Meeting and list the Agenda Item to be addressed. 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 February 24, 2020

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

ABSENT: Andrew Estrada, Fire Department Representative;
Councilperson Melissa Cabello Havrda, City of San Antonio;
Councilperson Jada Andrews-Sullivan, 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 10:27 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 January 27, 2020 were reviewed and unanimously approved upon motion by Trustee Trevino and second by Trustee Berry.

EXECUTIVE
SESSION: Executive Session: None

ACTION ITEMS:

1. Investments:
 - a. Target Asset Allocation: Chair Berry and Mr. Bounds presented the recommendations of the Investment Committee. All recommendations were discussed at the Annual Investment Meeting with Meketa.
 - (i) Commitment of 6 Million to Portfolio Advisors Direct Credit opportunities Fund III;

- (ii) Commitment of 6 Million to Ares Pathfinder Fund I;
- (iii) Commitment of 13 Million to DRA Growth and Income Fund X; and
- (iv) Update targeted Asset Allocation.

Upon motion by Trustee Berry and second by Trustee Perez, the Board unanimously approved all recommendations of the Investment Committee.

- 2. Personnel/ Audit: None.
- 3. Benefits: None.
- 4. Legislative: Mr. Burney advised the Board that an interim meeting of the House Pension Committee will be held in Austin, Texas, on March 9, 2020 (E2.026).
- 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. Northwest Clinic. Mr. Bounds briefed the Board on the status of the negotiations for a lease with purchase option at 5530 Tezel Road, San Antonio, TX.

Upon motion by Trustee Trevino and second by Trustee Perez, the Board unanimously ratified the Lease Agreement dated February 5, 2020 between 5530 Tezel, LLC, as Landlord, and the Fund, as Tenant, for a commercial building containing approximately 7,000 square feet of space, situated at 5530 Tezel Road, San Antonio, Texas, containing the following material terms: (i) three-year term; (ii) monthly rental of \$11,958.33 base rent plus "triple net" pass-through charges (taxes, insurance, and common area maintenance and repair of building during term (iv) option to terminate (Inspection Period) for 30 days following date of Lease; and (v) 24-month option to purchase the shopping center in which the building is located for \$2,500,000 (both buildings).

The Board further authorized the Executive Director to (i) negotiate and enter into such contract(s) as he deems necessary for the construction of interior improvements to the building to render the premises suitable for use as a medical clinic, and (ii) make all

expenditures required under the Lease and construction contract(s).

Projected opening is no later than July 1, 2020.

6. Consultant Report:

a. Legal: No report.

b. Actuarial: No report.

7. Educational Opportunities:

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

- NCPERS: ACE 2020, May 10-13, 2020
- Fort Washington: 2020 Private Equity Annual Meeting, May 28, 2020

8. Other Matters Requiring Board Action: None.

9. Members to be Heard: None.

10. Next Meeting: The next regularly scheduled meeting will be March 30, 2020 at 10:00 a.m.

ADJOURNMENT: There being no further business, a motion was made by Trustee Berry and second by Trustee Lutton that the meeting adjourn. The motion carried unanimously. The meeting adjourned at 10:38 a.m.

Enclosures

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

F&P Retiree Health Care Fund - Calendar
Statement of Plan Net Assets
April 30, 2020

April 30, 2020 December 31, 2019

ASSETS

Cash - City	\$	0.00	\$	0.00
Cash - Trust		350,835.06		0.00
Leasehold Improvements		458,601.69		458,601.69
Investments - Trust		393,214,428.77		412,866,997.08
Accrued Interest - Trust		3,346,447.14		3,653,074.93
Pre-paid Expenses		313,739.93		15,000.00
		<hr/>		<hr/>
Total Assets		397,684,052.59		416,993,673.70
		<hr/>		<hr/>

LIABILITIES

Claims Payable		4,423,079.53		4,139,357.67
Accounts Payable		262,322.48		92,062.37
Security Lending Collateral		0.00		0.00
		<hr/>		<hr/>
Total Liabilities		4,685,402.01		4,231,420.04
		<hr/>		<hr/>

Net Assets Held in Trust	\$	392,998,650.58	\$	412,762,253.66
		<hr/> <hr/>		<hr/> <hr/>

F&P Retiree Health Care Fund - Calendar
Statement of Changes in Plan Net Assets
For the Four Months Ending April 30, 2020

	Current Month	Current Budget	Year to Date	YTD Budget
Additions				
Contributions:				
City of San Antonio	\$ 2,968,751.37	3,200,000.00	\$ 11,865,634.68	12,686,000.00
Active	1,484,234.92	1,600,000.00	5,929,893.55	6,344,000.00
Retirees less than 30	52,324.86	58,000.00	224,249.40	232,000.00
COBRA	(284.69)	2,100.00	3,342.74	8,200.00
Children	67,043.70	68,000.00	269,036.49	272,000.00
Total Contributions	<u>4,572,070.16</u>	<u>4,928,100.00</u>	<u>18,292,156.86</u>	<u>19,542,200.00</u>
Investment Income:				
Interest	220,115.17	48,600.00	945,363.12	194,400.00
Net Appreciation of Inves	4,255,861.78	2,084,000.00	(30,357,800.77)	8,320,000.00
Other Income	0.00	450.00	0.00	1,600.00
Less Investment Expense	(33,624.33)	(40,134.00)	(152,324.32)	(154,834.00)
Net Investment Income	<u>4,442,352.62</u>	<u>2,092,916.00</u>	<u>(29,564,761.97)</u>	<u>8,361,166.00</u>
Total Additions	<u>9,014,422.78</u>	<u>7,021,016.00</u>	<u>(11,272,605.11)</u>	<u>27,903,366.00</u>
Deductions				
Members Benefit Paymen	0.00	2,972,000.00	6,537,740.38	11,888,000.00
COBRA Benefit Payment	0.00	2,000.00	75.49	8,000.00
Children's Benefit Payme	0.00	68,000.00	52,930.58	272,000.00
General and Administrati	192,481.39	611,800.00	1,900,251.52	2,424,000.00
Total Deductions	<u>192,481.39</u>	<u>3,653,800.00</u>	<u>8,490,997.97</u>	<u>14,592,000.00</u>
Net Increase	<u>8,821,941.39</u>	<u>3,367,216.00</u>	<u>(19,763,603.08)</u>	<u>13,311,366.00</u>

May 18, 2020

Expenses Paid since last Board Meeting

\$ -

5/12/2020 Frost \$ 191.14

Expenses to be paid at this Board Meeting

5216	Alex Perez	Phone	\$	70.00
5217	Andrew Estrada	Phone	\$	70.00
5218	AT&T Mobility	Data	\$	68.75
5219	Michael Cokerham	Refund	\$	393.42
5220	Doug Berry	Phone	\$	70.00
5221	GW Mitchell	Tezel	\$	120,050.00
5222	Henry Trevino	Phone	\$	70.00
5223	JCH	Web	\$	20.00
5224	Christopher Lutton	Phone	\$	70.00
5225	Martin Drought	April	\$	7,500.00
5226	Meketa	May	\$	20,833.33
5227	Mike Despres	Phone	\$	70.00
5228	USI	May	\$	6,909.00
5229	T-Mobile	May	\$	83.33

Total \$ 156,468.97

CPS	Electric	\$	808.90
AT&T	Phone	\$	487.03
Documation	Copier	\$	170.08
CPI	Supplies	\$	459.21
Mailout		\$	3,303.15
Shredding		\$	110.00
Express News	News	\$	56.00
Frost	Fees	\$	23.62

Total \$ 5,417.99

April 27, 2020

Expenses Paid since last Board Meeting

5195	Void	\$	-
		\$	-
4/12/2020	Frost	\$	213.32

Expenses to be paid at this Board Meeting

5196	Alex Perez	Phone	\$	70.00
5197	Andrew Estrada	Phone	\$	70.00
5198	AT&T Mobility	Data	\$	68.75
5199	Doug Berry	Phone	\$	70.00
5200	Frost	Jan-Mar	\$	16,748.43
5201	GDC	Branding	\$	75,000.00
5202	GW Mitchell	Tezel	\$	13,876.00
5203	Henry Trevino	Phone	\$	70.00
5204	JCH	Web	\$	190.83
5205	Lee Munder	Jan-Mar	\$	34,575.20
5206	Christopher Lutton	Phone	\$	70.00
5207	Martin Drought	March	\$	8,625.40
5208	Meketa	April	\$	20,833.33
5209	Mike Despres	Phone	\$	70.00
5210	Walker Tollett	Refund	\$	284.69
5211	USI	April	\$	6,909.00
5212	T-Mobile	April	\$	83.33
5213	City Base	May	\$	7,275.63
5214	SA F&P	May	\$	7,761.44
5215	SA F&P	May	\$	5,932.44

Total \$ 198,797.79

CPS	Electric	\$	738.38
AT&T	Phone	\$	503.71
Documation	Copier	\$	527.23
CPI	Supplies	\$	95.85
Postage		\$	204.44
Express News	News	\$	61.00
Frost	Fees	\$	23.59

Total \$ 2,154.20

March 30, 2020

Expenses Paid since last Board Meeting

5179	5530 Tezel	Deposit	\$	17,769.17
			\$	-
3/12/2020	Frost		\$	224.81

Expenses to be paid at this Board Meeting

5180	Alex Perez	Phone	\$	70.00
5181	Andrew Estrada	Phone	\$	70.00
5182	AT&T Mobility	Data	\$	68.75
5183	Doug Berry	Phone	\$	70.00
5184	Henry Trevino	Phone	\$	70.00
5185	JCH	Web	\$	20.00
5186	Christopher Lutton	Phone	\$	70.00
5187	Martin Drought	February	\$	21,065.50
5188	Meketa	March	\$	20,833.33
5189	Mike Despres	Phone	\$	70.00
5190	USI	March	\$	6,909.00
5191	T-Mobile	March	\$	83.33
5192	City Base	April	\$	7,827.57
5193	SA F&P	April	\$	7,761.44
5194	SA F&P	April	\$	6,424.38

Total \$ 89,407.28

IFEBP	Investment	\$	2,198.86
WEB	Training	\$	50.00
CPS	Electric	\$	808.80
AT&T	Phone	\$	484.30
Documation	Copier	\$	527.23
CPI	Supplies	\$	420.04
Meetings		\$	9,095.47
Express News	News	\$	51.00
Frost	Fees	\$	30.63

Total \$ 13,666.33

**STANDARDS OF CONDUCT, FINANCIAL DISCLOSURE
AND CONFLICTS DISCLOSURES
FIRE AND POLICE RETIREE HEALTH CARE FUND, SAN ANTONIO
(THE "HEALTH FUND")**

The Board of Trustees of the Health Fund is obligated to administer its health care fund for the exclusive benefit of retired firefighters and police officers of the City of San Antonio, Texas, their qualified survivors and dependents. In performance of this obligation, the Board of Trustees is required to administer the Health Fund in accordance with Article 6243q, Vernon's Texas Civil Statutes, and other applicable state and federal laws and regulations. In furtherance of these obligations, the Board of Trustees hereby adopts the following Standards of Conduct, Financial Disclosure, and Conflict Disclosures ("Standards"):

I. Overview

Under Texas statutes and applicable federal law and regulations, the Health Fund is a trust fund to be administered solely in the interests of the participants and beneficiaries thereof, for the exclusive purpose of providing retirement health care benefits to participants and beneficiaries and to defray reasonable expenses of the trust. In performance of these duties, all Fiduciaries (as herein defined) shall exercise their duties with the care, skill, prudence, and diligence under the prevailing circumstances that a prudent investor acting in a like capacity and familiar with matters of the type would use in the conduct of an enterprise with a like character and like aims. Further, all Fiduciaries of the Health Fund shall maintain high ethical and moral character, both professionally and personally, such that the conduct of all Fiduciaries shall not reflect negatively upon the Health Fund.

A Fiduciary shall not knowingly and willingly breach a duty imposed by these Standards. Words of any gender used in these Standards shall be held and construed to include any other gender and words in the singular number shall be held to include the plural, and vice versa, unless the context

requires otherwise.

II. Definitions

For the purposes of these Standards, the following words have specific definitions:

- A. "Benefit" means any gift, payment, fee, favor or service reasonably regarded as pecuniary gain or pecuniary advantage with a value in excess of Fifty and No/100's Dollars (\$50.00). Benefit excludes: (i) ordinary social hospitality related to educational or investment activities of the Health Fund; (ii) a gift relating to a special occasion (wedding, anniversary, birth, death, holiday, etc.) provided that the gift is commensurate with the occasion; (iii) reimbursement of reasonable expenses for travel and lodging in connection with educational opportunities or client conferences approved by the Board; (iv) admission to a widely attended event, such as a convention, conference, forum, dinner, reception or similar event, offered by the sponsor and unsolicited by the Fiduciary, if attendance is appropriate to the performance of the duties of the Fiduciary; (v) admission to an event in which the Fiduciary is participating in connection with official duties; (vi) participation in charitable or civic activities and events unsolicited by the Fiduciary and attendance is appropriate to the performance of duties of Fiduciary; or (vii) campaign contribution made pursuant to Texas Election Code and ordinances of City of San Antonio. Placement fees, referral fees, and similar types of payments are strictly prohibited and fall within the definition of Benefit without exception.
- B. "Board" refers to the Board of Trustees of the Health Fund.
- C. "Business Entity" means an entity through which business for profit is conducted or

which provides financial management, legal, actuarial, custodial, investment or consulting service on financial matters, including, among others, a sole proprietorship, partnership, firm, corporation, holding company, unincorporated association, joint stock company, receivership, trust, or any other entity recognized by law.

- D. "Executive Officer" refers to the executive director, executive administrator, chief financial officer, chief executive officer, and the chief investment officer of the Health Fund.
- E. "Family Member" means spouse and child(ren) of a Fiduciary.
- F. "Fiduciary" refers to any "Trustee" and "Executive Officer" of the Health Fund.
- G. "Person" means an individual or a Business Entity.
- H. "Spouse" means the current spouse of a Fiduciary.
- I. "Trustee" means:
 - 1. The Mayor of the City of San Antonio (or a qualified mayoral designee) or a City Councilperson appointed by the City Council of San Antonio to the Board of Trustees of the Health Fund; and
 - 2. An individual who is elected to the Board of Trustees of the Health Fund pursuant to the provisions of Article 6243q, Section 2.01, V.T.C.S.

III. Prohibitions

- A. No Fiduciary, or Spouse, either directly or through a Business Entity, shall receive any Benefit.
- B. No Fiduciary of the Health Fund shall participate in a decision or action involving

any asset of the Health Fund for his or her own interest, except legislative changes that affect the membership of the Health Fund generally.

- C. No Fiduciary, or Spouse, either directly or through a Business Entity, shall engage in the purchase, sale, exchange, or leasing of property with the Health Fund if that Fiduciary or Spouse holds an interest in the property.
- D. No Fiduciary, or Spouse, either directly or through a Business Entity, shall engage in the purchase, sale, or exchange of any investment with the Health Fund if that Fiduciary, or Spouse, holds an interest in the investment.
- E. No Fiduciary, or Spouse, of the Health Fund shall participate in the lending of money or furnishing of other credit by the Health Fund if the Fiduciary, or Spouse has an interest in the loan or credit.
- F. Any goods, services, or facilities furnished by the Health Fund to any Person shall be used for the exclusive benefit of the Health Fund unless reasonable consideration is received by the Health Fund for the use of the goods, services, or facilities.
- G. No Fiduciary, or Spouse, shall make personal investments that could reasonably be expected to create a substantial conflict between the Fiduciary's private investments and the investments of the Health Fund.
- H. No Fiduciary shall disclose confidential information which he has gained by reason of his service to the Health Fund to further his personal interests.
- I. No Fiduciary of the Health Fund shall cause the Health Fund to engage in any of the prohibited transactions listed above with (1) any Family Member or business associate of the Fiduciary; (2) any other custodian or counsel to the Health Fund; (3)

any other Fiduciary of the Health Fund; (4) any Person providing services to the Health Fund; (5) any employee organization whose members are covered by the Health Fund; or (6) the City of San Antonio or any of its elected officials and employees.

- K. No Fiduciary shall represent or perform work for compensation for any Person before the Health Fund for a period of one (1) year after termination of his or her official duties. For purposes of this subsection, the term compensation means money or any other thing of value that is received, or is to be received, in return for or in connection with such representation.
- L. No Fiduciary shall use his position with the Health Fund to solicit for civic or charitable events, causes, or entities.

The Board may grant an exception/waiver to any prohibition upon full disclosure of all relevant information at a public hearing with due notice when it is in the best interests of the members and beneficiaries to grant such an exception/waiver and the exception/waiver is not otherwise prohibited by law.

IV. Exercise of Fiduciary Duties

- A. In making or participating in decisions, the Fiduciaries of the Health Fund shall give appropriate consideration to those facts and circumstances that the Fiduciary knows or should know, are relevant to the particular decision, and shall refrain from using facts or circumstances which are not relevant to the decision.
- B. In making decisions, the Fiduciaries shall make a determination that the particular investment or course of action is reasonably designed, as part of the portfolio, to

further the purposes of the Health Fund, taking into consideration the risk of loss and the opportunity for gain or other return.

- C. The Fiduciaries of the Health Fund shall keep detailed records of all investment decisions sufficient to provide documentation for those decisions for future reference.
- D. If a Fiduciary is present at any time a decision is being made concerning any investment or other action in which the Fiduciary has an interest, the Fiduciary shall disclose the interest and refrain from participating in the decision or discussion concerning the action, including abstention from voting regarding such action.
- E. Fiduciaries shall never act when there may be a conflict of interest or appearance of a conflict of interest. A conflict of interest is understood to be a situation when a relationship exists that could reasonably be expected to diminish independence of judgment in performance of official duties.
- F. Conflict of interest affidavits shall be completed annually and a record of voting abstentions shall be maintained outlining the basis for such abstention.
- G. No Fiduciary of the Health Fund shall participate in the breach of fiduciary duty of another Fiduciary of the Health Fund, participate in concealing such breach, or knowingly or negligently permit such breach to occur.
- H. In the conduct of decision-making regarding the Health Fund, it is understood that at times Persons will consult with Trustees. However, communications between Trustees and Persons seeking to influence the decisions of the Board shall be minimized to the extent reasonably possible, given that the Board operates as a

whole, and Persons should be referred to Health Fund staff and/or the relevant consultant whenever possible.

- I. Once a list of final or interview candidates for a service provider to the Health Fund is selected by the Board, all contacts between prospective service providers on such list and Trustees shall be prohibited (except site visits and posted meetings with the Health Fund). All contacts shall be referred to Executive Director.
- J. A Fiduciary who receives a campaign contribution from a Business Entity engaged by the Health Fund shall disclose such contribution should be disclosed to the Board at the end of each month. Any such contributions must be in compliance with SEC regulations and any other applicable law or regulation. The Health Fund shall also require any potential service provider that responds to a search or request for proposal to disclose all campaign contributions made to any Fiduciary within twenty-four (24) months prior to the date of such response and to affirm that such contributions are in compliance with SEC regulations as well as any other applicable law or regulation.
- K. No Fiduciary shall use his position with the Health Fund to solicit for civic or charitable events, causes, or entities unless such solicitations are previously disclosed to Board. To the extent such solicitations result in contributions, the Fiduciary shall disclose such contributions.

The Board may grant an exception/waiver to any prohibition upon full disclosure of all relevant information at a public hearing with due notice.

V. Travel and Related Expenses

It shall be the policy of the Health Fund that wherever possible, the Health Fund shall pay the expenses of travel, lodging, meals, and incidentals for its Fiduciaries and employees traveling on official business or educational activities on behalf of the Health Fund. This policy shall apply to all travel related to any business meeting, educational seminar, site visits, conference, or convention attended by any Fiduciary of the Board. If the interests of the Health Fund are served by accepting travel, lodging and related expenses from another source to attend any conference, convention, seminar, site visits, event, activity, dinner or other meeting, then the acceptance of the expenses by a Fiduciary is authorized, provided no Benefit is received.

VI. Responsibilities Of Investment Managers and Consultants

Each investment advisor and consultant retained by the Health Fund for investments shall be notified in writing of these Standards. All investment professionals shall strictly conform to these. Any suggestions or offer to deviate from these provisions made by a Fiduciary shall be reported by the advisor or consultant, in writing, to legal counsel for the Health Fund.

VII. Other Laws

Nothing in this policy shall excuse any Fiduciary from complying with any other restrictions of state or federal law concerning conflicts of interest and fiduciary duties.

VIII. Disclosure Statements

To further the objectives of these Standards, all Fiduciaries of the Health Fund shall annually complete and submit to the Health Fund the Financial Disclosure Statement and Conflict Disclosure Statement to the Health Fund in the form attached hereto.

IX. Enforcement

A. The Board will enforce these Standards. The Board will directly oversee

reports of alleged violations by Trustees or any Executive Officer.

- B. A complaint or allegation of a Fiduciary's potential violation must be in writing and submitted to the Executive Director. The Executive Director will promptly notify the chair of the alleged violation, unless the alleged violation involves the chair, in which case the Executive Director will notify the vice-chair or secretary or other Board Trustee, as applicable. Complaints or allegations involving the Executive Director should be submitted to the chair. No retaliatory action will be taken against the reporting person for any such report made in good faith.
- C. The Executive Director, in consultation with legal counsel, shall conduct a preliminary review of the complaint to determine if the conduct as alleged constitutes a violation of this policy.
- D. The chair shall be advised of the determination. If the determination is made that the conduct as alleged does not constitute a violation of this policy, the matter shall be closed. If the determination is made that the conduct as alleged could constitute a violation of this policy, the Board shall be advised, and the Board shall direct that the complaint be investigated. Such investigation may be handled by the Health Fund's outside counsel, or other individual or entity, as the Board directs.
- E. The findings of the investigation shall be provided to the Board for its review and action (if any). If the investigation concludes that a violation of this policy occurred, the accused individual shall have the opportunity to

address the Board prior to the Board taking any action.

- F. The Board has final decision-making authority with respect to violations of this policy by Trustees and any Executive Officer. A Trustee who is a subject of the alleged violation may not deliberate or vote on any Board action involving the complaint. Trustees or any Executive Officer who are found to have violated the policy will be subject to resolutions of reprimand, censure or other appropriate measures, including requests for resignation.

* * * * *

The foregoing Standards were adopted by the Board of Trustees of the Fire and Police Retiree Health Care Fund, San Antonio at its meeting of May 18, 2020.

Exhibits:

- Financial Disclosure Statement
- Conflict Disclosure Statement

Revised: July 17, 2001
(Section III, K)
Amended: April 3, 2003
Amended: February 17, 2004
Amended: June 22, 2004
Amended: July 20, 2004
Amended: March 4, 2011
Amended: May 18, 2020

EXHIBIT "A"
FIRE AND POLICE RETIREE HEALTH CARE FUND, SAN ANTONIO
FINANCIAL DISCLOSURE STATEMENT

NAME:

POSITION:

REPORTING PERIOD: _____

Article 6243q, Vernon's Texas Civil Statutes (the "Health Fund" Law), provides for the adoption of Standards of Conduct, Financial Disclosure and Conflict Disclosures ("Standards") for Fiduciaries of the Health Fund. This Financial Disclosure Statement is part of these Standards. Copies of the Standards and of this form are available from the Executive Director. Any questions with regard to completing this form may be addressed to the Executive Director or legal advisor of the Health Fund. All defined terms in this statement have the same meaning as set out in the Standards.

The Financial Disclosure Statement for each year is required to be filed on or before March 30 for the preceding calendar year covering the period from January 1 to December 31. The report must be filed with the Executive Director of the Health Fund. A person who becomes a Fiduciary has sixty (60) days from the date of appointment or election to complete and submit a Financial Disclosure Statement.

In this Financial Disclosure Statement, the information to be reported is for the Fiduciary and for his or her spouse. If the entry is for a spouse, please so note by using the "S" before the entry.

INCOME:

Please identify, by source, all income of \$5,000 or more, including, but not limited to, occupational income; investment income; income from interest, dividends, royalties or rents; and trust income.

ASSETS:

Please list all assets of \$5,000 or more at the fair market value, including, but not limited to, investments, bonds, notes, other commercial paper, securities, and real property.

LOANS:

Please identify each person or financial institution to whom a note, lease, guaranty, or other document evidencing the obligations to pay funds creating an unsecured financial liability of \$5,000 or more.

DIRECTORSHIPS AND EXECUTIVE POSITIONS:

Please list all Boards of Directors of which you are a member and list all executive positions you or a Family Member held in any Business Entity, including the name of the entity and the position held.

BUSINESS ENTITY:

Please list any partnerships, joint ventures, or other Business Entity in which you or a Family Member have a interest representing ten percent (10%) or more of ownership or control.

CONFLICTS:

Please list any conflict with the proper discharge of your duties as a Fiduciary.

CERTIFICATION

I certify that the information provided above is correct and complete to the best of my actual knowledge.

Date

Printed Name

Signature

EXHIBIT "B"
CONFLICT DISCLOSURE STATEMENT

This Conflict Disclosure Statement is part of the Standards of the Fire and Police Retiree Health Care Fund Board of Trustees of San Antonio, Texas (the "Health Fund"). This Health Fund is currently doing business, or is intending to do business, with the following entities:

Rudd and Wisdom	Metropolitan Real Estate	Vedanta Capital
Frost National Bank	VCFA Group	Aether Real Assets
Meketa Investment Group	Lee Munder Capital Group	Iron Point Partners, LLC
Och-Ziff Captial Management	RREEF	DRA Advisors LLC
Martin & Drought	Aureus Global	Newbury Partners
Garza/Gonzalez & Associates	Capital International Private Equity	Fort Washington Capital Partners
Silver Creek	Catalyst Fund Limited Partnership	The Sentient Group
Black Rock	Portfolio Advisors	Acadian Asset Management
BTG Pactual	Dimensional Fund Advisors	GEM Realty Managers
HLM Venture Partners	Liquid Realty Partners IV	

I, _____, with the Fire and Police Retiree Health Care Fund, San Antonio ("Health Fund"), do hereby state that I do ___ do not ___ (check one) have a relation with any of the aforelisted organizations. I further state that I have no knowledge of a Family Member having a relation with any such entity except _____.

Further, if during this year, (i) I, or my spouse, engage in a relation with any of the aforementioned entities, (ii) I become aware of a Family Member having a relationship with any of these entities, or (iii) I become aware that the Health Fund is considering the engagement of a consultant or manager with which I, my spouse, or a Family Member may have a relation, then I will hereby inform the Board immediately and will keep the Board of Trustees apprised of same.

Note:

If you checked the box which indicates a material business relation, please list with specificity the nature of the relation that you have with the respective organization(s).

Signed this _____ day of _____, 2018.

Name

Title

PUBLIC INFORMATION CONFIDENTIALITY

The Texas Government Code, Section 552.117, excepts from disclosure the home addresses, telephone numbers, social security numbers, and family information of current or former officials or employees of a government body who request that this information be kept confidential.

By execution hereof, I hereby request that all confidential information in the possession of the Health Fund be withheld from public disclosure to the full extent permitted by the Texas Public Information Act, including, but not limited to, information that relates to home address, telephone numbers, social security number, information relative to family members, and any other information that is of a personal nature or that might result in an unwarranted invasion of my privacy.

If an open records request is filed requesting to view or obtain a copy of this form, the request will be referred to the Texas Attorney General's office for a ruling. However, as required by the Standards, this information must be provided for our files.

Signature

Date

FIRE AND POLICE RETIREE HEALTH CARE FUND, SAN ANTONIO RULES REGARDING PUBLIC COMMENTS AT BOARD MEETINGS

In accordance with § 551.007 of the Texas Government Code, the Board of Trustees (the “Board”) of the Fire and Police Retiree Health Care Fund, San Antonio (the “Fund”) adopts the following rules regarding the public’s right to address the Board.

1. Speaking Topics:

- 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.”

2. Registration Required:

- Persons wishing to address the Board are requested to sign the sign-up sheet located in the Reception Area of the Fund Office at least 5 minutes prior to the Board Meeting and list the Agenda Item to be addressed.

3. Order of Speakers:

- Persons will be called up to speak in the order in which they have signed up.

4. Time Limits:

- A person signed up to speak will be allowed up to 3 minutes to speak on that item.* Persons using a translator to address the Board will be allowed up to 6 minutes to speak on that item.

5. Giving Time to Another Speaker:

- Persons signed up to speak may give their time to another registered speaker, but they must be present and they must give their full allotment of time to the other person. Persons may not give a partial allotment of their time to another speaker.*
- No time may be given to a person not registered to speak.
- No more than 3 people may give their time to any 1 speaker.

6. Written or Printed Materials:

- Speakers wishing to provide written or printed materials to the Board Members must give those materials to Fund staff prior to the Board Meeting so that they can be distributed to the Board.

7. Courtesy and Civility:

- Speakers are required to maintain order and be courteous.
- Speakers who become disruptive may forfeit their right to speak.

8. Public Comments are intended as a means for members of the public to share information with the Board. Board Members are limited by law in the extent to which they can respond to speakers regarding items not on the Agenda. Specifically, Board Members may only provide factual information, recite existing policy or refer the item for future action.

*Note: The Presiding Officer has the discretion to adjust time allotments and disallow yielding of time.