

**Minutes of the Meeting  
of the Board of Trustees of the  
Fire and Police Retiree Health Care Fund, San Antonio  
February 28, 2022**

*Meetings of the Health Care Fund are being held under provision of the Texas Open Meeting Act for video conferencing (Chapter 551). A quorum of the Board, and the Chair, will be present at the meeting location: 112 E. Pecan, Suite 1616, San Antonio, TX 78205. Meetings will be visible and audible recording of the meeting. There will be two-way audio and video of the meeting between each Board member sufficient that Board members and public can hear and see them. Health Fund will comply with all Videoconferencing Guidelines.*

Members of the public may provide comment on any Agenda item, consistent with procedural rules governing the Board meetings and state law. Public comment may be provided as follows:

- a. Written: Submit written comments, along with name and address, by emailing them to Leticia Deleon at [leticia.deleon@swbell.net](mailto:leticia.deleon@swbell.net) by 12:00 p.m. on the day before the meeting. Comments will be read into the record during the designated time on the agenda.
- b. In Person: Speakers shall be given the opportunity to speak at the beginning of the meeting during “Public Comment” for up to 2 minutes (6 minutes if translation is needed).

**PRESENT:** Chris Lutton, Police Department Representative;  
Mike Depres, Retired Police Representative;  
Doug Berry, Fire Department Representative;  
Andrew Estrada, Fire Department Representative;  
Jason Sanchez, Police Department Representative;  
Councilperson Melissa Cabello Havrda, City of San Antonio;  
Mayoral Appointee Tom Silliman, City of San Antonio.

**ABSENT:** Henry Trevino, Fire Department Retiree Representative; and  
Councilperson John Courage, City of San Antonio.

**OTHERS** James Bounds, Executive Director,  
**PRESENT:** Cecilia Puga Retiree Health Care; and  
Frank Burney and Jon Lowe, Martin & Drought, P.C.  
Vicky Roeder, City of San Antonio

At 10:10 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 January 31, 2022, February 16, 2022 and February 17, 2022 were reviewed and

unanimously approved upon motion by Trustee Despres and second by Trustee Silliman.

#### EXECUTIVE

SESSION: The Board went into Executive Session at 10:47 a.m. to discuss legal issues regarding health care benefits for spouses of members. The Executive Session adjourned at 11:17 a.m.

#### MEMBERS

TO BE

HEARD: None.

#### ACTION

ITEMS:

1. Investments: Investment Committee meeting will be scheduled for May 16, 2022 at 11:00 a.m.
  - a. Update Secondary Sale: Documents signed for Cap International and closing is scheduled in the next few days. Additional sale is still in due diligence.
  - b. Quarterly Report ending December 31, 2021: Meketa's Quarterly Report is available to members.
  - c. Update Asset Allocation: Mr. Bounds informed the Board of the update to asset allocation schedule as set out in Policy B attached that was discussed in the Annual Retreat. Upon motion by Trustee Lutton and second by Trustee Despres, the new allocation schedule was unanimously approved.
  - d. Portfolio Advisors Senior Credit Opportunities Fund L.P.: Investment Committee recommends increase of an additional \$10 million to PA Senior Credit Opp Fund. Upon motion by Trustee Lutton and second by Trustee Despres, the Board unanimously approved an additional \$10 Million to Portfolio Advisors.
  - e. Neuburger Burman: Investment Committee recommends a \$15 million additional commitment to Neuburger Burman. Upon motion by Trustee Lutton and second by Trustee Sanchez, the Board unanimously approved an investment of \$15 Million with Neuburger Burman.
  - f. Mesirow VIII-A and Ocean Avenue Fund V: Investment Committee recommends an additional \$25 million commitment in Mesirow and \$10 million in Ocean Avenue Fund in private equity.

Upon motion by Trustee Lutton and second by Trustee Silliman, the Board unanimously approved investments in Mesirow and Ocean Avenue Fund.

2. Personnel/ Audit: None.
3. Benefits: Benefits Committee will be scheduled for next meeting on March 22, 2022 at 10:00 a.m., with the Real Estate Committee first.
  - a. PBM Audit: Mr. Bounds report on status of PBM Audit. Initial audit results were provided to Board. Board requested that the Benefit Committee review HUB Audit with updated information and report back to Board.
4. Legislative: Mr. Burney reported that Primary Election results will be available tomorrow night.
5. Administrative Report:
  - a. Expenses: Mr. Bounds presented the expenditures and financial reports for the Fund. Upon motion by Trustee Despres and second by Trustee Lutton, a list of expenses and claims and the Financial Report were unanimously approved by the Board.
  - b. Board Meeting: Reschedule April 25, 2022 Board Meeting. Upon motion by Trustee Sanchez and second by Trustee Despres, the April meeting was rescheduled to April 19, 2022 at 10:00 a.m.
  - c. Ratification of Lease Extension: Upon motion by Trustee Sanchez and second by Trustee Despres, the Lease Extension for two (2) years with City Base was unanimously ratified.
6. Consultant Report:
  - a. Legal: None.
  - b. Actuarial: None.
7. Educational Opportunities:

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

  - Constitution Capital Partners 2022 Annual Meeting, May 2-4, 2022
  - IFEBP: 68<sup>th</sup> Annual Employee Benefits Conference, October 23-26, 2022

8. Next Meeting: The next regularly scheduled meeting will be March 28, 2022 at 10:00 a.m.

ADJOURNMENT: There being no further business, a motion was made by Trustee Despres and second by Trustee Estrada that the meeting adjourn. The motion carried unanimously. The meeting adjourned at 11:18 a.m.

Enclosures

- Financial Statement
- List of approved claims and expenses
- Agenda
- Minutes
- Asset Allocation Policy B
- HUB PBM Audit

N:\CORP\FBB\HBT\MINUTES 22\02 28 22.docx

**CERTIFIED AGENDA OF CLOSED MEETING**

**HEALTH FUND**

I, DOUG BERRY, THE PRESIDING OFFICER OF HEALTH FUND, CERTIFY THAT THIS DOCUMENT ACCURATELY REFLECTS ALL SUBJECTS CONSIDERED IN AN EXECUTIVE SESSION OF THE BOARD CONDUCTED ON FEBRUARY 28, 2022.

1. The executive session began with the following announcement by the presiding officer: "Health Fund is now in executive session February 28, 2022 at 10:47 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 contractual, real estate, and benefit 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 February 28, 2021 at 11:17 a.m."

---

Presiding Officer

N:\CORP\FBB\HBT\MINUTES 22\Executive\3 1 22 ex mins - CERTIFIED.docx

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, February 28, 2022-10:00 a.m.

***Meetings of the Health Care Fund are being held under provision of the Texas Open Meeting Act for video conferencing (Chapter 551). A quorum of the Board, and the Chair, will be present at the meeting location: 112 E. Pecan, Suite 1616, San Antonio, TX 78205. Meetings will be visible and audible to the public at the Host location, and there will be a visual or audio recording of the meeting. There will be two-way audio and video of the meeting between each Board member sufficient that Board members and public can hear and see them. Health Fund will comply with all Videoconferencing Guidelines.***

Members of the public may provide comment on any Agenda item, consistent with procedural rules governing the Board meetings and state law. Public comment may be provided as follows:

- a. Written: Submit written comments, along with name and address, by emailing them to Leticia Deleon at [leticia.deleon@swbell.net](mailto:leticia.deleon@swbell.net) by 12:00 p.m. on the day before the meeting. Comments will be read into the record during the designated time on the agenda.
- b. In Person: Speakers shall be given the opportunity to speak at the beginning of the meeting during "Public Comment" for up to 2 minutes (6 minutes if translation is needed).

For those members of the public that would like to participate by Zoom, please use this code:

<https://us06web.zoom.us/j/85815678794?pwd=RzhtQTc0dEFOVFQySE94VS84YnE0dz09>

Meeting ID: 858 1567 8794

Passcode: 349935

1. Call to Order:
2. Roll Call: Doug Berry, Henry Trevino, Andrew Estrada, Chris Lutton, Michael Despres, Jason Sanchez, Councilperson Melissa Cabello Havrda, Councilperson John Courage, 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; and**
- d. **Government Code §551.074- Personnel Matters involving Senior Executive Staff and Employees of Health Fund.**

- Discussion with legal counsel health care benefits for spouses of members

4. Minutes (Discussion and possible action):

- Board Meeting Minutes for January 31, 2022
- Board Meeting Minutes for February 16 & 17, 2022

5. Public Comment

6. Committee Reports (discussion and possible action):

a. Investments:

- Update secondary sale
- Quarterly report ending December 31, 2021
- Update Asset Allocation
- 10 million additional commitment to PA Senior Credit Opportunities Fund L.P.
- 15 million additional commitment to Neuburger Burman
- 25 million commitment to Mesirow VIII-A
- 10 million commitment to Ocean Avenue Fund V

b. Personnel/Audit:

c. Benefits:

- Status of PBM Audit

d. Legislative:

7. Administrative report (discussion and possible action):
  - a. Draft financial reports and list of expenditures for January 31, 2022
  - b. Ratification of lease extension for City Base Clinic
  - c. Reschedule April 25<sup>th</sup> Board Meeting
8. Consultant Reports (discussion and possible action):
  - a. Legal: Report by Frank Burney
  - b. Rudd & Wisdom:
9. Educational Opportunities (discussion and possible action):
  - Constitution Capital Partners 2022 Annual Meeting May 2-4, 2022
  - IFEBP: 68<sup>th</sup> Annual Employee Benefits Conference October 23-26, 2022
10. 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.





**Minutes of the Meeting  
of the Board of Trustees of the  
Fire and Police Retiree Health Care Fund, San Antonio  
January 31, 2022**

*Meetings of the Health Care Fund are being held under provision of the Texas Open Meeting Act for video conferencing (Chapter 551). A quorum of the Board, and the Chair, will be present at the meeting location: 112 E. Pecan, Suite 1616, San Antonio, TX 78205. Meetings will be visible and audible recording of the meeting. There will be two-way audio and video of the meeting between each Board member sufficient that Board members and public can hear and see them. Health Fund will comply with all Videoconferencing Guidelines.*

Members of the public may provide comment on any Agenda item, consistent with procedural rules governing the Board meetings and state law. Public comment may be provided as follows:

- a. Written: Submit written comments, along with name and address, by emailing them to Leticia Deleon at [leticia.deleon@swbell.net](mailto:leticia.deleon@swbell.net) by 12:00 p.m. on the day before the meeting. Comments will be read into the record during the designated time on the agenda.
- b. In Person: Speakers shall be given the opportunity to speak at the beginning of the meeting during "Public Comment" for up to 2 minutes (6 minutes if translation is needed).

**PRESENT:** Henry Trevino, Fire Department Retiree Representative;  
Mike Depres, Retired Police Representative;  
Doug Berry, Fire Department Representative;  
Andrew Estrada, Fire Department Representative;  
Jason Sanchez, Police Department Representative;  
Councilperson John Courage, City of San Antonio;  
Councilperson Melissa Cabello Havrda, City of San Antonio;  
Mayoral Appointee Tom Silliman, City of San Antonio.

**ABSENT:** Chris Lutton, Police Department Representative.

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

At 10:02 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 20, 2021 were reviewed and unanimously approved upon motion by Trustee Sanchez and second by Trustee Silliman.

EXECUTIVE

SESSION: Executive Session: The Board adjourned into Executive Session at 10:15 a.m. pursuant to state law to discuss with counsel legal issues relating to benefit issues. The Executive Session adjourned at 10:31 a.m.

MEMBERS

TO BE

HEARD: None.

ACTION

ITEMS:

1. Investments: Mr. Bounds reported that the potential buyer for small remainder limited partnership interests in partnerships is proceeding. He also reported that bond market may be facing tough road with credit markets. Meketa will be asked to review.
2. Personnel/ Audit: None.
3. Benefits: Board reiterated policy that all charges for hospitalization be "in-network," including all doctors. Members are responsible for negotiating any out of network costs. The Board denied the member's appeal.
4. Legislative: None, except for changes in Legislative Director for COSA.
5. Administrative Report:
  - a. Expenses: Mr. Bounds presented the draft list of expenditures for the Fund. Upon motion by Trustee Despres and second by Trustee Sanchez, a list of expenses and claims and the draft Financial Report were unanimously approved by the Board. Tentative returns should approximate 11%.
  - b. Standards: Mr. Bounds reminded the Board to complete the Standards of Conduct.
6. Consultant Report:
  - a. Legal: None.
  - b. Actuarial: None.

7. Educational Opportunities:

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

- IFEBP: Health Care Management, April 25-26, 2022
- TEXPERS: 2022 Annual Conference, April 3-6, 2022

8. Next Meeting: The next regularly scheduled meeting will be February 28, 2022 at 10:00 a.m. and the Annual Conference will be held on February 16 & 17, 2022.

ADJOURNMENT: There being no further business, a motion was made by Trustee Despres and second by Trustee Sanchez that the meeting adjourn. The motion carried unanimously. The meeting adjourned at 10:33 a.m.

Enclosures

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

N:\CORP\FBB\HBT\MINUTES 22\01 31 22.docx

**Minutes of the Annual Meeting  
of the Board of Trustees of the  
Fire and Police Retiree Health Care Fund, San Antonio  
February 16, 2022**

*Meetings of the Health Care Fund are being held under provision of the Texas Open Meeting Act for video conferencing (Chapter 551). A quorum of the Board, and the Chair, will be present at the meeting location: 20 HI Circle North, Horseshoe Bay, TX 78657. Meetings will be visible and audible recording of the meeting. There will be two-way audio and video of the meeting between each Board member sufficient that Board members and public can hear and see them. Health Fund will comply with all Videoconferencing Guidelines.*

PRESENT: Henry Trevino, Fire Department Retiree Representative;  
Mike Depres, Retired Police Representative;  
Doug Berry, Fire Department Representative;  
Jason Sanchez, Police Department Representative;  
Chris Lutton, Police Department Representative;  
Mayoral Appointee Tom Silliman, City of San Antonio.

ABSENT: Andrew Estrada, Fire Department Representative;  
Councilperson Melissa Cabello Havrda, City of San Antonio; and  
Councilperson John Courage, City of San Antonio.

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

At 8:35 a.m., Chair Berry called the meeting to order. The roll was called, and a quorum was declared present.

EXECUTIVE  
SESSION: None.

ACTION  
ITEMS:

1. Presentation by WEB-TPA
2. Presentation by WellDyne
3. Presentation by USI
4. Presentation by Health by Design
5. Office space – Staffing – Succession Plan
6. Review and Update Board Policies:
  - a. Standards of Conduct
  - b. Education Authorization and Expenses
  - c. Public Information Policy
  - d. Actuarial Policy
  - e. Personnel Policy
  - f. Investment Policy

The Board and Mr. Burney reviewed Board policies with no changes.

7. Review Contracts:
  - a. Investment Consulting Agreement: Perpetual
  - b. Agreement for Custodial Account: Perpetual
  - c. Garza/Gonzales & Associates: December 31, 2023
  - d. Rudd and Wisdom, Inc.: December 31, 2022
  - e. WEB - TPA: December 31, 2023
  - f. Aetna Contract: Rolling one-year contracts
  - g. Welldyne Contract: December 31, 2022
  - h. Lease Agreements
    - (i) Office
    - (ii) Paesanos
    - (iii) City Base
    - (iv) Tezel
  - i. USI Contract: Perpetual
  - j. Health by Design: Perpetual
  - k. Executive Director's Contract: December 31, 2022

ADJOURNMENT: There being no further business, a motion was made by Trustee Despres and second by Trustee Lutton that the meeting adjourn. The motion carried unanimously. The meeting adjourned at 4:38 p.m.

Enclosures

**Minutes of the Annual Meeting  
of the Board of Trustees of the  
Fire and Police Retiree Health Care Fund, San Antonio  
February 17, 2022**

*Meetings of the Health Care Fund are being held under provision of the Texas Open Meeting Act for video conferencing (Chapter 551). A quorum of the Board, and the Chair, will be present at the meeting location: 20 HI Circle North, Horseshoe Bay, TX 78657. Meetings will be visible and audible recording of the meeting. There will be two-way audio and video of the meeting between each Board member sufficient that Board members and public can hear and see them. Health Fund will comply with all Videoconferencing Guidelines.*

PRESENT: Henry Trevino, Fire Department Retiree Representative;  
Mike Depres, Retired Police Representative;  
Doug Berry, Fire Department Representative;  
Jason Sanchez, Police Department Representative;  
Chris Lutton, Police Department Representative; and  
Mayoral Appointee Tom Silliman, City of San Antonio.

ABSENT: Andrew Estrada, Fire Department Representative;  
Councilperson John Courage, City of San Antonio;  
Councilperson Melissa Cabello Havrda, City of San Antonio; and

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

At 8:35 a.m., Chair Berry called the meeting to order. The roll was called, and a quorum was declared present.

EXECUTIVE  
SESSION: None.,

ACTION  
ITEMS:

1. Presentation by Meketa Investment Group
  - a. Economic and Market Update
  - b. The Fed and Rates
  - c. Fourth Quarter 2022 Review
    - Executive summary
    - Retiree Healthcare Fund Summary
    - Fund Detail
    - Portfolio Reviews
  - d. Secondary Sale Update
  - e. Private Markets Review
    - Program Review
    - Pacing Studies/Future Deployment of Capital
    - Manager Updates
  - f. Asset Allocation Review and Recommendation
  - g. Small Cap Manager Search
    - Boston Trust Warden
    - Eastern Store
    - GW&K
  - h. Tactical Views and Projection of Sources and Uses of Cash
  - i. 2022 Roadmap
  - j. Manager Meeting Summary
  - k. Appendices
    - Meketa Corporate Update
    - Global Macroeconomic Outlook
    - Disclaimer, Glossary and Notes

ADJOURNMENT: There being no further business, a motion was made by Trustee Sanchez and second by Trustee Trevino that the meeting adjourn. The motion carried unanimously. The meeting adjourned at 12:04 p.m.

Enclosures

N:\CORP\FBB\HBT\MINUTES 22\ANNUAL BOD MINUTES 2 17 22.docx

## **Investment:**

- Update secondary sale
- Quarterly report ending December 31, 2021
- Update Asset Allocation
- 10 million additional commitment to PA Senior Credit  
Credit Opportunities Fund L.P.
- 15 million additional commitment to Neuburger Burman
- 25 million commitment to Mesirow VIII-A
- 10 million commitment to Ocean Avenue Fund V



F&P Retiree Health Care Fund - Calendar  
Statement of Plan Net Assets  
January 31, 2022

January 31, 2022                      December 31, 2021

**ASSETS**

Cash - City	\$	0.00	\$	0.00
Cash - Trust		555,504.14		26,516.15
Leasehold Improvements		5,482,490.79		5,482,490.79
Investments - Trust		535,221,919.39		548,553,506.97
Accrued Interest - Trust		1,838,634.71		1,612,704.68
Pre-paid Expenses		523,988.00		18,328.00
		<hr/>		<hr/>
<b>Total Assets</b>		<b>543,622,537.03</b>		<b>555,693,546.59</b>
		<hr/>		<hr/>

**LIABILITIES**

Claims Payable		4,483,550.61		4,522,968.68
Accounts Payable		65,456.19		158,532.42
Security Lending Collateral		0.00		0.00
		<hr/>		<hr/>
<b>Total Liabilities</b>		<b>4,549,006.80</b>		<b>4,681,501.10</b>
		<hr/>		<hr/>
<b>Net Assets Held in Trust</b>	<b>\$</b>	<b>539,073,530.23</b>	<b>\$</b>	<b>551,012,045.49</b>
		<hr/> <hr/>		<hr/> <hr/>

F&P Retiree Health Care Fund - Calendar  
Statement of Changes in Plan Net Assets  
For the One Month Ending January 31, 2022

	Current Month	Current Budget	Year to Date	YTD Budget
<b>Additions</b>				
Contributions:				
City of San Antonio	\$ 3,414,194.07	3,875,000.00	\$ 3,414,194.07	3,875,000.00
Active	1,707,888.00	1,937,000.00	1,707,888.00	1,937,000.00
Retirees less than 30	97,814.09	91,000.00	97,814.09	91,000.00
COBRA	0.00	1,000.00	0.00	1,000.00
Children	37,800.00	36,000.00	37,800.00	36,000.00
<b>Total Contributions</b>	<u>5,257,696.16</u>	<u>5,940,000.00</u>	<u>5,257,696.16</u>	<u>5,940,000.00</u>
Investment Income:				
Interest	135,162.23	333,000.00	135,162.23	333,000.00
Net Appreciation of Inves	(13,015,682.21)	2,677,000.00	(13,015,682.21)	2,677,000.00
Other Income	7,458.16	1,000.00	7,458.16	1,000.00
Less Investment Expense	(40,333.33)	(10,000.00)	(40,333.33)	(10,000.00)
<b>Net Investment Income</b>	<u>(12,913,395.15)</u>	<u>3,001,000.00</u>	<u>(12,913,395.15)</u>	<u>3,001,000.00</u>
<b>Total Additions</b>	<u>(7,655,698.99)</u>	<u>8,941,000.00</u>	<u>(7,655,698.99)</u>	<u>8,941,000.00</u>
<b>Deductions</b>				
Members Benefit Paymen	3,346,578.84	2,653,000.00	3,346,578.84	2,653,000.00
COBRA Benefit Payment	936.16	2,000.00	936.16	2,000.00
Children's Benefit Payme	23,182.46	36,000.00	23,182.46	36,000.00
General and Administrati	912,118.81	954,400.00	912,118.81	954,400.00
<b>Total Deductions</b>	<u>4,282,816.27</u>	<u>3,645,400.00</u>	<u>4,282,816.27</u>	<u>3,645,400.00</u>
<b>Net Increase</b>	<u>(11,938,515.26)</u>	<u>5,295,600.00</u>	<u>(11,938,515.26)</u>	<u>5,295,600.00</u>

February 28, 2022

Expenses Paid since last Board Meeting

2/12/2022	Frost		\$	284.66
Expenses to be paid at this Board Meeting				
5734	CDS Muery	January	\$	4,192.00
5735	FCB	January	\$	4,763.00
5736	PSI	January	\$	5,630.00
5737	Raba Kistener	January	\$	3,410.00
5738	RVK	January	\$	7,903.87
5739	Andrew Estrada	Phone	\$	70.00
5740	AT&T Mobility	Data	\$	68.75
5741	Doug Berry	Phone	\$	70.00
5742	Frost	Oct-Dec 2021	\$	680.81
5743	GDC	February	\$	5,000.00
5744	Henry Trevino	Phone/supplies	\$	782.34
5745	James Bounds	Hotel Block	\$	7,703.36
5746	Jason Sanchez	Phone	\$	70.00
5747	Christopher Lutton	Phone	\$	70.00
5748	Martin Drought	January	\$	7,522.88
5749	Meketa	February	\$	20,833.33
5750	Mike Despres	Phone	\$	70.00
5751	USI	February	\$	7,750.00
5752	T-Moble	February	\$	83.33
5753	City Base West	February	\$	7,461.16
5754	Clinic	February	\$	7,841.17
5755	Tezel	February	\$	17,669.17
5756	Office	February	\$	6,497.48
				.
		Total	\$	116,427.31
	IFEBP	Trustee Ed	\$	2,308.96
	Opal	Registration	\$	190.31
	FRA	Made in America	\$	599.43
	CPS	Electric	\$	1,494.10
	AT&T	Phone	\$	506.05
	Supplies	sam's	\$	874.56
	Documation	Copier	\$	1,390.05
	Mailouts	Notices	\$	-
	Meeting	Workshop	\$	211.16
	Postage	Claim Forms	\$	2,127.23
	Dues	Paper	\$	72.00
	Frost	Fees	\$	29.73
		Total	\$	9,803.58

**FIRST AMENDMENT TO SHOPPING CENTER LEASE**

THIS FIRST AMENDMENT TO SHOPPING CENTER LEASE (this "Amendment") is made and entered into as of the 22<sup>nd</sup> day of February, 2022, by and between CITY BASE WEST, L.P., a Texas limited partnership ("Landlord"), and FIRE AND POLICE HEALTHCARE FUND, SAN ANTONIO, A TEXAS STATUTORY TRUST ("Tenant"), for the purposes of setting forth the following terms and conditions:

**RECITALS:**

- A. Landlord and Tenant have previously executed that certain Shopping Center Lease dated as of January 10, 2017, (the "Lease") for the purpose of setting forth the terms and conditions under which Landlord has agreed to lease to Tenant, and Tenant has agreed to lease from Landlord the Premises located in the Shopping Center known as City Base West Shopping Center located at 7003 S. New Braunfels Avenue, Suite #130, San Antonio, Texas 78233, which comprises approximately 2,984 square feet and is more fully described in the Lease.
- B. Landlord and Tenant have agreed to amend the Lease as hereinafter set forth and wish to execute this Amendment for the purpose of evidencing their agreement in such regard.
- C. Capitalized terms which are used in this Amendment without being defined herein shall have the meanings assigned to such terms in the Lease.

**AGREEMENT:**

NOW, THEREFORE, in consideration of the premises and the undertakings of the parties hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant hereby agree as follows:

- 1. Landlord and Tenant acknowledge and agree that upon the Lease Expiration Date, the term shall be extended by an additional twenty-four (24) months, and the renewal term shall follow the same terms and conditions contained in this Lease, with the exception that the annual Minimum Rent per square foot of the Premises shall be in accordance with the following:

5/1/2022 – 4/30/2024 \$21.50/SF/Year

Tenant shall not be entitled to receive any allowances, concessions, or further renewal options.

- 2. This Amendment may be executed in several counterparts, each of which shall be fully executed as an original and all of which together shall constitute one and the same instrument.
- 3. Executed as provided in this Amendment, the Lease is and shall continue to be in full force and effect in accordance with its terms. Tenant hereby affirms the Landlord is not in default of any of the terms and conditions of the Lease.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the undersigned have executed this Amendment effective as of the date specified above.

LANDLORD:

City Base West, L.P., a Texas Limited Partnership

By: Debra L. Wainscott

Name: Debra L. Wainscott

Title: Secretary and Manager

Date: 2/23/2022

TENANT:

Fire and Police Healthcare Fund, San Antonio, at Texas  
Statutory Trust

By: James Bonds

Name: James Bonds

Title: Executive Director

Date: 2/27/2022

# Asset Allocation Review Follow Up - Revised Policy B

faprhcf@swbell.../Inbox

Feb 23 at 4:55 PM



**Shawn Bowen** <sbowen@meketa.com>

To: Fire & Police Ret Heath Fund <faprhcf@swbell.net>

Cc: Leandro A. Festino <lfestino@meketa.com>, Renee Scott <rscott@meketa.com> ,

Nathaly Duran <nduran@meketa.com>, Shawn Bowen <sbowen@meketa.com>

James,

For your records, we have updated the Asset Allocation document we presented at the meeting, to incorporate the modified Policy B as discussed.

## Asset Allocation Policy Options

	12/31/2021 Allocation (%)	Current Policy (%)	Proposed Policy A (%)	Proposed Policy B (%)	Proposed Policy C (%)
<b>Growth/Equity</b>	<b>57</b>	<b>54</b>	<b>54</b>	<b>54</b>	<b>54</b>
US Equity	22	20	20	20	20
Developed Market Equity (non-US)	8	8	8	6	8
Emerging Market Equity	6	8	8	8	8
Private Equity	21	18	18	20	18
<b>Credit</b>	<b>18</b>	<b>22</b>	<b>26</b>	<b>26</b>	<b>28</b>
High Yield Bonds	3	3	4	4	4
Bank Loans	4	4	5	5	6
Private Debt	9	12	14	14	15
Emerging Market Bonds (major)	2	3	3	3	3
<b>Rate Sensitive</b>	<b>13</b>	<b>14</b>	<b>10</b>	<b>10</b>	<b>8</b>
Cash Equivalents	1	1	1	1	1
Investment Grade Bonds	7	8	5	5	4
TIPS	5	5	4	4	3
<b>Real Assets</b>	<b>12</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>
Real Estate	5	7	7	10	7
Private Natural Resources	7	3	3	0	3
<b>Expected Return (20 years)</b>	<b>7.6</b>	<b>7.4</b>	<b>7.5</b>	<b>7.5</b>	<b>7.6</b>
<b>Standard Deviation</b>	<b>15.7</b>	<b>14.9</b>	<b>15.3</b>	<b>15.3</b>	<b>15.5</b>
<b>Sharpe Ratio</b>	<b>0.38</b>	<b>0.38</b>	<b>0.38</b>	<b>0.38</b>	<b>0.38</b>
<b>Probability of Achieving 7.0% over 20 Years</b>	<b>56.5</b>	<b>54.1</b>	<b>55.3</b>	<b>55.5</b>	<b>55.8</b>

Shawn

**Shawn Bowen**

Senior Vice President, Consultant

Meketa Investment Group, Inc.  
5200 Blue Lagoon Drive, Suite 120  
Miami, FL 33126

Main 305.341.2900

[sbowen@meketa.com](mailto:sbowen@meketa.com)

[meketa.com](http://meketa.com)



This message, including any attachments, may contain information that is confidential or privileged, and is intended only for the addressee(s). If you are not the intended recipient, you are hereby notified that any use, dissemination, distribution, printing, copying, or disclosure of this information is strictly prohibited. If you received this message in error, please delete it from your system and notify the sender immediately by return email or by calling (781) 471-3500.

1 File | 506.2kB



Asset Allocation Review\_Revised Policy B.pdf

506kB

## Welldyne Contract Analysis

faprhc@swbell.../Inbox



McGraw, Randy <randy.mcgraw@hubinternational.com>  
To: Fire & Police Ret Heath Fund <faprhc@swbell.net>

Feb 24 at 1:52 PM

Mr. Bounds,

We have completed the analysis you requested.

Welldyne did not provide the data in the requested file format, until this morning, so we used the original data they provided.

The attached summary includes observations and comments.

The PBM's and companies we compared the data to are primarily purchasing cooperatives that aggregate their customers, including many of our clients. That creates optimal negotiating strength with the PBM's.

The terms of those contracts are already pre-negotiated. I realize that you would need to conduct an RFP, and we can make the cooperatives respond for you if you like.

The City currently uses CVS as their PBM, and they negotiate directly with CVS.

Slide 4 is the financial analysis.

Employer's Health is a purchasing cooperative out of Ohio and it is our go to PBM for off the shelf pricing. RxBenefits is an aggregator that combines smaller clients into one pool that they use for negotiating with the big 3 national PBMs. You can see that their version of CVS is not as strong as the Employer's Health version. Magellan is a PBM with good overall pricing.

HUB has 13,000 US employees in our group health plan. For the last several years we have used CVS, through RxBenefits, for more than just the cost reason. With RxBenefits, they take over the customer service and prior authorization process for the PBMs. So when you call RxBenefits, they answer the phone on behalf of CVS and provide all of the member facing contact. We originally chose them so we could have more control over prior authorizations and customer service.

However, for 2022 we moved our employee group to Magellan. Magellan offered a strong rebate arrangement, but even more importantly a new approach to controlling the cost of Specialty Drugs through a propriety partner they use called Payer Matrix. Payer Matrix maximizes manufacturer subsidies and alternate programs to minimize the impact of the higher cost specialty drugs which are huge cost drivers in any PBM environment.

I would be happy to be a virtual participant in your board meeting if you like. Otherwise, I think the presentation speaks for itself.

I hope we demonstrated our unbiased, expedient, and thorough expertise to the board, and we would welcome the opportunity to work with you as your benefits advisor if the opportunity presents itself.

Please contact me if you have any questions.

**Randy McGraw**  
Senior Vice President



Risk & Insurance | Employee Benefits | Retirement & Private Wealth  
Ready for tomorrow.

HUB International Texas, Inc.  
601 N. Mesa, Suite 1550  
El Paso, TX 79901

Direct: 915-206-6052  
Fax: 866-399-3972

[hubinternational.com](http://hubinternational.com)





Risk & Insurance | Employee Benefits | Retirement & Private Wealth

Fire & Police Retiree Health Care Fund,  
San Antonio  
Opportunity Analysis

February 28, 2022

© 2022 HUB International Limited.





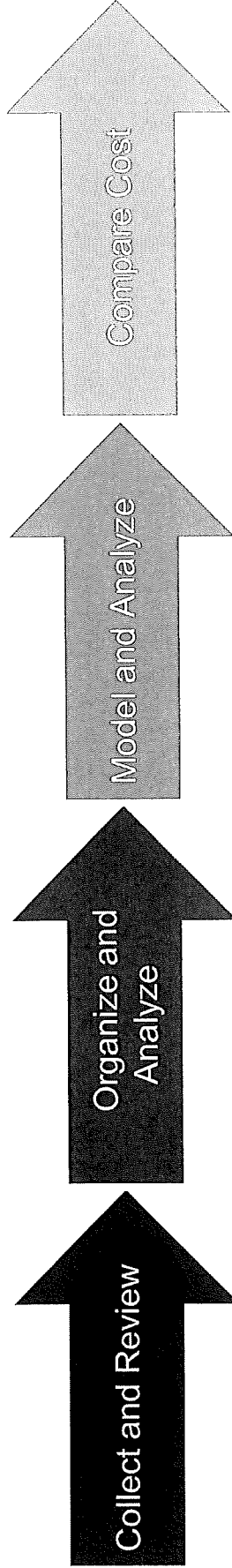
# Executive Summary

<b>Background</b>	Fire & Police Retiree Health Care Fund, San Antonio engaged Hub to evaluate market pricing relative to information provided by incumbent vendor WellDyneRx. WellDyneRx provided information which the Hub Pharmacy Team used to compile this report.
<b>Approach</b>	Hub modeled 2022 market pricing available from Employers Health, RxBenefits & MagellanRx compared to the 2022 terms and conditions provided by WellDyneRx.
<b>Vendors</b>	Incumbent WellDyneRx (Baseline) Employers Health – CVS RxBenefits – CVS, ESI, OptumRx MagellanRx



# Analysis Process

Data is provided by WellDyneRx for analysis on behalf of Fire & Police Retiree Fund, San Antonio



Data Obtained and Reviewed	Data Organized	Data Modeled	Analysis Outcome Reported
<ul style="list-style-type: none"> <li>• Claims file – not useable</li> <li>• Annual reconciliation report 2021 – used in this analysis</li> <li>• Contract and/or Amendments</li> <li>• Annual Management Reports</li> <li>• Paid Rebate Reports</li> </ul>	<ul style="list-style-type: none"> <li>• Trend and claim shifting is not applied</li> <li>• Organize the utilization data</li> <li>• Confirm claim data reasonability</li> <li>• Establish baseline</li> <li>• Review contract pricing</li> </ul>	<ul style="list-style-type: none"> <li>• Same AWP starting point per vendor</li> <li>• Reprice claims by guaranteed components</li> </ul>	<ul style="list-style-type: none"> <li>• Evaluate next steps</li> </ul>



# Cost Comparison - Reprice Summary

	Incumbent Contract		Preferred Vendor Market Pricing			
	WellDyneRx	Employers Health RxBenefits	CVS RxBenefits	ESIRxBenefits	Optum	Magellan
Drug Product Costs	Gross Cost	\$16,193,596	\$16,238,907	\$15,907,394	\$16,439,082	\$16,594,903
Fees	Administrative Fee	\$34,069	\$55,362	\$55,362	\$55,362	\$0
	Enrollment Fee	\$0	\$0	\$0	\$0	\$0
Rebates	Rebate Estimate	\$1,390,672	\$3,441,310	\$3,188,985	\$2,572,002	\$4,193,147
	Rebates as a % of Gross Cost	8.6%	21.2%	20.0%	15.6%	25.3%
Product Cost + Fees - Rebates	Gross Cost after Rebates	\$14,836,993	\$12,852,960	\$12,773,772	\$13,922,442	\$12,401,757
Comparison	Gross Cost after Rebate difference %		-\$1,984,034	-\$2,063,221	-\$914,551	-\$2,435,237
	Gross Cost after Rebate difference %		-14.5%	-15.1%	-6.7%	-17.8%

## Information

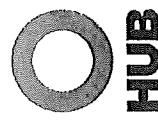
Incumbent	WellDyneRx
Claims data timeframe	01/01/2021 - 12/31/2021
Total Prescriptions	85,173
Total AWP	\$38,902,137

## Assumptions & Notes

This analysis is a reprice of the claims data timeframe based on the 2022 WellDyneRx point of sale price discount reconciliation report and estimated rebates Q121-Q421. No trend, shift or other projection is applied to paid claims.

This analysis compares current WellDyneRx terms and conditions to standard pharmacy arrangements available at HUB. Average wholesale price is consistent across all bidders based on incumbent provided data. Cost and offer relative comparison only, not for budget analytics without review and approval by an appointed Actuary. Full data request response was not provided.

Preferred vendor market pricing is based on open formulary, exclusive specialty network, voluntary mail, and broad retail & retail 90 networks.



## Key Considerations

---

- Term of the enforce contract expires December 31, 2022
- Generic pricing is not guaranteed, multi-source generics are subject to Maximum Allowable Cost (MAC) pricing but not otherwise guaranteed by dispensing channel
  - MAC pricing only approach in current leaves exposure to the Plan on single manufacturing source generic pricing
- Brand AWP-% discount pricing and rebates are behind HUB benchmark norms for 2022-2023 rates
- Timing of reconciliation and rebates payments does not appear to be guaranteed in the contract

## Next Steps

---

- Consider requesting market refresh pricing for 2023 from incumbent WellDyneRx to further evaluate competitiveness
- Consider issuing an RFP for Pharmacy Services to market
  - 2022 WellDyneRx pharmacy pricing opportunity range \$1.7M-\$2.7M or an average of ~\$2.0M or ~14.8% behind market (average of savings opportunity across preferred pharmacy arrangements available via HUB)



**Thank you**