

MINUTES
INVESTMENT COMMITTEE MEETING
FIRE AND POLICE PENSION FUND, SAN ANTONIO
WEDNESDAY, SEPTEMBER 23, 2020
PENSION OFFICE
9:00 A.M.

Roll Call	Mr. Griffin called the meeting to order at 9:01 A.M.
Committee Members Present	Harry Griffin, Police/Retiree Representative; Larry Reed, Fire/Retiree Representative; Jimmy Foster, Police Representative; Dean Pearson, Fire Representative
Committee Members Absent	Justin Rodriguez, Mayoral Designee
Others Present	Jim Smith, Police Representative; Warren Schott, Executive Director; Cary Hally, Chief Investment Officer; Jason Hsu, Senior Investment Analyst; Giovanni Núñez, Investment Analyst; Gail Jensen, General Counsel;

Approval of Minutes of August 19, 2020

- Mr. Reed made a motion to approve the minutes of the August 19, 2020 Investment Committee meeting. The motion carried unanimously.

Emerging Manager Large Cap Growth Search Finalists and Possible Investment

- Finalist virtual presentations for the emerging manager large cap growth search were held. The finalists were D.L. Carlson Investment Group, Granite Investment Partners, and Zevenbergen Capital Investments. Mr. Reed made a motion to recommend to the Board to invest \$15 million in D.L. Carlson Investment Group and \$15 million in Zevenbergen Capital Investments. The motion carried unanimously.

Executive Session

- At 11:33 AM, the Investment Committee went into Executive Session pursuant to Section 551.071 of the Texas Government Code and reconvened at 11:50 AM.

Huff Energy Fund Update

- A representative of Huff Energy Fund provided the Committee an update on the remaining assets in the fund and the current investment environment. In 2008, the Pension Fund committed \$10 million to Huff Energy Fund. As of year-end 2019, our valuation stands at approximately \$15 million. No action was taken.

Lazard Emerging Markets Small Cap Review

- Lazard provided an update on their Emerging Markets Small Cap strategy that the Pension Fund has been invested since 2013. No action was taken.

Emerging Markets Equity Small Cap Allocation

- Discussions were held on whether to retain the Lazard Emerging Markets Small Cap strategy, terminate them and search for a new Emerging Markets Small Cap Manager or terminate them and transfer those funds to the WCM Emerging Markets Strategy. After discussion, no action was taken.

VSS Structured Capital IV Possible Commitment

- Discussions were held regarding the opportunity to invest in VSS Structured Capital IV. In 2016, the Pension Fund committed \$20 million to VSS Structured Capital III. Mr. Reed made a motion to recommend to the Board to commit \$20 million to VSS Structured Capital IV. The motion carried unanimously.

CapitalSpring Investment Partners VI Possible Commitment

- Discussions were held regarding the opportunity to invest in CapitalSpring Investment Partners VI. In 2017, the Pension Fund committed \$15 million in CapitalSpring Investment Partners V. Mr. Foster made a motion to recommend to the Board to commit \$20 million to CapitalSpring Investment Partners VI. The motion carried unanimously.

Watchlist Policy

- Discussions were held on the current Watchlist Policy and ways to potentially improve it. The Lazard Emerging Markets Small Cap strategy was added to the watchlist.

Adjournment: Mr. Pearson made a motion to adjourn at 2:12 P.M. The motion carried unanimously.

Approved this ____ day of _____, 2020.

Harry Griffin, Investment Committee Chairman