

**Minutes of the
Regular Meeting of the
Board of Trustees of the
Fire and Police Pension Fund, San Antonio
11603 W. Coker Loop, Suite 201
San Antonio, Texas
April 24, 2019**

PRESENT: Chairman J. T. Trevino, Fire Representative; Vice Chairman Jim Smith, Police Representative; Councilman Clayton Perry; Jimmy Foster, Police Representative; Dean Pearson, Fire Representative; Larry Reed, Fire Retiree Representative; Harry Griffin, Police Retiree Representative; Mayoral Designee Justin Rodriguez.

ABSENT: Councilman Art Hall.

**OTHERS
PRESENT:**

Warren Schott, Mark Gremmer, Gail Jensen, Rick Matye, Cary Hally, Jason Hsu, Beatrice Ahrens, Pension Fund Staff; Frank Burney, Martin & Drought.

At 9:01 a.m., Chairman Trevino called the meeting to order. Roll was called, and a quorum was declared present.

The Board then recessed to Executive Session at 9:02 a.m., pursuant to Texas Govt. Codes §551.071; §551.078; §551.0785 and reconvened at 9:36 a.m.

MINUTES: Mr. Reed moved to approve the minutes of the regular board meeting held March 27, 2019. The motion was seconded by Mr. Pearson, and it carried unanimously.

**EDUCATIONAL
OPPORTUNITIES**

PRESENTATIONS: Mr. Schott provided a report on the TEXPERS Annual Conference that he and several members of the Board and staff attended. Mr. Burney provided a report on the BLB&G Forum meeting he, Harry Griffin, Justin Rodriguez and Jimmy Foster attended.

Copies of their reports are attached to the April 24, 2019 minutes.

EDUCATIONAL

OPPORTUNITIES: Vice Chairman Smith moved to authorize Board members and appropriate staff to attend the following conferences:

1. NAPPA Legal Education Conference
June 25-28, 2019
2. Kayne Anderson Annual Meeting
June 5-6, 2019

The motion was seconded by Mr. Pearson, and the Motion passed unanimously.

Chairman Trevino left the meeting at 9:58 a.m.

**APPLICATIONS,
ADJUSTMENTS
AND REFUND OF**

CONTRIBUTIONS: Mr. Foster made a motion to approve the following pension applications:

Pension Applications

1. A 31 year, 5 month service pension for Firefighter David D. Wilson, effective March 30, 2019.
2. A 31 year, 11 month service pension for Police Lieutenant William Biesenbach, Jr., effective April 1, 2019.
3. A 31 year, 5 month service pension for Detective Investigator Brian Anthony Peters, effective April 1, 2019.
4. A 29 year, 5 month service pension for Police Sergeant Patrick J. Robertson, effective April 1, 2019.
5. A 29 year, 4 month service pension for Police Officer Ben G. Esquivel, II, effective May 1, 2019.

Beneficiary Pensions

1. A beneficiary pension for Mrs. Dolores D. Casias, widow of Retired Police Captain Pete Casias, Jr., effective March 2, 2019.
2. A beneficiary pension for Mrs. Claudia Nell Anz, widow of Retired Fire Lieutenant John C. Anz, effective March 25, 2019.

Refund of Contributions

1. A 16 year, 10 month refund of contributions for Detective Investigator Kenneth L. Valdez, effective November 2, 2017.
2. A 10 year, 2 month refund of contributions for Police Officer Stephanie Solis, effective July 18, 2018.
3. A 2 year, 4 month refund of contributions for Police Officer Arturo L. Torres, effective April 6, 2019.

The motion was seconded by Mr. Pearson, and it carried unanimously.

**EXECUTIVE
DIRECTOR
REPORT:**

OFFICER ELECTIONS – MAY BOARD MEETING

Mr. Schott reminded the Board that with Trustee elections concluded, the current board members will remain in place and officer elections will take place at next month's Board Meeting.

PRE-RETIREMENT SEMINAR – MONDAY, MAY 6TH

Mr. Schott informed the Board that the Pre-Retirement Seminar is scheduled for Monday, May 6th, and he encouraged Board members to attend. He stated the Seminar will begin at 8:00 a.m. and end at approximately 3:00 p.m.

INVESTMENT ANALYST POSITION

Mr. Schott stated that the candidate who was being offered the position had accepted another position. He noted that the search will continue, and it has now been posted in other areas.

FINANCIAL REPORTS FOR PERIODS ENDING FEBRUARY 28, 2019 AND MARCH 31, 2019

The Statement of Net Plan Assets for the period ending February 28, 2019 were \$3,186,028,632.64.

The Statement of Net Plan Assets for the period ending March 31, 2019 were \$3,195,406,628.03.

**COMMITTEE
REPORTS:****PERSONNEL/AUDIT COMMITTEE**

Mr. Griffin stated the Personnel/Audit Committee did not meet this month. He reminded the board that last month, Cohen Milstein was hired to review the current Standards of Conduct and ethics policies to ensure they are consistent with Best Practices. Cohen Milstein expects to have their review completed by late-May and will provide their recommendations to the Committee at that time. The Committee will let the Board know as soon as the meeting is scheduled. The Committee expects to provide the Board a summary of the Review's conclusions and any recommendations at the June Board Meeting.

DISABILITY COMMITTEE

Mr. Pearson reported that the Disability Committee did not meet this month; however, it has scheduled a meeting for Wednesday, May 22nd at 8:30 a.m. to review the reports from the independent medical examinations of Officer Bradley. After the Committee has had a chance to review the reports, it will provide a recommendation on Officer Bradley's disability application to the Board.

LEGISLATIVE COMMITTEE

Vice Chairman Smith reported that the Legislative Committee did not meet this month. The Committee continues to monitor the progress of our Bill as it moves through the House of Representatives. The Bill was heard in the Pensions Committee on April 4. He stated both he and Mr. Schott testified in support of the Bill, and the Fire Union testified against it. The

Bill was then voted out of the Pensions Committee and was put on the General State Calendar instead of Local/Consent Calendar. Yesterday, the Bill was read on the House Floor for the second time and passed without any issues. It will soon be sent to the Senate where it will probably be referred to the State Affairs Committee. Vice Chairman Smith stated that the Pension Fund will be coordinating with Senators Campbell, Menendez and Flores to see which one will carry it on the Senate side, and the Committee will keep the Board posted.

INVESTMENT COMMITTEE

Mr. Reed stated that the Investment Committee met on Wednesday, April 17th.

The first item on the agenda was a presentation from South Texas Money Management, one of the Fund's emerging managers. With the recent news regarding the passing of their founder Jeanie Wyatt, the South Texas team wanted to ensure Trustees that business would continue as usual. This year, Christian Ledoux was appointed CIO and another equity research analyst was hired. Staff will keep in touch with South Texas to make sure that the transition goes smoothly.

The next item on the agenda was a discussion of the co-investment search that was initiated at the March Investment Committee meeting. NEPC focused on three managers that they had underwritten: Adams Street, Harbourvest, and Ocean Avenue. After considering track record and strategy differences, the Investment Committee recommended narrowing the search to Harbourvest and Ocean Avenue, with the intention to commit to both managers, barring any concerns discovered during the on-site visits, which are tentatively scheduled for the week of May 13th.

The next item on the agenda was a discussion of the core bond search that also was initiated in March. NEPC presented their focus list as well as performance expectations for this search. In the end, it was decided to focus on one enhanced index manager and one active manager. The Investment Committee recommended continuing due diligence with Prudential and Garcia Hamilton. These site visits will be conducted alongside the co-investment visits during the week of May 13th.

The final item on the agenda was a discussion regarding one of the Fund's core real estate managers, L&B. L&B recently had one of their limited partners put in a redemption request to their open-ended core fund which the pension fund is also invested in. Staff will monitor the situation and provide updates as necessary.

SAN ANTONIO F&P PROPERTY HOLDING CORPORATION

President Foster reported that the Board of Directors of the Property Holding Corporation did not meet this month.

President Foster informed the Board that the Pension Fund office expansion is substantially completed, all of the staff has been moved to their respective areas and the new furniture is in place. He requested that if the Board sees any issues that need to be addressed, to please let the Corporation know.

President Foster also advised the board that the Corporation has scheduled a meeting for Wednesday, May 22nd immediately following the Investment Committee Meeting. The purpose of the meeting is to get an update from Sullivan Commercial on the property tax protests on the Fund's three buildings.

AD HOC OCCUPATIONAL DEATH BENEFIT COMMITTEE

Mr. Pearson stated that the Occupational Death Benefit Committee did not meet this month. It had planned to meet in April to review the latest information from the City on how they handle Workers Compensation Claims with respect to occupational death benefits, but that due to the TEXPERS Conference and other issues, the Committee was not able to get the meeting scheduled. The Committee plans to schedule the meeting in May.

DISBURSEMENTS: Mr. Foster made and Mayoral Designee Rodriguez seconded a motion to approve paying the bills, which was unanimously approved. (See attached disbursements dated April 24, 2019.)

MEMBERS TO BE HEARD:

Mr. Michael Trainer discussed PTSD discussions held during the TEXPERS Conference and stated he felt this could be an upcoming subject in the future.

Vice Chairman Smith thanked Staff for allowing the San Antonio Women's Police Auxiliary use of the office for their meeting.

Councilman Perry left the meeting at 10:28 a.m.

ADJOURNMENT: Mr. Pearson made a motion to adjourn the meeting at 10:29 a.m. The motion was seconded by Mr. Foster, and it carried unanimously.

**APPROVED BY THE BOARD OF TRUSTEES AT THE REGULAR
MEETING HELD ON MAY 29, 2019.**

J. T. Trevino, Chairman

ATTEST:

Jim Smith, Vice Chairman