

**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 27, 2016**

PRESENT: Chairman J. T. Trevino, Fire Representative; Vice Chairman Jim Smith, Police Representative; Shawn Ury, Police Representative; Dean Pearson, Fire Representative; Larry Reed, Fire Retiree Representative; and Harry Griffin, Police Retiree Representative.

ABSENT: Mayoral Designee Art A. Hall; Councilman/Secretary Ray Lopez; and Councilman Joe Krier.

OTHERS

PRESENT: Warren Schott, Executive Director; Mark Gremmer; Erik Dahler; Beatrice Ahrens; Rick Matye, Pension Fund Staff; Frank Burney, Martin & Drought.

At 9:00 a.m., Chairman Trevino called the meeting to order. Roll was called, and a quorum was declared present.

Pursuant to state law, the Board recessed to Executive Session at 9:01 a.m. pursuant to Texas Govt. Code §551.071; §551.078 and §551.0785.

The Board reconvened at 9:56 a.m.

MINUTES: Mr. Pearson moved to approve the minutes of the regular meeting held March 30, 2016. The motion was seconded by Vice Chairman Smith, and it carried unanimously.

EDUCATIONAL

OPPORTUNITIES: Mr. Ury moved to authorize Board members and appropriate staff to attend the following conferences:

1. LOFT Investors Forum
June 1-2, 2016
2. Landmark Partners Annual Meeting
June 15-16, 2016
3. Neuberger Berman Annual Meeting
June 21-22, 2016
4. NAPPA Legal Education Conference
June 21-24, 2016

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

**PENSION
APPLICATIONS,
ADJUSTMENTS
AND REFUND OF
CONTRIBUTIONS:**

Vice Chairman Smith made a motion to approve the following pension applications:

Pension Applications

1. A 32 year service pension for Fire Engineer Nathan Alonzo, effective April 1, 2016.
2. A 33 year, 7 month service pension for Fire Engineer Richard G. Casias, Jr., effective April 1, 2016.
3. A 22 year, 8 month service pension for Police Officer John C. Insalata, effective April 4, 2016.
4. A 29 year, 3 month service pension for Firefighter Frank C. Espiritu, Jr., effective April 9, 2016.
5. A 28 year service pension for Police Sergeant Gregory W. Brooks, effective May 1, 2016.
6. A 33 year, 8 month service pension for Fire Engineer Jeryl B. Foster, effective May 1, 2016.
7. A 32 year, 10 month service pension for Assistant Police Chief Geraldine J. Garcia, effective May 1, 2016.
8. A 41 year, 11 month service pension for Firefighter Ronald J. Harrell, effective May 1, 2016.
9. A 32 year, 8 month service pension for Fire Captain Ruben R. Hernandez, effective May 1, 2016.
10. A 32 year, 10 month service pension for Detective Investigator Patricia W. Martinez, effective May 1, 2016.
11. A 31 year, 2 month service pension for Police Sergeant Joe A. Rios, effective May 1, 2016.
12. A 33 year, 2 month service pension for Police Lieutenant Ralph V. Tovar, effective May 1, 2016.
13. A 32 year, 1 month service pension for Fire Engineer Henry A. Vidal, III, effective May 1, 2016.
14. A 35 year, 10 month service pension for Fire Captain Roy E. Willborn, Jr., effective May 1, 2016.
15. A 32 year, 8 month service pension for Firefighter Byron C. Williams, effective May 1, 2016.

Beneficiary Pensions

1. A beneficiary pension for Mrs. Elena Avila, widow of Retired Fire Lieutenant Ignacio Avila, Jr., effective March 17, 2016.
2. A beneficiary pension for Mrs. Rhonda Cunningham, widow of Retired Fire Engineer Alan Cunningham, effective March 25, 2016.

Refund of Contributions

1. A 1 year, 6 month refund of contribution for Police Officer Steven A. Dayton, effective March 21, 2016.
2. A 10 year refund of contribution for Police Officer Marco A. Talamantez, effective April 8, 2016.

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

Chairman Trevino requested that the Disability Committee present its report at this time.

DISABILITY COMMITTEEDisability Pension

1. A first hearing for a disability pension for Firefighter Timothy H. Harmon.

Mr. Pearson reported that the Disability Committee did not have a meeting this month; however, it did meet at the end of March to conduct a first hearing on the disability pension application for Firefighter Timothy H. Harmon. Based on the information provided, the Committee unanimously recommended the Board send Mr. Harmon to two independent physicians for further evaluation.

Mr. Pearson then made a motion on behalf of the Committee to approve. The motion was seconded by Mr. Reed, and it carried unanimously.

Mr. Pearson also provided an update on the medical re-examination of Officer Roell. He stated the Committee has been informed that the examination has been completed and the medical reports have been received. As such, the Committee will be scheduling a meeting in May to review the reports and determine if Officer Roell's catastrophic disability should be continued. The Committee will provide a recommendation to the Board at the May Board Meeting.

**COMMITTEE
REPORTS:****PERSONNEL COMMITTEE**

No report.

At this time, the Board moved to Item H. Legal Report.

LEGAL REPORT: DISCUSSION AND POSSIBLE ACTION

1. Securities Litigation: Dole Food Company, Inc., *et.al.*, Civ. No. 15-1140-SLR, in the United States District Court for the District of Delaware

Mr. Griffin made a motion that the Board ratify and approve all actions taken by Warren Schott as Executive Director of the Fund relating to the Dole Food Company, Inc. securities lawsuit, including but not limited to, the engagement of Bernstein Litowitz Berger & Grossmann LLP to represent the Fund and participation by the Fund as one of the lead plaintiffs.

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

EXECUTIVE DIRECTOR REPORT:

ANNUAL MANAGER WORKSHOP REPORT

Mr. Schott stated that the Annual Workshop went well and was well attended. He noted that Staff and Board held previous discussions as to possibly changing the format of these workshops and whether or not the Fund should continue conducting them, and stated he was open to any suggestions.

PRE-RETIREMENT SEMINAR

Mr. Schott stated there are currently 29 members and 9 spouses registered to attend the May 2nd seminar. He noted that this was the first time the Fund was holding the Pre-retirement Seminar on a Monday in order to accommodate the schedules of the police officers and fire fighters.

POLICE CADET CLASS 2015-B – GRADUATION APRIL 15, 2016

Mr. Schott requested Board's approval to accept Police Cadet Class 2015-B into the membership. Mr. Ury made a motion to approve. The motion was seconded by Vice Chairman Smith, and it carried unanimously.

FINANCIAL REPORT FOR PERIOD ENDING MARCH 31, 2016

Mr. Gremmer reported that the Statement of Net Plan Assets for the period ending March 31, 2016 were \$2,666,574,369.49.

LEGISLATIVE COMMITTEE

Mr. Smith reported that the Legislative Committee did not have a meeting this month, so there is no report. Mr. Smith stated that he did attend a State House Pensions Committee meeting last month. The purpose of the meeting was for the Committee to hear from pension systems regarding current issues and concerns facing their pension systems. He stated he had provided information on the health of our pension fund. The Committee, and specifically Representative Justin Rodriguez, was again very complimentary of the San Antonio Fire & Police Pension Fund. Erik Dahler also attended one of the meetings on April 13th.

Mr. Smith also congratulated Larry Reed on his re-election to the TEXPERS Board. He had no opposition. Mr. Reed then informed the Board that David Stacy from Midland was also elected to the TEXPERS Board.

INVESTMENT COMMITTEE

Mr. Ury reported that the Investment Committee held a meeting on Monday, April 25th, 2016.

The first item on the agenda was a presentation by Paladin Realty Partners regarding the Firm's real estate capabilities in the Latin American region. Paladin is currently raising capital for Latin America Investors V (Latam V) with a focus on for-sale housing development in the Brazilian market.

Next item on the agenda was a presentation by The Townsend Group regarding the performance of the San Antonio Fire & Police Pension Fund's real estate holdings. As of the 4th quarter of 2015, the Pension Fund's investments had a net one-year return of 15.4%, outperforming the NFI-ODCE index by 140 basis points. On a five year basis, the Pension Fund's real estate portfolio returned 14.3% per annum, outperforming the NFI-ODCE index by 170 basis points.

The last item on the agenda was a discussion regarding a potential re-up with Exeter Property Group. The Committee decided to allocate \$15 million to Exeter Industrial Value Fund IV.

Mr. Ury then made a motion on behalf of the Committee to approve. The motion was seconded by Mr. Reed, and it carried unanimously.

After some discussion, Mr. Griffin then made a motion to allocate \$10 million to Paladin Latam V. The motion was seconded by Mr. Ury, and it carried unanimously.

Mr. Griffin left the meeting at 10:34 a.m.

SAN ANTONIO F&P PROPERTY HOLDING CORPORATION

Mr. Pearson reported the San Antonio F&P Property Holding Corporation did not meet this month, but will be scheduling a meeting in May to review the performance of the buildings and to receive an update on the leasing activity.

DISBURSEMENTS: Mr. Reed moved, and Mr. Pearson seconded, a motion to approve paying the bills, which was unanimously approved. (See attached disbursements dated April 27, 2016).

**MEMBERS TO
BE HEARD:**

None.

ADJOURNMENT: Being that there was no further business, Mr. Ury moved to adjourn the meeting at 10:36 a.m. Mr. Pearson seconded the motion, and it carried unanimously.

APPROVED BY THE BOARD OF TRUSTEES AT THE REGULAR MEETING HELD ON APRIL 27, 2016.

J. T. Trevino, Chairman

ATTEST:

Jim Smith, Vice Chairman