

**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 29, 2015**

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

**ABSENT:** Mayoral Designee Art A. Hall; Councilman/Secretary Ray Lopez; Councilman Rey Saldana.

**OTHERS  
PRESENT:**

Warren Schott, Executive Director; Mark Gremmer; Erik Dahler; Beatrice Ahrens; Tyler DuBose; Will Albright; Rick Matye, Pension Fund Staff.

At 9:01 a.m., Chairman Ury 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. Code §551.071; 551.074.

The Board reconvened at 9:32 a.m.

**MINUTES:** Mr. Pearson moved to approve the minutes of the regular meeting held March 25, 2015 and special meeting held April 7, 2015. The motion was seconded by Mr. Griffin, and it carried unanimously.

**EDUCATIONAL**

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

1. NAPPA Legal Education Conference  
June 23-26, 2015
2. AIF Southwest Investors' Forum  
May 5, 2015
3. Acadian Global Client Conference  
June 9-10, 2015
4. GFOA Annual Conference  
May 31 – June 3, 2015
5. LOFT Investors Forum  
June 23-24, 2015
6. Landmark Partners Meeting  
June 10-11, 2015
7. Neuberger Berman Annual Meeting  
June 10-11, 2015

The motion was seconded by Vice Chairman Trevino, and it carried unanimously.

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

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

Pension Applications

1. A 26 year, 11 month service pension for Fire Engineer David J. Gonzalez, effective April 1, 2015.
2. A 28 year, 6 month service pension for Police Officer Jay B. Saltzman, effective April 10, 2015.
3. A 39 year, 8 month service pension for Fire Engineer Luis O. Valadez, Jr., effective April 21, 2015.
4. A 25 year, 4 month service pension for Police Sergeant Jimmie P. Cole, effective May 1, 2015.
5. A 34 year service pension for Firefighter Daniel M. Fernandez, effective May 1, 2015.
6. A 34 year, 10 month service pension for Fire Engineer Samuel S. Gonzales, effective May 1, 2015.
7. A 29 year service pension for Police Officer Richard Ruiz, effective May 1, 2015.
8. A 34 year, 10 month service pension for Battalion Chief Paul E. Vidal, effective May 1, 2015.
9. A 20 year, 5 month service pension for Police Officer Thomas H. Tirey, Jr., effective May 2, 2015.
10. A 33 year, 1 month service pension for Police Sergeant Mario Campos, Jr., effective June 1, 2015.
11. A 33 year, 7 month service pension for Police Sergeant Gilberto Reyna, effective June 1, 2015.

Beneficiary Pensions

1. A beneficiary pension for Mrs. Esther Pollock, widow of Retired Fire Engineer Rex Pollock, effective April 13, 2015.
2. A beneficiary pension for Mrs. Rona Seidel, widow of Retired Fire Captain Ronnie J. Seidel, effective April 15, 2015.

Refund of Contribution

1. A 9 year, 11 month refund of contribution for Fire Engineer Frederick B. Nash, effective April 1, 2015.

2. A 4 year, 8 month refund of contribution for Police Officer Mandy Flores, effective April 27, 2015.

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

The Board acknowledged and congratulated Jay Saltzman who was present at the meeting.

**NEW BUSINESS: ACTUARIAL ASSUMED RATE OF RETURN**

Mr. Schott, along with the Board, discussed lowering the Fund's current investment return assumption. The Board discussed the fact that the investment asset allocation is moving toward investments with less risk but less return as well. Also, the Fund's general investment consultant (NEPC) stated "Given our current outlook, assumptions, and projections, and with a focus on the return side of the equation, our opinion is that a change to the investment return target of 7.25% is justifiable." The Fund's Actuary (Segal Consulting) stated that "Moving to a 7.25% investment return assumption will improve the Fund's probability of meeting or exceeding the assumption by about 4%, based on the current investment policy, and in our opinion is a reasonable assumption for the Fund." After further discussion, Vice Chairman Trevino made a motion to change the Fund's current assumed Investment Rate of Return from 7.50% to 7.25%. The motion was seconded by Mr. Griffin, and it carried unanimously.

**EXECUTIVE  
DIRECTOR  
REPORT:**

**ANNUAL REPORT UPDATE**

Mr. Schott reported that the Annual Report for Fiscal Year Ending 2014 has been completed. He stated copies of the report have been submitted to the State Pension Review Board, and notices will be mailed out to all the police and fire stations informing them it is now available. The report will also be available for viewing on the Fund's website.

**ACTIVE FIRE TRUSTEE ELECTION RESULTS**

Mr. Schott provided the Board with the results of the Active Fire Trustee Election conducted by VR Election Services. The results were as follows: J.T. Trevino – 362, Jerry Cortes - 110.

Mr. Reed made a motion to approve certification of results of the Active Fire Trustee election as well as the certification of both Active Police and Retired Police positions which were unopposed. The motion was seconded by Mr. Smith, and it carried unanimously.

Mr. Reed congratulated all three trustees.

**PRE-RETIREMENT SEMINAR – MAY 1, 2015**

Mr. Schott reported there were currently 80 people attending the Pre-Retirement Seminar scheduled for Friday, May 1<sup>st</sup>.

**BENEFITS SPECIALIST POSITION**

Mr. Schott stated the Benefits Specialist position to replace Sonia Martinez still has not been filled; however, the Fund should have someone hired before the next Board meeting.

**FINANCIAL REPORT FOR PERIOD ENDING MARCH 31, 2015**

Mr. Gremmer reported that the Statement of Net Plan Assets for the period ending March 31, 2015 were \$2,715,102,785.11.

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

Mr. Griffin stated the Personnel/Audit Committee did not have a meeting this month; however, the Committee will be scheduling a meeting in May to review the Salary & Staffing Study that was presented to the Committee last month. The Committee had asked for this Study in order to ensure the Fund has proper staffing levels and compensation packages.

Mr. Griffin stated last month the Board approved the initiation of a 5-Yr Experience Study. The study should be completed by the end of summer and will cover the period October 1, 2009 – September 30, 2014. The Committee will schedule a meeting to review the results once the Study is completed.

**DISABILITY COMMITTEE**

Mr. Reed stated that the Disability Committee did not meet this month, and has no disability applications pending.

**LEGISLATIVE COMMITTEE**

Mr. Pearson stated that the Legislative Committee did not have a meeting this month and will probably not have any meetings in the near future. The Committee has been focusing its attention on monitoring a couple of bills that the Pension Fund had taken a position on.

At this time, Erik Dahler provided an update on the status of those bills the Committee has been monitoring.

Mr. Pearson made a motion to change the Fund's position on HB3310 from neutral to support. The motion was seconded by Mr. Smith, and it carried unanimously.

**INVESTMENT COMMITTEE**

Mr. Smith reported that the Investment Committee held a meeting on April 22, 2015.

He reported Hedge Fund investment managers participated in the Annual Manager Workshop. Firm representatives discussed various issues regarding

current and future market conditions, individual firm strategies, and performance of respective funds. Mr. Smith reported this was the first time to host only the hedge fund managers as they were invited in combination with the long-only managers.

**AD HOC GOVERNMENTAL & PUBLIC RELATIONS COMMITTEE**

Vice Chairman Trevino reported the Public Relations Committee held a meeting last week to review the updated design and development of the Fund's website with G3, Public Alliance, and TechSimplified. He reported the website is in its final stages of development and should be up and running by May 11<sup>th</sup>. He stated the three groups have done a great job and feels the Board will be happy with the results.

The Committee also reviewed a third survey to be sent to the membership. This survey deals with the Board and its interaction with the membership. It also asks the membership about its satisfaction with the information it receives from its respective Board Representatives. The Committee plans on releasing this survey within the week.

**DISBURSEMENTS:** Vice Chairman Trevino moved, and Mr. Pearson seconded, a motion to approve paying the bills, which was unanimously approved. (See attached disbursements dated March 25, 2015).

**MEMBERS TO  
BE HEARD:**

None.

**ADJOURNMENT:** Being that there was no further business, Mr. Smith moved to adjourn the meeting at 10:34 a.m. Mr. Pearson seconded the motion, and it carried unanimously.

**APPROVED BY THE BOARD OF TRUSTEES AT THE REGULAR  
MEETING HELD ON MAY 27, 2015.**

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**Shawn Ury, Chairman**

**ATTEST:**

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**J.T. Trevino, Vice Chairman**