

**Minutes of the  
Regular Meeting of the  
Board of Trustees of the  
Fire and Police Pension Fund Board of Trustees  
11603 W. Coker Loop, Suite 201  
San Antonio, Texas  
June 28, 2022**

**PRESENT:** Chairman Jim Smith, Police Representative; Secretary Councilman Clayton Perry; Jimmy Foster, Police Representative; Larry Reed, Fire Retiree Representative; Vance Meade, Fire Representative; Harry Griffin, Police Retiree Representative.

**ABSENT:** Vice Chairman Dean Pearson, Fire Representative; Councilwoman Dr. Adriana Rocha-Garcia; Mayoral Designee Justin Rodriguez.

**OTHERS**

**PRESENT:** Warren Schott, Mark Gremmer, Cary Hally, Gail Jensen, Rick Matye, Nancy Ybarra, Pension Fund Staff; Frank Burney, Martin & Drought.

**ROLL CALL:** At 9:31 a.m., Chairman Smith called the meeting to order. Roll was called, and a quorum was declared present. All in attendance were asked to rise for the Pledge of Allegiance, led by Secretary Councilman Perry.

At this time, the Board moved to Item H. to discuss the following beneficiary pension applications:

**BENEFICIARY PENSION APPLICATIONS**

Mrs. Jennifer Crawford was present. Chairman Smith extended his condolences on behalf of the Board to Mrs. Crawford and her family. Chairman Smith invited Members to speak. Mrs. Crawford asked that Mr. Joe Jones, Local 624 President, be allowed to speak on her behalf. Mr. Jones and Mr. Kade Miller spoke in support of Mrs. Crawford's applications for line of duty beneficiary pensions.

The Board then recessed to Executive Session at 9:46 a.m. pursuant to Texas Gov. Code § 551.071, 551.078 and 551.0785, and reconvened at 10:21 a.m.

Mr. Frank Burney, outside counsel for the Pension Fund, addressed the Board and provided an overview of the Board's historical interpretation of the Pension Law regarding the criteria for receiving a "Killed in the Line of Duty" death benefit.

Chairman Smith and Secretary Councilman Perry noted that the decision was a difficult one, but that the Board is required to follow the Pension Law as written and to be consistent in its interpretation and application of the Law.

After reviewing the information presented and discussion, Mr. Foster made a motion to deny the Line of Duty Beneficiary applications below:

1. A line of duty beneficiary pension for Mrs. Jennifer Crawford, widow of Active Fire Engineer Lyle James Crawford, effective February 17, 2022.
2. A line of duty beneficiary pension for Colt Crawford, dependent of Active Fire Engineer Lyle James Crawford, effective February 17, 2022, guardianship pending.
3. A line of duty beneficiary pension for Kimber Crawford, dependent of Active Fire Engineer Lyle James Crawford, effective February 17, 2022, guardianship pending.
4. A line of duty beneficiary pension for Layna Crawford, dependent of Active Fire Engineer Lyle James Crawford, effective February 17, 2022, guardianship pending.

The motion was seconded by Secretary Councilman Perry, and it carried unanimously.

Mr. Meade made a motion to approve the Line of Duty Beneficiary application below.

1. A line of duty beneficiary pension for Mrs. Ashley Henshaw, widow of Active Fire Lieutenant Shody Lee Henshaw, effective February 12, 2022.

The motion was seconded by Mr. Reed. The following votes were taken:

Chairman Smith – no  
Secretary Perry – no  
Mr. Foster – no  
Mr. Meade – yes  
Mr. Griffin – no  
Mr. Reed – yes

The motion failed 2 to 4.

Chairman Smith noted that the Legislative Committee is currently working to include an intermediate 75% survivor benefit for deaths resulting from cancer or COVID-19 in the Legislative Package for the 2023 Legislative Session.

**MINUTES:**

Secretary Councilman Perry moved to approve the minutes of the Regular Board Meeting of May 31, 2022. The motion was seconded by Mr. Meade, and it carried unanimously.

At this time, the Board moved to Item I (1) to receive the report from the Personnel/Audit Committee.

**COMMITTEE  
REPORT:****PERSONNEL/AUDIT COMMITTEE**

Mr. Griffin reported the Personnel/Audit Committee met the prior afternoon to receive the Actuarial Valuation Report, and that after receiving and reviewing the presentation, the Committee had voted to recommend that the Board accept the Actuarial Valuation Report as presented.

Mr. Griffin noted that representatives from Segal Consulting were in attendance at the Board Meeting and he invited them to present their report to the full Board. Mr. Malachi Waterman presented the Pension Fund's 2021 Actuarial Valuation Report. After receiving the report and some additional discussion, Mr. Griffin made a motion on behalf of the Committee to approve the Actuarial Valuation Report. The motion was seconded by Secretary Councilman Perry, and it carried unanimously.

Mr. Griffin noted that the Committee also had been scheduled to receive the Annual Audit, but that the audit had not yet been completed. As a result, the auditors will present the audit to the Board next month. Mr. Griffin reminded the Board that both the Actuarial Valuation Report and the Annual Audit are due to the State Pension Review Board by the end of July, so the Pension Fund still has sufficient time to meet the deadline.

At this time, the Board moved to Item C.

**RESOLUTION**

**PRESENTATION:** Chairman Smith then presented Mr. Vance Meade with the following resolution:

***WHEREAS, VANCE MEADE***, Trustee of the Fire and Police Pension Fund of San Antonio, Texas, is ending his service with the Board of Trustees as of June 30, 2022, and;

***WHEREAS, VANCE MEADE*** has served continuously as a member of the Board since April 29, 2020, and;

**WHEREAS**, the market value of the Fund in April 2020, was \$3.05 billion, and in June 2022, the Fund had grown to \$3.75 billion, a growth of more than 20% during Mr. Meade's term of office, and;

**WHEREAS**, *VANCE MEADE* is recognized as a man of integrity, whose intuitive knowledge of investments has been most instrumental in guiding the Pension Fund during his term, and;

**WHEREAS**, *VANCE MEADE* has displayed exceptional leadership and unmatched dedication in the pursuit of superior Pension Fund investment returns, administrative efficiency and stability of operations, and;

**WHEREAS**, the Fund's success has been due, in large part, to *VANCE MEADE'S* guidance and direction;

**NOW THEREFORE:**

***Be it resolved by the Board of Trustees of the  
Fire and Police Pension Fund of San Antonio, Texas:***

1. That the Board of Trustees of the Fire and Police Pension Fund of San Antonio, Texas, hereby expresses its most sincere appreciation to *DEPUTY CHIEF VANCE MEADE*, TRUSTEE OF THE BOARD, for his invaluable contribution to the Fund in enhancing the market value of the Fund while preserving the integrity and stability of the Fund.
2. That *VANCE MEADE* is recognized as a leader whose influence has benefited all pensioners, past, present and future.
3. That this Board go on record as expressing its desire of lasting health, good wishes and sincere thanks to a loyal friend and outstanding human being.
4. That the original of this Resolution, duly subscribed by all members of the Board, be presented to *VANCE MEADE* as an official expression of the sentiments set forth above, and that a copy be spread in full upon the minutes of the Board as a permanent and official expression of the sincere appreciation herein expressed.

***Signed this 28th day of June, 2022***

The Board thanked Mr. Meade for his involvement while serving on the Board.

**EDUCATIONAL  
OPPORTUNITIES**

**PRESENTATIONS:** Mr. Burney gave a brief presentation on the NAPPA Legal Education Conference he had attended. Mr. Burney noted that many of the sessions

focused on issues of diversity and inclusion as well as ESG investment policies.

**EDUCATIONAL  
OPPORTUNITIES**

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

1. Great Lakes Real Estate Roundtable  
August 2-4, 2022
2. IREI Editorial Advisory Board Meeting  
August 15-17, 2022
3. TEXPERS Summer Educational Forum  
August 21-23, 2022
4. NCPERS Public Pension Funding Forum  
August 21-23, 2022

The motion was seconded by Mr. Foster and carried unanimously.

**APPLICATIONS  
AND REFUND OF**

**CONTRIBUTIONS:** Mr. Griffin made a motion, seconded by Secretary Councilman Perry, to approve the following Service Pension Applications and Refund of Contributions. The motion carried unanimously:

Service Pensions

1. A 24 year service pension for Fire Engineer Yvonne P. Garcia, effective June 1, 2022.
2. A 25 year, 3 month service pension for Fire Lieutenant Brian T. Jaks, effective June 1, 2022.
3. A 27 year, 4 month service pension for Police Officer Wayne Allen Alsup, effective July 1, 2022.
4. A 28 year, 2 month service pension for Fire Lieutenant Carl M. Ankewich, effective July 1, 2022.
5. A 32 year service pension for Police Detective Guillermo M. Cantu, Jr., effective July 1, 2022.
6. A 20 year, 2 month service pension for Fire Engineer Joel Marlon Garza, effective July 1, 2022.

7. A 27 year, 2 month service pension for Police Officer Gordon F. Keogh, effective July 1, 2022.
8. A 20 year service pension for Police Officer Richard Morgan, effective July 1, 2022.
9. A 26 year service pension for Police Detective Brian S. Stuhl, effective July 1, 2022.
10. A 26 year, 9 month service pension for Police Detective Orlando R. Torres, effective July 1, 2022.
11. A 35 year, 6 month service pension for Police Detective Michael A. Verastegui, effective July 1, 2022.
12. A 26 year service pension for Police Sergeant James T. Vinson, effective July 1, 2022.
13. A 27 year service pension for Police Detective Jeffrey J. Walker, effective July 1, 2022.
14. A 31 year, 5 month service pension for Police Sergeant Adam M. Zeldes, effective July 1, 2022.
15. A 34 year, 3 month service pension for Fire Engineer Ronnie R. Ramos, effective August 1, 2022.

#### Refund of Contributions

1. A 4 year, 7 month refund of contributions for Fire Fighter Timothy A. Gill, effective March 3, 2021.
2. A 15 year, 4 month refund of contributions for Police Sergeant Abraham Cabrera, effective April 22, 2022.
3. A 10 year, 11 month refund of contributions for Fire Engineer Jason D. Backlund, effective June 9, 2022.
4. A 11 year, 1 month refund of contributions for Police Officer Efen Alaniz, effective June 10, 2022.

**EXECUTIVE  
DIRECTOR  
REPORT:****FIRE CADET CLASS 2021-B BRIEFING – APRIL 29, 2022**

Mr. Schott requested Board approval to accept the Fire Cadet Class 2021-B into the membership. Mr. Foster made a motion to approve. The motion was seconded by Mr. Reed, and it carried unanimously

**POLICE CADET CLASS 2021-D BRIEFING – JUNE 3, 2022**

Mr. Schott requested Board approval to accept the Police Cadet Class 2021-D into the membership. Mr. Meade made a motion to approve. The motion was seconded by Mr. Griffin, and it carried unanimously

**MID-YEAR STATEMENTS**

Mr. Schott informed the Board the Year-End Member statements will be posted on-line in the MemberDirect system in mid-July.

**MONTHLY FINANCIAL PLANNING SEMINARS**

Mr. Schott noted that at a previous Board Meeting, there had been a request for the attendance numbers for the monthly Financial Planning Seminars held in the Pension Fund Offices. Mr. Schott referred the Board to the attached report reflecting the requested information and advised that the report will be provided at each meeting for the Board's review.

**MEMBERDIRECT DUAL FACTOR AUTHENTICATION**

Mr. Schott advised the Board that the dual factor authentication feature in MemberDirect was implemented on June 6, 2022, and approximately 150 members have already signed up. He noted that the implementation is going smoothly.

**BRIEFING ON HISTORICAL DATA – RETIREMENTS AND  
REFUND OF CONTRIBUTIONS**

Mr. Schott provided the Board a report showing the number of fire and police members who had separated from service, whether through retirement or otherwise.

**FINANCIAL REPORTS FOR PERIODS ENDING APRIL 30, 2022,  
AND MAY 31, 2022**

The Statement of Net Plan Assets for the period ending May 31, 2022, were \$3,735,653,275.

**COMMITTEE  
REPORTS:****DISABILITY COMMITTEE**

Mr. Foster reported the Disability Committee did not meet this month. He reminded the Board that there is one regular disability pension application pending, and the applicant is being scheduled for independent medical evaluations, in accordance with our process. Upon receipt of those evaluations, the Committee will meet to review the reports and make a recommendation to the Board.

**LEGISLATIVE COMMITTEE**

Mr. Meade reported the Legislative Committee did not meet this month but is continuing to monitor the Fund's investment performance closely to determine whether any benefit improvements can be included in the 2023 Legislative Package. He noted that even if benefit improvements are not possible, the Committee still plans to file a Legislative Package to effect the cleanup language changes that were developed over the past two sessions. Mr. Meade stated further that staff is still waiting on feedback from the Fire Association on their concerns with the draft Slayer provision and any of the other proposed language changes.

**INVESTMENT COMMITTEE**

Mr. Reed reported the Investment Committee met on Wednesday, June 22nd. The meeting started with an update on the core open-end real estate search. In April, the Committee chose to conduct on-site due diligence visits with Principal, IDR, Intercontinental, PRISA, Prime, and Townsend Real Estate Fund. Mr. Cary Hally and Chairman Smith conducted the visits and shared their perspectives of the meetings. The Committee, Townsend and staff discussed the pros and cons of each manager, along with current market dynamics and fund investment queues. After discussion, the Committee decided to invite Principal, IDR, and PRISA to a future Committee meeting for finalist interviews.

The next item was the Covenant Apartment Fund XI re-up opportunity. Fund XI will continue its value-add investment strategy with multifamily properties, primarily in the Sun Belt region of the United States. It will attempt to acquire discounted apartment communities in well located areas and reposition each asset through renovations and re-leasing strategies. Fund XI targets a net internal rate of return of 16% to 18% and net multiple of 1.6x to 1.8x. The Pension Fund has invested in four of Covenant's previous funds (Funds VII through X), and returns have consistently met or exceeded expectations. After discussion, the Committee voted to recommend to the Board to commit \$20 million to Covenant Apartment Fund XI. Mr. Reed made a motion on behalf of the Committee to approve



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

Next, the Committee reviewed the Charlesbank Credit Opportunities Fund III re-up opportunity. Fund III's strategy will focus on deploying credit investments in high-quality, middle market companies across five sectors. Fund III will offer investors the ability to invest in the "Main Fund" as well as in a "Performing Sleeve". With a net mid-teens IRR target, the Main Fund will invest in both primary and secondary market investments across the entire capital structure, including loans, bonds, convertible bonds, and preferred equity. The strategy is designed to be opportunistic and invest capital between performing, special situation and distressed credit opportunities. The Performing Sleeve targets a net IRR of 8% to 10% through primary and secondary market investments but focuses solely on first and second lien loans of performing businesses. The Performing Sleeve management fee will be waived for investors who choose to invest in both the Main Fund and Performing Sleeve. After discussion, the Committee voted to recommend to the Board to commit \$30 million to Charlesbank Credit Opportunities Fund III, with \$20 million allocated to the Main Fund and \$10 million allocated to the Performing Sleeve. Mr. Reed made a motion on behalf of the Committee to approve the recommendation. The motion was seconded by Mr. Meade, and it carried unanimously.

The final item on the agenda was the Angelo Gordon Twin Brook Evergreen Fund re-up opportunity. This Fund will provide corporate financing support, predominantly in the form of floating rate senior secured loans, including revolvers and first lien loans, to middle market, private equity sponsored firms. The Pension Fund invested in the two previous drawdown funds, Angelo Gordon Direct Lending Funds III and IV. The Evergreen Fund is a new structure and targets a net IRR of 10% to 13%, inclusive of quarterly income distributions of 6% to 8% annualized. After discussions, the Committee voted to recommend to the Board to commit \$25 million to the Angelo Gordon Twin Brook Evergreen Fund. Mr. Reed made a motion on behalf of the Committee to approve the recommendation. The motion was seconded by Mr. Foster, and it carried unanimously.

#### **SAN ANTONIO F & P PROPERTY HOLDING CORPORATION**

President Meade reported the Property Holding Corporation met this month to receive a leasing update from Sullivan Commercial and an update from CBRE on the sale of the two Shavano Center buildings.

On the leasing update, Sullivan informed the Corporation that Shavano Center III is 91% leased with only 4,000 feet available, and Shavano Center IV remains 100% leased. There is strong demand for space in both buildings. Parkway Center is 100% leased on the first floor but still has the

25,000 feet available on the second floor. However, Sullivan noted that the Healthcare Fund had just signed an Amendment to their current lease to relocate from their current offices on the first floor into a suite of approximately 7,500 feet on the second floor. Sullivan also reported that it has received interest from other potential tenants in additional spaces on the second floor. As such, the Corporation voted to authorize Sullivan Commercial to begin dividing up the 25,000 feet of space upstairs as necessary.

Next, the Corporation received an update from CBRE on the sale of the two Shavano buildings. CBRE presented the Corporation its proposed Sales Package and outlined their anticipated timeline for marketing the buildings and receiving offers. Their goal is to have the buildings under contact by mid-August.

**DISBURSEMENTS:** Mr. Meade made a motion to approve the disbursements. The motion was seconded by Mr. Griffin, and it was approved unanimously.

**MEMBERS TO  
BE HEARD:** None.

**ADJOURNMENT:** Mr. Meade made a motion to adjourn the meeting at 11:50 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 JULY 26, 2022.**

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**Jim Smith, Chairman**

**ATTEST:**

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**Dean Pearson, Vice Chairman**