

**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
July 26, 2022**

PRESENT: Chairman Jim Smith, Police Representative; Vice Chairman Dean Pearson, Fire Representative; Secretary Councilman Clayton Perry; Jimmy Foster, Police Representative; Larry Reed, Fire Retiree Representative.

ABSENT: Harry Griffin, Police Retiree 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 9:32 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.

The Board then recessed to Executive Session at 9:33 a.m. pursuant to Texas Gov. Code § 551.071, and reconvened at 9:44 a.m.

MINUTES: Secretary Councilman Perry moved to approve the minutes of the Regular Board Meeting of June 28, 2022. The motion was seconded by Vice Chairman Pearson, and it carried unanimously.

**EDUCATIONAL
OPPORTUNITIES**

PRESENTATIONS: Chairman Smith gave a brief presentation on the Koried Global Summit Conference which he had attended. Chairman Smith reported that the conference was informative and interesting, and he encouraged his fellow trustees to attend in the future. He also noted that the Pension Fund is frequently invited to serve as panelists and presenters at the conference.

**EDUCATIONAL
OPPORTUNITIES**

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

1. Opal Public Funds Summit East
July 18-20, 2022
2. Koried Global Summit
July 20-22, 2022

3. Pension Bridge Private Equity Exclusive
July 25-26, 2022

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

**APPLICATIONS
AND REFUND OF**

CONTRIBUTIONS: Vice Chairman Pearson made a motion, seconded by Secretary Councilman Perry, to approve the following Service Pension Applications, Beneficiary Applications and Refund of Contributions. The motion carried unanimously:

Service Pensions

1. A 32 year, 8 month service pension for Police Sergeant Daniel P. Alonzo, effective July 1, 2022.
2. A 34 year, 2 month service pension for Deputy Fire Chief William Meade, effective July 1, 2022.
3. A 29 year, 1 month service pension for Police Sergeant Robert Martinez, effective July 14, 2022.
4. A 29 year, 2 month service pension for Police Sergeant James J. Montanio, effective July 16, 2022.
5. A 28 year, 3 month service pension for Fire Engineer Roland Alicea, effective August 1, 2022.
6. A 26 year, 6 month service pension for Fire Engineer Michael Darrell Collins, effective August 1, 2022.
7. A 33 year, 7 month service pension for Police Detective Guy L. Durden, effective August 1, 2022.
8. A 31 year, 9 month service pension for Police Detective Gerald W. Faulkner, effective August 1, 2022.
9. A 32 year, 7 month service pension for Police Officer Dwayne Harlan, effective August 1, 2022.
10. A 25 year, 2 month service pension for Police Officer Eddie W. Holland, effective August 1, 2022.

11. A 32 year, 3 month service pension for Fire Engineer Mario Nerio, effective August 1, 2022.
12. A 33 year, 4 month service pension for Fire Lieutenant Edward L. Olmo, effective August 1, 2022.
13. A 34 year, 9 month service pension for Police Sergeant Michael K. Riggs, effective August 1, 2022.
14. A 33 year, 4 month service pension for Fire Engineer Ernest Salazar, effective August 1, 2022.
15. A 25 year, 2 month service pension for Police Sergeant Gregory N. Smith, effective August 1, 2022.
16. A 39 year service pension for Police Sergeant Monica E. Tedford, effective August 1, 2022.

Chairman Smith acknowledged Fire Engineer Roland Alicea who was in attendance to offer congratulations on behalf of the Board and to thank him for his service.

Beneficiary Pensions

1. A beneficiary pension for Mrs. Jacquelin R. Zavala, widow of retired Police Officer Paul E. Zavala, effective June 8, 2022.
2. A beneficiary pension for Isabella N. Zavala, dependent of retired Police Officer Paul E. Zavala, effective June 8, 2022, guardianship pending.
3. A beneficiary pension for Mrs. Teresa Cano, widow of retired Fire Fighter Mark Daniel Cano, effective June 23, 2022.
4. A beneficiary pension for Mrs. Shelia Burrow, widow of retired Fire Lieutenant Robert Lee Burrow, effective June 29, 2022.
5. A beneficiary pension for Mrs. Sylvia B. Soto, widow of retired Fire Engineer David Soto, Jr., effective July 1, 2022.

Chairman Smith acknowledged the family members of retired Police Officer Paul E. Zavala who were in attendance and extended sincere condolences on behalf of the Board.

Refund of Contributions

1. A 4 year, 1 month refund of contributions for Police Officer Ryan Adam Cahill, effective April 16, 2022.
2. A 1 year, 6 month refund of contributions for Police Officer Matthew S. Mitchell, effective June 12, 2022.
3. A 1 year, 4 month refund of contributions for Police Officer Thaddeus J. Kwapich, effective June 30, 2022.
4. A 4 year, 3 month refund of contributions for Police Officer Joshua Ty Dennis, effective July 2, 2022.
5. A 5 year, 10 month refund of contributions for Police Officer Samantha Juarez, effective July 10, 2022.
6. A 3 year, 4 month refund of contributions for Police Officer Austin R. Shaw, effective July 11, 2022.
7. A 5 year, 10 month refund of contributions for Police Officer Christian Rios, effective July 17, 2022.

Secretary Councilman Perry inquired whether the Pension Fund collected information from Refund Applicants about the reasons for their separation from service. Chairman Smith noted that the Human Resources Department of the City of San Antonio likely collected that information as part of the “exit interview” process. Mr. Schott advised that the Pension Fund does not collect that information from Refund Applicants and that he will inquire with the City of San Antonio to see if it does.

**EXECUTIVE
DIRECTOR
REPORT:****TEMPORARY COMMITTEE APPOINTMENTS**

Mr. Schott reported that because of the vacancy left by Trustee Meade, Chairman Smith had modified the committee assignments, effective July 11, 2022, as reflected in the Temporary Committee Appointments document. Once the vacancy for the Active Fire Trustee position has been filled, Chairman Smith will make permanent Committee assignments.

ACTIVE FIRE TRUSTEE SPECIAL ELECTION SCHEDULE

Mr. Schott provided the Board with a proposed Election Schedule to fill the unexpired term (through May 2023) for the Active Fire Trustee (formerly occupied by Vance Meade). Mr. Reed made a motion, seconded by Secretary Councilman Perry, to approve the Election Schedule as presented. The motion carried unanimously.

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 MAY 31, 2022 AND JUNE 30, 2022

The Statement of Net Plan Assets for the period ending June 30, 2022, were \$3,597,474,346. Secretary Councilman Perry asked Staff to follow-up with the Pension Fund's Investment Managers with regard to any "strategic plans" they have in place to recover from the recent losses sustained in this market.

COMMITTEE REPORTS:**PERSONNEL/AUDIT COMMITTEE**

Mr. Foster reported the Personnel/Audit Committee did not meet this month, but that the auditors were in attendance to provide the Annual Audit to the Board. Mr. Foster invited Jody Hillenbrand and JR Vogel of BDO to present their report of the Annual Audit. After the presentation, Mr. Foster made a motion, seconded by Vice Chairman Pearson, to approve the 2021 Annual Audit as presented. The motion carried unanimously.

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 scheduled for independent medical evaluations in July and August. Once the evaluation reports have been received, the Committee will meet to review them and make a recommendation to the Board. Mr. Foster also noted that he will be scheduling a meeting in early August for the Committee to review the 2021 tax returns for all the disability pensioners under the age of 65, as required by the Pension Law.

LEGISLATIVE COMMITTEE

Vice Chairman Pearson reported the Legislative Committee did not meet this month. He noted that late last week, the Fire Association had informed Staff that the Association continues to be concerned with the proposed “slayer” language, but they have been unable to develop any alternative language. Vice Chairman Pearson stated that he will schedule a Committee Meeting in early August and will invite all the constituent groups to attend and ask them to be prepared with any further changes they would like to see. If no changes are presented, the Committee will review and finalize the Legislative Package and provide a recommendation to the Board at the August Board Meeting. Once the Package has been approved by the Board, we will begin the process of getting letters of support from the three associations and the City of San Antonio with the intent of pre-filing the Bill in November or December.

INVESTMENT COMMITTEE

Mr. Reed reported that the Investment Committee met on Monday, July 25th. The meeting started with finalist presentations for the core open-end real estate search. Representatives from IDR, Principal, and PRISA were in attendance and each presented their strategies. After the presentations, the Committee, Townsend, and staff reviewed the characteristics of each fund, and discussed the pros and cons of each. After discussion, the Committee voted to recommend to the Board to commit \$25 million to IDR. Mr. Reed made a motion on behalf of the Committee, seconded by Mr. Foster, to approve the Committee recommendation. The motion carried 4 to 1, with Mr. Reed opposing.

Next, the Committee discussed initiating an Emerging Manager Private Equity Search. Staff noted the various risks involved with committing to a first-time private equity fund, including a lack of vintage year diversification, and recommended capping any commitment at \$10 million. The Committee considered potential parameters to mitigate the risks. The Committee also discussed whether Attucks or NEPC would be best suited for completing the necessary review and due diligence, as well as the potential costs associated with the search. After discussions, the Committee voted to recommend to the Board to launch an Emerging Manager Private Equity Search for an expected \$10 million mandate and to work with NEPC to determine the costs for the Search. Mr. Reed made a motion on behalf of the Committee, seconded by Mr. Foster, to approve the Committee recommendation. The motion carried unanimously.

SAN ANTONIO F & P PROPERTY HOLDING CORPORATION

Chairman Smith reported the Property Holding Corporation did not meet this month. He stated that CBRE has begun actively marketing the two Shavano buildings and conducting property tours. CBRE is intending to work with potential buyers over the next month and begin accepting offers through mid-August. CBRE will continue to update the Corporation on the marketing and sales process.

DISBURSEMENTS: Vice Chairman Pearson made a motion to approve the disbursements. Mr. Reed seconded the motion, and it was approved unanimously.

**MEMBERS TO
BE HEARD:** None.

ADJOURNMENT: Mr. Reed made a motion to adjourn the meeting at 11:02 a.m. The motion was seconded by Vice Chairman Pearson, and it carried unanimously.

**APPROVED BY THE BOARD OF TRUSTEES AT THE REGULAR
MEETING HELD ON AUGUST 30, 2022.**

Jim Smith, Chairman

ATTEST:

Dean Pearson, Vice Chairman