

**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 28, 2021**

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

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

**OTHERS
PRESENT:** Warren Schott, Mark Gremmer, Cary Hally, Gail Jensen, Rick Matye, Giovanni Nunez, Wesley Levanduski, Pension Fund Staff; Frank Burney, Martin & Drought.

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

**COMMITTEE
REPORTS:**

PERSONNEL/AUDIT COMMITTEE

Mr. Griffin reported that the Personnel/Audit Committee did not meet this month, but that representatives from BDO were in attendance to present the Annual Audit to the Board. Jody Hillenbrand and JR Vogel of BDO were invited to present their report of the Annual Audit. After the presentation, Mr. Griffin moved to approve the 2020 Audit as presented. The motion was seconded by Mr. Reed, and it carried unanimously.

INVESTMENT COMMITTEE

Mr. Reed reported that the Investment Committee met on Wednesday, July 21, 2021. The meeting started with an update from NEPC about the ongoing Private Market Real Assets Search. Mr. Reed reminded the Board that the search was initiated after the Board's decision in June to utilize a more standard search process to identify a new manager in the Real Assets space, rather than simply adopting the recommendation of NEPC and the Investment Committee to invest in Melody Communications Infrastructure Fund II. At the July Investment Committee meeting, NEPC presented the Investment Committee with four candidates for further due diligence: Melody Communications Infrastructure Fund II, Stonepeak Infrastructure Fund IV, Tiger Infrastructure Partners Fund III, and Entrust Blue Ocean Onshore Fund II. After discussion, the Investment Committee voted to do further due diligence on all four candidates. Mr. Reed noted that site visits with the four managers have been scheduled for the week of August 9th, and any Trustees interested in attending should coordinate with the Chief Investment Officer as soon as possible.

The Committee next received virtual presentations from candidates for the ongoing Attucks Emerging Manager Small/SMID Cap Equity search, including Granite Investment Partners, Lisanti Capital Growth, and Summit Creek Advisors. After discussion with Attucks, the Investment Committee voted to recommend to the Board to sell \$20 million from the Russell 1000 Core Index and use those funds to invest \$20 million in Summit Creek Advisors SMID Cap Growth. Mr. Reed made a motion on behalf of the Committee to approve. The motion was seconded by Mr. Foster, and it carried unanimously.

The final item on the agenda involved rebalancing. Mr. Reed explained that the Pension Fund has received distributions from private market investments and continues to receive redemptions from the liquidation of the Hedge Fund portfolio, resulting in the Pension Fund's cash level being over 2% of the Fund. The Committee focused on rebalancing cash into fixed income, where the Pension Fund is under the policy target in both Core Fixed Income and Unconstrained Fixed Income. After discussion the Investment Committee voted to recommend to the Board to move \$40 million out of the Cash Account and use those funds to add \$20 million to the Garcia Hamilton portfolio and \$20 million to the Payden & Rygel portfolio. Mr. Reed then made a motion on behalf of the Committee to approve. The motion was seconded by Mr. Griffin, and it carried unanimously.

DISABILITY COMMITTEE

Mr. Foster reported that the Disability Committee met last week to discuss a disability pensioner that had not turned in their 2019 Tax Return as required by the Pension Law. Mr. Foster reminded the Board that in February, the Board had stopped the direct deposit for this individual until the individual submitted the tax return. At the Committee Meeting, staff informed the Committee that the individual had submitted the tax return and therefore recommended the Board re-instate the direct deposit. On a vote of 2-1, the Committee concurred and approved a recommendation to the Board to re-instate the direct deposit. Mr. Foster made a motion on behalf to reinstate the direct deposit for the disability pensioner, based on the pensioner's compliance with the Pension Law. The motion was seconded by Mr. Reed, and it passed unanimously.

Mr. Foster reported that this same disability pensioner also had been directed by the Board to undergo a medical re-examination, as allowed under the Pension Law. The pensioner was re-evaluated by two independent physicians who both confirmed the individual is permanently disabled. The Committee reviewed the doctors' reports, but no action was taken.

Mr. Foster reminded the Board that there is still one regular disability application pending and the individual is currently being scheduled for medical evaluation by two independent physicians. Once the evaluations

have been conducted and the reports have been received, the Committee will review them and bring a recommendation to the Board.

Lastly, Mr. Foster advised the Board that Vice Chairman Pearson will be scheduling another Committee meeting in August to review the 2020 tax returns for all the disability pensioners under the age of 65.

MINUTES: Mr. Griffin moved to approve the minutes of the regular board meeting of June 30, 2021. The motion was seconded by Mr. Reed, and it carried unanimously.

**EDUCATIONAL
OPPORTUNITIES**

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

1. IREI Fall Editorial Advisory Board Meeting
September 1-3, 2021
2. Kayne Anderson Client Conference
September 8-9, 2021
3. SALT Conference
September 13-15, 2021
4. NCPERS FALL Conference
September 26-28, 2021

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

**APPLICATIONS
AND REFUND OF**

CONTRIBUTIONS: Mr. Reed made a motion, seconded by Mr. Griffin, to approve the following pension applications, refund of contributions and beneficiary pensions, and it carried unanimously:

Service Pensions

1. A 23 year, 1 month service pension for Police Detective Mark A. Rodriguez, effective July 1, 2021.
2. A 25 year service pension for Police Sergeant Shane A. Nagy, effective July 2, 2021.
3. A 26 year, 5 month service pension for Police Officer Richard N. Long, effective July 25, 2021.
4. A 32 year, 1 month service pension for Police Officer Eduardo San Miguel, effective July 30, 2021.
5. A 33 year, 3 month service pension for Fire Engineer Bryan M. Ackley, effective August 1, 2021.

6. A 32 year, 10 month service pension for Fire Engineer Timothy R. Bays, effective August 1, 2021.
7. A 32 year, 4 month service pension for Fire District Chief Mark Christopher Black, effective August 1, 2021.
8. A 32 year, 4 month service pension for Fire Engineer Charlie Patrick Dubose, effective August 1, 2021.
9. A 32 year, 4 month service pension for Fire Engineer Pete Anthony Garcia , effective August 1, 2021.
10. A 35 year, 6 month service pension for Fire Fighter Rogelio G. Garcia, effective August 1, 2021.
11. A 32 year, 4 month service pension for Fire Fighter David Keith Giesick, effective August 1, 2021.
12. A 31 year, 8 month service pension for Fire District Chief Connie L. Hall, effective August 1, 2021.
13. A 33 year, 9 month service pension for Fire Captain Joe David Hernandez, effective August 1, 2021.
14. A 34 year, 7 month service pension for Fire Engineer Alfred R. Noriega, effective August 1, 2021.
15. A 37 year, 4 month service pension for Fire Engineer Michael D. Puzon, effective August 1, 2021.
16. A 32 year, 1 month service pension for Police Sergeant Dean R. Reuter, effective August 1, 2021.
17. A 31 year, 1 month service pension for Police Detective Jesus Rivera, effective August 1, 2021.
18. A 28 year, 3 month service pension for Police Captain Troy Ray Torres, effective August 1, 2021.
19. A 32 year, 4 month service pension for Fire Battalion Chief Walter R. Yates, effective August 1, 2021.
20. A 34 year, 10 month service pension for Fire Fighter John R. Zorola, effective August 1, 2021.
21. A 33 year, 2 month service pension for Police Officer David C. Clare, effective August 2, 2021.
22. A 27 year service pension for Police Detective Carl R. Bratton, effective August 4, 2021.
23. A 30 year, 7 month service pension for Police Officer Holeonel E. Haliburton, effective August 6, 2021.

24. A 29 year, 6 month service pension for Police Officer James A. Rodriguez, effective September 1, 2021.

Beneficiary Pensions

1. A lump sum death benefit to the Estate of Active Police Officer James V. Redus, effective June 7, 2020.
2. A beneficiary pension for Mrs. Alma Jackson, widow of Retired Police Sergeant Christopher R. Jackson, effective June 27, 2021.
3. A beneficiary pension for Mrs. Opal Trevino, widow of Retired Fire Engineer Michael Trevino, effective June 30, 2021.

Refund of Contributions

1. An 8 month refund of contributions for Police Officer Stephen A. Harris, effective May 5, 2021.
2. A 9 year, 3 month refund of contributions for Police Officer Jessica Medrano, effective July 2, 2021.
3. A 1 year, 1 month refund of contributions for Police Officer Jeremy S Brett, effective July 7, 2021.

EXECUTIVE DIRECTOR REPORT:

FIRE/POLICE RETIREMENT PLAQUE PRESENTATIONS UPDATE

Mr. Schott reminded the Board that the 2019 Fire Retirement Plaque Presentation and the 2020 Fire/Police Retirement Plaque Presentations had been postponed due to COVID-19. He noted that most of the retirees had received their plaques – either by picking them up at the Pension Fund Office or by having them delivered to them. He will continue to monitor the COVID-19 situation, and will come back to the Board about potential dates for rescheduling the postponed presentations.

STRATEGIC PLANNING RETREAT

Mr. Schott reported that he has been exploring potential venues for the Strategic Planning Retreat and is considering dates in November. He encouraged the Trustees to provide him with input regarding alternate dates, suggested topics, and possible venues.

BRIEFINGS ON HISTORICAL DATA

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) and the number of fire and police members in cadet classes over the past 7 years.

FINANCIAL REPORTS FOR PERIOD ENDING JUNE 30, 2021

The Statement of Net Plan Assets for the period ending June 30, 2021, were \$3.95 billion.

COMMITTEE REPORTS:

LEGISLATIVE COMMITTEE

Mr. Reed reported that the Legislative Committee did not meet this month, but that he was informed by Staff that they are in the process of revising the Board's QDRO Policy to comply with the new legislation authorizing QDROs to be used for child support obligations. The new law takes effect September 1, 2021, so the Board will need to approve an updated policy at next month's Board Meeting. He plans to schedule a Committee Meeting sometime in the next few weeks to review the revisions to the Policy and the Committee will bring a recommendation to the Board at next month's Board Meeting.

SAN ANTONIO F & P PROPERTY HOLDING CORPORATION

Secretary Schott reported that the Property Holding Corporation did not meet this month, but it will be scheduling a meeting in August to discuss the performance of the three buildings as well as the leasing options for the vacant 25,000 square feet on the second floor of this building. Sullivan Commercial will be providing options and costs associated with dividing the space, and he encouraged everyone to attend the meeting if possible.

DISBURSEMENTS: Mr. Reed made a motion to approve paying the bills. The motion was seconded by Secretary Councilman Perry, and it was approved unanimously. (See attached disbursements dated July 28, 2021).

MEMBERS TO BE HEARD:

None.

The Board then recessed to Executive Session at 10:03 a.m., pursuant to Texas Gov. Code § 551.071, § 551.078 and § 551.0785, and reconvened at 10:24 a.m.

ADJOURNMENT: Councilman Secretary Perry moved to adjourn the meeting at 10:24 a.m. The motion was seconded by Mr. Griffin, and it carried unanimously.

**APPROVED BY THE BOARD OF TRUSTEES AT THE REGULAR
MEETING HELD ON AUGUST 25, 2021.**

Jim Smith, Chairman

ATTEST:

Dean Pearson, Vice Chairman