

MINUTES
INVESTMENT COMMITTEE MEETING
FIRE AND POLICE PENSION FUND, SAN ANTONIO
MONDAY, JANUARY 24, 2022
PENSION OFFICE
9:30 A.M.

Roll Call	Mr. Reed called the meeting to order at 9:32 AM
Committee Members Present	Larry Reed, Fire/Retiree Representative; Jimmy Foster, Police Representative; Harry Griffin, Police/Retiree Representative
Committee Members Absent	Dean Pearson, Fire Representative; Vance Meade, Fire Representative
Others Present	Warren Schott, Executive Director; Cary Hally, Chief Investment Officer; Giovanni Núñez, Investment Analyst; Wesley Levanduski, Investment Analyst; Gail Jensen, General Counsel

Approval of Minutes of December 15, 2021

- Discussions arose regarding the real estate target. In 2020, the Pension Fund conducted an Asset Liability Study where the Investment Committee voted for an asset allocation mix that decreased the real estate target from 9% to 7%. Although the target will remain at 7%, it was clarified that the Pension Fund will make a concerted effort to overweight the real estate allocation target by 2%, towards the upper end of the range for the asset class. Mr. Foster made a motion to approve the minutes of the December 15, 2021, Investment Committee meeting. The motion carried unanimously.

Ashmore Presentation

- Representatives from Ashmore conducted a virtual presentation. Their Blended Debt strategy returned -9.5% in 2021 and underperformed the benchmark by 5.6%. Ashmore acknowledged the underperformance and attributed it to corporate debt exposure, in particular Chinese corporate debt. They remain committed to China's property sector corporate debt and expect the local currency strategy to drive performance in 2022.
- NEPC maintains a positive outlook towards emerging markets debt and Ashmore remains on their preferred list. No action was taken.

Attucks Emerging Manager Program Performance Update

- Representatives from Attucks conducted a virtual presentation. Discussions were held on the main differences between Attucks' and NEPC's performance reports for the program. Attucks provided a detailed review of the current portfolio, which returned 16.9% net for the trailing 12 months from November 30, 2021, 0.4% below the custom benchmark. Overall, Attucks is comfortable with the current portfolio, but they will continue to monitor the underperforming managers.

Emerging Manager Program Review and Appropriate Follow-up Actions, Including Rebalancing and Terminations

- The Investment Committee discussed appropriate follow-up actions regarding Attucks and the Emerging Manager program. After discussion, no action was taken.

Top Tier Venture Velocity Fund 4 Re-up Commitment

- The Investment Committee discussed a re-up opportunity with Top Tier Venture Velocity Fund 4. The Pension Fund committed to Top Tier Venture Velocity Fund 3 in 2020.
- Consistent with Fund 3, Fund 4 will invest in venture capital partnerships and companies via secondaries and co-investments. After discussion, Mr. Foster made a motion to recommend to the Board to commit \$20 million to Top Tier Venture Velocity Fund 4. The motion carried unanimously.

Adjournment: Mr. Griffin made a motion to adjourn at 12:29 PM. The motion carried unanimously.

Approved this ____ day of _____, 2022.

Larry Reed, Investment Committee Chairman