

MINUTES
INVESTMENT COMMITTEE MEETING
FIRE AND POLICE PENSION FUND, SAN ANTONIO
WEDNESDAY, AUGUST 18, 2021
PENSION OFFICE
9:00 A.M.

Roll Call	Mr. Reed called the meeting to order at 9:05 AM
Committee Members Present	Larry Reed, Fire/Retiree Representative; Harry Griffin, Police/Retiree Representative; Dean Pearson, Fire Representative; Jimmy Foster, Police Representative; Vance Meade, Fire Representative
Committee Members Absent	None
Others Present	Jim Smith, Police Representative; Warren Schott, Executive Director; Cary Hally, Chief Investment Officer; Giovanni Núñez, Investment Analyst; Wesley Levanduski, Investment Analyst; Gail Jensen, General Counsel; Mark Gremmer, Deputy Director

Approval of Minutes of July 21, 2021

- Mr. Pearson made a motion to approve the minutes of the July 21, 2021, Investment Committee meeting. The motion carried unanimously.

Private Market Real Assets Search Presentations

- The four finalists, Entrust Blue Ocean Onshore Fund II, Melody Communications Infrastructure Fund II, Stonepeak Infrastructure Fund IV, and Tiger Infrastructure Partners Fund III presented their investment capabilities. After discussions with NEPC about each manager and the Pension Fund's remaining investment capacity in the Real Assets space, Mr. Griffin made a motion to recommend to the Board to commit \$20 million to Melody Communications Infrastructure Fund II and \$20 million to Tiger Infrastructure Partners Fund III. The motion carried unanimously.

NEPC Quarterly Performance Update

- NEPC provided a quarterly performance review of the portfolio and overall markets. For the second quarter of 2021, the Pension Fund returned 5.5%, and 7.5% year-to-date. At the end of the second quarter, the Pension Fund's market value is approximately \$3.95 billion. Although inflation has increased materially since January 2021, U.S. Equities and Non-U.S. Equities were up 7.7% and 7.3% for the quarter, respectively. Overall, the Pension Fund's performance remains strong. No action was taken.

Private Debt MGG SF Evergreen Fund Additional Commitment

- The Committee was presented with an additional commitment opportunity for the MGG SF Evergreen Fund. The MGG SF Evergreen Fund primarily makes loans to non-sponsored U.S. companies in the lower to middle market and on complex and special situations that are often

avoided by other lenders. In 2019, the Pension Fund committed \$15 million, and as of March 31, 2021, the net IRR is 7.98% and the TVPI is 1.14x. The Committee noted that the Pension Fund's Private Debt annual commitment target was recently increased to \$125 million, with \$25 million committed to this space year-to-date.

- After discussion with NEPC, Mr. Foster made a motion to recommend to the Board to contribute an additional \$25 million to the MGG SF Evergreen Fund. The motion carried unanimously.

Adjournment: Mr. Griffin made a motion to adjourn at 12:54 PM. The motion carried unanimously.

Approved this ____ day of _____, 2021.

Larry Reed, Investment Committee Chairman