

MINUTES
INVESTMENT COMMITTEE MEETING
FIRE AND POLICE PENSION FUND, SAN ANTONIO
WEDNESDAY, NOVEMBER 22, 2017
PENSION OFFICE – 9:00 A.M.

Roll Call	Mr. Reed called the meeting to order at 9:00 A.M.
Committee Members Present	Dean Pearson, Fire Representative; J.T. Trevino, Fire Representative; Larry Reed, Fire/Retiree Representative; Jim Smith, Police Representative;
Committee Members Absent	Harry Griffin, Police/Retiree Representative;
Others Present	Warren Schott, Executive Director; Matthew O'Reilly, CIO; Gail Jensen, General Counsel; Sinclair Nagy, Investment Analyst; Jason Hsu, Investment Analyst; Keith Stronkowsky, NEPC;

Mr. Reed called the meeting to order at 9:00 AM

Approval of Minutes on September 20, 2017 and October 18, 2017

- Mr. Pearson made the motion to approve the minutes of the September 20, 2017 and October 18, 2017 Investment Committee meetings. The motion carried unanimously.

NEPC Quarterly Performance Review

- A representative from NEPC updated the Investment Committee on SAFP's performance for the third quarter. SAFP has returned 3.4% for the third quarter, ranking 63rd among its peers. On a year-to-date basis through September 30th, the Fund has returned 10.4%.

Large Cap Value Search Update

- The Investment Committee held a discussion with staff and NEPC regarding the large cap value search. Mr. Trevino made the motion to continue due diligence on The London Company of Virginia, Barrow, Hanley, Mewhinney & Strauss, Bridgeway Capital Management, and Cooke & Bieler. The motion carried unanimously.

Emerging Manager Rebalance and Termination

- Discussions were held regarding the current emerging manager portfolio. Mr. Trevino made the motion to terminate Matarin Capital Management and Redwood Investments. The motion carried unanimously.
- Additional discussions were held regarding the remaining managers. Mr. Trevino made the motion to rebalance to the following (the motion carried unanimously):
 - \$8 million to Strategic Global Advisors
 - \$2 million to Thomas White International
 - \$2 million to Altum Capital Management
 - \$6.7 million to our Russell 1000 Index

Macro Hedge Fund Search

- Mr. Trevino made the motion to start a search for a macro hedge fund. The motion carried unanimously.

Siguler Guff GEM IV Update / Additional Commitment

- Discussions were held regarding Siguler Guff’s Global Emerging Markets Opportunities Fund IV. SAFF had already committed \$15 million to the fund, with the fund calling just over half of the commitment through September 30, 2017. Siguler Guff presented the opportunity to make an additional commitment as they move closer to the end of their fundraising. Mr. Smith made the motion to commit an additional \$5 million to Siguler Guff Global Emerging Markets Opportunities Fund IV. The motion carried unanimously.

GCP Capital Partners IV Re-Up

- Discussions were held regarding Greenhill Capital Partners III and GCP Capital Partners IV. GCP presented the opportunity to purchase additional shares in Greenhill Capital Partners III in a secondary transaction, as well as an opportunity to commit to their newest fund, GCP Capital Partners IV. Mr. Pearson made the motion to allocate up to \$15 million across the Greenhill Capital Partners III secondary and GCP Capital Partners IV. The motion carried unanimously.

WTI Venture Lending & Leasing IX Re-Up

- Discussions were held regarding a re-up opportunity with WTI Venture Lending & Leasing IX. WTI is raising their ninth institutional fund focusing on venture debt. The Pension Fund has invested in all of the previous eight funds. Mr. Trevino made the motion to commit \$15 million to Venture Lending & Leasing IX. The motion carried unanimously.

NCPERS Code of Conduct

- Discussions were held regarding NCPERS Code of Conduct for Public Pension Service Providers. NCPERS has developed an objective process to determine whether certain organizations engage in activities that seek to diminish public pension sustainability. They have created a list of approximately 30 organizations and asked us if we were aware of any firms that needed to be added to the list. The Committee was not aware of any firms and took no action on this item.

ADJOURNMENT: Mr. Smith made a motion to adjourn at 11:22AM, which carried unanimously.

Approved this ____ day of _____, 2017.

Larry Reed, Investment Committee Chairman