

**MINUTES**  
**INVESTMENT COMMITTEE MEETING**  
**FIRE AND POLICE PENSION FUND, SAN ANTONIO**  
**WEDNESDAY, DECEMBER 15, 2021**  
**PENSION OFFICE**  
**9:00 A.M.**

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

**Committee Members Present** Larry Reed, Fire/Retiree Representative; Jimmy Foster, Police Representative; Dean Pearson, Fire Representative; Vance Meade, Fire Representative; Harry Griffin, Police/Retiree Representative

**Committee Members Absent**

**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; Nancy Ybarra, Executive Assistant

**Approval of Minutes of November 17, 2021**

- Mr. Meade made a motion to approve the minutes of the November 17, 2021, Investment Committee meeting. The motion carried unanimously.

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

- The Investment Committee and Staff discussed the history and performance of the Emerging Manager Program. Mr. Griffin made a motion to terminate the Emerging Manager Program, including the Emerging Manager Consultant, Attucks, and all managers in the Emerging Manager Program except Seizert Capital Partners and EAM Investors, who would be transitioned into the Pension Fund's equity portfolio. After continued discussion, the motion failed unanimously.
- The Investment Committee determined that Attucks should be invited to the January 2022 Investment Committee meeting for further discussion.

**Real Estate Allocation Ranges**

- Discussions were held around the Pension Fund's current real estate asset allocation, the real estate strategic range of 4% to 10%, and target of 7%. As of November 30, 2021, the market value of assets invested by the Pension Fund in real estate is near the 7% target. While the range allows flexibility for continued real estate investments, the Investment Committee discussed making a concerted effort to increase investments in this asset class. Mr. Griffin made a motion to overweight the real estate allocation target by 2%. The motion carried unanimously.
- The Investment Committee then agreed to invite Townsend, the Pension Fund's real estate consultant, to the February 2022 Investment Committee meeting to discuss implementing the strategy.

## Private Markets Program Review

- Discussions were held regarding the possible role of a specialized private markets consultant. The Investment Committee noted its 2019 decision to expand the scope of the Pension Fund's general consultant, NEPC, to include private markets, rather than hiring a dedicated private markets consultant. The Investment Committee and Staff agreed that this decision was still the best course of action, but they discussed the possibility of retaining a specialized private markets consultant to conduct a one-time review of the Pension Fund's private markets portfolio. The discussion covered NEPC's private markets capabilities, the Pension Fund's option to request that NEPC underwrite a fund, the pros and cons of dedicated private markets consultants, and the potential biases that may impact the findings of any proposed review.
- After discussion, the Investment Committee directed Staff to invite several private markets consultants to future Investment Committee meetings to discuss their capabilities, their proposals for how such a review would be conducted, and the associated costs.

**Adjournment:** Mr. Foster made a motion to adjourn at 10:21 AM. The motion carried unanimously.

Approved this \_\_\_\_ day of \_\_\_\_\_, 2022.

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Larry Reed, Investment Committee Chairman