

**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  
June 30, 2021**

**PRESENT:** Chairman Jim Smith, Police Representative; Vice Chairman Dean Pearson, Fire Representative; Jimmy Foster, Police Representative; Vance Meade, Fire Representative; Larry Reed, Fire Retiree Representative; Councilwoman Dr. Adriana Rocha-Garcia; Secretary Councilman Clayton Perry, Mayoral Designee Justin Rodriguez.

**ABSENT:** Harry Griffin, Police Retiree Representative.

**OTHERS  
PRESENT:**

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

**ROLL CALL:** At 9:05 a.m., Chairman Smith called the meeting to order. Roll was called, and a quorum was declared present.

**OATH OF  
OFFICE:**

At this time Chairman Smith administered the following Oath of Office to Vice Chairman Dean Pearson.

I, Dean Pearson, hereby elected by the Active Fire members of the Fire and Police Pension Fund, San Antonio to serve as a Trustee of such Fund, do solemnly swear: that I will faithfully execute the duties of my office, recognizing the fiduciary standards that are a fundamental trust, duty and responsibility; that I will serve in this capacity exclusively for the benefit of the plan participants and their beneficiaries; that I have not directly or indirectly paid, offered, promised to pay, contributed, or promised to contribute any money or thing of value, or promised any public office or employment for the giving or withholding of a vote at the election at which I was elected; that I will, to the best of my ability, preserve, protect, and defend the Constitution and laws of the United States and of this State, so help me God.

The Board extended congratulations to Vice Chairman Pearson.

At this time, the board received the report from the Personnel/Audit Committee in order to accommodate the flight schedule of the representative from Segal Consulting, who would be presenting the Actuarial Report.

**COMMITTEE  
REPORT:**

**PERSONNEL/AUDIT COMMITTEE**

Mr. Meade reported that the Personnel/Audit Committee met yesterday to receive the Actuarial Valuation Report. He noted that typically, the

Committee would have received both the Actuary Report and the Annual Audit, but the Audit had not yet been completed, so it will be presented at next month's Board Meeting. Both reports are due to the State Pension Review Board by the end of July, so the Pension Fund still has sufficient time to meet the deadline.

Mr. Malichi Waterman of Segal Consulting was invited to present the Actuarial Valuation Report. After Mr. Waterman's presentation and some additional discussion, Mr. Reed moved to accept the Actuarial Valuation Report as presented. The motion was seconded by Vice Chairman Pearson, and it carried unanimously.

### **PLAQUE PRESENTATION-ROCKY JOYNER, SEGAL CONSULTANTS**

Chairman Smith presented a plaque on behalf of the Pension Fund Board and Staff to Mr. Rocky Joyner of Segal Consulting for his 15+ years of service working with the Pension Fund. The plaque was presented to Mr. Waterman as Mr. Joyner was unable to be in attendance. Mr. Waterman thanked the Board in Mr. Joyner's absence and expressed his appreciation.

Mr. Meade continued his report of the Personnel/Audit Committee by stating that it had been several years since the Pension Fund had held a Strategic Planning Retreat, and that if the Board was interested, the Committee would like to direct staff to begin planning another one. After some discussion, Mr. Schott advised that he would begin working on dates and topics for the retreat.

The Board then recessed to Executive Session at 9:36 a.m., pursuant to Texas Gov. Code § 551.071, § 551.078 and § 551.0785, and reconvened at 10:12 a.m.

Mayoral Designee Rodriguez entered the meeting at 9:28 a.m. Secretary Councilman Perry entered the meeting at 9:53 a.m.

### **MINUTES:**

Secretary Councilman Perry moved to approve the minutes of the regular board meeting of May 27, 2021. The motion was seconded by Vice Chairman Pearson, and it carried unanimously.

### **EDUCATIONAL OPPORTUNITIES**

Mr. Reed moved to authorize Board members and appropriate staff to attend the following conference:

1. Texpers Summer Educational Forum  
August 29-31, 2021
2. NCPERS Public Pension Funding Forum  
August 22-24, 2021

The motion was seconded by Mayoral Designee Rodriguez, and it carried unanimously.

**APPLICATIONS  
AND REFUND OF**

**CONTRIBUTIONS:** Mr. Reed made a motion, seconded by Mr. Meade, to approve the following pension applications:

Service Pensions

1. A 27 year, 1 month service pension for Police Officer Michael Todd Grogan, effective June 1, 2021.
2. A 30 year, 2 month service pension for Fire Fighter Patricia L. Henschel, effective June 1, 2021.
3. A 33 year, 7 month service pension for Fire Engineer Maria Lovelace, effective June 1, 2021.
4. A 30 year, 3 month service pension for Fire Fighter David Clarence Aunkst, effective July 1, 2021.
5. A 32 year, 1 month service pension for Police Sergeant Anthony S. Powers, effective July 1, 2021.
6. A 32 year service pension for Police Officer Vincent Tristan, effective July 1, 2021.
7. A 32 year, 4 month service pension for Police Lieutenant Scott Vincent Bell, effective August 1, 2021.
8. A 30 year, 5 month service pension for Police Officer Joseph L. Moore, Jr., effective August 1, 2021.
9. A 31 year, 3 month service pension for Fire Engineer Mark J. Olson, effective August 1, 2021.

Beneficiary Pensions

1. A beneficiary pension for Mrs. Debra S. Guevara, widow of Retired Fire Fighter Edward E. Guevara, effective May 4, 2021.
2. A beneficiary pension for Mrs. Thelma M. Thuleen, widow of Retired Police Officer Kenneth E. Thuleen, effective May 15, 2021.
3. A beneficiary pension for Mrs. Dolores Sawchak, widow of Retired Fire Captain Wesley Sawchak, effective May 28, 2021.

Refund of Contributions

1. A 4 year, 2 month refund of contributions for Police Officer Gregory Mickel, effective July 24, 2009.

2. A 11 month refund of contributions for Police Officer Raymond Johnson Obeng-Addae, effective March 04, 2019.
3. A 4 month refund of contributions for Police Officer David R. Villarreal, effective October 8, 2020.
4. A 10 month refund of contributions for Police Officer Andres C. Rivera, effective October 19, 2020.
5. A 1 year, 6 month refund of contributions for Police Officer Tristan V. Garcia, effective November 30, 2020.
6. A 7 month refund of contributions for Police Officer Carlos Robledo, effective January 5, 2021.
7. A 1 week refund of contributions for Police Officer Cole V. Dement, effective February 22, 2021.
8. A 12 year, 9 month refund of contributions for Police Officer Robert Encina, effective May 12, 2021.
9. A 6 year, 7 month refund of contributions for Police Officer Lucas J. Gleason, effective May 23, 2021.
10. A 3 year, 1 month refund of contributions for Police Officer Demarius Deshawn Ellis Holmes, effective May 28, 2021.
11. A 7 year, 5 month refund of contributions for Police Officer Lisa Miller, effective June 3, 2021.
12. A 1 year refund of contributions for Police Officer Patrick J. Cooper, effective June 6, 2021.

**COMMITTEE  
REPORTS:****DISABILITY COMMITTEE**

Mr. Foster reported that the Disability Committee met last week to conduct its final review of the Regular Disability Pension Application for Police Officer Jessica Medrano. Officer Medrano was evaluated by two independent physicians, in accordance with our process. After reviewing the doctors' evaluation reports and the other materials that had been submitted, as well as hearing from the Applicant, the Committee recommended the Board deny the Regular Disability Pension Application for Police Officer Jessica Medrano. Mr. Reed moved to approve the Committee's recommendation that Officer Medrano's application for a regular disability pension be denied. The motion was seconded by Secretary Councilman Perry, and it carried unanimously.

Mr. Foster also reported that the Disability Committee conducted its initial review of the Regular Disability Pension Application submitted by Police Officer Jaden Bender. Officer Bender submitted all the required documents so that her application was now complete, and the Police Chief had confirmed there is no position available for her in the Department. As

such, the Committee unanimously approved a recommendation to the Board to continue the process by sending Officer Bender to two independent physicians for further evaluation. Mr. Reed moved to approve the recommendation of sending Officer Bender to two independent physicians for further evaluation. The motion was seconded by Mr. Foster, and it carried unanimously.

**EXECUTIVE  
DIRECTOR  
REPORT:**

**RETIREE ASSOCIATION ON-SITE MEETINGS**

Mr. Schott informed the Board that the Retirees' Association had requested to resume its monthly meetings at the Pension Fund Office, and that if there were no objections from the Board, the meetings would resume in July. Mr. Michael Trainer and Mr. Charlie Ricketts of the Retirees' Association were present and thanked the Board for the use of the meeting room.

**COMMITTEE APPOINTMENTS**

Mr. Schott provided the Board a copy of the Committee appointments assigned by Chairman Smith, effective June 1, 2021.

**MID-YEAR STATEMENTS**

Mr. Schott informed the Board the mid-year statements will be going out to all members in July via the *Member-Direct* website.

**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. After some discussion, the Board directed staff to share the data with the City of San Antonio as the City is embarking on its annual budgeting process.

**FINANCIAL REPORTS FOR PERIOD ENDING MAY 31, 2021**

The Statement of Net Plan Assets for the period ending May 31, 2021, were \$3.95 billion.

### **LEGISLATIVE COMMITTEE**

Vice Chairman Pearson reported that the Legislative Committee did not meet this month and so there was nothing to report.

### **INVESTMENT COMMITTEE**

Mr. Reed reported that the Investment Committee met on Thursday, June 24th, 2021. The meeting started with a conversation with NEPC about launching a Private Markets Real Assets Search. Mr. Reed reminded the Board that in May, NEPC had brought the Committee a potential investment opportunity with Melody Communications Infrastructure Fund II, which NEPC had underwritten to its highest product rating. The Committee had recommended that the Board commit \$20 million to the Fund, but at the Board Meeting, the Board decided instead to utilize a standard search process for identifying a new manager in this space. After discussion with NEPC at the June Committee meeting, the Investment Committee voted to recommend that the Board launch a Private Markets Real Assets Search. Mr. Reed made a motion to accept the Committee recommendation. The motion was seconded by Mr. Meade, and it carried unanimously.

The next item was a re-up opportunity with HarbourVest Partners Co-Investment Fund VI. HarbourVest is a global private markets manager with more than 35 years investing in private markets. HarbourVest launched its first dedicated global direct co-investment fund in 2004, and Fund VI will continue the co-investment strategy. The Pension Fund committed \$20 million to Fund V in 2019, and although that Fund is young, it is off to a strong start. NEPC has underwritten Fund VI and given it its highest product rating. The Investment Committee recommended that the Board commit \$20 million to HarbourVest Partners Co-Investment Fund VI. Mr. Reed made a motion to accept the Committee recommendation. The motion was seconded by Mr. Foster, and it carried unanimously.

The third item was a presentation from Attucks on the Emerging Manager Small/SMID Cap Equity Search. The Investment Committee had postponed this search at its May meeting so that Attucks could conduct further evaluation on potential managers. Attucks screened the entire small cap and small/mid cap universe and presented the three managers in which they have the highest conviction. After discussion, the Investment Committee decided to resume the search and conduct further due diligence on Granite Investment Partners, Lisanti Capital Growth, and Summit Creek Advisors.

The final item on the agenda was rebalancing. Domestic equities have rallied since the COVID-19 sell-off in March 2020. The V-shaped recovery

in the U.S. stock market has yielded positive performance for the Pension Fund through exposure to the Russell 1000 Core Index and Russell 1000 Growth Index so that the Pension Fund's domestic large cap equity exposure is above its 22% target. Therefore, discussions were held on rebalancing out of domestic equity and into fixed income. Based on that discussion, the Investment Committee voted to recommend that the Board sell \$40 million from the Russell 1000 Growth Index and \$20 million from the Russell 1000 Core Index and use those funds to invest \$20 million each in the TIPS Index, the GoldenTree High Yield Value Fund, and the MacKay Shields high yield portfolio. Mr. Reed made a motion to accept the Committee recommendation. The motion was seconded by Mr. Meade, and it carried unanimously.

### **SAN ANTONIO F & P PROPERTY HOLDING CORPORATION**

President Meade reported that the Property Holding Corporation held its quarterly meeting last week. Sullivan Commercial provided an update on the leasing of the three buildings. Shavano IV continues to be 100% leased; Shavano III is 86% leased, and the Parkway Center Building remains at 64% leased due to the vacant 25,000 square feet upstairs. Sullivan reported that it continues to receive interest in the space, but there has been no firm commitment. President Meade stated that if the space does not get leased before the end of the year, the Holding Corporation will begin discussions on dividing the space into smaller offices which should attract more companies.

Sullivan also briefed the Corporation on a parking issue that has arisen at the Shavano IV building. Patrons of Paesano's Restaurant have been using the Shavano IV parking lot, and one of the cars was broken into. Although the Corporation has no responsibility, Sullivan provided the Board with several options to further protect the Corporation from potential liability. After discussion, the Corporation directed Sullivan to place No Parking signs in the lot and add language that violators will be towed. The Corporation will continue to monitor the situation to make sure the issue has been resolved.

**DISBURSEMENTS:** Mayoral Designee Rodriguez made a motion to approve paying the bills. The motion was seconded by Councilwoman Rocha-Garcia and it was approved unanimously. (See attached disbursements dated May 31, 2021).

### **MEMBERS TO BE HEARD:**

Mr. Trainer of the Retiree Association stated it was good to see everyone and he thanked the Board for allowing the use of the meeting area for the Retirees' Association meetings.

**ADJOURNMENT:** Mr. Foster moved to adjourn the meeting at 10:57 a.m. The motion was seconded by Vice Chairman Pearson, and it carried unanimously.

**APPROVED BY THE BOARD OF TRUSTEES AT THE REGULAR MEETING HELD ON JULY 28, 2021.**

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**Jim Smith, Chairman**

**ATTEST:**

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**Dean Pearson, Vice Chairman**