

San Antonio Fire and Police Pension Fund earns 14.7% in 2017, surpasses \$3 billion in assets

SAN ANTONIO (May 2, 2018) - The San Antonio Fire and Police Pension Fund (SAFPPF) earned a 14.7 percent return on \$2.8 billion in investable assets in 2017, adding \$370 million to the retirement benefits system for retired police officers, firefighters, and their beneficiaries.

The pension fund ended FY 2017 with \$3.2 billion, the first time in its long history that it exceeded \$3 billion. SAFPPF was founded in 1919 and then established as a trust in Texas statutes by the legislature in 1941. SAFPPF targets a 7.25 percent return to achieve funding goals for its members' benefits and has attained an 8.4 percent average return for the last five years.

"We have a very disciplined approach to selecting investments and it is working well," said J.T. Trevino, chairman of the SAFPPF Board of Trustees. "We diversify our members' assets among six major investment categories through a stringent selection and verification process. We are recognized as a leading pension system in the state because of the success we've had with conservative governance of our members' earned benefits."

Trevino noted that the pension fund's investment committee, comprised of two active firefighters, an active police officer, a retired firefighter, and retired police officer made recommendations for \$330 million in rebalancing or new investments in 2017 alone. Committee members are guided by professional consultants and pension fund staff, but Board Trustees must, under law, have sufficient understanding to evaluate the information provided by those experts. The entire Board, consisting of the investment committee, another active police officer, two council members, and the mayor's representative, vote on committee recommendations.

“Our board members have a demonstrated track record of excellence. We devote considerable personal time to the continuous learning needed for sound decision making,” Trevino said.

Approximately 70 cents of each dollar which a SAFPPF member receives in benefits comes from the investment returns earned by the pension fund over a typical 20-year period. The rest comes from money the members contributed from each paycheck and the City of San Antonio’s contribution over decades of employment.

In November 2017, members of the state agency monitoring pension funds praised the San Antonio Fire and Police Pension Fund: “At least this Board member and I suspect that all the Board appreciates the efforts you are making. Your actuarial numbers are really impressive,” said Keith Brainard, vice chairman of the Texas Pension Review Board. “Low amortization period, the high funding level, the very conservative assumptions speak very well of the system and its governances.”

SAFPPF has the highest ratings for funded ratio and amortization periods among the 13 systems in Texas with more than \$1 billion in assets under management. These measures determine how well the system’s assets match the benefits obligations which have been earned by police officers and firefighters while serving the citizens of San Antonio.

SAFPPF also was recognized by Pensions & Investments Magazine in the summer of 2017 for its top-10 investment return ranking among all pension funds nationwide. It had notched a 14 percent return in the prior 12 months.

--- 30 ---

Note to Editors: SAFPPF has more than 75 different money managers and received their final investment return figures for 2017 in the beginning of April.

About the San Antonio Fire and Police Pension Fund (SAFPPF)

The San Antonio Fire and Police Pension Fund provides comprehensive retirement, death and disability benefits for the City of San Antonio's approximately 6,605 police officers, firefighters, retirees and their beneficiaries. With \$3.2 billion in assets under management, its 89 percent funded ratio and 13-year amortization period, the SAFPPF

is one of the best performing systems among the 13 Texas pensions funds with more than \$1 billion. Currently 2,637 retirees and beneficiaries receive benefits and there are 3,968 active firefighters and police contributing to the pension's asset base.

www.safppf.org