

**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
December 22, 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; Harry Griffin, Police Retiree Representative; Mayoral Designee Justin Rodriguez; Councilwoman Dr. Adriana Rocha-Garcia.

ABSENT: Councilman Secretary Clayton Perry.

OTHERS

PRESENT: Warren Schott, Mark Gremmer, Cary Hally, Gail Jensen, Rick Matye, Nancy Ybarra, Pension Fund Staff; Frank Burney, Martin & Drought.

ROLL CALL: At 9:00 a.m., Chairman Smith called the meeting to order. Roll was called, and a quorum was declared present.

MINUTES: Vice Chairman Pearson moved to approve the minutes of the Regular Board Meeting of November 24, 2021. The motion was seconded by Mr. Griffin, and it carried unanimously.

Mr. Reed moved to approve the minutes of the Special Meeting/Workshop of November 22-23, 2021. The motion was seconded by Vice Chairman Pearson, and it carried unanimously.

**EDUCATIONAL
OPPORTUNITIES**

PRESENTATIONS: Chief Investment Officer Cary Hally presented a report on the Invesco Real Estate Client Conference he attended.

Mayoral Designed Rodriguez arrived at 9:06 a.m.

Councilwoman Dr. Rocha-Garcia arrived at 9:10 a.m.

**EDUCATIONAL
OPPORTUNITIES**

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

1. NEPC Annual Public Fund Workshop
February 1-2, 2022
2. OPAL Investment Education Symposium
February 23-25, 2022

The motion was seconded by Councilwoman Dr. Rocha-Garcia, and carried unanimously.

**APPLICATIONS
AND REFUND OF**

CONTRIBUTIONS: Mr. Foster made a motion, seconded by Vice Chairman Pearson, to approve the following Service Pension Applications, Disability Applications, Beneficiary Applications, Pension Adjustments and Refund of Contributions. The motion carried unanimously:

Service Pensions

1. A 33 year, 8 month service pension for Fire Fighter Tommy G. Aguilar, effective January 1, 2022.
2. A 24 year, 3 month service pension for Police Detective Bryan Baldwin, effective January 1, 2022.
3. A 27 year, 8 month service pension for Fire Engineer Robert E. Beckett, effective January 1, 2022.
4. A 26 year, 10 month service pension for Police Officer Christopher P. Dennis, effective January 1, 2022.
5. A 33 year, 3 month service pension for Assistant Police Chief James A. Flavin, III, effective January 1, 2022.
6. A 27 year, 1 month service pension for Police Detective Mark W. Haag, effective January 1, 2022.
7. A 32 year, 6 month service pension for Police Sergeant Robert G. Perez, Jr., effective January 1, 2022.
8. A 32 year, 9 month service pension for Fire Engineer Donald E. Spachek, effective January 1, 2022.
9. A 32 year, 9 month service pension for Deputy Police Chief Roy A. Waldhelm, effective January 1, 2022.
10. A 31 year, 8 month service pension for Fire Captain Ruben M. Cruz, effective January 2, 2022.
11. A 32 year, 1 month service pension for Fire Engineer Todd E. Dunn, effective January 2, 2022.
12. A 33 year, 9 month service pension for Fire Captain Joseph A. Hemann, effective January 2, 2022.
13. A 33 year, 9 month service pension for Fire Engineer David Perez, effective January 2, 2022.
14. A 32 year, 1 month service pension for Fire Lieutenant Valdemar Pitman, effective January 2, 2022.
15. A 33 year, 3 month service pension for Fire Lieutenant Brian J. Soberalski, effective January 2, 2022.

16. A 32 year, 1 month service pension for Fire Captain Gary R. Ullmann, effective January 2, 2022.
17. A 34 year, 2 month service pension for Fire Engineer Albert C. Vasquez, effective January 2, 2022.
18. A 34 year, 2 month service pension for Fire Lieutenant Jesse A. Vera, effective January 2, 2022.
19. A 27 year, 9 month service pension for Police Detective Jeremy D. Brosh, effective January 4, 2022.
20. A 28 year, 8 month service pension for Police Detective Arthur Warren Knox, Jr., effective January 8, 2022.
21. A 27 year, 2 month service pension for Police Detective Ryan J. McClure, effective January 8, 2022.
22. A 29 year, 11 month service pension for Police Officer Alfonso C. Peeler, effective January 26, 2022.
23. A 26 year, 5 month service pension for Police Detective Josef L. Piotrowski, effective February 1, 2022.

Beneficiary Pensions

1. A beneficiary pension for Mrs. Wesa H. Christiansen, widow of Retired District Fire Chief George D. Christiansen, effective September 19, 2021.

Refund of Contributions

1. A 12 year, 1 month refund of contributions for Police Officer Dezi J. Rios, effective October 18, 2021.
2. A 2 year, 11 month refund of contributions for Police Officer John Matthew Moore, effective November 29, 2021.
3. A 1 year, 3 month refund of contributions for Police Officer Weston Alden Diaz, effective December 2, 2021.

Chairman Smith acknowledged members present, including Police Detective Jeremy Brosh and Detective Ryan McClure, thanked them for their service and congratulated them on their retirements. Detectives Brosh and McClure thanked the Trustees for their participation on the Pension Board and for protecting the pensions for retirees.

**EXECUTIVE
DIRECTOR
REPORT:****POLICE CADET CLASS 2021-B-GRADUATION DATE DECEMBER 17, 2021**

Mr. Schott requested Board approval to accept the Police Cadet Class 2021-B into the membership. Councilwoman Dr. Garcia-Rocha made a motion to approve. The motion was seconded by Mayoral Designee Rodriguez, and it carried unanimously.

2022 MEETING SCHEDULE

Mr. Schott referred the Board to the updated 2022 Meeting Schedule (attached). Mr. Griffin made a motion, seconded by Vice Chairman Pearson, to approve the 2022 Meeting Schedule. The motion carried unanimously.

BRIEFING ON HISTORICAL DATA – RETIREMENTS AND REFUND OF CONTRIBUTIONS

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.

FINANCIAL REPORTS FOR PERIOD ENDING NOVEMBER 30, 2021

The Statement of Net Plan Assets for the period ending November 30, 2021 were \$4.39 billion.

The Board then recessed to Executive Session at 9:33 a.m., pursuant to Texas Gov. Code § 551.071, 551.072 and 551.074, and reconvened at 10:02 a.m.

**COMMITTEE
REPORTS:****PERSONNEL/AUDIT COMMITTEE**

Mr. Griffin reported that the Personnel/Audit Committee met last week to conduct its final review of the proposed 2022 Annual Budget. After its review, the Committee unanimously recommended the Board approve the Budget. Mr. Griffin made a motion on behalf of the Committee to approve the proposed 2022 Annual Budget. The motion was seconded by Councilwoman Dr. Rocha-Garcia, and it carried unanimously.

DISABILITY COMMITTEE

Mr. Foster reported the Disability Committee did not meet in December so there was nothing to report.

LEGISLATIVE COMMITTEE

Vice Chairman Pearson reported the Legislative Committee did not meet in December so there was no report.

INVESTMENT COMMITTEE

Mr. Reed reported that the Investment Committee met December 15, 2021. All of the topics discussed by the Committee arose out of the Board's November Strategic Planning Retreat. The Committee first discussed the Emerging Manager Program, including its history and performance. After discussion, the Committee decided to invite Attucks, the Fund's Emerging Manager Consultant, to the January 2022 Committee meeting for further discussion. No action was taken.

The Committee next discussed the Pension Fund's Real Estate Allocation Range. At the Strategic Planning Retreat, there was a consensus to shift the target allocation for the asset class to the upper end of the range. Under the current asset allocation, the strategic range for real estate is 4% to 10%, with a target of 7%, and the current market value of assets invested in real estate is near that 7% target. While the range allows flexibility for continued real estate investments, the Investment Committee approved to overweight the real estate allocation target by 2%. The Investment Committee agreed to invite Townsend, the Fund's Real Estate Consultant, to the February 2022 Investment Committee meeting to discuss implementing the strategy.

Finally, the Committee reviewed the Pension Fund's Private Markets Program. In 2019, the Committee had considered hiring a dedicated private markets consultant, but after reviewing the associated fees, the Committee chose instead to expand the scope of the Fund's general consultant, NEPC, to include Private Markets. At the December Investment Committee meeting, the Committee and Staff discussed retaining a specialized Private Markets consultant to conduct a one-time review of the Pension Fund's Private Markets portfolio. Discussions focused on NEPC's Private Markets research capabilities, the Pension Fund's option to request that NEPC underwrite a fund, the pros and cons of dedicated Private Markets consultants, and 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 Committee Meetings to discuss their capabilities, their proposals for how such a review might be conducted and the associated costs.

SAN ANTONIO F & P PROPERTY HOLDING CORPORATION

Mr. Meade reported the Property Holding Corporation met last week to receive a leasing update, to discuss the Leasing Agreement with Sullivan Commercial, and to discuss the possibility of selling the two Shavano Center Buildings.

According to Sullivan Commercial, the leasing activity of the three buildings remains consistent. Shavano Center IV is 100% leased. Shavano Center III is 86% leased and there are numerous potential tenants looking at the available spaces. Parkway Center still has the 25,000 feet space available on the second floor. Sullivan had conducted a walk-through with an interested tenant in November, but reported that the prospective tenant has selected another location.

Sullivan also requested the Corporation amend its Leasing Contract to allow flexibility with respect to the commission rates paid to cooperating brokers on lease extensions. Sullivan noted various trends in the current market and recommended that the contract be amended to allow them the discretion – in certain circumstances – to increase the cooperating broker’s commission, subject to Landlord approval. The Corporation’s Board agreed with the recommendation and approved the amendment to the Contract.

Lastly, Mr. Meade reported that the Corporation discussed selling the two Shavano Center Buildings. After a lengthy discussion, the Corporation agreed to move forward with marketing the two buildings and authorized the Corporation’s Secretary to take all actions necessary to negotiate, execute and close the sale of the buildings.

Mr. Meade further reported that in light of the Pension Fund’s status as sole shareholder of the Corporation, the Pension Fund should be informed of the Corporation’s decision. Mr. Griffin made a motion to support the Corporation’s decision with respect to selling the two Shavano Center Buildings. The motion was seconded by Mayoral Designee Rodriguez and it carried unanimously.

DISBURSEMENTS: Mr. Griffin made a motion to approve the disbursements. The motion was seconded by Vice Chairman Pearson, and it was approved unanimously.

**MEMBERS TO
BE HEARD:**

Chairman Smith took the opportunity to acknowledge the Pension Fund Staff and his fellow Trustees for their hard work through the year and to express his appreciation for everyone’s efforts.

ADJOURNMENT: Mr. Foster moved to adjourn the meeting at 10:24 a.m. The motion was seconded by Mayoral Designee Rodriguez, and it carried unanimously.

**APPROVED BY THE BOARD OF TRUSTEES AT THE REGULAR
MEETING HELD ON JANUARY 26, 2022.**

Jim Smith, Chairman

ATTEST:

Dean Pearson, Vice Chairman