

**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
January 30, 2024**

PRESENT: Chairman Justin Rodriguez, Mayoral Designee; Vice Chairman Larry Reed, Fire Retiree Representative; Harry Griffin, Police Retiree Representative; Shawn Griffin, Fire Representative; Amanda Viera, Police Representative; Jim Smith, Police Representative; Councilman Marc Whyte.

ABSENT: Dean Pearson, Fire Representative; Secretary Councilwoman Dr. Adriana Rocha Garcia.

OTHERS

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

ROLL CALL: At 9:30 a.m., Chairman Rodriguez called the meeting to order. Roll was called, and a quorum was declared present.

All in attendance were asked to rise for the Pledge of Allegiance, led by Chairman Rodriguez.

The Board then recessed to Executive Session at 9:31 a.m. pursuant to Texas Gov. Code §551.071 and §551.074, and reconvened at 9:58 a.m.

Mr. S. Griffin, Fire Representative, left the meeting at 9:59 a.m.

MINUTES: Mr. Smith moved to approve the minutes of the Regular Board Meeting of December 18, 2023. The motion was seconded by Councilman Whyte, and the motion carried unanimously.

**EDUCATIONAL
OPPORTUNITIES**

PRESENTATIONS: Mr. H. Griffin gave a brief presentation on the Opal Public Funds Summit he attended. He reported that he served on a panel speaking about Ethics, Governance and Fiduciary Responsibilities. He also noted that he found a Limited Partner panel to be particularly informative. He added that all of the sessions he attended allowed him the opportunity to meet with and learn about other public pension funds.

Mr. Smith gave a brief presentation on the Koried Plan Sponsor Educational Institute he attended. He reported that he served on a panel speaking about

real estate investments. He noted that much of the content echoed what the Pension Fund's real estate consultant, The Townsend Group, had reported at the recent Investment Committee meeting. He added that the Institute also had several specific "Roundtable" discussions, each featuring a group of specific subject matter experts – such as Chief Investment Officers, Investment Consultants or Executive Directors, and he found it especially informative to hear the different perspectives of each group of experts.

EDUCATIONAL

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

1. DFA Annual Institutional Symposium
February 27-29, 2024
2. Comvest Partners Annual Meeting
March 7-8, 2024
3. Opal Real Estate Investment Summit
March 17-19, 2024
4. PREA Spring Real Estate Conference
March 21-22, 2024

The motion was seconded by Ms. Viera, and it carried unanimously.

Mr. Schott reported that the Comvest Conference he will be attending is scheduled to take place near another of the Pension Fund's managers, Kayne Anderson. He noted that Kayne Anderson was hired by the Pension Fund during COVID so that no site visit was possible at the time. Mr. Schott stated that because he will be in the area for the Conference, it would be a good opportunity to also do a site visit of Kayne Anderson.

APPLICATIONS AND REFUND OF

CONTRIBUTIONS: Vice Chairman Reed made a motion to approve the following Service Pension Applications, Beneficiary Applications and Refund of Contributions:

Service Pensions

1. A 27 year, 2 month service pension for Fire Engineer Lydia Clark, effective January 2, 2024.
2. A 29 year, 8 month service pension for District Fire Chief Brooke P. Hildreth, effective January 2, 2024.

3. A 32 year, 10 month service pension for Fire Lieutenant Blake M. Johnson, effective January 2, 2024.
4. A 27 year, 9 month service pension for Police Sergeant Norwood Lash Jones, III, effective January 2, 2024.
5. A 27 year, 11 month service pension for Fire Engineer Tana K. Jureczki, effective January 2, 2024.
6. A 39 year, 5 month service pension for Fire Engineer Michael W. Pierce, effective January 2, 2024.
7. A 39 year, 9 month service pension for Fire Captain Jesse C. Renteria, Jr., effective January 2, 2024.
8. A 29 year, 9 month service pension for Division Fire Chief Douglas E. Hatton, effective January 9, 2024.
9. A 28 year, 4 month service pension for Police Detective Gregory Andrade, Sr., effective February 1, 2024.
10. A 28 year, 5 month service pension for Police Detective Leroy Carrion, effective February 1, 2024.
11. A 21 year, 3 month service pension for Fire Captain Jennifer Renee Chadwick, effective February 1, 2024.
12. A 22 year, 5 month service pension for Police Officer Nicholas C. Cucinotta, effective February 1, 2024.
13. A 29 year, 9 month service pension for Police Detective David A. Lozano, effective February 1, 2024.
14. A 43 year, 9 month service pension for Fire Engineer Roy A. Montejano, effective February 1, 2024.
15. A 30 year, 9 month service pension for Police Officer Aubrey A. Plauche, Jr., effective February 1, 2024.
16. A 30 year, 9 month service pension for Police Officer Christopher K. Sawyer, effective February 1, 2024.
17. A 27 year, 7 month service pension for Police Sergeant Carmelo Vizcarrondo, effective February 1, 2024.

18. A 29 year, 2 month service pension for Police Officer Keith W. Whitehead, effective February 1, 2024.
19. A 21 year, 3 month service pension for Fire Lieutenant Julian R. Mesa, effective February 2, 2024.

Beneficiary Pensions

1. A beneficiary pension for Mrs. Carmen Wedige, widow of retired Fire Fighter Melvin B. Wedige, effective November 29, 2023.
2. A beneficiary pension for Mrs. Geraldine C. McCormack, widow of retired District Fire Chief Gilbert Trevino, effective December 20, 2023.
3. A beneficiary pension for Mrs. Audrey Hoyack, widow of retired Deputy Police Chief Frank W. Hoyack, Jr., effective January 2, 2024.
4. A beneficiary pension for Mrs. Gloria Lavin, widow of retired Fire Engineer Ernest N. Lavin, Jr., effective January 2, 2024.
5. A beneficiary pension for Mrs. Kimberly Gotthardt, widow of retired Police Officer Sterling Gotthardt, effective January 3, 2024.

Refund of Contributions

1. A 3 year, 7 month refund of contributions for Fire Fighter Zach Frederick, effective November 25, 2023.
2. A 1 year, 3 month refund of contributions for Fire Fighter Justus Parker, effective January 3, 2024.
3. A 5 year, 9 month refund of contributions for Police Officer Christopher K. Copeland, effective January 10, 2024.

The motion was seconded by Mr. H. Griffin. The motion carried unanimously.

At this time, Chairman Rodriguez and Mr. H. Griffin recognized the families of retired Police Officer Jesse C. Renteria, Sr., retired Fire Fighter Melvin B. Wedige and retired Deputy Police Chief Frank W. Hoyack, Jr., and expressed their condolences to all of the families who had lost loved ones.

Restoration of Service Credit for Uniformed Service

1. Buyback of military leave for Fire Fighter Courtney Hoberek.

Councilman Whyte made a motion, seconded by Vice Chairman Reed, to approve the buyback of military leave for Fire Fighter Courtney Hoberek. The motion carried unanimously.

**EXECUTIVE
DIRECTOR
REPORT:**

**POLICE CADET CLASS 2023-B – GRADUATION DATE
DECEMBER 22, 2023**

Mr. Schott requested Board approval to accept the Police Cadet Class 2023-B into the membership. Mr. H. Griffin made a motion, seconded by Councilman Whyte to approve, and it carried unanimously.

2023 POLICE & FIRE RETIREMENT PLAQUE PRESENTATION

Mr. Schott reminded the Board the 2023 Fire Retiree plaques will be presented at the February 27, 2024, Board Meeting and the 2023 Police Retiree Plaques will be presented at the March 26, 2024, Board Meeting.

COLA REPORT

Mr. Schott advised the Board that the recently issued BLS Consumer Price Index for calendar year 2023 was 3.4%, so that members retiring prior to October 1, 1999, will receive a 3.4% COLA, and members retiring after October 1, 1999, will receive a 2.6%. Mr. Smith made a motion to approve. The motion was seconded by Ms. Viera, and it carried unanimously. The Board noted that the automatic COLA provided in our Pension Law is unique among public pension funds, and it is a significant benefit for all our retirees.

MEMBERSHIP COMMUNICATION POLICY REQUESTS

This item was pulled by Pension Fund Staff; no action was taken.

TEXPERS CERTIFICATION OF DELEGATES

Mr. Schott informed the Board that the Pension Fund needed to designate its official delegates for the TEXPERS Annual Members meeting in April. Mr. Smith noted that because Vice Chairman Reed was running for re-election as TEXPERS Board Member, four of the Pension Fund's six delegates should be allocated to the Fire Caucus, with the remaining two delegates allocated to the Police Caucus, in keeping with the Pension Fund's practice over the years. Vice Chairman Reed moved to designate Mike Trainer, Bart Moczygamba, Mark Gremmer and Cary Hally as the Pension Fund's delegates to the Fire Caucus; Mr. Smith and Ms. Viera as the Pension Fund's delegates to the Police Caucus; and to delegate authority to

Mr. Schott to designate the Pension Fund's alternate delegates. The motion was seconded by Mr. H. Griffin, and it carried unanimously.

ADVISOR NEWLETTER

Mr. Schott reported that the latest edition of the *Advisor Newsletter* had been mailed out, and a copy was also available on the Pension Fund's website.

ANNUAL STATEMENTS

Mr. Schott informed the Board that annual statements were available for members to view through the MemberDirect online portal. He also noted that 1099Rs had been mailed to the retired members of the Fund.

FINANCIAL DISCLOSURE STATEMENTS

Mr. Schott reminded the Board that the annual Financial Disclosure Forms for the 2023 reporting period are due March 31, 2024.

BRIEFING ON HISTORICAL DATA - RETIREMENTS AND REFUND OF CONTRIBUTIONS

Mr. Schott provided the Board with a report showing the number of fire and police members who had separated from service, whether through retirement or otherwise.

MONTHLY FINANCIAL PLANNING SEMINAR – ATTENDANCE NUMBERS

Mr. Schott provided the Board with a report showing the number of attendees at the Pension Fund's monthly Financial Planning Seminars.

FINANCIAL REPORTS FOR PERIOD ENDING NOVEMBER 30, 2023, and DECEMBER 31, 2023

The Statement of Net Plan Assets for the period ending November 30, 2023, was \$3.9B.

COMMITTEE REPORTS:

PERSONNEL/AUDIT COMMITTEE

Ms. Viera reported the Personnel/Audit Committee met on Wednesday, January 24, 2024, to consider a proposal by Segal Consulting to perform the Pension Fund's 5-year Actuarial Experience Study. In the Study, Segal will review the Pension Fund's demographic assumptions and economic

assumptions so as to allow for a comparison of the current assumptions with the actual plan experience over the past 5 years. The projected cost of the Study is \$48,000 and it will be completed in the latter half of 2024. Ms. Viera made a motion on behalf of the Committee to approve the Segal Proposal. The motion was seconded by Vice Chairman Reed, and it passed unanimously.

DISABILITY COMMITTEE

Vice Chairman Reed reported the Disability Committee did not meet this month and there are no disability applications pending.

LEGISLATIVE COMMITTEE

Vice Chairman Reed reported the Legislative Committee did not meet this month; however a meeting has been scheduled for Monday, February 12th to begin discussing a possible legislative package for the 2025 Legislative Session. The Committee will invite the Firefighters Association, Police Officers Association and Retirees Association, along with the City of San Antonio to attend the meeting and provide input. The Committee will also review the Pension Fund's Funding Policy, the latest Actuarial Valuation Report, and the Legislative Timeline.

INVESTMENT COMMITTEE

Mr. Smith reported the Investment Committee met on Wednesday, January 24th.

The Committee first received a quarterly real estate performance review by the Pension Fund's real estate consultant, The Townsend Group. As of September 30th, 2023, the market value of the Pension Fund's real estate portfolio was approximately \$284 million, and the one-year net is -6.9%, which outperformed the benchmark by 6.0%. However, Townsend noted that it expects the returns for the full 2023 calendar year for both the Pension Fund's portfolio and the benchmark to be lower. Townsend stated that the Pension Fund's real estate returns are in the top quartile over the last three-, five-, and ten-year periods, compared to peers, as of June 30th, 2023. During the presentation, Townsend identified potential market opportunities, discussed core real estate headwinds, and outlined a multi-year investment pacing model along with 2024 re-up investment opportunities. No action was taken.

The Committee then received an update from NEPC on the Pension Fund's Investment Practices and Performance Report, the report required by Texas Government Code § 802.109. NEPC had conducted its first review and report in 2020, and the law requires a re-review every three years. Based on

the feedback from the December 2023 Investment Committee meeting, NEPC made some adjustments to the draft and presented the updated Report to the Committee. After discussions, the Committee voted to recommend to the Board to approve the Investment Practices and Performance Report, as presented. Mr. Smith made a motion on behalf of the Committee to approve. The motion was seconded by Councilman Whyte, and it carried unanimously.

The Committee next received a briefing regarding potential re-up opportunities in alternative investments. Chief Investment Officer Cary Hally explained that staff closely monitors the performance of managers in the Pension Fund's portfolio and tracks the expected launch of subsequent funds. He presented the Committee with a list of the re-up opportunities that are expected to come to market throughout 2024. As the year progresses, staff will provide periodic updates regarding these opportunities. No action was taken.

Finally, the Committee discussed the Pension Fund's investment contract review process. General Counsel Gail Jensen explained the legal review process that follows each approved investment decision. She detailed the overall framework of the legal transactions involved with private market investments and her approach to ensuring the Pension Fund is protected in those transactions. No action was taken.

SAN ANTONIO F&P PROPERTY HOLDING CORPORATION

Ms. Viera reported the Property Holding Corporation did not meet this month; however a meeting has been scheduled for Monday, February 12th to receive the 2022 Annual Audit from BDO. The Corporation will also be receiving an update from legal counsel on the issue involving a tenant who has defaulted on its lease. Lastly, the Corporation will be getting an update on the Pension Fund Office renovations. No action was taken.

DISBURSEMENTS: Mr. Smith made a motion to approve the disbursements for January 30, 2024. Councilman Whyte seconded the motion. Chairman Rodriguez noted there would be a correction to the disbursements report to remove the reimbursement payment issued to him for cell phone use. The motion was approved unanimously.

**MEMBERS TO
BE HEARD:**

None.

ADJOURNMENT: Councilman Whyte made a motion to adjourn the meeting at 10:51 a.m. The motion was seconded by Ms. Viera, and it carried unanimously.

**APPROVED BY THE BOARD OF TRUSTEES AT THE
REGULAR MEETING HELD ON February 27, 2024.**

Mayoral Designee Justin Rodriguez, Chairman

ATTEST:

Councilwoman Dr. Adriana Rocha Garcia, Secretary