

**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 18, 2023**

**PRESENT:** Chairman Justin Rodriguez, Mayoral Designee; Vice Chairman Larry Reed, Fire Retiree Representative; Secretary Councilwoman Dr. Adriana Rocha Garcia; Jim Smith, Police Representative; Amanda Viera, Police Representative; Councilman Marc Whyte.

**ABSENT:** Harry Griffin, Police Retiree Representative; Dean Pearson, Fire Representative; Shawn Griffin, Fire Representative.

**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, §551.074, §551.078, and §551.0785, and reconvened at 10:05 a.m.

**MINUTES:** Ms. Viera moved to approve the minutes of the Regular Board Meeting of November 27, 2023. The motion was seconded by Secretary Councilwoman Dr. Rocha Garcia, and the motion carried unanimously.

**EDUCATIONAL  
OPPORTUNITIES**

**PRESENTATIONS:** Mr. Schott gave a brief presentation on the NCPERS FALL Conference he attended. He reported that NCPERS is a national organization of public retirement systems and people from all over the country attend this “FALL” conference, which is an acronym for “Financial, Actuarial, Legislative and Legal”. He noted there were several informative sessions, and he was very pleased to report that the Pension Fund was specifically recognized for how well it is managed.

Mr. Smith gave a brief presentation on the USAA Annual Conference he and Ms. Viera attended. He noted that while USAA has changed its name

to Affinius Capital, it is still a local company. He found the sessions to be very educational, with topics ranging from technology and the semi-conductors market to the financial outlook for 2024 and 2025.

Mr. Hally gave a brief presentation on the SACRS Fall Conference at which he was a presenter. He reported that he served on a panel of Chief Investment Officers from outside of California. He noted that he had been a member of SACRS for many years when he worked in California, and he enjoyed returning to the conference.

Mr. Schott gave a brief presentation on the Invesco Conference he attended with Mr. Smith, Chairman Rodriguez, and Mr. H. Griffin. He noted that Invesco is one of the Pension Fund's long-serving managers, with the Pension Fund currently invested in Funds IV, V and VI. He reported that the conference covered topics including Artificial Intelligence and the current difficulties with rising insurance costs in the real estate space. Mr. Smith added that he found the session on single family residences and overall supply issues in the retail housing market to be very informative.

## **EDUCATIONAL**

**OPPORTUNITIES:** Ms. Viera moved to authorize Board members and appropriate staff to attend the following conferences:

1. NEPC Public Funds Workshop  
January 30–31, 2024
2. Opal Investment Education Symposium  
February 7-9, 2024
3. NAPPA Legal Seminar  
February 21-23, 2024
4. StepStone Venture Capital Annual Meeting  
February 29-March 2, 2024

The motion was seconded by Secretary Councilwoman Dr. Rocha Garcia. The motion carried unanimously.

## **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 34 year service pension for Fire Captain Johns S. Wells, effective December 1, 2023.
2. A 34 year service pension for Fire Captain William J. Bochat, effective December 1, 2023.
3. A 29 year, 8 month service pension for Police Detective James C. Whitney, effective December 3, 2023.
4. A 27 year, 1 month service pension for Fire Engineer George A. Kemp, III, effective December 7, 2023.
5. A 27 year, 11 month service pension for Fire Engineer Shawn Ray Nothstein, effective January 2, 2024.
6. A 30 year, 1 month service pension for Police Sergeant Steven J. Castillo, effective January 3, 2024.
7. A 20 year, 3 month service pension for Fire Fighter Joshua A. Powell, effective January 3, 2024.
8. A 30 year, 2 month service pension for Police Detective Franklin A. McBlain, effective January 6, 2024.
9. A 29 year, 5 month service pension for Police Officer Jerry L. Miller, effective January 9, 2024.
10. A 24 year, 2 month service pension for Police Captain Dean C. White, effective January 16, 2024.

Beneficiary Pensions

1. A beneficiary pension for Mrs. Beatrice O. Lopez, widow of retired Police Detective Pete J. Lopez, effective November 6, 2023.
2. A beneficiary pension for Mrs. Deborah Minnick, widow of retired Police Officer Landon Minnick, Jr., effective November 21, 2023.

Refund of Contributions

1. A 5 year, 3 month refund of contributions for Police Officer Eleazar Alejandro, effective November 16, 2023.

2. A 1 year, 11 month refund of contributions for Police Officer Max G. Puckett, effective November 30, 2023.

The motion was seconded by Secretary Councilwoman Dr. Rocha Garcia. The motion carried unanimously.

Mrs. Beatrice O. Lopez, widow of retired Police Detective Pete J. Lopez, was in attendance, and the Board offered their condolences to her.

At this time, Chairman Rodriguez moved to Item I (2) of the agenda to allow for the Disability Committee report.

#### Disability Pension

1. A Final Hearing for a Regular Disability Pension for Police Officer Hilario Flores.

### **DISABILITY COMMITTEE**

Vice Chairman Reed reported the Disability Committee met on Thursday, December 14, 2023, to conduct its final review of the Regular Disability Pension Application for Police Officer Hilario Flores. Officer Flores was evaluated by two independent physicians, in accordance with our process. After reviewing the doctors' reports and the other materials that had been submitted, the Committee voted unanimously to recommend Board approval of Officer Flores' Regular Disability Pension Application. Vice Chairman Reed made a motion on behalf of the Committee to approve. The motion was seconded by Ms. Viera, and it passed unanimously.

### **EXECUTIVE DIRECTOR REPORT:**

#### **POLICE CADET CLASS 2023-B PRESENTATION**

Mr. Schott informed the Board that the Police Cadet Presentation is scheduled for December 20, 2023, at 9:45 a.m. He also noted that the police cadet class graduation is scheduled for December 22, 2023, and he encouraged Police Trustees to attend if they were available.

#### **2023 POLICE & FIRE RETIREMENT PLAQUE PRESENTATION**

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

**ADVISOR NEWSLETTER**

Mr. Schott reported that he has received all the articles for the Pension Fund's upcoming edition of the *Advisor Newsletter*. He thanked the Board members and staff for their contributions. He noted that Joe Gimenez with g3public relations is working on final formatting issues and the *Newsletter* should be issued in January, 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**

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 Monday, November 20, 2023, and Wednesday, December 13, 2023, to review the proposed 2024 Annual Budget. After directing staff to make some adjustments, the Committee conducted its final review of the Budget and unanimously approved a motion to recommend the Board approve the 2024 Annual Budget. Ms. Viera informed the Board that a condensed version of the Budget was included in their Board Binders. Ms. Viera made a motion on behalf of the Committee to approve the 2024 Annual Budget. The motion was seconded by Mr. Smith, and it carried 5 to 1, with Vice Chairman Reed opposing.

**LEGISLATIVE COMMITTEE**

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

**INVESTMENT COMMITTEE**

Mr. Smith reported the Investment Committee met on Wednesday, December 13<sup>th</sup>.

The Committee first received a presentation by NEPC of its draft Investment Practices and Performance Report. Mr. Smith reminded the Board that this report is required by Texas Gov. Code § 802.109. NEPC conducted its first review and report in 2020, and the law requires a re-review every three years. NEPC discussed its process in conducting the review and noted several important points and suggestions. After discussions, the Committee requested various clarifications to the Report. NEPC and staff will work to address those requests and an updated version of the Report will be presented at a future Committee meeting for formal approval. NEPC also discussed the Pension Fund's 2023 Liquidity Study, in which they provided a projected base and "stress case" scenario to analyze the liquidity profile of the Pension Fund's portfolio. No action was taken.

Next, the Committee discussed a potential re-up commitment with Tiger Infrastructure Partners Fund IV. The Fund will provide growth capital to middle-market infrastructure businesses in the digital infrastructure, energy transition, and transportation sectors. Tiger Infrastructure Partners Funds I and II are top quartile funds in terms of TVPI. As of June 30, 2023, the Pension Fund's investment in Fund III has a net IRR of 7.10%. After discussions, the Committee voted to recommend to the Board to commit \$20 million to Tiger Infrastructure Partners Fund IV. Mr. Smith made a motion on behalf of the Committee to approve. The motion was seconded by Secretary Councilwoman Dr. Rocha Garcia, and it carried unanimously.

The Committee then received an update on the Pension Fund's IDR commitment. Mr. Smith reminded the Committee that the Pension Fund had delayed funding this commitment based on the advice from Townsend and staff. In updating the Committee, staff noted that in light of the near-term outlook for core real estate, they recommended continuing to delay the funding. Staff reported that IDR and Townsend are also in agreement. Staff will continue to update the Committee as the next funding opportunity approaches. No action was taken.

Finally, the Committee received a presentation from Donovan Ventures regarding its history, market opportunity, and new fund, Donovan Growth Equity Partners II. Fund II is seeking \$375 million in commitments to make control equity investments in lower middle-market energy businesses. No action was taken.

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

Ms. Viera reported the Property Holding Corporation met on Wednesday, November 8<sup>th</sup> and Thursday, December 14<sup>th</sup> to discuss numerous items.

The first item was a review of the leasing status of the three buildings. Sullivan Commercial reviewed some of the new leases that had been finalized and noted that Shavano III is almost 90% leased, Shavano IV will be 100% leased and this building is 71% leased. The Corporation specifically asked Sullivan about the 15,000 square feet in this building that have been vacant for the past five years. Sullivan reported that they are getting more interest in the space now that it has been carved up to accommodate leases for the Healthcare Fund and Spectrum Financial.

The Corporation also received a briefing from General Counsel Gail Jensen regarding a legal issue with a tenant who has defaulted on its lease. The Corporation agreed with the staff's recommendation to retain outside counsel to pursue the available legal remedies to resolve the issue. A law firm has been engaged and the matter is proceeding.

Next, Sullivan reviewed the proposed renovations for Shavano Center III and Parkway Center, and the resulting budgetary impacts. Shavano Center III needs updates to the common areas and restrooms to improve the overall quality of the property. The cost for these renovations is approximately \$750,000. And the Pension Fund office also needs updated carpeting, paint, and lighting. The cost for these renovations is approximately \$280,000. Both projects were approved by the Corporation's Board and are included in the 2024 Annual Budgets.

Sullivan then presented the proposed 2024 Annual Budgets for the three buildings. Shavano Center III is projecting a net loss of \$154,000 in 2024 due to the common area renovations, as well as the replacement of 3 HVAC units and the painting of the building exterior. Shavano Center IV is projecting a net loss of \$1.4 million in 2024 due to \$1.7 million of tenant improvements for a new third floor tenant, and the replacement of 3 HVAC units. Parkway Center is projecting a net loss of \$323,000 in 2024 due to the renovations to the Pension Fund Office, plus \$400,000 in tenant improvements that will need to be done on the vacant 15,000 square feet on the second floor. After discussion, the Corporation approved the 2024 budgets as presented.

Lastly, the Corporation was scheduled to receive the 2022 Annual Audit from BDO, but the final report was not yet ready, so the audit has been rescheduled for the Corporation's January meeting.

**DISBURSEMENTS:** Secretary Councilwoman Dr. Rocha Garcia made a motion to approve the disbursements for December 18, 2023. Councilman Whyte seconded the motion, and it was approved unanimously.

**MEMBERS TO  
BE HEARD:** None.

**ADJOURNMENT:** Vice Chairman Reed made a motion to adjourn the meeting at 10:44 a.m. The motion was seconded by Mr. Smith, and it carried unanimously.

**APPROVED BY THE BOARD OF TRUSTEES AT THE  
REGULAR MEETING HELD ON January 30, 2024.**

\_\_\_\_\_  
**Mayoral Designee Justin Rodriguez, Chairman**

**ATTEST:**

\_\_\_\_\_  
**Councilwoman Dr. Adriana Rocha Garcia, Secretary**