

**BY-LAWS OF THE BOARD OF TRUSTEES**  
**OF THE**  
**EL PASO FIREMEN & POLICEMEN'S PENSION FUND**

**Section 1. Meetings**

The Board of Trustees of the El Paso Firemen & Policemen's Pension Fund ("the Board") shall hold regular monthly meetings and other, special meetings at the offices of the Pension Fund upon the call of the Chairman by giving at least three (3) business days' written notice thereof, signed by the Secretary, to each of the members of the Board at his or her last address of record, or by true facsimile or other verifiable electronic transmission. Written minutes shall be kept by the Secretary of all meetings of the Board, which shall be accepted or amended by majority vote at its next meeting.

**Section 2. Quorum and Voting**

Seven (7) trustees of the Board physically present at a meeting shall constitute a quorum for the transaction of business, provided that a smaller number may meet and adjourn to some other time or until a quorum is obtained. No motion, resolution or other action shall be effective unless a quorum is present, and a majority of the trustees present at a duly called meeting vote in favor of such motion, resolution or other action. Trustee participation by videoconference or teleconference, subject to the Texas Open Meetings

Act, shall be permitted provided that all trustees participating may be in concurrent communication with one another during the meeting.

### **Section 3. Officers of the Board**

The officers of the Board shall consist of a Chairman, Vice-Chairman, and Secretary.

The Chairman and Vice-Chairman shall each be elected for a two (2) year term at the bi-annual meeting of the Board. The first regular meeting in August of even-numbered years, commencing in the year 2012, shall be the bi-annual meeting of the Board, at which time the Board shall elect the Chairman and Vice-Chairman of the Board. The Executive Director shall be the Secretary ex officio and not a voting member or trustee of the Board.

Upon the affirmative vote of a two-thirds (2/3rds) majority vote of record of all the members of the Board, the Chairman or Vice-Chairman may be removed, with or without cause, upon proper notice. Notice of such vote for removal must be placed on the agenda for the next regular meeting of the Board upon petition by a majority of the members of the Board submitted to the Secretary not less than ten (10) days prior to such regular meeting. Any officer may resign at any time by giving written notice to the Secretary or Chairman of the Board, such notice to take effect at the time specified therein, and the acceptance of such resignation shall not be necessary to make it effective. A vacancy in any office of the Board because of death, resignation, removal, disqualification or any other cause, shall be filled for the unexpired portion of the term by a vote of a majority of

the remaining members of the Board present at any regular or special meeting of the Board duly called and noticed for that purpose.

#### **Section 4. Duties of the Chairman**

The Chairman, who shall be the chief executive officer of the Board, shall call and preside at all meetings thereof; shall appoint members of the standing and ad hoc committees of the Board; shall sign all contracts and agreements for and in the name of the Board upon their authorization, unless another signatory is expressly authorized by a majority vote of the Board; and shall have such other powers and duties as the Board from time to time may prescribe.

#### **Section 5. Duties of the Vice-Chairman**

In the event of the temporary absence or disability of the Chairman, the Vice-Chairman shall preside at Board meetings. The Vice-Chairman shall perform such additional duties and responsibilities as from time to time may be assigned by the Chairman. The Chairman may temporarily step down as presiding officer of a Board meeting in order to argue on any business before the Board, during which time the Vice-Chairman shall preside over the meeting until the Chairman reassumes that function.

## **Section 6. Duties of the Secretary**

The Secretary shall be responsible for recording the minutes of the Board's proceedings; keep all records, papers, and documents pertaining to the work of the Board; give due written notice of all meetings of the Board not later than three (3) business days prior to such meetings; submit to the Board or its designated committees at such time as it may deem appropriate such information and materials for the conduct of business that may come before the meeting; arrange for the appearance before the meeting of those persons whose attendance may be expedient to the business at hand; distribute completed applications for disability and other benefit claims for action by the Board and/or its committees; and to perform such other duties as from time to time may be assigned to the Secretary by the Board.

An Assistant Secretary, who may but need not be a member of the Board, may be appointed by the Board and perform the duties of the Secretary in absentia, or the Board may appoint a Secretary pro tem for such purpose.

## **Section 7. Order of Business**

At regular and special meetings of the Board, the Order of Business set forth under the agenda shall be generally as follows:

- Establishment of a quorum
- Reading and approval of the minutes of previous meetings

- Consent agenda
- Unfinished business
- Reports and recommendations of committees
- New business
- Adjournment

Provided, that the stated Order of Business may be re-ordered by majority vote of the Board members present, and, further provided, an item of business may be removed from the consent agenda to be discussed under “New Business” upon the request of any member of the Board then in attendance.

#### **Section 8. Parliamentary Procedure**

The most current edition of Robert’s Rules of Order shall govern the procedure for all meetings of the Board and its committees, except to the extent otherwise provided in these By-laws or applicable provisions of Texas state statute.

#### **Section 9. Standing and Ad Hoc Committees**

The Board shall establish and maintain the standing committees provided herein, each of which shall have the purposes and responsibilities set forth and such additional duties and responsibilities as the Board by majority vote shall determine. Each standing committee, except for the Budget and Finance Committee as herein provided, shall consist of five (5)

members of the Board appointed by the Chairman at the first regular meeting following the bi-annual meeting of the Board. Appointed members of a standing committee shall serve two-year terms; however, upon the affirmative vote of a two-thirds (2/3rds) majority vote of record of all the members of the Board, a member may be removed from a committee, with or without cause, upon proper notice and in accordance with the procedures set forth under these by-laws for removal of an officer of the Board. Upon the death, resignation, removal or disqualification of a member of a standing committee, the Chairman of the Board shall appoint a new member to the committee for the unexpired portion of the replaced member's term.

Prior to the next regular meeting of the Board, each standing committee shall elect a chair from among its membership at a committee meeting called by the Chairman of the Board upon due notice by the Secretary. The Chairman of the Board shall preside over each standing committee's initial organization meeting until such time as the committee chair is elected, but, except for the Budget and Finance Committee, the Chairman of the Board shall not be a regular member of a standing committee. The Vice-Chairman is eligible to be appointed to serve as a regular member of any committee of the Board. Any member of the Board may attend any committee meeting but shall not participate therein and have no vote unless a regular, duly appointed member of that committee.

The standing committees of the Board are, and shall have the following purposes and responsibilities:

A. Budget and Finance Committee. The members of the Budget and Finance Committee shall be constituted prior to the second regular meeting of the Board following the bi-annual meeting, and consist of the Chairman of the Board and the elected chairs of each of the standing committees of the Board. The chair of the Committee shall be the Chairman of the Board.

The primary purpose of the Committee is to annually establish a calendar year budget for the Fund, which the Executive Director shall submit to the Committee in draft not later than November 1<sup>st</sup> of each year for its review, action and submission to the Board for final approval no later than the last Board meeting in December. Thereafter, the Committee shall meet no less often than quarterly during the calendar year to periodically review the receipts and expenditures of the Fund in such form and in accordance with such guidelines and procedures as may be established by the Committee.

B. Audit and Risk Management Committee. The purpose of the Audit and Risk Management Committee is to assist the Board in fulfilling its general oversight of the Fund's financial reporting process, the system of internal controls, the internal and external audit process, the Fund's business continuity and governance, and the processes and procedures for monitoring compliance with the Board's disclosure and reporting requirements under the Code of Conduct and such other policies and procedures as may be adopted by the Board.

The Committee from time to time shall solicit proposals from and interview registered public accounting firms as candidates for an independent audit of the financial statements of the Fund, recommend to the full Board appointment of the Committee's choice of independent auditors, and also recommend the authorized expenditure for and scope of such external audit. The Committee shall resolve any disagreements between staff and the internal or external auditor regarding the Fund's financial reporting; may retain independent counsel, accountants or others to advise the Committee, or assist it in a review or investigation into the conduct of any fiduciary of the Fund; and shall review the Fund's annual financial statements to determine whether they are complete and consistent with those facts known to the Committee. The Committee shall further review with the internal and external auditors the final results of their respective audits prior to their reporting to the Board.

C. Investment Committee. The purpose of the Investment Committee is to review, evaluate and monitor investments of the Fund, periodically meet with the investment advisers and managers of the Fund; make recommendations to the Board regarding the investment of Fund assets and appointment of investment advisers and managers; and make recommendations to the Board concerning asset allocation and the Fund's statement of investment policy.

D. Benefits Committee. The purpose of the Benefits Committee is to review and assess the merits of claims for disability and survivor benefits under the terms of

the Plan, and make recommendations to the Board concerning the disposition of such claims; and review, revise and recommend to the Board policies and procedures for the effective administration of member benefits.

- E. Management Development and Review Committee. The purpose of the Management Development and Review Committee is to assist in the oversight of the administrative management of the Fund; to coordinate the evaluation of the Executive Director; to recommend to the Board the compensation and benefits of the Executive Director and administrative staff; to work with the Executive Director in the establishment of programs of staff training and continued development for the enhanced administration of the Fund; and to perform such other functions relating to the administrative management of the Fund as the Board may from time to time direct.

The Chairman shall appoint not less than three (3) or more than five (5) members of the Board to such ad hoc committees of limited duration as the Board from time to time may establish.

### **Section 10. By-Law Amendment**

These By-Laws may be amended or repealed, or a new by-law made, at any regular or special meeting of the Board by a two-thirds (2/3rds) vote of record of all the members of the Board, provided that copies of the proposed text of the amendment or repeal shall be

submitted to each member of the Board and included with the Secretary's notice of the meeting.

Adopted November 17, 2010