

EL PASO FIREMEN & POLICEMEN'S PENSION FUND
REGULAR MEETING TO BE HELD
Wednesday, January 19, 2011 at 1:00 PM
El Paso Firemen and Policemen's Pension Fund Office
Chase Tower, Suite 1616
201 East Main, El Paso, Texas 79901

MINUTES

TRUSTEE MEMBERS PRESENT:

Fire Division

Chief Michael V. Calderazzo
Chief Jerry Villanueva

Police Division

Commander Mark Austin
Detective Stanley Hayes
Lieutenant Tyler Grossman

Mayoral Appointments:

Dr. Robert Tollen
Mr. Presi Ortega

City Manager Appointments

Ms. Terri Garcia

OTHERS PRESENT:

Mr. Robert J. Stanton - Secretary
Ms. Yolanda Carreon - Assistant Secretary
Mr. Tim Campbell - Baillie Gifford & Co.
Mr. Brad Lowther - Member

TRUSTEE MEMBERS ABSENT:

Mr. William F. Studer /City Manager Appointment
Chief Ralph Johnson/Fire Trustee

EL PASO FIREMEN & POLICEMEN'S PENSION FUND
REGULAR MEETING
Wednesday, January 19, 2010 - 1:00 P.M.

2

1. Call to order.

Vice-Chair Austin called the Regular Meeting of the El Paso Firemen & Policemen's Pension Fund Board of Trustees to order at 1:07 p.m.

2. Establishment of Quorum

Vice-Chair Austin-established-a Quorum-is-present.

3. Reading and approval of the Minutes of the previous Board Meeting held December 15, 2010.

Dr. Tollen moved to approve the minutes of the previous Board Meeting held December 15, 2010, seconded by Mr. Hayes and passed by the Board.

Consent Agenda

Mr. Grossman moved to approve the Consent Agenda, seconded by Mr. Ortega and passed by the Board.

Unfinished Business

None at this time.

Chairperson Calderazzo presented himself at 1:10 p.m.

Reports and recommendations of Committees

- A. Audit and Risk Management Committee - Did Not Meet.
- B. Investment Committee - Reporting for the Investment Committee, Dr. Tollen provided a short synopsis on a presentation provided to the Investment Committee earlier from GTS Advisers. Dr. Tollen stated GTS is a transition management consultant group and the Committee will be revisiting this matter at a later date.
- C. Benefits Committee - Will report under *New Business, Item 4.*
- D. Management Development and Review Committee - Did Not Meet.
- E. Ad-Hoc Committee for Office Space - Did Not Meet.

New Business

- 1. Recognition of dedicated service to Trustee Mr. John D. Davis, III.

Mr. Davis was unable to attend the Board of Trustees Meeting and an appreciation plaque will be delivered to Mr. Davis. For the record, Chairperson Calderazzo expressed his gratitude to

EL PASO FIREMEN & POLICEMEN'S PENSION FUND
REGULAR MEETING
Wednesday, January 19, 2010 - 1:00 P.M.

3

Mr. Davis for having served for over ten years as both a Fire Trustee and a Mayoral appointee to the Board. He has made an exceptional and memorable contribution to the Fund.

2. Investment Performance update for period ended December 31, 2010 as presented by Mr. Tim Campbell, Director of Baillie Gifford & Company.

Mr. Campbell reported that the initial value of assets when retained was in the amount of 32.0 million. Value of assets as of December 31, 2010 was a little over \$79,701,00. Performance since inception to December 31, 2010 was 18.1% compared to the benchmark of 18.2%. Number of clients as of September 30, 2010 is 300 compared to 290 at the same time last year. Number of staff grew to 673 compared to 644. Number of investment professionals grew to 171 compared to 163 and assets under management grew to \$103.9 billion compared to \$84.7 billion. The firm has thirty-five full time partners.

Fund performance to year to date is 15.5% compared to the benchmark of 20.1%. Baillie Gifford outlook is that the axis of debtor and creditor nations tipped firmly in favor of the emerging universe, the transition between stimulus and fiscal repair is fraught with difficulty, corporate profits and balance sheets are in good shape and good prospects for long term returns from emerging market equities.

3. Discussion and action on the request for Reconsideration of Disability Pension Application by Mr. Brad Lowther, Police Department.

After careful discussion and due consideration, Mr. Ortega moved to refer Mr. Lowther's request for Re-consideration of a disability pension to the Benefits Committee, seconded by Mr. Grossman and passed by the Board.

4. Discussion and action on the Application for Disability Retirement of Mr. Erik Lambourn pursuant to the recommendation of the Benefits Committee.

After careful discussion and due consideration and at the recommendation of the Benefits Committee, Mr. Austin moved to approve Mr. Lambourn's request for a disability retirement, seconded by Mr. Hayes and passed by the Board.

5. Discussion and action on approval/denial of full-time Student Request from Mr. Kipp R. Hall in accordance with Section 3.18 "Qualified Child" of the Plan Document.

After careful discussion and due consideration, Dr. Tollen moved to approve the Student Request application of Mr. Kipp R. Hall, seconded by Mr. Hayes and passed by the Board.

6. Opportunity for Statements from Retired Members/Public.

None.

EL PASO FIREMEN & POLICEMEN'S PENSION FUND
REGULAR MEETING
Wednesday, January 19, 2010 - 1:00 P.M.

4

7. Report of Executive Director.

Mr. Stanton provided the Board with an update to his prior written report.

8. For Notation:

Informational Material For Review. No Action Required.

A. Service Retirement

1. Mr. Russell A. Hall Fire Department
2. Mr. John F. Nutt, Jr. Fire Department
3. Mr. Adolfo Borjon Police Department
4. Mr. Victor H. Rosales Police Department
5. Ms. Martha P. Sida Police Department

B. Early Retirement

Mr. Bobby E. Lane Police Department

C. Survivor Benefits

1. Ms. Mildred A. Goss, survivor of William W. Goss, Fire Department.
2. Ms. Teresita P. Quinones, survivor of Joe D. Quinones, Fire Department.
3. Ms. Deborah K. Palmer, survivor of Gerald A. Palmer, Police Department.

D. Cost of Living Adjustments

1. Annual Cost of Living Adjustments on January 1, 2011
2. Mr. Juan Ramos Police Department

9. Adjournment.

Mr. Grossman moved to adjourn, seconded by Mr. Austin and passed by the Board. The El Paso Firemen & Policemen's Pension Fund Board of Trustees meeting stands in adjournment at 2:05 p.m.


Chairperson


Secretary