

EL PASO FIREMEN & POLICEMEN'S PENSION FUND
SPECIAL BOARD MEETING
Thursday, April 4, 2013 at 1:00 PM
El Paso Firemen and Policemen's Pension Fund Office
Chase Tower, Suite 1616
201 East Main Drive, El Paso, Texas 79901

MINUTES

TRUSTEE MEMBERS PRESENT

Fire Division:

Chief Jerry Villanueva
Chief Michael V. Calderazzo
Chief Ricci Carson

Police Division:

Commander Mark Austin
Detective JD Cotham
Lieutenant Tyler Grossman

Mayoral Appointments:

Dr. Robert Tollen
Ms. Carmen Arrieta-Candelaria
Mr. Presi Ortega

City Manager Appointments:

Mr. William F. Studer

OTHERS PRESENT

Ms. Christina Ramirez - Benefits Manager
Ms. Laura Gordon - City of El Paso
Mr. Ron Martin - (EPMPOA)
Mr. Joe Tellez - Local 51
Ms. Carla Ibarra - El Diario

TRUSTEE MEMBERS ABSENT:

Ms. Terri Garcia

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1. Establishment of Quorum

Chair Grossman established a Quorum is present. The Special Board Meeting of the El Paso Firemen & Policemen's Pension Fund Board of Trustees was called to order at 1:01 p.m.

Mr. Carson arrived at 1:03 p.m.

New Business

1. Discussion and action on Governance issues pertaining to Board and Staff.

Chair Grossman recommended that Budget and Finance Committee review staff & board travel. He wanted the committee to make sure that all policies and procedures are being followed. He felt the committee should then make a list of things that need to be corrected or taken out of the policies and procedures if no longer relevant.

Mr. Calderazzo agreed; however felt that the Audit and Actuary committee be tasked with this project and not the Budget and Finance Committee. He also wanted to know what governance issues were being considered.

Chair Grossman stated that the Governance issues currently being considered were the handling of travel.

Ms. Arrieta-Candelaria stated that policies and procedures should be reviewed to see if they were in line with other governmental agencies. She referenced page 6 of the Fund's Travel Policy and stated that the personal portion of travel combined with business travel should be clearly identified at the expense of the Trustee or Staff member. She felt that this was not currently being followed.

Ms. Arrieta-Candelaria recommended that items 1, 2, and 3 be combined for discussion and consideration.

The Board agreed with Ms. Arrieta-Candelaria's suggestion and combined items 1, 2, and 3 for discussion and consideration.

A motion was made by Mr. Calderazzo and seconded by Mr. Tollen that a Request for Proposals (RFP) for a management study be prepared. Further discussion ensued.

Dr. Tollen recommended that the committee first look the NCPERs Best Governance Practices Brochure.

Chair Grossman felt that an RFP was necessary and that this had been conveyed to City Council.

Mr. Stanton also suggested that an outside company come in and look at the Fund's practices. He stated that the cost would be anywhere from \$100,000 to \$200,000.

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Mr. Ortega felt that the Board was being very reactive and stated that he would not vote for a \$100,000 expenditure for a management study.

Mr. Calderazzo withdrew his first motion.

2. Discussion and action on a review of best practices and policies for the Fund.
3. Discussion and action related to the Pension Fund's Travel Policy.

After careful discussion and due consideration, Ms. Arrieta-Candelaria moved that the Audit and Risk Management Committee be tasked to review the best practices of the Fund and come back to the Board with a proposal of specific issues that need to be addressed, seconded by Dr. Tollen and passed by the Board.

This motion and its subsequent approval covered items 1, 2, and 3.

Board continued discussion of the Pension Fund's Travel Policy.

Ms. Arrieta-Candelaria suggested that personal travel should not be allowed to be combined with business travel. This would eliminate public scrutiny. She also recommended that distance of travel should be defined in the policy.

Dr. Tollen commented that personal travel combined with business travel should be allowed as long as people are above board on their personal travel.

Mr. Austin agreed with Dr. Tollen but further commented that all personal travel should be clearly defined.

Ms. Arrieta-Candelaria recommended that the per diem rate be reviewed. It is very low. The City's travel policy uses the GSA and utilized the per diem rate for the region visited. She also suggested that new trustees receive an orientation that includes the travel policy.

Mr. Studer felt that the Fund's current policy of allowing each trustee and staff member to travel to four conferences annually plus two TEXPERs conferences should be reduced to a total of four conferences annually combined.

4. Discussion and action on Pension Fund's legal counsel.

Ms. Arrieta-Candelaria moved that an RFQ for the legal services go out. Further discussion ensued.

Ms. Arrieta-Candelaria requested that all legal bills show hours. She referenced the Sheehan, Phinney, Bass and Green invoice and indicated that no hours were listed on the invoice.

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Mr. Calderazzo commented that an RFQ will not tell you that someone is more experienced than another. Alan Cleveland is a very experienced lawyer and has done an excellent job for the Fund. There is no guarantee that an RFQ will provide the best lawyer.

Ms. Arrieta-Candelaria recommended that an RFQ be done every five years. The RFQ will rank candidates solely on qualifications; then after rank is established, rates are negotiated.

Mr. Calderazzo suggested that all contractors should be reviewed every three years.

After careful discussion and due consideration, Ms. Arrieta-Candelaria moved that the Fund prepare a Request for Qualifications (RFQ) for legal counsel services, seconded by Mr. Ortega and passed by the Board.

Chair Grossman requested that the Board change the order of business today in order to get to Item 6 under New Business.

6. Discussion and action on Board Resolution regarding sole Manager of Lomaland West.

Mr. Stanton requested that he absolved from his responsibilities pertaining to Lomaland West.

Mr. Austin moved that the Chairman, Vice-Chairman, and the Chairman of the Ad-Hoc Committee on Office Space designated as Managers of Lomaland West to act by the majority decision, carrying out the instructions of the Board; seconded by Mr. Cotham. Further discussion ensued.

Ms. Arrieta-Candelaria questioned why the Executive Director should not continue with his responsibilities as they pertain to Lomaland West. She asked whether all three of the managers named would have to sign off on all issues pertaining to Lomaland West.

Mr. Studer recommended that the original motion be amended to only include the Chairman of the Board and the Chairman of the Ad-Hoc committee on Office Space.

Mr. Austin amended his motion and moved that the Chairman of the Ad-Hoc Committee on Office Space and the Chairman of the Board be designated as Managers of Lomaland West to act by the majority decision, carrying out the instructions of the Board, seconded by Mr. Cotham and approved by the Board.

In order to discuss Item 5, Mr. Calderazzo made a motion to move into Executive Session, seconded by Mr. Villanueva. Motion carried.

The El Paso Firemen & Policemen's Pension Fund Board of Trustees retired into Executive Session at 2:02 p.m. and returned to regular session at 2:56 p.m.

5. Discussion and action on the resignation and subsequent rescinding of Executive Director's resignation.


No Action.

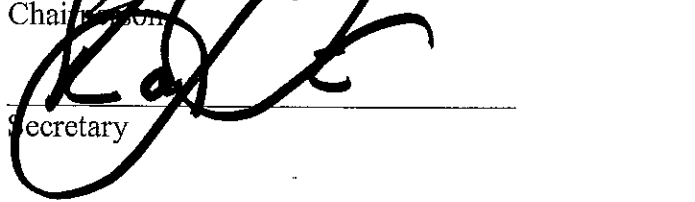
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7. Adjournment.

Mr. Austin moved to adjourn, seconded by Mr. Ortega and passed by the Board. The El Paso Firemen & Policemen's Pension Fund Board of Trustees meeting stands in adjournment at 2:59 p.m.


Chairman


Secretary