

**EL PASO FIREMEN & POLICEMEN'S PENSION FUND
REGULAR MEETING HELD**

Wednesday, April 17, 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 Ricci Carson

Police Division:

Lieutenant Tyler Grossman
Commander Mark Austin
Detective JD Cotham

Mayoral Appointments:

Dr. Robert Tollen
Mr. Presi Ortega

City Manager Appointments:

Mr. William F. Studer

OTHERS PRESENT

Mr. Robert J. Stanton - Secretary
Ms. Yolanda Carreon - Assistant Secretary
Mr. Patrick Quinn - William Blair
Ms. Stacia Ikpe - Lord Abbett
Mr. Octavio Cobos - Local 51

TRUSTEE MEMBERS ABSENT:

Chief Michael V. Calderazzo
Ms. Carmen Arrieta-Candelaria
Ms. Terri Garcia

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There not being a quorum present, Chairperson Grossman stated that Mr. Patrick Quinn of William Blair will now start his presentation.

1. Investment Performance Review for period ended December 31, 2012 and update as presented by Mr. Patrick Quinn of William Blair.

Mr. Pat Quinn provided the Board an overview of the US Institutional Growth Equity. William Blair was formed in 1935, has over four-hundred institutional clients relationships, and \$49.6 billion under management as of December 31, 2012. As of March 31, 2013, the Fund had \$37,711,851 invested in the Russell 2000 Growth Strategy. Year to date performance was 16.87% compared to the Russell 2000 Growth of 13.21%. For the one year, the Fund returned 21.85%, compared to 14.52% for the Russell 2000 Growth. Since inception, the Fund has returned 15.65% compared to 16.82% for the Russell 2000 index. The first quarter 2013 contributors was stock selection in consumer discretionary including Pandora Media, Mattress Firm and MDC Partners. The detractors were stock selection such as Liquidity Services, Cyberonics, Encore Capital Group, Real Page and Vera Bradley.

1. Establishment of Quorum

Chair Grossman established a Quorum is present. The Regular Meeting of the El Paso Firemen & Policemen's Pension Fund Board of Trustees was called to order at 1:28 p.m.

2. Reading and approval of the Minutes of the previous Board Meeting held March 20, 2013, Special Board Meeting(s) March 25, 2013, April 4, 2013, and April 8, 2013.

In reference to the Special Board Meeting minutes of April 4, 2013, Dr. Tollen requested that the last paragraph on page 3 which reads "*Dr. Tollen recommended that legal bills be listed by project and show percentage of project completion on each bill*" be struck from the minutes as he did not say that.

Mr. Villanueva moved to approve the minutes of the previous Board Meetings held on March 20, 2013, Special Board Meeting(s) March 25, 2013, April 4, 2013, and April 8, 2013 with the noted changes, seconded by Dr. Tollen and passed by the Board.

Consent Agenda

Mr. Studer requested to move Item 4D from the Consent Agenda for further discussion.

Dr. Tollen moved to approve the Consent Agenda with the preceding request to pull Item 4D from the Consent Agenda seconded by Mr. Villanueva and passed by the Board.

Item 4D was discussed next. Mr. Studer stated that the Board had talked about requesting more detail on these statements such as time spent on each invoice. Mr. Stanton stated that Attorney Cleveland will comply with this request in the following invoices; however this month's statement had already been issued.

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Mr. Studer moved to approve Item 4D, seconded by Mr. Villanueva and passed by the Board.

Unfinished Business

1. Discussion and action on performance review of the Executive Director as recommended by the Management Development and Review Committee, tabled March 20, 2013.

Mr. Cotham requested to table this item for next meeting, seconded by Mr. Carson and passed by the Board.

Reports and recommendations of Committees

- A. Audit and Risk Management Committee - Did not meet.
- B. Investment Committee – Did not meet. The Investment Committee will meet next week.
- C. Benefits Committee - Did not meet.
- D. Management Development and Review Committee – Did not meet.
- E. Ad-Hoc Committee for Office Space - Did not meet, however, Mr. Austin informed the Board the following: The Board previously approved and allocated \$10,000 earnest money which at the time was going to be used for the building at 2525 E. Missouri Street. He asked the Board if there was any objection to changing the address to the 909 E. San Antonio property. There being no objection, he will use the \$10,000 earnest money for the new location. Mr. Studer asked on the condition of the building. Mr. Austin stated that after paying the earnest money, an appraisal and inspection will follow. Discussion ensued.
- F. Budget & Finance Committee - Did not meet.
- G. Ad-Hoc Committee on Legislative Review - Chairperson Grossman sated he was in Austin this week in which Representative Pickett laid out the bill before the House Pension's Committee. Mr. Grossman testified on behalf of the fund and emphasized that the agreement between the Fund and the City was based upon the introduced version of the bill which was approved by the Board and City Council. He further noted that the Texas Republic of Independent Caucus put in a card to oppose, however, the reason for this is unknown. Chairperson Grossman continued to inform the Board on other legislative issues going on in Austin.

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New Business

2. Investment Performance Review for period ended December 31, 2012 and update as presented by Ms. Stacia Ikpe, of Lord Abbett.

Ms. Ikpe provided the organizational update. Currently, Lord Abbett has \$137 billion of assets under management. Of that total, 34% are in domestic equity and 66% in fixed income. Initial funding was made on January 21, 2004. As of March 31, 2013, the Fund has \$76,563,641.86 invested in Small Cap Value. Since inception, the Fund has had a return of 10.81% compared to 6.56% for the Russell 2000 Value Index, for the one year period, the Fund had a total return of 13.00% compared to 18.09% for the Russell 2000 Value Index.

3. Discussion and action on Buck Consultants providing GASB Estimates for the City of El Paso.

Mr. Ortega moved to table to the May meeting, seconded by Mr. Cotham and passed by the Board.

4. Opportunity for Statements from Members/Retired Members/Public.

None.



5. Report of Executive Director.

Mr. Stanton provided the Board with an update to his prior written report. Staff continues to process capital calls as they come in. The auditors were here recently and have completed most of their on-site work and will soon be presenting their findings to the Board. Several Open Records Requests from the El Paso Times have been received and complied with. Mr. Stanton further advised the Board that as per our Texas legal counsel, we will no longer have names of individuals under the informational materials for Notation. The back-up documentation with names will continue to be provided to the Board of Trustees in their packets.

6. For Notation:

Informational Material For Review. No Action Required.

A. Service Retirement

- | | |
|---------------------|-------------------|
| 1. Eduardo Holguin | Police Department |
| 2. Diana M. Kirk | Police Department |
| 3. Theodore R. Saiz | Police Department |
| 4. Raul Prieto | Police Department |

B. Service/BackDrop Retirement

Dean M. Kinder	Police Department
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C. Cost of Living Adjustments


- | | |
|------------------|-------------------|
| 1. Marc Medina | Police Department |
| 2. George Stoltz | Police Department |
| 3. Efraime Silva | Police Department |


D. Death of member(s)

- | | |
|-------------------|-----------------|
| 1. Lloyd V. Moore | Fire Department |
| 2. Merlyn Rosburg | Fire Department |

7. Adjournment.

Mr. Ortega moved to adjourn, seconded by Mr. Villanueva and passed by the Board. The El Paso Firemen & Policemen's Pension Fund Board of Trustees meeting stands in adjournment at 2:28 p.m.


Chairperson


Secretary