

**EL PASO FIREMEN & POLICEMEN'S PENSION FUND**  
**REGULAR MEETING**  
**Wednesday, February 19, 2020 at 1:00 PM**  
**El Paso Firemen and Policemen's Pension Fund Office**  
**909 East San Antonio Avenue, El Paso, Texas 79901**

**MINUTES**

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**TRUSTEE MEMBERS PRESENT**

**Fire Division:**

Chief Ricci Carson  
Lieutenant Paul Thompson

**Police Division:**

Officer Jerry Armendariz  
Sergeant Sean Shelton

**Mayoral Appointments:**

Ms. Lee Ellen Banks  
Ms. Leila Melendez

**City Manager Appointments:**

Mr. Gary M. Borsch  
Mr. William Veliz

**OTHERS PRESENT**

Mr. Tyler Grossman – Executive Director  
Ms. Christina Ramirez – Deputy Executive Director  
Ms. Lena Ellis – Chief Financial Officer  
Ms. Michele Amaya – Executive Assistant  
Mr. Kai Peterson – AndCo Consulting  
Mr. Tony Kay – AndCo Consulting  
Mr. Trevor Jackson – AndCo Consulting

**TRUSTEE MEMBERS ABSENT:**

Chief Jerry Villanueva  
Lieutenant John Schneider  
Ms. Susanna Visconti

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1. Establishment of Quorum.

Vice-Chairman Thompson established that a Quorum was present. The Regular Meeting of the El Paso Firemen & Policemen's Pension Fund Board of Trustees was called to order at 1:05 p.m.

2. Reading and approval of the Minutes from the previous Regular Board Meeting and Special Meeting held on January 15, 2020 and January 29 & 30, 2020, respectively.

*Ms. Banks moved to approve the minutes of the Regular Board Meeting and Special Meeting held on January 15, 2020 and January 29 & 30, 2020; respectively, seconded by Mr. Shelton and unanimously passed by the Board.*

Consent Agenda

*Mr. Carson moved to approve the Consent Agenda, seconded by Mr. Shelton and passed by the Board.*

1. Internal Financial Statements for month ending January 31, 2020.

Northern Trust Financial Statements for month ending January 31, 2020.

2. Expense Reports for the month ending January 31, 2020.

3. Approve Pension Payrolls:

Fire	\$3,215,698.55
Police	\$4,532,628.46

4. Payments to Service Providers

A.	AndCo – General Consulting Services – 4 <sup>th</sup> Q19	\$46,250.00
B.	Salena Karam Ayoub – December 2019	\$215.40
C.	DLA Piper – thru December 31, 2019	\$3,125.25
D.	Lawson Attorneys PLLC – November 2019	\$456.50
E.	Legislative Consultants – January 2020	\$5,000.00
F.	Meketa Investment Group (General Consulting) – 4 <sup>th</sup> Q19	\$46,625.00
G.	Meketa Investment Group (Private Equity Consulting) – 4 <sup>th</sup> Q19	\$68,750.00

Reports and recommendations of Committees

*Mr. Armendariz made the motion to enter into Executive Session at 1:07 p.m. to discuss Personnel Matters under Texas Government Code, Section 551.074, seconded by Mr. Veliz and passed unanimously by the Board.*

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*The Regular Board Meeting of the El Paso Firemen & Policemen's Pension Fund reconvened into public session at 1:33 p.m.*

1. Discussion and action on Executive Director/Chief Investment Officer job description as recommended by the Management Development and Review Committee.

*After careful discussion and due consideration and at the recommendation of the Management Development and Review Committee, Ms. Banks moved to create the position of Executive Director/Chief Investment Officer (ED/CIO) and to approve the job description for this position. Mr. Grossman's title will be changed to Executive Director/Chief Investment Officer. This was seconded by Mr. Veliz and passed unanimously by the Board.*

*Ms. Banks further moved to approve the starting salary for the ED/CIO position at \$245,000 effective on February 20, 2020 prorated; also, the current contract for Mr. Grossman will remain in place with the job title change. This was seconded by Mr. Veliz and unanimously passed by the Board.*

#### Unfinished Business

#### New Business

1. Discussion and action on approval of Strategic Plan update.

Mr. Grossman explained that the Strategic Plan was reviewed by staff and trustees. Some changes were made and are presented in the attached document.

*After careful discussion and due consideration, Mr. Shelton moved to approve the Strategic Plan update, seconded by Mr. Armendariz and passed unanimously by the Board.*

2. Approval/denial of full-time Student Request Application in accordance with Section 3.21 "Qualified Child" of the Plan Document.

Mr. Grossman explained that all of the paperwork was in order for Item 2 and recommended approval by the Board.

*After careful discussion and due consideration, Mr. Shelton moved to approve the full-time Student Request Application for Isaiah Guerrero, seconded by Mr. Armendariz and passed unanimously by the Board.*

Mr. Grossman requested that Item 4 be presented prior to Item 3.

4. Discussion and action on Asset Liability Study as presented by Mr. Kay and Mr. Jackson from AndCo Consulting.

Mr. Kay, Mr. Jackson and Mr. Peterson of AndCo Consulting reviewed the Asset Liability Study with the Board and answered questions.

*After careful discussion and due consideration, Mr. Shelton moved to table this item until the March Board Meeting, seconded by Mr. Armendariz and passed unanimously by the Board.*

Ms. Banks absented herself at 3:15 p.m.

3. Presentation and review of fourth Quarter 2019 Investment Performance, as presented by Mr. Trevor Jackson and Mr. Tony Kay of AndCo Consulting.

Mr. Kay explained that this is the first Investment Performance Quarterly report that AndCo has prepared for the Board. They followed the same format as those previously prepared by Summit and Meketa but added some additional items. It is fully customizable. He encouraged feedback from the Board.

A client survey that was received in 2019 indicated that clients wanted more research. In response to that request, AndCo added eight people to the research department. AndCo is an employee owned partnership. Two partners were added to the firm.

Large Cap growth was very strong in 2019. The S&P 500 was up 31.5%. It had the best year since 1997 in that index. Fixed Equity did well at 8.7%. For the Quarter, emerging markets was the best performer up 11.8% driven by the China/US deal under Phase I. Earnings were good last year. Expectations are between 9% and 10% for 2020.

The Fund was up 21.65% in calendar year 2019. Equities have driven these results. Real estate delivered a 10% return.

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

None.

6. Report of Executive Director.

See submitted Written Report

7. For Notation:

Informational Material For Review. No Action Required.

- A. Service/Forward DROP Retirement(s)
- B. Deferred Retirement
- C. Death of member(s)
- D. Cost of Living Adjustments

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8. Adjournment.

*Mr. Armendariz moved to adjourn. The El Paso Firemen & Policemen's Pension Fund Board of Trustees meeting stands in adjournment at 3:43 p.m.*

  
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Chairperson

  
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Secretary