

**EL PASO FIREMEN & POLICEMEN'S PENSION FUND**  
**REGULAR MEETING**  
**Wednesday, October 21, 2020 at 1:00 PM**  
**Via Zoom Meeting**  
**Meeting ID: 882 7344 4010**  
**Password: 092382**

**MINUTES**

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**TRUSTEE MEMBERS PRESENT**

**Fire Division:**

Chief Ricci Carson  
Lieutenant Paul Thompson  
Chief Daniel P. Roy

**Police Division:**

Officer Jerry Armendariz  
Sergeant Sean Shelton

**Mayoral Appointments:**

Ms. Leila Melendez  
Ms. Susanna Visconti

**City Manager Appointments:**

Mr. Gary M. Borsch  
Mr. William Veliz

**OTHERS PRESENT**

Mr. Tyler Grossman – Executive Director  
Ms. Christina Ramirez – Deputy Executive Director  
Ms. Michele Amaya – Executive Assistant  
Mr. Trevor Jackson and Mr. Tony Kay - AndCo Consulting  
Mr. Leandro Festion and Mr. Gerald Chew – Meketa Investment Group  
Mr. Jeff Antonacci, Mr. Arun Keswani, and Mariano Aveledo – DFA  
Ms. Patricia Karolyi, and Mr. Steven Dutaut – Mondrian  
Mr. Thad Fletcher and Mr. Mike Meyer – Cooke & Bieler  
Mr. Zach Cziryk – Financial News  
Ms. Ashley Rendon - Pension Review Board  
Mr. Art Alfaro - TEXPERS

**TRUSTEE MEMBERS ABSENT:**

Ms. Lee Ellen Banks  
Lieutenant John Schneider

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1. Establishment of Quorum.

Chairman Shelton 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 1:04 p.m. This board meeting was conducted via Zoom.

2. Reading and approval of the Minutes from the previous Regular Board Meeting held on September 16, 2020.

*Mr. Borsch moved to approve the minutes of the Regular Board Meeting held September 16, 2020, seconded by Mr. Armendariz and unanimously passed by the Board.*

Consent Agenda

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

1. Internal Financial Statements for month ending September 30, 2020.

Northern Trust Financial Statements for month ending September 30, 2020.

2. Expense Reports for the month ending September 30, 2020.

3. Approve Pension Payrolls:

Fire	\$3,066,354.65
Police	\$4,788,315.95

4. Payments to Service Providers

A.	DLA Piper – thru July 31, 2020	\$4,361.40
B.	Lawson Attorneys PLLC – August 2020	\$2,381.25
C.	Legislative Consultants – September 2020	\$5,000.00
D.	Masser Technologies – September 2020	\$1,400.00
E.	Pension Technology Group – Staff Plan Custom Programming	\$44,000.00
F.	Pension Technology Group – 3rdQ20 Support and Hosting Services	\$20,000.00

Reports and recommendations of Committees

1. Discussion and action on the commitment to Emerging Market Debt.

Mr. Thompson explained that after Eaton Vance was selected for the fund's commitment to Emerging Market Debt two changes in Eaton Vance occurred which concerned the Investment Committee. A key person was promoted out of the team and Eaton Vance was bought by Morgan Stanley. The Investment Committee felt this concern warranted a reconsideration and felt PGIM made a better fit to the Fund's needs.

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*After careful discussion and due consideration and at the recommendation of the Investment Committee, Mr. Thompson moved to not move forward with Eaton Vance and engage Prudential Global Investment Management to fund the 2.5% to Emerging Market Debt pending legal review, seconded by Ms. Visconti and passed unanimously by the Board.*

2. Discussion and action on the commitment to Charlesbank X, as recommended by Investment Committee.

The Fund is currently invested in Charlesbank Equity Fund VIII and Charlesbank Equity Fund IX. Both Funds have performed well.

*After careful discussion and due consideration and at the recommendation of the Investment Committee, Mr. Thompson moved to commit \$11M to Charlesbank X pending legal review, seconded by Mr. Carson and passed unanimously by the Board.*

Unfinished Business

New Business

1. Discussion and action on Texas Senate Bill 322, as presented by Mr. Trevor Jackson and Mr. Tony Kay of AndCo Consulting.

Mr. Grossman explained that earlier in the year the Board approved the Fund's Independent Evaluation of Investments in response to Senate Bill 322. In their regular meetings the Pension Review Board made recommendations on what they felt the report should contain. AndCo took those recommendations seriously and felt they should update the report. With the update AndCo felt the report better suited a wider audience and what the spirit of the state law requested.

*After careful discussion and due consideration, Mr. Thompson moved to approve the updated Evaluation of Investments report as presented, seconded by Mr. Veliz and passed unanimously by the Board.*

2. Investment Performance Review for the period ended December 31, 2019 and update, as presented by Mr. Jeff Antonacci, Mr. Arun Keswani, and Mr. Mariano Aveledo of DFA.

Dimensional manages the Fund's International Small Cap Value Portfolio. In the third quarter of 2020, small caps outperformed large caps; value stocks outperformed growth stocks; and high profitability stocks outperformed low profitability stocks. The Fund's performance at the end of the third quarter was at 6.30%. Year to date the Fund's performance was -15.86%.

3. Investment Performance Review for the period ended December 31, 2019 and update, as presented by Ms. Patricia Karolyi and Mr. Steven Dutaut of Mondrian.

Mondrian uses a value approach which emphasizes yield and future real growth in dividends. Performance year to date as of September 30, 2020 was -18.7%. The third quarter performance was 1.4%. The second quarter performance was 8.9%; however, the first quarter performance was -26.4%.

4. Investment Performance Review for the period ended December 31, 2019 and update, as presented by Mr. Thad Fletcher and Mr. Mike Meyer of Cooke and Bieler.

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Cooke & Bieler focuses on long-term investor returns governed by the underlying economic returns of the businesses they own. Performance in the Large Cap Value strategy as of September 30, 2020 was 11.7% beating the index which was at 10.2%. Performance in the Small Cap Value strategy as of September 30, 2020 was 12.6% beating the index which was at 6.6%.

5. Discussion and action on Lexis Nexis marriage/divorce report.

Mr. Grossman explained that Lexis Nexis was hired last year in order to do a more in-depth audit of members and survivors of members receiving benefits. This audit is above what is currently done. This was also done to satisfy a Fund strategic plan initiative. There were no findings of fraud after this audit.

*After careful discussion and due consideration, Mr. Carson moved to approve the audit completed thru LexisNexis and discontinue this additional audit, seconded by Mr. Thompson and passed unanimously by the Board.*

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

*After careful discussion and due consideration, Mr. Thompson moved to approve the Student Request Applications for Angel Di Muzio and Miguel Macias, seconded by Mr. Borsch and passed unanimously by the Board.*

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

None.

8. Report of Executive Director.

See submitted Written Report

9. For Notation:

Informational Material For Review. No Action Required.

- A. Service Retirement(s)
- B. Early Retirement(s)
- C. Service/Forward DROP Retirement(s)
- D. Cost of Living Adjustments
- E. Refund of Contributions

10. Adjournment.

*Mr. Carson moved to adjourn the meeting. The El Paso Firemen & Policemen's Pension Fund Board of Trustees meeting stands in adjournment at 2:59 p.m.*

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DocuSigned by:

*Sean Shelton*

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Chairperson

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*[Signature]*

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Secretary