

EL PASO FIREMEN & POLICEMEN'S PENSION FUND
REGULAR MEETING
Wednesday, February 17, 2021 at 1:00 PM
Via Zoom Meeting
Meeting ID: 858 9324 2978
Password: 289809

MINUTES

TRUSTEE MEMBERS PRESENT

Fire Division:

Lieutenant Paul Thompson
Chief Ricci Carson

Police Division:

Officer Jerry Armendariz
Sergeant Sean Shelton

Mayoral Appointments:

Ms. Lee Ellen Banks
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. Lena Ellis – Chief Executive Officer
Ms. Michele Amaya – Executive Assistant
Mr. Trevor Jackson and Mr. Tony Kay - AndCo Consulting
Ms. Ashley Alson – Northern Trust
Mr. Kevin Balaad - Fundmap
Mr. Zach Cziryk – Financial News

TRUSTEE MEMBERS ABSENT:

Lieutenant John Schneider
Chief Daniel P. Roy

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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 1:02 p.m. This board meeting was conducted via Zoom.

2. Reading and approval of the Minutes of the previous Regular Board Meeting held on January 20, 2021, and the Special Board Meeting held on January 27, 2021.

Mr. Thompson moved to approve the minutes of the Regular Board Meeting held January 20, 2021 and the Special Board Meeting held on January 27, 2021, seconded by Mr. Veliz and unanimously passed by the Board.

Consent Agenda

Ms. Banks moved to approve the Consent Agenda, seconded by Mr. Carson and passed by the Board.

1. Internal Financial Statements for month ending January 31, 2021.

Northern Trust Financial Statements for month ending January 31, 2021.

2. Expense Reports for the month ending January 31, 2021.

3. Approve Pension Payrolls:

Fire	\$3,142,484.60
Police	\$4,734,650.96

4. Payments to Service Providers

A.	AndCo Consulting – 4 th Q20	\$46,250.00
B.	Gallagher – 21-22 D&O Renewal	\$7,934.00
C.	Legislative Consultants – January 2021	\$8,000.00
D.	Lawson Attorneys PLLC – Oct – Dec 2020	\$8,720.80
E.	Masser Technologies – January 2021	\$2,035.00
F.	Meketa Investment Group – 4thQ20	\$72,500.00
G.	Northern Trust – Benefits and Custody 4Q20	\$36,048.30

Reports and recommendations of Committees

1. Discussion and action on Executive Director's 2020 performance review, as recommended by the Management Development and Review Committee.

After careful discussion and due consideration and at the recommendation of the Management Development & Review Committee, Mr. Thompson moved to approve the Executive Director's

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2020 final evaluation as presented by the committee, seconded by Ms. Melendez and passed unanimously by the Board.

2. Discussion and action on the Small Cap portfolio, as recommended by the Investment Committee.

William Blair (WB) removed the current team that manages its Small Cap Value Fund and bought Investment Consultants of Maryland (ICM). The ICM small cap managers team will take over the management of the WB small cap value fund. Two of the three members of the old WB team will be in place for six months to help the new team transition. Because no due diligence has been done on the new ICM management team or strategy, the Investment Committee recommends a 50/50 split between the small cap value and small cap growth as prescribed in the Investment Policy. This will require between \$12M to \$13M be moved from value to growth. They also recommend that the remaining balance in small cap value be moved to a Small Cap Value Index Fund with Northern Trust.

After careful discussion and due consideration and at the recommendation of the Investment Committee, Mr. Thompson moved to terminate William Blair Small Cap Value and move a percentage of capital from William Blair Small Cap Value to William Blair Small Cap Growth to achieve a 50% allocation with the remainder to be given to Northern Trust Small Cap Index Fund, seconded by Ms. Visconti and passed unanimously by the Board.

Unfinished Business

New Business

1. Investment Performance Review for the period ended December 31, 2020 and update, as presented by Ms. Ashley Alson of Northern Trust Company.

The Fund is invested in the following funds with Northern Trust: Northern Trust Collective S&P 500 Index Fund and Northern Trust Collective Aggregate Bond Index Fund. The inception date for the S&P 500 Index Fund is January 1, 2020. Since inception performance has been 18.42% gross of fees. It is in line with the benchmark. The Bond Index Fund's inception date is December 1, 2006. For the year, its performance was 7.58% which is also very close to the benchmark.

Ms. Alson mentioned to the Board that an amendment to the Fund's current contract would be needed in order to add a Small Cap Value Index Fund.

2. Presentation and review of fourth quarter Investment Performance, as presented by Mr. Trevor Jackson and Mr. Tony Kay of AndCo Consulting.

Small Cap stocks outperformed large cap stocks in the fourth quarter. International equities also performed well with Emerging Markets outperforming Developed Markets. The best performing sectors for the quarter were Energy, Financials, and Industrials.

The fourth quarter return was 12.28% and the 2020 return was 11.60%.

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Ms. Banks absented herself from the meeting at 1:59 pm.

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

None.

4. Report of Executive Director.

See submitted Written Report

5. For Notation:

Informational Material For Review. No Action Required.

A. Service/Forward DROP Retirement(s)

B. Death of Member(s)

C. Refund of Contributions

6. Adjournment.

Mr. Thompson adjourned the meeting. The El Paso Firemen & Policemen's Pension Fund Board of Trustees meeting stands in adjournment at 2:04 p.m.

DocuSigned by:

Sean Shelton

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Chairperson

DocuSigned by:



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Secretary