

EL PASO FIREMEN & POLICEMEN'S PENSION FUND
REGULAR MEETING
Wednesday, March 17, 2021 at 1:00 PM
Via Zoom Meeting
Meeting ID: 884 2088 9205
Password: 548163

MINUTES

TRUSTEE MEMBERS PRESENT

Fire Division:

Lieutenant Paul Thompson
Chief Ricci Carson
Chief Daniel P. Roy

Police Division:

Sergeant Sean Shelton

Mayoral Appointments:

Ms. Lee Ellen Banks
Ms. Leila Melendez

City Manager Appointments:

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. Gerardo Marin - Accountant
Mr. Trevor Jackson - AndCo Consulting
Mr. Kory Hoggan and Mr. Aaron Hamilton – Moss Adams
Ms. Bailee Beauchamp, Mr. Arun Keswani, and Mr. Nate Bonsignore – Dimensional
Mr. Robert Munter – Texas Pension Review Board
Mr. Zach Cziryk – Financial News
Mr. Rowen D.
Mr. Kyle Phillips – El Paso Fire Department

TRUSTEE MEMBERS ABSENT:

Ms. Susanna Visconti
Officer Jerry Armendariz
Mr. Gary M. Borsch
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 of the previous Regular Board Meeting held on February 17, 2021.

Mr. Veliz moved to approve the minutes of the Regular Board Meeting held February 17, 2021, seconded by Mr. Roy and unanimously passed by the Board.

Consent Agenda

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

1. Internal Financial Statements for month ending February 28, 2021.

Northern Trust Financial Statements for month ending February 28, 2021.

2. Expense Reports for the month ending February 28, 2021.

3. Approve Pension Payrolls:

Fire	\$3,724,219.65
Police	\$5,080,199.14

4. Payments to Service Providers

A.	Baillie Gifford – 4Q20	\$207,377.56
B.	Brown Advisory – 4Q20	\$184,436.59
C.	Cooke & Bieler (Large Cap Value) – 4Q20	\$113,660.34
D.	Cooke & Bieler (Small Cap Value) – 4Q20	\$75,403.16
E.	DLA Piper – 12/31/20 (Audax IV)	\$5,550.30
F.	DLA Piper – 12/31/20 (Prudential EM Debt)	\$1,935.90
G.	DLA Piper – 12/31/20 (VIP IV)	\$234.90
H.	DLA Piper – 12/31/20 (Ridgemont III)	\$456.30
I.	Blackstone Harvest – 4Q20	\$77,961.62
J.	Legislative Consultants – February 2021	\$8,000.00
K.	Lawson Attorneys PLLC – January 2021	\$1,753.75
L.	Masser Technologies – February Tech Support	\$2,035.00
M.	Mondrian – 4Q20	\$120,100.24
N.	Northern Trust Company – 4Q20 (Bond Index & S&P 500 Index Fund)	\$9,436.85
O.	PIMCO – 4Q20	\$135,818.81
P.	William Blair (26-21420) – 4Q20	\$120,949.23

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Q. William Blair (26-71411) – 4Q20 \$146,583.51

Reports and recommendations of Committees

1. Communication on the upcoming FY2020 audit as presented by Mr. Kory Hoggan and Mr. Aaron Hamilton of Moss Adams, LLP.

Mr. Kory Hoggan and Mr. Aaron Hamilton reviewed the process that they would undertake as they conduct the FY2020 Audit of the Fund. They also reviewed the required communications and deadlines.

2. Discussion and action on Value-Add Real Estate as recommended by the Investment Committee.

After careful discussion and due consideration and at the recommendation of the Investment Committee, Mr. Thompson moved to commit \$14M to TerraCap Partners V pending legal review, seconded by Ms. Melendez 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. Bailee Beauchamp and Mr. Arun Keswani of Dimensional Fund.

Dimensional manages the Fund's International Small Cap Value Portfolio and have done so for the past eleven years. As of December 31, 2020, DFA hit \$600B in assets under management. The management fee was lowered as of February 28, 2021 from 60 bps to 45 bps. This Fund targets small cap value companies in non-US developed markets. In the fourth quarter of 2020, small caps outperformed large-caps and mid-caps; value stocks outperformed neutral and growth stocks; and high profitability stocks underperformed low profitability stocks. The Fund's performance at the end of the fourth quarter was at 19.88%. Year to date the Fund's performance was 4.23%.

2. Discussion and action on engaging Rudd & Wisdom to explore Tier 2 benefits.

Mr. Grossman explained that the Board had previously wanted to get a cost to add a COLA to the Second-Tier plan; however, it had decided to wait until after the Actuarial Valuation that was completed in 2020. Mr. Grossman will ask Rudd & Wisdom to provide a cost to conduct a study to determine the cost to the Fund to add a COLA to the second-tier plan.

After careful discussion and due consideration, Mr. Thompson moved to table this item until next month in order to get a cost for this study from Rudd & Wisdom, seconded by Ms. Melendez and passed unanimously by the Board.

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

None.

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3. Report of Executive Director.

See submitted Written Report

5. For Notation:

Informational Material For Review. No Action Required.

A. Service Retirement(s)

B. Service/Forward DROP Retirement(s)

C. Death of Member(s)

D. Cost of Living Adjustments

6. Adjournment.

Mr. Thompson moved to adjourn the meeting. The El Paso Firemen & Policemen's Pension Fund Board of Trustees meeting stands in adjournment at 1:46 p.m.

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Sean Shelton

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Chairperson

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Secretary