

EL PASO FIREMEN & POLICEMEN'S PENSION FUND
REGULAR MEETING
Wednesday, April 21, 2021 at 1:00 PM
Via Zoom Meeting
Meeting ID: 816 9403 9075
Password: 475192

MINUTES

TRUSTEE MEMBERS PRESENT

Fire Division:

Lieutenant Paul Thompson
Chief Ricci Carson
Chief Daniel P. Roy

Police Division:

Sergeant Sean Shelton
Officer Jerry Armendariz

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. Tony Kay - AndCo Consulting
Mr. Leandro Festino, Mr. Gerald Chew, and Mr. Ethan Samson – Meketa Investment Group
Mr. Bill Grayson and Ms. Meighan Phillips – Principle
Mr. James Dominguez and Mr. Ward Sexton – William Blair
Mr. Mariah Miller – Texas Pension Review Board
McCyril Espanol
Mr. Zach Cziryk – Financial News

TRUSTEE MEMBERS ABSENT:

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 1:00 p.m. This board meeting was conducted via Zoom.

2. Reading and approval of the Minutes of the previous Regular Board Meeting held on March 17, 2021.

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

Consent Agenda

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

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

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

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

3. Approve Pension Payrolls:

Fire	\$3,464,042.92
Police	\$4,834,003.29

4. Payments to Service Providers

A.	Legislative Consultants – March 2021	\$8,000.00
B.	Masser Technologies – March Tech Support	\$2,100.00
C.	Pension Technology Group – Q1 2021	\$20,000.00
D.	William Blair (26-21420) – Final	\$73,498.35

Reports and recommendations of Committees

1. Discussion and action on AndCo Consulting.

Mr. Grossman explained that Trevor Jackson had taken another job and would no longer be working for AndCo Consulting. AndCo would be replacing him with Doug Anderson. Tony Kay will remain on the account and continues to be the Fund's principal contact.

After careful discussion and due consideration, Mr. Thompson moved to continue the Fund's relationship with AndCo Consulting, seconded by Mr. Borsch and passed unanimously by the Board.

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Mr. Veliz moved to move Item 3 under New Business to be heard after Item 1 under Reports and recommendations of Committees. This was seconded by Mr. Thompson and passed unanimously by the Board.

New Business, Item 3

3. Discussion and action on 2021 private equity pacing study as presented by Mr. Leandro Festino, Mr. Gerald Chew, and Mr. Ethan Samson of Meketa Investment Group.

Mr. Chew explained that Meketa was recommending \$65M in total commitments to private equity for 2021 to consist of five \$13M individual investments.

Informational only. No action was required from the Board.

Reports and Recommendations of Committees, Item 2

2. Discussion and action on commitment to Ara Partners II, as recommended by Investment Committee.

Mr. Chew explained that Ara Fund II looks for decarbonization opportunities. There is currently much momentum and interest in this opportunity.

After careful discussion and due consideration and at the recommendation of the Investment Committee, Mr. Thompson moved to commit \$13M to Ara Fund II pending legal review, seconded by Ms. Borsch and passed unanimously by the Board.

Unfinished Business

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

Mr. Grossman explained that Tier II members do not currently receive a cost-of-living adjustment after retirement in any form. Rudd & Wisdom was asked for a cost to do an analysis of what it would cost to add this benefit to Tier 2. He explained that this could only be accomplished with an increase in contributions. The City would also need to change their charter language in order to increase employer contributions. Rudd & Wisdom estimated the cost to provide an analysis would be \$8,000. They recommended that this study be done after the experience study has been completed. Mr. Grossman estimated that this study would be brought to the Fund in the fall of 2021.

After careful discussion and due consideration, Mr. Thompson moved to allow Mr. Grossman to engage Rudd & Wisdom to explore the cost of adding a COLA to Tier 2, seconded by Mr. Armendariz and passed unanimously by the Board.

New Business

Mr. Grossman requested that New Business Item 2 be heard before New Business Item 1.

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2. Investment Performance Review for the period ended December 31, 2020 and update, as presented by Mr. James Dominguez, Ms. Tara Patock, and Mr. Ward Sexton of William Blair.

William Blair has its headquarters in Chicago, IL and has been managing money across the asset spectrum. William Blair is 100% active employee owned. The Pension Fund is currently invested in small cap growth. William Blair recently acquired Investment Counselors of Maryland to manage its Small Cap Value strategy.

Performance for the Small Cap Growth plan for the period ending March 31, 2021 net of fees was 7.398%. Since Inception (09/30/2010), the performance net of fees was 16.81%.

1. Investment Performance Review for the period ended December 31, 2020 and update, as presented by Mr. Bill Grayson and Ms. Meighan Phillips of Principle.

The Fund's initial investment to Principal in October of 2013 was \$18M with an additional contribution of \$10M in 2015. A withdrawal of \$15M was made in 2016 leaving a total account value as of March 31, 2021 of \$28M. The performance for the period ending March 31, 2021 was 2.43% net of fees. Since inception, the performance net of fees is 6.76%.

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

None.

5. Report of Executive Director.

See submitted Written Report

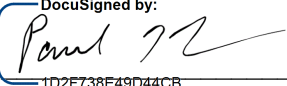
6. For Notation:
Informational Material For Review. No Action Required.

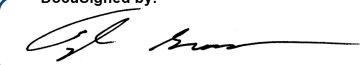
- A. Service Retirement(s)
- B. Service/Forward DROP Retirement(s)
- C. Death of Member(s)
- D. Cost of Living Adjustments
- E. Refund of Contributions

7. Adjournment.

Mr. Veliz moved to adjourn the meeting. The El Paso Firemen & Policemen's Pension Fund Board of Trustees meeting stands in adjournment at 2:29 p.m.

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Chairperson

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Secretary