

**EL PASO FIREMEN & POLICEMEN'S PENSION FUND
REGULAR MEETING TO BE HELD
Wednesday, September 15, 2010 at 1:00 PM
El Paso Firemen and Policemen's Pension Fund Office
Chase Tower, Suite 1616
201 East Main, El Paso, Texas 79901**

MINUTES

MEMBERS PRESENT:

Mayoral Appointments:

Dr. Robert Tollen
Mr. John D. Davis, III
Mr. Presi Ortega

City Manager Appointments

Mr. William F. Studer

Police Department

Commander Mark Austin
Detective Stanley Hayes
Lieutenant Tyler Grossman

Fire Department

Chief Michael V. Calderazzo
Chief Ralph Johnson
Chief Jerry Villanueva

OTHERS PRESENT:

Mr. Robert J. Stanton – Secretary
Ms. Yolanda Carreon- Assistant Secretary
Ms. Christina Ramirez – Specialist
Mr. Gerard Branka – Pyramis Global Advisors
Mr. Brian Hoesly – Pyramis Global Advisors

MEMBERS ABSENT:

Ms. Terri Garcia

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1. **Call to order.**

Chairperson Calderazzo called the regular meeting of the El Paso Firemen & Policemen's Pension Fund Board of Trustees to order at 1:02 p.m.

2. **Approve Minutes of Board Meeting held August 18, 2010.**

Dr. Tollen moved to approve the minutes of the meeting held August 18, 2010, seconded by Mr. Hayes and passed by the Board.

3. **Consideration and approval of the Financial Report for month ending August 31, 2010 as recommended and approved by the Budget & Finance Committee.**

Mr. Studer, reporting for the Budget and Finance committee, stated all reports are in order and recommended approval of the Financial Report for the month ending August 31, 2010.

Mr. Studer moved to approve the Financial Reports for the month ending August 31, 2010, seconded by Mr. Hayes and passed by the Board.

4. **Approve Pension Payrolls:**

Fire	\$ 1,788,575.24
Police	\$ 2,381,204.28

Mr. Stanton stated the Pension Payrolls were in order.

Mr. Hayes moved to approve the Pension Payrolls for the month ending August 31, 2010, seconded by Mr. Johnson and passed by the Board.

Chairperson Calderazzo requested moving Item 6 next on the agenda, without objections from the Board, Item 6 followed.

6. **Discussion and action on approving the Fund's proposed Communication and Disclosure Policy.**

Chairperson Calderazzo explained that since the work of the Board is governance, they must identify the work that the Board must do to support the operations of the Fund. The effectiveness and usefulness of the current existing Code of Ethics Policy has been evaluated. As a result of this, the Board was provided with a draft of changes and/or additional requirements recommended. Mr. Calderazzo further explained that part of the purpose in these governance procedures is to assist new Trustees to understand and carry out their responsibilities as fiduciaries.

After considerable discussion, a small number of changes to the document were requested by Board members. Mr. Stanton will incorporate these changes and submit a final draft for approval at the next meeting.

No action.

5. **Investment Performance update as presented by Mr. Gerry Branka, Relationship Manager and Mr. Brian Hoesly, Client Portfolio Manager of Pyramis Global Advisors.**

Mr. Branka spoke briefly about the Investment Team lead by Michael Strong, with Brian Hoesly and Chris Steward. The Investment Growth Team has ninety-six research professionals in Europe, up seven just under a year ago, thirty-three in Japan and forty-five research professionals in the Pacific Basin Ex Japan. Mr. Branka reiterated Pyramis's International Growth Investment Process which is driven by fundamental bottom-up research, modular portfolio construction through teams of senior regional portfolio managers and close interaction between analysts and portfolio managers with individual accountability. Mr. Brian Hoesly provided the investment results as of June 30, 2010. The Fund had a positive return for the one-year period of 6.43, -11.74% for the three year period, 1.72% for the five year period and 8.14% since inception date of December 2002. The MSCI EAFE Index had a return of 5.92%, for the one year period, -13.38% for the three year period, 0.88% for the five year period and a 7.50% since inception. The top performers for Q2 2010 were Volkswagen, SAFRAN, PPR, Telenor and Li Fung. The top detractors were Nomura Holdings, Lonza, BG Group, Phillips Electronics and BASF.

7. **Discussion and action on approval/denial of full-time Student Request from Ms. April M. Avila in accordance with Section 3.18 "Qualified Child" of the Plan Document.**

Mr. Stanton informed the Board that all the documentation from Ms. Avila is in order and she will be attending an accredited university.

He informed the Board that while researching something else through old minutes, he came across an item which indicates that a form was developed some thirty years ago for these types of requests. He pointed out that at some point the institutional knowledge went away and here we are doing something thirty years later that had already been done.

Mr. Ortega moved to approve the Student Request application of Ms. April M. Avila, seconded by Dr. Tollen and passed by the Board.

8. **Discussion and action on retaining two additional securities litigation firms to monitor the Fund's portfolio investments at the request of Trustee Davis.**

Trustee Davis recommends a presentation to the Board of Trustees from a couple of interested securities litigation firms. They will present their firms approach to Securities Litigation. These firms will monitor and report class action entitlements and settlements for the Fund. After some discussion, the Board requested that our legal counsel provide the Board with an educational session with respect to securities litigation at its regularly scheduled November meeting.

Dr. Tollen moved to table this item for sixty days, seconded by Mr. Grossman and passed by the Board.

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9. **Opportunity for Statements from Retired Members/Public.**

None.

10. **For Notation: Informational Material For Review. No Action Required.**

11. **Report of Executive Director.**

Written Report Attached. Mr. Stanton stated that the Fund's assets as of the close of business yesterday are \$938,897,000 and the fiduciary education account is down at \$97,000. Sterling Johnston has formally been terminated in accordance with the action of the Board. The contract with William Blair has been signed and transition management with State Street will take place starting tomorrow. He continued to provide an update on the activity going on with Private Equity.

12. **Committee Reports:**

- A. Actuary/Audit Committee -- Did not meet.
- B. Budget & Finance Committee -- Reported
- C. Disability Committee -- A meeting will be scheduled sometime soon.
- D. Investment Committee -- Dr. Tollen reported that the committee met this morning reference an increase in private equity capital. An increase to the capital allocation limit will be considered at the next meeting.
- E. Personnel Committee -- Did not meet.
- F. Ad-Hoc Committee for Office Space -- Did not meet.

13. **For Notation:**

A. Service Retirements

- | | |
|-----------------------|-------------------|
| 1. David H. Price | Fire Department |
| 2. Darwin L. Armitage | Police Department |
| 3. Andy F. Valenzuela | Police Department |

B. Service/BackDrop Retirements

Victor M. Acosta Fire Department

C. Survivor Benefits

Ms. Bertha H. Santiago, survivor of Juan Santiago, Jr., Police
Department

D. Cost of Living Adjustments

- | | |
|-------------------|-----------------|
| 1. Sergio Apodaca | Fire Department |
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| 2. Ricardo Briones | Fire Department |
| 3. Kenith Adcox | Police Department |
| 4. Robert Coleman | Police Department |
| 5. Scott Graves | Police Department |

E. Death of member(s)

Kenneth Wolf Fire Department

F. Refund of Contributions

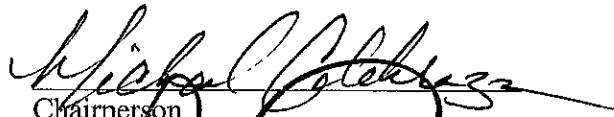
Joaquin O. Villalva Fire Department

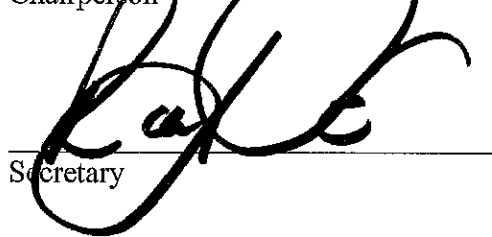
G. Payments to Service Providers

- | | | |
|--|----|------------|
| 1. Meketa Investment Group – 2 nd Q2010 | \$ | 33,304.95 |
| 2. Eduardo Miranda, Atty. – 07/31/2010 | \$ | 37.50 |
| 3. Mondrian – 2 nd Q2010 | \$ | 120,984.87 |
| 4. Sheehan Phinney Bass + Green – 06/30/10 | \$ | 9,638.54 |
| 5. Strasburger & Price, LLP – 07/31/2010 | \$ | 281.25 |

14. Adjournment.

Mr. Grossman moved to adjourn, seconded by Mr. Austin and passed by the Board. The El Paso Firemen & Policemen's Pension Fund Board of Trustees meeting stands in adjournment at 2:45 p.m.


Chairperson


Secretary