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# **AGENDA**

## **BOARD OF FIRE AND POLICE PENSION**

### **COMMISSIONERS**

**January 7, 2010**

**8:00 a.m.**

**PLEASE NOTE LOCATION:  
CALTRANS BUILDING  
100 S. Main Street  
1<sup>st</sup> Floor Conference Room  
Los Angeles, California 90012**

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Persons in the audience who desire to address this Committee in connection with any agenda item may do so. The Chairperson of the Committee will determine at what time during the meeting such comments may be made and may place an item limit upon such comments.

In compliance with Government Code Section 54957.5, non-exempt writings that are distributed to a majority or all of the Board or applicable Committee of the Board in advance of their meetings may be viewed at the office of the Los Angeles Fire and Police Pension System (LAFPP), located at 360 East 2<sup>nd</sup> Street, 4<sup>th</sup> Floor, Los Angeles, California 90012, or by clicking on LAFPP's website at [www.lafpp.com](http://www.lafpp.com), or at the scheduled meeting. Non-exempt writings that are distributed to the Board or Committee at a scheduled meeting may be viewed at that meeting. In addition, if you would like a copy of any record related to an item on the agenda, please contact Barbara Nobregas, Commission Executive Assistant, at (213) 978-4456 or by e-mail at [barbara.nobregas@lacity.org](mailto:barbara.nobregas@lacity.org).

Sign language interpreters, assistive listening devices, or other auxiliary aids and/or services may be provided upon request. To ensure availability, you are advised to make your request at least 72 hours prior to the meeting you wish to attend. For additional information, please contact the Department of Fire and Police Pensions, (213) 978-4545 Voice or (213) 978-4455 TDD.

1. GENERAL MANAGER'S REPORT

- A. Benefits actions approved by General Manager on December 3, 2009 and December 17, 2009
- B. Other business relating to Department operations
- C. Marketing Cessation Information

2. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(a) -  
CONFERENCE WITH LEGAL COUNSEL REGARDING EXISTING LITIGATION -  
GERRISTEN V. CITY OF LOS ANGELES



**Agenda**  
**January 7, 2010**

**OBJECTIVES:**

- I. To provide the Board with an overview of the issues that they will be addressing as policy makers in the upcoming year;
- II. To provide the Board with the background information on the factors that they will need to consider in making these policy decisions; and
- III. To gain an understanding among the Board members on the interrelationship of these factors and decisions and the impact on the Fund, the members, the City and other stakeholders.

**8:00 – 8:30**

**Board Business**

**8:30 – 8:45**

**Introductions, Ground Rules and Objectives**

**8:45 – 10:15**

**Overview of Benefits Administration – System Liabilities**

Discussion of the benefits we deliver, how we assess if we meet our mandate to deliver them promptly and how we compare to other public pension systems. How does our Actuary view these liabilities and how do the liabilities affect investment decisions?

Speakers: Robyn Wilder (Pensions Division Staff) & Paul Angelo (Actuary)

Approach: Panel Presentation: 45 minutes; Discussion: 45 minutes

Take Away: Understanding the importance of benefits administration issues and member service and the relationship to investment and other policy issues.

**10:15 – 10:30**

**BREAK**

**10:30 – 12:00**

**State of the Economy, Capital Market Expectations and the Impact on our Asset Allocation and Actuarial Assumptions**

Overview of the economy and capital markets and the influence these factors have on our actuarial assumptions and asset allocation. Discussion will include consideration of possible changes to our current assumptions and/or asset allocation strategy to address our long term liabilities; and a review of the issues to be considered and the reports the Actuary will provide to the Board in 2010.

Speakers: Paul Podolsky (Bridgewater), Dr. Jason Hsu (Research Affiliates), and Paul Angelo (Actuary)

Approach: Panel Presentation: 45 minutes; Discussion: 45 minutes

Take Away: An understanding of factors that will influence key policy decisions and strategy that will be considered in the coming year.

**12:00 – 1:15**

**LUNCH**

**1:15 – 3:00**

**Performance Measurement and Manager Evaluation**

Discussion of various risk adjusted measures, market risk, active vs. passive management, and how to most effectively and consistently evaluate managers.

Speaker: Dr. A. Craig MacKinlay (Wharton School)

Approach: Presentation and Discussion

Take Away: An understanding of how to consistently compare investment managers and risk/return expectations.

**3:00 – 3:15**

**BREAK**

**3:15 – 4:00**

**CIO Report on Key Events**

A frank discussion on past and present events that have influenced the way policy decisions are made and an overview of what the Board can expect in the future.

Speaker: Tom Lopez, Chief Investment Officer

Approach: Presentation: 25 minutes; Discussion: 20 minutes

Take Away: An understanding of the CIO's view of events of the past year.

**4:00 – 4:30**

**Open Discussion and Future Agenda Items**

Opportunity for Board members to discuss what they have taken away from the day and identify any areas where staff follow up may be desired, including a date for next year's retreat.

**4:30 – 4:45**

**Public Comment, Evaluations and Adjourn**