

MINUTES
OF THE
BOARD OF FIRE AND POLICE PENSION COMMISSIONERS
MEETING OF JANUARY 7, 2010

The Board of Fire and Police Pension Commissioners of the City of Los Angeles met at the Caltrans Building, 100 S. Main Street, Room 1.037, on Thursday, January 7, 2010.

COMMISSIONERS PRESENT: George V. Aliano, President
 Dean Hansell, Vice President
 Sam Diannitto
 Brenda Maull
 Ruben Navarro
 Robert von Voigt
 Adlai Wertman

COMMISSIONERS ABSENT: Raúl Pérez

DEPARTMENT OF FIRE AND Michael A. Perez, General Manager
POLICE PENSIONS: Laura Guglielmo, Assistant General Manager
 William Raggio, Assistant General Manager (Interim)
 Tom Lopez, Chief Investment Officer
 Barbara Nobregas, Commission Executive Assistant

CITY ATTORNEY'S OFFICE: Alan Manning, Assistant City Attorney

President Aliano called the regular meeting to order at 8:14 a.m. All of the above-listed Commissioners were present at the start of the meeting. President Aliano introduced newly appointed Commissioner Ms. Brenda Maull, Chief Financial Officer of the American Civil Liberties Union. President Aliano thanked staff for coordinating the Retreat. He noted that Commissioner Pérez was absent due to the premature birth of his twins.

1. GENERAL MANAGER'S REPORT

A. Benefits actions approved by General Manager on December 3, 2009 and December 17, 2009

Pursuant to Resolution 04008, adopted by the Board of Fire & Police Pension Commissioners on August 7, 2003, the following benefit actions have been approved by the General Manager on December 3, 2009.

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DISCONTINUED PENSIONS – TIER 1 – 2

Harvey Hilyard, Jr.	Fire Disability	Retired: 09-30-61	Died: 10-12-09
Lillian C. Goodlow	Police Widow	Retired: 01-01-67	Died: 09-18-09

DISCONTINUED PENSIONS – TIER 2 – 7

Louis G. Booth	Police Service	Retired: 01-01-73	Died: 09-21-09
Richard G. Dehemmer	Police Service	Retired: 10-01-90	Died: 10-30-09
Rudolph V. De Leon	Police Service	Retired: 06-01-78	Died: 10-19-09
Stephen J. Striegel	Police Service	Retired: 06-01-74	Died: 10-24-09
David W. Gray	Police Disability	Retired: 11-23-89	Died: 10-28-09
Pearl S. Frye	Fire Widow	Retired: 01-28-04	Died: 10-16-09
Constance C. Browne	Police Widow	Retired: 08-19-04	Died: 09-29-09

DISCONTINUED PENSIONS – TIER 5 – 1

Miguel M. Mejia	Police Service	Retired: 01-13-02	Died: 10-17-09
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SERVICE PENSIONS – POLICE – TIER 4 – 1

Richard A. Little	Detective I	Eff: 11-22-09	25 Years 317 Days
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SERVICE PENSIONS – POLICE – TIER 5 – 1

Jeffrey L. Godown	Detective III	Eff: 11-22-09	28 Years 18 Days
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ELIGIBLE SURVIVING SPOUSE’S PENSION – TIER 2 – 1

<u>Name</u>	<u>Deceased Member</u>	<u>Member’s Class</u>	<u>Effective Date</u>
Nancy C. Dehemmer	Richard G. Dehemmer	Police Service	10-31-09

SURVIVOR BENEFIT PURCHASE PROGRAM PARTICIPANTS – TIER 1 – 1

<u>Name</u>	<u>Member’s Class</u>	<u>Effective Date</u>	<u>Survivor Benefit %</u>
Merrill V. Duncan	Police Service	12-01-09	75%

SURVIVOR BENEFIT PURCHASE PROGRAM PARTICIPANTS – TIER 2 – 6

<u>Name</u>	<u>Member’s Class</u>	<u>Effective Date</u>	<u>Survivor Benefit %</u>
Don L. MacLane	Fire Service	12-01-09	35%
Ronald C. Robey	Fire Disability	12-01-09	65%
Alvin R. Allison	Police Service	12-01-09	30%
Thomas Vanderwalle	Police Service	12-01-09	70%
Peter D. Reindel	Police Disability	12-01-09	55%
William E. Schmidt	Police Disability	12-01-09	55%

SURVIVOR BENEFIT PURCHASE PROGRAM PARTICIPANTS – TIER 5 – 1

<u>Name</u>	<u>Member's Class</u>	<u>Effective Date</u>	<u>Survivor Benefit %</u>
Charles E. Kindelberger	Police Service	12-01-09	100%

PARTIAL PAYMENT OF SURVIVING SPOUSE'S PENSION – TIER 2 – 1

In accordance with the City Attorney's advice, the designated proportion of the community property interest of the Surviving Spouse Pension payable to Cherie L. Townsend-Jackson, surviving spouse of Fire Service Pensioner, Phillip L. Jackson is to be paid to Mr. Jackson's former spouse Randee J. Jackson effective September 30, 2009. Ms. Jackson will receive cost of living increases

MODIFIED PARTIAL PAYMENT OF PENSION – TIER 5 – 1

In accordance with the City Attorney's advice, the designated proportion of the community property interest of the Pension payable to Elton D. Johnson, Fire Service Pensioner, being withheld for his former spouse Barbara L. Heyward since August 3, 2008, should be released effective December 1, 2009.

DISCONTINUE PARTIAL PAYMENT OF PENSION – TIER 2 – 2

In accordance with the City Attorney's advice, the designated proportion of the community property interest of the pension payable to Michael A. Guy, Police Service Pensioner which was being paid to his former spouse Sandra D. Brown, has been discontinued due to the death of Ms. Brown on September 27, 2009. Ms. Brown's portion has been returned to Mr. Guy effective September 28, 2009.

In accordance with the City Attorney's advice, the designated proportion of the community property interest of the pension payable to Runo J. Lemming, Police Service Pensioner which was being paid to his former spouse Mary E. Lemming, has been discontinued due to the death of Ms. Lemming on July 5, 2009. Ms. Lemming's portion has been returned to Mr. Lemming effective July 6, 2009.

SERVICE PENSION/DROP – TIER 3 – 1

Police

William C. Duke	Police Sergeant II	Eff:	10-01-09	26 Years	3 Days
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SERVICE PENSION/DROP – TIER 4 – 1

Police

James S. Abbate	Police Sergeant II	Eff:	10-01-09	28 Years	19 Days
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SERVICE PENSION/DROP – TIER 5 – 8

Fire

Mark D. Gentry	Inspector I	Eff:	09-01-09	29 Years	18 Days
Kevin M. Kleinrath	Engineer	Eff:	09-27-09	28 Years	168 Days

Police

Eugene P. Barrera	Police Detective III	Eff:	09-01-09	27 Years	45 Days
Vicki D. Bretz	Police Officer II	Eff:	10-01-09	25 Years	203 Days
Dean R. Dipaola	Police Officer II	Eff:	10-01-09	27 Years	148 Days
Tom Gandara III	Police Sergeant II	Eff:	09-01-09	25 Years	5 Days
Paul Hernandez III	Police Captain I	Eff:	09-01-09	33 Years	0 Days
Barbara W. Jones	Police Officer III	Eff:	10-01-09	25 Years	51 Days

Pursuant to Resolution 04008, adopted by the Board of Fire & Police Pension Commissioners on August 7, 2003, the following benefit actions have been approved by the General Manager on December 17, 2009.

DISCONTINUED PENSIONS – TIER 1 – 1

Robert W. Burns	Police Disability	Retired:	04-03-84	Died:	10-24-09
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DISCONTINUED PENSIONS – TIER 2 – 11

Leroy F. Goforth	Police Service	Retired:	05-19-79	Died:	11-12-09
Willet C. Morrell	Police Service	Retired:	06-29-80	Died:	10-28-09
Harry S. O'Brien	Police Service	Retired:	10-01-69	Died:	11-09-09
George W. Peterson	Police Service	Retired:	11-01-74	Died:	10-01-09
Francis A. Tosti	Police Service	Retired:	02-28-88	Died:	11-10-09
Jimmie R. Smith	Police Disability	Retired:	04-19-89	Died:	11-15-09
Margie A. Cookmeyer	Fire Widow	Retired:	02-22-91	Died:	10-24-09
Juanita D. Frederick	Fire Widow	Retired:	07-17-89	Died:	10-04-09
Theresa P. Koenig	Fire Widow	Retired:	08-03-08	Died:	10-17-09
Bobbie W. Patterson	Fire Widow	Retired:	04-23-75	Died:	08-29-09
Sylvia P. Smith	Fire Widow	Retired:	03-24-03	Died:	11-11-09

DISCONTINUED FORMER SPOUSE – TIER 2 – 1

Hagar Stapelton	Police Disability	Retired:	10-01-04	Member Died:	11-15-09
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SERVICE PENSIONS – FIRE – TIER 2 – 1

Louis A. Roupoli	Assistant Chief	Eff:	11-25-09	33 Years	323 Days
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SERVICE PENSIONS – POLICE – TIER 4 – 1

Martha L. Defoe	Detective I	Eff:	12-06-09	20 Years	18 Days
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ELIGIBLE GOINS' WIDOW PENSION – TIER 1 – 1

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Effective Date</u>
Glenda Hilyard	Harvey Hilyard, Jr.	Police Disability	10-13-09

ELIGIBLE SURVIVING SPOUSE'S PENSION – TIER 1 – 1

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Effective Date</u>
Lynn R. Burns	Robert W. Burns	Police Disability	10-25-09

ELIGIBLE SURVIVING SPOUSE'S PENSION – TIER 2 – 4

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Effective Date</u>
Glenda J. Tosti	Francis A. Tosti	Police Service	11-11-09
Eileen R. Goforth	Leroy F. Goforth	Police Service	11-13-09
Lydia M. Morrell	Willet C. Morrell	Police Service	10-29-09
Janice M. Smith	Jimmie R. Smith	Police Disability	11-16-09

ELIGIBLE SURVIVING CHILD'S PENSION – TIER 5 – 1

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Effective Date</u>
Marc R. Mejia	Miguel M. Mejia	Police Service	10-18-09

SURVIVOR BENEFIT PURCHASE PROGRAM PARTICIPANT – TIER 2 – 1 **CORRECTION**

<u>Name</u>	<u>Member's Class</u>	<u>Effective Date</u>	<u>Survivor Benefit %</u>
Thomas Vandewalle	Police Service	12-01-09	70%

SURVIVING CHILD PENSION – TIER 3 – 1

Surviving child benefits are now payable to Alec R. Arana, Surviving Child of deceased Fire Captain I Roberto Arana, effective December 29, 2009 due to the attainment of age 18 and the continuation of his full-time student status. There is one remaining minor.

DECREASE SURVIVING SPOUSE'S PENSION – TIER 3 – 1

Decrease the pension payable to Rosa A. Arana, Surviving Spouse of deceased Fire Captain I Roberto Arana due to the attainment of age 18 and full-time student status by Alec R. Arana, effective December 29, 2009. There is one remaining minor.

REINSTATE SURVIVING CHILD'S PENSION – TIER 3 – 1

Pension reinstated payable to LeAnne A. Acosta, Surviving Child of deceased Police Officer II Jose G. Acosta, effective November 1, 2009. Documentation has been submitted for full-time student status.

DISCONTINUE SURVIVING CHILD'S PENSION – TIER 3 – 1

Discontinue the pension payable to Joslyn A. Young, Surviving Child of deceased Police Officer III Robert E. Young, Sr. effective August 1, 2009 due to the discontinuance of full-time student status. There are no remaining minors.

PARTIAL PAYMENT OF PENSION – TIER 2 – 1

In accordance with the City Attorney's advice, a designated proportion of the community property interest of the pension payable to Louis A. Roupoli, Jr., Fire Service Pensioner, is to be paid to his former spouse Cynthia A. Mitchell, effective November 25, 2009. Ms. Mitchell will receive cost of living increases.

PARTIAL PAYMENT OF PENSION – TIER 5 – 1

In accordance with the City Attorney's advice, a designated proportion of the community property interest of the pension payable to Gregory S. Rodriguez, Police Service Pensioner, is to be paid to his former spouse Thelma L. Rodriguez, effective December 1, 2009. Ms. Rodriguez will receive cost of living increases.

MODIFIED PARTIAL PAYMENT OF PENSION – TIER 5 – 1

In accordance with the City Attorney's advice, a designated proportion of the community property interest of the pension payable to Debra T. Delgado, Police Service Pensioner, being withheld for her former spouse Louis P. Delgado, effective August 6, 2009 should be released to Debra T. Delgado.

PARTIAL PAYMENT OF SURVIVING SPOUSE'S PENSION – TIER 5 – 1 **CORRECTION**

In accordance with the City Attorney's advice, the designated proportion of the community property interest of the Surviving Spouse Pension payable to Cherie L. Townsend-Jackson, surviving spouse of Fire Service Pensioner, Phillip L. Jackson is to be paid to Mr. Jackson's former spouse Randee J. Jackson effective September 30, 2009. Ms. Jackson will receive cost of living increases

CO-CONSERVATOR AND CO-GUARDIANSHIP – TIER 2 – 1

A certified copy of the Letters of Co-Conservatorship and co-Guardianship, issued in the Circuit Court of the State of Oregon, County of Josephine, Case Number 09P0124, appointing Bobbie Rosson and Karon Nelmes, Co-Conservator and Co-Guardian of the Person and Estate of Joan Stephan, surviving spouse of a retired Member of the Police Department, effective October 15, 2009, has been filed with this office. Pension payments will be paid to Bobbie Rosson and Karon Nelmes.

CONSERVATORSHIP – TIER 2 – 1

A certified copy of the Letters of Temporary Conservatorship, issued in the Superior Court of California, County of Orange, Case Number 30-2009-00302602-PR-CP-LJC, appointing John S. Williams, Temporary Conservator of the Person and Estate of Phyllis M. Wittmen surviving spouse of a retired member of the Police Department, effective September 30, 2009, has been filed with this office. Pension payments will be paid to John S. Williams.

REACTIVATED DEPENDENT CHILD PENSION BENEFIT – TIER 2 – 1

Reactivate the pension benefits payable to Diana F. Dina-Shinsky, dependent child of deceased Police Lieutenant I Ronald Dina, effective May 1, 2009 due to the Charter Amendment 1238 of the City of Los Angeles to modify Dependent Children Survivor Benefits on March 3, 2009.

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SERVICE PENSION/DROP – TIER 4 – 2

Police

Eric T. Davis	Police Captain III	Eff:	10-01-09	28 Years	16 Days
Michelle D. Robinson	Police Detective II	Eff:	11-02-09	25 Years	99 Days

SERVICE PENSION/DROP – TIER 5 – 11

Fire

Daniel G. Mattera	Fire Captain I	Eff:	09-27-09	31 Years	241 Days
Raymond R. Mayo, Jr.	Engineer	Eff:	10-31-09	28 Years	43 Days
Armando V. Nunez	Fire Inspector II	Eff:	10-01-09	26 Years	249 Days
Milton A. Urquilla	Fire Captain I	Eff:	09-27-09	28 Years	168 Days

Police

Richard Melendez	Police Officer III	Eff:	11-02-09	26 Years	4 Days
Martha E. Moran	Police Lieutenant I	Eff:	11-19-09	25 Years	0 Days
Tia M. Morris	Police Captain I	Eff:	11-01-09	28 Years	275 Days
Pamela J. Neil	Police Detective III	Eff:	11-03-09	25 Years	54 Days
Rick C. Neil	Police Officer III +2	Eff:	10-30-09	26 Years	35 Days
John A. Pedroza	Police Officer III +1	Eff:	11-01-09	28 Years	0 Days
Ernest A. Rodriguez	Police Detective III	Eff:	11-02-09	29 Years	236 Days

DISCONTINUE DROP – TIER 2 – 1

Police

Wayne E. Debord	Retired:	07-08-07	Exit Close of:	12-31-09
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DISCONTINUE DROP – TIER 5 – 8

Fire

Larry C. Bickly	Retired:	12-12-04	Exit Close of:	12-11-09
Daniel B. Kellogg	Retired:	01-01-05	Exit Close of:	12-31-09
James P. O'Connell	Retired:	12-26-04	Exit Close of:	12-25-09

Police

Charles J. Garcia	Retired:	01-01-05	Exit Close of:	12-31-09
Jose L. Lopez	Retired:	01-10-05	Exit Close of:	12-31-09
Joseph E. Priebe	Retired:	01-09-05	Exit Close of:	12-31-09
William L. Ramsey, Jr.	Retired:	03-01-08	Exit Close of:	12-31-09
Kyle A. Tolliver	Retired:	03-26-09	Exit Close of:	12-31-09

SURVIVING SPOUSE APPLICATION – TIER 3 – 1

<u>Name</u>	<u>Rank</u>	<u>Type:</u> <u>% Rate</u>	<u>Effective</u> <u>Date:</u>
Renee Aragon (Kenneth C. Aragon)	Police Officer II	Non-Service Connected w/o prejudice: 30% + 3 minor children	12-04-09

DEPENDENT CHILD BENEFITS GRANTED – TIER 2 – 1, November 19, 2009

Daniel Hatton Dependent Child of Firefighter Clarence L. Parsons (Deceased)	Effective Date
	03-24-08

PENSION GRANTED – DISABILITY – TIER 5 – 2

<u>Name</u>	<u>Years</u>	<u>Days</u>	<u>Rate</u> <u>%</u>	<u>Effective</u> <u>Date</u>
Aaron G. King	3	219	40.0000	08-30-09
Eric J. Mosher	17	352	60.0000	11-19-09

PENSION ADJUSTED – TIER 3 – 1 December 3, 2009

John T. Mares			
	<u>Type</u>	<u>% Rate</u>	<u>Effective</u> <u>Date</u>
From:	SC	50.0000	
To:	SC	60.0000	12-03-09

B. Other business relating to Department operations

General Manager Perez gave the following updates:

1. He thanked Ms. Barbara Nobregas, Commission Executive Assistant, Administrative Operations Division for working on the Retreat materials while she was ill.

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

Upon reconvening the meeting in public session, President Aliano stated that the Board met in closed session to confer with the City Attorney regarding the existing litigation. The Board took action to appeal the case.

3. BOARD RETREAT

Ms. Laura Guglielmo, Assistant General Manager, Administrative Operations Division introduced herself as the facilitator of the meeting. She welcomed participants and encouraged them to ask questions. She gave an overview of the meeting and stated the objectives of the meeting. She noted the evaluation forms included in the materials and encouraged participants to evaluate the speakers. She thanked Ms. Evange Masud, Secretary, Administrative Operations Division for her efforts to secure the conference facility free of charge and arrange the catering. She thanked Communications and Special Projects staff in assisting with the Board Retreat presentations and Administrative Services for preparing materials. She introduced the first speaker, Ms. Robyn Wilder, Senior Management Analyst II, Communications and Special Projects and Mr. Paul Angelo, Actuary from the Segal Company.

Overview of Benefits Administration – System Liabilities

Speakers:

Ms. Robyn Wilder, Senior Management Analyst II, Communications/Special Projects,
Pensions Division, LAFPP

Mr. Paul Angelo, Actuary, The Segal Company

The speakers gave a presentation regarding the delivery of benefits to LAFPP members, LAFPP legal mandate and an overview of Pensions 101.

Ms. Elsa Moy gave a public comment recommending the Jennison Fund.

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

Speakers:

Mr. Paul Podolsky, Bridgewater
Dr. Jason Hsu, Research Affiliates

The speakers gave a presentation on the unusual economy, asset allocation, potential and volatile risks, ways to improve debt.

Performance Measurement and Manager Evaluation

Speaker:

Dr. A. Craig MacKinlay, Wharton School University of Pennsylvania

Dr. MacKinlay discussed performance analysis and how to evaluate managers.

Commissioner Diannitto left the board room for the day.

CIO Report on Key Events

Speaker:

Mr. Tom Lopez, Chief Investment Officer, Investments Division, LAFPP

Mr. Lopez discussed private equity and past events, including Security Exchange Commission (SEC) investigations and scandals that have affected policy decisions. Commissioner Hansell raised concerns if LAFPP has done an adequate job regarding the investigations; re-evaluating investments; and if the new procedures, which the Board has adopted is sufficient. General Manager Perez reported when the contract disclosure policy is revised and approved; he will send it out to all current managers. With respect to staff and gifts received from managers, he will gladly disclose the information to the Board. He stated the City Ethics Commission is responsible for investigations and is underfunded by the City. Lastly, he noted the City Council should ensure they have the proper reports from the City Ethics Commission to make a sound judgment to approve new commissioners. Mr. Lopez ended the session by discussing private equity.

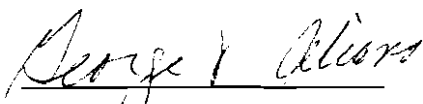
4. Open Discussion and Future Agenda Items

1. Commissioner Hansell requested a dialogue regarding asset allocation, following a discussion dealing with the fundamentals. Ms. Guglielmo stated asset allocation is a major change. The Board should discuss the issue with the General Consultant which the Board will select soon.
2. Commissioner Maull concurred with Commissioner Hansell regarding asset allocation and requested more information on evaluating managers with updates on disclosing gifts and donations.


5. Public Comment, Evaluations and Adjourn

1. Ms. Elsa Moy commented on the return rate of the portfolio.
2. Commissioner Navarro commended staff for providing disability training. He requested that disability training be given to the entire Board at the same time.

The meeting was adjourned at 4:09 p.m.



President



Secretary