

**MINUTES**  
**OF THE**  
**BOARD OF FIRE AND POLICE PENSION COMMISSIONERS**  
**SPECIAL MEETING OF DECEMBER 9, 2009**

The Board of Fire and Police Pension Commissioners of the City of Los Angeles met in Room 800, 360 East Second Street, on Thursday, December 9, 2009.

COMMISSIONERS PRESENT:     George V. Aliano, President  
                                      Sam Diannitto  
                                      Ruben Navarro  
                                      Raúl Pérez  
                                      Robert von Voigt  
                                      Adlai Wertman

COMMISSIONERS ABSENT:     Dean Hansell

DEPARTMENT OF FIRE AND     Michael A. Perez, General Manager  
POLICE PENSIONS:             Laura Guglielmo, Assistant General Manager  
                                      D. Edward Griffiths, Assistant General Manager  
                                      Tom Lopez, Chief Investment Officer  
                                      Barbara Nobregas, Commission Executive Assistant

CITY ATTORNEY'S OFFICE:    Brian Cheng, Deputy City Attorney  
                                      John Blair, Deputy City Attorney

President Aliano called the Special meeting to order at 8:08 a.m. All of the above-listed Commissioners were present at the start of the meeting, with the exception of Commissioner Pérez who arrived at 8:09 a.m.

1. **COMMUNICATIONS TO THE BOARD**

- A.     Miscellaneous correspondence from money managers, consultants, etc. - Received and Filed

2. **COMMITTEE REPORTS**

- A.     Benefits Committee

Chair Aliano reported no updates.

- B.     Governance Committee

Chair Diannitto asked to move forward with the item from the Governance Committee prior to the interviews.

*Items 4 and 5 were heard out of order.*

5. REPORT ON GENERAL MANAGER'S MERIT PAY AND POSSIBLE BOARD ACTION

General Manager Perez indicated that the report was placed on the agenda in case there was an issue with the agreement that was made with the Board. No issues arose and the agreement was worked out with the Controller's Office with the assistance of the City Attorney. No Board action was required for this item.

C. Audit Committee

Commissioner Diannitto asked to move forward with the Audited Financial Statements item prior to the interviews.

4. AUDITED FINANCIAL STATEMENTS AS OF JUNE 30, 2009 AND POSSIBLE BOARD ACTION

Commissioner Diannitto indicated that issues were discussed thoroughly at the Committee level. General Manager Perez indicated that the audit management letter recommendations will be addressed at a Committee meeting in March of 2010.

RESOLUTION 10070

Commissioner Diannitto moved that the Board:

1. Adopt the Audited Financial Statements for fiscal year ending June 30, 2009; and
2. Direct staff to review the audit observations and recommendations of the Audit Management Letter and report back to the Audit Committee by March 4, 2010, which was seconded by Commissioner von Voigt and approved by the following vote: ayes, Commissioners Diannitto, Navarro, von Voigt, Pérez, Wertman and President Aliano – 6; nays, none.

D. Ad Hoc Space Planning Committee

Chair Wertman reported no updates.

3. SELECTION OF GENERAL CONSULTANT - INTERVIEWS AND POSSIBLE BOARD ACTION

The following individuals came before the Board to give presentations on their firms for the general consultant position:

Mercer

Ms. Susan A. Dalton, Messrs. Tom Lightvoet, Troy Saharic and Doug Kryscio

NEPC, LLP

Messrs. Allan C. Martin, Don C. Stracke and Ms. Carolyn Smith

Pension Consulting Alliance, Inc.

Mr. Allan Emkin and Ms. Sarah Bernstein

R.V. Kuhns & Associates, Inc.

Messrs. Jim Voytko and Ryan Cunningham

*Deputy City Attorney John Blair took the City Attorney chair at this time.*

Wilshire Associates

Ms. Julia Bonafede, Ms. Eileen Neill and Ms. Karyn Williams

DISCUSSION/SELECTION:

The Board reviewed the presentations by all the firms and considered Mr. Tom Lopez, Chief Investment Officer, Investments Division as a resource. The Board decided not to select a General Consultant at this time. They requested to re-interview two firms: Mercer Investment Consulting, Inc. and R.V. Kuhns & Associates, Inc. with the actual staff who will represent the Board and to re-submit their most competitive fee structure.

6. CONSIDERATION OF FUTURE AGENDA ITEMS

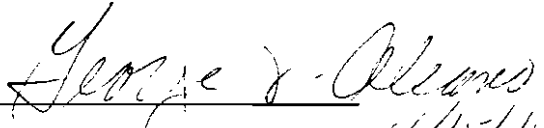
General Manager Perez reported that this is D. Edward Griffiths, Assistant General Manager, Pensions Division last Board meeting. President Aliano thanked Mr. Griffiths for his public contributions.

Commissioner Diannitto requested the meeting be adjourned in the memory of James Perry, Firefighter and noted his accomplishments with various organizations.


7. PUBLIC COMMENTS

Ms. Elsa Moy commented on hiring a general consultant and how it will affect the return rate of the Fund.

The Special Meeting was adjourned in memory of James Perry, Firefighter and Kenny Aragon, Police Officer at 12:29 pm.

  
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President

4/15/10

  
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Secretary