

SPECIAL AGENDA

BOARD OF FIRE AND POLICE PENSION

COMMISSIONERS

January 3, 2023
8:30 a.m.

Sam Diannitto Boardroom
Los Angeles Fire and Police Pensions Building
701 East 3rd Street, Suite 400
Los Angeles, CA 90013

Important Message to the Public: In accordance with Government Code Section 54953, subsections (e)(1) and (e)(3), and in light of the State of Emergency proclaimed by the Governor on March 4, 2020 relating to COVID-19 and ongoing concerns that meeting in person would present imminent risks to the health or safety of attendees and/or that the State of Emergency continues to directly impact the ability of members to meet safely in person, the January 3, 2023 meeting of the Board of Fire and Police Pension Commissioners will be conducted both in the LAFPP Boardroom and via telephone and/or video conferencing.

Members of the public who wish to attend the Board meeting in person must comply with these requirements: 1) provide proof of COVID-19 vaccination (fully vaccinated) OR negative COVID-19 test results (for test taken within 72 hours prior to building entry); AND 2) provide government issued photo identification. Alternatively, members of the public will have the opportunity to observe the meeting and provide public comment telephonically.

To provide public comment telephonically, please call (669) 900-9128 or (346) 248-7799 and enter Meeting ID 841 4912 4742 (Please note: Toll charges may apply).

If you do not want to make a public comment, you may stream the meeting from the website (www.lafpp.com) or call any of the following numbers to access the Council Phone system and listen to live coverage: (213) 621-CITY (Downtown), (818) 904-9450 (Valley), (310) 471-CITY (Westside), and (310) 547-CITY (San Pedro Area).

Please refer to www.lafpp.com for more information.

An opportunity for the public to address the Board or Committee about any item on today's agenda for which there has been no previous opportunity for public comment will be provided before or during consideration of the item. Members of the public who wish to speak on any item on today's agenda are requested to use the telephone number provided above.

Notice to Paid Representatives: If you are compensated to monitor, attend, or speak at this meeting, City law may require you to register as a lobbyist and report your activity. See Los Angeles Municipal Code §§ 48.01 *et seq.* More information is available at ethics.lacity.org/lobbying. For assistance, please contact the Ethics Commission at (213) 978-1960 or ethics.commission@lacity.org.

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 by clicking on LAFPP's website at www.lafpp.com. In addition, if you would like a copy of any record related to an item on the agenda, please contact the Commission Executive Assistant, at (213) 279-3037 or by e-mail at evange.masud@lafpp.com.

Requests for Reasonable Accommodation: As a covered entity under Title II of the Americans with Disabilities Act, the City of Los Angeles does not discriminate on the basis of disability and, upon request, will provide reasonable accommodation to ensure equal access to its programs, services and activities. Sign language interpreters, communication access real-time transcription, assistive listening devices, Telecommunication Relay Services (TRS) 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. Due to difficulties in securing sign language interpreters, five or more business days' notice is strongly recommended. For additional information, please contact the Department of Fire and Police Pensions (213) 279-3000 voice, (213) 628-7713 TDD and/or email pensions@lafpp.com.

A. CALL TO ORDER

1. Roll Call

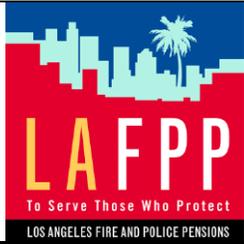
B. GENERAL PUBLIC COMMENTS ON MATTERS WITHIN THE BOARD'S JURISDICTION

C. REPORTS TO THE BOARD

1. [GENERAL MANAGER RECRUITMENT AND/OR APPOINTMENT - NEXT STEPS AND POSSIBLE BOARD ACTION](#)

D. CLOSED SESSION

1. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957(B)(1) TO CONSIDER GENERAL MANAGER RECRUITMENT AND/OR APPOINTMENT AND POSSIBLE BOARD ACTION
2. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957.6 TO MEET WITH AND INSTRUCT THE BOARD'S DESIGNATED REPRESENTATIVE(S) FOR NEGOTIATION OF THE NEW GENERAL MANAGER'S SALARY AND FRINGE BENEFITS



DEPARTMENT OF FIRE AND POLICE PENSIONS

701 E. 3rd Street, Suite 200
Los Angeles, CA 90013
(213) 279-3000

REPORT TO THE BOARD OF FIRE AND POLICE PENSION COMMISSIONERS

DATE: JANUARY 3, 2023 **ITEM:** C.1

FROM: MYO THEDAR, CHIEF BENEFITS ANALYST

SUBJECT: DISCUSSION OF THE GENERAL MANAGER RECRUITMENT AND/OR APPOINTMENT – NEXT STEPS AND POSSIBLE BOARD ACTION

RECOMMENDATION

That the Board review staff's summary of the General Manager recruitment efforts and incorporate next steps toward appointment of the permanent General Manager into the Board's closed session proceedings.

DISCUSSION

Since the October 31, 2022 application deadline for LAFPP General Manager (GM) position, the Board and its executive recruitment consultant (EFL Associates) have met in closed session on November 3 and 17 and December 1 and 15, to discuss applicant qualifications and conduct hiring interviews. In the event that the Board has now reached the phase of the recruitment and appointment process where the Board is ready to select a final candidate and begin negotiations, staff presents the following information for Board consideration during the closed sessions on today's Special Meeting agenda. Staff and the City Attorney will be available to assist the Board throughout today's discussions.

DESIGNATED NEGOTIATOR(S) AND CLOSED SESSIONS

The primary role of the negotiator is to serve as the Board's representative in communicating with the final candidate for the purpose of negotiating terms of the GM compensation package. In the 2012-2013 executive search for the previous GM, the Board designated itself as the representative to negotiate the terms of the compensation package. The Board may designate anyone, but whomever the Board designates must be someone who is considered confidential to the recruitment and appointment processes. The Board's options include designating the Board President, Dan Cummings of EFL Associates, a combination of the Board President and Mr. Cummings, the entire Board, or some other combination. If the Board opts to designate itself as the negotiator, staff recommends the Board nominate a primary and secondary contact for handling direct communications with the desired candidate(s).

To comply with the Brown Act, the Board must announce and identify the designated negotiator(s) in open session before engaging in any closed session discussion of negotiations, which can include a discussion of a compensation package. Staff recommends that during the first closed session, in addition to discussing any general matters relating to the recruitment and appointment process, the Board take the opportunity to officially designate the party or parties who will serve as the designated negotiator.

After that discussion, prior to going into the second closed session item on the agenda, the Board should announce in open session the designated negotiator(s). Then the Board may commence the second closed session item to discuss negotiations with any final candidate(s), provide instructions to its designated negotiator(s), and continue any related discussions concerning recruitment and appointment.

GM COMPENSATION PACKAGE

The GM compensation package includes annual salary and fringe benefits, and relocation assistance if applicable.

Annual Salary and Fringe Benefits

The current LAFPP GM salary range is provided to assist the Board in closed session discussions.

Effective Date	(M-9) LAFPP General Manager^{A,B}	LAFPP Assistant General Manager^{A,C}	Chief Investment Officer (CIO)^D
June 19, 2022	181,719 - 322,074	152,549 - 223,040	197,002 – 288,039
January 1, 2023	N/A	N/A	243,523 – 356,045
January 29, 2023	185,352 - 328,526	155,618 – 227,508	N/A

^A Schedule A of Section 4.61 of the Los Angeles Administrative Code (LAAC) sets the salary rates and ranges for non-represented employees. Please refer to Attachment 1 for all GM salary ranges.

^B The salary range effective 1/29/23 provides for a 2% cost of living increase (COLA). Council controlled department GMs will automatically receive the COLA, whereas the Board may take action to provide an equivalent increase to the LAFPP GM during its annual performance evaluation of the GM and merit pay discussion.

^C The salary range provided is based on Ordinance No. 186922. This range may differ slightly from the final salary rates published by the Office of the City Administrative Officer (CAO) after taking into account rounding.

^D The CIO salary range is designated in MOU 36.

For comparison, the current LAFPP Interim GM as a **temporary** appointment earns \$300,504.96 annually (\$11,513.60 biweekly). The Board established this salary based on LAAC Section 4.322 (c) which requires that a **temporary** appointment as a chief administrative officer shall receive a salary at a bi-weekly rate that is either 15% higher than the salary of the position's highest paid subordinate or is equal to the bi-weekly rate of the prior incumbent, whichever is less. Staff consulted with the City Administrative Office’s Employment Relations Division (CAO ERD) regarding the salary rate equivalent to the 15% differential prior to requesting the Board’s approval in September 2022.

The former LAFPP GM, prior to retirement in September 2022, earned the maximum annual salary at that time of \$322,074 (\$12,340 biweekly) in the M9 salary range after serving in the position for 9.5 years and inclusive of annual merit pay increases approved by the Board.

The four executive level managers who report directly to the LAFPP GM currently earn:

- 1) Chief Investment Officer - \$288,039 annually (\$11,036.00 biweekly)
- 2) Assistant General Manager, Pensions – \$225,001 annually* (\$9,770.19 biweekly)
* Includes base \$223,040 + bonus \$31,961
assumes backfilling the position with the prior incumbent
- 3) Assistant General Manager, Administrative Operations – \$261,319 annually*
(\$10,012.24 biweekly)
* Includes base \$223,040 + bonus \$38,279
- 4) Departmental Audit Manager - \$198,005 annually (\$7,586.40 biweekly)

In addition to the annual salary compensation, the General Manager is eligible to receive:

- 1) Merit pay increases as granted by the Board per the Board Governance Policies, Section 12 General Manager Performance Evaluation Policy;
- 2) \$500/month or, if available, a City vehicle for transportation; and
- 3) The same benefits afforded to all full-time City employees (e.g., medical, dental, vision, basic life insurance, basic disability insurance, tax-advantaged spending accounts, vacation and sick leave benefits, deferred compensation plan, etc.).

Relocation Assistance (if applicable)

During the Board's previous GM recruitment and appointment process in 2013, Maritta Aspen, Senior Labor Relations Specialist of the CAO ERD, presented to the City's policy regarding relocation expenses for high level positions. Ms. Aspen explained the average relocation package at the time was \$15,000. During negotiations with the initial final candidate, the Board approved a relocation package for actual expenses up to \$20,000. For reference on the types of relocation expenses that are reimbursable by the City (taxable and tax-exempt), please refer to the November 18, 2010 memo to all City Offices from the City Controller (Attachment 2).

Staff recently contacted the CAO ERD to inquire if the average relocation cost has adjusted for inflation within the past ten years. Ms. Aspen reconfirmed the average relocation cost remains at \$15,000.

As mentioned above, the second closed session item has been agendaized for the Board to discuss negotiations with the final candidate(s) and provide instructions to its designated negotiator.

BUDGET

Salaries for all authorized positions including the General Manager are funded annually. Should the Board include a relocation package in its negotiations, staff will report back to the Board with a request to approve an inter-account transfer within the Administrative Expense Budget to cover any relocation expenses.

POLICY

There are no policy changes associated with this report.

CONTRACTOR DISCLOSURE INFORMATION

There is no contractor disclosure information required with this report.

This report was prepared by:

Myo Thedar, Chief Benefits Analyst
Administrative Operations Division

Attachments (2): 1) Salary Ranges for General Managers
 2) November 18, 2010 Interdepartmental Correspondence from the Controller's Office re: New
 Moving Expense Variations

ATTACHMENT B-I
SALARY RANGES FOR GENERAL MANAGERS
LOS ANGELES ADMINISTRATIVE CODE SECTION 4.61

(The Salary Range schedule for General Managers reflects range adjustments of 5.65% effective January 19, 2020, 2.0% effective January 31, 2021, 2.0% effective January 30, 2022, and 1.5% effective June 19, 2022. The Mayor or appropriate Board/Commission, pursuant to Charter Section 508, shall set or adjust the amount of compensation for General Managers within the below ranges.)

<u>RANGE NO.</u> <u>CLASSIFICATION</u>	<u>1/19/2020</u> <u>RANGE</u>	<u>6/19/2022*</u> <u>1/31/20/21</u> <u>RANGE</u>	<u>1/29/2023*</u> <u>1/30/2022</u> <u>RANGE</u>	<u>6/18/2023*</u> <u>6/19/2022</u> <u>RANGE</u>
<u>M-13</u>				
General Manager and Chief Engineer Water and Power	\$293,635 - \$506,925	\$299,503 - \$517,072	\$305,495 - \$527,408	\$310,068 - \$535,321
<u>M-12</u>				
General Manager Airports Department	\$253,024 - \$448,649	\$258,077 - \$457,627	\$263,234 - \$466,772	\$267,180 - \$473,767
Chief of Police	\$253,024 - \$448,649	\$258,077 - \$457,627	\$263,234 - \$466,772	\$267,180 - \$473,767
City Administrative Officer	\$253,024 - \$448,649	\$258,077 - \$457,627	\$263,234 - \$466,772	\$267,180 - \$473,767
Chief Legislative Analyst	\$253,024 - \$448,649	\$258,077 - \$457,627	\$263,234 - \$466,772	\$267,180 - \$473,767
General Manager Harbor Department	\$253,024 - \$448,649	\$258,077 - \$457,627	\$263,234 - \$466,772	\$267,180 - \$473,767
<u>M-11</u>				
Executive Director, Convention Center	\$224,544 - \$398,098	\$229,033 - \$406,053	\$233,605 - \$414,176	\$237,113 - \$420,398
Fire Chief	\$224,544 - \$398,098	\$229,033 - \$406,053	\$233,605 - \$414,176	\$237,113 - \$420,398
Superintendent of Building	\$224,544 - \$398,098	\$229,033 - \$406,053	\$233,605 - \$414,176	\$237,113 - \$420,398
City Engineer	\$224,544 - \$398,098	\$229,033 - \$406,053	\$233,605 - \$414,176	\$237,113 - \$420,398
Director of Planning	\$224,544 - \$398,098	\$229,033 - \$406,053	\$233,605 - \$414,176	\$237,113 - \$420,398
General Manager Dept. of Transportation	\$224,544 - \$398,098	\$229,033 - \$406,053	\$233,605 - \$414,176	\$237,113 - \$420,398
General Manager Recreation and Parks	\$224,544 - \$398,098	\$229,033 - \$406,053	\$233,605 - \$414,176	\$237,113 - \$420,398
Director Bureau of Sanitation	\$224,544 - \$398,098	\$229,033 - \$406,053	\$233,605 - \$414,176	\$237,113 - \$420,398
General Manager Zoo Department	\$224,544 - \$398,098	\$229,033 - \$406,053	\$233,605 - \$414,176	\$237,113 - \$420,398
<u>M-10</u>				
General Manager Personnel Department	\$199,613 - \$354,020	\$203,601 - \$361,099	\$207,672 - \$368,323	\$210,784 - \$373,856
General Manager Information Technology Agency	\$199,613 - \$354,020	\$203,601 - \$361,099	\$207,672 - \$368,323	\$210,784 - \$373,856
Director of Finance	\$199,613 - \$354,020	\$203,601 - \$361,099	\$207,672 - \$368,323	\$210,784 - \$373,856
<u>M-9</u>				
City Clerk	\$178,148 - \$315,768	\$181,719 - \$322,074	\$185,352 - \$328,526	\$188,129 - \$333,454
City Librarian	\$178,148 - \$315,768	\$181,719 - \$322,074	\$185,352 - \$328,526	\$188,129 - \$333,454
Director Bureau of Street Services	\$178,148 - \$315,768	\$181,719 - \$322,074	\$185,352 - \$328,526	\$188,129 - \$333,454
General Manager Community Development	\$178,148 - \$315,768	\$181,719 - \$322,074	\$185,352 - \$328,526	\$188,129 - \$333,454

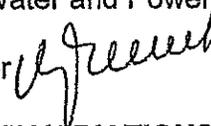
<u>RANGE NO.</u> <u>CLASSIFICATION</u>	<u>1/19/2020</u> <u>RANGE</u>	<u>6/19/2022*</u> <u>1/31/20/24</u> <u>RANGE</u>	<u>1/29/2023*</u> <u>1/30/2022</u> <u>RANGE</u>	<u>6/18/2023*</u> <u>6/19/2022</u> <u>RANGE</u>
<u>M-9 (Cont'd)</u>				
General Manager Economic and Workforce Development Department	\$178,148 - \$315,768	\$181,719 - \$322,074	\$185,352 - \$328,526	\$188,129 - \$333,454
General Manager Fire & Police Pensions	\$178,148 - \$315,768	\$181,719 - \$322,074	\$185,352 - \$328,526	\$188,129 - \$333,454
General Manager Department of General Services	\$178,148 - \$315,768	\$181,719 - \$322,074	\$185,352 - \$328,526	\$188,129 - \$333,454
General Manager Los Angeles City Employees Retirement System	\$178,148 - \$315,768	\$181,719 - \$322,074	\$185,352 - \$328,526	\$188,129 - \$333,454
General Manager Housing and Community Investment Department	\$178,148 - \$315,768	\$181,719 - \$322,074	\$185,352 - \$328,526	\$188,129 - \$333,454
<u>M-8</u>				
Treasurer	\$159,356 - \$282,611	\$162,551 - \$288,269	\$165,808 - \$294,032	\$168,293 - \$298,438
Inspector Public Works	\$159,356 - \$282,611	\$162,551 - \$288,269	\$165,808 - \$294,032	\$168,293 - \$298,438
Executive Director Cannabis Department	\$159,356 - \$282,611	\$162,551 - \$288,269	\$165,808 - \$294,032	\$168,293 - \$298,438
Director Bureau of Street Lighting	\$159,356 - \$282,611	\$162,551 - \$288,269	\$165,808 - \$294,032	\$168,293 - \$298,438
General Manager Animal Services	\$159,356 - \$282,611	\$162,551 - \$288,269	\$165,808 - \$294,032	\$168,293 - \$298,438
General Manager Cultural Affairs	\$159,356 - \$282,611	\$162,551 - \$288,269	\$165,808 - \$294,032	\$168,293 - \$298,438
General Manager Department of Environmental Affairs	\$159,356 - \$282,611	\$162,551 - \$288,269	\$165,808 - \$294,032	\$168,293 - \$298,438
General Manager Neighborhood Empowerment	\$159,356 - \$282,611	\$162,551 - \$288,269	\$165,808 - \$294,032	\$168,293 - \$298,438
<u>M-7</u>				
General Manager Department of Aging	\$143,132 - \$253,817	\$145,993 - \$258,891	\$148,916 - \$264,069	\$151,150 - \$268,037
General Manager Emergency Management Department	\$143,132 - \$253,817	\$145,993 - \$258,891	\$148,916 - \$264,069	\$151,150 - \$268,037
General Manager El Pueblo Historical Monument	\$143,132 - \$253,817	\$145,993 - \$258,891	\$148,916 - \$264,069	\$151,150 - \$268,037
Executive Director Commission on Children, Youth & Their Families	\$143,132 - \$253,817	\$145,993 - \$258,891	\$148,916 - \$264,069	\$151,150 - \$268,037
Executive Director Department on Disability	\$143,132 - \$253,817	\$145,993 - \$258,891	\$148,916 - \$264,069	\$151,150 - \$268,037

* Ordinance No. 186922 (C.F. 19-1164-S2) postponed the effective dates as indicated.

**CITY OF LOS ANGELES
INTERDEPARTMENTAL CORRESPONDENCE**

DATE: November 18, 2010 **MEMORANDUM NO. 10-031**

TO: All City Offices/Department Heads:
Personnel Officers and Payroll Supervisors
(Except Department of Water and Power)

FROM: Wendy Greuel, Controller 

SUBJECT: NEW MOVING EXPENSE VARIATIONS

All authorized moving expense reimbursements are processed through the PaySR Payroll system. The moving expense reimbursement amount will be reported on the employee's paycheck or direct deposit when paid. For year end reporting, this amount will be reported on the employee's W-2 form in compliance with the Internal Revenue Code.

The variation codes for the reimbursements are MV and MM.

1. MV variation code will be used for qualified moving expense reimbursements. Qualified moving expenses are exempt from payroll taxes. Examples are as follows:
 - Expenses incurred in moving household goods and personal effects from the employee's old residence to the new residence.
 - Traveling (including lodging but NOT meals or mileage not in excess of \$0.165 per mile) from the old residence to the new residence.

2. MM variation code will be used for taxable moving expense reimbursements. The amounts paid using this variation code will be included in boxes 1, 3, and 5 as taxable wages on the W-2 form. Some examples of taxable reimbursements are listed below.
 - Pre-move housing hunting trips.
 - Temporary living expenses in the area of the new workplace while acquiring a new residence.
 - Real estate transactions.
 - Meals connected with the relocation.
 - Mileage in excess of \$0.165 per mile.
 - More than one trip from the old residence to the new residence.

Please note: this Memorandum replaces Memorandum 02-047 dated December 10, 2002.

All City Offices/Department Heads:
Personnel Officers and Payroll Supervisors
(Except Department of Water and Power)
November 18, 2010
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Since the amounts in item two are not deductible, reimbursements for the expenses are income and subject to full taxation (FIT, FICA if applicable) when paid. Departments are responsible for the proper classification of reimbursements paid to employees. Please use the information above to assist in the proper classification of reimbursements. Other information on moving expenses can be found in Section 132 of the Internal Revenue Code.

Any adjustments or changes to year-to-date fields should be submitted to the Controller's Payroll Operations section for correction.

If you have any questions, please call Robert Mc Neal, Controller Payroll at (213) 978-7400.