

**MINUTES**  
**OF THE**  
**BOARD OF FIRE AND POLICE PENSION COMMISSIONERS**  
**BOARD MEETING OF APRIL 21, 2016**

The Board of Fire and Police Pension Commissioners of the City of Los Angeles met at the LAFPP Board Room, located at the Los Angeles Fire and Police Pensions Building, 701 E. Third Street, Suite 400, Los Angeles 90013 on Thursday, April 21, 2016.

COMMISSIONERS PRESENT: George Aliano  
Adam Nathanson  
Ruben Navarro  
Brian Pendleton  
Corinne Tapia

COMMISSIONER ABSENT: Sam Diannitto  
Pedram Salimpour, MD  
Robert von Voigt  
Belinda Vega

DEPARTMENT OF FIRE AND  
POLICE PENSIONS: Raymond P. Ciranna, General Manager  
William Raggio, Executive Officer  
Tom Lopez, Chief Investment Officer  
Joseph Salazar, Assistant General Manager  
Rhonda Ketay, Commission Executive Assistant

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

As the first order of business, the Board selected Commissioner Navarro to chair the meeting in the absence of the Board President and Vice President. Chair Navarro called the meeting to order at 9:58 a.m. All the above-listed Commissioners were present at the start of the meeting.

**A. ITEMS FOR BOARD ACTION**

1. MAXIMUM RETIRED SWORN NON-MEDICARE HEALTH SUBSIDY FOR FISCAL YEAR 2016-2017 AND POSSIBLE BOARD ACTION

Mr. Kyle Susswain, Senior Management Analyst I, Medical and Dental Benefits Section, presented Staff's recommendation to the Board.

The Commissioners discussed the topic at length and made the following motions:

First motion

Commissioner Pendleton moved that the Board increase the maximum retired sworn non-Medicare health subsidy by 6.50%, to \$1,528.41 per month, effective July 1, 2016, which was seconded by Commissioner Nathanson.

Public comment was provided by Mr. Ken Buzzell, of the Los Angeles Retired Fire & Police Association, Inc., Ms. Corina Lee, of the Los Angeles Police Protective League, and Ms. Elsa Moy.

Second motion

Commissioner Aliano moved that the Board continue this item and request a comprehensive report from Segal for an actuarial valuation, including current healthcare trend rates, which was seconded by Commissioner Nathanson. The motion failed by the following vote: ayes, none; nays, Commissioners Aliano, Nathanson, Navarro, Pendleton, and Tapia – 5.

The first motion failed by the following vote: ayes, Commissioners Aliano, Nathanson, Pendleton, and Tapia – 4; nays, Commissioner Navarro – 1.

Third motion

Commissioner Navarro moved that the Board continue this item and request a comprehensive report from Segal for an actuarial valuation, including current healthcare trend rates. The motion was not seconded.

Fourth motion

Commissioner Nathanson moved that the Board increase the maximum retired sworn non-Medicare health subsidy by 6.50%, to \$1,528.41 per month, effective July 1, 2016 and require an actuarial study as soon as possible, which was seconded by Commissioner Aliano. The motion failed by the following vote: ayes, Commissioners Aliano, Nathanson, Pendleton, and Tapia – 4; nays, Commissioner Navarro – 1.

This item was continued to May 5, 2016.

2. APPROVAL TO AMEND THE BENEFIT PAYMENT SERVICES CONTRACT WITH NORTHERN TRUST COMPANY AND POSSIBLE BOARD ACTION

Mr. Alfredo Domagat, Senior Systems Analyst II, was available for questions. The board report was approved as submitted.

RESOLUTION 16118

Commissioner Aliano moved that the Board:

1. Determine that a new search for a benefit payment system would not be productive, practicable, or advantageous to the Plan:
2. Authorize the General Manager to amend the Benefit Payment Services contract with Northern Trust Company to extend the term for an additional three (3) years, beginning May 20, 2016 and ending May 19, 2019 and to renew the contract ceiling of \$1,000,000 for the additional three-year term; and
3. Authorize the President of the Board, on behalf of the Board, to execute the contract amendment subject to the approval of the City Attorney as to form, which was seconded by Commissioner Pendleton and approved by the following vote: ayes, Commissioners Aliano, Nathanson, Navarro, Pendleton, and Tapia, – 5; nays, none.

### 3. ASSET ALLOCATION ANALYSIS AND POSSIBLE BOARD ACTION

This item was continued to May 5, 2016.

## B. REPORTS TO THE BOARD

### 1. QUARTERLY TRAVEL REPORT FOR COMMISSIONERS AND STAFF

The Board took no action; the report was received and filed.

### 2. THIRD QUARTER UPDATE FOR THE 2015-16 BUSINESS PLAN

The Board took no action; the report was received and filed.

### 3. PERMITTED CLOSED SESSION ATTENDEES

The Board took no action; the report was received and filed.

### 4. Miscellaneous correspondence from money managers, consultants, etc. – Received and Filed.

### 5. General Manager's Report

a. Monthly Report

b. Marketing Cessation Information

c. Benefits Actions approved by General Manager on April 7, 2016

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 April 7, 2016.

DISCONTINUED PENSIONS – TIER 1 – 5

Craig N. Gilian	Police Disability	Retired:	11-01-61	Died:	12-07-15
Theodore Williams	Police Disability	Retired:	05-01-65	Died:	02-24-16
Leah Perry	Police Widow	Retired:	03-12-05	Died:	11-01-15
Evelyn L. Robinson	Police Widow	Retired:	06-16-07	Died:	02-09-16
Elaine Sipes	Police Widow	Retired:	11-30-04	Died:	08-18-15

DISCONTINUED PENSIONS – TIER 2 – 11

Benjamin Scheerer	Fire Service	Retired:	06-27-78	Died:	01-21-16
Mike Urtusuastegui	Fire Service	Retired:	01-01-76	Died:	02-23-16
Genevieve R. Hauck	Police Service	Retired:	02-01-75	Died:	01-10-16
Chunkey W. Hilton	Police Service	Retired:	03-02-75	Died:	02-27-16
Herbert G. Patterson	Police Service	Retired:	05-26-90	Died:	02-24-16
Bill C. Tedreck	Police Disability	Retired:	10-23-80	Died:	02-13-16
Marie A. Douglass	Fire Widow	Retired:	09-19-97	Died:	11-12-15
Betty V. Larson	Fire Widow	Retired:	10-02-03	Died:	02-16-16
Frances L. Phillips	Fire Widow	Retired:	07-16-95	Died:	02-14-16
Albert T. Pickering	Police Widower	Retired:	03-24-05	Died:	04-30-15
Bette A. Raines	Police Widow	Retired:	04-26-97	Died:	01-16-16

DISCONTINUED PENSIONS FORMER SPOUSES – TIER 2 – 2

Nora M. Green	Police Service	Retired:	03-01-79	Died:	03-14-16
Sara J. Rathburn	Police Service	Retired:	03-02-91	Died:	11-21-15

SERVICE PENSION – TIER 5 – 1

Police

Andre K. Mitchell	Police Officer II	Eff:	03-20-16	2	Years	118	Days
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SERVICE PENSION/DROP – TIER 4 – 3

Police

Mark B. Blizzard	Police Officer III	Eff:	01-01-16	25	Years	14	Days
Gena D. Brooks	Lieutenant II	Eff:	11-01-15	27	Years	147	Days
Teresa M. Velez	Detective II	Eff:	03-01-16	28	Years	41	Days

SERVICE PENSION/DROP – TIER 5 – 13

Fire

Michael S. Franken	Firefighter III	Eff:	12-03-15	25	Years	19	Days
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Police

Dino J. Angelo	Sergeant II	Eff:	02-01-16	25	Years	78	Days
Robert N. Arcos	Commander	Eff:	02-01-16	27	Years	130	Days
Vincent L. Bancroft	Detective II	Eff:	12-01-15	25	Years	205	Days
Wayne J. Caffey	Detective I	Eff:	01-13-16	33	Years	48	Days
Kevin L. Chapple	Police Officer II+2	Eff:	02-01-16	26	Years	129	Days
Charles M. Dempsey	Detective III	Eff:	01-09-16	25	Years	52	Days
Jose M. De Leon	Detective I	Eff:	01-01-16	33	Years	17	Days
Susana S. Frank	Detective II	Eff:	12-01-15	25	Years	220	Days
Fernando M. Lopez	Police Officer III	Eff:	03-01-16	26	Years	175	Days
Andre D. Louis	Sergeant II	Eff:	03-01-16	26	Years	134	Days
Hugh L. Vellos	Detective II	Eff:	03-01-16	29	Years	42	Days
Julia L. Vincent	Sergeant II	Eff:	03-01-16	26	Years	0	Days

DISCONTINUE DROP – TIER 3 – 1

Police

George M. McNeil	Retired:	03-01-14	Exit Close of:	04-01-16
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DISCONTINUE DROP – TIER 4 – 1

Police

John Karle	Retired:	07-14-11	Exit Close of:	03-31-16
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ELIGIBLE SURVIVING SPOUSE APPLICATION – TIER 5 – 1

<u>Name</u>	<u>Member's Rank</u>	<u>Type % Rate</u>	<u>Effective Date</u>
Melissa A. Swailes (David W. Swailes)	Police Officer II	NSC w/o prejudice 30% + 4 minor children	02-27-16

NON SERVICE-CONNECTED DISABILITY PENSION – TIER 3 – 1

<u>Name</u>	<u>Member's Rank</u>	<u>Percentage</u>	<u>Effective Date</u>	<u>Board Date</u>
Shaun W. King	Police Officer III	50%	12-03-15	12-03-15

d. Other business relating to Department operations

General Manager Ciranna gave the following updates:



1. New benefits informational videos are now available on the LAFPP website.
2. The year-to-date return percentage has increased.
3. Fry case update: the Second Appellate Court denied the petition for a re-hearing so the plaintiffs have filed a petition for review with the California Supreme Court.
4. Notice was given to the artists and their representative prior to the removal of the mural from the LAFPP building. The Department is in the process of obtaining a replacement mural.

Commissioner Nathanson requested presentations to the Board from the three investment managers whose contracts are currently up for renewal.

#### C. COMMITTEE CALENDAR

1. Audit Committee – Last met: 04/21/16; next meeting: 07/21/16
2. Benefits Committee – Last met: 10/01/15; next meeting: 08/18/16
3. Governance Committee – Last met: 01/07/16; next meeting: 05/05/16

Chair Navarro announced the upcoming meetings.

#### D. CONSIDERATION OF FUTURE AGENDA ITEMS

1. Commissioner Navarro requested a follow-up report on the NCPERS code of conduct for contractors.
2. Commissioner Nathanson requested a discussion of strategies concerning investment managers and advisory fees. Commissioner Navarro mentioned that the ad hoc committee for fees (that was dissolved in May 2014) had spent a lot of time on it and the reports were available for review.

#### E. GENERAL PUBLIC COMMENT ON MATTERS WITHIN THE BOARD'S JURISDICTION

Ms. Elsa Moy provided public comment.

The Board recessed at 11:08 a.m. and reconvened in Closed Session at 11:25 a.m.

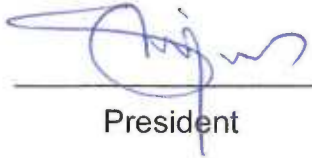
#### F. CLOSED SESSION

1. CLOSED SESSION PURSUANT TO SUBDIVISIONS (a) AND (d)(1) OF GOVERNMENT CODE SECTION 54956.9 TO CONFER WITH LEGAL COUNSEL REGARDING PENDING LITIGATION, IN THE FOLLOWING CASE: The City of Los Angeles v. Bankrate, Inc, et al. (Case No. 9:14 –cv-81323-DMM (S.D. Fla.)

The Board met in closed session.

Upon reconvening in open session, Chair Navarro stated there was no public report.

The meeting adjourned at 11:32 a.m.



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President



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Secretary