

MINUTES
OF THE
BOARD OF FIRE AND POLICE PENSION COMMISSIONERS
MEETING OF NOVEMBER 20, 2008

The Board of Fire and Police Pension Commissioners of the City of Los Angeles met in Room 800, 360 East Second Street, on Thursday, November 20, 2008.

COMMISSIONERS PRESENT: Sean Harrigan, President
Mike Carter, Vice President
George V. Aliano
Elliott Broidy
Maria Contreras-Sweet
Sam Diannitto
Don Keith
Patricia Means

COMMISSIONERS ABSENT: Steve Juarez

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

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

President Harrigan called the regular meeting to order at 9:06 a.m. All of the above-listed Commissioners were present at the start of the meeting with the exception of Commissioner Contreras-Sweet who arrived at 9:15 a.m. and Commissioner Means who arrived at 10:09 a.m.

1. COMMUNICATIONS TO THE BOARD

- A. Miscellaneous correspondence from money managers, consultants, etc. - Received and Filed.
- B. Monthly Report – Received and Filed.

2. COMMITTEE REPORTS

A. Benefits Committee

Chair Aliano reported no meeting was scheduled.

B. Governance Committee

Chair Diannitto reported the Committee will meet on December 18th.

C. Space Planning Committee

General Manager Perez is working to schedule a meeting in December.

D. Audit Committee

General Manager Perez reported that a meeting is scheduled on December 4th regarding a review of the Simpson & Simpson Audit and the internal audit by Accretive Solutions.

E. Ad Hoc Committee on Emerging Managers

General Manager Perez reported that the Committee had not yet scheduled a meeting.

3. APPROVAL OF RECOMMENDATION BY ALDUS EQUITY – FUNDING FOR CANDOVER 2008 FUND, L.P.

Mr. Thomas Henley, Partner and Ms. Molly Byrnes, Vice President, from Aldus Equity (Aldus) came before the Board to present the Candover 2008 Fund. A discussion was held concerning asset allocation. Mr. Henley stated that Aldus was working with Stepstone, staff and PCA. Staff will prepare a report for the next meeting on the status of asset allocation. Ms. Byrnes presented the Candover 2008 Fund. Aldus recommended an investment of €20 million in the Candover Fund.

RESOLUTION 09061

Commissioner Carter moved that the Board approve Aldus Capital's recommendation to invest €20 million in Candover 2008 Fund, L.P., which motion was seconded by Commissioner Keith and approved by the following vote: ayes, Commissioners Aliano, Broidy, Carter, Contreras-Sweet, Diannitto, Keith and President Harrigan - 7; nays, none. *Commissioner Means had not yet arrived to the meeting.*

4. 2009 BOARD RETREAT AND POSSIBLE BOARD ACTION

Ms. Sarah Bernstein, Principal, Pension Consulting Alliance and Ms. Laura Guglielmo, Assistant General Manager, Administrative Operations came before the Board to discuss PCA and staff's recommendations. President Harrigan requested that contrary views of issues be presented at the Board Retreat. The Board approved the 5 recommendations.

RESOLUTION 09062

Commissioner Diannitto moved that the Board:

- 1.) Approve January 7-8, 2009 for the 2009 Board Retreat;
- 2.) Review and approve the proposed draft agenda;
- 3.) Inform staff to plan dinner for January 7, 2009;
- 4.) Authorize staff to expend up to \$76,800 for facilitation, meeting rooms, speakers, food and parking expenses; and
- 5.) Direct staff to report back to the Board with actual expenditures once known.

which motion was seconded by Commissioner Carter and approved by the following vote: ayes, Commissioners Aliano, Broidy, Carter, Contreras-Sweet, Diannitto, Keith and President Harrigan - 7; nays, none. *Commissioner Means had not yet arrived to the meeting.*

5. MEMBER REQUEST FOR ALTERNATIVE OPTIONS TO UNITED FIREFIGHTERS OF LOS ANGELES CITY DENTAL PLANS AND POSSIBLE BOARD ACTION

Mr. Greg Mack, Senior Management Analyst II, Medical and Dental Benefits of the Pensions Division, came before the Board to give an overview of the dental plans available to retirees. A discussion was held regarding UFLAC's membership fees and if it applied to retirees. The Board decided not to get involved with labor issues.

RESOLUTION 09063

Commissioner Diannitto moved that the Board authorize the Board President to sign an amended letter informing the member of the availability of the UFLAC dental plan, which motion was seconded by Commissioner Carter and approved by the following vote: ayes, Commissioners Aliano, Broidy, Carter, Contreras-Sweet, Diannitto, Keith and President Harrigan - 7; nays, none. *Commissioner Means had not yet arrived to the meeting.*

6. UPDATE ON RETIREE HEALTH SUBSIDY AND POSSIBLE BOARD ACTION

Mr. Greg Mack, Senior Management Analyst II, Medical and Dental Benefits of the Pensions Division, came before the Board to give an overview of the subsidy issue. He explained the difference between LACERS and LAFPP rates.

RESOLUTION 09064

Commissioner Diannitto moved that the Board direct staff to monitor the status of Memoranda of Understanding (MOU) negotiations between the City and active sworn employee labor organizations and report back to the Board when it is determined what the active sworn health subsidy will be for July 2009, which motion was seconded by Commissioner Aliano and approved by the following vote: ayes, Commissioners Aliano, Broidy, Carter, Contreras-Sweet, Diannitto, Keith and President Harrigan - 7; nays, none. *Commissioner Means had not yet arrived to the meeting.*

7. REINSTATE SERVICE PENSION OF DAVID HARRIS AND POSSIBLE BOARD ACTION

The board report was approved as submitted.

RESOLUTION 09065

Commissioner Diannitto moved that the Board Rescind Board Action granting David Harris a non-service connected disability pension of 50% and readopt the prior Board Action granting David Harris a service pension, effective November 22, 2006, which motion was seconded by Commissioner Carter and approved by the following vote: ayes, Commissioners Aliano, Broidy, Carter, Contreras-Sweet, Diannitto, Keith and President Harrigan - 7; nays, none. *Commissioner Means had not yet arrived to the meeting.*

8. REINSTATE SERVICE PENSION OF JOSEPH F. NAPOLITANO AND POSSIBLE BOARD ACTION

The board report was approved as submitted.

RESOLUTION 09066

Commissioner Diannitto moved that the Board Rescind Board Action granting Joseph F. Napolitano a service-connected disability pension and readopt the prior Board Action granting Joseph F. Napolitano a service pension, effective May 5, 2006, which motion was seconded by Commissioner Aliano and approved by the following vote: ayes, Commissioners Aliano, Broidy, Carter, Contreras-Sweet, Diannitto, Keith and President Harrigan - 7; nays, none. *Commissioner Means had not yet arrived to the meeting.*

9. GENERAL MANAGER'S REPORT

A. Benefits actions approved by General Manager on November 6, 2008

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 November 6, 2008.

DISCONTINUED PENSIONS – TIER 1 – 3

Kenneth J. Vils	Police Service	Retired:	11-01-66	Died:	08-16-08
Anthony A. Nemeth	Police Disability	Retired:	03-01-52	Died:	09-09-08
Mary J. Rogers	Police Widow	Retired:	07-10-01	Died:	09-11-08

DISCONTINUED PENSIONS – TIER 2 – 12

James W. Francis	Fire Service	Retired:	01-26-92	Died:	09-29-08
Earl D. Gibbs	Fire Service	Retired:	06-15-80	Died:	09-09-08
Richard McGuire	Fire Service	Retired:	08-07-83	Died:	09-15-08
Thomas L. Ferry	Police Service	Retired:	01-10-82	Died:	09-28-08
Charles J. Hughes	Police Service	Retired:	01-01-80	Died:	09-16-08
Joe S. Lewis, Jr.	Police Service	Retired:	12-20-98	Died:	10-03-08
Richard Sandstrom	Police Service	Retired:	06-01-78	Died:	10-05-08
Evelyn L. Capers	Fire Widow	Retired:	02-02-98	Died:	10-08-08
Dolores T. Coleman	Fire Widow	Retired:	04-22-08	Died:	08-15-08
Annelie Graham	Fire Widow	Retired:	06-15-72	Died:	10-18-08
Betty B. Kilpatrick	Fire Widow	Retired:	03-20-05	Died:	10-10-08
Shirley P. Newman	Fire Widow	Retired:	10-12-06	Died:	09-18-08

DISCONTINUED PENSIONS – TIER 5 – 1

David J. Harrison	Police Service	Retired:	05-05-02	Died:	09-28-08
-------------------	----------------	----------	----------	-------	----------

DISCONTINUED FORMER SPOUSE PENSIONS – TIER 2 – 2

Patricia A. Sevy	Fire Service	Retired:	06-29-78	Member Died:	09-19-08
Judith Lauren	Police Service	Retired:	01-10-82	Member Died:	09-28-08

SERVICE PENSIONS – FIRE – TIER – 5 – 1

Matthew M. Shuck	Police Officer III	Eff:	10-26-08	20	Years	134	Days
------------------	--------------------	------	----------	----	-------	-----	------

ELIGIBLE SURVIVING SPOUSE'S PENSION – TIER 5 – 1

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Effective Date</u>
Elaine R. Harrison	David J. Harrison	Police Service	09-29-08

ELIGIBLE SURVIVING SPOUSE'S PENSION – TIER 2 – 4

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Effective Date</u>
Donna L. Francis	James W. Francis	Fire Service	09-30-08
Ruth M. Gibbs	Earl D. Gibbs	Fire Service	09-10-08
Margaret S. McGuire	Richard McGuire	Fire Service	09-16-08
Martha A. Sandstrom	Richard Sandstrom	Police Service	10-06-08

REINSTATE SURVIVING CHILD'S PENSION – TIER 4 – 1

Pension reinstated payable to Sean M. Stavropoulos, Surviving Child of deceased Police Officer Anthony R. Stavropoulos, effective September 1, 2008. Documentation has been submitted for full-time student status. There is one remaining minor.

DECREASE SURVIVING SPOUSE'S PENSION – TIER 2 – 1

Decrease the pension payable to Annabelle Weeks, Surviving Spouse of deceased Police Officer James V. Weeks due to the attainment of age 18 by Tori M. Weeks' effective November 25, 2008. There are no remaining minors.

DECREASE SURVIVING SPOUSE'S PENSION – TIER 4 – 1

Decrease the pension payable to Margaret P. Stavropoulos, Surviving Spouse of deceased Police Officer Anthony R. Stavropoulos due to full-time student status of Sean M. Stavropoulos effective September 1, 2008. There is one remaining minor.

DECREASE SURVIVING CHILD'S PENSION – TIER 4 – 1

Decrease the pension payable to Alicia M. Stavropoulos, Surviving Child of deceased Police Officer Anthony R. Stavropoulos due to full-time student status of Sean M. Stavropoulos effective September 1, 2008. There is one remaining minor.

INCREASE SURVIVING CHILD'S PENSION – TIER 5 – 1

Increase the pension payable to Jessica L. Selleh, Surviving Child of deceased Police Detective III George M. Selleh, effective November 12, 2008 due to the attainment of age 22 by Scott M. Selleh.

DISCONTINUE SURVIVING CHILD'S PENSION – TIER 5 – 1

Discontinue the pension payable to Scott M. Selleh, Surviving Child of deceased Police Detective III George M. Selleh, effective November 12, 2008 due to the attainment of age 22. There is one surviving child.

DISCONTINUE GUARDIANSHIP – MINOR'S PENSION – TIER – 1

Discontinue the pension payable to Xinia Lopez-Hernandez, as the Guardian of John P. Montgomery, Minor Child of deceased Police Officer Roger D. Montgomery, effective November 21, 2008 due to the attainment of age 18. There are no remaining minors.

PENSION GRANTED – DISABILITY – TIER 5 – 1, October 16, 2008

<u>Name</u>	<u>Years</u>	<u>Days</u>	<u>Rate</u> <u>%</u>	<u>Effective</u> <u>Date</u>
Lisa M. Gallegos	17	304	60.0000	05-13-08

B. Other business relating to Department operations

1. General Manager Perez asked Ms. Laura Guglielmo, Assistant General Manager, Administrative Operations, to introduce Ms. Evange Masud, Executive Administrative Assistant, Administrative Operations. Ms. Guglielmo stated that Ms. Masud would be assisting with the Board travel duties and the backup to the Commission Executive Assistant.
2. General Manager Perez indicated that staff has responded to several requests from the City Council and Mayor for information on how LAFPP is funded and the contributions the City expects to make over the next few years. He has presented to the City Council on this issue and has attended several meetings at the Mayor's Office. He informed the Board of an upcoming meeting at the Mayor's to discuss the current economic situation of the City and plan action steps. General Manager Perez stated that any action the department takes will be actions that the Board has authorized. President Harrigan commented that the Department is a self-funded entity and is in a different situation but should operate to a degree with what the Mayor is doing with other City departments.

10. CONSIDERATION OF FUTURE AGENDA ITEMS

A discussion was held regarding the Ad Hoc Emerging Manager Committee meeting. Ms. Sarah Bernstein, Principal, Pension Consulting Alliance, reported that Chair Means is working on scheduling a date in December.

General Manager Perez commended Commissioner Keith for his career at LAPD.

Commissioner Carter stated that he attended the State Association of County Retirement Systems conference. He highly recommended the conference to the other Board members

11. PUBLIC COMMENTS

Ms. Elsa Moy commented on the monthly report and the health subsidy rate.

12. CONSENT ITEMS

A. Approval of Minutes

1. Minutes of the Regular Board Meeting of October 2, 2008

Commissioner Carter moved that the Board approve the Consent Items, which motion was seconded by Commissioner Keith and approved by the following vote: ayes, Commissioners Diannitto, Broidy, Carter, Contreras-Sweet, Diannitto, Keith and President Harrigan - 7; nays, none. *Commissioner Means had not yet arrived to the meeting.*

President Harrigan recognized Commissioner Keith's last day on the Board.

Commissioner Means arrived at the Board meeting.

Commissioner Keith gave a farewell speech.

President Harrigan asked Commissioner Means the status of the Ad Hoc Emerging Managers Committee meeting. Commissioner Means stated that she met with the consultant and will schedule a meeting before the end of December.

13. DISABILITY CASES

DISABILITY CLAIM – NEW – TIER 3 – 1

Annie M. Zibli

(P)

Detective II

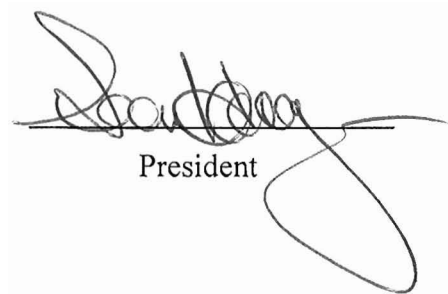
Service connected disability pension is granted at 55% with no foreseeable purpose for review. Motion made by Commissioner Diannitto, seconded by Commissioner Aliano and adopted by the following vote: ayes, Commissioners Aliano, Broidy, Carter, Contreras-Sweet, Diannitto, Keith, Means and President Harrigan – 8; nays, none. Detective Zibli was not present, nor was she represented.

Minutes of the Board of Fire and Police Pension Commissioners

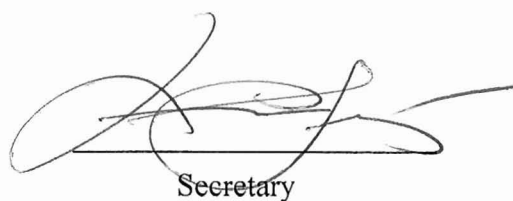
November 20, 2008

Page 9

The Board meeting concluded at 10:14 a.m.



President



Secretary