

MINUTES
OF THE
BOARD OF FIRE AND POLICE PENSION COMMISSIONERS
MEETING OF APRIL 7, 2011

The Board of Fire and Police Pension Commissioners of the City of Los Angeles met in Room 800, 360 East Second Street, on Thursday, April 7, 2011.

COMMISSIONERS PRESENT: Robert von Voigt, Vice President
Sam Diannitto
Brenda Maul
Wayne Moore
Ruben Navarro
Raúl Pérez
Adlai Wertman

COMMISSIONERS ABSENT: Dean Hansell, President
George Aliano

DEPARTMENT OF FIRE AND POLICE PENSIONS: Michael A. Perez, General Manager
William Raggio, Assistant General Manager
Tom Lopez, Chief Investment Officer
Jan Jordan-Johnson, Information Systems Manager II
Barbara Nobregas, Commission Executive Assistant

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

COURT REPORTER: Diane L. Panicca, U.S. Legal Support

Vice President von Voigt called the regular meeting to order at 9:00 a.m. and stated that President Hansell was in court and unable to attend the meeting.

A. ITEMS FOR BOARD ACTION

1. CONSENT TO ASSIGNMENT OF DELTA ASSET MANAGEMENT'S CONTRACT AND POSSIBLE BOARD ACTION

Mr. Tom Lopez, Chief Investment Officer (CIO) and Ms. Erika Tiedge, Investment Officer II, Investments Division presented the report stating that a change in ownership required the Board's approval. Delta

representatives were present to answer questions.

RESOLUTION 11087

Commissioner Navarro moved that the Board consent to the assignment of the Delta Asset Management large cap growth equity contract and authorize the General Manager to sign the written consent on behalf of the Board, which was seconded by Commissioner Diannitto and approved by the following vote: ayes, Commissioners Diannitto, Maull, Moore, Navarro, Pérez, Wertman, and Vice President von Voigt – 7 nays, none.

2. ANNUAL COST OF LIVING ADJUSTMENTS TO PENSIONS AND POSSIBLE BOARD ACTION

Mr. Joseph Salazar, Chief Benefits Analyst, Pensions Division stated the annual cost of living adjustment, an increase of 2.3% applied to all Tiers, effective July 1, 2011 upon the Board's approval.

RESOLUTION 11088

Commissioner Wertman moved that the Board:

1. Authorize all eligible pensions for members of Tiers 1, 2, 3, 4, 5, and DROP to be adjusted on July 1, 2011 by 2.3%; and,
 2. Take no action regarding a Discretionary Cost of Living Adjustment for eligible pensioners for Calendar Year 2012, which was seconded by Commissioner Diannitto and approved by the following vote: ayes, Commissioners Diannitto, Maull, Moore, Navarro, Pérez, Wertman, and Vice President von Voigt – 7 nays, none.
3. AUTHORIZATION FOR RETROACTIVE MISCELLANEOUS INFORMATION REQUESTS FROM OUR ACTUARY

Ms. Robyn Wilder, Senior Management Analyst II, Communications/Special Projects Section provided the Board details on the work provided by the actuary.

RESOLUTION 11089

Commissioner Diannitto moved that the Board:

1. Approve the Letter of Agreement for actuarial services not specified in the current contract with the System's actuary, The Segal Company, at a total cost not to exceed \$10,000; and,

2. Authorize the President of the Board, on behalf of the Board, to execute the Letter of Agreement, subject to City Attorney approval as to form, and include the signature of the General Manager, which was seconded by Commissioner Navarro and approved by the following vote: ayes, Commissioners Diannitto, Maull, Moore, Navarro, Pérez, Wertman, and Vice President von Voigt – 7 nays, none.

4. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.8 TO CONFER WITH REAL PROPERTY NEGOTIATOR; Properties: 1212 South Flower Street, 312 East 1st Street, 330 South Alameda Street, 360 East Second Street; Negotiator: David Weiner and Martin Cawley (participating by phone); Negotiating parties: Sentinel Real Estate Corporation; Under negotiation: Instruction to negotiator will concern price

The Board met in closed session.

B. REPORTS TO THE BOARD

1. Vice President von Voigt asked if any Board Member made any expenditure to influence State legislative or administrative action to which their reply was negative.
2. Miscellaneous correspondence from money managers, consultants, etc. – Received and Filed.
3. General Manager’s Report
 - a. Benefits Actions approved by General Manager on March 17, 2011

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 March 17, 2011.

DISCONTINUED PENSIONS – TIER 1 – 3

David S. Arroyo	Police Service	Retired:	09-22-63	Died:	01-28-11
Ina P. Syhre	Police Widow	Retired:	06-21-82	Died:	02-14-11
Eugene A. Hutchison	Fire Dependent Child	Retired:	02-14-88	Died:	02-11-11

DISCONTINUED PENSIONS – TIER 2 – 10

Anthony J. Grady	Fire Service	Retired:	06-30-79	Died:	02-13-11
John L. Gilchrist	Fire Service	Retired:	06-24-90	Died:	12-23-10
Edward F. Leclair	Fire Service	Retired:	06-30-78	Died:	02-15-11

Gordon L. Hubbard	Police Service	Retired:	03-24-69	Died:	02-12-11
Audrey L. Melane	Police Service	Retired:	12-01-67	Died:	01-15-11
Gerald L. Moon	Police Service	Retired:	03-03-70	Died:	02-09-11
William W. Wilhelm	Police Service	Retired:	02-12-73	Died:	01-31-11
Dorothy L. Loughran	Fire Widow	Retired:	07-12-03	Died:	08-12-10
Marjorie M. Maunu	Fire Widow	Retired:	11-11-06	Died:	02-16-11
Ruth E. Vaughan	Fire Widow	Retired:	11-08-92	Died:	02-07-11

DISCONTINUED PENSIONS – TIER 5 – 1

Lester K. Vargas	Police Disability	Retired:	03-10-07	Died:	02-06-11
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DISCONTINUED FORMER SPOUSE – TIER 5 – 2

Joy M. Hatfield	Police Disability	Retired:	03-10-07	Member Died:	02-06-11
Virginia Vargas	Police Disability	Retired:	12-01-08	Member Died:	02-06-11

ELIGIBLE SURVIVING SPOUSE’S PENSION – TIER 2 – 4

<u>Name</u>	<u>Deceased Member</u>	<u>Member’s Class</u>	<u>Effective Date</u>
Leota A. Grady	Anthony J. Grady	Fire Service	02-14-11
Margaret L. LeClair	Edward F. LeClair	Fire Service	02-16-11
Dorothy E. Gormley	James P. Gormley	Police Service	01-11-11
Violetta E. Hubbard	Gordon L. Hubbard	Police Service	02-13-11

DECREASE SURVIVING SPOUSE’S PENSION – TIER 2 – 1

Decrease the pension payable to Rita K. Hennessee, surviving spouse of deceased Police Officer II Lyle W. Hennessee, effective January 12, 2011 due to the death of dependent child, Timothy M. Hennessee, on January 11, 2011.

DEFERRED SERVICE PENSION – TIER 3 – 2

Police

Susan L. Drulias	Detective I	Eff:	03-21-11	15	Years	59	Days
Renee K. Harrison	Police Officer III	Eff:	03-23-11	10	Years	171	Days

SERVICE PENSION – TIER 4 – 2

Police

Ann F. Barrera	Lieutenant II	Eff:	02-13-11	21	Years	294	Days
Heidi S. Llanes	Police Officer III +1	Eff:	01-30-11	21	Years	231	Days

SERVICE PENSION – TIER 5 – 6

Fire

Richard C. Barnett	Firefighter III	Eff:	02-09-11	20	Years	89	Days
Andrea M. Everett	Firefighter III	Eff:	01-30-11	28	Years	44	Days

Police

Kathy L. Bennett	Police Officer III +1	Eff:	02-27-11	21	Years	1	Day
Michael F. Braun	Police Officer III +1	Eff:	02-13-11	21	Years	125	Days
Mike M. Lomeli	Detective III	Eff:	02-16-11	27	Years	102	Days
Tina T. Peebles	Detective I	Eff:	02-13-11	20	Years	295	Days

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 Juan J. Parga, Police Service Pensioner, is to be paid to his former spouse, Charlene M. Parga, effective April 1, 2011. Ms. Parga will receive cost of living adjustments.

PARTIAL PAYMENT OF PENSION – TIER 5 – 4

In accordance with the City Attorney’s advice, a designated proportion of the community property interest of the pension payable to Addison L. Birdine, Fire Service Pensioner, is to be paid to his former spouse, JungJa Kim Troy, effective March 5, 2011. Ms. Troy will receive cost of living adjustments.

In accordance with the City Attorney’s advice, a designated proportion of the community property interest of the pension payable to Robert D. Lostutter, Fire Service Pensioner, is to be paid to his former spouse, Julie S. Lostutter, effective March 1, 2011. Ms. Lostutter will receive cost of living adjustments.

In accordance with the City Attorney’s advice, a designated proportion of the community property interest of the pension payable to Stanley Thomas, Fire Service Pensioner, is to be paid to Christopher A. Thomas, beneficiary of former spouse Phyllis Thomas, effective September 21, 2008. Mr. Thomas will receive cost of living adjustments.

In accordance with the City Attorney’s advice, a designated proportion of the community property interest of the pension payable to Stanley Thomas, Fire Service Pensioner, is to be paid to Nicholas A. Thomas, beneficiary of former spouse Phyllis Thomas, effective September 21, 2008. Mr. Thomas will receive cost of living adjustments.

SERVICE PENSION/DROP – TIER 2 – 1

Police

Deborah S. Mastin	Sergeant II	Eff:	01-19-11	30	Years	0	Days
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SERVICE PENSION/DROP – TIER 4 – 1

Police

Steve T. Plunkett	Police Officer II +2	Eff:	02-01-11	28 Years	35 Days
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SERVICE PENSION/DROP – TIER 5 – 18

Fire

Bradford L. Lenhoff	Captain I	Eff:	01-31-11	30 Years	222 Days
Mark A. Martinez	Captain II	Eff:	01-31-11	30 Years	47 Days
Anthony E. Morales	Firefighter III	Eff:	02-01-11	29 Years	137 Days
Myron L. Moss	Captain II	Eff:	01-30-11	30 Years	33 Days
James N. Polzer	Captain I	Eff:	01-29-11	27 Years	27 Days
Ricardo L. Reyes	Firefighter III	Eff:	01-29-11	30 Years	26 Days
Steve E. Schrobsdorf	Engineer	Eff:	01-31-11	30 Years	47 Days
Scott A. Steffes	Captain I	Eff:	02-19-11	27 Years	335 Days
Steven J. Tufts	Firefighter III	Eff:	01-29-11	33 Years	253 Days
Linda B. Ullum	Captain I	Eff:	01-31-11	26 Years	52 Days
Steven A. Wieser	Inspector I	Eff:	01-31-11	33 Years	1 Day
Donald E. Witty	Engineer	Eff:	01-29-11	30 Years	159 Days

Police

Mathew J. St. Pierre	Lieutenant II	Eff:	02-01-11	27 Years	182 Days
Keith L. Thomas	Detective III	Eff:	02-02-11	26 Years	19 Days
Tamara J. Vanduyne	Sergeant II	Eff:	02-01-11	27 Years	50 Days
Michelle M. Veenstra	Captain III	Eff:	02-01-11	28 Years	210 Days
Dwayne K. White	Sergeant I	Eff:	02-13-11	25 Years	310 Days
John N. Zambos	Detective III	Eff:	02-01-11	29 Years	174 Days

DISCONTINUE DROP – TIER 2 – 1

Police

Juan J. Parga	Retired:	04-02-06	Exit Close of:	03-31-11
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DISCONTINUE DROP – TIER 4 – 1

Police

Robert A. Kirk	Retired:	05-01-06	Exit Close of:	03-31-11
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DISCONTINUE DROP – TIER 5 – 24

Fire

Addison L. Birdine	Retired:	03-05-06	Exit Close of:	03-04-11
Robert Espinoza	Retired:	04-02-06	Exit Close of:	03-31-11
Christopher Grahek	Retired:	03-19-06	Exit Close of:	03-18-11

Robert D. Lostutter	Retired:	06-26-07	Exit Close of:	02-28-11
Ronald A. Moore	Retired:	04-01-06	Exit Close of:	03-31-11
Dale A. Myers	Retired:	03-01-08	Exit Close of:	03-31-11
Thomas A. Petrich	Retired:	03-05-06	Exit Close of:	03-04-11
Casey O. Porter	Retired:	03-19-06	Exit Close of:	03-12-11
Steven G. Resnick	Retired:	04-01-06	Exit Close of:	03-31-11
Eugene G. Tanner	Retired:	04-01-06	Exit Close of:	03-31-11

Police

Vance S. Bjorklund	Retired:	04-02-06	Exit Close of:	03-31-11
Warren Edmonson	Retired:	07-09-06	Exit Close of:	03-31-11
Helmut M. Kramer	Retired:	04-02-06	Exit Close of:	03-31-11
Norman H. Lee	Retired:	04-02-06	Exit Close of:	03-31-11
Craig R. Miller	Retired:	04-02-06	Exit Close of:	03-31-11
Archie A. Nagao	Retired:	04-02-06	Exit Close of:	03-31-11
Robert R. Quesada	Retired:	06-01-06	Exit Close of:	03-31-11
John A. Seaquist	Retired:	04-02-06	Exit Close of:	03-30-11
Bryce D. Spafford	Retired:	04-02-06	Exit Close of:	03-31-11
Steven M. Takeshita	Retired:	04-02-06	Exit Close of:	03-31-11
Rudolph C. Velasquez	Retired:	03-19-06	Exit Close of:	03-18-11
Paul A. Vonlutzow	Retired:	04-01-06	Exit Close of:	03-31-11
Gregory G. Yacoubian	Retired:	02-04-10	Exit Close of:	03-04-11
Johnnie P. Zamora	Retired:	04-02-06	Exit Close of:	03-31-11

PARTIAL PAYMENT OF DROP FUNDS – TIER 2 – 1

In accordance with the City Attorney’s advice, a designated proportion of the community property interest of the DROP funds payable to Juan J. Parga, Police Service Pensioner, is to be paid to his former spouse, Charlene M. Parga, effective March 31, 2011.

PARTIAL PAYMENT OF DROP FUNDS – TIER 5 – 3

In accordance with the City Attorney’s advice, a designated proportion of the community property interest of the DROP funds payable to Robert D. Lostutter, Fire Service Pensioner, is to be paid to his former spouse, Julie S. Lostutter, effective February 28, 2011.

In accordance with the City Attorney’s advice, a designated proportion of the community property interest of the DROP funds payable to Stanley Thomas, Fire Service Pensioner, is to be paid to Christopher A. Thomas, beneficiary of former spouse Phyllis Thomas, effective September 20, 2008.

In accordance with the City Attorney’s advice, a designated proportion of the community property interest of the DROP funds payable to Stanley Thomas, Fire Service Pensioner, is to be paid to Nicholas A. Thomas, beneficiary of former spouse Phyllis Thomas, effective September 20, 2008.

PARTIAL PAYMENT OF DROP FUNDS – TIER 5 – 1 **CORRECTION**

In accordance with the City Attorney’s advice, a designated proportion of the community property interest of the DROP funds payable to Richard A. Williams, Fire Service Pensioner, is to be paid to his former spouse, Gloria C. Williams, effective October 31, 2010.

SERVICE CONNECTED DISABILITY PENSION – TIER 3 – 1 **CORRECTION**

<u>Name</u>	<u>Member’s Class</u>	<u>Percentage</u>	<u>Effective Date</u>	<u>Board Date</u>
Thomas I. Mace	Police Officer II	50.0000%	11-21-10	02-17-11

b. Other business relating to Department operations

General Manager Perez gave the following updates:

1. He introduced new staff, Mr. Thomas Puchalski, Senior Management Analyst II working in the Active Member Services section. Mr. Puchalski has an undergraduate degree from California Poly Pomona and Masters Degree in Public Administration from California State University Long Beach.
2. He stated staff is doing tremendous amount of work in a couple of areas. The first is preparing for Tier 6 and working with the City Controller’s Office to make sure the proper codes are in place. Secondly, staff is analyzing the statement that retirees receive every month, specifically addressing the font size. He hopes to resolve the issue by next month.
3. He previously notified the Board that Ms. Laura Guglielmo, Assistant General Manager, Administrative Operations Division is retiring from the City. He has appointed Mr. William Raggio to fill her position. Ms. Guglielmo’s last day is April 22nd. In the interim at Pensions Division, Mr. Joseph Salazar, Chief Benefits Analyst will fill Mr. Raggio’s position and Ms. Robyn Wilder, Senior Management Analyst will fill the Chief Management Analyst’s position.
4. Commissioner Navarro brought up his concerns that the Fire Department is discussing pension issues and they are quoting inaccurate pension numbers and looking at savings by eliminating 318 positions. General Manager Perez stated it is a problem because there all sorts of numbers thrown out, i.e. the CAO is giving out inaccurate pension numbers. There is a tremendous amount of negotiation going on amongst various organizations of the City, City departments, unions, and the associations representing them. There is a great need to have the right information. The only way to get the information, in terms of actual savings to the City in terms of deferral of contributions is to have the actuary do a report. This Board has the authority to request reports be made on issues dealing with pension system or in areas of inequity. The Board would have to find an inequity of some kind exists associated with this information that the Fire Department is giving out about

pension savings. He does not foresee an inequity issue at this point but that incorrect information is given out. General Manager Perez stated that he would review the Fire Department's information and give an opinion on it.

c. Marketing Cessation Information

C. COMMITTEE REPORTS

1. Benefits Committee

No updates were reported.

2. Governance Committee

Chair Diannitto stated the next committee meeting is scheduled on April 21, 2011.

3. Audit Committee

No updates were reported.

4. Ad Hoc Space Planning Committee

No updates were reported.

5. Ad Hoc Committee on City Attorney's Office

No updates were reported.

6. Ad Hoc Committee on Social Investing

No updates were reported.

D. CONSENT ITEMS

1. Approval of Travel

- a. APPROVAL OF TRAVEL AUTHORITY (MAULL) – INTERNATIONAL FOUNDATION OF EMPLOYEE BENEFIT PLANS, INTERNATIONAL INVESTING AND EMERGING MARKETS, JULY 24-27, 2011, SAN FRANCISCO, CA

2. Approval of Minutes

- a. Minutes of the Regular Board meeting of February 17, 2011
- b. Minutes of the Special Board Meeting of March 3, 2011

Commissioner Diannitto moved that the Board approve the consent items, which was seconded by Commissioner Wertman and approved by the following vote: ayes, Commissioners Diannitto, Maull, Moore, Navarro, Pérez, Wertman, and Vice President von Voigt – 7; nays, none.

E. CONSIDERATION OF FUTURE AGENDA ITEMS

No Items were referred.

F. PUBLIC COMMENTS

There were no public comments.

Deputy City Attorney James Napier took the City Attorney chair at this time.

G. DISABILITY CASES

DISABILITY CLAIM – REVIEW REQUESTED BY PENSIONER TIER 1 – 1

Peter E. Stafford (P) Sergeant (Retired)

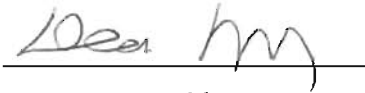
Hearing continued. Vice President von Voigt directed that this claim be continued at the request of the pensioner. Mr. Stafford was not present nor was he represented.

DISABILITY CLAIM – SURVIVING DOMESTIC PARTNER – TIER 5 – 1

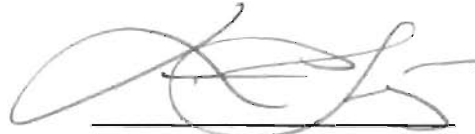
Laura Gerritsen, (P) Police Officer III (Deceased)
Surviving Domestic Partner of Spree DeSha

Prior Board Action of January 20, 2011, granting a non service-connected surviving domestic partner pension is readopted. Motion made by Commissioner Navarro, seconded by Commissioner Pérez and adopted by the following vote: ayes, Commissioners Diannitto, Maull, Moore, Navarro, Pérez, Wertman, and Vice President von Voigt – 7; nays, none. Lieutenant II Leonard Cross, Medical Liaison Section, Los Angeles Police Department testified regarding Police Officer DeSha. Ms. Gerritsen was present and represented by her attorney, Christina Coleman.

The meeting was adjourned at 10:55 a.m.

A handwritten signature in cursive script, appearing to read "D. H. M.", written above a horizontal line.

President

A large, stylized handwritten signature in cursive script, written above a horizontal line.

Secretary