

MINUTES
OF THE
BOARD OF FIRE AND POLICE PENSION COMMISSIONERS
BOARD MEETING OF APRIL 4, 2013

The Board of Fire and Police Pension Commissioners of the City of Los Angeles met at the LACERS Board Room, located at the Los Angeles Times Building, 202 W. First Street, Suite 500, Los Angeles 90012 on Thursday, April 4, 2013.

COMMISSIONERS PRESENT: Dean Hansell, President
Ruben Navarro, Vice President
George Aliano
Sam Diannitto
Gregory Lippe
Wayne Moore
Raúl Pérez
Belinda Vega
Robert von Voigt

DEPARTMENT OF FIRE AND
POLICE PENSIONS: William Raggio, Interim General Manager
Joseph Salazar, Assistant General Manager
Tom Lopez, Chief Investment Officer
Stephanie Clements, Chief Management Analyst
Barbara Nobregas, Commission Executive Assistant

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

President Hansell called the Board meeting to order at 8:31 a.m. All of the above-listed Commissioners were present at the start of the meeting. He stated there are a variety of closed session items. There will be an open session for each item so that anyone who wishes to speak on an item may do so. The agenda will be rearranged. The Alternative 2 disability case will be taken out of order. A Commissioner who has to leave early requested to move up the Closed Session Item H.4 which relates to the appointment of the General Manager.

Commissioner Navarro stated that the entire recruitment process has been held in open session. The Board is not selecting a General Manager and they must decide on the process. He requested that matter be heard in open session.

President Hansell stated he plans to have an open session before each closed session item.

Commissioner Navarro wanted to ensure that the open session constitutes Board discussion and not merely open to public comment. The membership of the System has the right to hear the Board's recruitment process in selecting a General Manager.

President Hansell stated that gets into the substance of the issue and he does not agree with Commissioner Navarro's point. He suggested to wait until the Board reaches the General Manager item and assured Commissioner Navarro he may raise his concerns at that time.

A portion of Item G was taken out of order.

G. DISABILITY CASES

Guadalupe G. Flores (F) Retired Firefighter III/Paramedic

Hearing continued. President Hansell directed that this claim be continued at the request of the applicant's attorney. Mr. Flores was not present but was represented by his attorney, Thomas J. Wicke.

A. ITEMS FOR BOARD ACTION

1. CITY ADMINISTRATIVE OFFICER'S REQUEST FOR DROP COST NEUTRALITY STUDY AND POSSIBLE BOARD ACTION

Ms. Robyn Wilder, Chief Benefits Analyst, Pensions Division stated the Department received a request from the CAO's Office to begin the process for a DROP study. The Los Angeles Administrative Code states that the City shall study the DROP Program every five years. The last study was conducted in 2008. This will initiate the process for The Segal Company (Segal) to review the DROP Program and cost neutrality factors. The CAO has paid their outstanding balance for the Tier 6 transfer work.

Ms. Wilder stated Segal will determine what factors to use for the study and answered the Board's questions.

RESOLUTION 13131

Commissioner Navarro moved that the Board:

- 1) Direct The Segal Company (Segal) to conduct a cost-neutrality study of the Deferred Retirement Option Plan (DROP) program, as requested by the City Administrative Officer (CAO); and,
- 2) Direct staff to seek reimbursement from the City for the cost of the DROP cost-neutrality study, which motion was seconded by Commissioner von Voigt, and approved by the following vote: ayes, Commissioners Aliano, Diannitto, Lippe, Moore, Navarro, Pérez, Vega, von Voigt, and President Hansell – 9; nays, none.

2. DISCUSSION OF RETIRED SWORN NON-MEDICARE HEALTH SUBSIDY AND POSSIBLE BOARD ACTION

President Hansell directed the public to fill out a comment card if they wish to speak on issues. He read into the record that the Board received a letter and a copy of the Ordinance regarding the health subsidy issue from Mr. Ken Buzzell, Director of Los Angeles Retired Fire & Police Association, Inc. who was unable to attend the meeting today.

Mr. Gregory Mack, Senior Management Analyst II, Medical and Dental Benefits, stated staff is seeking direction for refining the board policy that was discussed at the March 7 meeting. The purpose of the report is to address the Board's questions from the last meeting and provide clarification on issues. Mr. Mack provided details on the issue of the subsidy.

Commissioner Pérez stated he preferred to wait for the CAO's information. The Board discussed the issue of its discretion regarding the health subsidy.

MOTION

Commissioner Lippe moved that the Board table the issue of the sworn non-Medicare health subsidy until all the information is received, which motion was seconded by Commissioner Pérez.

The Board continued to discuss the issue.

Interim General Manager Raggio stated the reason the issue was brought forth today is that the Board had requested information. He thought it best to report back on issues sooner rather than later. The discussion of this issue may help to provide context for one of the closed session items on the agenda. He stated that staff met with the CAO's Office. They will provide a response at the next meeting. By the next meeting the Board will be able to have a discussion on the issue and possibly bring a revised policy to the Board. Today we are transmitting information to the Board. We will need to adopt a health subsidy by early June in order for us to implement it effectively for the members.

Commissioner Navarro stated the Employee Associations should be allowed to speak on the issue.

Commissioners Lippe and Pérez withdrew their motion to allow public comment on the issue.

President Hansell opened up the session for public comments.

Mr. Paul Enox, Vice President of the Los Angeles Retired Fire and Police Association gave a public comment.

Ms. Elsa Moy gave a public comment.

Mr. Corina Lee, Vice President of the Los Angeles Police Protective League gave a public comment.

Board members stated their opinions on the issue.

Mr. Tony Gamboa, First Vice President, United Firefighters of Los Angeles City (UFLAC) gave a public comment.

Ms. Maritta Aspen, Senior Labor Relations Specialist II, CAO gave a public comment.

Commissioner Lippe moved to table the issue.

Commissioner Pérez requested the documentation that was previously distributed to the Board last year regarding the intent of the issue be provided to the new commissioners for their benefit.

Interim General Manager Raggio believed Commissioner Pérez was referring to a memo from outside fiduciary counsel. The reason the policy was presented to the Board was that at former General Manager Michael Perez's last meeting, there was discussion about an Internal Audit study indicating there was no criteria for the Board to follow in establishing the health subsidy increases. Staff was directed to look for criteria and the proposed policy intends to address that issue.

President Hansell asked staff not to bring the issue back to the Board until all the information is received from all parties.

Commissioner Navarro stated that staff brought the issue to the Benefits Committee which dealt with the issue but the Board turned it down. The Board is unable to make a decision on the issue.

RESOLUTION 13132

Commissioner Lippe moved that the Board table the issue of the non-Medicare Maximum Health Subsidy Policy until all of the information is received from all stakeholders, which motion was seconded by Commissioner Diannitto, and approved by the following vote: ayes, Commissioners Aliano, Diannitto, Lippe, Moore, Navarro, Pérez, Vega, von Voigt, and President Hansell – 9; nays, none.

Item H.4 was taken out of order.

H. CLOSED SESSION ITEMS FOR POSSIBLE BOARD ACTION

4. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957(b)(1) TO CONSIDER THE APPOINTMENT OF THE GENERAL MANAGER AND POSSIBLE BOARD ACTION

President Hansell stated he would allow public comment on this issue.

Commissioner Navarro moved that the Board stay in open session until the Board discusses issues of a confidential nature, which was seconded by Commissioner Diannitto.

Alan Manning, Assistant City Attorney stated that at such point the Board wishes to go into closed session, someone can make that motion to go into closed session.

Commissioner Moore stated that the Board should not discuss matters in open session and offered it as a motion.

Commissioner Navarro stated a motion is currently on the table.

President Hansell stated the issue is on the agenda as a closed session item, which will be preceded by an open session. As Chair, he has the prerogative to set the agenda. It can be altered by a motion. Once the discussion of personalities comes up, the issue should be held in closed session.

Commissioner Navarro disagreed with President Hansell and stated that the Board president has the right to set the agenda and place an item in closed session. The Board has the right to hear the matter in open session and there is a motion currently on the table.

President Hansell stated he agrees with Commissioner Navarro as a matter of procedure.

Commissioner Navarro stated that for the past year the Board has discussed in open session and within the Brown Act, the process of deciding how to select a general manager. We now have to determine a process of how to move forward based on the Mayor's action. The public has the right to know the Board's process in open session.

President Hansell stated that those were his intentions. There were no additional comments regarding the process. President Hansell then opened up for public comments.

Mr. Tony Gamboa, First Vice President of UFLAC gave a public comment.

Mr. Tom Moutes, General Manager of the Los Angeles City Employees' Retirement System gave a public comment.

Ms. Corina Lee, Vice President of the Los Angeles Police Protective League gave a public comment.

Mr. Paul Enox, Vice President of the Los Angeles Retired Fire and Police Association gave a public comment.

The Board discussed the possibility of a potential lawsuit regarding this issue. Commissioner Navarro stated that the Board should seek advice from outside fiduciary counsel because the issue involves the Mayor vs. the LAFPP Board, and suggested getting an opinion in relation to Proposition 162.

President Hansell stated the Board may discuss the issue in closed session with its legal counsel Mr. Harvey Leiderman from Reed Smith. If appropriate, the Board may take action concerning the appointment of the General Manager and if so, the vote would be announced in open session.

The Board proceeded into closed session.

Upon reconvening in open session, Vice President Navarro stated the Board took action.

RESOLUTION 13133

The Board moved and seconded in closed session, that the Board select Mr. Ray Joseph as the General Manager of the Fire and Police Pensions Department, and it was approved by the following vote: ayes, Commissioners Lippe, Moore, Pérez, Vega, and President Hansell – 5; nays, Commissioners Aliano, Diannitto, Navarro, von Voigt – 4.

President Hansell stated the Board also considered matters of a legal nature and took advice from fiduciary counsel Mr. Leiderman.

Commissioner Pérez left the board room for the remainder of the meeting at 10:20 a.m.

A. ITEMS FOR BOARD ACTION continued

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

The board report was approved as submitted.

RESOLUTION 13134

Commissioner Navarro moved that the Board:

1. Determine that the percentage of the annual increase in the cost of living is 2.2%; and,
2. Authorize all eligible pensions for members and beneficiaries of Tiers 1, 2, 3, 4, 5, 6 and the Deferred Retirement Option Plan (DROP) to be adjusted on July 1, 2013 by 2.2%; and,
3. Take no action regarding a Discretionary Cost of Living Adjustment for eligible pensioners for Calendar Year 2014, which motion was seconded by Commissioner von Voigt, and approved by the following vote: ayes, Commissioners Aliano, Diannitto, Lippe, Moore, Navarro, Vega, von Voigt, and President Hansell – 8; nays, none.

4. CIO QUARTERLY REPORT OF ASSET ALLOCATION AND POSSIBLE BOARD ACTION

Mr. Tom Lopez, Chief Investment Officer (CIO), Investments Division presented the status of the asset allocation ranges.

Ms. Elsa Moy gave a public comment.

RESOLUTION 13135

Commissioner Vega moved that the Board approve the actual asset allocation of the Fund, and Staff's plans for bringing asset classes currently outside of their target allocation ranges back within their allocation ranges, which motion was seconded by Commissioner von Voigt, and approved by the following vote: ayes, Commissioners Aliano, Diannitto, Lippe, Moore, Navarro, Vega, von Voigt, and President Hansell – 8; nays, none.

5. FISCAL YEAR 2013-14 PROPOSED BUDGET AND POSSIBLE BOARD ACTION

President Hansell asked that staff speak specifically on the budget savings.

Ms. Myo Thedar, Senior Management Analyst II, Administrative Services Section presented the report.

Staff addressed Commissioner Moore's question regarding the reduction of fees and status of the recruitment of emerging managers in the private equity space.

Interim General Manager Raggio stated that the Board voted to issue a Request For Proposal (RFP) for an emerging manager. The status will be determined later as the deadline to respond to the RFP is April 26, 2013. Staff will report to the Board in June on the issue.

Mr. Tom Lopez provided details regarding the strategy to reduce manager fees.

RESOLUTION 13136

Commissioner Navarro moved that the Board approve the Fiscal Year (FY) 2013-14 Proposed Budget and instruct staff to submit it to the City Administrative Officer (CAO) and the Mayor's Office for inclusion in the Mayor's FY 2013-14 Proposed Budget, which motion was seconded by Commissioner von Voigt, and approved by the following vote: ayes, Commissioners Aliano, Diannitto, Lippe, Moore, Navarro, Vega, von Voigt, and President Hansell – 8; nays, none.

6. REVIEW OF THE 2012 ANNUAL AUDIT PLAN AND FORECAST STATUS UPDATE AND PROPOSED 2013 ANNUAL AUDIT PLAN AND FORECAST; AND POSSIBLE BOARD ACTION

Ms. Erin Kenney, Departmental Audit Manager presented the report. Ms. Kenney addressed the status of the Management Audit stating that she expects to receive the draft soon. There are 12 objectives and five were selected for review. Ms. Kenney indicated there is good exchange of information and she anticipates the process to be productive.

RESOLUTION 13137

Commissioner Moore moved that the Board:

1. Review the *2012 Annual Audit Plan and Forecast (AAPF) Status Update* as related to the *2012 AAPF*; and,
2. Approve the *2013 AAPF*, which motion was seconded by Commissioner Vega, and approved by the following vote: ayes, Commissioners Aliano, Diannitto, Moore, Vega, and President Hansell – 5; nays, none. *Commissioners Lippe, Navarro, and von Voigt were out of the board room and did not vote on this item.*

7. PRESENTATION ON FIDUCIARY LIABILITY AND INSURANCE AND POSSIBLE BOARD ACTION

The board report was approved as submitted.

RESOLUTION 13138

Commissioner Lippe moved that the Board believes fiduciary liability insurance should be purchased and:

1. Authorize the General Manager or his designee to utilize the City's insurance broker, Willis, to secure coverage options, quotes and policies; and
2. Instruct staff to direct the Board's fiduciary counsel Reed Smith LLP to review coverage options, quotes and policies, subject to approval of the City Attorney as to form, prior to staff presenting options and quotes to the Board for their consideration and possible action, which motion was seconded by Commissioner Diannitto, and approved by the following vote: ayes, Commissioners Aliano, Diannitto, Lippe, Navarro, Moore, Vega, von Voigt, and President Hansell – 8; nays, none.

8. APPROVAL TO IMPLEMENT THE INFORMATION TECHNOLOGY DISASTER RECOVERY SOLUTIONS AND POSSIBLE BOARD ACTION

Ms. Jennifer Huang-Leifeste, Programmer Analyst V, Systems Section; and Mr. Kyle Leonard, Senior Consultant from Verizon Communications presented the report.

Mr. Leonard addressed the fees for the project and details on keeping the cost down. He also discussed the backup data center outside of California.

Ms. Huang-Leifeste stated that the RFP is to find a vendor most qualified to assist with the disaster recovery solutions to address President Hansell's concerns. It can be any vendor, not necessarily Verizon Communications.

President Hansell directed staff to draft the RFP language so that the whole system is portable to enable another vendor to take over the system if we are dissatisfied with the vendor, or after the contract has expired.

RESOLUTION 13139

Commissioner Navarro moved that the Board:

1. Adopt the Information Technology (IT) Disaster Recovery (DR) solutions for business continuity;
2. Authorize staff to proceed with the DR solutions implementation; and
3. Authorize the Interim General Manager to issue a Request for Proposal (RFP) for IT DR solutions implementation services, which motion was seconded by Commissioner von Voigt, and approved by the following vote: ayes, Commissioners Aliano, Diannitto, Lippe, Navarro, Moore, Vega, von Voigt, and President Hansell – 8; nays, none.

B. REPORTS TO THE BOARD

1. PORTFOLIO PERFORMANCE REPORT FOR THE 4TH QUARTER

Messrs. Jim Voytko, Chief Operating Officer and Michael Ford, CFA, Senior Consultant from RV Kuhns presented the report and answered the Board's questions regarding hedge fund of funds and emerging managers.

Commissioner Moore requested information on the performance of the underlying emerging managers and if the Fund is paying high fees to the emerging managers.

President Hansell referred the issue to the Ad Hoc Committee, and that RV Kuhns and staff focus on the universe of emerging managers to verify if the correct firms were selected and how to handle the fees.

Commissioner Navarro recommended that firms who are placed on the Watch List come before the Board. President Hansell suggested that staff provide a critical report on firms who are placed on the Watch List.

The board report was received and filed.

2. MONTHLY REPORT

a. Marketing Cessation

The board report was received and filed.

Ms. Elsa Moy gave a public comment.

3. President Hansell asked if any Board Member made any expenditure to influence State legislative or administrative action to which their reply was negative.

4. Miscellaneous correspondence from money managers, consultants, etc. – Received and Filed.
5. General Manager’s Report
 - a. Benefits Actions approved by General Manager on March 7, 2013 and March 21, 2013

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 7, 2013.

DISCONTINUED PENSIONS – TIER 1 – 2

Robert L. Clark	Police Service	Retired:	06-01-75	Died:	01-28-13
Richard E. Kiesel	Police Disability	Retired:	04-21-81	Died:	01-26-13

DISCONTINUED PENSIONS – TIER 2 – 21

Earl J. Heinritz	Fire Service	Retired:	04-15-73	Died:	01-31-13
Warren J. Mc Andrews	Fire Service	Retired:	06-22-75	Died:	01-31-13
Eugene F. Butler	Police Service	Retired:	06-04-68	Died:	02-03-13
Guadalupe V. Luna	Police Service	Retired:	09-14-91	Died:	02-01-13
Frank W. Mc Ginnis	Police Service	Retired:	01-29-89	Died:	12-18-12
Guy R. Moulder	Police Service	Retired:	10-20-67	Died:	02-08-13
Robert B. Trimble	Police Service	Retired:	08-01-70	Died:	01-13-13
John F. Weible	Police Service	Retired:	01-01-72	Died:	01-27-13
Charles W. Bakovic	Fire Disability	Retired:	01-02-73	Died:	01-08-13
Clarence W. Bonesteel	Fire Disability	Retired:	10-29-86	Died:	02-05-13
Jim L. Slagle	Police Disability	Retired:	04-14-83	Died:	01-19-13
John F. Spicer	Police Disability	Retired:	01-07-82	Died:	01-10-13
Coyte D. Wilson	Police Disability	Retired:	08-01-67	Died:	12-31-12
Jean M. Dennison	Fire Widow	Retired:	11-14-92	Died:	02-11-13
Alice J. Garrett	Fire Widow	Retired:	03-21-98	Died:	01-23-13
Sylvia J. Graham	Fire Widow	Retired:	11-21-83	Died:	01-20-13
Sibyl L. Harold	Fire Widow	Retired:	11-01-70	Died:	01-20-13
Marilyn J. Mulligan	Fire Widow	Retired:	02-12-97	Died:	01-28-13
Edith Willoughby	Fire Widow	Retired:	10-13-81	Died:	01-27-13
Phama Jo Kite	Police Widow	Retired:	01-01-98	Died:	01-27-13
Hazel M. Stilwell	Police Widow	Retired:	05-01-76	Died:	01-21-13

DISCONTINUED PENSIONS – TIER 5 – 1

Ronald A. Donovan	Police Service	Retired:	05-05-02	Died:	12-23-12
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ELIGIBLE SURVIVING SPOUSE'S PENSION – TIER 1 – 1

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Effective Date</u>
Linda A. Kiesel	Richard E. Kiesel	Police Disability	01-27-13

ELIGIBLE SURVIVING SPOUSE'S PENSION – TIER 2 – 9

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Effective Date</u>
Dolores M. Heinritz	Earl J. Heinritz	Fire Service	02-01-13
Grace W. Mc Andrews	Warren J. Mc Andrews	Fire Service	02-01-13
Isobel A. Bongard	Alfred R. Bongard	Police Service	01-14-13
Lois A. Butler	Eugene F. Butler	Police Service	02-04-13
Maria P. Luna	Guadalupe V. Luna	Police Service	02-02-13
Carol L. Mc Clure	Johnny M. Mc Clure	Police Service	01-20-13
Margaret E. Bonesteel	Clarence W. Bonesteel	Fire Disability	02-06-13
Julianne Spicer	John F. Spicer	Police Disability	01-11-13
Katherine Turner	Charles J. Turner	Police Disability	01-01-13

ELIGIBLE SURVIVING SPOUSE'S PENSION – TIER 5 – 1

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Effective Date</u>
Kimberly M. Harrell	John D. Harrell	Police Service	01-02-13

SURVIVOR BENEFIT PURCHASE PROGRAM – TIER 2 – 1

<u>Name</u>	<u>Member's Class</u>	<u>Effective Date</u>	<u>Survivor Benefit %</u>
Joseph M. Coppi	Police Disability	03-01-13	70%

SURVIVOR BENEFIT PURCHASE PROGRAM VESTED MEMBERS – TIER 2 – 1

<u>Name</u>	<u>Member's Class</u>	<u>Effective Date</u>	<u>Vested Date</u>	<u>Survivor Benefit %</u>
Edmund S. Gabryelski	Police Service	03-01-12	03-01-13	80%

SURVIVOR BENEFIT PURCHASE PROGRAM VESTED MEMBERS – TIER 5 – 1

<u>Name</u>	<u>Member's Class</u>	<u>Effective Date</u>	<u>Vested Date</u>	<u>Survivor Benefit %</u>
Brian F. Davis	Police Service	03-01-12	03-01-13	30%

SURVIVING CHILD'S PENSION – TIER 3 – 2

Surviving child benefits are now payable to Travis B. Heim, surviving child of deceased Police Officer III, Charles D. Heim, effective March 2, 2013, due to the attainment of age 18 and the continuation of his full-time student status. There are no remaining minors.

Surviving child benefits are now payable to Ian M. Richardson, surviving child of deceased Detective I, Colleen M. Haider, effective March 16, 2013, due to the attainment of age 18 and the continuation of his full-time student status. There are no remaining minors.

REINSTATE SURVIVING CHILD'S PENSION – TIER 3 – 1

Reinstate the pension payable to Brittani C. Heim, surviving child of deceased Police Officer III, Charles D. Heim, effective March 1, 2013. Documentation has been submitted for full-time student status.

DECREASE SURVIVING SPOUSE'S PENSION – TIER 3 – 3

Decrease the pension payable to Beth A. Heim, surviving spouse of deceased Police Officer III, Charles D. Heim, effective March 1, 2013, due to the full-time student status by Brittani C. Heim.

Decrease the pension payable to Beth A. Heim, surviving spouse of deceased Police Officer III, Charles D. Heim, due to the attainment of age 18 and full-time student status by Travis B. Heim, effective March 2, 2013. There are no remaining minors.

Decrease the pension payable to Michael M. Richardson, surviving spouse of deceased Detective I, Colleen M. Haider, due to the attainment of age 18 and full-time student status by Ian M. Richardson, effective March 16, 2013. There are no remaining minors.

INCREASE MINOR'S PENSION – TIER 3 – 1

Increase the pension payable to Shawn R. Hill, minor child of deceased Firefighter III, Jimmie Hill, effective February 1, 2013, due to the discontinuance of full-time student status by Sheldon C. Hill.

DISCONTINUE MINOR'S PENSION – TIER 1 – 1

Discontinue the pension payable to Austin R. O Connell, minor child of deceased Police Officer, Richard L. O Connell, effective March 15, 2013, due to the attainment of age 18.

DISCONTINUE SURVIVING CHILD'S PENSION – TIER 3 – 1

Discontinue the pension payable to Sheldon C. Hill, surviving child of deceased Firefighter III, Jimmie Hill, effective February 1, 2013, due to the discontinuance of full-time student status.

PARTIAL PAYMENT OF PENSION – TIER 5 – 1

In accordance with the City Attorney's advice, a designated proportion of the community property interest of the pension payable to Allen N. Norman, Fire Service Pensioner, is to be withheld for his former spouse, Jeanette A. Norman, effective February 14, 2013.

SERVICE PENSION – TIER 3 – 1

Police

Gary S. Cantu

Sergeant I

Eff: 02-10-13

16

Years

106

Days

SERVICE PENSION/DROP – TIER 5 – 6

Fire

Gerald M. Paiz	Firefighter III	Eff:	01-05-13	28	Years	280	Days
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Police

Warren S. Jones	Lieutenant I	Eff:	01-01-13	30	Years	354	Days
Richard I. Levy	Sergeant I	Eff:	01-01-13	25	Years	0	Days
Steven D. McArthur	Detective I	Eff:	01-02-13	29	Years	222	Days
Michael J. McGilvray	Detective I	Eff:	01-02-13	25	Years	44	Days
Theodore R. McHenry	Police Officer III	Eff:	12-03-12	30	Years	122	Days

DISCONTINUE DROP – TIER 5 – 1

Police

Yvonne H. Parker	Retired:	09-28-08	Exit Close of:	02-28-13
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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 21, 2013.

DISCONTINUED PENSIONS – TIER 1 – 2

Robert G. Church	Police Service	Retired:	02-01-66	Died:	08-28-12
Raul Lopez	Police Disability	Retired:	11-01-63	Died:	02-07-13

DISCONTINUED PENSIONS – TIER 2 – 12

William P. Kearns	Fire Service	Retired:	06-26-78	Died:	02-16-13
S. E. Fanning, Jr.	Police Service	Retired:	07-05-01	Died:	10-09-12
Armando Gentile	Police Service	Retired:	07-01-67	Died:	01-10-13
William A. Jones	Police Service	Retired:	12-14-80	Died:	12-13-12
Donald L. Kohlstedt	Police Service	Retired:	07-31-70	Died:	02-14-13
John S. Mitchell	Police Service	Retired:	04-01-93	Died:	07-01-12
Dana R. Laine	Fire Disability	Retired:	07-17-97	Died:	02-17-13
John Petrie	Police Disability	Retired:	05-19-88	Died:	01-30-13
Betty Jean Rowe	Fire Widow	Retired:	05-10-06	Died:	02-03-13
Irene L. Fisher	Police Widow	Retired:	01-09-81	Died:	01-10-13
Mary J. Kalkiewicz	Police Widow	Retired:	04-17-93	Died:	01-26-13
Helen R. Pharr	Police Widow	Retired:	10-08-80	Died:	02-08-13

DISCONTINUED PENSIONS FORMER SPOUSE – TIER 2 – 2

Gayle J. Girt Braun	Police Service	Retired:	11-01-90	Died:	02-01-13
Theresa Rossi	Police Service	Retired:	09-01-78	Died:	01-12-13

ELIGIBLE SURVIVING SPOUSE'S PENSION – TIER 2 – 2

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Effective Date</u>
Antoinette D. Kohlstedt	Donald L. Kohlstedt	Police Service	02-15-13
Karen L. Petrie	John Petrie	Police Disability	01-31-13

PARTIAL PAYMENT OF PENSION – TIER 5 – 8

In accordance with the City Attorney's advice, a designated proportion of the community property interest of the pension payable to Philander C. Butler, Police Service Pensioner, is to be withheld for his former spouse, Karen L. Butler, effective March 1, 2013. Ms. Butler 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 Glen W. Olson, Fire Service Pensioner, is to be withheld for his former spouse, Janis M. Olson, effective March 1, 2013.

In accordance with the City Attorney's advice, a designated proportion of the community property interest of the pension payable to Glen W. Olson, Fire Service Pensioner, is to be withheld for his former spouse, Ronnie G. Strong, effective March 1, 2013.

In accordance with the City Attorney's advice, a designated proportion of the community property interest of the pension payable to Sergio I. Perez, Fire Service Pensioner, is to be paid to his former spouse, Teri L. Perez, effective March 1, 2013. Ms. Perez 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 Kenneth R. Pickart, Police Service Pensioner, is to be paid to his former spouse, Jayne E. Logan-Pickart, effective March 9, 2013. Ms. Logan-Pickart 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 Michael A. Pinel, Fire Service Pensioner, is to be paid to his former spouse, Denise A. Pinel, effective March 1, 2013. Ms. Pinel 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 Richard D. Rivas, Fire Service Pensioner, is to be paid to his former spouse, Cindy A. Rivas, effective March 1, 2013. Ms. Rivas 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 Thomas R. Rogers, Police Service Pensioner, is to be paid to his former spouse, Laura Cutler-Rogers, effective March 1, 2013. Ms. Cutler-Rogers will receive cost of living adjustments.

PARTIAL PAYMENT OF SURVIVING DOMESTIC PARTNER'S PENSION – TIER 5 – 1

In accordance with the City Attorney's advice, a designated proportion of the community property interest of the Surviving Domestic Partner Pension payable to Rosalind M. Jamerson, domestic partner of deceased Fire Service Pensioner, Rodney G. Cobb, is to be withheld for his former spouse, Lisa L. Braboy, effective March 1, 2013. Ms. Braboy will receive cost of living adjustments.

MODIFIED PARTIAL PAYMENT OF PENSION – TIER 5 – 1

In accordance with the City Attorney's advice, a designated proportion of the community property interest of the pension payable to David W. Saylor, Fire Service Pensioner, being withheld for his former spouse, Frances J. L. Vincent, since March 18, 2012, should be released effective March 1, 2013.

DISCONTINUE 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 Frank Distaso, Police Service Pensioner, which was being paid to his former spouse, Theresa Rossi, has been discontinued due to the death of Ms. Rossi on January 12, 2013. Ms. Rossi's portion reverts to Mr. Distaso, effective January 13, 2013.

SERVICE PENSION – TIER 3 – 1

Police

Kathryn L. Kanzaki	Detective I	Eff:	02-10-13	22	Years	316	Days
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SERVICE PENSION – TIER 5 – 1

Police

Mark R. Brooks	Police Officer III	Eff:	03-10-13	23	Years	301	Days
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SERVICE PENSION/DROP – TIER 5 – 6

Police

John F. Egan	Captain III	Eff:	01-01-13	25	Years	13	Days
Susan E. Herold	Police Officer II	Eff:	01-02-13	27	Years	311	Days
Orlando C. Smith	Sergeant I +2	Eff:	02-01-13	30	Years	119	Days
Scott D. Smith	Detective III	Eff:	02-01-13	25	Years	331	Days
Jesse A. Soltero	Sergeant II	Eff:	02-01-13	25	Years	41	Days
Fred H. Yamamoto	Police Officer II +2	Eff:	02-01-13	25	Years	105	Days

DISCONTINUE DROP – TIER 3 – 3

Police

William C. Duke	Retired:	10-01-09	Exit Close of:	03-31-13
Yehuda J. Packer	Retired:	03-01-12	Exit Close of:	03-31-13
Daryl E. Vest	Retired:	01-15-10	Exit Close of:	03-31-13

DISCONTINUE DROP – TIER 4 – 2

Police

Rick M. Ortiz	Retired:	04-01-08	Exit Close of:	03-31-13
William D. Snowden	Retired:	10-07-08	Exit Close of:	03-31-13

DISCONTINUE DROP – TIER 5 – 16

Fire

Debra R. Brown	Retired:	03-26-08	Exit Close of:	03-25-13
Roger Camunas	Retired:	04-01-08	Exit Close of:	03-31-13
Michael K. Henley	Retired:	04-10-09	Exit Close of:	03-22-13
Kenneth E. Myers	Retired:	12-14-09	Exit Close of:	03-25-13
Edward J. Puente	Retired:	04-16-11	Exit Close of:	03-31-13
Dean J. Stivason	Retired:	03-30-08	Exit Close of:	03-29-13
Paul E. Tanner	Retired:	03-02-09	Exit Close of:	03-31-13

Harbor

Kenneth L. Huerta	Retired:	02-10-09	Exit Close of:	03-31-13
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Police

Sandra E. Magdaleno	Retired:	04-13-08	Exit Close of:	03-31-13
Kenneth R. Pickart	Retired:	03-01-10	Exit Close of:	03-08-13
Maria E. Rivas	Retired:	08-01-08	Exit Close of:	03-31-13
Douglas W. Roller	Retired:	08-01-08	Exit Close of:	03-31-13
Patrick W. Shields	Retired:	04-01-08	Exit Close of:	03-31-13
Thomas E. Thompson	Retired:	02-03-09	Exit Close of:	03-31-13
Sylvia Vielma	Retired:	04-01-08	Exit Close of:	03-31-13
Debra L. Winter	Retired:	04-13-08	Exit Close of:	03-31-13

PARTIAL PAYMENT OF DROP FUNDS – TIER 5 – 2

In accordance with the City Attorney's advice, a designated proportion of the community property interest of the DROP funds payable to Kenneth L. Huerta, Harbor Service Pensioner, is to be paid to his former spouse, Donita I. Ridens, effective March 31, 2013.

In accordance with the City Attorney's advice, a designated proportion of the community property interest of the DROP funds payable to Kenneth R. Pickart, Police Service Pensioner, is to be paid to his former spouse, Jayne E. Logan-Pickart, effective March 8, 2013.

MODIFIED PARTIAL PAYMENT OF DROP FUNDS – TIER 5 – 1

In accordance with the City Attorney's advice, a designated proportion of the community property interest of the DROP funds payable to David W. Saylor, Fire Service Pensioner, being withheld for his former spouse, Frances J. L. Vincent, since March 17, 2012, should be released effective March 1, 2013.

b. Other business relating to Department operations

Interim General Manager Raggio gave the following updates:

1. He was going to provide an update regarding the Management Audit item but Ms. Erin Kenney provided the report.
2. As Interim General Manager and during the entire process of the General Manager Recruitment, he has been complimented on remaining professional, stoic and demonstrating leadership. He appreciates the support of staff and the Board during this episode. He always wanted what is the best for the System and the members because ultimately that is our responsibility. He looks forward to working with everyone and Mr. Joseph.

The audience gave Mr. Raggio a standing ovation.

President Hansell stated Mr. Raggio has shown tremendous integrity going through the General Manager recruitment process and has never wavered.

6. City Attorney's Report

Assistant City Attorney Alan Manning had no updates to report.

C. COMMITTEE REPORTS

1. Audit Committee – Last met: 03/07/13; next meeting: TBD
2. Benefits Committee – Last met: 02/07/13; next meeting: TBD
3. Governance Committee – Last met: 07/19/12; next meeting: TBD
4. Ad Hoc Emerging Investment Managers – Last met: 02/07/13; next meeting: ~~03/21/13~~ 04/04/13 (after regular board meeting)
5. Ad Hoc Managers Fees Committee – Last met: 11/15/12; next meeting: TBD
6. Ad Hoc Space Planning Committee – Discussion held during closed session with property negotiator
7. Ad Hoc Strategic Planning Committee – Last met: 01/17/13; next meeting: 04/04/13

President Hansell stated that the Ad Hoc Strategic Planning Committee met earlier and he was nominated to Chair the Committee. The Committee approved two recommendations that will come before the Board at a later date. The Ad Hoc Emerging Investment Managers Committee is scheduled to meet after the regular Board meeting today.

D. CONSENT ITEMS

1. Approval of Travel

- a. APPROVAL OF TRAVEL AUTHORITY (MOORE) – COUNCIL OF INSTITUTIONAL INVESTORS (CII), 2013 SPRING CONFERENCE

RESOLUTION 13140

Commissioner Navarro moved that the Board authorize Commissioner Moore to attend the Council of Institutional Investors, 2013 Spring Conference on April 17-19, 2013 at Washington, DC (April 17th is a travel day), which motion was seconded by Commissioner Lippe, and approved by the following vote: ayes, Commissioners Aliano, Diannitto, Lippe, Navarro, Moore, Vega, von Voigt, and President Hansell – 8; nays, none.

- b. APPROVAL OF TRAVEL AUTHORITY (MOORE) – INITIATIVE FOR RESPONSIBLE INVESTMENT, TRUSTEE LEADERSHIP FORUM FOR RETIREMENT SECURITY

RESOLUTION 13141

Commissioner Navarro moved that the Board authorize Commissioner Moore to attend the Initiative for Responsible Investment, Trustee Leadership for Retirement Security on June 9 -11, 2013 at Cambridge, MA (June 9th is a travel day), which motion was seconded by Commissioner Lippe, and approved by the following vote: ayes, Commissioners Aliano, Diannitto, Lippe, Navarro, Moore, Vega, von Voigt, and President Hansell – 8; nays, none.

- c. APPROVAL OF TRAVEL AUTHORITY (VEGA) – IFEBP, PORTFOLIO CONCEPTS AND MANAGEMENT
- d. APPROVAL OF TRAVEL AUTHORITY (MOORE) – OPAL FINANCIAL GROUP, EMERGING MANAGERS SUMMIT

2. Approval of Minutes

- a. Minutes of the Regular Board meeting of December 6, 2012 and December 20, 2012

MOTION

Commissioner Navarro moved that the Board approve the consent items, which was seconded by Commissioner Lippe and approved by the following vote: ayes, Commissioners Aliano, Bernardino, Diannitto, Hansell, Lippe, Moore, Navarro, and President von Voigt – 8; nays, none.

Interim General Manager Raggio stated that staff would have indicated if Commissioner Moore was above the sixth travel limit in response to Commissioner von Voigt's concern. The City Controller has little resources dedicated to process travel reimbursements, thus the delay for reimbursements.

Commissioner Navarro directed staff to list the travel policy as a future agenda item.

Interim General Manager Raggio stated that the Board adopted a policy to make it more efficient, that is the per diem basis. The Controller's Office has been questioning our travel policy. We will have to seek legal advice from the City Attorney and have Board discussion on the issue.

E. CONSIDERATION OF FUTURE AGENDA ITEMS

President Hansell stated to list the travel policy as a future item as suggested by Commissioner Navarro.

President Hansell consulted with Commissioners Navarro and Aliano. He directed that staff look at expanding the services offered to members to include instruction on financial literacy. The staff will return with analysis and the issue may be handled by the Benefits Committee.

Commissioner von Voigt asked that staff report on the board policy regarding the General Manager's authority to hire and reassign the top managers of the Department.

Alan Manning, Assistant City Attorney stated that the issue falls under the City Charter. The City Charter allows the General Manager of the Department to have authority over everyone in the Department. The Board may exercise its authority by evaluating the General Manager, but the General Manager's personnel decisions are not subject to Board approval.

President Hansell directed staff to report back on the issue.

F. PUBLIC COMMENTS

Ms. Elsa Moy gave a public comment.

Deputy City Attorney Jim Napier took the City Attorney chair.

G. DISABILITY CASES

Serial No. 32796

(P)

Police Officer III

Service-connected disability pension is granted at 75% with no foreseeable purpose for review. Motion made by Commissioner von Voigt, seconded by Commissioner Diannitto and adopted by the following vote: ayes, Commissioners Aliano, Diannitto, Lippe, Moore, Navarro, Vega, von Voigt, and President Hansell – 8; nays, none. Officer Serial No. 32796 was not present but was represented by Corina Lee of the Los Angeles Police Protective League.

President Hansell stated that he will allow for public comment on each closed session item.

Assistant City Attorney Alan Manning took the City Attorney chair.

H. CLOSED SESSION ITEMS FOR POSSIBLE BOARD ACTION

Item H.3 was taken out of order.

3. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(a) TO CONFER OR DISCUSS WITH, OR RECEIVE ADVICE FROM, ITS LEGAL COUNSEL REGARDING PENDING LITIGATION IN THE CASE ENTITLED JACK FRY, ET AL., LOS ANGELES SUPERIOR COURT CASE NO. BC 140201

The Board met in closed session.

Commissioners Navarro and von Voigt recused themselves from Item H.2.

2. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(a) TO CONFER OR DISCUSS WITH, OR RECEIVE ADVICE FROM, ITS LEGAL COUNSEL REGARDING LITIGATION IN THE CASE ENTITLED LOS ANGELES POLICE PROTECTIVE LEAGUE, UNITED FIREFIGHTERS OF LOS ANGELES CITY V. BOARD OF FIRE AND POLICE PENSION COMMISSIONERS FOR THE CITY OF LOS ANGELES, ET AL., LOS ANGELES SUPERIOR COURT CASE NO. BC 489113

The Board met in closed session.

Commissioners Navarro and von Voigt returned to the board room.

1. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.8 TO CONFER WITH REAL PROPERTY NEGOTIATOR; Properties: 330 East 2nd Street, 464 & 470 East 3rd Street, 701 East 3rd Street, 330 South Alameda Street, 333 South Alameda Street, 400-420 Boyd Street, 244 South San Pedro Street, 360 East Second Street; Negotiators: David Weiner, Martin Cawley, Tom Lopez, Erika Tiedge; Negotiating parties: Sentinel Real Estate Corporation and LAFPP; Under negotiation: Instruction to negotiator will concern price

The Board met in closed session.

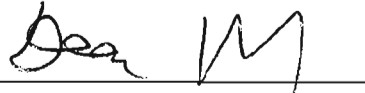
Upon reconvening in open session, President Hansell stated there was no public report.

Minutes of the Board of Fire and Police Pension Commissioners

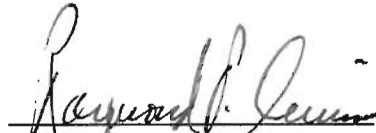
April 4, 2013

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The meeting adjourned at 12:45 p.m.



President



Secretary