

**MINUTES**  
**OF THE**  
**BOARD OF FIRE AND POLICE PENSION COMMISSIONERS**  
**MEETING OF MARCH 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, March 20, 2008.

COMMISSIONERS PRESENT: Sean Harrigan, President  
Mike Carter, Vice President (participated telephonically)  
George Aliano  
Elliott Broidy  
Sam Diannitto  
Steve Juarez  
Don Keith  
Patricia Means  
Louis Moret

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  
Isabel Rosas, Commission Executive Assistant

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

President Harrigan called the regular meeting to order at approximately 9:07 a.m. All of the above-listed Commissioners were present at the start of the meeting with the exception of Commissioner Juarez, who arrived at 9:15 a.m.

1. COMMUNICATIONS TO THE BOARD

- A. Miscellaneous correspondence from money managers, consultants, etc. – Received and Filed
- B. Communication received February 25, 2008 from Mrs. Victoria Frazier – Received and Filed
- C. Monthly Report – Received and Filed

2. COMMITTEE REPORTS

- A. Benefits Committee

Chair Aliano stated the committee will meet on April 17, 2008.

B. Governance Committee

Ms. Laura Guglielmo, Assistant General Manager, Administrative Operations Division stated that the next issue to be discussed by the Committee is the status of the General Manager Evaluation which will be held in July 2008.

C. Ad Hoc Space Planning Committee

Chair Carter stated that the Committee met earlier and he will discuss the issue during Item 18 on today's agenda.

D. Audit Committee

Chair Means stated that there are four items on the agenda today recommended by the Audit Committee.

3. REVISION OF 2007-08 STRATEGIC PLAN AND POSSIBLE BOARD ACTION

Mr. Edward Griffiths, Assistant General Manager, Pensions Division presented the report and answered the Board's question.

RESOLUTION 08110

Commissioner Aliano moved that the Board approve the replacement of 2007-2008 Strategic Plan Goal IV, Project 10 – City Attorney Evaluation Project with the Cost Sharing Analysis Project, which motion was seconded by Commissioner Diannitto and approved by the following vote: ayes, Commissioners Aliano, Broidy, Carter, Diannitto, Keith, Means, Moret and President Harrigan – 8; nays, none. *Commissioner Juarez had not arrived to the meeting during this vote.*

4. AUDIT COMMITTEE REPORT – APPROVAL OF THE 2008-09 STRATEGIC PLAN AND 2007-08 STRATEGIC PLAN STATUS REPORT

Ms. Laura Guglielmo presented the report. President Harrigan asked that the Audit Committee participate in the Strategic Plan earlier in the process so that the Board has its input in the project.

RESOLUTION 08111

Commissioner Diannitto moved that the Board approve Audit Committee Report on the 2008-09 Strategic Plan and 2007-08 Strategic Plan Status Report, which motion was seconded by Commissioner Aliano and approved by the following vote: ayes, Commissioners Aliano, Broidy, Carter, Diannitto, Keith, Juarez, Means, Moret and President Harrigan – 9; nays, none.

Ms. Laura Guglielmo provided the Board an update of the Strategic Plan as directed by President Harrigan. She was joined by Mr. Griffiths and Ms. Caroline Dinu, Senior Management Analyst of the Internal Audit Section, who also provided updates of various projects.

Commissioner Keith thanked the Board for allowing him to attend the TexPers Conference. He stated that the conference was informative and would share the handouts with the Board Members.

5. AUDIT COMMITTEE REPORT ON THE FISCAL YEAR 2008-2009 PROPOSED BUDGET AND POSSIBLE BOARD ACTION

Ms. Laura Guglielmo and Ms. Myo Thedar, Senior Management Analyst II, Administrative Services Section were before the Board.

Board Members stated their opinions on the increase of the budget from the previous years. Commissioner Juarez requested that staff reassess the needs of the Department and re-examine the budget.

General Manager Perez stated that everything that was put in the budget was well thought out knowing that the Department may need to justify the items before the City Council, the Budget and Finance Committee, and Mayor. We are taking steps to recognize what is going on in the City and reviewing our service to the members. We will re-examine the budget, look at priorities, and return to the Board in June 2008.

Ms. Guglielmo stated it is important that the Board discuss the significant increases in the budget. She wanted to ensure that the Board Members were comfortable and confident that the resources provided in budget match the responsibilities of the Board.

Ms. Thedar and Ms. Guglielmo proceeded with an overview of the budget items and answered the Board's questions.

President Harrigan stated the motion with the caveat that the Board would like to review the budget and instruct staff submit the 2008-2009 proposed budget to the CAO and Mayor's Office for the inclusion of the Mayor's proposed budget.

General Manager Perez stated he will transmit the budget with information that the Board directed staff to re-examine the budget.

RESOLUTION 08112

Commissioner Juarez moved that the Board approve the Audit Committee Report on the Fiscal Year 2008-09 Proposed Report, which motion was seconded by Commissioner Moret and approved by the following vote: ayes, Commissioners Aliano, Broidy, Carter, Keith, Juarez, Means, Moret and President Harrigan – 8; nays, none. *Commissioner Diannitto stepped out of the Board room during this vote.*

6. FISCAL YEAR 2007-2008 BUDGET – APPROVAL OF TRANSFER OF FUNDS FROM THE UNAPPROPRIATED BALANCE

Ms. Guglielmo and Ms. Thedar presented the report and answered the Board’s questions regarding the expenditures. Commissioner Juarez suggested that staff provide more details on the expenditures in future reports.

RESOLUTION 08113

Commissioner Aliano moved that the Board approve the Fiscal Year 2007-2008 – request transfer of funds from the unappropriated balance,

From:	9500	Unappropriated Balance	\$165,000
To:	2130	Travel	\$ 15,000
	6010	Office and Administrative Expense	\$150,000

which motion was seconded by Commissioner Broidy and approved by the following vote: ayes, Commissioners Aliano, Broidy, Carter, Keith, Juarez, Means, Moret and President Harrigan – 8; nays, none. *Commissioner Diannitto stepped out of the Board room during this vote.*

7. CONSIDERATION OF AUDIT COMMITTEE RECOMMENDATION TO OBTAIN A LEGAL OPINION FROM MR. JOSEPH L. WYATT JR. ESQ. REGARDING CITY ATTORNEY CONFLICT OF INTEREST AND POSSIBLE BOARD ACTION

Mr. Edward Griffiths presented the report recommended by the Audit Committee.

President Harrigan stated that outside fiduciary counsel, to some degree is determined by the City Attorney’s Office which poses a potential conflict. He personally knows Mr. Wyatt and he is beyond having a conflict and believes he would give an objective opinion.

RESOLUTION 08114

Commissioner Diannitto moved that the Board adopt the Audit Committee’s recommendation to request Mr. Joseph L. Wyatt, Jr. of the law firm of Morrison and Foerster, LLP, to provide an opinion whether a real or potential conflict of interest exists that would preclude the City Attorney from acting as the System’s counsel, which motion was seconded by Commissioner Aliano and approved by the following vote: ayes, Commissioners Aliano, Broidy, Carter, Diannitto, Keith, Juarez, Means, Moret and President Harrigan – 9; nays, none.

8. IFS AUDIT RECOMMENDATIONS STATUS REPORT, AUDIT COMMITTEE RECOMMENDATION AND POSSIBLE BOARD ACTION

Mr. Edward Griffiths presented the report. He addressed Commissioner Juarez's concerns whether the IFS has an opportunity to review the decisions "Recommend No Action." Mr. Griffiths stated that IFS's role has been completed and recommendations are now the Board's purview.

The Board discussed the issues of fees. President Harrigan stated it would be helpful to the Board if staff provides a list of all the managers and their fee schedule about once a year. General Manager Perez stated staff will return with a report.

President Harrigan stated that the Board approves contracts subject to satisfactory negotiation of fees. The Board does not know the outcome of the final negotiation results. It would be beneficial to know the results.

Mr. Griffiths stated that for the record that should the Board adopt this recommendation, it will eliminate about one half of the IFS recommendations. We will work through the remaining 80 recommendations and expect to complete them at a minimum of 18-24 months.

#### RESOLUTION 08115

Commissioner Diannitto moved that the Board adopt the Audit Committee's recommendation to approve the classification of the audit recommendations as either Status Code 1 – Completed or Status Code 4 – Recommend No Action, which motion was seconded by Commissioner Aliano and approved by the following vote: ayes, Commissioners Aliano, Broidy, Carter, Diannitto, Keith, Juarez, Means, Moret and President Harrigan – 9; nays, none.

#### 9. DISABILITY CASES OVER SIX MONTHS OLD

Mr. Chris Annala, Senior Management Analyst II was before the Board and answered the Board's questions.

Mr. Griffiths stated the issue of how much staff time is involved working with the disability cases was reviewed several years ago. It is approximately 40 to 50 hours of staff's time, per case.

The board report was received and filed. The Board did not take action on this item.

#### 10. FOURTH QUARTER 2007 PERFORMANCE REPORT

Mr. Tom Lopez and Ms. Sarah Bernstein were before the Board. Ms. Bernstein discussed the macroeconomic environment and answered the Board's questions.

Mr. Tom Lopez provided an overview of the portfolio and answered the Board's questions.

The board report was received and filed. The Board did not take action on this item.

## 11. PORTFOLIO REBALANCING POLICY AND POSSIBLE BOARD ACTION

Mr. Tom Lopez discussed the rebalancing process.

President Harrigan stated he does not want the Rebalancing Policy to be a tactical asset allocation vehicle. He directed staff to insert into the policy that we are not utilizing the policy to make tactical allocation decisions. If we do so, it will be incorporated into the Investment Policy.

### RESOLUTION 08116

Commissioner Juarez moved that the Board approve the proposed changes to the Investment Policy regarding the Rebalancing Policy by adding the following language in **bold** print:

#### REBALANCING

1.6 As markets move over time, the actual asset mix of the Fund's portfolio may diverge from the target allocations established by the Board through the asset allocation process. If fund assets are allowed to deviate too far from the target allocations there is a risk that the portfolio will fail to meet the management objectives set by the Board. On the other hand, the Board is aware that continual rebalancing of the portfolio to the asset allocation targets may result in significant transaction costs **and that the Rebalancing Policy is not intended to be used for tactical asset allocation.** Cognizant of these risks, the Board directs Staff to rebalance the Fund portfolio in accord with the following guidelines and procedures:

- E. **When circumstances arise in which it is impractical to rebalance, asset classes may be deliberately left outside of their ranges for a period of time. Such circumstances may include, but are not limited to, situations when it is known that there are potential asset shifts pending in the portfolio over the next 12 months, such as a hiring/termination of a manager/s, an asset allocation review of the entire portfolio, a structural review of a given asset class. Illiquid asset classes such as private equity and real estate may be underweight but unable to absorb the full amount of cash needed to bring the portfolio into the asset allocation range for longer periods of time. Conversely, a liquid asset class may remain overweight while holding the cash that the illiquid asset class cannot absorb immediately.**
- F. Staff will report all rebalancing activities to the Board on a quarterly basis **at a minimum. In circumstances where it is impractical to rebalance the portfolio for any market or portfolio-specific reason, Staff shall assess the rebalancing options, notify the Board of the out of balance situation, and report its recommendations to the Board. Staff shall seek approval from the Board to implement rebalancing according to Staff's recommended rebalancing plan in situations that involve leaving the portfolio, or some portion of the portfolio out of balance for an extended period of time,** which motion was seconded by Commissioner Broidy and approved by the following vote: ayes, Commissioners Aliano, Broidy, Carter, Diannitto, Keith, Juarez, Means, Moret and President Harrigan – 9; nays, none.

12. CHIEF INVESTMENT OFFICER'S QUARTERLY REPORT OF ASSET ALLOCATION STATUS

Mr. Tom Lopez provided an overview of the asset allocation and answered the Board's questions.

RESOLUTION 08117

Commissioner Diannitto moved that the Board approve the current asset allocation and the Chief Investment Officer's Quarterly Report of Asset Allocation Status, which motion was seconded by Commissioner Juarez and approved by the following vote: ayes, Commissioners Aliano, Broidy, Carter, Diannitto, Keith, Juarez, Means, Moret and President Harrigan – 9; nays, none.

13. ALLIANCEBERNSTEIN REQUEST TO USE FUTURES IN THEIR PORTFOLIO AND POSSIBLE BOARD ACTION

Mr. Tom Lopez discussed the process to use futures and answered the Board's questions.

RESOLUTION 08118

Commissioner Diannitto moved that the Board approve AllianceBernstein's (Alliance) request to use futures to manage cash positions in its portfolio, which motion was seconded by Commissioner Juarez and approved by the following vote: ayes, Commissioners Aliano, Broidy, Carter, Diannitto, Keith, Juarez, Means, Moret and President Harrigan – 9; nays, none.

14. APPROVAL OF RECOMMENDATION BY ALDUS EQUITY – FUNDING FOR LEVINE LEICHTMAN CAPITAL PARTNERS IV

Messrs. Thomas Henley Partner and Holland Gary, Principal from Aldus Equity were before the Board. Mr. Henley commented on the previous discussion on Item 13 regarding fees. He stated that in Private Equity one of the benefits is that all the fees and expenses are returned before the fund gets the bulk of their compensation.

Mr. Henley proceeded with the presentation and answered the Board's questions.

RESOLUTION 08119

Commissioner Moret moved that the Board approve Aldus Equity's (Aldus) recommendation to invest \$25 million in Levine Leichtman Capital Partners IV, L.P. (LLCP IV), which motion was seconded by Commissioner Juarez and approved by the following vote: ayes, Commissioners Aliano, Broidy, Carter, Diannitto, Keith, Juarez, Means, Moret and President Harrigan – 9; nays, none.

15. PCA REPORT ON CORPORATE GOVERNANCE INVESTING

Mr. Tom Lopez and Ms. Sarah Bernstein, PCA were before the Board. Ms. Bernstein stated this is an introductory educational report regarding Corporate Governance Investing that the Board has expressed interest in receiving. She presented the report and answered the Board's questions.

President Harrigan requested that staff and PCA provide additional training to the Board focusing on the domestic markets.

The board report was received and filed. The Board did not take action on this item.

16. APPROVAL OF RETROACTIVE TRAVEL AUTHORITY – CREDIT SUISSE SECURITIES, LLC – WOMEN’S PRIVATE EQUITY SUMMIT – MARCH 13-14, 2008 – HALF MOON BAY, CALIFORNIA

The board report was approved without discussion.

RESOLUTION 08120

Commissioner Moret moved that the Board approve the Retroactive Travel Authority for Commissioner Means who attended the Women’s Private Equity Summit, sponsored by Credit Suisse Securities, LLC on March 13-14, 2008 at Half Moon Bay, CA, which motion was seconded by Commissioner Aliano and approved by the following vote: ayes, Commissioners Aliano, Broidy, Carter, Keith, Juarez, Means, Moret and President Harrigan – 8; nays, none. *Commissioner Diannitto stepped out of the Board room during this vote.*

17. APPROVAL OF TRAVEL AUTHORITY – BAS VENTURES, INC. – THE INSTITUTIONAL INVESTORS’ STRATEGIC INVESTING FORUM – MAY 4-6, 2008 – SAN DIEGO CALIFORNIA

The board report was approved without discussion.

RESOLUTION 08121

Commissioner Moret moved that the Board approve Commissioners Carter and Keith to attend the 2<sup>nd</sup> Annual Strategic Investing Roundtable, sponsored by BAS Ventures, Inc. from May 4-6, 2008 at San Diego, CA, (March 4<sup>th</sup> is a travel day), which motion was seconded by Commissioner Aliano and approved by the following vote: ayes, Commissioners Aliano, Broidy, Carter, Keith, Juarez, Means, Moret and President Harrigan – 8; nays, none. *Commissioner Diannitto stepped out of the Board room during this vote.*

18. CONSIDERATION OF CONTINUING EXISTING RELATIONSHIP WITH CUSHMAN AND WAKEFIELD FOR PROCURING A HEADQUARTERS FACILITY AND POSSIBLE BOARD ACTION

General Manager Perez and Ms. Laura Guglielmo were before the Board.

Commissioner Carter stated the Board has been in a relationship with Cushman and Wakefield for two years. He provided an overview of the Joint Ad Hoc Space Planning Committee meeting that met earlier



today. He believed that Cushman and Wakefield had not lived up to their expectations and whether or not to continue the relationship with LACERS.

President Harrigan discussed the relationship with LACERS and to determine the vision of both organizations, and the Board's concern regarding the services of Cushman & Wakefield.

Board Members stated their opinions on the issue and whether or not to continue with LACERS and Cushman and Wakefield.

President Harrigan stated that he spoke to Mr. Eric Holman, LACERS Board President to determine the importance of whether or not to continue the relationship between both Boards. President Harrigan suggested scheduling a joint meeting with both Boards using the assistance of a facilitator to determine the whether or not to pursue the relationship with LACERS and/or with Cushman and Wakefield.

The Board agreed to a joint meeting scheduled within a specific timeframe. Commissioner Juarez requested that staff provide the Board the visioning statement that was prepared detailing the preferences of a building. President Harrigan directed the General Manager Perez provide the visioning statement and include any updates on recent discussions.

The Board did not take action on this item.

*Items 20 – 23 were taken out of order.*

## 20. GENERAL MANAGER'S REPORT

### A. Benefits actions approved by General Manager on March 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.

#### DISCONTINUED PENSIONS – TIER 1 – 4

Irma C. Seibert	Fire Widow	Retired:	11-02-94	Died:	01-29-08
Eva L. Fisher	Police Widow	Retired:	12-31-02	Died:	12-14-07
Barbara A. Moon	Police Widow	Retired:	05-14-05	Died:	01-27-08
Mildred I. Wiener	Police Widow	Retired:	09-01-78	Died:	01-02-08

#### DISCONTINUED PENSIONS – TIER 2 – 12

Joseph Fitzgerald	Fire Service	Retired:	07-01-73	Died:	01-26-08
Gordon E. Hall	Fire Service	Retired:	08-20-73	Died:	02-02-08
Richard A. Lewis	Fire Service	Retired:	01-01-78	Died:	01-27-08
Raymond L. Smith	Fire Service	Retired:	04-01-70	Died:	01-28-08
Bill J. Bunda	Police Service	Retired:	01-01-68	Died:	01-26-08
Dominick Dascenzi	Police Service	Retired:	04-01-77	Died:	12-23-07

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David A. Lally	Fire Disability	Retired:	12-01-76	Died:	01-24-08
Marian M. Bodine	Fire Widow	Retired:	07-06-95	Died:	01-22-08
Vivian J. Burton	Fire Widow	Retired:	06-26-05	Died:	02-08-08
Marjorie B. Moehlman	Fire Widow	Retired:	03-28-99	Died:	01-09-08
Lorian M. Barone	Police Widow	Retired:	01-16-92	Died:	10-10-07
Juana M. Powell	Police Widow	Retired:	09-24-94	Died:	01-24-08

DISCONTINUED PENSIONS – TIER 5 – 1

Daniel B. Moran	Police Service	Retired:	05-01-02	Died:	02-12-08
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DISCONTINUED PENSIONS – FORMER SPOUSE – TIER 2 – 3

Michelle Daniels	Police Service	Retired:	04-24-07	Member Died:	12-28-07
Kathleen M. Head	Police Service	Retired:	04-24-07	Member Died:	12-28-07
Carolyn F. Woempner	Police Service	Retired:	07-08-84	Former Spouse Died:	02-01-08

DISCONTINUED PENSIONS – DESIGNATED BENEFICIARY – TIER 2 – 1

Christopher Williams	Police Service	Retired:	12-29-06	Died:	12-31-07
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SERVICE PENSIONS – FIRE – TIER 5 – 1

John M. Hernandez	Firefighter III	Eff:	12-04-07	20 Years	0 Days
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SERVICE PENSIONS – POLICE – TIER 5 – 2

Lydia O. Dillard	Detective I	Eff:	03-02-08	20 Years	73 Days
Timothy P. Ennis	Sergeant I	Eff:	03-02-08	24 Years	346 Days

SERVICE PENSIONS DEFERRED – POLICE – TIER 3 – 1

Alexa L. Spann	Sergeant I	Eff:	02-24-08	11 Years	0 Days
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ELIGIBLE SURVIVING SPOUSE’S PENSION – TIER 2 – 3

<u>Name</u>	<u>Deceased Member</u>	<u>Member’s Class</u>	<u>Effective Date</u>
Betty P. Fitzgerald	Joseph Fitzgerald	Fire Service	01-27-08
Pauline F. Lewis	Richard A. Lewis	Fire Service	01-28-08
Pauline A. Dascenzi	Dominick Dascenzi	Police Service	12-24-07

ELIGIBLE SURVIVING SPOUSE’S PENSION – TIER 5 – 1

<u>Name</u>	<u>Deceased Member</u>	<u>Member’s Class</u>	<u>Effective Date</u>
Ladon Moran	Daniel B. Moran	Police Service	02-13-08

DISCONTINUE GUARDIANSHIP – TIER 3 – 1

Discontinue the pension payable to David F. Latina as the Guardian of LeAnne A. Acosta, minor child of deceased Police Officer II Jose G. Acosta, effective March 19, 2008 due to the attainment of age 18.

Pension benefits will be paid to LeAnne A. Acosta, as she remains a full-time student.

ELIGIBLE SURVIVING SPOUSE'S PENSION – TIER 2 – 3

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Effective Date</u>
Betty P. Fitzgerald	Joseph Fitzgerald	Fire Service	01-27-08
Pauline F. Lewis	Richard A. Lewis	Fire Service	01-28-08
Pauline A. Dascenzi	Dominick Dascenzi	Police Service	12-24-07

ELIGIBLE SURVIVING SPOUSE'S PENSION – TIER 5 – 1

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Effective Date</u>
Ladon Moran	Daniel B. Moran	Police Service	02-13-08

DISCONTINUE GUARDIANSHIP – TIER 3 – 1

Discontinue the pension payable to David F. Latina as the Guardian of LeAnne A. Acosta, minor child of deceased Police Officer II Jose G. Acosta, effective March 19, 2008 due to the attainment of age 18.

Pension benefits will be paid to LeAnne A. Acosta, as she remains a full-time student.

MINOR CHILD APPLICATION – DISABILITY – TIER 5 – 2

<u>Name</u>	<u>Rank</u>	<u>Type: %Rate</u>	<u>Effective Date</u>
Eurtacia T. Bodle, Guardian of the estate of Malachi E. Pass (David E. Pass)	Firefighter III	Minor Child	07-22-07
Marisabel Gonzalez, Guardian of Landon M. Dorris, Jr. Brendan E. Dorris (Landon M. Dorris)	Police Officer II	Minor Child SC: 75%	10-23-06

GUARDIANSHIP APPOINTMENT – TIER – 5 – 2

A certified copy of Letters of Guardianship issued in the Superior Court of California, County of Los Angeles, case number MP004816, appointing Eurtacia T. Bodle guardian of the estate of Malachi E. Pass on February 7, 2008 has been filed in this office. A pension payment representing a portion of the pension amount of the member's surviving spouse, Valda Pass, whose payments have already commenced, to be paid to Eurtacia Bodle.

A certified copy of Letters of Temporary Guardianship issued in the Superior Court of California, County of Riverside, case number RIP 093482, appointing Marisabel Gonzalez guardian of the estate of Landon M. Dorris, Jr., and Brendan E. Dorris on January 17, 2008 has been filed in this office.

SURVIVING SPOUSE APPLICATION – TIER 5 – 1

<u>Name</u>	<u>Rank</u>	Type: <u>%Rate</u>	<u>Effective Date</u>
Lisa T. Simmons (Randal D. Simmons)	Police Officer III+2	Service Connected: 75% + 2 minor children	02-08-08

B. Other business relating to Department operations

General Manager Perez provided the following updates:

1. He has been working with LACERS to get a second microphone for the board room as requested by Commissioner Keith. We have been working with LACERS for about five months.
2. We will be preparing a report dealing with the next election for the Active Police Representative on the Board. Commissioner Keith will be exiting DROP. We know now that elections will have to take place when a board member exits DROP. Commissioner Carter will be in the same situation. The Los Angeles Administrative Code (LAMC) does not provide proper instructions for preparing elections. We will return with a report to amend the LAMC that deals with the issue and the issue that the Harbor Police do not participate in elections. Staff will return with a report in June 2008.
3. The retiree Cost of Living Adjustments (COLA) for July 1, 2008 is 3.1%. The members of Tier 2 will receive 3.1%, Tiers 3 and 4 will receive 3.0%; Tier 5 will receive 3.0%, plus an additional 0.1% into their COLA bank.
4. We are reviewing the issue of one of the securities litigation firm for potential losses that may have occurred with Bear Sterns and the impact it may have on our Fund. We are monitoring the issue and will report back to the Board.
5. The Marketing Cessation for MacKay Shields, Principal, and Marvin Palmer begins May 1, 2008. We will send out a notification to the Board and include the principals of those funds.
6. This is the last day for our Commissioner Executive Assistant Isabel Rosas who is promoting to the Los Angeles Police Department. In the interim Barbara Nobregas, Executive Administrative Assistant for Ms. Laura Guglielmo will take her place.
7. An active member statement was sent to all of our active members in March 2008. It was a great job done by our Active Member Services Section, Pensions Division and it was modified from the past statements.

8. Ms. Laura Guglielmo and her staff are actively working on the Board Member Workshop Retreat. We are targeting July 25 and 26, 2008, instead of meeting on July 24, 2008.

President Harrigan stated the earlier the Board is notified of the date, there is likely more Board participation.

9. He provided a status report on the audits of the Associations as requested by Commissioner Aliano. The audit of United Firefighters of Los Angeles City (UFLAC) has been successfully completed. We are having difficulty with the Los Angeles Police Relief Association (LAPRA) and Los Angeles Police Protective League (LAPPL). Mr. William Raggio stated that the representing attorneys are involved and he expects the issues to be resolved. He will report back on the issue.

#### 21. CONSIDERATION OF FUTURE AGENDA ITEMS

There were no items referred.

#### 22. PUBLIC COMMENTS

Ms. Elsa Moy gave a public comment.

#### 23. CONSENT ITEMS

A. APPROVAL OF TRAVEL AUTHORITY – NCPERS TRUSTEE EDUCATION SEMINAR AND ANNUAL CONFERENCE, MAY 15-22, 2008, NEW ORLEANS, LOUISIANA

B. REAL ESTATE CONSULTANT REFERRAL – AMERICAN REALITY FUND

Commissioner Moret moved to approve the consent items, which was seconded by Commissioner Diannitto and approved by the following vote: ayes, Commissioners Aliano, Broidy, Carter, Diannitto, Keith, Juarez, Means, Moret and President Harrigan – 9; nays, none.

*Commissioners Broidy and Moret left the board room for the remainder of the meeting. Commissioner Carter ended his telephonic participation.*

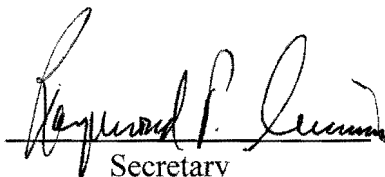
19. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.9: CONFERENCE WITH LEGAL COUNSEL RE: EXISTING LITIGATION NAME OF CASE: CRESCENT HEIGHTS ACQUISITION, INC., ET AL V. SENTINEL REAL ESTATE CORPORATION, ET AL., MINNESOTA DISTRICT COURT FILE NO. 06-19644

The Board met in closed session. There was no public report.

The meeting was adjourned at approximately 12:32 p.m.

A handwritten signature in cursive script, appearing to read "R. E. Nason", written over a horizontal line.

President

A handwritten signature in cursive script, appearing to read "Raymond P. Quinn", written over a horizontal line.

Secretary