

**MINUTES**  
**OF THE**  
**BOARD OF FIRE AND POLICE PENSION COMMISSIONERS**  
**BOARD MEETING OF NOVEMBER 21, 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, November 21, 2013.

COMMISSIONERS PRESENT:      Ruben Navarro, President  
   Gregory Lippe, Vice President  
   George Aliano  
   Sam Diannitto (participated telephonically)  
   Dean Hansell  
   Wayne Moore  
   Emanuel Pleitez  
   Robert von Voigt  
   Belinda Vega

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

President Navarro called the meeting to order at 9:19 a.m. All of the above-listed Commissioners were present at the start of the meeting with the exception of Commissioner Lippe, who arrived at 9:31 a.m.

**A. ITEMS FOR BOARD ACTION**

- 1. DISCUSSION OF THE MINIMUM QUALIFICATIONS FOR THE COMMODITIES ACTIVE EQUITY MANAGER SEARCH AND POSSIBLE BOARD ACTION**

Mr. Tom Lopez, Chief Investment Officer (CIO); Ms. Rebecca Gratsinger, CEO and Senior Consultant and Mr. Michael Ford, Senior Consultant from RV Kuhns were before the Board.

Mr. Tom Lopez stated that in relation to the search for an active commodity stock manager, staff is proposing the minimum qualification guidelines related to the size of the allocation. The attachment to the report contains a list of many specialty managers. There are six managers who invest in all of the different commodity asset classes. Staff will provide information regarding the six managers. The Board may opt to include a second list of managers who have smaller amounts of assets of under management, shorter track records that do not meet the minimum criteria, or managers who have specialized expertise in stock investing but do not have products in this area.

Mr. Lopez stated the intent is to hire a manager(s) who has the freedom to allocate across the range of commodities that are within companies that are publicly owned. It is the Board's decision on how many managers to hire but he suggested that hiring one manager would be sufficient.

Commissioner Vega amended the motion to include the option to look at a second set of managers as suggested by Mr. Lopez.

#### RESOLUTION 14055

Commissioner Vega moved that the Board approve as amended the following proposed Minimum Qualifications (MQs) for the Commodities Active Equity Manager search:

1. The firm must have more than \$680 million in assets under management;
  2. The investment strategy must have more than \$680 million in assets under management;
  3. The investment strategy must have at least a 5 year track record;
  4. The investment strategy must offer a separate account; and,
  5. That Staff compile information on a second category of managers who have 1) specialized expertise covering a broad range of publicly traded commodity stocks, but have shorter track records or lower assets under management, or 2) a quantitative approach to commodity stock selection, but may or may not have products in this area, which motion was seconded by Commissioner Moore and approved by the following vote: ayes, Commissioners Aliano, Diannitto, Hansell, Lippe, Moore, Vega, von Voigt, and President Navarro – 8; nays, Commissioner Pleitez – 1.
2. PROPOSED RENEWAL OF ALLIANCEBERNSTEIN, L.P. S&P 500 INDEX, RUSSELL 1000 GROWTH INDEX AND RUSSELL 1000 VALUE INDEX EQUITY CONTRACT AND POSSIBLE BOARD ACTION

The board report was approved without discussion.

#### RESOLUTION 14056

Commissioner Hansell moved that the Board:

1. Approve a new three-year contract with AllianceBernstein, L.P. for Standard & Poor' (S&P) 500 Index, Russell 1000 Growth Index and Russell 1000 Value Index equity management services;
  2. Authorize the General Manager to negotiate and approve the terms and conditions of the contract with AllianceBernstein, L.P. for S&P 500 Index, Russell 1000 Growth Index and Russell 1000 Value Index equity management services for the period of January 1, 2014 to December 31, 2016; and,
  3. Authorize the President of the Board, on behalf of the Board, to execute the contract with AllianceBernstein, L.P. for S&P 500 Index, Russell 1000 Growth Index and Russell 1000 Value Index equity management services, subject to the approval of the City Attorney as to form, which motion was seconded by Commissioner Pleitez and approved by the following vote: ayes, Commissioners Aliano, Diannitto, Hansell, Lippe, Moore, Pleitez, Vega, von Voigt, and President Navarro – 9; nays, none.
3. CONSIDERATION OF THE JULY 1, 2012 TO JUNE 30, 2013 PENSION AND HEALTH BENEFITS VALUATIONS AND POSSIBLE BOARD ACTION

Ms. Robyn Wilder, Chief Benefits Analyst, Pensions Division and Mr. Andy Yeung, Actuary, from The Segal Company (Segal) presented the report.

Ms. Wilder provided an overview of the employer contribution process. The contribution is per each Tier and is dependent on the final payroll budget number for next fiscal year. Staff will work out the actual contribution amounts with the CAO's Office.

Mr. Yeung provided the results from the June 30, 2013 valuation. If the recommended contribution rates are approved by the Board today, the rates would be effective for the 2014-15 Fiscal Year. He provided a brief overview of the valuation. There is a section in the report devoted to the assumptions. For example, in the valuations he has to make assumptions as to what are the rates of return he would expect the Fund to earn over the next 30, 40, 60 years. Many of our members are not retired today; they are active and may not expect to retire for another 30 years. His job as an actuary is to make recommendations that are used for the valuation. The Board has a policy to review the actuarial assumptions every three years. These assumptions were implemented as part of the 2011 Valuation and the cost was phased-in over a three-year period. This is the final year of the phase-in.

Ms. Wilder stated that at this point, there has not been a request to extend the phase-in. When the Board adopted the rates three years ago, it was for a three-year period. This is the third year, the rates have been fully phased in, and no further adjustments will be made.

Mr. Yeung discussed the assumed earnings rate and the actual return rates of the Fund. When the Board selects an assumption rate it is for the long term – 30, 40, 60 years. We have not yet begun the analysis for the next economic experience study and therefore, do not have a recommendation to make any assumption changes at this time.

Ms. Wilder stated that as soon as this process is completed, Segal will work on the Experience Study, and review the demographic and economic assumptions. She expects the issue to come before the Board in March 2014.

The Board and staff discussed the average retirement age, the average number of years worked, and the historical assumed rate of return of the Fund.

Mr. Yeung further discussed the smoothing and funding policy and answered the Board's questions. He stated that it is important to know that this valuation report contains one seventh of the market losses from 2008. The contribution rate and the unfunded liability rate in this valuation have to be developed with one seventh of the losses from 2008. For that reason, there will be an increase in the contribution rate. He further discussed the actuarial losses, contribution rate and unfunded liability.

RESOLUTION 14057

Commissioner Lippe moved that the Board adopt the pension and health valuation report submitted by The Segal Company (Segal) for the period ending June 30, 2013, which motion was seconded by Commissioner Aliano and approved by the following vote: ayes, Commissioners Aliano, Diannitto, Hansell, Lippe, Moore, Pleitez, Vega, von Voigt, and President Navarro – 9; nays, none.

4. NEW MEDICARE SUBSIDY, QUALIFIED SURVIVING SPOUSE/DOMESTIC PARTNER SUBSIDY, DENTAL INSURANCE SUBSIDY AND MEDICARE PART B PREMIUM REIMBURSEMENT MAXIMUMS FOR 2014 AND POSSIBLE BOARD ACTION

The board report was approved without discussion.

RESOLUTION 14058A

Commissioner Lippe moved that the Board adopt the resolution increasing the maximum Medicare Health Insurance Subsidy to \$493.74 per month effective January 1, 2014 as follows:

WHEREAS, retired members of the Fire and Police Pension Plan, Tiers 1, 2, 3, 4, 5 and 6, have had paid, on their behalf, a health insurance premium subsidy, or have received a reimbursement, in accordance with the provisions of section 4.1154 of the Administrative Code; and

WHEREAS, the Board of Fire and Police Pension Commissioners has been granted the authority under Section 4.1154(e) of the Administrative Code to increase or decrease the maximum monthly amount of the health insurance subsidy in accordance with the authority conferred in subsections (e) of Sections 1330, 1428, 1518, 1618 and 1718 of the Charter and subsection (e) of 4.2018 of the Administrative Code, respectively; and

WHEREAS, the Board of Administration of the Los Angeles City Employees' Retirement System (LACERS) has negotiated a rate of \$493.74 for its highest monthly premium of an approved plan supplemental to Part A of Medicare;

RESOLVED, that the maximum monthly health insurance premium subsidy as described in Section 4.1154 (e) of the Administrative Code shall be \$1,256.43, payable on behalf of the members and their eligible dependents (as such term is defined in the Board approved health insurance plans) or received as a reimbursement; and

RESOLVED, that retired members of age 60 and above with 10 or more years of service who retired with an effective date prior to July 1, 1998, and retired members of age 55 and above with 10 or more years of service who retired with an effective date of July 1, 1998 or after, who do not qualify for Part A of Medicare, shall have paid to their respective approved health insurance carriers a monthly health insurance subsidy, or paid directly to the member as a reimbursement, an amount not to exceed \$50.2572 for each whole year of service; said subsidy to apply first to that portion of the premium applicable to the retired member with any remainder to be applied to the dependent(s) of said member; and

RESOLVED, that retired members who do qualify for federally funded Part A of Medicare shall have paid to their respective approved health insurance carriers, on their behalf, a subsidy of \$493.74 as provided in Section 4.1154(c) and in addition shall have paid to said insurance carriers, on behalf of their eligible dependents, a subsidy equal to the amount payable on behalf of the dependents of a retired member in the same plan with the same years of service who does not qualify for Parts A or B of Medicare or qualifies for Part B only whichever subsidy amount is greater, providing such subsidy does not exceed the highest subsidy for the dependent of a retired member with a like number of years of service and enrolled in a health plan available to retired members of the Los Angeles City Employees' Retirement System, in which case the latter shall be the subsidy for the dependents; and

RESOLVED, the health insurance premium subsidy provided herein shall be applied against the December 31, 2013 pension payments and subsequent monthly health insurance premiums or at the earliest month thereafter which is administratively feasible, and shall remain in effect until modified or cancelled by subsequent action of the Board; and

RESOLVED, that the Manager-Secretary of the Department of Fire and Police Pensions be authorized to cause demands to be drawn upon the General Pension Funds of the Fire and Police Pension Plan, Tiers 1, 2, 3, 4, 5 and 6, to be paid to the service organizations through which health insurance is provided for subsidy payments applying the health insurance premiums to said eligible members in advance of or after the effective date of enrollment or change in coverage, or directly to the member in the case of a reimbursement; providing such subsidy payments have been verified against records kept by the Department of Fire and Police Pensions and found to be correct and proper and that individual subsidy amounts are within the limits set forth in the Los Angeles City Administrative Code; which motion was seconded by Commissioner Aliano and approved by the following vote: ayes, Commissioners Aliano, Diannitto, Hansell, Lippe, Moore, Pleitez, Vega, von Voigt, and President Navarro – 9; nays, none.

RESOLUTION 14058B

Commissioner Lippe moved that the Board adopt the Resolution increasing the maximum Qualified Surviving Spouse/Domestic Partner (Qualified Survivor) Non-Medicare Health Insurance Subsidy to

\$729.83 per month effective January 1, 2014 as follows:

WHEREAS, eligible surviving spouses/domestic partners of Tiers 1, 2, 3, 4, 5 and 6 of the Fire and Police Pension Plan have had paid, on their behalf, a health insurance premium subsidy in accordance with the provisions of Section 4.1161 of the Administrative Code; and

WHEREAS, the Board of Fire and Police Pensions Commissioners has been granted the authority under Sections 1330, 1428, 1518, 1618 and 1718 of the City Charter and Section 4.2018 of the Administrative Code to increase or decrease the maximum monthly amount of the health insurance subsidy; and

WHEREAS, active members of the Fire and Police Pension Plan have been granted a maximum monthly subsidy of \$1,169.24, which is sufficient to pay the member's premium and a part or all of the premium for dependents; and

WHEREAS, the Board of Administration of the Los Angeles City Employees' Retirement System has negotiated a rate of \$729.83 in 2014 for its Kaiser single-party premium for retired members without Parts A and B of Medicare; and

WHEREAS, it is the desire of this Board to exercise its authority to provide a health insurance subsidy for eligible qualified surviving spouses/domestic partners within the limits of the Administrative Code, i.e., no more than active members of the Fire and Police Pension Plans or the single party premium for civilian retirees without Parts A and B of Medicare;

RESOLVED, that eligible qualified surviving spouses/domestic partners who do not qualify for Part A of Medicare, shall have paid to their respective approved health insurance carriers, a monthly health insurance subsidy not to exceed \$729.83 in accordance with the subsidy entitlements based on years of service of the member, pursuant to Section 4.1161 of the Administrative Code, said subsidy to be used for the premium cost for the qualified surviving spouse/domestic partner only; and

RESOLVED, that qualified surviving spouses/domestic partners who do qualify for federally funded Part A of Medicare shall have paid to their respective approved health insurance carriers, on their behalf, a subsidy as provided in Section 4.1161(d) and (e), said subsidy to be used for the premium cost for the qualified surviving spouse/domestic partner only; and

RESOLVED, the health insurance premium subsidy provided herein shall be applied on the December 31, 2013 pension payments and subsequent monthly payments, and shall remain in effect until modified or cancelled by subsequent action of the Board; and

RESOLVED, that the Manager-Secretary of the Department of Fire and Police Pensions be authorized to cause demands to be drawn upon the General Pension Funds of Tiers 1, 2, 3, 4, 5 and 6 to be paid to the service organizations and health insurance carriers through which health insurance is provided for subsidy payments. However, such subsidy payments must have been verified against records kept by the Department

of Fire and Police Pensions and found to be correct and proper, and individual subsidy amounts must be within the limits as set forth in the Los Angeles City Administrative Code; which motion was seconded by Commissioner Aliano and approved by the following vote: ayes, Commissioners Aliano, Diannitto, Hansell, Lippe, Moore, Pleitez, Vega, von Voigt, and President Navarro – 9; nays, none.

RESOLUTION 14058C

Commissioner Lippe moved that the Board adopt the Resolution keeping the maximum Dental Insurance Subsidy at \$42.80 per month effective January 1, 2014 as follows:

WHEREAS, Section 4.1164 of the Los Angeles Administrative Code provides that the Board of Fire and Police Pension Commissioners will pay subsidies toward certain dental benefit costs for certain eligible retired members of the Fire and Police Pension Plan; and

WHEREAS, the Board of Fire and Police Pension Commissioners has been granted the authority under Section 4.1164 of the Administrative Code to increase or decrease the maximum monthly amount in accordance with the authority conferred in subsections (e) of Sections 1330, 1428, 1518, 1618 and 1718 of the Charter and subsection (e) of Section 4.2018 of the Administrative Code, respectively; and

WHEREAS, the Board of Administration of the Los Angeles City Employees' Retirement System (LACERS) has granted a maximum monthly dental subsidy of \$42.80 for 2014; and

WHEREAS, active members of the Fire and Police Pension Plan have been granted maximum monthly dental subsidies in excess of \$42.80;

RESOLVED, that eligible members shall have paid to their respective approved employee service organizations, a monthly dental insurance subsidy not to exceed \$42.80 in accordance with the subsidy entitlements based on years of service of the member pursuant to subsection (a) of Section 4.1164 of the Administrative Code, said subsidy to be used for the premium cost for the member only; and

RESOLVED, the dental insurance premium subsidy provided herein shall be applied against the December 31, 2013 pension payments and subsequent monthly dental insurance premiums, and shall remain in effect until modified or cancelled by subsequent action of the Board; and

RESOLVED, that the Manager-Secretary of the Department of Fire and Police Pensions be authorized to cause demands to be drawn upon the General Pension Funds of the Fire and Police Pension Plan, Tiers 1, 2, 3, 4, 5 and 6, to be paid to the service organizations through which dental insurance is provided for subsidy payments, applying to dental insurance premiums of said eligible members, providing such subsidy payments have been verified against records kept by the Department of Fire and Police Pensions and found to be correct and proper and that individual subsidy amounts are within the limits as set forth in the Los Angeles City Administrative Code; which motion was seconded by Commissioner Aliano and approved by the following vote: ayes, Commissioners Aliano, Diannitto, Hansell, Lippe, Moore, Pleitez, Vega, von Voigt, and President Navarro – 9; nays, none.

RESOLUTION 14058D

Commissioner Lippe moved that the Board adopt the Resolution keeping the basic Medicare Part B Premium Reimbursement at \$104.90 per month effective January 1, 2014 as follows:

WHEREAS, Los Angeles City Administrative Code Section 4.1162 provides that the Board of Fire and Police Pension Commissioners will pay reimbursement of Medicare Part B basic premiums for eligible retired members and qualified surviving spouses/domestic partners of the Fire and Police Pension Plan who are eligible to receive health insurance subsidies and enrolled in Medicare Parts A and B; and

WHEREAS, the Medicare Part B basic premium effective January 1, 2014, is \$104.90 per month;

RESOLVED, that eligible members and eligible qualified surviving spouses/domestic partners shall have paid a monthly Medicare Part B premium reimbursement of \$104.90; and

RESOLVED, the Medicare premium reimbursement provided herein shall be applied to the December 31, 2013 pension payments and subsequent monthly payments and shall remain in effect until modified or cancelled by subsequent action of the Board; and

RESOLVED, that the Manager-Secretary of the Department of Fire and Police Pensions be authorized to cause demands to be drawn upon the General Pension Funds of the Fire and Police Pension Plan, Tiers 1, 2, 3, 4, 5 and 6, to be paid to eligible members and beneficiaries, provided such payments have been verified against records kept by the Department of Fire and Police Pensions and found to be correct and proper and that individual reimbursement amounts are within the limits as set forth in the Los Angeles City Administrative Code; which motion was seconded by Commissioner Aliano and approved by the following vote: ayes, Commissioners Aliano, Diannitto, Hansell, Lippe, Moore, Pleitez, Vega, von Voigt, and President Navarro – 9; nays, none.

5. APPROVAL OF THE 2014 BOARD MEETING SCHEDULE

General Manager Ciranna stated that if Board is unable to meet on December 19, 2013 due to a lack of a quorum, the Board may have to meet on January 2, 2014.

RESOLUTION 14059

Commissioner von Voigt moved that the Board adopt the 2014 Board Meeting Schedule, which motion was seconded by Commissioner Pleitez and approved by the following vote: ayes, Commissioners Aliano, Diannitto, Hansell, Lippe, Moore, Pleitez, Vega, von Voigt, and President Navarro – 9; nays, none.

B. REPORTS TO THE BOARD

1. ANNUAL CONFIRMATION OF ORGANIZATIONAL INDEPENDENCE OF THE INTERNAL AUDIT ACTIVITY



Ms. Erin Kenney, Departmental Audit Manager was before the Board. She received many of the Risk Assessment Survey questionnaires from the Board and welcomed the remaining Board Members to submit their surveys. The board report was received and filed.

2. ALLOCATION OF THE BOARD'S INVESTMENTS IN PALLADIUM EQUITY PARTNERS IV, L.P. BETWEEN THE BOARD'S PRIVATE EQUITY PROGRAMS

The board report was received and filed without discussion.

3. OVERVIEW OF UNCONSTRAINED FIXED INCOME

The board report was received and filed without discussion.

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

5. Monthly Report

a. Marketing Cessation Information

General Manager Ciranna gave the following updates:

- 1) He asked if the Board had any follow up questions to Item B3, to which their reply was negative.
- 2) Information regarding the marketing cessation has been provided in the Monthly Report.
- 3) Information regarding the Pension Reform Act of 2014 has been provided in the monthly report, posted to our Web site, and a follow up report will be given in December. The initiative that was filed has been revised. The Attorney General will prepare an official title and summary. There are two points he highlighted for the Board. The first is that local agencies will be given a chance to look at current benefits for current members. It does not affect retirees. The second is that there is a funding mechanism. If a system is under 80% funded, a plan has to be devised to get it back to 100% funded within 15 years. Staff will provide a follow up report to the Board.
- 4) The Mayor's Office has asked our department to implement performance metrics. Staff is preparing metrics for the fiscal qualifications to be placed on our Web site this year. We will provide follow up usage.

6. General Manager's Report

a. Benefits Actions approved by General Manager on November 7, 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.

DISCONTINUED PENSIONS – TIER 1 – 6

Elizabeth Beaver	Fire Widow	Retired:	03-01-67	Died:	10-04-13
Lois M. Butorac	Fire Widow	Retired:	05-31-04	Died:	10-05-13
Renee B. Copley	Police Widow	Retired:	06-27-04	Died:	09-16-13
Oneita Funkhouser	Police Widow	Retired:	05-26-69	Died:	10-05-13
Nina J. Gable	Police Widow	Retired:	09-22-63	Died:	09-27-13
Cecelia F. Montgomery	Police Widow	Retired:	05-11-86	Died:	10-01-13

DISCONTINUED PENSIONS – TIER 2 – 21

Charles F. Breazeal	Fire Service	Retired:	01-24-93	Died:	09-30-13
Edward L. Castle	Fire Service	Retired:	09-15-86	Died:	09-15-13
James L. Choner	Fire Service	Retired:	05-03-92	Died:	10-13-13
Howard L. Gellinck	Fire Service	Retired:	06-27-93	Died:	09-07-13
Wince V. King, Jr.	Fire Service	Retired:	04-01-72	Died:	07-18-13
Robert C. Orman	Fire Service	Retired:	07-20-86	Died:	09-27-13
Hans R. Wolf	Fire Service	Retired:	06-17-80	Died:	09-15-13
Larry E. Duren	Police Service	Retired:	02-16-81	Died:	10-04-13
Wm D. Goldsberry	Police Service	Retired:	02-23-72	Died:	07-31-13
Gary G. Hinderaker	Police Service	Retired:	09-13-98	Died:	09-28-13
Norma J. Jansen	Police Service	Retired:	06-01-78	Died:	10-23-13
Kenneth Kinkade	Police Service	Retired:	06-30-78	Died:	10-10-13
Robert K. Koga	Police Service	Retired:	02-15-79	Died:	09-08-13
William Mc Monagle	Police Service	Retired:	06-01-77	Died:	08-08-13
John R. Odom	Police Service	Retired:	03-16-80	Died:	10-04-13
Tommy Y. Takahashi	Police Service	Retired:	07-02-91	Died:	09-27-13
Ronald J. Mackinnon	Fire Disability	Retired:	01-05-84	Died:	09-29-13
Monte M. Vance	Fire Disability	Retired:	04-16-92	Died:	10-05-13
Diane G. Ferguson	Police Widow	Retired:	09-03-94	Died:	09-04-12
Una L. Holton	Police Widow	Retired:	03-24-05	Died:	09-29-13
Jean M. Wright	Police Widow	Retired:	07-11-11	Died:	09-14-13

DISCONTINUED PENSIONS FORMER SPOUSES – TIER 2 – 2

Mary J. Castle	Fire Service	Retired:	03-01-99	Member Died:	09-15-13
Linda J. Shiver	Police Service	Retired:	12-01-07	Died:	09-20-13

ELIGIBLE SURVIVING SPOUSE'S PENSION – TIER 2 – 10

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Effective Date</u>
Carol F. Breazeal	Charles F. Breazeal	Fire Service	10-01-13
Darlene J. Choner	James L. Choner	Fire Service	10-14-13
Kathleen J. Gellinck	Howard L. Gellinck	Fire Service	09-08-13
O'Reta E. Orman	Robert C. Orman	Fire Service	09-28-13
Anne L. Wolf	Hans R. Wolf	Fire Service	09-16-13

Ofelia L. Hinderaker	Gary G. Hinderacker	Police Service	09-29-13
Susan F. Koga	Robert K. Koga	Police Service	09-09-13
Gayla A. Peckham	Alfred S. Peckham	Police Service	09-17-13
Katsuko Takahashi	Tommy Y. Takahashi	Police Service	09-28-13
Maria V. Mackinnon	Ronald J. Mackinnon	Fire Disability	09-30-13

SURVIVOR BENEFIT PURCHASE PROGRAM – TIER 2 – 1

<u>Name</u>	<u>Member's Class</u>	<u>Effective Date</u>	<u>Survivor Benefit</u> %
Albert Footracer	Police Service	11-01-13	30%

ELIGIBLE SURVIVOR BENEFIT PURCHASE PROGRAM PENSION – TIER 2 – 1

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Effective Date</u>
Yo-Hwa K. Kinkade	Kenneth Kinkade	Police Service	10-11-13

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 Peter Schunk, Police Service Pensioner, is to be paid to his former spouse, Jan M. Schunk, effective November 1, 2013. Ms. Schunk will receive cost of living adjustments.

SERVICE PENSION – TIER 3 – 1

<u>Police</u>							
Sharon K. Papa	Commander	Eff:	09-30-13	15	Years	303	Days

SERVICE PENSION – TIER 4 – 1

<u>Police</u>							
Andrew S. Malkhasian	Detective II	Eff:	08-11-13	25	Years	41	Days

SERVICE PENSION/DROP – TIER 5 – 15

<u>Fire</u>							
Mark S. Akahoshi	Battalion Chief	Eff:	07-01-13	33	Years	140	Days
Patricia E. Morse	Firefighter III	Eff:	08-03-13	25	Years	22	Days
Richard Pacheco	Engineer	Eff:	08-02-13	29	Years	220	Days

<u>Police</u>							
Robert C. Alvarado	Police Officer II	Eff:	07-01-13	26	Years	18	Days
Rodrigo Amador	Detective II	Eff:	07-01-13	26	Years	28	Days
John M. Balderas	Police Officer III	Eff:	06-05-13	25	Years	0	Days
Kenneth W. Baxter	Police Officer II	Eff:	09-01-13	26	Years	11	Days
Dennis Beacham	Sergeant I	Eff:	08-01-13	26	Years	13	Days
Kevin G. Becker	Detective III	Eff:	06-01-13	25	Years	14	Days

Dagoberto Castro	Police Officer III	Eff:	06-01-13	25	Years	253	Days
Julio C. Duarte	Police Officer II	Eff:	08-01-13	28	Years	167	Days
Stephen T. Faulk	Sergeant II	Eff:	08-01-13	39	Years	356	Days
Vincent G. Stroway	Police Officer II +2	Eff:	10-01-13	25	Years	1	Day
Robert von Voigt	Sergeant II	Eff:	10-01-13	30	Years	1	Day
Eric C. Williams	Police Officer III	Eff:	10-01-13	29	Years	335	Days

**SERVICE PENSION/DROP – TIER 4 – 1 REVISED**

Police

Burt L. Gutierrez	Lieutenant II	Eff:	06-30-11	29	Years	<b>237</b>	Days
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**SERVICE PENSION/DROP – TIER 5 – 2 REVISED**

Police

Kenneth W. Duncan, Jr.	Police Officer II	Eff:	09-28-11	26	Years	<b>309</b>	Days
Jesus G. Garcia	Sergeant I	Eff:	07-01-11	28	Years	<b>269</b>	Days

b. Other business relating to Department operations

General Manager Ciranna stated that he intends to combine the Monthly Report and General Manager's report into one reportable item for future reports.

7. City Attorney's Report

Mr. Alan Manning stated that has a closed session item to report.

C. COMMITTEE REPORTS

1. Audit Committee – Last met: 08/01/13; next meeting: Tentative January 16, 2014
2. Benefits Committee – Last met: 10/03/13; next meeting: November 21, 2013
3. Governance Committee – Last met: 06/20/13; next meeting: November 21, 2013
4. Ad Hoc Emerging Investment Managers – Last met: 04/04/13; next meeting: TBD
5. Ad Hoc Managers Fees Committee – Last met: 04/30/13; next meeting: TBD

President Navarro stated that an Audit Committee is scheduled on January 16, 2014. The Benefits and Governance Committees met today and will submit reports to the Board at a future date.

D. CONSENT ITEMS

1. Approval of Minutes

- a. Minutes of the Regular Board meeting of May 1, 2008

2. Findings of Fact

- a. Woon Sung Chong – Tier 5
- b. Elizabeth Eaton Shepard – Tier 5
- c. Thomas H. Jackson – Tier 3
- d. Shawn Calhoun – Tier 2

Commissioner von Voigt moved that the Board approve the consent items, which was seconded by Commissioner Lippe and approved by the following vote: ayes, Commissioners Aliano, Diannitto, Hansell, Lippe, Moore, Pleitez, Vega, von Voigt, and President Navarro – 9; nays, none.

E. CONSIDERATION OF FUTURE AGENDA ITEMS

No items were referred for consideration.

F. PUBLIC COMMENTS

Ms. Elsa Moy gave a public comment.

Mr. John Marshall, United Food and Commercial Workers Capital, Capital Stewardship Program came before the Board but asked if his colleague, Ms. Denise Barlage could speak first.

Ms. Denise Barlage, a Wal-Mart worker gave a public comment.

Mr. John Marshall gave a public comment.

*President Navarro recessed the meeting for a break at 10:43 a.m., and reconvened at 10:49 a.m.*

*Commissioner Diannitto ended his telephonic participation at 10:48 a.m.*

*Deputy City Attorney James Napier took the City Attorney Chair at this time.*

G. DISABILITY CASES

DISABILITY CLAIM – NEW – TIER 4

Robert Yanez

(P)

Police Officer II (Terminated)

As recommended by staff and concurred in by the applicant, service connected disability pension is granted at 30% with a disability rating of 5% with no foreseeable purpose for review. Motion made by President Navarro, seconded by Commissioner Aliano and adopted by the following vote: ayes, Commissioners Aliano, Hansell, Lippe, Moore, Pleitez, Vega, von Voigt and President Navarro – 8; nays, none. Mr. Francois Gardere, Jr., Police Administrator and Ms. Cece Harper-Paris, Senior Personnel Analyst I, Los Angeles Police Department testified

regarding Mr. Yanez. Mr. Yanez was present and was represented by his attorney Mr. Thomas J. Wicke.

*Assistant City Attorney Alan Manning took the City Attorney Chair at this time.*

H. CLOSED SESSION ITEMS FOR POSSIBLE BOARD ACTION

1. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(a) TO CONFER WITH LEGAL COUNSEL REGARDING PENDING LITIGATION IN THE CASE ENTITLED CHARLES E. HILL V. CITY OF LOS ANGELES ET AL. (LOS ANGELES SUPERIOR COURT CASE NO. KC066247G)

The Board met in closed session.

2. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.8 TO CONFER WITH REAL PROPERTY NEGOTIATOR; Properties: 315 S. Hewitt Street and 713 E. 3rd 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

This Item was continued.

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

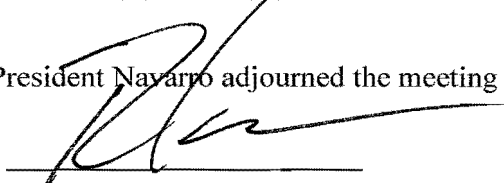
Commissioner Moore requested as a future agenda item the Wal-Mart labor issue for the next Board meeting. His understanding was that LACERS Board had an agenda item/presentation regarding the labor issue. The LACERS Board had decided to follow up with some type of action.

Mr. Alan Manning clarified that a presentation was not before the LACERS Board but was before the Corporate Governance Committee. The Committee has the authority only to refer it to the full LACERS Board, which was the Committee's action.

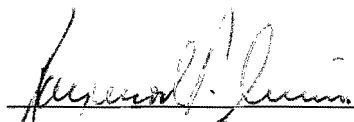
Commissioner Moore suggested that the LAFPP Board should follow LACERS' suit if it is only to monitor the issue. He requested a report back from General Manager Ciranna on what the LACERS Board or any other board was doing regarding the issue of a large investor.

President Navarro stated the Wal-Mart is a Standard & Poor 500 (S&P) index company. We have a large portion in the S&P Index.

President Navarro adjourned the meeting at 11:07 a.m.



\_\_\_\_\_  
President



\_\_\_\_\_  
Secretary