

MINUTES
OF THE
BOARD OF FIRE AND POLICE PENSION COMMISSIONERS
BOARD MEETING OF JANUARY 7, 2016

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, January 7, 2016.

COMMISSIONERS PRESENT: Robert von Voigt, President
 Pedram Salimpour, MD, Vice president
 George Aliano
 Sam Diannitto (participated telephonically)
 Adam Nathanson
 Ruben Navarro
 Brian Pendleton
 Corinne Tapia
 Belinda Vega

COMMISSIONERS ABSENT:

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

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

President von Voigt called the meeting to order at 8:55 a.m. All of the above-listed Commissioners were present at the start of the meeting.

A. ITEMS FOR BOARD ACTION

1. TRANSFER OF FUNDS FOR PAYMENT OF FY 2015-16 MEDICAL SERVICES INVOICES AND POSSIBLE BOARD ACTION

Ms. Diana Pointer, Sr. Management Analyst II, Administrative Services Section, discussed the transfer of funds and was available for questions.

RESOLUTION 16083

Commissioner Navarro moved that the Board authorize a transfer of \$150,000 from Account 3040 – Contractual Services to Account 4230 - Medical Services to pay medical services invoices, which was seconded by Commissioner Salimpour and approved by the following vote: ayes, Commissioners Aliano, Diannitto, Nathanson, Navarro, Pendleton, Salimpour, Tapia, Vega, and President von Voigt – 9; nays, none.

2. REQUEST TO BEGIN SEARCH FOR AN EXTERNAL FINANCIAL STATEMENTS AUDITOR AND POSSIBLE BOARD ACTION

Ms. Erin Kenney, Departmental Audit Manager, discussed the request to begin the search for an external financial statements auditor with the Board. Commissioner Salimpour asked about the time line and how many applicants were anticipated to respond. Ms. Kenney replied that there were six respondents during the previous search.

RESOLUTION 16084

Commissioner Navarro moved that the Board authorize the General Manager to issue a Request for Proposals for the Department’s external financial statements auditor, which was seconded by Commissioner Aliano and approved by the following vote: ayes, Commissioners Aliano, Diannitto, Nathanson, Navarro, Pendleton, Salimpour, Tapia, Vega, and President von Voigt – 9; nays, none.

3. CONTRACT AMENDMENT WITH KEENAN & ASSOCIATES FOR HEALTH CONSULTING SERVICES AND POSSIBLE BOARD ACTION

Mr. Joseph Salazar, Assistant General Manager, discussed the contract amendment and was available for questions. Commissioner Salimpour requested Keenan’s scope of work, which Mr. Salazar summarized for the Board, including payments made to Keenan since inception of the contract.

RESOLUTION 16085

Commissioner Vega moved that the Board:

- 1) Determine that conducting a new search for health consulting services at this time would not be productive, practicable or advantageous to the Plan; and,

- 2) Authorize the General Manager to negotiate and execute the terms and conditions of a contract amendment for an additional one-year period with Keenan & Associates; and
 - 3) Authorize the President of the Board, on its behalf, to execute the contract amendment, subject to the approval of the City Attorney as to form, which was seconded by Commissioner Aliano and approved by the following vote: ayes, Commissioners Aliano, Diannitto, Nathanson, Navarro, Pendleton, Salimpour, Tapia, Vega, and President von Voigt – 9; nays, none.
4. AMENDMENT TO BOARD POLICIES AND PROCEDURES SECTION 3.7: SURVIVOR BENEFIT APPLICATIONS AND SECTION 3.10: CORRECTION OF ERRONEOUS PAYMENTS AND POSSIBLE BOARD ACTION

Ms. Myo Thedar, Senior Management Analyst II, Retirement Services Section, discussed the amendments to the Board Policies and Procedures and was available for questions.

RESOLUTION 16086

Commissioner Navarro moved that the Board approve the proposed amendments to Board Policy Section 3.7: Survivor Benefit Applications, and Section 3.10: Correction of Erroneous Payments, which was seconded by Commissioner Pendleton and approved by the following vote: ayes, Commissioners Aliano, Diannitto, Nathanson, Navarro, Pendleton, Salimpour, Tapia, Vega, and President von Voigt – 9; nays, none.

B. REPORTS TO THE BOARD

1. President von Voigt asked if any Board Member made any expenditure to influence State legislative or administrative action to which their reply was negative.
2. Miscellaneous correspondence from money managers, consultants, etc. – Received and Filed.
3. General Manager's Report.
 - a. Benefits Actions approved by General Manager on December 17, 2015

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 December 17, 2015.

DISCONTINUED PENSIONS – TIER 2 – 16

Howard L. Chapman	Fire Service	Retired:	01-22-84	Died:	10-02-15
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Edward T. Fox	Fire Service	Retired:	01-01-73	Died:	07-09-15
Claude L. Kormann	Fire Service	Retired:	03-28-76	Died:	10-21-15
John Verdone	Fire Service	Retired:	06-28-93	Died:	11-17-15
Edward W. Elliott	Police Service	Retired:	08-01-73	Died:	06-03-15
Jack P. Rinallo, Jr.	Police Service	Retired:	08-12-91	Died:	11-14-15
Earl H. Darnold, Jr.	Fire Disability	Retired:	03-17-71	Died:	11-02-15
Oliver R. Hill	Fire Disability	Retired:	09-13-73	Died:	11-10-15
Bob J. Norton	Fire Disability	Retired:	06-30-92	Died:	11-01-15
Robert J. Burke	Police Disability	Retired:	09-19-81	Died:	10-13-15
Gary F. Smith	Police Disability	Retired:	08-23-90	Died:	10-08-15
Phyllis M. Dwight	Fire Widow	Retired:	09-20-10	Died:	10-15-15
Patricia L. Jacobson	Fire Widow	Retired:	03-19-04	Died:	11-27-14
Margaret H. Rue	Fire Widow	Retired:	06-19-05	Died:	03-29-15
Carole L. Cameron	Police Widow	Retired:	01-23-98	Died:	10-31-15
Judy M. Carlson	Police Widow	Retired:	03-26-14	Died:	10-08-15

DISCONTINUED PENSIONS – TIER 5 – 2

Stephen P. Fahrney	Police Service	Retired:	07-01-03	Died:	05-04-15
William J. Springer	Police Service	Retired:	09-07-03	Died:	09-04-15

DISCONTINUED PENSIONS FORMER SPOUSE – TIER 2 – 1

Annette F. Palmer	Police Service	Retired:	02-06-14	Died:	10-13-15
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ELIGIBLE SURVIVING SPOUSE'S PENSION – TIER 2 – 12

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Effective Date</u>
Dolores C. Chapman	Howard L. Chapman	Fire Service	10-03-15
Curtis P. Humphrey	Bob Humphrey	Fire Service	08-10-15
Alvina T. Kormann	Claude L. Kormann	Fire Service	10-22-15
Audrey L. Verdone	John Verdone	Fire Service	11-18-15
Olivia Knighton	David E. Knighton	Police Service	11-06-15
Teresa A. Rinallo	Jack P. Rinallo, Jr.	Police Service	11-15-15
Helen Suter	Robert L. Suter	Police Service	10-24-15
Dolores A. Darnold	Earl H. Darnold, Jr.	Fire Disability	11-03-15
Janice L. Norton	Bob J. Norton	Fire Disability	11-02-15
Virginia S. Burke	Robert J. Burke	Police Disability	10-14-15
Carmella A. Smith	Gary F. Smith	Police Disability	10-09-15
Maria Weinreb	Stewart M. Weinreb	Police Disability	10-21-15

ELIGIBLE SURVIVING SPOUSE'S PENSION – TIER 5 – 1

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Effective Date</u>
James V. Bower, Jr.	Suzanna A. Bower	Police Service	10-11-15

SURVIVOR BENEFIT PURCHASE PROGRAM – TIER 2 – 1

<u>Name</u>	<u>Member's Class</u>	<u>Effective Date</u>	<u>Survivor Benefit %</u>
Kenneth M. Brass	Fire Service	12-01-15	100%

SURVIVING CHILD'S PENSION – TIER 4 – 1

Surviving child benefits are now payable to Devon L. Medina, surviving child of deceased Police Sergeant II, Israel S. Medina, effective December 2, 2015 due to the attainment of age 18 and the continuation of full-time student status.

DECREASE SURVIVING SPOUSE'S PENSION – TIER 4 – 1

Decrease the pension payable to Leslie A. Medina, surviving spouse of deceased Police Sergeant II, Israel S. Medina, due to the attainment of age 18 and the continuation of full-time student status by Devon L. Medina, effective December 2, 2015.

DESIGNATED 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 David H. Combs, Police Service Pensioner, which was paid to his deceased former spouse, Jean I. Combs, has been designated to her beneficiaries, Nancy Jennings Sapp, Brian D. Pelletier, Debra R. Pelletier Padmos, Paul R. Pelletier, Robert W. Pelletier and Susan L. Pelletier Raymond, effective June 21, 2015. Cost of living adjustments are included.

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 Brian L. Cummings, Fire Service Pensioner, being withheld for his former spouse, Rachael A. Cummings, since February 9, 2014, should be released effective December 1, 2015. Ms. Cummings will receive cost of living adjustments.

CONSERVATORSHIP – TIER – 2 – 2

A certified copy of the Letters of Conservatorship, issued in the Superior Court of California, County of Orange, Case Number 30-2015-00771249-PR-CP-CJC, appointing Esther Velderrain, Conservator for the Person and the Estate of Lillian M. Hansen, surviving spouse of deceased Firefighter, Douglas W. Hansen, effective November 2, 2015, has been filed with this office.

Pension payments will be paid to Esther Velderrain for the benefit of Lillian M. Hansen, effective July 1, 2015.

A certified copy of the Letters of Conservatorship for the Estate of Kellie J. Romero, issued in the Superior Court of the State of California, County of Los Angeles, Case Number BP166030, appointing Timothy J. Mock, Conservator for the Estate of Kellie J. Romero, dependent child of deceased Fire Captain II, Jerome A. Jacobson, effective October 28, 2015, has been filed with this office.

Pension payments will be paid to Timothy J. Mock for the benefit of Kellie J. Romero, effective November 28, 2014.

DEFERRED SERVICE PENSION – TIER 3 – 1

Police

Darren Hill	Police Officer II	Eff:	11-28-15	15 Years	119 Days
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SERVICE PENSION – TIER 3 – 2

Police

Teresa L. Evans	Sergeant I	Eff:	10-18-15	21 Years	4 Days
William V. Pack	Police Officer III	Eff:	11-21-15	27 Years	334 Days

SERVICE PENSION – TIER 5 – 1

Police

Rolf W. Knuth	Police Officer II	Eff:	11-01-15	20 Years	57 Days
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SERVICE PENSION/DROP – TIER 5 – 7

Fire

Ernst G. Morgan	Captain I	Eff:	10-02-15	30 Years	167 Days
Steven K. Phillips	Firefighter III	Eff:	10-05-15	26 Years	361 Days
Steven L. Robinson	Firefighter III	Eff:	08-02-15	28 Years	297 Days

Police

Marjorie M. Kempner	Detective III	Eff:	10-30-15	26 Years	5 Days
Kevin W. Scott	Police Officer II	Eff:	10-01-15	25 Years	253 Days
Connie M. Smith	Sergeant I	Eff:	11-01-15	30 Years	39 Days
Charles S. Walton	Detective III	Eff:	11-01-15	27 Years	218 Days

DISCONTINUE DROP – TIER 5 – 19

Fire

Brian O. Holtfreter	Retired:	04-01-11	Exit Close of:	12-31-15
Lisa G. Nerkowski	Retired:	11-29-10	Exit Close of:	11-28-15

Police

Benito I. Aguirre	Retired:	01-04-11	Exit Close of:	12-31-15
Robert J. Alvarez	Retired:	04-01-11	Exit Close of:	12-31-15
Eugene A. Arreola	Retired:	02-01-11	Exit Close of:	10-12-15
Kenneth N. Crawford	Retired:	01-04-11	Exit Close of:	12-31-15
Estevan Estrada	Retired:	01-04-11	Exit Close of:	12-31-15
David A. Jacoby	Retired:	01-02-11	Exit Close of:	12-31-15
Carmen M. Johnson	Retired:	01-04-11	Exit Close of:	12-31-15
William H. Mann	Retired:	01-01-11	Exit Close of:	12-31-15
Bruce A. Nelson	Retired:	01-03-11	Exit Close of:	12-31-15
Nancy K. Nelson	Retired:	01-03-11	Exit Close of:	12-31-15

Lisa K. Ruegg	Retired:	01-04-11	Exit Close of:	12-31-15
Digby Sharpe	Retired:	01-05-11	Exit Close of:	12-31-15
Karen C. Stanwix	Retired:	01-04-11	Exit Close of:	12-31-15
Linda K. Travis	Retired:	04-01-11	Exit Close of:	12-31-15
Michael W. Whelan	Retired:	01-03-11	Exit Close of:	12-31-15
Peter C. Whipple	Retired:	01-03-11	Exit Close of:	12-31-15
Timothy F. Wunderlich	Retired:	11-27-10	Exit Close of:	11-26-15

SERVICE-CONNECTED DISABILITY PENSION – TIER 4 – 1

<u>Name</u>	<u>Member's Rank</u>	<u>Percentage</u>	<u>Effective Date</u>	<u>Board Date</u>
Guadalupe Palomares	Police Officer II	45%	12-20-13	11-19-15

NON-SERVICE CONNECTED DISABILITY PENSION – TIER 5 – 1

<u>Name</u>	<u>Member's Rank</u>	<u>Percentage</u>	<u>Effective Date</u>	<u>Board Date</u>
Monika Rehder	Police Officer II	30%	11-19-15	11-19-15

b. Other business relating to Department operations

General Manager Ciranna gave the following updates:

1. The parking lot purchase closed on December 31, 2015, for a purchase price of \$3.8 million, providing approximately 40 spaces in total for employee parking. In addition, the Department will now be utilizing both parking lots to pursue revenue generating opportunities.
2. During the RFP process for a pension administration system, sensitive information was inadvertently released on exhibits affecting 53 members. These members will be contacted and offered credit monitoring services.
3. IRS Form 1095-C – We believe there is no filing required by LAFPP. The City will file for active members and those members who retired after January 1st.

Mr. Alan Manning, Assistant City Attorney, provided clarity on a previous question regarding how many members it constitutes to make a majority vote, referring to Los Angeles City Charter Section 503c.

Mr. Manning provided the Board with an update regarding a lawsuit file by Marcellus Taylor vs. Deutsche Bank, AG. The appeal period has expired, so the case is dismissed.

C. COMMITTEE CALENDAR

1. Audit Committee – Last met: 10/01/15; next meeting: 01/21/16

2. Benefits Committee – Last met: 10/01/15; next meeting: 02/04/16
3. Governance Committee – Last met: 08/06/15; next meeting: 01/07/16

President von Voigt announced the upcoming meetings.

D. CONSENT ITEMS

1. APPROVAL OF TRAVEL AUTHORITY (NAVARO) – INTERNATIONAL FOUNDATION EMPLOYEE BENEFIT PLANS (IFEBP), PUBLIC SECTOR BENEFITS INSTITUTE

MOTION

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

E. CONSIDERATION OF FUTURE AGENDA ITEMS

1. Research and report back to the Board regarding committees.
2. Research and report back to the Board on leasing space in the new headquarters building.

F. GENERAL PUBLIC COMMENT ON MATTERS WITHIN THE BOARD'S JURISDICTION

Ms. Elsa Moy provided public comment.

The board recessed at 9:27 a.m. and reconvened at 9:36 a.m.

G. DISABILITY CASE

DISABILITY CLAIM – NEW CLAIM – TIER 5

Maria E. Montoya

(P)

Detective III

Service-connected disability pension is granted at 45% with no foreseeable purpose for review. Motion made by Commissioner Aliano, seconded by Commissioner Navarro and adopted by the following vote: ayes, Commissioners Aliano, Diannitto, Nathanson, Navarro, Pendleton, Salimpour, Tapia, Vega, and President von Voigt – 9; nays – none. Detective Montoya was present and was represented by her attorney, Thomas J. Wicke, Esq. of Lewis, Marenstein, Wicke, Sherwin and Lee.

The meeting adjourned at 10:04 a.m.



President



Secretary