

**MINUTES**  
**OF THE**  
**BOARD OF FIRE AND POLICE PENSION COMMISSIONERS**  
**BOARD MEETING OF DECEMBER 15, 2016**

The Board of Fire and Police Pension Commissioners of the City of Los Angeles met in the LAFPP Sam Diannitto Boardroom, located at the Los Angeles Fire and Police Pensions Building, 701 E. 3rd Street, Suite 400, Los Angeles 90013 on Thursday, December 15, 2016.

COMMISSIONERS PRESENT: Ruben Navarro, Vice President  
George Aliano  
Corinne T. Babcock  
Adam Nathanson  
Brian Pendleton  
Belinda Vega  
Robert von Voigt

COMMISSIONER ABSENT: Sam Diannitto  
Pedram Salimpour, MD

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

President Salimpour called the meeting to order at 8:31 a.m. All the above-listed Commissioners were present at the start of the meeting with the exception of Commissioners Babcock and Nathanson who arrived at 8:35 a.m. and 8:43 a.m. respectively.

**A. ITEMS FOR BOARD ACTION**

**1. THE FIRE DEPARTMENT EMPLOYEE MEMBER OF THE BOARD ELECTION AND POSSIBLE BOARD ACTION**

The board report was approved as submitted.

**RESOLUTION 17059**

Commissioner von Voigt moved that the Board:

1. Authorize the General Manager to provide notification to the Office of the City Clerk (City Clerk) and the General Manager of the Personnel Department in accordance with Section 23.102.4(a) of the Los Angeles Administrative Code (LAAC) for the 2017 Fire Department Employee Member of the Board Election tentatively scheduled for Tuesday, April 25, 2017;
  2. Authorize the General Manager to cause to be prepared, not more than 30 nor less than 20 days before the election in accordance with LAAC Section 23.102.4(b), a Notice of Election which shall also include the Sample Ballot and the rules concerning voter eligibility; and,
  3. Authorize the General Manager and Staff to perform the necessary administrative work specified in the LAAC; to coordinate the general election and if necessary, the runoff election process as required with the City Clerk, Fire Department, Personnel Department, and employee organizations; and to make technical corrections as necessary to effectuate the intent of this report, which was seconded by Commissioner Pendleton and approved by the following vote: ayes, Commissioners Aliano, Babcock, Pendleton, Vega, von Voigt, and Vice President Navarro – 6; nays – none.
2. APPROVAL TO ISSUE A REQUEST FOR PROPOSAL FOR FINANCIAL PLANNING EDUCATION SEMINAR PROGRAM CATERING SERVICES AND POSSIBLE BOARD ACTION

The board report was approved as submitted.

RESOLUTION 17060

Commissioner von Voigt moved that the Board authorize the General Manager to issue a Request for Proposal (RFP) for Financial Planning Education Seminar Program catering services, which was seconded by Commissioner Vega and approved by the following vote: ayes, Commissioners Aliano, Babcock, Pendleton, Vega, von Voigt, and Vice President Navarro – 6; nays – none.

3. RECOMMENDATION OF CONTRACT AWARD FOR FINANCIAL COUNSELING SERVICES AND POSSIBLE BOARD ACTION

Ms. Erin Kenney, Department Audit Manager, stated that Internal Audit Section received the required disclosure information regarding gifts, campaign contributions, and charitable contributions; and that there is nothing to report under LAFPP's contractor disclosure policy.

Ms. Carol Tavares, Senior Management Analyst I, Communications & Education Section, presented her report to the Board.

Commissioner Vega expressed her appreciation to Staff for providing this level of service to the members and Commissioner Navarro discussed the types of counseling to be provided by Four Square with Ms. Tavares.

RESOLUTION 17061

Commissioner von Voigt moved that the Board:

- 1) Approve the selection of Four Square Financial Literacy Partners, Inc. to provide financial counseling services for a three-year term; and
  - 2) Authorize the General Manager to negotiate and execute the terms and conditions of the contract; and
  - 3) Authorize the President of the Board, on behalf of the Board, to execute the contract 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, Babcock, Pendleton, Vega, von Voigt, and Vice President Navarro – 6; nays – none.
4. CONSIDERATION OF ROBERT K. JARAMILLO'S APPEAL TO TRANSFER FROM TIER 4 TO TIER 5 AND POSSIBLE BOARD ACTION

Ms. May Simmons, Management Analyst II, Active Member Services Section presented her report to the Board.

Ms. Corina Lee, Los Angeles Police Protective League, discussed Officer Jaramillo's request with the Board. Officer Jaramillo presented testimony regarding his request.

The Board discussed how this request differed from other late Tier 5 transfer requests that were approved.

RESOLUTION 17062

Commissioner Nathanson moved that the Board deny the request of Police Officer II Robert K. Jaramillo to transfer from Tier 4 to Tier 5 based on the following findings of fact:

1. The filing of a request to transfer to Tier 5 was not timely. Almost 14 years have passed since the deadline to transfer to Tier 5.
2. Officer Jaramillo was aware of the Tier 5 transfer period and deadline but neglected to submit his "*Irrevocable Election to Transfer to Tier 5 from Tier 3 or Tier 4*" form.
3. No legal basis has been provided with which the Board could allow Officer Jaramillo to transfer from Tier 4 to Tier 5 outside of the election period specified in Los Angeles Administrative Code Section 4.2000(c)(1), which was from January 2, 2002 through December 31, 2002.
4. Staff is required to perform the ministerial duty of enforcing the statutory deadline and deny the late transfer request, which was seconded by Commissioner Vega and approved by



the following vote: ayes, Commissioners Aliano, Babcock, Nathanson, Pendleton, Vega, and von Voigt – 6; nays, Vice President Navarro - 1.

5. CHIEF INVESTMENT OFFICER'S QUARTERLY REPORT OF ASSET ALLOCATION STATUS AND POSSIBLE BOARD ACTION

Mr. Tom Lopez, Chief Investment Officer, Investments Division, discussed his report with the Board.

General Manager Ciranna discussed the Fund's cash flows with the Board. Commissioner Nathanson asked about the decrease in cash flows in relation to real estate investment. Mr. Lopez answered that a portion of our real estate investments are co-mingled funds and in Real Estate Investment Trusts.

Public comment was provided by Ms. Elsa Moy.

RESOLUTION 17063

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 was seconded by Commissioner von Voigt and approved by the following vote: ayes, Commissioners Aliano, Babcock, Nathanson, Pendleton, Vega, von Voigt, and Vice President Navarro – 7; nays – none.

6. SMALL CAP US EQUITY STRUCTURE STUDY AND POSSIBLE BOARD ACTION

Messrs. Jim Voytko, President and Senior Consultant, Ryan Sullivan, Consultant, and Mathew Sturdivan, Manager Research Consultant, presented their report to the Board.

RESOLUTION 17064

Commissioner Pendleton moved that the Board approve the consultant and Staff recommendation to restructure the small cap asset class and issue a Request for Proposal for additional active small cap value managers, which was seconded by Commissioner Aliano and approved by the following vote: ayes, Commissioners Aliano, Babcock, Nathanson, Pendleton, Vega, von Voigt, and Vice President Navarro – 7; nays – none.

RESOLUTION 17065

Commissioner Nathanson moved that the Board approve the liquidation of the existing micro-cap asset class and add the funds to the Request for Proposal for additional active small cap value managers, which was seconded by Commissioner Pendleton and approved by the following vote: ayes, Commissioners Aliano, Babcock, Nathanson, Pendleton, Vega, von Voigt, and Vice President Navarro – 7; nays – none.

**B. REPORTS TO THE BOARD**

**1. QUARTERLY PORTFOLIO PERFORMANCE REPORT BY RVK**

Messrs. Jim Voytko, President and Senior Consultant, Ryan Sullivan, Consultant, and Mathew Sturdivan, Manager Research Consultant, presented their report to the Board.

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

**3. General Manager’s Report**

**a. Monthly Report**

The report was received and filed.

**b. Marketing Cessation Information**

**c. Benefits Actions approved by General Manager on December 1, 2016**

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 1, 2016.

**DISCONTINUED PENSIONS – TIER 1 – 1**

Shirley Woodhouse	Fire Widow	Retired:	09-26-84	Died:	10-12-16
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**DISCONTINUED PENSIONS – TIER 2 – 8**

Randall L. Addison	Police Service	Retired:	10-15-88	Died:	10-02-16
Vernon A. Knauff	Police Service	Retired:	10-22-78	Died:	10-04-16
Eugene F. Morrissey	Police Service	Retired:	02-01-78	Died:	10-17-16
Floyd E. Tanner	Police Service	Retired:	06-30-78	Died:	10-19-16
Harry C. Carlson	Fire Disability	Retired:	10-15-84	Died:	10-15-16
Michael L. Driggs	Police Disability	Retired:	09-25-82	Died:	10-04-16
Max J. Murphy	Police Disability	Retired:	03-01-73	Died:	10-12-16
Lillian E. Swensson	Police Widow	Retired:	03-04-03	Died:	10-26-16

**SERVICE PENSION – TIER 5 – 1**

Police

Gary E. Beecher	Police Officer III +1	Eff:	11-02-16	21 Years	363 Days
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**SERVICE PENSION/DROP – TIER 5 – 2**

Police

Dana L. Berns	Lieutenant II	Eff:	11-01-16	25 Years	27 Days
Michael J. Perez	Police Officer II	Eff:	11-09-16	25 Years	0 Days

d. Other business relating to Department operations

General Manager Ciranna gave the following update:

1. A list of seminars for 2017 has been distributed to the Board.
2. The Fund is currently at its highest asset level.

C. CONSENT ITEMS

1. Approval of Minutes

- a. Regular Board meetings of June 2 and 16, 2016 and July 7, 2016
- b. Special Board meeting of June 2, 2016

2. Findings of Fact

- a. Anna M. Garza – Tier 3

Commissioner Babcock stepped out of the board room prior to the vote.

MOTION

Commissioner Vega moved that the board approve the consent items, which was seconded by Commissioner von Voigt and approved by the following vote: ayes, Commissioners Aliano, Nathanson, Pendleton, Vega, von Voigt, and Vice President Navarro – 6; nays – none.

D. CONSIDERATION OF FUTURE AGENDA ITEMS

There were no items referred for consideration.

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

Public comment was provided by Mr. Ken Buzzell, Los Angeles Retired Fire & Police Association, Inc.

F. DISABILITY CASES

DISABILITY CLAIMS – NEW CLAIMS – TIER 5

Daniel K. Logan

(P)

Detective I

Hearing continued. Vice President Navarro directed that this claim be continued at the request of the applicant's attorney. Detective Logan was not present nor was his attorney Thomas J. Wicke, Esq. of Lewis, Marenstein, Wicke, Sherwin, and Lee.

The meeting adjourned at 10:50 a.m.



President



Secretary