

MINUTES
OF THE
BOARD OF FIRE AND POLICE PENSION COMMISSIONERS
BOARD MEETING OF JUNE 1, 2017

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 East 3rd Street, Suite 400, Los Angeles 90013 on Thursday, June 1, 2017.

COMMISSIONERS PRESENT: Pedram Salimpour, MD, President
George Aliano
Corinne T. Babcock
Sam Diannitto (Participated Telephonically)
Adam Nathanson
Belinda Vega
Robert von Voigt

COMMISSIONERS ABSENT: Ruben Navarro
Brian Pendleton

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: Joshua Geller, Deputy City Attorney
Anya Freedman, Deputy City Attorney

President Salimpour called the meeting to order at 8:30 a.m. All the above-listed Commissioners were present at the start of the meeting with the exception of Commissioner von Voigt who arrived at 8:55 a.m.

A. ITEMS FOR BOARD ACTION

1. CONTINUATION OF MAXIMUM RETIRED SWORN NON-MEDICARE HEALTH SUBSIDY FOR FISCAL YEAR 2017-2018 AND POSSIBLE BOARD ACTION

Continued to a subsequent meeting without discussion.

Ms. Elsa Moy provided public comment.

Item D was taken out of order.

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

Ms. Ann Robertson and Ms. Corina Lee, Director, Los Angeles Police Protective League provided public comment.

A. ITEMS FOR BOARD ACTION - CONTINUED

Items A5 and A6 were taken out of order.

5. CONSENT TO ASSIGNMENT OF REAMS ASSET MANAGEMENT'S CONTRACT AND POSSIBLE BOARD ACTION

Mr. Adam Perez, Management Assistant, Investments Division presented his report to the Board. Commissioners Babcock and Nathanson discussed whether there would be any changes to the fee structure with Mr. Perez and Mr. Tom Lopez, Chief Investment Officer, Investments Division.

Resolution 17123

Commissioner Babcock moved that the Board consent to the assignment of Reams Asset Management Core Plus, TIPS, and Unconstrained fixed income contracts, and authorize the General Manager to sign the consent on behalf of the Board, which was seconded by Commissioner Aliano and approved by the following vote: ayes, Commissioners Aliano, Babcock, Diannitto, Nathanson, Vega, and President Salimpour – 6; nays – none.

6. DISCUSSION OF THE MINIMUM QUALIFICATIONS FOR THE INTERNATIONAL SMALL CAP EQUITY INVESTMENT MANAGER SEARCH AND POSSIBLE BOARD ACTION

Mr. Paul Palmer, Investment Officer II, Investments Division presented his report to the Board. Mr. Jim Voytko, from RVK discussed international active managers versus indexed accounts with Commissioners Vega and Nathanson.

Commissioner von Voigt joined the meeting at this time.

Resolution 17124

Commission Nathanson moved:

1) That the Board approve the following proposed Minimum Qualifications (MQs) for the International Small Cap Equity Investment Manager search:

a) The firm must have more than \$1.5 billion in assets under management;

- b) The investment strategy must have more than \$1.5 billion in assets under management;
 - c) The investment strategy must have a minimum 3-year track record;
 - d) The investment strategy must offer a separate account; and
 - e) The firm must have at least one existing separate account with more than \$100 million in assets in this investment strategy, and
- 2) That the Board approve using the search procedures for active manager searches adopted in March 2011, which was seconded by Commissioner Aliano and approved by the following vote: ayes, Commissioners Aliano, Babcock, Diannitto, Nathanson, Vega, von Voigt, and President Salimpour – 7; nays – none.
2. MEDICAL, DENTAL AND VISION INSURANCE PLANS OFFERED BY LAFPP AND POSSIBLE BOARD ACTION

Mr. Greg Mack, Chief Benefits Analyst, Pensions Division, Eunice Zordilla, Senior Management Analyst I, Medical and Dental Benefits Section, and Mr. Steve Gedestad, Municipality Practice Leader, from Keenan & Associates discussed the report with the Board.

Mr. Tim Larson, Mr. Ken Buzzell, LARFPA, and Ms. Corina Lee, LAPPL provided public comment.

No action was taken by the Board.

President Salimpour recessed the meeting for a break at 9:55 a.m., and reconvened at 10:08 a.m.

Deputy City Attorney Anya Freedman took the City Attorney Chair at this time.

3. REVIEW OF ECONOMIC AND NON-ECONOMIC ACTUARIAL ASSUMPTIONS AND POSSIBLE BOARD ACTION

Mr. Joseph Salazar, Assistant General Manager, Pensions Division introduced Mr. Paul Angelo, Segal Consulting who presented the actuarial assumptions report to the Board.

Ms. Elsa Moy provided public comment.

Resolution 17125

Commissioner Aliano moved that the Board:

1. Adopt the findings and recommendations of the Actuarial Experience Study conducted by Segal Consulting for the period July 1, 2013 through June 30, 2016, to be used beginning with the June 30, 2017 valuation, with the exception of the mortality rates,

2. Adopt the RP-2014 Headcount-Weighted Family of Tables – Static Approach with Increased Margin for projecting mortality rates, which was seconded by Commissioner von Voigt and approved by the following vote: ayes, Commissioners Aliano, Babcock, Diannitto, Nathanson, Vega, von Voigt, and President Salimpour – 7; nays – none.
4. AUTHORIZATION TO BEGIN SEARCH FOR WEBSITE DESIGN AND DEVELOPMENT CONSULTANT

The board report was approved as submitted.

Resolution 17126

Commissioner von Voigt moved that the Board authorize the General Manager to issue a Request for Proposal (RFP) for website design and support services, which was seconded by Commissioner Nathanson and approved by the following vote: ayes, Commissioners Aliano, Babcock, Diannitto, Nathanson, Vega, von Voigt, and President Salimpour – 7; nays – none.

Commissioner Nathanson left the meeting at 11:15 a.m.

B. REPORTS TO THE BOARD

1. CONTRACTOR DISCLOSURE POLICY – QUARTERLY REPORT

Ms. Caroline Dinu, Senior Management Analyst II, Internal Audit Section discussed the report with the Board. The report was received and filed.

2. President Salimpour asked if any Board Member made any expenditure to influence State legislative or administrative action to which their reply was negative.
3. Miscellaneous correspondence from money managers, consultants, etc. – Received and Filed.
4. General Manager's Report

a. Benefits Actions approved by General Manager on May 18, 2017

Pursuant to Resolution 04008, adopted by the Board of Fire and Police Pension Commissioners on August 7, 2003, the following benefit actions have been approved by the General Manager on May 18, 2017.

DISCONTINUED PENSIONS – TIER 1 – 1

Sylvia H. Sullivan	Police Widow	Retired:	03-20-13	Died:	04-17-17
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DISCONTINUED PENSIONS – TIER 2 – 17

Ronald L. Dorn	Fire Service	Retired:	01-08-06	Died:	04-15-17
Walter F. Matthews	Fire Service	Retired:	07-30-71	Died:	04-09-17
Robert F. Board	Police Service	Retired:	09-17-78	Died:	02-18-17
Lawrence Moore, Jr.	Police Service	Retired:	01-08-95	Died:	04-16-17
Maurice T. Rainey	Police Service	Retired:	06-29-80	Died:	11-07-16
James S. Smith	Police Service	Retired:	06-28-92	Died:	03-16-17
Gary A. Twiford	Police Service	Retired:	06-30-90	Died:	04-09-17
James W. Wagner	Police Service	Retired:	07-22-69	Died:	04-07-17
Roger K. Birdseye	Police Disability	Retired:	11-09-87	Died:	03-17-17
Patricia M. Kessen	Fire Widow	Retired:	01-02-16	Died:	04-14-17
Nancy R. Krokes	Fire Widow	Retired:	11-26-01	Died:	02-16-17
Quepha K. Muller	Fire Widow	Retired:	08-03-11	Died:	02-28-17
Marie R. Mushaney	Fire Widow	Retired:	01-03-13	Died:	04-14-17
Jo Anne Wheeler	Fire Widow	Retired:	10-24-02	Died:	09-16-16
Helen G. Ostoich	Police Widow	Retired:	01-11-15	Died:	03-17-17
Ramona L. Preiss	Police Widow	Retired:	01-01-12	Died:	04-10-17
Eloise F. Wilson	Police Widow	Retired:	12-25-96	Died:	04-11-17

DISCONTINUED PENSIONS – TIER 4 – 1

Alicia L. Mathis	Fire Service	Retired:	06-20-15	Died:	03-27-17
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DISCONTINUED PENSIONS – TIER 5 – 2

Sterling T. Johnson	Fire Service	Retired:	07-01-11	Died:	04-03-17
Dennis W. Huddleston	Police Service	Retired:	11-01-02	Died:	02-03-17

DISCONTINUED PENSIONS FORMER SPOUSE – TIER 2 – 1

Lisa K. Pittman	Fire Service	Retired:	01-08-06	Member Died:	04-15-17
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ELIGIBLE SURVIVING SPOUSE'S PENSION – TIER 2 – 7

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Effective Date</u>
Eleanor R. Sampson	Donald E. Sampson	Fire Service	03-17-17
Patricia R. Board	Robert F. Board	Police Service	02-19-17
Phyllis L. Higgins	Glen M. Higgins	Police Service	03-05-17
Jessie M. Morgan	Theodore A. Morgan	Police Service	08-29-16
Lisa B. Ridenour	Laverne M. Ridenour	Police Service	03-09-17
Grace K. Smith	James S. Smith	Police Service	03-17-17
Rebecca H. Twiford	Gary A. Twiford	Police Service	04-10-17

ELIGIBLE SURVIVING SPOUSE'S PENSION – TIER 4 – 1

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Effective Date</u>
Todd A. Mathis	Alicia L. Mathis	Fire Service	03-28-17

ELIGIBLE SURVIVING SPOUSE'S PENSION – TIER 5 – 3

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Effective Date</u>
Colleen L. Johnson	Sterling T. Johnson	Fire Service	04-04-17
Diane L. Huddleston	Dennis W. Huddleston	Police Service	02-04-17
Virginia Pineda	Frank W. Adair	Police Service	04-07-17

SURVIVING CHILD'S PENSION – TIER 4 – 1

Surviving child benefits are now payable to Magdalena D. Mathis, surviving child of deceased Fire Captain I, Alicia L. Mathis, effective March 28, 2017, due to the continuation of full-time student status.

SURVIVING CHILD'S PENSION – TIER 5 – 1

Surviving child benefits are now payable to Elizabeth L. Moorman, surviving child of deceased Fire Captain II, David T. Moorman, effective February 6, 2017, due to the continuation of full-time student status.

DISCONTINUE SURVIVING CHILD'S PENSION – TIER 3 – 2

Discontinue the pension payable to Kenna M. Arana, surviving child of deceased Fire Captain I, Roberto Arana, effective May 1, 2017, due to the attainment of age 22 on May 2, 2017.

Discontinue the pension payable to Ryan A. Yip, surviving child of deceased Detective II, Nadine I. Hernandez, effective November 10, 2016, due to the attainment of age 22 on November 11, 2016.

PARTIAL PAYMENT OF PENSION – TIER 5 – 2

In accordance with the City Attorney's advice, a designated proportion of the community property interest of the pension payable to Raymond S. Jatkowski, Police Service Pensioner, is to be paid to his former spouse, Earlene Andrews, effective May 1, 2017. Ms. Andrews 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 Robert T. Tosaya, Fire Service Pensioner, is to be paid to his former spouse, Dinah L. Tosaya, effective May 16, 2017. Ms. Tosaya will receive cost of living adjustments.

MODIFIED 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 Reynaldo M. Delgado, Fire Service Pensioner, being withheld for his former spouse, Lisa Delgado, since March 26, 2017, should be released effective May 1, 2017. Ms. Delgado will receive cost of living adjustments.

MODIFIED PARTIAL PAYMENT OF PENSION – TIER 5 – 5

In accordance with the City Attorney's advice, a designated proportion of the community property interest of the pension payable to Andrew Chase, Police Service Pensioner, being withheld for his former spouse, Kobi L. Chase, since September 1, 2016, should be released effective May 1, 2017. Ms. Chase 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 Maurice W. Graham, Police Service Pensioner, being withheld for his former spouse, Shirley L. Haley-Graham, since February 8, 2015, should be released effective May 1, 2017. Ms. Haley-Graham 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 L. Rose, Police Service Pensioner, being withheld for his former spouse, Susan G. Rose, since June 1, 2016, should be released effective May 1, 2017. Ms. Rose 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 Jesus L. Valle, Police Service Pensioner, being withheld for his former spouse, Annette M. Meza, since October 1, 2016, should be released effective May 1, 2017. Ms. Meza 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 John N. Zambos, Police Service Pensioner, being withheld for his former spouse, Stephanie D. Vaughn, since February 1, 2016, should be released effective May 1, 2017. Ms. Vaughn will receive cost of living adjustments.

DISCONTINUED PARTIAL PAYMENT OF PENSION – TIER 2 – 1

In accordance with the City Attorney's advice, the designated proportion of the community property interest of the pension payable to Eugene V. Lyon, Police Service Pensioner, which was being withheld for Michael E. Lyon, the designated beneficiary of his deceased former spouse Beverly J. Lyon, has been discontinued. Mr. Lyon's portion reverts to the member, effective February 5, 2017.

CONSERVATORSHIP – TIER 1 – 1

A certified copy of the Letters of Conservatorship, issued in the District Court of Colorado, County of Larimer, Case Number 16 PR 30604, appointing Robert D. Clark, Conservator for Dorothy M. Clark, surviving spouse of deceased Firefighter, Robert L. Clark, effective January 25, 2017, has been filed with this office.

Pension payments will be paid to Robert D. Clark for the benefit of Dorothy M. Clark, effective May 1, 2017.

DEFERRED SERVICE PENSION – TIER 5 – 1

Police

Barbara A. Scallon	Police Officer III	Eff:	05-11-17	23 Years	47 Days
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SERVICE PENSION – TIER 3 – 1

Fire

Brian T. Brooks	Firefighter III	Eff:	04-18-17	23 Years	85 Days
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SERVICE PENSION/DROP – TIER 3 – 2

Police

Jeffrey E. Ennis	Police Officer III +1	Eff:	04-03-17	27 Years	267 Days
Danial J. Kern	Police Officer III	Eff:	04-06-17	27 Years	77 Days

SERVICE PENSION/DROP – TIER 4 – 1

Police

Vicki L. Gizzi	Detective III	Eff:	04-03-17	29 Years	3 Days
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SERVICE PENSION/DROP – TIER 5 – 6

Fire

Lance O. Keeble	Firefighter III	Eff:	03-02-17	30 Years	203 Days
Fred J. Mathis	Deputy Chief	Eff:	04-03-17	30 Years	152 Days

Police

Michael J. Mabie	Lieutenant I	Eff:	04-01-17	27 Years	217 Days
Patrick D. Olivier	Detective II	Eff:	04-03-17	27 Years	25 Days
Tyrhone D. Ragland	Police Officer II +2	Eff:	04-03-17	27 Years	79 Days
Ronald M. Walker	Sergeant I	Eff:	04-01-17	30 Years	126 Days

DISCONTINUE DROP – TIER 3 – 2

Police

Michael D. Henderson	Retired:	03-01-13	Exit Close of:	05-31-17
Mike Ybarra	Retired:	02-01-14	Exit Close of:	05-10-17

DISCONTINUE DROP – TIER 4 – 1

Police

Tamara L. Sower-Ramirez	Retired:	06-01-12	Exit Close of:	05-31-17
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DISCONTINUE DROP – TIER 5 – 16

Fire

Phillip E. Clark	Retired:	06-01-12	Exit Close of:	05-31-17
Joseph G. Scott	Retired:	06-01-12	Exit Close of:	05-31-17
Robert T. Tosaya	Retired:	05-16-12	Exit Close of:	05-15-17
Richard Vallin	Retired:	05-31-12	Exit Close of:	05-30-17
John N. Vidovich	Retired:	06-01-12	Exit Close of:	05-31-17

Police

Jeffrey L. Anderson	Retired:	06-01-12	Exit Close of:	05-31-17
John P. Dalbey	Retired:	05-10-12	Exit Close of:	05-09-17
Richard K. Eirich, Jr.	Retired:	04-02-13	Exit Close of:	05-31-17
Michael T. Maloney	Retired:	07-21-12	Exit Close of:	05-31-17
Raymond L. Maltez	Retired:	02-01-13	Exit Close of:	05-31-17
Manuel R. Ramirez	Retired:	06-01-12	Exit Close of:	05-31-17
Armando A. Reyes	Retired:	08-01-12	Exit Close of:	05-02-17
Bret D. Richards	Retired:	02-01-13	Exit Close of:	05-31-17
Gary E. Ross	Retired:	05-01-14	Exit Close of:	05-31-17
Marianus F. Von Korff	Retired:	06-01-12	Exit Close of:	05-31-17
John B. Wilson	Retired:	06-04-12	Exit Close of:	05-31-17

PARTIAL PAYMENT OF DROP FUNDS – TIER 5 – 3

In accordance with the City Attorney's advice, a designated proportion of the community property interest of the DROP funds payable to Michael T. Maloney, Police Service Pensioner, is to be paid to his former spouse, Teresa Kathleen Maloney-Wheiler, effective May 31, 2017.

In accordance with the City Attorney's advice, a designated proportion of the community property interest of the DROP funds payable to Robert T. Tosaya, Fire Service Pensioner, is to be paid to his former spouse, Dinah L. Tosaya, effective May 15, 2017.

In accordance with the City Attorney's advice, a designated proportion of the community property interest of the DROP funds payable to John B. Wilson, Police Service Pensioner, is to be withheld for his former spouse, Lorraine M. Wilson, effective May 31, 2017.

MODIFIED PARTIAL PAYMENT OF DROP FUNDS – TIER 5 – 3

In accordance with the City Attorney's advice, a designated proportion of the community property interest of the DROP funds payable to Brett C. Heron, Fire Service Pensioner, being withheld for his former spouse, Denise Heron, since May 31, 2016, should be released effective May 1, 2017.

In accordance with the City Attorney's advice, a designated proportion of the community property interest of the DROP funds payable to John N. Zambos, Police Service Pensioner, being withheld for his former spouse, Stephanie D. Vaughn, since January 31, 2016 should be released to John N. Zambos, effective May 1, 2017.

In accordance with the City Attorney's advice, a designated proportion of the community property interest of the DROP funds payable to Michael L. Rose, Police Service Pensioner, being withheld for his former spouse, Susan G. Rose, since May 31, 2016 should be released to his former spouse, Susan G. Rose, effective May 1, 2017.

b. Other business relating to Department operations

General Manager Ciranna gave the following update:

1. Discussed upcoming meeting agendas.

C. CONSIDERATION OF FUTURE AGENDA ITEMS

There were no items referred for consideration.

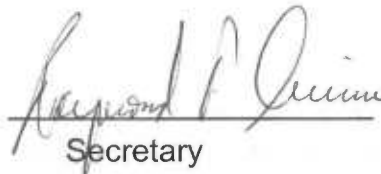
- E. CLOSED SESSION PURSUANT TO SUBDIVISIONS (a) AND (d)(1) OF GOVERNMENT CODE SECTION 54956.9 TO CONFER WITH, AND/OR RECEIVE ADVICE FROM, LEGAL COUNSEL REGARDING PENDING LITIGATION. CASE: LOS ANGELES POLICE PROTECTIVE LEAGUE, ET AL. V. BOARD OF FIRE AND POLICE PENSION COMMISSIONERS FOR THE CITY OF LOS ANGELES, ET AL. (CALIFORNIA COURT OF APPEAL CASE NO. B281868; CALIFORNIA SUPERIOR COURT CASE NO. BC489113).

The Board did not go into closed session. The item was continued to a subsequent meeting.

The meeting adjourned at 11:17 a.m.



President



Secretary