

MINUTES
OF THE
BOARD OF FIRE AND POLICE PENSION COMMISSIONERS
BOARD MEETING OF DECEMBER 7, 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, December 7, 2017.

COMMISSIONERS PRESENT: Corinne T. Babcock, Vice President
George Aliano
Ken Buzzell
Brian Pendleton
Pedram Salimpour, MD

COMMISSIONER ABSENT: Adam Nathanson
Ruben Navarro, President
Belinda Vega
Robert von Voigt

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

Vice-President Babcock called the meeting to order at 8:38 a.m. All the above-listed Commissioners were present at the start of the meeting.

A. ITEMS FOR BOARD ACTION

1. CONSENT OF ASSIGNMENT OF HEITMAN LLC'S CONTRACT AND POSSIBLE BOARD ACTION

The report was approved as submitted.

Resolution 18070

Commissioner Buzzell moved that the Board consent to the assignment of Heitman LLC's contract for real estate separate account management and commingled account management services and authorize the General Manager to sign the written consent on behalf of the

Board, which was seconded by Commissioner Salimpour and approved by the following vote: ayes, Commissioners Aliano, Buzzell, Pendleton, Salimpour, and Vice President Babcock – 5; nays, none.

2. AUDITED FINANCIAL STATEMENTS AS OF JUNE 30, 2017 AND POSSIBLE BOARD ACTION

Ms. Erin Kenney, Departmental Audit Manager, Internal Audit Section, introduced Ms. Melba Simpson, Partner, Ms. Grace Yuen, Partner and Ms. Etta Hur, Audit Manager from Simpson and Simpson who were available for questions from the Board.

Ms. Elsa Moy provided public comment.

The report was approved as submitted.

Resolution 18071

Commissioner Buzzell moved that the Board:

1. Adopt the System's Audited Financial Statements as of June 30, 2017; and,
2. Direct staff to provide copies of the adopted Audited Financial Statements to the State Controller and City Controller before December 31, 2017, which was seconded by Commissioner Aliano and approved by the following vote: ayes, Commissioners Aliano, Buzzell, Pendleton, Salimpour, and Vice President Babcock – 5; nays, none.

3. MEDICARE PART B PREMIUM REIMBURSEMENT MAXIMUMS FOR 2018 AND POSSIBLE BOARD ACTION

Ms. Eunice Zordilla, Senior Management Analyst I, Medical and Dental Benefits Section presented the report to the Board.

Commissioners Aliano and Buzzell discussed the safe harbor elimination with Ms. Zordilla and Mr. Greg Mack, Chief Benefits Analyst, Pensions Division.

Resolution 18072

Commissioner Salimpour moved that the Board implement a multiple tier Medicare Part B Premium Reimbursement, with a maximum monthly reimbursement amount of \$134.00, effective January 1, 2018,

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/standard 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/standard premiums effective January 1, 2018, are up to \$134.00 per month;

RESOLVED, that eligible members and eligible qualified surviving spouses/domestic partners shall have paid a monthly Medicare Part B premium reimbursement of up to \$134.00; and

RESOLVED, the Medicare premium reimbursement provided herein shall be applied to the December 31, 2017 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 individual reimbursement amounts are within the limits as set forth in the Los Angeles City Administrative Code, which was seconded by Commissioner Aliano and approved by the following vote: ayes, Commissioners Aliano, Buzzell, Pendleton, Salimpour, and Vice President Babcock – 5; nays, none.

4. STRATEGIC PLAN WORKSHOP/DISCUSSION AND POSSIBLE BOARD ACTION

The item was postponed to a future meeting date to be determined.

B. REPORTS TO THE BOARD

1. CONTRACTOR DISCLOSURE POLICY – QUARTERLY REPORT

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

2. Vice President Babcock 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 November 16, 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 November 16, 2017.

DISCONTINUED PENSIONS – TIER 1 – 3

Charles E. Bean	Police Disability	Retired:	10-14-76	Died:	09-19-17
Marilyn S. Adams	Police Widow	Retired:	08-19-15	Died:	10-15-17
Mildred E. Art	Police Widow	Retired:	04-25-09	Died:	09-14-17

DISCONTINUED PENSIONS – TIER 2 – 13

Jack C. Baxter	Fire Disability	Retired:	06-29-80	Died:	09-30-17
Herbert M. Brunwin	Fire Service	Retired:	05-15-94	Died:	09-28-17
Ray L. Johnson	Fire Service	Retired:	07-24-83	Died:	10-03-17
Clarence D. Brown	Police Service	Retired:	10-30-83	Died:	10-14-17
Thomas L. Carr	Police Service	Retired:	07-05-98	Died:	10-12-17
Chester J. Drahos	Police Service	Retired:	01-06-90	Died:	01-18-17
George L. Hart, Jr.	Police Service	Retired:	02-01-80	Died:	10-20-17
Richard M. Iverson	Police Service	Retired:	07-12-81	Died:	03-02-17
James R. Leinen	Police Service	Retired:	10-04-92	Died:	09-22-17
Robert M. Smitson	Police Service	Retired:	02-23-86	Died:	10-04-17
Allen K. Stone	Police Service	Retired:	10-26-76	Died:	09-29-17
Albert J. Ventura	Police Service	Retired:	07-05-98	Died:	09-29-17
Lorna E. Darden	Police Widow	Retired:	09-30-87	Died:	10-03-17

DISCONTINUED PENSIONS FORMER SPOUSE – TIER 2 – 2

Laura F. Couch	Fire Disability	Retired:	06-11-03	Died:	10-15-17
Corinne D. Leinen	Police Service	Retired:	09-01-94	Member Died:	09-22-17

ELIGIBLE SURVIVING SPOUSE'S PENSION – TIER 1 – 1

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Effective Date</u>
Mildred T. Bean	Charles E. Bean	Police Disability	09-20-17

ELIGIBLE SURVIVING SPOUSE'S PENSION – TIER 2 – 8

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Effective Date</u>
Mary V. Baxter	Jack C. Baxter	Fire Disability	10-01-17
Martha F. Dickens	Richard D. Dickens	Fire Service	09-12-17
Joan E. Eisentraut	William Eisentraut	Police Service	09-03-17
Corinne D. Leinen	James R. Leinen	Police Service	09-23-17
Sheila A. Pfost	Francis M. Pfost	Police Service	08-09-17
Frances G. Smith	Louis J. Smith	Police Service	09-20-17
Terry R. Smitson	Robert M. Smitson	Police Service	10-05-17
Gayle M. Ventura	Albert J. Ventura	Police Service	09-30-17

ELIGIBLE SURVIVING SPOUSE'S PENSION – TIER 4 – 1

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Effective Date</u>
Rhonda C. Parra	David M. Parra	Police Service	09-05-17

ELIGIBLE SURVIVOR BENEFIT PURCHASE PROGRAM – TIER 2 – 3

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Effective Date</u>
Pamela Brown	Clarence D. Brown	Police Service	10-15-17
Lynn C. Gicking	James D. Gicking	Police Service	09-21-17
Karen H. Dow	Clifford E. Dow	Police Disability	09-27-17

SURVIVING CHILD'S PENSION – TIER 3 – 1

Surviving child benefits are now payable to Charlene L. Lefever, surviving child of deceased Police Officer III, Kenneth C. Lefever, effective November 5, 2017 due to the attainment of age 18 and the continuation of full-time student status.

DECREASE SURVIVING SPOUSE'S PENSION – TIER 3 – 1

Decrease the pension payable to Susan Z. Lefever, surviving spouse of deceased Police Officer III, Kenneth C. Lefever, due to the attainment of age 18 by Charlene L. Lefever, effective November 5, 2017.

DISCONTINUE SURVIVING CHILD'S PENSION – TIER 3 – 2

Discontinue the pension payable to Bryan P. Esparza, surviving child of deceased Detective II, Jeffery T. Esparza, effective August 1, 2017, due to the discontinuance of full-time student status.

Discontinue the pension payable to Summer L. Morales-Schneider, surviving child of deceased Police Officer III, Jerome J. Morales, effective July 1, 2017, due to the discontinuance of full-time student status.

DISCONTINUE SURVIVING CHILD'S PENSION – TIER 5 – 3

Discontinue the pension payable to Christopher G. Adams, surviving child of deceased Police Officer II, Marian L. Adams, effective August 1, 2017, due to the discontinuance of full-time student status.

Discontinue the pension payable to Grant R. Reich, surviving child of deceased Police Officer III, Robert S. Reich, effective August 1, 2017, due to the discontinuance of full-time student status.

Discontinue the pension payable to Brandon L. Robinson, surviving child of deceased Firefighter III, Steven L. Robinson, effective August 1, 2017, due to the discontinuance of full-time student status.

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 Charles M. Daniel, Police Service Pensioner, is to be paid to his former spouse, Sheila A. Daniel, effective November 1, 2017. Ms. Daniel will receive cost of living adjustments.

PARTIAL PAYMENT OF PENSION – TIER 5 – 1 **CORRECTION**

In accordance with the City Attorney's advice, a designated proportion of the community property interest of the pension payable to Kevin W. Smith, Police Service Pensioner, is to be withheld for his former spouse, Terri Nelson Smith, effective **October 13, 2017**.

MINOR CHILD'S PENSION – GUARDIANSHIP – TIER 3 – 1

A certified copy of the Letters of Guardianship for the Estate of Ava Victoria Gross, issued on October 18, 2017 in the State of California, Superior Court of California County of Los Angeles, Case Number 17STPB00887, appointing Michael Gross, Guardian for Ava Victoria Gross, minor child of deceased Detective II, Nadine I. Hernandez, effective October 18, 2017, has been filed with this office.

Pension payments will be paid to Michael Gross for the benefit of Ava Victoria Gross, effective October 12, 2016.

DEFERRED SERVICE PENSION – TIER 3 – 2

Police

Rina M. Kelly	Police Officer II	Eff:	10-28-17	10	Years	216	Days
Jason M. Pedro	Police Officer III	Eff:	11-08-17	15	Years	314	Days

SERVICE PENSION/DROP – TIER 3 – 3

Police

Francine A. Briscoe	Police Officer II	Eff:	09-01-17	26	Years	279	Days
David A. Ferry	Lieutenant II	Eff:	10-01-17	27	Years	217	Days
Angie M. Whetstone	Police Officer III	Eff:	10-02-17	28	Years	55	Days

SERVICE PENSION/DROP – TIER 5 – 5

Fire

Alan K. Babin	Inspector I	Eff:	08-01-17	28	Years	0	Days
Julie H. Wolfe	Engineer	Eff:	08-01-17	29	Years	243	Days

Police

Susan M. Antenucci	Detective III	Eff:	10-04-17	28	Years	308	Days
Fernando Carrasco	Sergeant II	Eff:	10-03-17	26	Years	351	Days
Craig A. Sacha	Detective I	Eff:	10-02-17	26	Years	326	Days

DISCONTINUE DROP – TIER 5 – 4

Fire

Kevin D. Mokracek	Retired:	10-07-16	Exit Close of:	11-07-17
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Police

Todd C. Chamberlain	Retired:	12-01-12	Exit Close of:	11-30-17
Ho J. Kim	Retired:	12-03-12	Exit Close of:	11-30-17
Peggy E. Thusing	Retired:	12-01-12	Exit Close of:	11-30-17

DISCONTINUE DROP – TIER 5 – 1 CORRECTION

Police

Kevin W. Smith	Retired:	01-04-16	Exit Close of:	10-12-17
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PARTIAL PAYMENT OF DROP FUNDS – TIER 5 – 1 CORRECTION

In accordance with the City Attorney's advice, a designated proportion of the community property interest of the DROP funds payable to Kevin W. Smith, Police Service Pensioner, is to be withheld for his former spouse, Terri Nelson Smith, effective **October 12, 2017**.

ELIGIBLE MINOR CHILD/CHILDREN APPLICATION – TIER 3 – 1

<u>Name</u>	<u>Member's Rank</u>	<u>Effective Date</u>
Ava V. Gross (Nadine I. Hernandez)	Detective II	10-12-16

b. Other business relating to Department operations

General Manager Ciranna gave the following updates:

1. The Strategic Plan Session will be rescheduled once a date has been selected.
2. The Plan is currently over \$22 billion.
3. The Board meeting scheduled for Thursday, December 21, 2017 may be moved to Wednesday, December 20, 2017.

C. CONSENT ITEMS

1. Findings of Fact

- a. Shelley L. Ramirez – Tier 5
- b. Thomas W. Hunt, surviving spouse of Carole L. Hunt – Tier 5

2. Approval of Minutes

- a. Minutes of the Regular Board Meetings of May 18, 2017 and June 1, 2017
- b. Minutes of the Special Board Meeting of May 11, 2017

Motion

Commissioner Salimpour moved that the Board approve the consent items, which was seconded by Commissioner Buzzell and approved by the following vote: ayes, Commissioners Aliano, Buzzell, Pendleton, Salimpour, and Vice President Babcock – 5; 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

There were no public comments.

The meeting was adjourned at 8:58 a.m. in honor of firefighters, police officers, and all first responders throughout Los Angeles county.



President



Secretary