

**MINUTES**  
**OF THE**  
**BOARD OF FIRE AND POLICE PENSION COMMISSIONERS**  
**BOARD MEETING OF JANUARY 18, 2018**

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, January 18, 2018.

COMMISSIONERS PRESENT: Ruben Navarro, President  
Corinne T. Babcock, Vice President  
George Aliano  
Brian Pendleton  
Pedram Salimpour, MD  
Robert von Voigt

COMMISSIONER ABSENT: Ken Buzzell  
Adam Nathanson  
Belinda Vega

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 Navarro called the meeting to order at 8:35 a.m. All the above-listed Commissioners were present at the start of the meeting with the exception of Commissioner Salimpour who arrived at 8:58 a.m.

**A. ITEMS FOR BOARD ACTION**

**1. AMENDMENT TO BOARD OPERATING POLICIES AND PROCEDURES SECTION 5.5:  
PURCHASE OF SERVICE CREDIT AND POSSIBLE BOARD ACTION**

Ms. Robyn Wilder, Chief Benefits Analyst, Pensions Division presented the report to the Board. The report was approved as submitted.

Resolution 18087

Commissioner von Voigt moved that the Board approve the proposed amendment to Board Operating Policies and Procedures, Section 5.5: Purchase of Service Credit, which was

seconded by Commissioner Babcock and approved by the following vote: ayes, Commissioners Aliano, Babcock, Pendleton, von Voigt, and President Navarro – 5; nays – none.

2. SECOND QUARTER UPDATE FOR THE 2017-18 BUSINESS PLAN AND POSSIBLE BOARD ACTION

Ms. Diana Pointer, Senior Management Analyst II, Administrative Services Section presented the report to the Board. The report was approved as submitted.

Resolution 18088

Commissioner von Voigt moved that the Board:

- 1) Authorize a revision to the March 31, 2018 milestone and related narrative for Project No. 1 – Portfolio Risk Analysis; and
- 2) Authorize a revision to the December 31, 2017 milestone and related narrative for Project No. 5 – PARIS (Pensions and Retirement Information System) Implementation, which was seconded by Commissioner Pendleton and approved by the following vote: ayes, Commissioners Aliano, Babcock, Pendleton, von Voigt, and President Navarro – 5; nays – none.

3. AUTHORITY FOR CUSTODIAN BANK TO PAY ALL INVESTMENT RELATED FEES AND EXPENSES AND POSSIBLE BOARD ACTION

Ms. Carmen Velazquez, Management Analyst, and Mr. Tom Lopez, Chief Investment Officer, Investments Division presented the report to the Board. The report was approved as submitted.

Resolution 18089

Commissioner Aliano moved that the Board authorize staff to process all investment related fees and expenses, including but not limited to proxy services and consulting fees, through LAFPP's Custodian Bank (Northern Trust), which was seconded by Commissioner von Voigt and approved by the following vote: ayes, Commissioners Aliano, Babcock, Pendleton, von Voigt, and President Navarro – 5; nays – none.

4. APPROVAL OF CONTRACTS FOR INDEPENDENT MEDICAL EXAM SERVICES AND RECORD REVIEWS AND POSSIBLE BOARD ACTION

Mr. James Yeung, Internal Auditor IV, Internal Audit Section 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. Diana Anderson, Senior Management Analyst II, Disability Pensions Section presented the report to the Board. Commissioner Aliano stated that the firms were satisfactory, and Commissioner von Voigt discussed with Ms. Anderson and General Manager Ciranna whether there was room to negotiate the cost of services. General Manager Ciranna advised the Board that staff will report back in a year on their overall satisfaction with the two firms and may consider having the firms collect member medical records in the future.

Resolution 18090

Commissioner Aliano moved that the Board:

- 1) Approve Staff's selection of ExamWorks, Inc. and QTC Medical Group, Inc. to provide independent medical exam services and record reviews for a three-year term; and
  - 2) Authorize the General Manager to negotiate and execute the terms and conditions of the contracts; and
  - 3) Authorize the President of the Board, on behalf of the Board, to execute the contracts, subject to the approval of the City Attorney, as to form, which was seconded by Commissioner Pendleton and approved by the following vote: ayes, Commissioners Aliano, Babcock, Pendleton, von Voigt, and President Navarro – 5; nays – none.
5. AMENDMENT TO BOARD OPERATING POLICIES AND PROCEDURES SECTION 3.4: DISABILITY APPLICATION PROCESS AND POSSIBLE BOARD ACTION

Ms. Diana Anderson, Senior Management Analyst II, Disability Pensions Section presented the report to the Board.

Commissioner Aliano requested that any written correspondence sent to members in relation to the amended policy be sent by registered or certified mail.

Resolution 18091

Commissioner Aliano moved that the Board approve the proposed amendments to Board Operating Policies and Procedures, Section 3.4: Disability Application Process, which was seconded by Commissioner Babcock and approved by the following vote: ayes, Commissioners Aliano, Babcock, Pendleton, von Voigt, and President Navarro – 5; nays – none.

Item F was taken out of order.

F. DISABILITY CASES

Alternative 2

Port Police Officer III Sonia Estevez. Officer Estevez will be represented by Thomas J. Wicke, Esq. of Lewis, Marenstein, Wicke, Sherwin and Lee.

President Navarro stated that the case was withdrawn prior to the meeting.

## B. REPORTS TO THE BOARD

*Commissioner Salimpour joined the Board meeting at 8:58 a.m.*

Item B.3 was taken out of order.

### 3. SEMI-ANNUAL REAL ESTATE PORTFOLIO PERFORMANCE REPORT BY TOWNSEND GROUP

Ms. Jennifer Young Stevens, Principal, and Mr. Robert Miranda, Vice President of The Townsend Group presented their report to the Board. Commissioner Salimpour asked if recent laws enacted by City Council have affected commercial rents in Los Angeles and Ms. Young Stevens replied that there hasn't been a noticeable increase. The report was received and filed.

*Mr. Joshua Geller took the City Attorney Chair at this time.*

#### 1. DISABILITY PENSIONS EDUCATIONAL SESSION

Ms. Diana Anderson, Senior Management Analyst II, Disability Pensions Section and Mr. Greg Mack, Chief Benefits Analyst, Pensions Division gave an overview of the disability pension process to the Board.

The Board discussed clear and convincing evidence requirements, job availability, the rating chart, and Workers' Compensation with Ms. Anderson and Mr. Mack.

Ms. Corina Lee, Los Angeles Police Protective League provided public comment.

#### 2. UPDATE TO THE BOARD ON AD HOC COMMITTEE ON RETIREE HEALTH PLANS

Ms. Eunice Zordilla, Senior Management Analyst I, Medical and Dental Benefits Section provided the following updates to the Board:

1. The committee met on Tuesday, January 16, 2018.
2. The focus continues to be the dependent coverage portion of the Medicare Subsidy calculation.
3. Staff is currently reviewing information provided by Bradawn, Inc., Health Plan Consultant to LAPRA and LAFRA, as requested by the committee. Staff will have a presentation at the next Ad Hoc committee meeting.
4. The committee requested that the associations come back to the next Ad Hoc committee meeting with possible Medicare Supplement/Advantage information and any other cost savings options for discussion.
5. The committee recommended that the Board extend the operations agreements through June 30, 2018.



*The Board recessed the regular meeting at 10:07 a.m. to convene the Special Board meeting. The regular meeting reconvened at 10:26 a.m.*

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

4. QUARTERLY TRAVEL REPORT FOR COMMISSIONERS AND STAFF

The report was received and filed.

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

6. General Manager’s Report

a. Monthly Report

b. Marketing Cessation Information

c. Benefits Actions approved by General Manager on January 4, 2018

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 January 4, 2018.

DISCONTINUED PENSIONS – TIER 2 – 10

Richard N. Wahrenbrock	Fire Disability	Retired:	05-29-88	Died:	11-04-17
Jack V. Ross	Fire Service	Retired:	02-01-78	Died:	11-19-17
Loth Westerman, Jr.	Fire Service	Retired:	02-26-90	Died:	11-15-17
Thomas D. Armstrong	Police Service	Retired:	01-11-74	Died:	10-30-17
Gilbert M. Loust	Police Service	Retired:	06-29-80	Died:	11-13-17
Stephen C. Coker	Police Disability	Retired:	09-06-00	Died:	12-04-17
Richard R. Stein	Police Disability	Retired:	09-30-75	Died:	12-08-17
Vicki S. Potter	Police Widow	Retired:	02-24-81	Died:	12-10-17
Jean C. Sheehy	Police Widow	Retired:	06-11-16	Died:	11-27-17
Jeanette M. Woolley	Police Widow	Retired:	04-25-01	Died:	11-20-17

SERVICE PENSION/DROP – TIER 4 – 1

Police

Michael C. Brausam	Detective III	Eff:	12-01-17	30	Years	10	Days
--------------------	---------------	------	----------	----	-------	----	------

SERVICE PENSION/DROP – TIER 5 – 5

Fire

Eric S. Anderson	Captain I	Eff:	02-01-17	30	Years	63	Days
Bennie L. Williams	Firefighter III	Eff:	09-05-17	28	Years	13	Days

Police

Sonia L. Dibell	Police Officer II	Eff:	11-01-17	28	Years	232	Days
Ronnie Kershner Gilder	Police Officer III	Eff:	11-16-17	25	Years	26	Days
Michael W. Mullins	Police Officer III	Eff:	12-01-17	28	Years	243	Days

d. Other business relating to Department operations

General Manager Ciranna gave the following updates:

1. The annual report has been finalized and was posted to the LAFPP website on January 3, 2018. The report will be distributed to the Mayor, City Council and stakeholders.
2. Point-of-Service Surveys annual results – 184 surveys were received with an average rating of 9.7 out of a possible 10.
3. Airport Police transfers to Tier 6 - eighteen counseling sessions were held with 43 officers electing to transfer to LAFPP. Effective January 7, 2018, all new Airport Police hires will be part of the LAFPP system.
4. Conflict of Interest Code (COI) update - there are some minor changes to the reporting categories this year. The City Ethics Commission is working with Staff to ensure that this year's COI is adopted by the City Council.
5. Three Board members still need to complete the Ethics training by January 31, 2018.
6. The Investment Staff met with REAMS and was able to execute three trades for short-term governmental agency securities that will result in better yields than Northern Trust.

Commissioner Aliano stated that he spoke to Mr. Tom Lopez, Chief Investment Officer, Investments Division regarding whether there was a plan in place in the event of down market conditions. Commissioner Aliano also mentioned the new initiatives that Councilmember Koretz would like to implement regarding climate change.

C. CONSENT ITEMS

1. Approval of Minutes

- a. Minutes of the Regular Board meetings of June 15, 2017, July 6 and 20, 2017, August 3 and 17, 2017, and September 7, 2017

2. Findings of Fact

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

Motion

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

D. CONSIDERATION OF FUTURE AGENDA ITEMS

President Navarro asked if UFLAC could attend a future meeting to discuss their health savings account and high deductible health plan.

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

There were no public comments.

G. CLOSED SESSION

1. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.81 TO CONSIDER THE SALE OF ONE (1) PARTICULAR, SPECIFIC PENSION FUND INVESTMENT AND POSSIBLE BOARD ACTION

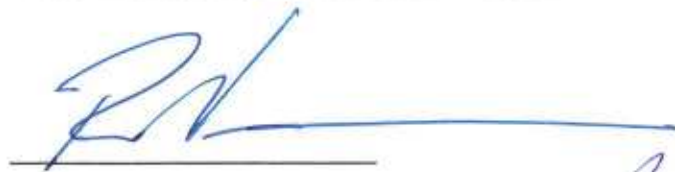
The Board met in closed session.

2. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.81 TO CONSIDER THE PURCHASE OF THREE (3) PARTICULAR, SPECIFIC INVESTMENTS AND POSSIBLE BOARD ACTION

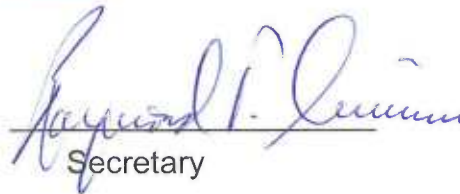
The Board met in closed session.

Upon reconvening in open session, President Navarro stated there was nothing to report.

The meeting was adjourned at 11:30 a.m.



President



Secretary