

CORRECTED M I N U T E S

OF THE

BOARD OF FIRE AND POLICE PENSION COMMISSIONERS

SPECIAL EDUCATIONAL OFFSITE MEETING OF FEBRUARY 22, 2017

The Board of Fire and Police Pension Commissioners of the City of Los Angeles met at the California Endowment, Yosemite Room, 1000 N. Alameda Street, Los Angeles 90012 on Wednesday, February 22, 2017.

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

COMMISSIONERS ABSENT: Sam Diannitto
Adam Nathanson

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

Mr. William Raggio, Executive Officer and facilitator of the meeting, called the meeting to order at 8:02 a.m. All the above-listed Commissioners were present at the start of the meeting.

A. GENERAL MANAGER'S REPORT

1. Business relating to Department operations

Mr. Raggio welcomed everyone to the ~~tenth~~ ninth Annual Offsite Educational meeting. He thanked the representatives from other City departments, the various relief and retirement associations and stakeholders for their participation, and the California Endowment for hosting the event. Mr. Raggio requested that all attendees complete the evaluation survey at the end each session.

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

Public comment was provided by Ms. Elsa Moy.

Mr. Raggio provided an overview of the meeting and introduced the first speaker, Mr. Daniel J. Phillips, Vice President, from Northern Trust.

2017 Outlook: Upward Bound

Mr. Phillips provided an overview of the current economic environment and answered questions from the Board. The Board discussed Real Estate Investment Trusts (REIT), health care and asset class changes, and the BREXIT impact on stock markets with Mr. Phillips.

Health Care Reform and Market Update

Mr. Raggio introduced Mr. Steve Gedestad, Municipality Practice Leader, from Keenan & Associates. Mr. Gedestad provided an update on the future of the Affordable Care Act (ACA), including possible alternatives and the impact on Medicare if the ACA is repealed, and answered questions from the Board and the audience. The Board discussed increasing health care costs with Mr. Gedestad.

The Board recessed for break at 9:56 a.m. and reconvened at 10:14 a.m.

Financial Planning Education – Guiding Members from Early Career through Retirement

Mr. Raggio introduced Mr. Robert Hinkel, Financial Advisor, from Cambridge Financial Partners, LLC. Mr. Hinkel provided an overview of the financial planning education program for LAFPP members and the plan for future financial counseling programs. The Board discussed the scope of the financial counseling program with Mr. Hinkel.

Recent Trends in Actuarial Assumptions

Mr. Raggio introduced Mr. Paul Angelo, FSA, MAAA, FCA, EA, Senior Vice President and Actuary, from Segal Consulting. Mr. Angelo provided the Board an understanding of the trends in assumptions recommended in recent experience studies, as well as recent Actuarial Standards Board activities and answered questions from the Board. The Board discussed asset smoothing and the assumed rate of return with Mr. Angelo.

The meeting recessed for lunch at 12:19 pm and reconvened at 1:04 p.m.

LAFPP: The Plan, Facts and Figures

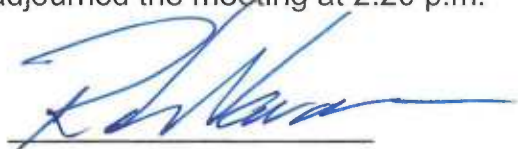
Mr. Ray Ciranna, General Manager of Los Angeles Fire and Police Pensions, provided the Board with an overview of the Plan, including benefits administered, membership changes, and financial

data. General Manager Ciranna thanked Mr. Stephen Bayutas, Benefits Specialist, Communications and Education Section, for his work in preparing the slide presentation. The Board discussed hiring projections for LAFD and LAPD and their impact on the pension fund.

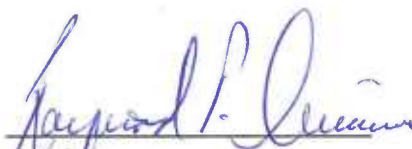
Future Agenda Items

1. Commissioner Salimpour requested more information on health subsidy costs as compared to all benefits paid by the Plan.
2. Commissioner Navarro asked for more information on the financial planning/counseling program.

Mr. William Raggio thanked Ms. Rhonda Ketay, Commission Executive Assistant, Ms. Evange Masud, Executive Administrative Assistant, and Ms. Jennifer Shimatsu, Management Assistant for their help with the logistics of the meeting. President Salimpour asked for a round of applause for staff and adjourned the meeting at 2:20 p.m.



President



Secretary