

**MINUTES**  
**OF THE**  
**BOARD OF FIRE AND POLICE PENSION COMMISSIONERS**  
**SPECIAL BOARD MEETING OF DECEMBER 19, 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 Tuesday, December 19, 2017.

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

COMMISSIONERS ABSENT: 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 Navarro 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 Vega who arrived at 8:39 a.m.

**A. ITEMS FOR BOARD ACTION**

Item A.3 was taken out of order.

**3. AMENDMENT TO BOARD OPERATING POLICIES AND PROCEDURES SECTION 3.4:  
DISABILITY APPLICATION PROCESS AND POSSIBLE BOARD ACTION**

Ms. Diana Anderson, Manager, Disability Pensions Section presented the report to the Board. Mr. Greg Mack, Chief Benefits Analyst, Pensions Division and Ms. Anderson discussed the report with the Board.

*Commissioner Vega joined the meeting at 8:39 a.m.*

Mr. Thomas Wicke provided public comment.

The Board continued to the item to January 18, 2018.

1. STRATEGIC PLAN WORKSHOP/DISCUSSION AND POSSIBLE BOARD ACTION

Mr. Bill Chiat facilitated the workshop and ensuing discussion.

Section Managers each provided a five-minute presentation to the Board as follows:

Mr. Tom Lopez, Investments Division

Ms. Robyn Wilder, Active Member Services Section

Ms. Diana Anderson, Disability Pension Section

Ms. May Simmons, DROP/Service Pensions Section

Ms. Eunice Zordilla, Medical and Dental Benefits Section

Mr. Kyle Susswain, Retirement Services Section

Mr. Anthony Torres, PASCo Section

Ms. Carol Tavares, Communications & Education Section

Ms. Yolanda Huang, Accounting Section

Ms. Diana Pointer and Mr. James Schiffhauer, Administrative Services Section

Mr. Bob Yan, Systems Section

Ms. Erin Kenney, Internal Audit Section

The Commissioners discussed the mission statement and the strategic plan for the Department over the next three years.

*Commissioners Buzzell and Nathanson left the meeting at 11:30 a.m.*

2. ACCEPTANCE OF MONETARY GIFT FROM THE ESTATE OF ADORA LORRAINE PULLIAM

The report was approved as submitted.

Resolution 18073

Commissioner Pendleton moved that the Board:

1. Accept the monetary gift of \$5,000 from the Estate of Mrs. Adora Lorraine Pulliam; and
  2. Thank the Estate of Mrs. Adora Lorraine Pulliam for its generous gift, which was seconded by Commissioner von Voigt and approved by the following vote: ayes, Commissioners Aliano, Babcock, Pendleton, Vega, von Voigt, and President Navarro – 6; nays – none.
4. 2<sup>nd</sup> REQUEST TO SUSPEND WORKERS' COMPENSATION RECAPTURE OF LUKE BUTNICK, DISABILITY PENSIONER AND POSSIBLE BOARD ACTION

The report was approved as submitted.

Resolution 18074

Commissioner von Voigt moved that the Board grant the request of Luke Butnick, a disability pensioner, to suspend the recapture of his Workers' Compensation award for another six months effective January 1, 2018 to June 30, 2018, which was seconded by Commissioner Vega and approved by the following vote: ayes, Commissioners Aliano, Babcock, Pendleton, Vega, von Voigt, and President Navarro – 6; nays – none.

5. BUSINESS CONTINUITY AND DISASTER RECOVERY PLAN AUDIT (IAS NO. 17-07) AND POSSIBLE BOARD ACTION

Ms. Erin Kenney, Departmental Audit Manager, Internal Audit Section and Mr. James Yeung, Internal Auditor IV discussed IAS No. 17-07. The report was approved as submitted.

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

Resolution 18075

Commissioner Aliano moved that the Board review, receive, and file the Business Continuity and Disaster Recovery Plan Audit (IAS No. 17-07), which was seconded by Commissioner Pendleton and approved by the following vote: ayes, Commissioners Aliano, Babcock, Pendleton, Vega, von Voigt, and President Navarro – 6; nays – none.

6. PROPOSED CHANGE TO ADMINISTRATIVE POLICIES AND PROCEDURES SECTION 4.020 – TUITION REIMBURSEMENT AND POSSIBLE BOARD ACTION

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

Ms. Jennifer Barnych, Management Analyst, and Mr. Jim Schiffhauer, Senior Personnel Analyst I, Administrative Services Section discussed past Department policies and current tuition costs for California State University students. The Board asked for clarification regarding the time limits allowed for completion of courses and service obligations to the Department.

Resolution 18076

President Navarro moved that the Board approve the revision to the Department's tuition reimbursement program (Administrative Policies and Procedures Section 4.020 - Tuition Reimbursement), to change the tuition reimbursement limit to \$6,000 per fiscal year for undergraduate programs and \$7,000 per fiscal year for graduate programs, retroactive to the Fall 2017 term, which was seconded by Commissioner Babcock and approved by the following vote: ayes, Commissioners Aliano, Babcock, Pendleton, Vega, von Voigt, and President Navarro – 6; nays – none.

7. REVIEW OF BLACKROCK INSTITUTIONAL TRUST COMPANY, N.A.'S CONTRACT FOR

## INTERNATIONAL EQUITY INDEX AND POSSIBLE BOARD ACTION

Ms. Erin Kenney, Departmental Audit Manager, 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. Annie Chao, Investments Division was available for questions. The report was approved as submitted.

### Resolution 18077

Commissioner Aliano moved that the Board:

1. Approve a new three-year contract with BlackRock Institutional Trust Company, N.A. for international equity index management services;
  2. Authorize the General Manager to negotiate the terms and conditions of the contract with BlackRock Institutional Trust Company, N.A. for international equity index management services for the period of February 1, 2018 to January 31, 2021; and,
  3. Authorize the President of the Board, on behalf of the Board, to execute the contract with BlackRock Institutional Trust Company, N.A. for international equity index management services, subject to the approval of the City Attorney as to form and legality, which was seconded by Commissioner Pendleton and approved by the following vote: ayes, Commissioners Aliano, Babcock, Pendleton, Vega, von Voigt, and President Navarro – 6; nays – none.
8. CHIEF INVESTMENT OFFICER'S QUARTERLY REPORT OF ASSET ALLOCATION STATUS AND POSSIBLE BOARD ACTION

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

Ms. Elsa Moy provided public comment.

### Resolution 18078

Commissioner Aliano 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 Vega and approved by the following vote: ayes, Commissioners Aliano, Babcock, Pendleton, Vega, von Voigt, and President Navarro – 6; nays – none.

## B. REPORTS TO THE BOARD

1. UPDATE TO THE BOARD - AD HOC COMMITTEE ON RETIREE HEALTH PLANS

General Manager Ciranna discussed the meeting held on December 11, 2017 which was facilitated by Ms. Corina Lee from the Los Angeles Police Protective League. Subjects discussed included education, subsidies, member vs dependent subsidy, and some cost reduction items. A meeting has been tentatively scheduled for January 8, 2018.

President Navarro discussed his concerns with the differences in the benefits offered to Police Officers and Firefighters. Commissioner Aliano reiterated that current plans will not be dropped or reduced.

Commissioner Pendleton stated that good progress was made at the meeting and anticipates that reports from the associations will be received by staff for review prior to the next meeting.

2. Miscellaneous correspondence from money managers, consultants, etc. – Received and Filed.
3. General Manager's Report
  - a. Monthly Report
  - b. Marketing Cessation Information
  - c. Benefits Actions approved by General Manager on December 7, 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 December 7, 2017.

DISCONTINUED PENSIONS – TIER 1 – 2

Lorena S. Cerda	Police Widow	Retired:	10-16-16	Died:	09-21-17
Lucille E. Donelson	Police Widow	Retired:	09-22-85	Died:	03-27-17

DISCONTINUED PENSIONS – TIER 2 – 24

Richard E. Gault	Fire Service	Retired:	01-05-78	Died:	10-09-17
Arthur G. Johnson	Fire Service	Retired:	06-01-78	Died:	01-04-17
Rollin B. Bell	Police Service	Retired:	09-17-68	Died:	11-06-17
Glennis E. Brents	Police Service	Retired:	07-03-84	Died:	10-20-17
Clyde L. Cronkhite	Police Service	Retired:	01-12-86	Died:	10-28-17
Willis E. Dismukes	Police Service	Retired:	05-01-75	Died:	04-04-17
Richard J. Fox	Police Service	Retired:	06-27-93	Died:	08-05-17
Claude M. Harris, Jr.	Police Service	Retired:	04-04-93	Died:	11-11-17
Willard J. Lehman	Police Service	Retired:	09-01-69	Died:	10-10-17
Ray I. Peabody	Police Service	Retired:	06-30-78	Died:	10-10-17
John Rubalcava	Police Service	Retired:	06-29-80	Died:	10-13-17
Fred G. Valles, Jr.	Police Service	Retired:	03-23-72	Died:	10-24-17

Obe O. Doan	Fire Disability	Retired:	06-29-82	Died:	11-09-17
John F. Gamrat	Fire Disability	Retired:	08-26-99	Died:	09-07-17
Ralph G. Nelson	Fire Disability	Retired:	04-12-96	Died:	10-04-17
William D. Rose	Fire Disability	Retired:	01-18-79	Died:	10-09-17
Jean Kime	Fire Widow	Retired:	12-30-07	Died:	10-02-17
Goldie F. Murray	Fire Widow	Retired:	01-23-04	Died:	10-13-17
Virginia E. Nelson	Fire Widow	Retired:	02-14-06	Died:	09-19-17
Susan Nunnally	Fire Widow	Retired:	03-14-16	Died:	10-17-17
Lorraine C. Rios	Fire Widow	Retired:	05-29-03	Died:	10-05-17
Eunice V. Bryant	Police Widow	Retired:	01-05-03	Died:	10-27-17
Dawn M. Hagele	Police Widow	Retired:	03-11-80	Died:	10-12-17
Phyllis E. Reed	Police Widow	Retired:	02-14-98	Died:	10-28-17

DISCONTINUED PENSIONS – TIER 3 – 1

Lawrence J. Roberts	Fire Disability	Retired:	02-02-00	Died:	10-23-17
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MODIFIED PARTIAL PAYMENT OF PENSION – TIER 5 – 1

In accordance with the City Attorney’s advice, a designated proportion of the community property interest of the pension payable to Denton T. Waite, Fire Disability Pensioner, is to be paid to his former spouse, Sandra L. Waite, beginning December 1, 2017. Ms. Waite will receive cost of living adjustments.

SERVICE PENSION/DROP – TIER 5 – 5

Fire

Jorge G. Iracheta	Firefighter III	Eff:	10-13-17	25	Years	0	Days
Charles Razo	Captain I	Eff:	02-01-17	30	Years	88	Days
Michael K. Reitmayer	Captain II	Eff:	02-06-17	28	Years	315	Days
Martin A. Rivera	Captain I	Eff:	02-01-17	29	Years	207	Days
Caesar J. Rubic	Engineer	Eff:	02-01-17	26	Years	26	Days

ELIGIBLE SURVIVING SPOUSE APPLICATION – TIER 3 – 1

<u>Name</u>	<u>Member’s Rank</u>	<u>Type % Rate</u>	<u>Effective Date</u>
Chieko K. Bonney (Bill Bonney)	Police Officer II	NSC w/o prejudice: 80% of pension benefit	10-28-17

d. Other business relating to Department operations

General Manager Ciranna gave the following updates:

1. 43 members of the Airport Police have elected to transfer from LACERS to LAFPP.

2. As of November 30, 2017 the Plan's investment return in the fiscal year is over 6%.

C. CONSIDERATION OF FUTURE AGENDA ITEMS

There were no items referred for future consideration.

*Commissioner Babcock left the board room for the remainder of the meeting at 12:12 p.m.*


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

Ms. Elsa Moy provided public comment.

The meeting adjourned at 12:15 p.m.



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President

  
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Secretary