

**MINUTES**  
**OF THE**  
**BOARD OF FIRE AND POLICE PENSION COMMISSIONERS**  
**BOARD MEETING OF AUGUST 2, 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, August 2, 2018.

**COMMISSIONERS PRESENT:** Corinne T. Babcock, President  
Adam Nathanson, Vice President  
Ken Buzzell  
Ruben Navarro  
Brian Pendleton  
Pedram Salimpour, MD  
Belinda Vega  
Robert von Voigt (participated telephonically)

**COMMISSIONERS ABSENT:** George Aliano

**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:** Anya Freedman, Deputy City Attorney

President Babcock called the meeting to order at 8:31 a.m. All the above-listed Commissioners were present at the start of the meeting.

**A. ITEMS FOR BOARD ACTION**

**1. REVIEW OF BOSTON COMMON ASSET MANAGEMENT INTERNATIONAL EQUITY CONTRACT AND POSSIBLE BOARD ACTION**

The report was approved as submitted.

Resolution 19015

Commissioner Navarro moved that the Board:

1. Approve a three-year contract with Boston Common Asset Management for international equity management services;
2. Authorize the General Manager to approve the terms and conditions with Boston Common Asset Management for international equity management services for the period October 1, 2018 through September 30, 2021; and,
3. Authorize the President of the Board, on behalf of the Board, to execute the contract with Boston Common Asset Management for international equity 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 Nathanson, Navarro, Pendleton, Salimpour, Vega, von Voigt, and President Babcock – 7; nays – Commissioner Buzzell - 1.

2. REVIEW OF REDWOOD INVESTMENTS, LLC DOMESTIC LARGE CAP CORE EQUITY CONTRACT AND POSSIBLE BOARD ACTION

The report was approved as submitted.

Resolution 19016

Commissioner Navarro moved that the Board:

1. Approve a three-year contract with Redwood Investments, LLC for domestic large cap equity management services;
2. Authorize the General Manager to approve the terms and conditions with Redwood Investments, LLC for domestic large cap equity management services for the period October 1, 2018 through September 30, 2021; and,
3. Authorize the President of the Board, on behalf of the Board, to execute the contract with Redwood Investments, LLC for domestic large cap equity management services, subject to the approval of the City Attorney as to form and legality, which was seconded by Commissioner Vega and approved by the following vote: ayes, Commissioners Buzzell, Nathanson, Navarro, Pendleton, Salimpour, Vega, von Voigt, and President Babcock – 8; nays – none.

*Commissioner Salimpour recused himself from the following item and left the board room.*

3. STATUS OF CONTRACTS WITH HEALTH AND DENTAL PLAN ADMINISTRATORS AND POSSIBLE BOARD ACTION

Ms. Eunice Zordilla, Senior Management Analyst I, Medical and Dental Benefits Section discussed the report with the Board and General Manager Ciranna provided additional updates.

Commissioner Navarro inquired whether experts from national organizations could be consulted regarding ownership of claims data. Commissioner Pendleton requested a report on August 16<sup>th</sup> with alternative options if contractual language is not agreed upon by the Associations and Unions. Commissioner Nathanson requested a breakdown of the actual administrative fees received by the plan administrators. Commissioner Navarro stated that a motion and Board recommendation from the Ad Hoc Committee on Retiree Health Plans needs to be agendized.

The Board did not take an action on this item.

*Commissioner Salimpour rejoined the meeting at this time.*

4. APPROVAL OF TRAVEL AUTHORITY (TAPIA BABCOCK) – LABATON SUCHAROW'S WOMEN'S INITIATIVE, INSTITUTIONAL INVESTING WITH WOMEN AND MINORITY-OWNED INVESTMENT FIRMS

The report was approved as submitted.

Resolution 19017

Commissioner Navarro moved that the Board consider and approve Commissioner Corinne Tapia Babcock's request to attend the Labaton Sucharow's Women's Initiative, Institutional Investing with Women and Minority-Owned Investment Firms on September 27 - 29, 2018 in New York, NY (September 27<sup>th</sup> & 29<sup>th</sup> are travel days), which was seconded by Commissioner Nathanson and approved by the following vote: ayes, Commissioners Buzzell, Nathanson, Navarro, Pendleton, Salimpour, Vega, von Voigt, and President Babcock – 8; nays – none.

5. CONTRACTS FOR FINANCIAL PLANNING EDUCATION AND FINANCIAL COUNSELING SERVICES AND POSSIBLE BOARD ACTION

The report was approved as submitted.

Resolution 19018

Commissioner von Voigt moved that the Board:

1. Determine that a new search for a financial planning education consultant and a financial counseling consultant would not be practical, advantageous, or cost effective to the Plan; and,
2. Authorize the General Manager to negotiate an amendment to the current contract with Four Square Financial Literacy Partners, Inc. for a one-year extension to provide financial planning education consulting services through December 31, 2019, with the increased total contract amount not to exceed \$265,000; and,
3. Authorize the General Manager to negotiate a one-year, sole source contract with Cambridge Financial Partners, LLC to provide financial counseling services; and

4. Authorize the President of the Board, on behalf of the Board, to execute the new 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 Buzzell, Nathanson, Navarro, Pendleton, Salimpour, Vega, von Voigt, and President Babcock – 8; nays – none.

## B. REPORTS TO THE BOARD

### 1. PRESENTATION BY SEMPER CAPITAL MANAGEMENT, LP MBS FIXED INCOME MANAGER

Messrs. Greg Parsons, CEO, and Thomas Mandel, Co-Founder, CIO & Senior PM from Semper Capital Management, LP. gave their presentation to the Board.

### 2. PRESENTATION BY GIA PARTNERS, LLC CORE PLUS FIXED INCOME MANAGER

Mr. Eduardo Cortes, CIO and Founding Partner, and Ms. Gloria Carlson, Sales and Marketing from GIA Partners, LLC gave their presentation to the Board.

*Commissioner Vega left the board room for the remainder of the meeting at 9:50 a.m.*

### 3. SEMI-ANNUAL REVIEW OF CORE & SPECIALIZED MANAGER PRIVATE EQUITY PROGRAMS & THE COMMODITIES ALLOCATION TO PRIVATE EQUITY

Ms. Liz Campbell and Mr. Todd Hughes, CFA from Portfolio Advisors LLC presented their report to the Board. Commissioner Pendleton wanted to know if there were any changes needed in the specialized private equity program. The report was received and filed.

### 4. SEMI-ANNUAL PRIVATE EQUITY STRATEGIC PLAN UPDATE

Ms. Liz Campbell and Mr. Todd Hughes, CFA from Portfolio Advisors LLC presented their report to the Board. Commissioner Pendleton requested a report on the diversity and location of current investments. The report was received and filed.

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

### 5. SEMI-ANNUAL FAIRVIEW CAPITAL PORTFOLIO UPDATE

Ms. Lesley Nettles, Principal, and Ms. Cynthia Tseng, CFA and Partner from Fairview Capital presented their report to the Board. Commissioner Nathanson requested a report on gross profit and carry. The report was received and filed.

### 6. 2017-18 BOARD EDUCATION REPORT

The report was received and filed.

7. NOTIFICATION BY THE CITY ATTORNEY'S OFFICE OF FINAL SETTLEMENT AND RECOVERY FOR THE PLAN IN ALLEN V. OVER AND OVER READY MIX ET AL. (CAL. SUPER. CT., LOS ANGELES CNTY., CASE NO. BC552829)

Mr. Joshua Geller, Deputy City Attorney discussed the case with the Board.

8. President Babcock asked if any Board Member made any expenditure to influence State legislative or administrative action to which their reply was negative.

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

10. General Manager's Report

a. Benefits Actions approved by General Manager on July 19, 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 July 19, 2018.

DISCONTINUED PENSIONS – TIER 1 – 2

Marilyn M. Rubio	Fire Widow	Retired:	11-04-80	Died:	06-09-18
Melba B. Sheets	Police Widow	Retired:	11-07-80	Died:	05-25-18

DISCONTINUED PENSIONS – TIER 2 – 10

Robert Moore	Fire Service	Retired:	01-01-71	Died:	06-16-18
William R. Switzer	Fire Service	Retired:	07-07-74	Died:	06-13-18
James H. Toon	Fire Service	Retired:	06-30-80	Died:	04-24-18
Gene A. Hubenthal	Police Service	Retired:	02-19-95	Died:	05-21-18
Charles W. Keranen	Police Service	Retired:	10-30-76	Died:	04-25-18
Alexander T. De Synadinos	Fire Disability	Retired:	08-16-84	Died:	06-15-18
Conrad C. Marcione	Fire Disability	Retired:	09-10-00	Died:	06-16-18
Dennis Kilduff	Police Disability	Retired:	10-06-83	Died:	05-15-18
Suzanne Cochran	Fire Widow	Retired:	05-25-01	Died:	05-04-18
Bonnie J. Newstetter	Police Widow	Retired:	11-04-96	Died:	06-08-18

DISCONTINUED PENSIONS – TIER 3 – 1

Wilson M. Brown	Police Service	Retired:	09-01-10	Died:	06-10-18
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ELIGIBLE SURVIVING SPOUSE'S PENSION – TIER 2 – 12

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Effective Date</u>
Margaret A. Garner	Howard R. Garner	Fire Service	05-25-18

Ann R. Toon	James H. Toon	Fire Service	04-25-18
Norma H. Cohen	Gerald G. Cohen	Police Service	05-30-18
Susan V. Hubenthal	Gene A. Hubenthal	Police Service	05-22-18
Kathleen L. Keranen	Charles W. Keranen	Police Service	04-26-18
Beverly J. Murphy	Stephen J. Murphy	Police Service	05-31-18
Nancy J. Wing	Joseph E. Wing, Jr.	Police Service	05-31-18
Beverly A. De Synadinos	Alexander T. De Synadinos	Fire Disability	06-16-18
Suzanne L. Marcione	Conrad C. Marcione	Fire Disability	06-17-18
Anna L. Smith	Richard M. Smith	Fire Disability	05-20-18
Lenora D. Ferraro	Gary S. Ferraro	Police Disability	05-13-18
Susan J. Kilduff	Dennis Kilduff	Police Disability	05-16-18

ELIGIBLE SURVIVING SPOUSE'S PENSION – TIER 3 – 1

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Effective Date</u>
Kathleen Brown	Wilson M. Brown	Police Service	06-11-18

ELIGIBLE SURVIVING SPOUSE'S PENSION – TIER 4 – 1

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Effective Date</u>
Lucia Merchant	William Merchant	Police Disability	05-26-18

ELIGIBLE SURVIVING SPOUSE'S PENSION – TIER 5 – 1

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Effective Date</u>
Yanira Cathey	Dean E. Cathey	Fire Service	05-28-18

PARTIAL PAYMENT OF PENSION – TIER 5 – 4

In accordance with the City Attorney's advice, a designated proportion of the community property interest of the pension payable to Michael W. McGann, Police Service Pensioner, is to be paid to his former spouse, Sandra L. McGann, effective July 1, 2018. Ms. McGann 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 James P. Patterson, Fire Service Pensioner, is to be paid to his former spouse, Kathy F. Nachtrieb, effective June 29, 2018. Ms. Nachtrieb 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 Patrick D. Smith, Police Service Pensioner, is to be withheld for his former spouse, Felicia Smith, effective June 24, 2018. Ms. Smith 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 D. Stewart, Police Service Pensioner,

is to be withheld for his former spouse, Stephani Stewart, effective June 10, 2018. Ms. Stewart will receive cost of living adjustments.

**DESIGNATED 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 Michael W. Moen, Police Service Pensioner, which was paid to his deceased former spouse, Elaine S. Moen, has been designated to her beneficiaries, Michael T. Moen and Brian W. Moen, effective December 17, 1992. They will receive cost of living adjustments.

**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 Glenn E. Ames, Fire Service Pensioner, being withheld for his former spouse, Lori L. Ellis, since March 1, 2018, should be released effective July 1, 2018.

**SERVICE PENSION – TIER 5 – 3**

Police

Marjan Mobasser	Detective I	Eff:	06-21-18	22	Years	152	Days
Patrick D. Smith	Commander	Eff:	06-24-18	27	Years	286	Days
Rosa A. Torres	Detective II	Eff:	06-24-18	23	Years	11	Days

**SERVICE PENSION/DROP – TIER 5 – 7**

Police

Donovan L. Beezer	Police Officer II	Eff:	06-01-18	28	Years	149	Days
Jack A. Blanchard	Detective I	Eff:	06-01-18	28	Years	145	Days
Loma C. Holland	Sergeant I	Eff:	06-01-18	25	Years	7	Days
Brendan C. McCarty	Police Officer III	Eff:	06-01-18	30	Years	41	Days
Paul M. Scire	Detective III	Eff:	06-01-18	30	Years	179	Days
Michel D. Skajem	Police Officer III	Eff:	06-01-18	28	Years	128	Days
Julius Wells	Police Officer II	Eff:	06-01-18	25	Years	27	Days

**DISCONTINUE DROP – TIER 3 – 1**

Police

Jane E. Russom	Retired:	06-01-15	Exit Close of:	06-30-18
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**DISCONTINUE DROP – TIER 4 – 1**

Police

Matthew J. Blake	Retired:	09-15-16	Exit Close of:	07-31-18
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DISCONTINUE DROP – TIER 5 – 20

Fire

Andrew P. Fox	Retired:	10-02-13	Exit Close of:	07-31-18
Lee L. Jabborra	Retired:	08-03-13	Exit Close of:	07-31-18
Roberto J. Ledesma	Retired:	09-02-14	Exit Close of:	07-31-18
Richard Pacheco, Sr.	Retired:	08-02-13	Exit Close of:	07-31-18

Police

Anthony Adler	Retired:	09-02-14	Exit Close of:	07-31-18
Keith Bacon	Retired:	08-01-13	Exit Close of:	07-31-18
Alonzo Canada	Retired:	12-01-14	Exit Close of:	07-31-18
Andrew P. Castro	Retired:	10-01-13	Exit Close of:	07-31-18
Gustavo Chacon	Retired:	08-01-13	Exit Close of:	07-31-18
Edgar L. Clark	Retired:	08-01-13	Exit Close of:	07-31-18
Robert L. Davis	Retired:	07-01-14	Exit Close of:	07-31-18
Julio C. Duarte	Retired:	08-01-13	Exit Close of:	07-31-18
Michael W. McGann	Retired:	10-01-15	Exit Close of:	06-30-18
Angela M. Rivers	Retired:	08-01-13	Exit Close of:	07-31-18
Robert E. Rivers	Retired:	08-01-13	Exit Close of:	07-31-18
John A. Sherman	Retired:	08-01-13	Exit Close of:	07-31-18
Joseph Taylor	Retired:	05-01-15	Exit Close of:	07-31-18
Karla D. Tyson	Retired:	10-01-14	Exit Close of:	07-31-18
Tonya W. Wyatt-Mulligan	Retired:	04-01-16	Exit Close of:	07-31-18
Jesus M. Zuniga	Retired:	07-04-13	Exit Close of:	07-03-18

PARTIAL PAYMENT OF DROP FUNDS – TIER 4 – 1

In accordance with the City Attorney's advice, a designated proportion of the community property interest of the DROP funds payable to Matthew J. Blake, Police Service Pensioner, is to be paid to his former spouse, Jennifer J. Blake, effective July 31, 2018.

PARTIAL PAYMENT OF DROP FUNDS – TIER 5 – 1

In accordance with the City Attorney's advice, a designated proportion of the community property interest of the DROP funds payable to Michael W. McGann, Police Service Pensioner, is to be paid to his former spouse, Sandra L. McGann, effective June 30, 2018.

b. Other business relating to Department operations

General Manager Ciranna gave the following updates:

1. The City Attorney Evaluation Survey has been sent to the Board.
2. A survey regarding RVK has been sent to the Board.
3. Ms. Erin Kenney, Departmental Audit Manager, Internal Audit Section introduced a new staff member, Ms. Jennifer Van, Internal Auditor II.
4. General Manager Ciranna stated that there have been numerous requests to live video stream the Board meetings to the public.



*Ms. Anya Freedman, Assistant City Attorney took the City Attorney Chair at this time.*

The Board discussed live video streaming versus audio streaming meetings to the public. The Board instructed staff to not live stream the Board meetings at this time.

Commissioner Nathanson asked General Manager Ciranna if the focus of the August 16<sup>th</sup> Board meeting could be primarily on retiree health care.

## C. CONSENT ITEMS

### 1. Approval of Minutes

- a. Minutes of the Special Board meeting of the Ad Hoc Committee on Retiree Health Plans on February 12, 2018

#### Motion

Commissioner Navarro moved that the Board approve the consent items, which was seconded by Commissioner von Voigt and approved by the following vote: ayes – Commissioners Buzzell, Nathanson, Navarro, Pendleton, Salimpour, von Voigt, and President Babcock – 7; nays – none.

### 2. APPROVAL OF TRAVEL AUTHORITY (NAVARRO) – IFEBP, 64<sup>TH</sup> ANNUAL EMPLOYEE BENEFITS CONFERENCE

#### Resolution 19019

Commissioner Navarro moved that the Board approve Commissioner Ruben Navarro's request to attend the International Foundation of Employee Benefit Plans (IFEBP), 64<sup>th</sup> Annual Employee Benefits Conference on October 14 – 17, 2018 in New Orleans, LA, which was seconded by Commissioner von Voigt and approved by the following vote: ayes, Commissioners Buzzell, Nathanson, Navarro, Pendleton, Salimpour, von Voigt, and President Babcock – 7; nays – none.

### 3. APPROVAL OF TRAVEL AUTHORITY (NAVARRO) – NCPERS, PUBLIC SAFETY CONFERENCE

#### Resolution 19020

Commissioner Navarro moved that the Board approve Commissioner Ruben Navarro's request to attend the National Conference on Public Employee Retirement Systems (NCPERS), 2018 Public Safety Conference on October 28 – 31, 2018 in Las Vegas, NV (October 28<sup>th</sup> is a travel day), which was seconded by Commissioner von Voigt and approved by the following vote: ayes, Commissioners Buzzell, Nathanson, Navarro, Pendleton, Salimpour, von Voigt, and President Babcock – 7; nays – none.

D. CONSIDERATION OF FUTURE AGENDA ITEMS

There were no items referred for future consideration

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

Ms. Elsa Moy provided public comment.

*President Babcock recessed the meeting for a break at 11:23 a.m. and reconvened to go into closed session at 11:29 a.m.*

F. CLOSED SESSION

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

The Board met in closed session.

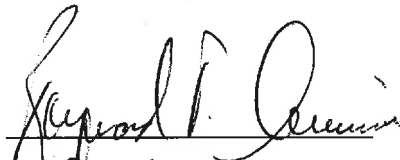
2. CLOSED SESSION PURSUANT TO SUBDIVISIONS (A) AND (D)(1) OF GOVERNMENT CODE SECTION 54956.9 TO CONFER WITH, AND/OR RECEIVE ADVICE FROM, LEGAL COUNSEL REGARDING PENDING LITIGATION, AND POSSIBLE BOARD ACTION, IN THE FOLLOWING CASE: *MERCADO V. BOARD OF FIRE & POLICE PENSION COMMISSIONERS, CASE NO. BS174178 (CAL. SUPER. CT., LOS ANGELES CNTY.)*

The Board met in closed session.

Upon reconvening in open session, President Babcock stated there was no public report.

The meeting was adjourned at 11:59 a.m.

  
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President

  
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Secretary