

MINUTES
OF THE
BOARD OF FIRE AND POLICE PENSION COMMISSIONERS
BOARD MEETING OF FEBRUARY 7, 2019

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, February 7, 2019.

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

COMMISSIONERS ABSENT: Pedram Salimpour, MD
Belinda Vega
Paul M. Weber

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, Assistant City Attorney

President Babcock called the meeting to order at 8:33 a.m. All the above-listed Commissioners were present at the start of the meeting.

A. ITEMS FOR BOARD ACTION

1. THE 2019 ELECTION FOR THE POLICE DEPARTMENT RETIRED MEMBER OF THE BOARD AND POSSIBLE BOARD ACTION

Mr. TJ Knight, Sr. Management Analyst, Administrative Services Section informed the Board about two corrections to the election calendar: March 15, 2019 is the deadline for candidates to submit their notice of intent to run for office and March 19, 2019 is the drawing to determine the order of the names on the ballot. The report was approved as submitted.

Resolution 19106

Commissioner Buzzell moved that the Board:

1. Authorize the General Manager to provide notification to the Office of the City Clerk (City Clerk) in accordance with Section 23.103.4(a) of the Los Angeles Administrative Code (LAAC) for the 2019 Election for the Police Department Retired Member of the Board;
2. Designate the date of the Election for Tuesday, April 23, 2019 in accordance with LAAC Section 23.103.2(b);
3. Authorize the General Manager to cause to be prepared, not more than 30 nor fewer than 20 calendar days prior to the Election in accordance with LAAC Section 23.103.4(b), a Notice of Election which shall also include the Sample Ballot and the rules concerning voter eligibility;
4. Authorize the General Manager, in the event a runoff election is needed, to receive and file the communication from the City Clerk certifying the results of the 2019 Election for the Police Department Retired Member of the Board of Fire and Police Pension Commissioners, and to order the runoff election tentatively scheduled for Friday, May 31, 2019, in accordance with Section 23.103.9(b) of the LAAC; and
5. Authorize the General Manager and Staff to perform the necessary administrative work specified in the LAAC; to coordinate the Election and if necessary, the runoff election process as required with the City Clerk and retired member associations; and to make technical corrections as necessary to effectuate the intent of this report, which was seconded by Commissioner Navarro and approved by the following vote: ayes, Commissioners Aliano, Buzzell, Nathanson, Navarro, Pendleton, and President Babcock – 6; nays – none.

Items B1, B2, and B3 were taken out of order.

B. REPORTS TO THE BOARD

1. PORTFOLIO ADVISORS SEMI-ANNUAL REVIEW OF CORE AND SPECIALIZED MANAGER PRIVATE EQUITY PROGRAMS AND THE COMMODITIES ALLOCATION TO PRIVATE EQUITY

Ms. Elizabeth Campbell, Managing Director, and Mr. Todd Hughes, CFA and Managing Director from Portfolio Advisors presented their report to the Board. Commissioners Pendleton, Nathanson, and President Babcock discussed anchoring funds and diversification with Ms. Campbell and Mr. Hughes. The report was received and filed.

2. STRATEGIC PLAN UPDATE BY PORTFOLIO ADVISORS

Ms. Elizabeth Campbell, Managing Director, and Mr. Todd Hughes, CFA and Managing

Director from Portfolio Advisors presented their report to the Board. The report was received and filed.

3. SEMI-ANNUAL REVIEW BY FAIRVIEW OF SPECIALIZED MANAGER PRIVATE EQUITY PROGRAM

Ms. Leslie Nettles, Principal, and Ms. Cynthia Tseng, Partner from Fairview presented their report to the Board. President Babcock discussed fund opportunities with Ms. Nettles and Ms. Tseng and Commissioner Pendleton asked how many specialized manager programs are in the private equity universe. Commissioner Nathanson requested information on what actions steps need to be taken to improve advocacy for emerging managers. The report was received and filed.

A. ITEMS FOR BOARD ACTION - CONTINUED

2. REVIEW OF PORTFOLIO ADVISORS, L.L.C. PRIVATE EQUITY CORE AND COMMODITIES CONTRACT AND POSSIBLE BOARD ACTION

Mr. Adam Perez, Management Analyst, and Ms. Susan Liem, Investment Officer II, Investments Division were available for questions from the Board. Commissioner Nathanson discussed the termination clause, accountability and performance with Mr. Tom Lopez, Chief Investment Officer, Investments Division. The report was approved as submitted.

Resolution 19107

Commissioner Buzzell moved that the Board:

1. Approve a new three-year contract with Portfolio Advisors L.L.C. to provide private equity investment management services for the Core and Commodities programs;
 2. Authorize the General Manager to negotiate the terms and conditions with Portfolio Advisors L.L.C. for private equity investment management services for the Core and Commodities programs for the period April 1, 2019 to March 31, 2022; and,
 3. Authorize the President of the Board, on behalf of the Board, to execute the contract with Portfolio Advisors L.L.C. for private equity investment services for the Core and Commodities programs, subject to the approval of the City Attorney as to form, which was seconded by Commissioner Navarro and approved by the following vote: ayes, Commissioners Aliano, Buzzell, Nathanson, Navarro, Pendleton, and President Babcock – 6; nays – none.
3. REVIEW OF PORTFOLIO ADVISORS, L.L.C. PRIVATE EQUITY SPECIALIZED MANAGER CONTRACT AND POSSIBLE BOARD ACTION

Ms. Miki Shaler, Senior Management Analyst, Investments Division was available for questions from the Board. The report was approved as submitted.

Resolution 19108

Commissioner Navarro moved that the Board:

1. Approve a new three-year contract with Portfolio Advisors L.L.C. to provide private equity investment management services for the Specialized Manager program;
 2. Authorize the General Manager to negotiate the terms and conditions with Portfolio Advisors L.L.C. for private equity investment management services for the Specialized Manager program for the period October 1, 2019 to September 30, 2022; and,
 3. Authorize the President of the Board, on behalf of the Board, to execute the contract with Portfolio Advisors L.L.C. for private equity investment services for the Specialized Manager program, 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, Buzzell, Nathanson, Navarro, Pendleton, and President Babcock – 6; nays – none.
4. REVIEW OF FAIRVIEW CAPITAL PARTNERS, INC. PRIVATE EQUITY SPECIALIZED MANAGER CONTRACT AND POSSIBLE BOARD ACTION

Ms. Miki Shaler, Senior Management Analyst, Investments Division was available for questions from the Board. The report was approved as submitted.

Resolution 19109

Commissioner Navarro moved that the Board:

1. Approve a new three-year contract with Fairview Capital Partners, Inc. to provide private equity investment management services for the Specialized Manager program;
2. Authorize the General Manager to negotiate the terms and conditions with Fairview Capital Partners, Inc. for private equity investment management services for the Specialized Manager program for the period October 1, 2019 to September 30, 2022; and,
3. Authorize the President of the Board, on behalf of the Board, to execute the contract with Fairview Capital Partners, Inc. for private equity investment services for the Specialized Manager program, 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, Buzzell, Nathanson, Navarro, Pendleton, and President Babcock – 6; nays – none.

President Babcock recessed the meeting for a break at 10:06 a.m., and reconvened at 10:20 a.m.

B. REPORTS TO THE BOARD - CONTINUED

4. THE FEDERAL DEBT CEILING AND SHORT TERM NOTE PURCHASES

Mr. Tom Lopez, Chief Investment Officer, Investments Division discussed the report with the Board. The report was received and filed.

5. SIX-YEAR ILLUSTRATION OF CONTRIBUTIONS, FUNDING RATIO AND UAAL

Mr. Greg Mack, Chief Benefits Analyst, Pensions Division discussed the report with the Board.

Ms. Elsa Sou Jing Moy and Ms. Corina Lee, LAPPL, provided public comment.

The report was received and filed.

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

7. Miscellaneous correspondence from money managers, consultants, etc. – received and Filed.

8. General Manager's Report

a. Benefits Actions approved by General Manager on January 17, 2019

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 17, 2019.

DISCONTINUED PENSIONS – TIER 1 – 2

Darlene M. Davis	Police Widow	Retired:	04-01-62	Died:	11-21-18
Marianne E. Hoak	Police Widow	Retired:	04-03-06	Died:	11-13-18

DISCONTINUED PENSIONS – TIER 2 – 9

Fredrick A. Lammerman	Fire Service	Retired:	08-02-91	Died:	05-30-18
James R. Norman	Fire Service	Retired:	07-04-76	Died:	11-28-18
Daniel A. Kleban	Police Service	Retired:	01-10-94	Died:	12-02-18
Robert H. Mott	Police Service	Retired:	09-06-81	Died:	11-04-18
William I. Romero	Police Service	Retired:	01-05-76	Died:	11-27-18
Donald S. Roseland	Police Service	Retired:	11-04-90	Died:	11-19-18
George Suviate	Police Service	Retired:	08-01-99	Died:	12-07-18
Wayne W. Wealer	Police Service	Retired:	03-07-93	Died:	11-18-18
Eleanor R. Macarthur	Police Widow	Retired:	05-05-12	Died:	12-07-18

DISCONTINUED PENSIONS – TIER 5 – 2

Sandra G. Betancourt	Police Service	Retired:	10-01-14	Died:	11-14-18
Harry P. Winston	Police Service	Retired:	05-05-02	Died:	09-28-18

DISCONTINUED PENSIONS FORMER SPOUSE – TIER 5 – 2

Darlene R. Anderson	Police Service	Retired:	05-01-07	Died:	12-11-18
Alexandra Winston	Police Service	Retired:	05-05-02	Member Died:	09-28-18

ELIGIBLE SURVIVING SPOUSE'S PENSION – TIER 2 – 12

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Effective Date</u>
Arlene L. Joffe	Milton Joffe	Fire Service	11-09-18
Jacqueline D. Norman	James R. Norman	Fire Service	11-29-18
Jean H. Doyle	Edward T. Doyle	Police Service	11-25-18
Ethyl J. Eilers	George H. Eilers	Police Service	11-13-18
Cheryl C. Kleban	Daniel A. Kleban	Police Service	12-03-18
Kathleen A. Miller	Robert G. Miller	Police Service	11-14-18
Martha S. Mott	Robert H. Mott	Police Service	11-05-18
Lynn D. Rodriguez	Alfonso C. Rodriguez	Police Service	11-15-18
Betty J. Romero	William I. Romero	Police Service	11-28-18
Paula A. Roseland	Donald S. Roseland	Police Service	11-20-18
Susan J. Wealer	Wayne W. Wealer	Police Service	11-19-18
Jean E. Brodt	William W. Brodt	Police Disability	12-02-18

ELIGIBLE SURVIVING SPOUSE'S PENSION – TIER 5 – 2

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Effective Date</u>
Marsha L. Saylor	William E. Saylor	Fire Service	12-25-18
Jorge A. Flores	Sandra G. Betancourt	Police Service	11-15-18

DEPENDENT CHILD'S PENSION – TIER 2 – 1

Dependent child benefits are now payable to Alan W. Nielsen, dependent child of deceased Fire Service Pensioner, Dallas A. Nielsen, effective November 12, 2017.

The Alan W. Nielsen Irrevocable Trust for Alan W. Nielsen, dependent child of deceased Fire Service Pensioner, Dallas A. Nielsen, effective November 16, 2018, has been filed with this office.

Pension payments will be paid to Llewelyn Nielsen for the benefit of Alan W. Nielsen, effective November 12, 2017.

INCREASE MINOR'S PENSION – TIER 5 – 1

Increase the pension payable to Dave L. Owens for the benefit of Emily F. Norman, minor child of deceased Police Officer II, Ryan S. Norman, effective January 1, 2019, due to the discontinuance of full-time student status by Derek R. Norman.

DISCONTINUE SURVIVING CHILD PENSION – TIER 5 – 1

Discontinue the pension payable to Derek R. Norman, surviving child of deceased Police Officer II, Ryan S. Norman, effective January 1, 2019, due to the discontinuance of full-time student status.

PARTIAL PAYMENT OF PENSION – TIER 2 – 2

In accordance with the City Attorney's advice, a designated proportion of the community property interest of the pension payable to Ramiro R. Moreno, Police Disability Pensioner, is to be withheld for his former spouse, Debra Lee-Moreno, effective December 1, 2018. Ms. Moreno 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 Roy L. Norman, Police Disability Pensioner, being withheld for his former spouse, Joyce A. Ford, since April 1, 2018, should be released effective January 1, 2019. Ms. Ford received cost of living adjustments. Mr. Norman is deceased on September 29, 2018; this is a one-time payment to the former spouse.

PARTIAL PAYMENT OF PENSION – TIER 4 – 1

In accordance with the City Attorney's advice, a designated proportion of the community property interest of the pension payable to Orlando C. Smith, Police Service Pensioner, is to be paid to his former spouse, Joann M. Smith, effective January 1, 2019. Ms. Smith will receive cost of living adjustments.

PARTIAL PAYMENT OF PENSION – TIER 5 – 2

In accordance with the City Attorney's advice, a designated proportion of the community property interest of the pension payable to Michael A. Samudio, Fire Service Pensioner, is to be withheld for his former spouse, Maria C. Samudio, effective January 1, 2019. Ms. Samudio 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 Keith E. Hunter, Police Service Pensioner, is to be paid to his former spouse, Kristen J. Hunter, effective January 5, 2019. Ms. Hunter will receive cost of living adjustments.

DESIGNATED 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 Frank H. King, Jr., Police Service Pensioner, which was paid to his deceased former spouse, Linda C. King, has been designated to her beneficiary, Cory P. King, effective May 19, 2018. Mr. King will receive cost of living adjustments.

MODIFIED PARTIAL PAYMENT OF PENSION – TIER 4 – 1

In accordance with the City Attorney’s advice, a designated proportion of the community property interest of the pension payable to James N. Gordon, Police Service Pensioner, being withheld for his former spouse, Dawne Gordon, since January 1, 2018, should be released effective January 1, 2019. Ms. Gordon will receive cost of living adjustments.

CONSERVATORSHIP – TIER 2 – 1

A certified copy of the Limited Letters of Conservatorship for the Person of John S. Martin, issued in the Superior Court of California, County of Los Angeles, Case Number BP 149143, appointing William M. Martin and Joan L. Martin, Conservator for the Person of John S. Martin, dependent child of deceased Fire Service Pensioner, William H. Martin, effective April 4, 2014, has been filed with this office.

Pension payments will be paid to the Special Needs Trust for the benefit of John S. Martin, effective April 26, 2001.

SERVICE PENSION – TIER 3 – 3

Police

Enrico P. Hizon	Police Officer II	Eff:	12-23-18	23	Years	152	Days
Sheldon H. Nicholson	Police Officer II	Eff:	12-09-18	22	Years	240	Days
James T. Willis	Sergeant I	Eff:	11-29-18	20	Years	360	Days

SERVICE PENSION – TIER 5 – 3

Police

Michael S. Fiola	Police Officer II	Eff:	12-15-18	21	Years	13	Days
Valerie Heacock	Detective II	Eff:	12-01-18	25	Years	58	Days
Ninette U. Toosbuy	Detective II	Eff:	12-23-18	24	Years	80	Days

DISCONTINUE DROP – TIER 3 – 3

Police

Rick Corpel	Retired:	02-01-16	Exit Close of:	01-31-19
Sandra R. Lee	Retired:	07-01-16	Exit Close of:	01-31-19
Vernon A. Williams	Retired:	02-01-14	Exit Close of:	01-31-19

DISCONTINUE DROP – TIER 4 – 4

Police

James I. Arroyo	Retired:	02-03-14	Exit Close of:	01-31-19
Antonio M. Egenias	Retired:	03-04-14	Exit Close of:	01-31-19
Cari M. Long	Retired:	04-01-14	Exit Close of:	01-31-19
Gregory W. McKnight	Retired:	02-01-14	Exit Close of:	01-31-19

DISCONTINUE DROP – TIER 5 – 64

Fire

Robert M. Aragon	Retired:	02-02-14	Exit Close of:	01-31-19
Mark E. Arnold	Retired:	02-05-14	Exit Close of:	01-31-19
Steve P. Canchola	Retired:	02-05-14	Exit Close of:	01-31-19
Ricardo Carmona	Retired:	02-05-14	Exit Close of:	01-31-19
Gary A. Cline	Retired:	02-01-14	Exit Close of:	01-31-19
David C. Corral	Retired:	02-01-14	Exit Close of:	01-31-19

Keith D. Crownover	Retired:	02-05-14	Exit Close of:	01-31-19
John W. Englund	Retired:	01-30-14	Exit Close of:	01-29-19
David P. Frelinger	Retired:	01-30-14	Exit Close of:	01-29-19
Jack D. Fry	Retired:	02-03-14	Exit Close of:	01-31-19
Gilbert Garcia	Retired:	02-05-14	Exit Close of:	01-31-19
William M. Harris	Retired:	02-01-14	Exit Close of:	01-31-19
Ronny Holguin	Retired:	02-01-14	Exit Close of:	01-31-19
Garabed Karaoglanian	Retired:	02-01-14	Exit Close of:	01-31-19
Derek B. Le Duff	Retired:	02-02-14	Exit Close of:	01-31-19
Julio Maldonado	Retired:	02-02-14	Exit Close of:	01-31-19
Vincent L. Manzo	Retired:	02-05-14	Exit Close of:	01-31-19
Ramon L. Mejia	Retired:	02-03-14	Exit Close of:	01-31-19
Michael A. Padilla	Retired:	02-05-14	Exit Close of:	01-31-19
Kevin L. Rex	Retired:	01-16-14	Exit Close of:	01-15-19
Stephen J. Ruda	Retired:	02-03-14	Exit Close of:	01-31-19
Luther D. Sherman	Retired:	01-29-14	Exit Close of:	01-28-19
David W. Smith	Retired:	01-22-14	Exit Close of:	01-31-19
Donald C. Welcker	Retired:	01-30-14	Exit Close of:	01-29-19

Police

Richard A. Andert	Retired:	02-01-14	Exit Close of:	01-31-19
Bradley M. Baird	Retired:	02-01-14	Exit Close of:	01-31-19
Jose A. Barragan	Retired:	02-03-14	Exit Close of:	01-31-19
Morris W. Batts, Jr.	Retired:	02-01-14	Exit Close of:	01-31-19
Tim E. Blake	Retired:	02-05-14	Exit Close of:	01-31-19
Michael S. Burditt	Retired:	02-01-14	Exit Close of:	01-31-19
Darryl Butler	Retired:	02-01-14	Exit Close of:	01-31-19
Sandra J. Carlisle	Retired:	02-01-14	Exit Close of:	01-31-19
William F. Casey	Retired:	02-01-14	Exit Close of:	01-31-19
Mark D. Day	Retired:	02-01-14	Exit Close of:	01-31-19
Kathryn Del Vecchio	Retired:	02-03-14	Exit Close of:	01-31-19
Gilbert M. Escontrias	Retired:	02-01-14	Exit Close of:	01-31-19
Hugo E. Fanfassian	Retired:	02-01-14	Exit Close of:	01-31-19
Susana S. Frank	Retired:	12-01-15	Exit Close of:	01-16-19
Juan H. Gonzalez	Retired:	05-01-17	Exit Close of:	01-31-19