

MINUTES
OF THE
BOARD OF FIRE AND POLICE PENSION COMMISSIONERS
BOARD MEETING OF AUGUST 1, 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, August 1, 2019.

COMMISSIONERS PRESENT: Adam Nathanson, President
Brian Pendleton, Vice President
Ken Buzzell
Ruben Navarro
Pedram Salimpour, MD
Belinda Vega
Paul M. Weber
Garrett Zimmon

COMMISSIONERS ABSENT: Corinne Babcock

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 Nathanson called the meeting to order at 8:30 a.m. All of the above-listed Commissioners were present at the start of the meeting.

Item F was taken out of order.

F. DISABILITY CASES

DISABILITY CLAIM – REVIEW REQUESTED BY BOARD – TIER 4

Guadalupe Palomares (P) Police Officer II (retired)

As recommended by Staff and concurred in by the applicant, prior Board Action of November 19, 2015 granting a service-connected disability pension of 45% is reaffirmed with no foreseeable purpose for review. Motion made by Commissioner Nathanson, seconded by Commissioner Buzzell and adopted by the following vote: ayes, Commissioners Buzzell, Navarro, Pendleton, Salimpour, Vega, Weber, Zimmon, and President Nathanson – 8; nays,

none; absent, Commissioner Babcock. Ms. Palomares was not present but was represented by Thomas J. Wicke, Esq. of Lewis, Marenstein, Wicke, Sherwin and Lee.

DISABILITY CLAIM – NEW CLAIM – TIER 4

Shawn E. Rumenapp

(P)

Police Officer II + 2

As recommended by staff and concurred in by the applicant, a service-connected disability pension is granted at 65%, with no foreseeable purpose for review. Motion made by Commissioner Salimpour, seconded by Commissioner Weber and adopted by the following vote: ayes, Commissioners Buzzell, Navarro, Pendleton, Salimpour, Vega, Weber, Zimmon, and President Nathanson – 8; nays, none; absent, Commissioner Babcock. Officer Rumenapp was present and was represented by Corina Lee of the Los Angeles Police Protective League.

A. ITEMS FOR BOARD ACTION

1. 2018-19 GOVERNANCE COMPLIANCE REPORT, PRIOR YEAR GOVERNANCE COMPLIANCE REPORT STATUS AND POSSIBLE BOARD ACTION

The report was approved as submitted.

Resolution 20015

Commissioner Buzzell moved that the Board:

- 1) Consider and approve the 2018-19 Governance Compliance Report as summarized on Attachment II;
- 2) Review and readopt Governance Policy, Section 18.0 (Compensation of City Attorney Legal Fees, Benefits, and Expenses) as reflected on Attachment III; and,
- 3) Authorize staff to make technical corrections or clarifications to the Policies to effectuate the intent of the Board, which was seconded by Commissioner Navarro and approved by the following vote: ayes, Commissioners Buzzell, Navarro, Pendleton, Salimpour, Vega, Weber, Zimmon, and President Nathanson – 8; nays – none.

2. REVIEW OF CUSTODIAL BANK CONTRACT AND POSSIBLE BOARD ACTION

The report was approved as submitted.

Resolution 20016

Commissioner Navarro moved that the Board:

1. Approve a new five-year contract with The Northern Trust Company to provide custodial bank and master trust services;

2. Authorize the General Manager to negotiate the terms and conditions with The Northern Trust Company for custodial bank and master trust services for the period October 1, 2019 to September 31, 2024; and,
 3. Authorize the President of the Board, on behalf of the Board, to execute the contract with The Northern Trust Company for custodial bank and master trust services, 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, Navarro, Pendleton, Salimpour, Vega, Weber, Zimmon, and President Nathanson – 8; nays – none.
3. SMALL CAP US EQUITY EMERGING MANAGER RFP MINIMUM QUALIFICATIONS AND POSSIBLE BOARD ACTION

Ms. Miki Shaler, Investment Officer, Investments Division and Ms. Becky Gratsinger, President from RVK presented the report to the Board. Mr. Tom Lopez, Chief Investment Officer, Investments Division answered questions from the Board.

Resolution 20017

Commissioner Buzzell moved that the Board approve the following minimum qualifications for manager selection and retention of emerging managers:

1. One year of operation as an investment management firm as of the date of the search;
2. The portfolio manager(s) assigned to the Pensions' account must each have a minimum of five years of experience in investment management;
3. As of the date of the search, the firm must have a minimum of \$30 million in institutional assets under management of which \$10 million must be in the proposed investment style;
4. The firm must have at least one tax-exempt account under management; and
5. Manage less than \$2 billion in firm-wide assets, which was seconded by Commissioner Weber and approved by the following vote: ayes, Commissioners Buzzell, Navarro, Pendleton, Salimpour, Vega, Weber, Zimmon, and President Nathanson – 8; nays – none.

B. REPORTS TO THE BOARD

1. TRANSITION MANAGEMENT AND COST EDUCATION BY RVK

Ms. Becky Gratsinger, CEO and Senior Consultant from RVK and Tom Lopez, Chief Investment Officer presented the report to the Board.

2. PRESENTATION OF UFLAC HEALTH PLANS FOR THE 2020 PLAN YEAR

Ms. Jennifer Lincicum, President, Fickewirth Benefit Consultant and Mr. Freddy Escobar, President, UFLAC presented the report to the Board.

3. PRESENTATION OF UFLAC DENTAL PLANS FOR THE 2020 PLAN YEAR

Ms. Jennifer Lincicum, President, Fickewirth Benefit Consultant and Mr. Freddy Escobar, President, UFLAC presented the report to the Board.

President Nathanson recessed the meeting for a break at 10:23 a.m., and reconvened at 10:36 a.m.

Item G was taken out of order.

G. CLOSED SESSION

1. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957

Alternative 2

Police Officer II David Robles. Officer Robles will be represented by Michael Treger, Esq. of Straussner and Sherman.

The Board met in closed session.

Commissioner Weber left the boardroom for the remainder of the meeting at 12:32 p.m.

2. CLOSED SESSION TO CONFER WITH AND/OR RECEIVE ADVICE FROM LEGAL COUNSEL REGARDING PENDING LITIGATION (TWO CASES), PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 54956.9(a) AND (d)(1), AND POSSIBLE BOARD ACTION:

(1) Evanston Police Pension Fund v. McKesson Corporation et al., No. 3:18-cv-06525 (N.D. Cal.); and

(2) Anarkat v. CVS Health Corporation et al., No. 1:19-CV-01725., (S.D.N.Y.)

The Board met in closed session.

Upon reconvening the regular meeting, President Nathanson stated there was no public report on item G.2 and that the Board had granted a service-connected disability pension of 35% to Police Officer II David Robles, with no foreseeable purpose for review.

B. REPORTS TO THE BOARD - CONTINUED

4. PURCHASE OF UNPAID MATERNITY LEAVE

Ms. Riza Mulawin, Senior Management Analyst I, Active Member Services Section presented the report to the Board.

Ms. Corina Lee, LAPPL provided public comment.

5. 2018-19 BOARD EDUCATION REPORT

Mr. William Raggio, Executive Officer, Administrative Operations Division presented the report to the Board.

6. ROBERT'S RULES OF ORDER AND RELATED GOVERNMENT CODE SECTIONS OVERVIEW

Mr. William Raggio, Executive Officer, and Ms. Rhonda Ketay, Commission Executive Assistant, Administrative Operations Division presented the report to the Board.

Ms. Elsa Sou Jing Moy provided public comment.

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

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

9. General Manager's Report

a. Benefits Actions approved by General Manager on July 18, 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 July 18, 2019.

DISCONTINUED PENSIONS – TIER 1 – 2

Jerome Martin, Jr.	Fire Service	Retired:	09-27-66	Died:	06-08-19
Catherine A. Rottier	Police Widow	Retired:	12-14-80	Died:	05-06-19

DISCONTINUED PENSIONS – TIER 2 – 13

James R. Chastain	Fire Service	Retired:	06-28-92	Died:	03-30-19
Gilbert E. Lindley	Fire Service	Retired:	02-03-79	Died:	06-07-19
Dale A. Best	Police Service	Retired:	01-08-99	Died:	06-06-19
Norman L. Cowie	Police Service	Retired:	07-31-69	Died:	06-09-19
Roger H. Crane	Police Service	Retired:	06-17-90	Died:	05-25-19
William J. Cross	Police Service	Retired:	05-16-93	Died:	06-30-19
Ivan E. Pitney	Police Service	Retired:	08-04-78	Died:	06-24-19
Sidney L. Renfro	Police Service	Retired:	07-22-84	Died:	06-08-19
Reginald R. Weaver	Police Service	Retired:	03-28-92	Died:	06-10-19
Jack B. White	Police Service	Retired:	01-07-85	Died:	05-23-19

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Robert D. Crook	Fire Disability	Retired:	12-03-87	Died:	06-06-19
Steven E. Borgstrom	Police Disability	Retired:	02-24-94	Died:	06-13-19
Dixie M. Mc Donald	Police Widow	Retired:	11-18-75	Died:	06-23-19

DISCONTINUED PENSIONS – TIER 4 – 1

Robert Reynolds	Police Disability	Retired:	10-25-03	Died:	06-17-19
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DISCONTINUED PENSIONS – TIER 5 – 3

John S. Nelson	Fire Service	Retired:	07-14-02	Died:	05-18-19
Jerald L. Cannon	Police Service	Retired:	04-01-03	Died:	06-10-19
Dixie M. Mc Donald	Police Widow	Retired:	01-06-19	Died:	06-23-19

DISCONTINUED PENSIONS FORMER SPOUSE – TIER 2 – 1

Melinda S. Martin-Galvin	ice Service	Retired:	05-01-94	Died:	06-10-19
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DISCONTINUED PENSIONS FORMER SPOUSE – TIER 5 – 1

Sally A. Giroud	ice Service	Retired:	01-06-19	Member Died:	06-23-19
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ELIGIBLE SURVIVING SPOUSE'S PENSION – TIER 1 – 1

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Effective Date</u>
Evelyn D. Martin	Jerome Martin, Jr.	Fire Service	06-09-19

ELIGIBLE SURVIVING SPOUSE'S PENSION – TIER 2 – 11

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Effective Date</u>
Sarah Y. Chastain	James R. Chastain	Fire Service	03-31-19
Linda S. Best	Dale A. Best	Police Service	06-07-19
Carmella A. Crane	Roger H. Crane	Police Service	05-26-19
Suzanne A. Frazer	Edgar L. Frazer	Police Service	05-09-19
Carol A. Hauerwaas	Ronald C. Hauerwaas	Police Service	05-23-19
Esther C. Osollo	Luis M. Osollo	Police Service	06-06-19
Mary Ann Pitney	Ivan E. Pitney	Police Service	06-25-19
Jennie P. Stirwalt	James A. Stirwalt	Police Service	05-31-19
Edna G. White	Jack B. White	Police Service	05-24-19
Loretta A. Crook	Robert D. Crook	Fire Disability	06-07-19
Mary Lou Borgstrom	Steven E. Borgstrom	Police Disability	06-14-19

ELIGIBLE SURVIVING SPOUSE'S PENSION – TIER 4 – 1

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Effective Date</u>
Teri D. Reynolds	Robert Reynolds	Police Disability	06-18-19

ELIGIBLE SURVIVING SPOUSE'S PENSION – TIER 5 – 5

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Effective Date</u>
Carol A. Gallagher	Gene F. Gallagher	Fire Service	06-01-19
Dianne L. Nelson	John S. Nelson	Fire Service	05-19-19
Susan B. Cannon	Jerald L. Cannon	Police Service	06-11-19
Joann Dulgerian	Richard C. Dulgerian	Police Service	05-20-19
Lorraine E. Theaker	Jerome N. Theaker	Police Service	06-01-19

DISCONTINUE SURVIVOR BENEFIT PURCHASE PROGRAM – TIER 2 – 1

<u>Name</u>	<u>Member's Class</u>	<u>Effective Date</u>	<u>Died</u>
Reginald R. Weaver	Police Service	10-01-18	06-10-19

SURVIVOR BENEFIT PURCHASE PROGRAM – TIER 2 – 1

<u>Name</u>	<u>Member's Class</u>	<u>Effective Date</u>	<u>Survivor Benefit %</u>
Gary M. Burger	Police Disability	07-01-19	100%

DISCONTINUE SURVIVING CHILD PENSION – TIER 3 – 1

Discontinue the pension payable to Shawn J. Hill, surviving child of deceased Firefighter III, Jimmie Hill, effective July 14, 2019, due to the attainment of age 22 on July 15, 2019.

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 David J. Bowdre, Fire Service Pensioner, is to be paid to his former spouse, Monica Bowdre, effective July 1, 2019. Ms. Bowdre 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 David K. Rejino, Fire Service Pensioner, is to be paid to his former spouse, Kamela N. Hudgins, effective July 1, 2019. Ms. Hudgins 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 Daniel T. Duran, Police Service Pensioner, is to be paid to his former spouse, Leticia Duran, effective August 1, 2019. Ms. Duran 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 Jason A. Loya, Police Service Pensioner, is to be paid to his former spouse, Jatania Loya, effective August 1, 2019. Ms. Loya 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 Robert J. Hayes, Fire Service Pensioner, which was paid to his deceased former spouse, Karen Hayes Baratta, has been designated to her beneficiaries, Hilary Hayes and Houston Hayes, effective May 18, 2019. They will receive cost of living adjustments.

DISCONTINUE GUARDIANSHIP – MINOR'S PENSION – TIER 2 – 1

Discontinue the pension payable to Tanya I. Sanchez as the Guardian of Lance C. Sanchez, minor child of deceased Police Commander, Higinio D. Sanchez, effective July 4, 2019, due to the attainment of age 18 on July 5, 2019.

CONSERVATORSHIP – TIER 2 – 1

A certified copy of the Letters of Temporary Conservatorship for the Person and the Estate of Berta I. Wagner, issued in the Superior Court, County of San Bernardino, State of California, Case Number CONPS1900014, appointing Christina Erickson-Taube, Temporary Conservator for Berta I. Wagner, surviving spouse of Fire Service Pensioner Carl E. Wagner, effective May 23, 2019, has been filed with this office.

Pension payments will be paid to Christina Erickson-Taube for the benefit of Berta I. Wagner, effective July 1, 2019.

SERVICE PENSION – TIER 3 – 1 **CORRECTION**

Police

Richard D. Evans II Sergeant I Eff: 06-20-19 2 Years 256 Days

SERVICE PENSION – TIER 3 – 1

Police

Andrew C. Hwang Police Officer III Eff: 06-23-19 22 Years 67 Days

SERVICE PENSION – TIER 5 – 2

Fire

Erick Nieves Inspector I Eff: 05-30-19 25 Years 94 Days

Police

Robert M. De Armon Sergeant II Eff: 06-09-19 22 Years 279 Days

SERVICE PENSION/DROP – TIER 3 – 3

Fire

Brian C. Dudley Firefighter III Eff: 01-22-19 29 Years 197 Days

Police

Jose L. Diaz Police Officer III Eff: 01-20-19 25 Years 23 Days

Sharon M. Shannon Police Officer II Eff: 01-31-19 25 Years 11 Days

SERVICE PENSION/DROP – TIER 5 – 45

Fire

Juan J. Abrego	Captain II	Eff:	01-28-19	32	Years	107	Days
Mordecai J. Afflalo	Engineer	Eff:	01-30-19	28	Years	86	Days
Jeffrey P. Birg	Captain I	Eff:	12-01-18	28	Years	191	Days
Scott A. Campos	Battalion Chief	Eff:	01-22-19	29	Years	29	Days
Michael D. Caro	Captain I	Eff:	01-22-19	29	Years	287	Days
Lafayette Carter	Captain I	Eff:	01-20-19	27	Years	118	Days
Michael A. Castano	Captain I	Eff:	01-22-19	32	Years	351	Days
Charles R. Combs	Battalion Chief	Eff:	01-22-19	29	Years	222	Days
Carl L. Cronkhite	Engineer	Eff:	01-22-19	28	Years	297	Days
Mark A. Curry	Battalion Chief	Eff:	01-28-19	29	Years	324	Days
Robert E. Curtis	Helicopter Pilot II	Eff:	01-02-19	28	Years	169	Days
Gerald B. Durant	Inspector I	Eff:	01-29-19	31	Years	166	Days
Blake A. Fair	Firefighter III	Eff:	01-07-19	29	Years	151	Days
Hector M. Hernandez	Battalion Chief	Eff:	01-23-19	28	Years	49	Days
Rudolph L. Hill	Battalion Chief	Eff:	11-05-18	34	Years	219	Days
John E. Jacobsen	Captain I	Eff:	01-20-19	28	Years	268	Days
Donald J. Jesolva	Engineer	Eff:	01-10-19	32	Years	263	Days
Benjamin Reyes	Inspector II	Eff:	01-09-19	32	Years	265	Days
Dennis M. Roach	Engineer	Eff:	01-29-19	28	Years	256	Days
Valerie L. Roberts	Firefighter III	Eff:	01-31-19	25	Years	137	Days
Timothy M. Sharma	Captain I	Eff:	01-04-19	28	Years	215	Days
Lewis A. Smith	Engineer	Eff:	01-22-19	29	Years	2	Days
Brent D. Tapia	Captain I	Eff:	01-22-19	29	Years	246	Days
Falo Tiumalu	Firefighter III	Eff:	01-29-19	25	Years	279	Days
Genaro Urbano	Engineer	Eff:	01-06-19	28	Years	82	Days
Donald M. Wallace	Captain I	Eff:	01-29-19	26	Years	8	Days
Bennett Wong	Firefighter III	Eff:	01-25-19	28	Years	198	Days

Police

Duane D. Aikins	Sergeant II	Eff:	01-18-19	27	Years	117	Days
Hans C. Almaraz	Police Officer III	Eff:	01-20-19	28	Years	271	Days
Theodore M. Edwards	Lieutenant II	Eff:	01-23-19	25	Years	245	Days
Martin M. Espinoza	Sergeant II	Eff:	01-22-19	25	Years	105	Days
Linda E. Heitzman	Detective I	Eff:	01-22-19	25	Years	286	Days
Richard S. Jackson	Detective III	Eff:	01-31-19	25	Years	0	Days
Alberto Junco	Detective II	Eff:	12-06-18	26	Years	167	Days
Ruben M. Lopez	Lieutenant II	Eff:	01-21-19	30	Years	297	Days
Gene R. Parshall	Detective II	Eff:	01-21-19	25	Years	77	Days
Leonard R. Ramirez	Sergeant I	Eff:	12-01-18	27	Years	298	Days
Arthur L. Stone	Detective III	Eff:	11-01-18	29	Years	173	Days
Vincent M. Taylor	Police Officer III	Eff:	01-10-19	27	Years	360	Days
Donald E. Thompson	Police Officer III	Eff:	01-20-19	31	Years	93	Days