

**MINUTES**  
**OF THE**  
**BOARD OF FIRE AND POLICE PENSION COMMISSIONERS**  
**BOARD MEETING OF JULY 2, 2020**

The Board of Fire and Police Pension Commissioners of the City of Los Angeles met on Thursday, July 2, 2020.

COMMISSIONERS PRESENT: Adam Nathanson, President (virtual participation)  
Brian Pendleton, Vice President (virtual participation)  
Corinne Babcock (virtual participation)  
Ken Buzzell (virtual participation)  
Ruben Navarro (virtual participation)  
Pedram Salimpour, MD (virtual participation)  
Belinda Vega (virtual participation)  
Garrett Zimmon (virtual participation)  
Paul Weber (virtual participation)

DEPARTMENT OF FIRE AND  
POLICE PENSIONS: Raymond P. Ciranna, General Manager  
William Raggio, Executive Officer  
Joseph Salazar, Assistant General Manager  
Tom Lopez, Chief Investment Officer  
Rhonda Ketay, Commission Executive Assistant

CITY ATTORNEY'S OFFICE: Anya Freedman, Assistant City Attorney

President Nathanson called the meeting to order at 8:33 a.m. All the above-listed Commissioners were present at the start of the meeting with the exception of Commissioner Vega who joined the meeting at 8:40 a.m.

**A. GENERAL PUBLIC COMMENTS ON MATTERS WITHIN THE BOARD'S JURISDICTION**

Ms. Elsa Sou Jing Moy provided public comments on Items B.1 and B.2.

*Commissioner Vega joined the meeting at 8:40.*

**B. REPORTS TO THE BOARD**

1. AMENDMENT TO BOARD OPERATING POLICIES AND PROCEDURES SECTION 3.2 - CREDITING OF INTEREST AND POSSIBLE BOARD ACTION

Mr. Joseph Salazar, Assistant General Manager, Pensions Division answered questions

from the Board. Commissioner Weber discussed how timekeeping disputes are resolved with Mr. Salazar. Commissioner Navarro reiterated that disputes would need to be handled between the member and his or her Department. The report was approved as submitted.

Commissioner Salimpour stepped away from the meeting and did not participate in the vote.

#### Resolution 21001

Commissioner Navarro moved that the Board approve the proposed amendments to Board Operating Policies and Procedures, Section 3.2: Deferred Retirement Option Plan (DROP) Crediting of Interest, which was seconded by Commissioner Babcock and approved by the following vote: ayes, Commissioners Babcock, Buzzell, Navarro, Pendleton, Vega, Weber, Zimmon, and President Nathanson – 8; nays – none.

### 2. CLOSE-OUT REPORT ON THE 2019-20 BUSINESS PLAN AND POSSIBLE BOARD ACTION

Ms. Esther Chang, Senior Management Analyst I, Administrative Services Section presented the report to the Board. Commissioner Buzzell discussed PARIS with General Manager Ciranna and Commissioner Zimmon stated that he was contacted by a member who was having difficulty downloading some information from MyLAFPP. Ms. Carol Tavares, Senior Management Analyst II, Communications and Education Section stated that she would contact the member and resolve the issue. Commissioner Zimmon stated that he has received positive feedback on the letter that was sent out to the membership regarding the COVID-19 effects on the Plan. Commissioner Weber asked that any communication sent from the Board needs to be reviewed by all Board members prior to distribution. President Nathanson stated that it would be added to future agenda items for discussion. The report was approved as submitted.

#### Resolution 21002

Commissioner Buzzell moved that the Board receive and file the Close-Out Report on the 2019-20 Business Plan, which was seconded by Commissioner Zimmon and approved by the following vote: ayes, Commissioners Babcock, Buzzell, Navarro, Pendleton, Salimpour, Vega, Weber, Zimmon, and President Nathanson – 9; nays – none.

### 3. REAL ESTATE SEPARATE ACCOUNT DEBT UPDATE BY AEW

Ms. Maureen Joyce, Director and Senior Portfolio Manager, Messrs. Mark Morrison, President, and Thomas Mullahey, Director, Head of AEW Acquisitions – West Coast from AEW presented their report to the Board.

Commissioner Buzzell asked why loans that are ending within a few years should not be paid off early and was answered by Mr. Mark Morrison and Mr. Maureen Joyce from AEW that interest rates are at an unprecedented low rate. Commissioner Babcock stated that she agrees with the AEW recommendations regarding refinancing opportunities. The Board indicated that they would like to hold a special meeting to take an action on the

low interest rate.

Mr. Tom Lopez, Chief Investment Officer, Investments Division answered questions from the Board.

4. REAL ESTATE SEPARATE ACCOUNT RENT RELIEF UPDATE BY AEW

Ms. Maureen Joyce, Director and Senior Portfolio Manager, Messrs. Mark Morrison, President, and Thomas Mullahey, Director, Head of AEW Acquisitions – West Coast from AEW presented their report to the Board.

5. FINALIST INTERVIEWS AND ENGAGEMENT OF LAW FIRM(S) FOR CONTRACT(S) TO SERVE AS OUTSIDE FIDUCIARY COUNSEL, AND POSSIBLE BOARD ACTION

- Foley & Lardner LLP
- Hanson Bridgett, LLP
- Kutak Rock LLP
- Nossaman, LLP
- Olson Remcho, LLP

Commissioners Navarro and Vega discussed interviewing Reed Smith with Assistant City Attorney Anya Freedman.

Resolution 21003

Commissioner Navarro moved that the Board:

1. Interview ReedSmith at the July 16, 2020 board meeting; and
2. Amended to include that Reed Smith be asked if they would like to be included in the process, which was seconded by Commissioner Vega and approved by the following vote: ayes, Commissioners Babcock, Buzzell, Navarro, Pendleton, Vega, Weber, Zimmon, and President Nathanson – 8; nays – none.

Ms. Cynthia Varela, Departmental Audit Manager, Internal Audit Section stated that LAFPP received the required disclosure information regarding gifts, campaign contributions, charitable contributions, intermediaries and contacts and determined there was nothing to report under the Contractor Disclosure Policy.

Messrs. Tom A. Hickey, III, Michael P. Calabrese, and Ms. Shana L. Bell of Foley & Lardner, LLP gave their presentation and were interviewed by the Board.

Ms. Nancy Hilu, Team Lead, Employee Benefits, Mr. Edward M. Bernard, Co-Lead, Employee Benefits, Ms. Liz J. Masson, Employee Benefits, Mr. Raymond F. Lynch, Litigation, Labor and Employment, and Steve D. Miller, Government Ethics, Municipal, Public Agency, and Procurement Law from Hanson Bridgett, LLP gave their presentation and were interviewed by the Board.

*President Nathanson recessed the meeting for a break at 10:58 a.m., and reconvened at 11:05 a.m.*

Mr. Marc Lieberman, Fiduciary Issues Concerning Investments from Kutak Rock LLP gave their presentation and were interviewed by the Board.

Mr. Peter Mixon, Partner, Public Pensions and Investments Group, and Ms. Ashley Dunning, Partner, Co-Chair, Public Pensions and Investments Group from Nossaman, LLP gave their presentation and were interviewed by the Board.

Ms. Karen Getman, Managing Partner, Messr. Chris Waddell, Senior Counsel, and Mr. James Harrison, Partner and from Olson Remcho, LLP gave their presentation and were interviewed by the Board.

Deputy City Attorney Joshua Geller discussed the memorandum with the Board.

The Board discussed the interviews at length and decided to choose two finalist candidates at today's meeting and withhold the third choice until the July 16, 2020 Board meeting.

#### Resolution 21004

Commissioner Navarro moved that the Board:

1. Select Kutak Rock LLP to be engaged by the Plan for three-year contract; and
2. Authorize the Board President to execute, on behalf of the Board, three-year contracts with the selected firms subject to final business and legal review, which was seconded by Commissioner Pendleton and approved by the following vote: ayes, Commissioners Babcock, Buzzell, Navarro, Pendleton, Salimpour, Vega (abstained), Weber, Zimmon, and President Nathanson – 9; nays – none.

Commissioner Vega stepped away from the meeting and did not participate in the following vote.

#### Resolution 21005

President Nathanson moved that the Board:

1. Select Nossaman LLP to be engaged by the Plan for three-year contract; and
2. Authorize the Board President to execute, on behalf of the Board, three-year contracts with the selected firms subject to final business and legal review, which was seconded by Commissioner Pendleton and approved by the following vote: ayes, Commissioners Babcock, Buzzell, Navarro, Pendleton, Salimpour, Weber, Zimmon, and President Nathanson – 8; nays – none.

Motion

Commissioner Pendleton moved that the Board choose Foley & Lardner, LLP as the third firm, which was seconded by Commissioner Weber and withdrawn by Commissioner Pendleton after discussion.

Commissioner Buzzell discussed attorney client privilege and conflict of interest with Assistant City Attorney Anya Freedman. The Board discussed conflict of interest at length.

**C. COMMUNICATIONS TO THE BOARD**

1. Has any Board Member made any expenditure to influence State legislative or administrative action?
2. Miscellaneous correspondence from money managers, consultants, etc. – Received and Filed.

**D. GENERAL MANAGER'S REPORT**

1. Benefits Actions approved by General Manager on June 18, 2020

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.

DISCONTINUED PENSIONS – TIER 2 – 14

Michael W. Henry	Fire Service	Retired:	01-23-99	Died:	05-13-20
Brian B. Zeiner	Fire Service	Retired:	07-07-96	Died:	05-05-20
Joseph V. Amore	Police Service	Retired:	02-03-85	Died:	05-08-20
Donald L. Hensley	Police Service	Retired:	01-03-88	Died:	04-12-20
Paul A. Lenz	Police Service	Retired:	02-02-69	Died:	04-12-20
Mario L. Mascolo	Police Service	Retired:	02-15-90	Died:	05-22-20
William F. Mulvihill, Jr.	Police Service	Retired:	08-16-98	Died:	03-17-20
Andrew J. Pedrosa	Police Service	Retired:	09-06-92	Died:	05-09-20
David R. Welshans	Police Service	Retired:	07-22-84	Died:	05-17-20
Lawrence Mc Polin	Fire Disability	Retired:	01-22-81	Died:	05-14-20
Bradley T. Mc Grath	Police Disability	Retired:	11-19-92	Died:	05-19-20
Kenneth C. Osmond	Police Disability	Retired:	10-28-84	Died:	05-18-20
Elizabeth B. Anear	Fire Widow	Retired:	10-13-06	Died:	05-20-20
Opal E. Skeggs	Police Widow	Retired:	12-04-10	Died:	05-20-20

DISCONTINUED PENSIONS – TIER 5 – 2

James L. Maza	Fire Service	Retired:	05-01-02	Died:	05-25-20
Frederick A. Miller	Police Service	Retired:	01-12-03	Died:	04-11-20

ELIGIBLE SURVIVING SPOUSE'S PENSION – TIER 2 – 11

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Effective Date</u>
Carolyn Brownell	Ralph L. Brownell	Fire Service	05-08-20
Adeline P. Henry	Michael W. Henry	Fire Service	05-14-20
Christine A. Zeiner	Brian B. Zeiner	Fire Service	05-06-20
Cathy S. Hensley	Donald L. Hensley	Police Service	04-13-20
Joanne L. Lenz	Paul A. Lenz	Police Service	04-13-20
Anna L. Pedrosa	Andrew J. Pedrosa	Police Service	05-10-20
Lynn D. Vaughn	Michael V. Vaughn	Police Service	05-09-20
Marilyn L. Welshans	David R. Welshans	Police Service	05-18-20
Joan G. Mc Polin	Lawrence Mc Polin	Fire Disability	05-15-20
Marilyn E. Mc Grath	Bradley T. Mc Grath	Police Disability	05-20-20
Sandra L. Osmond	Kenneth C. Osmond	Police Disability	05-19-20

ELIGIBLE SURVIVING SPOUSE'S PENSION – TIER 5 – 2

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Effective Date</u>
Ethel J. Maza	James L. Maza	Fire Service	05-26-20
Lorraine A. Armelin	Burton K. Armelin	Police Service	04-12-20

SURVIVOR BENEFIT PURCHASE PROGRAM ELECTION – TIER 2 – 1

<u>Name</u>	<u>Member's Class</u>	<u>Effective Date</u>	<u>Survivor Benefit %</u>
Cedric E. Wilder	Police Service	06-01-20	100%

ELIGIBLE SURVIVOR BENEFIT PURCHASE PROGRAM PENSION – TIER 2 – 1

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Effective Date</u>
Marilyn E. Mc Grath	Bradley T. Mc Grath	Police Disability	05-20-20

DISCONTINUE SURVIVING CHILD'S PENSION – TIER 5 – 1

Discontinue the pension payable to Emily F. Norman, surviving child of deceased Police Officer II, Ryan S. Norman, effective April 1, 2020, due to the discontinuance of full-time student status.

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 Thomas E. McMullen, Police Service Pensioner, is to be paid to his former spouse, Eileen McMullen, effective June 1, 2020. Ms. McMullen 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 James P. Vlach, Fire Service Pensioner, is to be paid to his former spouse, Laurie J. Vlach, effective June 1, 2020. Ms. Vlach 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 Ronny C. Mosley, Police Service Pensioner, is to be paid to his former spouse, Veda Mosley, effective June 1, 2020. Ms. Mosley will receive cost of living adjustments.

DESIGNATED 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 Victor B. Pettric, Police Service Pensioner, which was paid to his deceased former spouse, Susan V. Pettric, has been designated to her beneficiary, JoAnn Snodgrass, effective April 2, 2020. Ms. Snodgrass 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 Lonnie E. Reid, Police Service Pensioner, which was paid to his deceased former spouse, Sharon Walsh, has been designated to her beneficiary, Wayne S. Donelson, effective July 30, 2019. Mr. Donelson will receive cost of living adjustments.

DESIGNATED 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 Elefante, Fire Service Pensioner, which was paid to his deceased former spouse, Patricia L. Elefante, has been designated to her beneficiary, Michael T. Elefante, effective March 7, 2020. Mr. Elefante 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 William A. Weber, Police Service Pensioner, which was paid to his deceased former spouse, Dionya Weber, has been designated to her beneficiaries, Ashley R. Wise and Zachary W. Weber, effective January 17, 2020. Mr. Weber and Ms. Wise will receive cost of living adjustments.

MODIFIED 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 Anthony A. Amano, Fire Service Pensioner, being withheld for his former spouse, Cynthia L. Amano, since April 1, 2020, should be released effective June 1, 2020.

In accordance with the City Attorney's advice, a designated proportion of the community property interest of the pension payable to David J. Cueto, Police Service Pensioner, being withheld for his former spouse, Yanet Cueto, since April 1, 2020, should be released to David J. Cueto.

SERVICE PENSION – TIER 5 – 6

Police

Trenton K. Berry	Police Officer III	Eff:	05-10-20	30	Years	126	Days
Raquel Cruz	Detective I	Eff:	05-10-20	23	Years	107	Days
Daniel J. Davis	Detective I	Eff:	05-24-20	23	Years	298	Days
Patricia Gavira Dirosario	Detective I	Eff:	05-10-20	26	Years	15	Days
Gregory M. Smith	Police Officer III	Eff:	05-10-20	24	Years	321	Days
Connie G. Zych	Detective I	Eff:	05-24-20	25	Years	174	Days

SERVICE PENSION/DROP – TIER 5 – 9

Police

David R. Cordova	Police Officer III	Eff:	05-01-20	25	Years	9	Days
John M. Derouen	Police Officer III	Eff:	05-01-20	25	Years	19	Days
Frank R. Galindo	Police Officer III	Eff:	05-01-20	25	Years	353	Days
Brian G. Gallagher	Sergeant I	Eff:	03-02-20	25	Years	1	Day
Thayer K. Lake	Detective II	Eff:	05-16-20	25	Years	0	Days
Edward F. Martinez	Police Officer II	Eff:	05-01-20	25	Years	3	Days
Owen K. Mills	Police Officer III	Eff:	05-01-20	25	Years	3	Days
Arthur L. Simms	Police Officer II	Eff:	05-01-20	25	Years	0	Days
Kurt R. Smith	Sergeant II	Eff:	05-01-20	25	Years	62	Days

DISCONTINUE DROP – TIER 3 – 2

Police

Ruben S. Carrillo	Retired:	07-01-15	Exit Close of:	06-30-20
Ernest B. Williams	Retired:	06-18-15	Exit Close of:	06-17-20

DISCONTINUE DROP – TIER 4 – 3

Police

Arturo M. Covarrubias	Retired:	07-01-15	Exit Close of:	06-30-20
Kristin Traynor	Retired:	07-01-15	Exit Close of:	06-30-20

Fire

William A. Sanchez	Retired:	07-02-15	Exit Close of:	06-30-20
--------------------	----------	----------	----------------	----------

DISCONTINUE DROP – TIER 5 – 31

Fire

Steven J. Berkery	Retired:	07-01-15	Exit Close of:	06-30-20
Stanley T. Croom	Retired:	05-02-16	Exit Close of:	06-30-20
Michael D. Dula	Retired:	07-02-15	Exit Close of:	06-30-20
Jose M. Figueroa	Retired:	06-03-15	Exit Close of:	05-31-20
Gregory J. Gourlay	Retired:	06-03-15	Exit Close of:	05-31-20
Paul R. Obregon	Retired:	07-01-15	Exit Close of:	06-30-20



Drew Oliphant	Retired:	06-03-15	Exit Close of:	05-31-20
Alvarez C. Perez	Retired:	07-01-15	Exit Close of:	06-30-20

Police

Wayne J. Caffey	Retired:	01-13-16	Exit Close of:	06-18-20
Dino D. Campodonico	Retired:	06-01-15	Exit Close of:	05-31-20
Jeffrey B. Childs	Retired:	07-01-15	Exit Close of:	06-30-20
Randy S. Elzinga	Retired:	07-01-16	Exit Close of:	06-30-20
Raymond E. Hallenbeck	Retired:	07-01-15	Exit Close of:	06-30-20
Jennifer L. Harley	Retired:	07-01-15	Exit Close of:	06-30-20
Richard S. Hurtado	Retired:	07-01-15	Exit Close of:	06-30-20
Benjamin B. Jones	Retired:	05-01-18	Exit Close of:	06-30-20
Richard A. Kehr	Retired:	06-29-15	Exit Close of:	06-28-20
David T. Kong	Retired:	07-01-15	Exit Close of:	06-30-20
Troy L. Laster	Retired:	07-01-15	Exit Close of:	06-30-20
Jesus Lopez, Jr.	Retired:	07-01-15	Exit Close of:	06-30-20
Fred Miller	Retired:	07-01-18	Exit Close of:	06-30-20
Jose Mireles	Retired:	07-01-15	Exit Close of:	05-31-20
Joseph E. Morrison	Retired:	07-01-15	Exit Close of:	06-30-20
Stephanie L. Moten	Retired:	07-01-15	Exit Close of:	06-30-20
Doug H. Nguyen	Retired:	07-01-15	Exit Close of:	06-30-20
Alexander E. Ortiz, Jr.	Retired:	11-01-18	Exit Close of:	06-30-20
Andrew R. Pedersen	Retired:	07-01-15	Exit Close of:	06-30-20
Steve J. Razo	Retired:	07-01-15	Exit Close of:	06-30-20
James S. Shray	Retired:	01-18-18	Exit Close of:	06-30-20
Dondee W. Stout	Retired:	07-01-15	Exit Close of:	06-30-20
Ted J. Watson	Retired:	11-01-17	Exit Close of:	05-31-20

PARTIAL PAYMENT OF DROP FUNDS – TIER 5 – 3

In accordance with the City Attorney’s advice, a designated proportion of the community property interest of the DROP funds payable to Jeffrey B. Childs, Police Service Pensioner, is to be paid to his former spouse, Glynis Childs, effective June 30, 2020.

In accordance with the City Attorney’s advice, a designated proportion of the community property interest of the DROP funds payable to Jeffrey B. Childs, Police Service Pensioner, is to be paid to his former spouse, Crystal Williams, effective June 30, 2020.

In accordance with the City Attorney’s advice, a designated proportion of the community property interest of the DROP funds payable to Paul R. Obregon, Fire Service Pensioner, is to be paid to his former spouse, Carrie Obregon, effective June 30, 2020.

MODIFIED 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 Anthony A. Amano, Fire Service Pensioner, being withheld for his former spouse, Cynthia L. Amano, since March 31, 2020, should be released effective June 1, 2020.

2. Other business relating to Department operations

General Manager Ciranna gave the following updates:

- a. Congratulated President Nathanson on his reappointment as a Commissioner.
- b. Updated the Board on the COVID-19 budget impact.
- c. City Council enacted reductions to the LAPD budget which will affect the City's contribution to the Fund.
- d. Council approved incentives for separation from employment for select civilian individuals employed by the City.
- e. Staff is communicating with Office of Finance regarding their collection processes.
- f. Board officer elections will be held on July 16, 2020.

**E. CONSENT ITEMS**

1. Finding of Facts

- a. Caroline J. Boyd, surviving spouse of Battalion Chief Jerome A. Boyd – Tier 5
- b. Stephen M. Underwood – Tier 5

2. Approval of Minutes

- a. Regular meeting minutes of January 16, 2020
- b. Special meeting minutes of January 9, 2020

Motion

Commissioner Zimmon moved that the Board approve the consent items, which was seconded by Commissioner Navarro and approved by the following vote: ayes, Commissioners Babcock, Buzzell, Navarro, Pendleton, Salimpour, Vega, Weber, Zimmon, and President Nathanson – 9; nays – none.

**F. CONSIDERATION OF FUTURE AGENDA ITEMS**

1. Commissioner Weber requested an agenda item regarding communications from the Board.
2. President Nathanson requested a special meeting to be held (tentatively) on Tuesday, July 7, 2020 to enable the Board to take an action on an investment discussed earlier by AEW.
3. Commissioner Navarro requested that the Board defer choosing a third firm for Outside Fiduciary Counsel until the July 16, 2020 Board meeting to allow the Board the opportunity to interview Reed Smith.

Motion

Commissioner Vega moved that the Board reconsider a closed session investment from May 21, 2020, which was seconded by Commissioner Salimpour and approved by the following vote: ayes, Commissioners Babcock, Buzzell, Navarro, Pendleton, Salimpour, Vega, Weber, Zimmon, and President Nathanson – 9; nays – none.

At Commissioner Weber's request, President Nathanson created an Ad Hoc Committee for Emerging Managers with the following members: Commissioners Weber, Pendleton, Navarro, and Vega.

Commissioner Buzzell discussed a recent communication sent to active DROP members by a financial services firm, which implied a connection with Los Angeles Fire and Police Pensions. General Manager Ciranna stated that the Communications and Education Section will send out information to the members to address the misleading marketing materials.

**G. CLOSED SESSION**

1. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.81 TO CONSIDER THE PURCHASE OF ONE (1) PARTICULAR, SPECIFIC PENSION FUND INVESTMENT AND POSSIBLE BOARD ACTION

The Board met in closed session.

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

The meeting adjourned at 1:44 p.m.



President



Secretary