

**MINUTES**  
**OF THE**  
**BOARD OF FIRE AND POLICE PENSION COMMISSIONERS**  
**BOARD MEETING OF JANUARY 21, 2021**

The Board of Fire and Police Pension Commissioners of the City of Los Angeles met on Thursday, January 21, 2021.

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

COMMISSIONER ABSENT: Belinda Vega

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  
Evangalina Masud, Commission Executive Assistant

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

President Pendleton 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 Salimpour who joined the meeting at 8:40 a.m.

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

There were no public speakers.

**B. REPORTS TO THE BOARD**

1. AUTHORIZATION TO ISSUE A REQUEST FOR PROPOSALS FOR OUTSIDE REAL ESTATE AND INVESTMENTS COUNSEL, AMEND CURRENT CONTRACTS WITH NOSSAMAN LLP AND KUTAK ROCK LLP TO INCREASE EXPENDITURE LIMITS AND EXTEND TERMS BY ONE YEAR, AND POSSIBLE BOARD ACTION

Mr. Joshua Geller, Deputy City Attorney, Office of the City Attorney presented and

discussed this item with the Board. The report was approved as submitted.

#### Resolution 21108

Commissioner Zimmon moved that the Board:

1. Authorize the publication of a Request for Proposals (RFP) for Outside Counsel Specializing in Real Estate and Investments, as summarized,
2. Authorize amendments to the Board's current contracts with Nossaman LLP and Kutak Rock LLP, currently expiring July 21, 2021, to: (a) increase the spending limits for each by an additional \$135,000 per year, and (b) extend both contracts for one additional year, in case extensions are necessary to ensure continuity of services while the RFP process is underway,

which was seconded by Commissioner Navarro and approved by the following vote: ayes, Commissioners Babcock, Buzzell, Nathanson, Navarro, Salimpour, Weber, Zimmon, and President Pendleton – 8; nays – none.

#### 2. PRIVATE CREDIT PORTFOLIO OF FUNDS INVESTMENT MANAGER SEARCH AND POSSIBLE BOARD ACTION

Ms. Susan Liem, Investment Officer II, Investments Division gave a brief summary, and the report was approved as submitted.

#### Corrected Resolution 21109

Commissioner Nathanson moved that the Board approve the proposed Minimum Qualifications (MQs) for the private credit portfolio of funds investment manager search:

- a) The firm is required to have at least five years of experience with private credit investing which includes the following strategies, distressed debt, direct lending (corporate credit at junior and senior levels of the capital structure) and specialty lending that may have debt and equity components,
- b) The firm is required to be advising a minimum of \$500 million in private credit commitments across their clients,
- c) The firm is required to have at least two public pension plan clients,

which was seconded by Commissioner Buzzell and approved by the following vote: ayes, Commissioners Babcock, Buzzell, Nathanson, Navarro, Salimpour, Weber, Zimmon, and President Pendleton – 8; nays – none.

#### 3. LEVERED US BANK LOANS MINIMUM QUALIFICATIONS PROPOSAL AND POSSIBLE BOARD ACTION

Mr. Ryan Sullivan, Senior Consultant of RVK provided a brief summary and the report was approved as submitted.

Resolution 21110

Commissioner Buzzell moved that the Board consider following Minimum Qualifications (“MQs”) when screening for active Levered US Bank Loan managers,

- a) The firm’s strategy is open to new investors,
- b) The firm has a minimum five-year track record,
- c) The firm’s strategy has a minimum of \$1.6 billion in assets under management,
- d) The firm has experience in managing a separate account with over \$100 million in assets under management,

which was seconded by Commissioner Navarro and approved by the following vote: ayes, Commissioners Babcock, Buzzell, Nathanson, Navarro, Salimpour, Weber, Zimmon, and President Pendleton – 8; nays – none.

4. ANNUAL AUDIT PLAN STATUS AND CHANGES AND POSSIBLE BOARD ACTION

Ms. Cynthia Varela, Departmental Audit Manager, Internal Audit Section presented and discussed this item with the Board. The report was approved as submitted.

Resolution 21111

Commissioner Buzzell moved that the Board review and approve the status and changes to the Fiscal Year 2021-21 Annual Audit Plan,

which was seconded by Commissioner Babcock and approved by the following vote: ayes, Commissioners Babcock, Buzzell, Nathanson, Navarro, Salimpour, Weber, Zimmon, and President Pendleton – 8; nays – none.

5. AUTHORIZATION TO ISSUE A REQUEST FOR PROPOSALS FOR EXTERNAL FINANCIAL AUDIT SERVICES AND POSSIBLE BOARD ACTION

Ms. Cynthia Varela, Departmental Audit Manager, Internal Audit Section presented and discussed this item with the Board. The report was approved as submitted.

Ms. Elsa Sou Jing Moy provided public comment.

Resolution 21112

Commissioner Navarro moved that the Board authorize the General Manager to issue a Request for Proposals (RFP) for external financial audit services,

which was seconded by Commissioner Buzzell and approved by the following vote: ayes, Commissioners Babcock, Buzzell, Nathanson, Navarro, Salimpour, Weber, Zimmon, and President Pendleton – 8; nays – none.

6. SECOND QUARTER UPDATE OF THE 2020-21 BUSINESS PLAN AND POSSIBLE BOARD ACTION

The report was approved as submitted.

Commissioner Buzzell moved that the Board:

1. Authorize a revision to the Business Plan for Project No. 2 – Association of Local Government Auditors (ALGA) Peer Review, to defer this Project and instruct staff to include this Project in the 2021-22 Business Plan; and,
2. Authorize a revision to the Business Plan for Project No. 7 – PARIS (Pension and Retirement Information System) Implementation, to push back its March 31, 2021 Milestone to June 30, 2021 and to complete three of ten Workflows, as reflected in the revised Business Plan,

which was seconded by Commissioner Navarro and approved by the following vote: ayes, Commissioners Babcock, Buzzell, Nathanson, Navarro, Salimpour, Weber, Zimmon, and President Pendleton – 8; nays – none.

7. 2022-24 STRATEGIC PLANNING AND 2021-22 BUDGET AND BUSINESS PLAN DEVELOPMENT

General Manager Ciranna presented a new, proposed operational vision for the Department. The presentation was discussed with the Board and was received and filed.

8. QUARTERLY TRAVEL REPORT FOR COMMISSIONERS AND STAFF

The Board took no action; the report was received and filed.

9. PRIVATE EQUITY EDUCATIONAL WORKSHOP: THE ILPA DIVERSITY IN ACTION INITIATIVE

Messrs. Todd Hughes, CFA and Managing Director and Tony Navarro, CFA, CAIA, Senior Associate and Ms. Liz Campbell, Managing Director of Portfolio Advisors presented and discussed this item with the Board. Mr. Joshua Geller, Deputy City Attorney, Office of the City Attorney provided additional comments. The report was received and filed.

**C. COMMUNICATIONS TO THE BOARD**

1. President Pendleton asked if any Board Member made any expenditure to influence State legislative or administrative action to which their reply was negative.
2. Miscellaneous correspondence from money managers, consultants, etc. – Received and Filed.

**D. GENERAL MANAGER’S REPORT**

1. Monthly Report
2. Marketing Cessation Information
3. Benefits Actions approved by General Manager on January 7, 2021.

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 1 – 2**

Evelyn D. Martin	Fire Widow	Retired:	06-09-19	Died:	11-25-20
Carol L. Wangeman	Police Widow	Retired:	02-09-17	Died:	10-11-20

**DISCONTINUED PENSIONS – TIER 2 – 12**

Edward O. Fleming	Police Service	Retired:	01-17-93	Died:	12-05-20
Rollie Lawson, Jr.	Police Service	Retired:	09-01-68	Died:	11-13-20
James E. Wilding	Police Service	Retired:	06-01-77	Died:	12-04-20
Brian C. Minor	Police Disability	Retired:	06-17-93	Died:	10-27-20
David C. Norman	Police Disability	Retired:	12-31-78	Died:	10-24-20
Gillian Chapman	Fire Widow	Retired:	01-14-98	Died:	11-08-20
Lois C. Johnson	Fire Widow	Retired:	10-04-17	Died:	11-09-20
Ann H. Brown	Police Widow	Retired:	01-16-91	Died:	12-06-20
Bettye J. Cook	Police Widow	Retired:	07-04-11	Died:	12-05-20
Martha P. May	Police Widow	Retired:	10-14-16	Died:	07-12-20
J. E. Trasowech	Police Widow	Retired:	05-26-74	Died:	11-16-20
Shirlee R. Wheeler	Police Widow	Retired:	06-19-18	Died:	10-18-20

**DISCONTINUED PENSIONS – TIER 5 – 1**

Katherine Rooney	Police Widow	Retired:	09-03-19	Died:	10-20-20
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**DISCONTINUED PENSIONS FORMER SPOUSE – TIER 2 – 1**

Barbara A. Walker	Police Disability	Retired:	09-03-93	Died:	12-09-20
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SERVICE PENSION/DROP – TIER 3 – 2

Police

Luis A. Bravo	Detective II	Eff:	10-01-20	27	Years	125	Days
Kenneth F. White	Detective III	Eff:	11-02-20	25	Years	15	Days

SERVICE PENSION/DROP – TIER 5 – 18

Fire

Gerald L. Johnson	Captain I	Eff:	03-03-20	31	Years	170	Days
Kevin A. Rudd	Captain II	Eff:	11-02-20	29	Years	187	Days

Police

Cid P. Camacho	Police Officer III	Eff:	10-01-20	25	Years	32	Days
Fernando G. Delatorre	Police Officer II	Eff:	10-01-20	25	Years	0	Days
Sergio D. Driotez	Police Officer II	Eff:	10-01-20	25	Years	10	Days
Alejandra I. Fiallos	Sergeant II	Eff:	08-01-20	25	Years	61	Days
David D. Fletcher	Sergeant II	Eff:	10-12-20	25	Years	1	Day
Sharlene J. Johnson	Detective III	Eff:	12-07-20	25	Years	175	Days
Teresa M. Gallardo	Police Officer II	Eff:	12-01-20	25	Years	249	Days
Bradley F. Hearn	Sergeant II	Eff:	10-03-20	25	Years	351	Days
Christian A. Mayes	Detective II	Eff:	09-04-20	25	Years	0	Days
Andrew J. Moody	Sergeant I	Eff:	12-01-20	25	Years	0	Days
Mariana Oschmann	Police Officer II	Eff:	10-01-20	25	Years	13	Days
Manuel L. Rumion	Police Officer III	Eff:	10-01-20	25	Years	49	Days
Theresa M. Skinner	Sergeant II	Eff:	10-01-20	26	Years	17	Days
Eric C. Spear	Detective III	Eff:	10-29-20	25	Years	0	Days
Brian W. Wilson	Police Officer II+3	Eff:	10-01-20	25	Years	163	Days
David W. Yep	Detective II	Eff:	10-01-20	25	Years	163	Days

EIGIBLE SURVIVING SPOUSE APPLICATION – TIER 5 – 1

<u>Name</u>	<u>Member's Rank</u>	<u>Type % Rate</u>	<u>Effective Date</u>
Kellie J. Cueto (Fred S. Cueto)	Sergeant I	NSC w/o prejudice: 40% +2 minor children	12-07-20

4. Other business relating to Department operations

General Manager Ciranna gave the following updates:

- LAFPP six-month preliminary return is well over 17% and the fund value is \$28.4 billion.
- Disability Pensions Section has cleared the 2017 backlog and staff is working on clearing up the 2018 cases.
- Next meeting is February 4<sup>th</sup>, there will be five interviews for actuarial consultants and AEW Real Estate updates.
- City budget update: The City is bargaining with the employee bargaining units on deferring

raises in exchange for two additional unpaid days off of February 12 and May 28.

- 1099-R Forms for 2020 are currently being reviewed.
- City Council motion regarding health care for Employees and Retirees reducing cost and looking for health care options.
- Korn Ferry currently has 9-10 potential candidates for the Chief Investment Officer position.

**E. CONSIDERATION OF FUTURE AGENDA ITEMS**

Commissioner Buzzell requested a future discussion on a minimum fund size of \$100 million for private equity funds similar to the minimum fund size in the Real Estate section of the Investment Policies. He would like to bring it back to add that guideline throughout the entire Investment Policies.

Commissioner Nathanson requested an update report on the LAFPP website traffic and member tool analytical use.

President Pendleton called for public comment to which there was none.

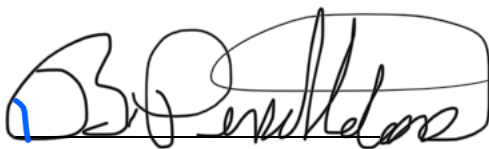
**F. CLOSED SESSION**

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

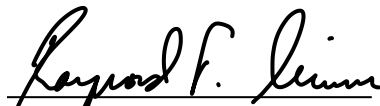
The Board met in closed session.

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

The meeting adjourned at 11:03 a.m.



President



Secretary