

MINUTES
OF THE
BOARD OF FIRE AND POLICE PENSION COMMISSIONERS
BOARD MEETING OF FEBRUARY 18, 2021

The Board of Fire and Police Pension Commissioners of the City of Los Angeles met on Thursday, February 18, 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)
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
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 Commissioners Salimpour and Babcock who joined the meeting at 8:31 a.m. and 8:33 a.m., respectively. President Pendleton announced that the pension fund is at \$28.9 billion.

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

Ms. Elsa Sou Jing Moy provided public comment.

B. REPORTS TO THE BOARD

1. PRESENTATION BY PRINCIPAL GLOBAL INVESTORS INTERNATIONAL SMALL CAP EQUITY MANAGER

Messrs. Paul Stover, Managing Director Relationship Management, Brian Pattinson, Portfolio Manager, William Grayson, Managing Director and Ms. Tiffany Lavastida of Portfolio Manager of Principal Global Investors presented and discussed this item with the

Board. The report was received and filed.

2. PRESENTATION BY BRANDES INVESTMENT PARTNERS INTERNATIONAL EQUITY MANAGER AND POSSIBLE BOARD ACTION

Ms. Miki Shaler, Investment Officer, Investments Division was available for questions. Messrs. Lawrence Taylor, Portfolio Manager, Brent Woods, Chief Executive Officer and Amelia Morris, Director, Investments Group of Brandes Investment Partners presented and discussed this item with the Board. The report was received and filed.

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

Messrs. Todd A. Hughes, Managing Director, Tonny Navarro, Senior Associate and Ms. Liz Campbell, Managing Director of Portfolio Advisors presented and discussed this item with the Board. The report was received and filed.

4. STRATEGIC PLAN UPDATE BY PORTFOLIO ADVISORS AND POSSIBLE BOARD ACTION

Messrs. Todd A. Hughes, Managing Director, Tonny Navarro, Senior Associate and Ms. Liz Campbell, Managing Director of Portfolio Advisors presented and discussed this item with the Board. The report was received and filed.

Item B.6 taken out of order.

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

Messrs. Todd A. Hughes, Managing Director, Tonny Navarro, Senior Associate and Ms. Liz Campbell, Managing Director of Portfolio Advisors presented and discussed this item with the Board. The report was received and filed.

President Pendleton recessed the meeting for a break at 10:42 a.m., and reconvened at 10:48 a.m.

5. INVESTMENTS SEMI-ANNUAL REVIEW OF SPECIALIZED MANAGER PRIVATE EQUITY PROGRAM BY FAIRVIEW AND POSSIBLE BOARD ACTION

Ms. JoAnn Price, Managing Partner, and Ms. Cynthia Tseng, Partner of Fairview Capital presented and discussed this item with the Board. The report was received and filed.

Commissioner Salimpour left for the remainder of the meeting at 11:00 a.m.

7. ACTUARIAL STANDARD OF PRACTICE NO. 51 RISK REPORT AND SIX-YEAR ILLUSTRATION OF CONTRIBUTIONS, FUNDING RATIO AND UAAL AND POSSIBLE BOARD ACTION

Mr. Greg Mack, Chief Benefits Analyst, Messrs. Paul Angelo, Senior Vice President and Actuary and Todd Tauzer, Vice President and Actuary, The Segal Co. presented and discussed this report with the Board.

Resolution 21119

Commissioner Buzzell moved that the Board review and approve the Risk Assessment Report from Segal,

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

8. CONTRACT EXTENSION WITH TOTAL COMMERCIAL REAL ESTATE (TCRE) FOR PROPERTY MANAGEMENT SERVICES, AND AUTHORITY TO ISSUE A REQUEST FOR PROPOSALS FOR PROPERTY MANAGEMENT SERVICES, AND POSSIBLE BOARD ACTION

Mr. Bill Raggio, Executive Officer, Administrative Operations Division presented the report.

Resolution 21120

Commissioner Zimmon moved that the Board:

- 1) Approve a one-year extension of the existing contract with Total Commercial Real Estate (TCRE) to provide property management and leasing services, with a total contract amount as follows:
 - A) Property Management services not to exceed \$50,000 (which includes a CPI indexed fee increase);
 - B) Leasing commissions as negotiated between the General Manager and TCRE;
 - C) Building operational expenses as allocated and approved through the Department's annual budget;
- 2) Authorize the General Manager to negotiate the terms and conditions of the contract;
- 3) Authorize the President of the Board, on behalf of the Board, to execute the contract amendment, subject to the approval of the City Attorney as to form; and,
- 4) Authorize the General Manager to issue a Request for Proposals (RFP) by December 31, 2021 for property management and leasing services for a three-year term beginning July 1, 2022,

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

9. APPROVAL OF INTEREST RATE TO BE CREDITED TO ACTIVE MEMBERS ACCOUNTS AS OF DECEMBER 31, 2020 AND POSSIBLE BOARD ACTION

Ms. Michelle Chan, Chief Accountant, Accounting Section gave a brief summary of the report. The report was approved as submitted.

Resolution 21121

Commissioner Babcock moved that the Board, in accordance with Board Rule 5.1, direct the General Manager to credit the interest rate of 1.12% to active members accounts as of December 31, 2020,

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

10. STATUS REPORT ON OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS AND POSSIBLE BOARD ACTION

Ms. Cynthia Varela, Departmental Audit Manager, Internal Audit provided a brief summary the report.

Resolution 21122

Commissioner Nathanson moved that the Board review, receive, and file the Status Report on Outstanding Internal Audit Recommendations,

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

11. LAFPP PRESS RELEASE INFORMATION AND POSSIBLE BOARD ACTION

Ms. Carol Tavares, Sr. Benefits Analyst II, Communications and Education Section presented and discussed this item with the Board. The report was received and filed.

12. LAFPP WEBSITE ANALYTICS AND POSSIBLE BOARD ACTION

Mr. Stephen Bayutas, Benefits Analyst, Communications and Education Section presented and discussed this report with the Board. The report was received and filed.

13. COUNCIL FILE 20-1606 – MOTION REGARDING OPTIONS TO REDUCE ACTIVE AND RETIREE HEALTHCARE COSTS AND POSSIBLE BOARD ACTION

General Manager Ciranna presented and discussed this item with the Board. The report was received and filed.

14. VERBAL REPORT REGARDING LOS ANGELES COUNTY HEALTH DEPARTMENT CLASSIFICATION OF POLICE OFFICERS FOR VACCINE PRIORITY AND POSSIBLE BOARD ACTION

General Manager Ciranna presented and discussed this item with the Board. Members of the Board requested that the department send letters to the Los Angeles County Supervisors and Health Department asking that they prioritize LAPD officers to receive the COVID-19 vaccine. The report was received and filed.

15. VERBAL UPDATE FROM THE CITY ATTORNEY REGARDING RECENT CHANGES TO THE RALPH M. BROWN ACT RELATING TO THE USE OF SOCIAL MEDIA

Anya Freedman, Assistant City Attorney, Office of the City Attorney gave a verbal update.

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 February 4, 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 2 – 16

Jack R. Martin	Fire Service	Retired:	08-02-81	Died:	12-21-20
O. V. Allen	Police Service	Retired:	12-01-93	Died:	12-02-20
William E. Arnado	Police Service	Retired:	12-08-96	Died:	01-12-21
Melva M. Glavas	Police Service	Retired:	12-01-68	Died:	12-19-20
Robert L. Simon	Police Service	Retired:	07-21-85	Died:	05-12-20
Bobbie E. Tucker	Police Service	Retired:	03-07-93	Died:	12-03-20
Dale R. Jackson	Fire Disability	Retired:	07-01-69	Died:	11-07-20

Nikki L. Livada	Fire Disability	Retired:	03-23-79	Died:	12-18-20
Hershel Breshears	Police Disability	Retired:	10-01-79	Died:	12-31-20
Melva M. Glavas	Fire Widow	Retired:	07-10-01	Died:	12-19-20
Gloria T. Myers	Fire Widow	Retired:	04-11-15	Died:	12-22-20
Ruth E. Wilson	Fire Widow	Retired:	12-17-05	Died:	09-27-20
Helen M. Burrows	Police Widow	Retired:	09-17-96	Died:	12-31-20
Phyllis A. Hale	Police Widow	Retired:	03-31-08	Died:	01-10-21
Catherine Henry	Police Widow	Retired:	04-04-06	Died:	01-08-21
Carolyn J. Hill	Police Widow	Retired:	09-30-05	Died:	12-22-20

DISCONTINUED PENSIONS – TIER 3 – 1

Musa T. Camara	Police Disability	Retired:	08-21-94	Died:	04-28-20
----------------	-------------------	----------	----------	-------	----------

DISCONTINUED PENSIONS – TIER 5 – 1

Brad L. Lovitt	Police Service	Retired:	02-02-15	Died:	10-22-20
----------------	----------------	----------	----------	-------	----------

DISCONTINUED PENSIONS FORMER SPOUSE – TIER 5 – 1

Judith K. Lovitt	Police Service	Retired:	03-01-19	Member Died:	10-22-20
------------------	----------------	----------	----------	--------------	----------

SERVICE PENSION/DROP – TIER 3 – 3

Police

Charles K. Blomeley	Detective III	Eff:	11-03-20	2	Years	0	Days
Phillip S. Clayson	Sergeant I	Eff:	11-02-20	2	Years	0	Days
Mage G. Simerskey	Police Officer II	Eff:	11-02-20	3	Years	0	Days

SERVICE PENSION/DROP – TIER 5 – 10

Police

Jose E. Angulo	Detective I	Eff:	12-01-20	25	Years	0	Days
Michael L. Fairchild	Detective III	Eff:	12-01-20	25	Years	18	Days
John J. Fischer	Police Officer II	Eff:	12-01-20	25	Years	8	Days
Kristine L. Harris	Police Officer III	Eff:	12-01-20	25	Years	85	Days
Christopher R. Landry	Police Officer III	Eff:	01-04-21	25	Years	9	Days
Richard K. Larimer	Police Officer III	Eff:	09-01-20	25	Years	22	Days
Alfonso Lopez	Captain III	Eff:	01-04-21	29	Years	54	Days
Douglas G. McCombs	Sergeant I	Eff:	11-10-20	25	Years	6	Days

Robert M. Norman	Police Officer II	Eff: 11-16-20	25	Years	13	Days
Christopher P. Rodriguez	Police Officer II	Eff: 01-14-21	25	Years	57	Days

DISCONTINUE DROP – TIER 4 – 1 CORRECTION

Police

Patricia E. Hauck Retired: 02-01-16 Exit Close of: 01-31-21
DISCONTINUE DROP – TIER 5 – 2 CORRECTION

Police

Terence M. Keyzer Retired: 05-01-19 Exit Close of: **01-03-21**
Chris S. Ragsdale Retired: 02-01-16 Exit Close of: 01-31-21

3. Other business relating to Department operations

General Manager Ciranna gave the following updates:

- The latest *Pensions & Investments* publication included their annual Defined Contribution & Defined Benefit Plan list for September 2020; LAFPP ranked 90th, up from 93rd.
- Chief Investment Officer first round of interviews is coming up and the second round of interviews will take place in few weeks. The selection of a CIO is expected by April 2021.
- Appellate Court Forfeiture update – Wilmot vs. Contra Costa County.
- 2020 Annual Report has been completed and released. If you would like a hard copy, please let staff know.
- Next meeting is March 4th, we will have two contract renewals, RVK will be presenting the quarterly investment report and fixed income manager survey, and we will discuss Payden & Rygel.
- Tracking all member deaths due to COVID-19 and will be working to expedite those related survivor pension applications.

Commissioner Buzzell inquired if the medical records pilot program had ended or is still continuing. General Manager Ciranna stated that at the March 18th meeting staff will report on the pilot program.

E. CONSIDERATION OF FUTURE AGENDA ITEMS

Commissioner Babcock stated that the Private Equity Emerging Managers Program is not mirrored on the Real Estate allocation. Are there any other pension funds that have an emerging managers program for real estate investments?

Commissioner Vega left for the remainder of the meeting at 12:25 p.m.

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

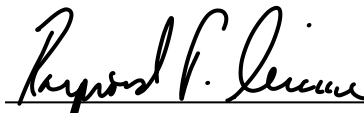
The Board met in closed session.

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

The meeting adjourned at 12:44 p.m.

A handwritten signature in black ink, appearing to read "B. Pendleton", written over a horizontal line.

President

A handwritten signature in black ink, appearing to read "Raymond F. Leanne", written over a horizontal line.

Secretary