

MINUTES
OF THE
BOARD OF FIRE AND POLICE PENSION COMMISSIONERS
BOARD MEETING OF JUNE 17, 2021

The Board of Fire and Police Pension Commissioners of the City of Los Angeles met on Thursday, June 17, 2021.

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

DEPARTMENT OF FIRE AND
POLICE PENSIONS: Raymond P. Ciranna, General Manager
William Raggio, Executive Officer
Joseph Salazar, Assistant General Manager
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 arrived at 8:34 a.m. President Pendleton announced that the LAFPP investment portfolio was at \$30.5 billion.

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

Ms. Elsa Sou Jing Moy provided public comment.
Mr. Damien Goodmon, Ms. Amber Heights, Mr. Magic Collins and Ms. Carrie McGray provided public comment regarding Downtown Crenshaw Rising.

Item G.5 was taken out of order.

Commissioner Weber recused himself from this matter and left the room during the discussion. He did not participate in the vote at 8:43 a.m.

G. CLOSED SESSION

5. CLOSED SESSION PURSUANT TO SUBDIVISIONS (A) AND (D)(1) OF GOVERNMENT

CODE SECTION 54956.9 TO CONFER WITH, AND/OR RECEIVE ADVICE FROM, LEGAL COUNSEL REGARDING PENDING LITIGATION IN THE CASE ENTITLED LOS ANGELES POLICE PROTECTIVE LEAGUE VS THE BOARD OF FIRE AND POLICE PENSION COMMISSIONERS FOR LOS ANGELES FIRE AND POLICE PENSIONS, CITY OF LOS ANGELES (CASE NO. BC672034) AND POSSIBLE BOARD ACTION

The Board met in closed session.

Commissioner Weber rejoined the board meeting at 8:53 a.m.

B. REPORTS TO THE BOARD

1. APPROVAL OF CONTRACTS WITH K&L GATES LLP, KUTAK ROCK LLP, AND NOSSAMAN LLP, FOR OUTSIDE INVESTMENT AND REAL ESTATE COUNSEL SERVICES, AND POSSIBLE BOARD ACTION

Mr. Josh Geller, Deputy City Attorney, Office of the City Attorney gave a brief summary of the report. K&L Gates LLP, Kutak Rock LLP and Nossaman LLP were available for questions. The report was approved as submitted.

Resolution 21182

Commissioner Nathanson moved that the Board:

Authorize the City Attorney's Office to negotiate, and the General Manager to execute, contracts with K&L Gates LLP, Kutak Rock LLP, and Nossaman LLP, for Outside Investment and Real Estate Counsel to assist the City Attorney for a three-year term beginning July 1, 2021, subject to the written approval of the City Attorney pursuant to Charter Section 275,

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.

2. 2021-22 FINAL BUSINESS PLAN AND POSSIBLE BOARD ACTION

Mr. Elijah Hernandez, Management Assistant, Administrative Services Section presented the report. The report was approved as submitted.

Resolution 21183

Commissioner Navarro moved that the Board approve the 2021-22 Final Business Plan,

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.

3. 2021-22 FINAL BUDGET AND POSSIBLE BOARD ACTION

Ms. LoAn Luu, Benefits Analyst, Administrative Services Section presented the report. The report was approved as submitted.

Resolution 21184

Commissioner Navarro moved that the Board:

- 1) Adopt the 2021-22 Final Budget (Budget) and authorize the General Manager to transmit the Budget to the Mayor, City Administrative Officer (CAO), and the City Controller for their record;
- 2) Adopt the 2021-22 Personnel Resolution and 2021-22 Travel Resolution (2021-22 Final Budget Schedules 7 and 10, respectively);
- 3) Delegate to the General Manager the authority to approve intra-departmental transfers within the 2021-22 Administrative Expense Budget, commensurate with the limit released by the CAO each year pursuant to Charter Section 343, and direct the General Manager to report to the Board on such transfers in the monthly budget report; and,
- 4) Authorize Staff to make any technical corrections or clarifications to the 2021-22 Final Budget to effectuate the intent of the above-mentioned 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.

4. AUDIT OF THE SUBSIDY PROGRAM FOR HEALTH AND DENTAL PLANS ADMINISTERED BY THE UNITED FIREFIGHTERS OF LOS ANGELES CITY (UFLAC) AND POSSIBLE BOARD ACTION

Ms. Jennifer Van, Internal Auditor II and Ms. Cynthia Varela, Departmental Audit Manager, Internal Audit Section presented the report.

Resolution 21185

President Pendleton moved that the Board receive and file the report,

which was seconded by Commissioner Vega and approved by the following vote: ayes, Commissioners Babcock, Buzzell, Nathanson, Vega, Weber, Zimmon and President Pendleton – 7; nays, Commissioner Navarro – 1.

5. 2020-21 ANNUAL AUDIT PLAN STATUS AND PROPOSED 2021-22 ANNUAL AUDIT PLAN AND POSSIBLE BOARD ACTION

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

Resolution 21186

Commissioner Navarro moved that the Board:

1. Review the status report to the 2020-21 Annual Audit Plan; and,
2. Review and approve the proposed 2021-22 Annual Audit Plan,

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

6. GENERAL MANAGER PERFORMANCE EVALUATION AND POSSIBLE BOARD ACTION

Mr. James Schiffhauer, Sr. Personnel Analyst I, Administrative Services – Human Resources presented the report.

Resolution 21187

Commissioner Vega moved that the Board:

- 1) Direct staff to survey Board members on the General Manager's performance for 2020-21; and,
- 2) Direct staff to use the current Criteria and Survey Instrument for the 2021-22 General Manager Evaluation,

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.

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 May 20, 2021.

(Please note: These Minutes omit the Benefit Actions approved by the General Manager (Benefit Actions) as the Agenda did not reflect the correct date of June 3, 2021. As such, these Minutes omit the Benefit Actions and the Board approved the June 3, 2021 Benefit Actions on February 17, 2022.)

4. Other business relating to Department operations

General Manager Ciranna gave the following updates:

- LAFPP Asset value at \$30.5 billion.
- Topics to be discussed at the July 1, 2021 meeting.
- Encouraged Commissionersto continue to attend board meetings by Zoom.
- Possible reopening of the office to service members in-person.
- Introduction of new Chief Investment Officer, Mr. Ray Joseph.

E. CONSENT ITEM

1. Approval of Minutes
 - a. Regular Board Meeting Minutes of August 6, 2020 and August 20, 2020
 - b. Special Board Meeting Minutes of August 20, 2020
 - c. Special Ad Hoc Committee on Diversity, Equity and Inclusion Minutes of August 20, 2020
2. Findings of Fact
 - a. Megan N. Flynn (DP Valentin C. Martinez – Tier 5
 - b. Peter E. Victorino – Tier 5
3. CONSENT TO ASSIGNMENT OF STOCKBRIDGE CAPITAL GROUP PARTNERSHIP AGREEMENT AND POSSIBLE BOARD ACTION
4. APPROVAL OF TRAVEL AUTHORITY (WEBER) – IFEBP, 67TH ANNUAL EMPLOYEE BENEFITS CONFERENCE

Motion

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

Resolution 21188

Commissioner Vega moved that the Board:

Consent to the assignment of Stockbridge Capital Group's partnership agreement and authorize the General Manager to sign the written consent on behalf of the Board,

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

Resolution 21189

Commissioner Vega moved that the Board approve:

- 1) Commissioner Paul Weber to attend the International Foundation of Employee Benefit Plans (IFEBP), 67th Annual Employee Benefits Conference on October 16 - 20, 2021 and October 16 -17, 2021 at Denver, CO (October 16th is a travel day);
- 2) The use of current fiscal year funds (FY21) to pay the registration fee only, and acknowledge this is not consistent with the Controller's Office policy since the travel will occur next fiscal year (FY22); and,
- 3) The use of next fiscal year funds (FY21) to pay the balance of the travel, consistent with the Controller's Office policy,

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

F. CONSIDERATION OF FUTURE AGENDA ITEMS

Commissioner Babcock requested that the Board consider developing an Emerging Manager Program for the Fund's real estate allocation.

President Pendleton recessed the meeting for a break at 9:06 a.m., and reconvened at 9:12 a.m.

G. 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.

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

POSSIBLE BOARD ACTION

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

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4. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(A) AND (D)(1) TO CONFER WITH AND/OR RECEIVE ADVICE FROM LEGAL COUNSEL REGARDING PENDING LITIGATION IN THE CASE ENTITLED CHERYL ARMOUR FATOOL VS. LOS ANGELES CITY FIRE AND POLICE PENSION SYSTEM (CASE NO. 20STCP02435)

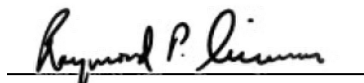
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Upon reconvening in open session, President Pendleton stated there was no public report.

The meeting adjourned at 11:06 a.m.



President



Secretary