

**MINUTES**  
**OF THE**  
**BOARD OF FIRE AND POLICE PENSION COMMISSIONERS**  
**BOARD MEETING OF JULY 15, 2021**

The Board of Fire and Police Pension Commissioners of the City of Los Angeles met on Thursday, July 15, 2021.

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

COMMISSIONERS ABSENT: Pedram Salimpour, MD

DEPARTMENT OF FIRE AND  
POLICE PENSIONS: Raymond P. Ciranna, General Manager  
William Raggio, Executive Officer  
Joseph Salazar, Assistant General Manager  
Ray Joseph, 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. President Pendleton announced that the LAFPP investment portfolio was at \$31.3 billion.

A. GENERAL PUBLIC COMMENTS ON MATTERS WITHIN THE BOARD'S JURISDICTION  
There were no public comments.

B. REPORTS TO THE BOARD

1. ELECTION OF BOARD OFFICERS PURSUANT TO CITY CHARTER SECTION 503(a)  
AND BOARD GOVERNANCE POLICIES

General Manager Ray Ciranna reminded the Board they had elected to suspend their policy for one year and opened the item requesting nominations only, this is not a motion.

Resolution 22009

Commissioner Nathanson nominated Commissioner Pendleton for the Office of Board

President;

elected by the following roll call vote: ayes, Commissioners Buzzell, Nathanson, Navarro, Vega, Weber, Zimmon and President Pendleton – 7 nays, none.

Resolution 22010

Commissioner Navarro nominated Commissioner Buzzell for the Office of Board Vice President;

elected by the following roll call vote: ayes, Commissioners Buzzell, Nathanson, Navarro, Vega, Weber, Zimmon and President Pendleton – 7 nays, none.

*Item E was taken out of order.*

E. DISABILITY CASES

DISABILITY CLAIM – NEW CLAIM – TIER 5

James M. Gaffney

(P)

Police Sergeant II

As recommended by Staff and concurred in by the applicant, a service-connected disability pension is granted at 72% for respiratory/pulmonary, and due to the nature of his disability, no foreseeable purpose for review. Motion made by Commissioner Zimmon, seconded by Commissioner Weber and adopted by the following vote: ayes, Commissioners Buzzell, Nathanson, Navarro, Vega, Weber, Zimmon, and President Pendleton – 7; nays - none; absent, Commissioner Salimpour. Sergeant James M. Gaffney was not present but was represented by Michael Treger, Esq. of Straussner and Sherman. [AF]

B. REPORTS TO THE BOARD

2. UFLAC PRESENTATION OF ANTHEM BLUE CROSS HDHP (HSA) PPO, ANTHEM BLUE CROSS HMO, ANTHEM BLUE CROSS MEDICARE ADVANTAGE HMO, AND ANTHEM BLUE CROSS MEDICARE ADVANTAGE PPO PLANS

Ms. Eunice Zordilla, Sr. Benefits Analyst II, Medical & Dental Benefits Section was available for questions. Mr. Freddy Escobar, President of UFLAC and Jennifer Lincicum, President, Fickewirth Benefit Consultant presented and discussed this item with the Board. The report was received and filed.

3. UFLAC PRESENTATION OF METLIFE DPPO, METLIFE DHMO, AND METLIFE DIRECT REIMBURSEMENT NETWORK PLANS

Ms. Eunice Zordilla, Sr. Benefits Analyst II, Medical & Dental Benefits Section was available for questions. Mr. Freddy Escobar, President of UFLAC and Jennifer Lincicum, President,

Fickewirth Benefit Consultant presented and discussed this item with the Board. The report was received and filed.

4. TRANSMITTAL OF INTERNAL REVENUE CODE SECTION 115 TRUST DOCUMENTS FOR CITY COUNCIL APPROVAL AND POSSIBLE BOARD ACTION

Mr. Joseph Salazar, CEBS, Assistant General Manager, Pensions Division presented and discussed the item with the Board. Mr. Don Wellington, Partner of Reed Smith was available for questions. The report was approved as submitted.

Resolution 22011

Commissioner Zimmon moved that the Board:

1. Authorize the General Manager to seek City Council consideration and adoption of the attached ordinance, establishing the LAFPP Health Care Fund as the primary funding source and secondary payment source for future OPEB expenses;
2. Approve the attached 115 Trust Agreement mandated by the proposed ordinance as well as the Group Trust Declaration needed to implement the 115 Trust Agreement; and
3. Authorize the President of the Board, on behalf of the Board, to execute the 115 Trust Agreement and the Group Trust Declaration,

which was seconded by Commissioner Buzzell and approved by the following vote: ayes, Commissioners Buzzell, Nathanson, Navarro, Vega, Weber, Zimmon and President Pendleton – 7 nays, none.

5. REVIEW OF LOOMIS SAYLES & COMPANY L.P. LONG DURATION FIXED INCOME INVESTMENT MANAGEMENT SERVICES AND POSSIBLE BOARD ACTION

Ms. Miki Shaler, Investment Officer I, Investments Division provided a summary of the report. Ms. Rebecca Gratsinger, CEO and Senior Consultant and Mr. Jim Voytko, President and Senior Consultant of RVK discussed this item with the Board. The report was approved as submitted.

Resolution 22012

Commissioner Navarro moved that the Board:

1. Approve the renewal of the three-year contract with Loomis Sayles & Company L.P. for active long duration fixed income investment management services;

2. Authorize the General Manager to review and negotiate the terms and conditions with Loomis Sayles & Company L.P. for active long duration fixed income investment management services for the period of October 1, 2021, through September 30, 2024; and,
3. Authorize the President of the Board, on behalf of the Board, to execute the contract with Loomis Sayles & Company L.P. for active long duration fixed income investment management services, subject to the approval of the City Attorney as to form,

which was seconded by Commissioner Zimmon and approved by the following vote: ayes, Commissioners Buzzell, Nathanson, Navarro, Vega, Weber, Zimmon and President Pendleton – 7 nays, none. (Commissioner Vega was present for the roll call vote on this item but failed to affirmatively vote either “yes” or “no,” and therefore is deemed to have voted “yes.” L.A. Admin. Code Sec. 21.19.)

6. PRESENTATION BY BOSTON COMMON ASSET MANAGEMENT, LLC  
INTERNATIONAL EQUITY MANAGER

Ms. Miki Shaler, Investment Officer I, Investments Division summarized the report. Ms. Allyson McDonald, CEO and Mr. Matt Zalosh, CIO of Boston Common presented and discussed this item with the Board. The report was received and filed.

7. PRESENTATION BY CHANNING CAPITAL MANAGEMENT, LLC DOMESTIC SMALL  
CAP VALUE EQUITY MANAGER

Mr. Nathaniel Chang, Investment Officer II, Investments Division summarized the report. Messrs. Rodney Herenton, Founder, Co-Chief Executive Officer and Wendell Mackery, Chief Investment Officer of Channing Capital Management LLC presented and discussed this item with the Board. The report was received and filed.

8. PRESENTATION BY PHOCAS FINANCIAL CORPORATION DOMESTIC SMALL CAP  
VALUE EQUITY MANAGER

Mr. Nathaniel Chang, Investment Officer II, Investments Division was available for questions. Messrs. William Schaff, CEO and Sr. Portfolio Manager, Steve Block, Portfolio Manager, Principal of Phocas Financial presented and discussed this item with the Board. The report was received and filed.

9. CONSIDERATION OF GOVERNMENTAL SIDE-A FIDUCIARY LIABILITY INSURANCE  
AND POSSIBLE BOARD ACTION

Ms. Myo Thedar, Chief Benefits Analyst, Administrative Operations Division presented and discussed this item with the Board. Commissioner Weber asked whether the \$10 million claim limit should be increased. Ms. Thedar indicated that staff will request quotes and report back to Board with any recommended changes to the policy limit. The report was approved as submitted.

#### Resolution 22013

Commissioner Navarro moved that the Board:

1. Direct staff to secure quotes for a new Governmental Side-A Directors & Officers (D&O) Fiduciary Liability Insurance policy with a new term starting December 23, 2021;
2. Authorize the General Manager to negotiate and execute the required documents with our current broker Segal Select Insurance Services, Inc. to purchase the new D&O Fiduciary Liability Insurance policy, at an annual cost not to exceed \$45,000; and,
3. Request a Waiver of Recourse Endorsement (estimated at \$25 annually per insured person) to be paid by the insured person and not by System assets,

which was seconded by Commissioner Buzzell and approved by the following vote: ayes, Commissioners Buzzell, Nathanson, Navarro, Vega, Weber, Zimmon and President Pendleton – 7 nays, none.

#### 10. SOLE SOURCE CONTRACT FOR PENSION ADMINISTRATION BENCHMARKING SERVICES AND POSSIBLE BOARD ACTION

Ms. Myo Thedar, Chief Benefits Analyst, Administrative Operations Division presented and discussed this item with the Board.

#### Resolution 22014

Commissioner Buzzell moved that the Board:

1. Make a determination under City Charter Section 371(e)(2), that competitive bidding is not practicable or advantageous for the professional, temporary and occasional nature of work under the proposed contract;
2. Find that pursuant to City Charter Section 371(e)(10), the use of competitive bidding would be undesirable or impractical and not be productive to the Plan;

3. Approve payment of a one-time fee of up to \$23,000 for CEM Benchmarking, Inc. to perform an objective benchmarking analysis of the LAFPP pension administration cost; and,
4. Authorize the General Manager to approve and execute the contract with a one-year term, subject to the approval of the City Attorney as to form,

which was seconded by Commissioner Navarro and approved by the following vote: ayes, Commissioners Buzzell, Nathanson, Navarro, Vega, Weber, Zimmon and President Pendleton – 7 nays, none. (Commissioner Vega was present for the roll call vote on this item but failed to affirmatively vote either “yes” or “no,” and therefore is deemed to have voted “yes.” L.A. Admin. Code Sec. 21.19.)

#### 11. QUARTERLY TRAVEL REPORT FOR COMMISSIONERS AND STAFF

Mr. William Raggio, Executive Officer, Administrative Operations Division provided a short summary. 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.
3. Correspondence to the Board.

Commissioner Buzzell inquired as to what action if any needed to be taken. General Manager Ciranna informed him that this was just informational.

#### D. GENERAL MANAGER'S REPORT

1. Monthly Report
2. Marketing Cessation Information
3. Benefits Actions approved by General Manager on July 1, 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 – 10

Ronald E. Hodge	Fire Service	Retired: 08-10-86	Died: 06-12-21
Robert L. Calkins	Police Service	Retired: 10-01-79	Died: 04-28-21
L. J. Jones	Police Service	Retired: 07-16-00	Died: 11-11-20
Jerry P. Jorgensen	Police Service	Retired: 02-10-80	Died: 05-30-21
Margaret Barrett	Fire Widow	Retired: 06-10-14	Died: 05-07-21
Florence G. Myers	Fire Widow	Retired: 05-03-95	Died: 05-05-21
Penelope Black	Police Widow	Retired: 09-20-04	Died: 01-21-21
Anna Calderwood	Police Widow	Retired: 06-22-14	Died: 05-30-21
Charlotte L. Looy	Police Widow	Retired: 05-04-09	Died: 05-25-21
Janet S. Slominski	Police Widow	Retired: 03-31-85	Died: 03-16-21

**DISCONTINUED PENSIONS – TIER 3 – 1 CORRECTION**

Jerry R. Brakeman    Fire Service            Retired: 07-24-94                    Died: **09-17-20**

**DISCONTINUED PENSIONS FORMER SPOUSE – TIER 2 – 1**

Sandra Calkins            Police Service            Retired: 05-01-91            Died: 04-28-21

**DISCONTINUED PENSIONS FORMER SPOUSE – TIER 5 – 1**

Marsha G. Halquist    Fire Service            Retired: 03-01-11            Died: 05-03-21

**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 Armando T. Munoz, Police Service Pensioner, is to be paid to his former spouse, Armida Von Borstel, effective July 1, 2021. Ms. Von Borstel will receive cost of living adjustments.

**PARTIAL PAYMENT OF SURVIVING SPOUSE’S PENSION – TIER 2 – 1**

In accordance with the City Attorney’s advice, a designated proportion of the community property interest of the Surviving Spouse’s Pension payable to Susan Morse, surviving spouse of deceased Police Service Pensioner, Russell A. Pfaff, is to be paid to his former spouse, Phyllis J. Hamblin, effective February 7, 2021. Ms. Hamblin will receive cost of living adjustments.

**PARTIAL PAYMENT OF SURVIVING SPOUSE’S PENSION – TIER 5 – 1 CORRECTION**

In accordance with the City Attorney’s advice, a designated proportion of the community property interest of the Surviving Spouse Pension payable to Cheryl C. Ross-Weber, surviving spouse of deceased Police Service Pensioner, William A. Weber, is to be paid to Ashleigh R. **Wise** and Zachary W. Weber, the designated beneficiaries of his deceased former spouse, Dionya Weber, effective January 16, 2021. The designated beneficiaries will receive cost of living adjustments.

SERVICE PENSION – TIER 3 – 1

Police

Philip M. Okamoto	Police Officer II	Eff:	06-06-21	24	Years	49	Days
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SERVICE PENSION – TIER 5 – 1 **CORRECTION**

Police

Loren A. Ortiz	Police Officer III	Eff:	04- <del>25</del> -21	25	Years	14	Days
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SERVICE PENSION/DROP – TIER 3 – 2

Police

Edward Ruiz	Police Officer II	Eff:	05-03-21	25	Years	5	Days
Michael P. Villareal	Detective I	Eff:	05-05-21	25	Years	289	Days

SERVICE PENSION/DROP – TIER 5 – 12

Fire

Ralph T. Enderle	Fireboat Pilot	Eff:	05-25-21	33	Years	11	Days
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Police

Kevin J. Foster	Detective II	Eff:	05-09-21	25	Years	303	Days
Marc R. Furniss	Detective III	Eff:	05-03-21	26	Years	120	Days
Jason Gonzalez	Police Officer II	Eff:	05-17-21	25	Years	0	Days
Alfred J. Herrera	Police Officer III	Eff:	05-03-21	25	Years	38	Days
Mark S. Leon	Detective II	Eff:	05-01-21	27	Years	5	Days
Jeffrey A. Nelson	Police Officer III	Eff:	05-01-21	25	Years	15	Days
Paul A. Prevost II	Sergeant II	Eff:	05-01-21	25	Years	9	Days
Roy Reza, Jr.	Police Officer II	Eff:	05-01-21	25	Years	93	Days
Rachel R. Saavedra	Detective II	Eff:	05-03-21	25	Years	35	Days
Timothy D. Swift	Sergeant II	Eff:	05-03-21	27	Years	33	Days
Kelvin B. Young	Sergeant II	Eff:	04-01-21	25	Years	64	Days

4. Other business relating to Department operations

General Manager Ciranna gave the following updates:

- Status on Disability applications.



- COVID-19 Reconstitution Plan update.
- Anticipate by August 5, 2021 opening the Boardroom to the public and individuals will be asked to wear a mask when they come into the building.
- The preliminary unaudited return numbers for the period ending is June 30, 2021 was provided.
- Mr. Ray Joseph gave an update on the close of the year.
- The August 5, 2021 Board meeting agenda items were summarized.
- The Board members were reminded to complete and submit the three surveys sent by staff previously.

Commissioner Weber asked about the four remaining Disability Pension cases from 2018 how many will be presented to the Board in 2021. Ms. Kristen Rosauer, Senior Benefits Analyst II, Disability Pensions Section, provided an update on the applications. Currently, one is scheduled for September; staff is working with the attorney to get another case on the calendar before the end of the year; another applicant changed attorneys and has amended their claim; the last applicant amended their claim in April of this year. General Manager Ciranna mentioned the Monthly report contains a matrix on the claims.

Commissioner Zimmon asked if there could be a breakdown of Fire members and Police members on the Service Pensions graph that is provided in the Monthly report. General Manager Ciranna responded that the information would be provided.

Announcement of Investment Officer III, Paul Palmer's retirement. President Pendleton thanked Paul for his years of service.

F. CONSENT ITEM

1. Approval of Minutes
  - a. Regular Board Meeting Minutes of September 3, 2020
2. Findings of Fact
  - a. Claudia C. Mendoza – Tier 5

Motion

Commissioner Navarro moved which was seconded by Commissioner Vega and approved by the following vote: ayes, Commissioners Buzzell, Nathanson, Navarro, Vega, Weber, Zimmon and President Pendleton –7 nays, none.

G. CONSIDERATION OF FUTURE AGENDA

Commissioner Buzzell requested a report from outside fiduciary counsel on investing with a manager who excludes American born citizens, would we be violating the charge that we cannot discriminate based on national origin. If we were to invest with a money manager that gives money to people and companies that have no products or revenue, would we be violating our responsibility on due diligence and requirements under the prudent person standard.

Commissioner Navarro requested an update on "Consideration of Future Agenda" items. There have been some that have not come before the Board.

Commissioner Nathanson requested a follow up on the Chief Investment Officer dedication.

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

H. CLOSED SESSION

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

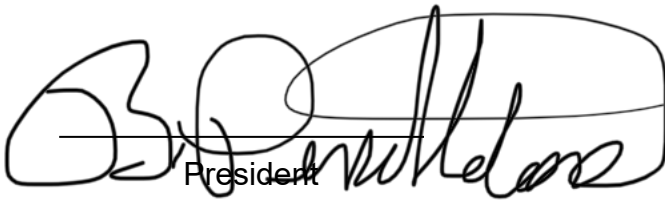
The Board met in closed session.

2. PRE-DISCUSSION ON GENERAL MANAGER EVALUATION

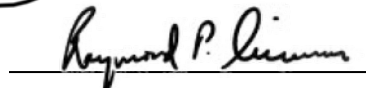
The Board met in closed session.

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

The meeting adjourned at 10:39 a.m.



President



Secretary