

**MINUTES**  
**OF THE**  
**BOARD OF FIRE AND POLICE PENSION COMMISSIONERS**  
**MEETING OF JULY 7, 2005**

The Board of Fire and Police Pension Commissioners of the City of Los Angeles met in Room 800, 360 East Second Street, on Thursday, July 7, 2005.

COMMISSIONERS PRESENT: William H. Jackson, President  
George V. Aliano  
Michael Carter  
Don Keith  
Sam Diannitto  
Lou Moret

COMMISSIONERS ABSENT: Elliott Broidy  
Peggy Moore

DEPARTMENT OF FIRE AND  
POLICE PENSIONS: Michael A. Perez, Interim General Manager  
D. Edward Griffiths, Asst. General Manager  
Rhonda Peterson, Asst. General Manager  
Tom Lopez, Chief Investment Officer

CITY ATTORNEY'S OFFICE: Alan Manning, Assistant City Attorney  
John Blair, Deputy City Attorney

COURT REPORTER: Esquire Deposition Services  
Mr. Ruben Garcia

President Jackson called the regular meeting to order at 9:08 a.m.

All of the above-listed Commissioners were present at the start of the meeting.

NEW BUSINESS

President Jackson asked if any Board member made any expenditure to influence state legislative or administrative action to which their reply was negative.

COMMUNICATIONS TO THE BOARD

- a. Miscellaneous correspondence from money managers, consultants, etc., received and filed.
- b. Status report of Board assignments to staff.

Received and filed.

- c. Board committee assignments.

Received and filed.

- d. Exit report to the Board from Mr. Gary Mattingly dated July 7, 2005

President Jackson took this opportunity to welcome the newest Commissioner to the Board, Mr. Don Keith. The Board welcomed him.

COMMITTEE REPORTS

Benefits Committee

This Committee did not meet.

Equities Committee

This Committee did not meet.

Fixed Income and International Investment Committee

Chair Moore reported that this Committee did not meet.

High Yield and Alternative Investment Committee

This Committee did not meet.

Independence and Administrative Committee

Chair Diannitto reported that this Committee did not meet.

Real Estate Committee

Chair Moret reported that this Committee did not meet.

Space Planning Committee

Chair Carter reported that this Committee did not meet.

Strategic Planning Committee

This Committee did not meet.

Ad Hoc Governance Committee

Chair Jackson reported that this Committee did not meet.

Attorney Thomas Wicke requested that the Board allow the telephonic testimony of Dr. John Caccavale for the following disability case. This witness had appeared before the Board on a previous hearing date but due to the loss of the Court Reporter and a Board quorum, this witness was not able to complete his testimony. The Board ruled that due to the specific circumstances of this witness it would allow the telephonic testimony, however the Board also ruled that it will not allow any further witnesses to testify telephonically until the Board has developed a policy regarding this issue.

Commissioner Aliano advised the Board that he has a conflict with the following agenda item and he will be recusing himself. He received information from various sources concerning this disability case and this information conflicted his reading of the case and his objectivity was compromised.

Commissioner Aliano left the Boardroom and did not participate in consideration of the item.

DISABILITY CASE HEARING OF SERGEANT I LOUIS L. LAURENTI

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Service connected disability pension granted at 45% with a cost of living adjustment and no foreseeable purpose for review. Motion made by Commissioner Carter, seconded by Commissioner Keith, and adopted by the following vote: ayes, Commissioners Carter, Diannitto, Keith, Moret, and President Jackson -5; nays, Commissioners Broidy, and Moore-2. Lieutenant Gus Martinez, Medical Liaison, Los Angeles Police Department, John Caccavale, PhD., treating physician (telephonically) and Michael P. Stone, Esq. testified regarding Sergeant Laurenti. Sergeant Laurenti was present and represented by his attorney, Thomas J. Wicke.

BOARD APPROVAL OF SUPPLEMENTAL CONTRACT EXTENSION FOR QUATEMAN  
& ZIDELL, LLP

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RESOLUTION NO. 06001

Commissioner Moret moved that the Board:

1. Direct the City Attorney to work with staff to draft an extension to the contract with Quateman and Zidell to cover the period from September 1, 2004 to August 31, 2005 under the same terms as the previous contract: and,
2. Delegate to the President or Vice-President of the Board the power to sign the contract on behalf of the Board.

This motion was seconded by Commissioner Carter and approved by the following vote: ayes, Commissioners Aliano, Carter, Diannitto, Keith, Moret and President Jackson – 6; nays, none.

BOARD APPROVAL OF RETROACTIVE TRAVEL FOR FORMER GENERAL MANAGER  
GARY MATTINGLY TO THE IUPA BENEFITS CONFERENCE, APRIL 17-20, 2005 IN  
SARASOTA, FLORIDA

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RESOLUTION NO. 06002

Mr. Michael Perez informed the Board that a correction to this item is necessary. The amount that is being requested for approval is \$327.04 not \$337.04.

Commissioner Moret moved that the Board authorize reimbursement of expenses for Mr. Gary Mattingly in connection with his attendance at the IUPA Benefits Conference on April 17-20, 2005 including airfare reservation change fee and miscellaneous expenses totaling \$327.04, which motion was seconded by Commissioner Carter and approved by the following vote: ayes, Commissioners Aliano, Carter, Diannitto, Keith, Moret and President Jackson – 6; nays, none.

DESIGNATION OF BOARD REPRESENTATIVE TO THE DEFERRED COMPENSATION  
BOARD

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RESOLUTION NO. 06003

Commissioner Aliano moved that the Board designate Commissioner Donald Keith as the representative to the Deferred Compensation Board in accordance with Board policy and that his

term expire on October 31, 2006, which motion was seconded by Commissioner Diannitto and approved by the following vote: ayes, Commissioners Aliano, Carter, Diannitto, Keith, Moret and President Jackson – 6; nays, none.

REQUEST FOR BOARD APPROVAL TO ASSIGN CONTRACTS WITH MELLON CONSULTANTS TO BUCK CONSULTANTS, AN ACS COMPANY

RESOLUTION NO. 06004

Commissioner Diannitto moved that the Board authorize the assignment of the Active Member System, the Pre-retirement Planning, and Communications Consulting Contracts with Mellon Consultants, Inc. to Buck Consultants, LLC, which motion was seconded by Commissioner Aliano and approved by the following vote: ayes, Commissioners Aliano, Carter, Diannitto, Keith, Moret and President Jackson – 6; nays, none.

BOARD APPROVAL OF AMENDMENT TO CORTEX CONTRACT

RESOLUTION NO. 06005

Commissioner Aliano moved that the Board approve the expenditure of four percent (4%) of Cortex professional fees as reimbursement of administrative fees and approve the reimbursement of reasonable travel fees for travel at the request of the Board, which motion was seconded by Commissioner Diannitto and approved by the following vote: ayes, Commissioners Aliano, Carter, Diannitto, Keith, Moret and President Jackson – 6; nays, none.

PRESENTATION BY BRIDGEWATER ASSOCIATES, INC. REGARDING PORTFOLIO GUIDELINES

Mr. Joel Whidden came before the Board and made a presentation regarding the portfolio. Bridgewater would like the portfolio guidelines to include the use of currency with active management.

Mr. Tom Lopez came before the Board and reported that staff, in agreement with Allan Emkin of Pension Consulting Alliance, would recommend to the Board that currency not be allowed in the portfolio.

RESOLUTION NO. 06006

After discussion, Commissioner Carter moved that the Board allow the use of currency in the portfolio and that currency be actively managed, which motion was seconded by Commissioner



Moret and approved by the following vote: ayes, Commissioners Aliano, Carter, Keith, Moret and President Jackson – 5; nays, Commissioner Diannitto – 1.

PROPOSED ACQUISITION OF THE LANDMARK BUILDING IN SACRAMENTO,  
CALIFORNIA BY LOWE ENTERPRISES INVESTMENT MANAGEMENT

In the Real Estate Committee, Messrs. Alon Kraft, Bleecker Seaman and Joseph Markling came before the Board and made a presentation on this property.

RESOLUTION NO. 06007

Commissioner Moret moved that the Board approve the acquisition of the Landmark Building in Sacramento, California by Lowe Enterprises Investment Management for a total investment of \$33.5 million, which motion was seconded by Commissioner Carter and approved by the following vote: ayes, Commissioners Aliano, Carter, Diannitto, Keith, Moret and President Jackson – 6; nays, none.

BOARD APPROVAL OF GENERAL MANAGER GOALS FOR FISCAL YEAR 2005-2006

RESOLUTION NO. 06008

Commissioner Diannitto moved that the Board approve the General Manager goals for the 2005/06 Fiscal Year, which motion was seconded by Commissioner Carter and approved by the following vote: ayes, Commissioners Aliano, Carter, Diannitto, Keith, Moret and President Jackson – 6; nays, none.

PROPOSED RENEWAL OF ABBOTT CAPITAL MANAGEMENT AND THE EXPIRATION OF  
HAMILTON LANE ADVISORS ALTERNATIVE INVESTMENT ADVISORS' CONTRACT

President Jackson referred this item to the Fixed Income and International Investment Committee for further discussion.

GENERAL MANAGER'S REPORT

- a. Benefits actions approved by General Manager on June 16, 2005

Pursuant to Resolution 04008, adopted by the Board of Fire & Police Pension Commissioners on August 7, 2003, the following benefit actions were approved by the General Manager on June 16, 2005.

DISCONTINUED PENSIONS – TIER 1

George T. Fournl	Police Service	Retired:	09-01-64	Died:	05-12-05
Anna M. Walch	Fire Widow	Retired:	09-01-77	Died:	05-07-05
Rogene F. Allen	Police Widow	Retired:	09-19-94	Died:	05-15-05
Grace F. Baxter	Police Widow	Retired:	09-27-83	Died:	05-08-05
Violet F. Brown	Police Widow	Retired:	10-01-65	Died:	05-05-05
Elizabeth S. Kofford	Police Widow	Retired:	05-31-88	Died:	05-10-05
Lillian E. Robinson	Police Widow	Retired:	10-01-65	Died:	05-22-05

DISCONTINUED PENSIONS – TIER 2

Paul H. Augustine	Fire Service	Retired:	01-02-72	Died:	05-19-05
Monte E. Moore	Fire Service	Retired:	05-04-80	Died:	05-08-05
Cornelius M. Pryor	Police Service	Retired:	08-01-77	Died:	05-12-05
Raymond D. Gordon	Fire Disability	Retired:	11-27-90	Died:	05-16-05
Dorothy J. Hitchcock	Fire Widow	Retired:	02-18-84	Died:	04-26-05
Twila Michelangelo	Fire Widow	Retired:	01-05-91	Died:	05-08-05
Mary Anderson	Police Widow	Retired:	03-28-03	Died:	02-10-05

DISCONTINUED PENSIONS – FORMER SPOUSE – TIER 2

Judith J. Dillard (Jack Dillard)	Police Service	Eff:	07-11-04	Died:	05-19-05
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SERVICE PENSIONS – TIER 4

Police

Joanna Linfield	Sergeant II	Eff:	06-12-05	21 Years	321 Days
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ELIGIBLE SURVIVING SPOUSE'S PENSION – TIER 2

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Effective Date</u>
Julia E. Fournl	George T. Fournl	Police Service	05-13-05
Linda C. Gordon	Raymond D. Gordon	Fire Disability	05-17-05

#### DECREASE SURVIVING SPOUSE'S PENSION – TIER 3

Decrease the pension payable to Cathy M. Whittington, Police Surviving Spouse from \$2,774.06 to \$2,219.25, due to the attainment of age 18 on June 3, 2005, by Reuben D. Whittington, Jr. There are no remaining minors.

#### SURVIVING CHILD PENSION – TIER 3

Surviving child benefits are now payable to Reuben D. Whittington, Jr. surviving child of deceased Police Officer Reuben D. Whittington effective June 3, 2005 due to the attainment of age 18 and the continuation of his full-time student status.

#### PARTIAL PAYMENT OF PENSION – TIER 2

In accordance with the City Attorney's advice, a designated proportion of the community property interest of the pension payable to Gail D. McMillan, Fire Service Pensioner, is to be paid to His former spouse Eileen M. McMillan effective June 1, 2005. Ms. McMillan will receive Cost of living increases.

In accordance with the City Attorney's advice, a designated proportion of the community property interest of the pension payable the Gary J. Arnold, Police Service Pensioner, is to be withheld for his former spouse Linda Arnold effective May 1, 2005. Ms. Arnold will receive cost of living increases.

In accordance with the City Attorney's advice, a designated proportion of the community property interest of the pension payable to George Espenhain, Fire Service-Connected Disability Pensioner, is to be paid to his former spouse Marie E. Rizziello effective May 1, 2004. Ms. Rizziello will receive cost of living increases.

In accordance with the City Attorney's advice, a designated proportion of the community property interest of the pension payable to John E. Saltee, Fire Service-Connected Disability Pensioner, is to be paid to his former spouse Catherine Saltee effective June 15, 2005. Ms. Saltee will receive cost of living increases.

#### SERVICE PENSION/DROP – TIER 2

##### Fire

Samuel J. Faruzzi	Captain I	Eff:	04-27-05	30 Years	0 Days
Manuel A. Frausto	Firefighter III	Eff:	04-17-05	30 Years	59 Days



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SERVICE PENSION/DROP – TIER 5

Fire

Ronald D. Berry	Engineer	Eff:	05-15-05	30 Years	287 Days
James F. Clark, Jr.	Captain I	Eff:	05-01-05	27 Years	157 Days
George G. Clock	Captain I	Eff:	04-20-05	25 Years	0 Days
Michael De La Bercena	Firefighter III	Eff:	05-01-05	27 Years	58 Days
Don M. Donester	Captain II	Eff:	04-17-05	29 Years	101 Days
Scott L. Frazier	Captain II	Eff:	04-03-05	30 Years	29 Days
Jeffrey A. Marcus	Battalion Chief	Eff:	02-16-05	30 Years	0 Days
Arthur W. Skubik	Firefighter III	Eff:	05-01-05	30 Years	1 Day
Truman Van Dyke III	Firefighter III	Eff:	03-20-05	31 Years	127 Days
Daniel J. Winter	Engineer	Eff:	03-20-05	30 Years	32 Days

Police

Robert D. Chacon	Sergeant II	Eff:	05-01-05	27 Years	160 Days
Greg R. Hall	Captain II	Eff:	03-06-05	29 Years	128 Days
John L. Malone	Officer III	Eff:	06-01-05	25 Years	7 Days
John C. Roach	Detective I	Eff:	06-01-05	25 Years	38 Days

DISCONTINUE DROP – TIER 2

Police

Jerry L. Liggett	Retired:	11-02-03	Exit Close of:	06-29-05
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DISCONTINUE DROP – TIER 5

Fire

Robert S. Armstrong	Retired:	01-01-03	Exit Close of:	06-11-05
Stephen J. Gallina	Retired:	05-19-02	Exit Close of:	05-28-05

Police

Raymond W. Mauss	Retired:	05-05-02	Exit Close of:	05-28-05
Roseanne E. Parino	Retired:	08-08-04	Exit Close of:	06-25-05

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Vance M. Proctor	Retired: 05-01-02	Exit Close of: 04-27-05
Charles W. Zeglin	Retired: 06-01-03	Exit Close of: 06-11-05

b. Other business relating to department operations

Mr. Perez reported that he is in the process of scheduling interviews for Executive Secretary and Commission Executive Assistant. Mr. Perez will provide the Board with a copy of the position description for the Commission Executive Assistant position.

CONSIDERATION OF FUTURE AGENDA ITEMS

There was none.

PUBLIC COMMENTS

Ms. Elsa Moi came before the board and requested that the Board consider allowing the DROP participants the option of investing in mutual funds. Mr. Michael Perez had staff meet with Ms. Moi and explain the process of the DROP program.

CONSENT ITEMS

a. Approval of Minutes

Minutes of the Regular Board Meetings of April 21, 2005, May 19, 2005, June 2, 2005 and June 9, 2005

Minutes of the Special Board Meeting of June 2, 2005

b. Approval of Travel

Travel Authority – RETROACTIVE – World Pension Forum – July 10 – 13, 2005

Travel Authority – RETROACTIVE - Nappa – June 27 – July 1, 2005

c. Finding of Fact – Tier 3

Colleen M. Nichols

d. Finding of Fact – Tier 5

Robert W. Renstrom

A motion to approve the Consent Items was made by Commissioner Diannitto, seconded by Commissioner Carter and approved by the following vote; ayes, Commissioners Aliano, Carter, Diannitto, Keith, Moret and President Jackson - 6; nays, none.

Deputy City Attorney John Blair took the City Attorney chair at this time.

DISABILITY PENSIONS

Commissioner Aliano recused himself and left the board room.

DISABILITY CLAIM – NEW – TIER 3

Louis L. Laurenti

(P)

Sergeant I

Service connected disability pension granted at 45% with a cost of living adjustment and no foreseeable purpose for review. Motion made by Commissioner Carter, seconded by Commissioner Keith, and adopted by the following vote: ayes, Commissioners Carter, Diannitto, Keith, Moret, and President Jackson – 5; nays, none. Lieutenant Gus Martinez, Medical Liaison, Los Angeles Police Department, John Caccavale, PhD., treating psychologist (telephonically) and Michael P. Stone, Esq. testified regarding Sergeant Laurenti. Sergeant Laurenti was present and represented by his attorney, Thomas J. Wicke. (JB)

Commissioner Aliano re-entered the room.

Jerald R. Morin

(P)

Lieutenant I

Non-service connected disability pension granted at 35% with a cost of living adjustment and no foreseeable purpose for review. Motion made by Commissioner Moret, seconded by Commissioner Diannitto, and adopted by the following vote: ayes, Commissioners Aliano, Carter, Diannitto, Keith, Moret, and President Jackson – 6; nays, none. Lieutenant Morin was not present, but was represented by his attorney, Tanya Garza.

Commissioner Moret left the boardroom for the day.

Daniel S. Jenkins

(P)

Police Officer III

Service connected disability pension granted at 50% with a cost of living adjustment and no foreseeable purpose for review. Motion made by Commissioner Carter, seconded by Commissioner Aliano, and adopted by the following vote: ayes, Commissioners Aliano, Carter, Diannitto, Keith, and President Jackson – 5; nays, none. Lieutenant Gus Martinez, Medical Liaison, Los Angeles Police Department, testified regarding Officer Jenkins. Officer Jenkins was present and represented by his attorney, Tanya Garza.

DISABILITY CLAIM – REVIEW REQUESTED BY PENSIONER – TIER 2

Joseph M. Archer

(P)

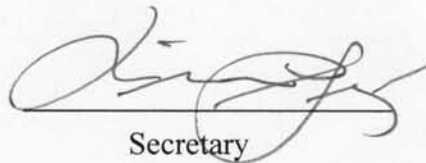
Police Officer (Retired)

Service connected disability pension adjusted from 50% to 55% with a cost of living adjustment and no scheduled review. Motion made by Commissioner Diannitto, seconded by President Jackson, and adopted by the following vote: ayes, Commissioners Aliano, Carter, Diannitto, Keith, and President Jackson. – 5; nays, none. Mr. Archer was present and represented by his attorney, Matthew M. Davis.

The meeting was adjourned at 12:37 p.m.



President



Secretary