

2020-21 FINAL BUDGET

Executive Summary

As modified and adopted on June 18, 2020
by the Board of Fire and Police Pension Commissioners*



"To serve those who protect."

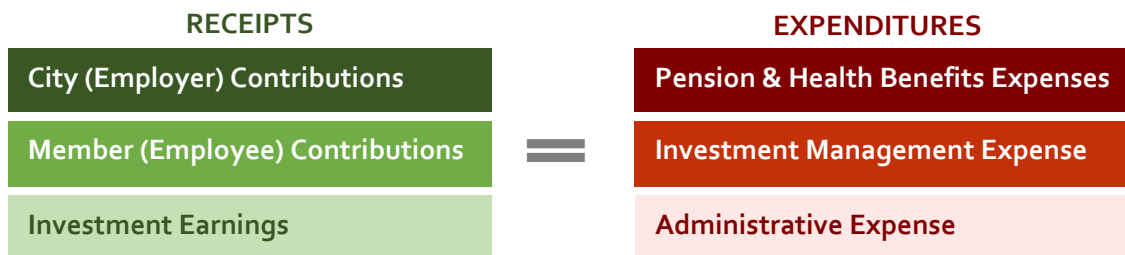
Los Angeles Fire and Police Pensions

* On June 18, 2020, the Board adopted the 2020-21 Final Budget (Budget), after adding \$200,000 to the General Salaries Account (641010) and the related adjustments to the Retirement (645360) and Medicare (645370) Contribution Accounts. Subsequently, the City and Airport Commission adopted final budgets with reductions in the respective covered payroll for their sworn staff, impacting the General Fund, Special Fund and Member Contributions to LAFPP.

BUDGET OVERVIEW

For more than 120 years, Los Angeles Fire and Police Pensions (LAFPP) has been providing retirement security to the sworn men and women of the City of Los Angeles. LAFPP tirelessly strives to achieve its vision of being a leader and innovator in the public pension industry through an uncompromising dedication to excellence, customer service, transparency and education. This vision is achieved through the implementation of LAFPP’s strategic goals, which were designed to propel the organization forward to better serve our members, manage risks, and ensure fiscal sustainability.

Funding. As with all public pension funds, LAFPP holds assets in trust that finance promised benefits to our sworn members and their qualified survivors. To that end, the basic universal pension funding equation becomes key to understanding how LAFPP’s benefits are funded:



Budget Formulation. Additionally, LAFPP undertakes a comprehensive budget development process to create its annual budget. The Adopted Budget for FY 2020-21 (FY21) has been developed with consideration of the Mayor’s Priorities, LAFPP Strategic Goals, and the General Manager’s budget priorities as reflected within the 2020-21 Business Plan.

MAYOR’S PRIORITIES

- Make Los Angeles the best run big city in America
- Promote good jobs for Angelenos all across Los Angeles
- Create a more sustainable and livable city
- Ensure our communities are the safest in the nation

LAFPP STRATEGIC GOALS

- Ensure a Financially Sound Retirement System
- Manage Risk Throughout the Organization
- Enhance Customer Care and Stakeholder Relations
- Pursue Operational Efficiencies
- Build and Support a Talented Workforce

GENERAL MANAGER’S 2020-21 BUSINESS PLAN

- Implementation of Asset Allocation
- Association of Local Government Auditors (ALGA) Peer Review
- Enterprise-wide Cyber Security Program
- Direct Deposit for Refunds of Contributions
- LAFPP Benefits Information Session
- Rollovers via Wire Payment
- PARIS (Pension and Retirement Information System) Implementation*
- Improvements to the Disability Claims Database
- Pensions Division Business Process Reengineering*
- Department-wide Business Process Improvements*
- Department-wide Cross-Training Program

* Multi-year project

Diligent consideration of our core, ongoing operations and upcoming business plan projects is given by staff during budget development to ensure the proper resources are efficiently allocated to achieve success. Changes to the major components of the FY21 Budget from the previous year are summarized in the table below:

FY 2020-21 FINAL BUDGET OVERVIEW

Receipts	FY20 Budget	FY21 Budget	\$ Change	% Change
City Contribution* (General Fund/Special Fund)	\$709,851,573	\$744,243,315	\$34,391,742	4.8%
Member Contributions	155,938,944	165,383,973	9,445,029	6.1%
Earnings on Investments	468,900,000	479,000,000	10,100,000	2.2%

Expenditures	FY20 Budget	FY21 Budget	\$ Change	% Change
Pension & Health Benefits Expenses	\$1,274,042,000	\$1,314,466,670	\$40,424,670	3.2%
Investment Management Expense	106,908,329	105,912,707	(995,622)	(0.9%)
Administrative Expense	22,498,810	23,878,046	1,379,236	6.1%

**Excludes the Excess Benefit Plan (EBP) amount (\$2,399,556 for FY21) that is not transferred to LAFPP.*

Note: Gain (Loss) on Sale of Investments is recorded in LAFPP financial statements after the amount is audited and therefore an amount is not included in the budget.

Final Budget Approval. Following the adoption of the City’s 2020-21 Budget by the City Council and the Mayor, the Board must now also adopt a final budget by June 30, 2020.

Since the Board approved the FY 2020-21 Proposed Budget on March 19, 2020, this Final Budget has been updated with the following:

- Revised projections of Employer and Member Contributions based on revised sworn payroll amounts for 2020-21 adopted by the City, the Board of Harbor Commissioners, and the Board of Airport Commissioners and updated Excess Benefit Plan amount;
- Revised projections for the Investment Management Expense; and
- Changes to the Administrative Expense accounts to include reductions signifying approximately \$750,000 in net savings from the Proposed Budget.*

* On June 18, 2020, the Board adopted the 2020-21 Final Budget (Budget), after adding \$200,000 to the General Salaries Account (641010) and the related adjustments to the Retirement (645360) and Medicare (645370) Contribution Accounts.

SUMMARY OF RECEIPTS

2020-21 Estimated Receipts

\$1.39 B

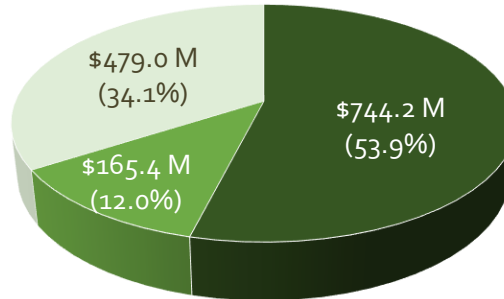
↑ **\$53.94 M (+4.0%)**
from 2019-20

LAFPP receives revenue primarily from three sources:

City (Employer) Contributions*

Member (Employee) Contributions

Investment Earnings



* Excludes EBP amount.

Notes:

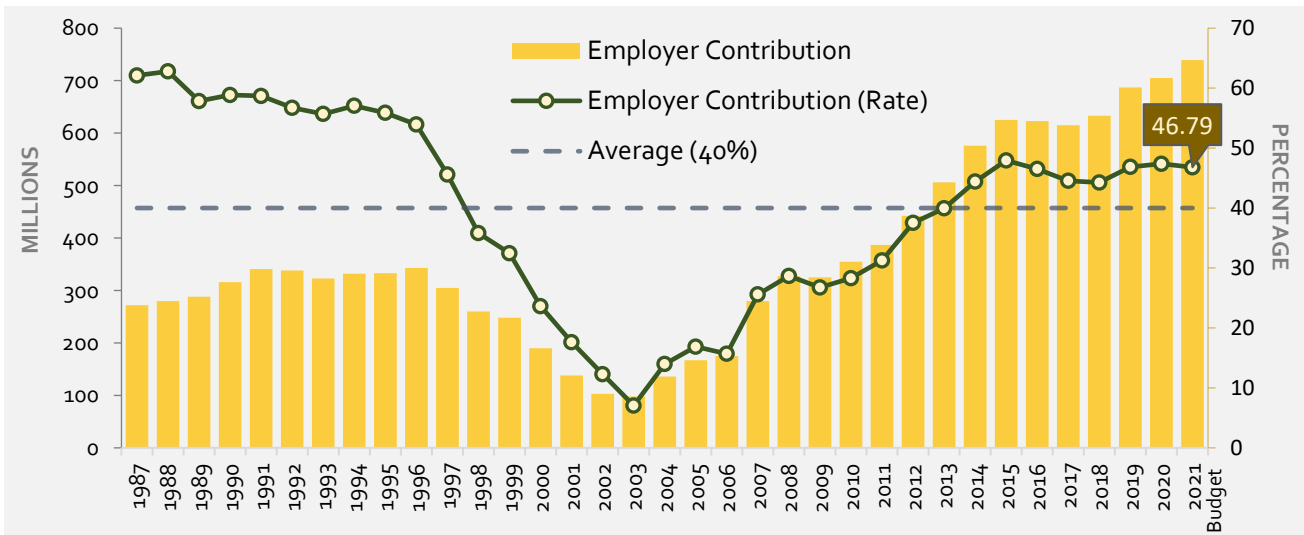
Percentages may be rounded.
Investment Earnings do not include Gain (Loss) on Sale of Investments.

Miscellaneous revenue is not included.

Employer & Employee Contributions

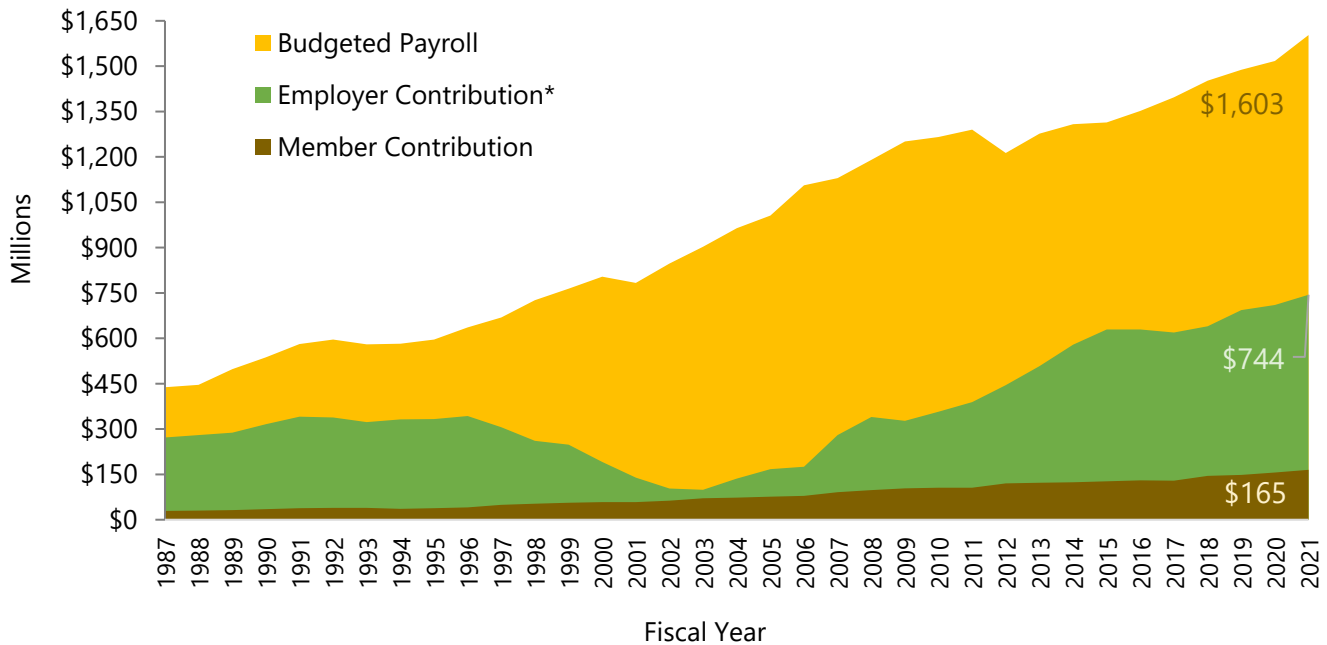
In order to determine the City (Employer) Contribution, each year the Board adopts a contribution rate that is applied to the sworn payroll to fund the retirement and health care benefits promised by the City to its sworn LAFPP members. On January 16, 2020, the Board adopted the revised pension and health valuation reports for the period ending June 30, 2019* that established the City's combined (General and Special Fund) contribution rate of **46.60%** for Fiscal Year 2020-21.

The following chart depicts the 35-year history of the General Fund contribution rate, which comprises the majority of the City Contribution:



* The original valuation reports were presented to the Board on November 21, 2019. On December 19, 2019, the Board adopted new public safety mortality assumptions to be used beginning with the June 30, 2019 valuation. On January 16, 2020, the Board adopted the revised valuation for June 30, 2019.

Member (Employee) Contributions are delineated by requirements for each Tier and driven by changes in the City’s sworn pensionable payroll. Below is a 35-year history of member contributions in relation to the employer contribution and budgeted payroll:



* General Fund and Special Fund (Harbor and Airports) contributions. Does not include Excess Benefit Plan (EBP).

Investment Earnings

A significant portion of the annual receipts to the Plan are derived from Investments Earnings. “Earnings on Investments” are included in the budget since they can be reasonably projected. However, the “Gain (Loss) on Sale of Investments” are not included as they are difficult to project. Rather, this amount is included in the Financial Statements and in the Final Budget “Receipts 2018-19” column as an audited amount.

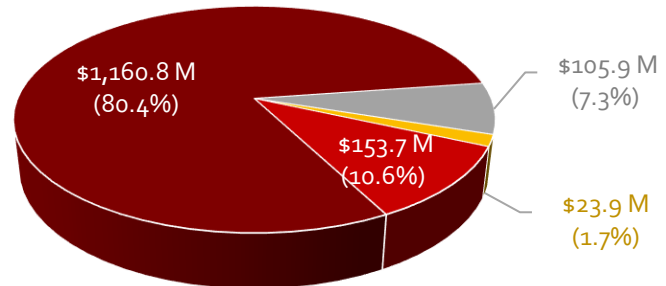
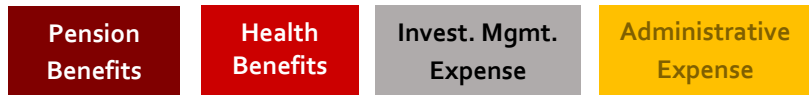
SUMMARY OF EXPENDITURES

2020-21 Estimated Expenditures

\$1.44 B

↑ **\$40.81 M (+2.9%)**
from 2019-20

LAFPP expenditures are comprised of:



**Pension and Health Benefits are non-discretionary expenses. Percentages may be rounded.*

Benefits (Pension and Health)

Total pension and health benefit expenditures are projected to increase by approximately 3.2% from the 2019-20 Adopted Budget.

The bulk of the increase is due to increased pension payments and qualified survivorship benefits, and the 3.4% COLA which is based on the actual annual change in the Consumer Price Index (CPI) as published by the Bureau of Labor Statistics (BLS).

FY 2020-21
(as Adopted on March 19, 2020)

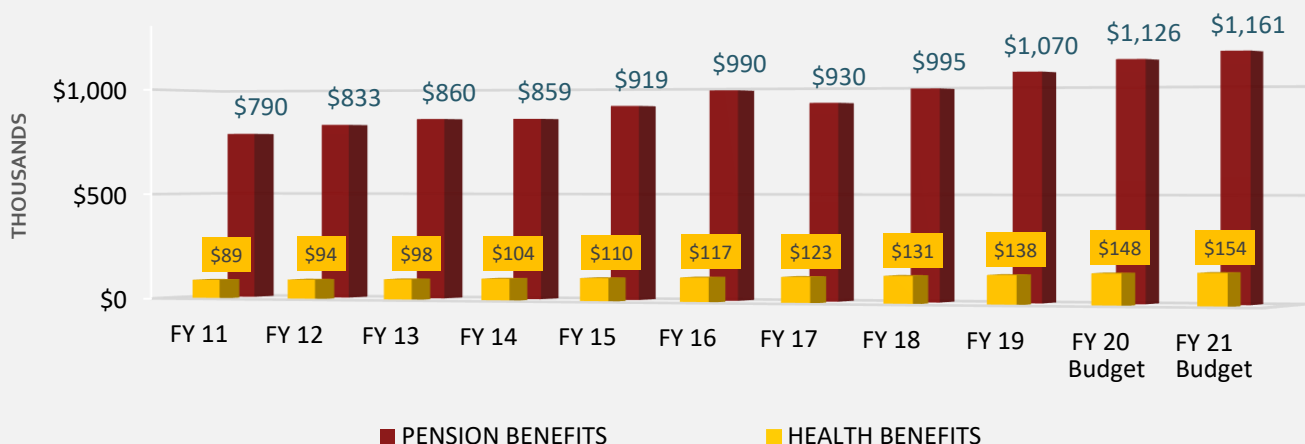
COLA 3.4%

MAXIMUM NON-MEDICARE
SUBSIDY

\$1,920.41

For the fiscal year ending June 30, 2019, on an actuarial basis, LAFPP was 93.6% funded for Pension Benefits and 56.2% funded for Health Benefits, an increase of 0.7% for Pension and 4.9% for Health Benefits.

PENSION AND HEALTH BENEFITS 10-YEAR HISTORY



Investment Management Expense

The Board and staff continue to utilize prudent and sound investment strategies to grow and protect Plan assets over the long-term to secure the retirement benefits of our members. LAFPP's investment policies include diversification requirements, an asset allocation plan, and an emerging managers policy. Investment management expense encompasses the direct expenses incurred in managing the investments.

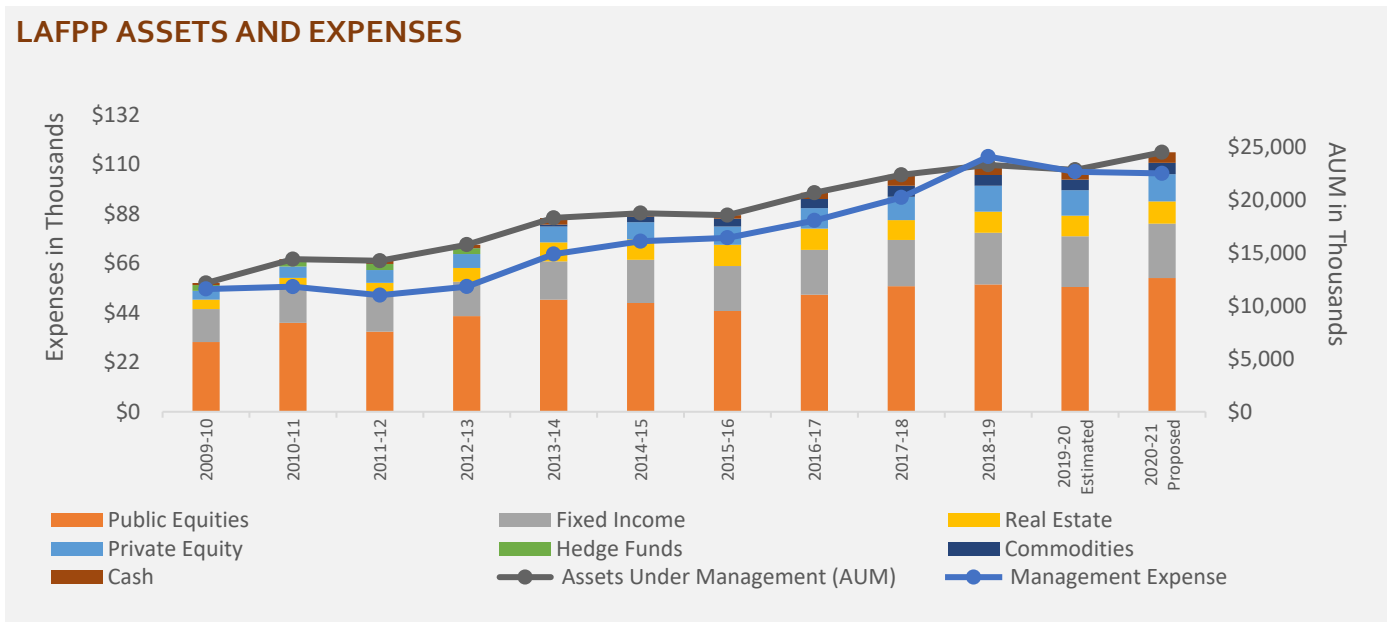
Investment Management Expense

7.3%

of FY21 Total Expenditures

LAFPP's market value investment rate of return for the fiscal year ending June 30, 2019 was **6.21%**, with assets increasing to **\$23.3 billion** at the end of FY 2018-19. As the chart below shows, investment management expense increases commensurate with asset growth. These expenses are anticipated to decrease by 0.9%, for a total of **\$105.91 million** in FY 2020-21 due to anticipated size of assets and Board decisions affecting asset allocation strategy and fund manager selection.

LAFPP ASSETS AND EXPENSES



Administrative Expense

Administrative Expense

1.7%

of FY 21 Total Expenditures

As pension costs represent a significant investment by the City, LAFPP continues to utilize our resources responsibly. These efforts include maintaining the administrative expense budget under 2.0% of the total budget for the year. For FY 2020-21, administrative expense represents 1.7% of the total proposed budget, for a total of **\$23.88 million**.

LAFPP's administrative expense includes obligatory personnel costs, such as salary step increases and employee compensation adjustments consistent with existing labor agreements, as well as discretionary personnel costs, including overtime and as-needed salaries, in-lieu salary savings, and vacancies due to attrition. Other costs related to day-to-day operations are included, which may require professional services and necessary equipment.

The Administrative Expense account is projected to be allocated as follows:

ACCOUNTS	FY 21 Budget	\$ Change from FY20 Budget	% Change from FY20 Budget
Salaries	\$ 13,113,917	\$789,417	6.4%
Employee benefits & retirement contribution	5,643,000	729,586	14.8%
Contractual and medical services	4,275,383	(17,450)	(0.4%)
Office and Administrative	680,795	48,218	7.6%
Training, travel, and education	164,951	(125,535)	(43.2%)
Elections	0 *	(45,000)	-
TOTAL	\$23,878,046	\$1,379,236	6.1%

Non-Discretionary

* There are no regular elections required for FY 2020-21.

While the administrative expenses within the FY21 budget constitute a 6.1% increase over the previous fiscal year, this is primarily attributed to increases required within the salary and employee benefits accounts. In late 2019, many of the City’s employee MOUs were renegotiated and included provisions for cost-of-living adjustment increases and a reduction of 15-step pay scales to 12-step pay scales. Increases in health care premiums and Medicare contributions (a percentage of salaries) also contributed to this additional cost. Another contributing factor is the reallocation of the department’s Management Analyst and Senior Management Analyst positions to Benefits Analyst and Senior Benefits Analyst, respectively, with additional funds needed to address salary increases as incumbents will be found legally employed effective July 1, 2020. These costs will be slightly offset with in-lieu savings and a salary savings rate set at 7.0%.

It should be noted that since the approval of the Proposed Budget, staff has identified a net amount of approximately \$750,000 in reductions to the Administrative Expense accounts (includes savings of \$410,000 in salaries; \$235,000 in retirement, health, dental, and other employee benefits; and \$162,500 in travel, tuition reimbursement, and furniture, office and technical equipment – which are slightly offset by an increase of \$61,000 in contractual services and office administrative costs).* This reduction has been identified as an alternative to employee furloughs as indicated in the City’s 2020-21 Budget for departments supported by the General Fund. Though LAFPP is not required to implement furloughs, the department has re-assessed its necessary funding for the upcoming fiscal year and made reductions in alignment with the City’s budget and its belt-tightening measures.

* On June 18, 2020, the Board adopted the 2020-21 Final Budget (Budget), after adding \$200,000 to the General Salaries Account (641010) and the related adjustments to the Retirement (645360) and Medicare (645370) Contribution Accounts.

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**DEPARTMENT OF FIRE AND POLICE PENSIONS
2020-21 Final Budget**

Schedule 1

Receipts ¹ 2018-19	Adopted Budget 2019-20	Estimated Receipts 2019-20		Budget 2020-21	Change from Budget 2019-20	% Change from Budget 2019-20	% Change from Estimated Receipts 2019-20
RECEIPTS							
687,867,488	705,075,973	705,075,973	Total General Fund ²	738,908,217	33,832,244	4.8%	4.8%
(1,274,936)	(2,095,442)	(2,270,466)	less: Excess Benefit Plan (EBP) ²	(2,399,556)	(304,114)	14.5%	5.7%
686,592,552	702,980,531	702,805,507	General Fund to LAFPP	736,508,661	33,528,130	4.8%	4.8%
4,967,756	5,183,156	5,183,156	Special Fund (Harbor)	5,510,840	327,684	6.3%	6.3%
1,337,008	1,687,886	1,687,886	Special Fund (Airport)	2,223,814	535,928	31.8%	31.8%
692,897,316	709,851,573	709,676,549	Total City Contribution (to LAFPP)	744,243,315	34,391,742	4.8%	4.9%
147,752,497	155,938,944	154,335,483	Member Contributions	165,383,973	9,445,029	6.1%	7.2%
571,915,620	468,900,000	468,900,000	Earnings on Investments	479,000,000	10,100,000	2.2%	2.2%
933,521,406	-	-	Gain (Loss) on Sale of Investments ³	-	-	0.0%	0.0%
395,728	1,500,000	450,000	Miscellaneous	1,500,000	-	0.0%	233.3%
2,346,482,567	1,336,190,517	1,333,362,032	Total Receipts	1,390,127,288	53,936,771	4.0%	4.3%
EXPENDITURES							
678,963,158	710,000,000	721,066,868	Service Pensions	760,000,000	50,000,000	7.0%	5.4%
141,378,274	162,192,000	148,412,820	Service Pensions - DROP Distributions	139,766,670	(22,425,330)	(13.8%)	(5.8%)
111,575,192	113,000,000	111,168,967	Disability Pensions	113,000,000	-	0.0%	1.6%
129,825,793	132,000,000	135,330,695	Surviving Spouse/Domestic Partner Pensions	140,000,000	8,000,000	6.1%	3.5%
4,236,083	3,900,000	3,775,502	Minor/Dependent Pensions	3,900,000	-	0.0%	3.3%
4,477,787	4,500,000	4,554,060	Refund of Contributions	4,100,000	(400,000)	(8.9%)	(10.0%)
1,070,456,287	1,125,592,000	1,124,308,913	Subtotal Pension Benefits (80.4%)	1,160,766,670	35,174,670	3.1%	3.2%
121,405,601	127,000,000	126,824,149	Health Insurance Premium Subsidy	132,000,000	5,000,000	3.9%	4.1%
4,289,164	4,650,000	4,423,745	Dental Insurance Premium Subsidy	4,800,000	150,000	3.2%	8.5%
11,294,464	15,500,000	11,879,069	Medicare Reimbursement	15,500,000	-	0.0%	30.5%
884,527	1,300,000	1,259,675	Health Insurance Premium Reimbursement	1,400,000	100,000	7.7%	11.1%
137,873,757	148,450,000	144,386,638	Subtotal Health Benefits (10.6%)	153,700,000	5,250,000	3.5%	6.5%
1,208,330,044	1,274,042,000	1,268,695,551	Total Benefits Expenses	1,314,466,670	40,424,670	3.2%	3.6%
113,390,982	106,908,329	106,663,256	Investment Management Expense (7.3%)	105,912,707	(995,622)	(0.9%)	(0.7%)
22,099,870	22,498,810	25,455,832	Administrative Expense (1.7%)	23,878,046	1,379,236	6.1%	(6.2%)
1,343,820,895	1,403,449,139	1,400,814,638	Total Expenditures (100.0%)	1,444,257,423	40,808,284	2.9%	3.1%
1,002,661,672	(67,258,622)	(67,452,606)	Increase (Decrease) in Fund Balance ⁴	(54,130,135)	13,128,487	(19.5%)	(19.8%)
2,346,482,567	1,336,190,517	1,333,362,032	Total Expenditures and Increase (Decrease) in Fund Balance	1,390,127,288	53,936,771	4.0%	4.3%

¹ 2018-19 Actual Receipts and Expenditures are derived from LAFPP's Audited Financial Statements using the modified accrual basis. 2019-20 Estimated Receipts and Expenditures and 2020-21 Budgeted Receipts and Expenditures are calculated on a cash basis.

² On May 6, 2010, the Board authorized a credit to be applied toward the City's Annual Required Contribution equal to the amount budgeted for the Excess Benefit Plan (EBP), as calculated by the actuary. As such, beginning in 2010-11, the total General Fund Contribution in a given fiscal year is the sum of the General Fund and EBP line items. However, since EBP revenue is not transferred to LAFPP, it is excluded from the Department's total revenue.

³ Gain (Loss) on Sale of Investments is recorded in LAFPP financial statements after the amount is audited and therefore an amount is not included in the budget.

⁴ 2019-20 Adopted and 2020-21 Budget Decrease in Fund Balance reflect the increase in estimated pension benefit payments and do not include the Gain (Loss) on Sale of Investments.

DEPARTMENT OF FIRE AND POLICE PENSIONS
 2020-21 Final Budget
 Detail of City, Harbor, and Airport Contribution Requirements
 (Assuming Contributions Made on July 15, 2020)

Schedule 2

	%	Projected	=	Contribution
	of Payroll	Payroll		Required ¹
TIER 1 requirements:				
1. Unfunded supplemental present value annual amount	N/A	N/A		14,149,530
2. Health subsidy unfunded actuarial accrued liability annual amount	N/A	N/A		1,393,035
		Subtotal		15,542,565
TIER 2 requirements:				
1. Entry age cost	24.83%	947,840		235,349
2. Unfunded supplemental present value annual amount*	0.34%	1,579,733,175		5,371,093
3. Pension Admin Expenses	1.12%	947,840		10,616
4. Health subsidy entry age cost	3.00%	947,840		28,435
5. Health subsidy unfunded actuarial accrued liability annual amount*	4.02%	1,579,733,175		63,505,274
6. Health Admin Expenses	0.09%	947,840		853
		Subtotal		69,151,620
* Unfunded Actuarial Accrued Liability (UAAL) expressed as a percent of payroll for all active members.				
TIER 3 requirements:				
1. Entry age cost	17.73%	85,621,538		15,180,699
2. Unfunded supplemental present value annual amount*	-0.03%	1,579,733,175		(473,920)
3. Pension Admin Expenses	1.12%	85,621,538		958,961
4. Health subsidy entry age cost	4.62%	85,621,538		3,955,715
5. Health subsidy unfunded actuarial accrued liability annual amount*	0.35%	1,579,733,175		5,529,066
6. Health Admin Expenses	0.09%	85,621,538		77,059
		Subtotal		25,227,580
* Unfunded Actuarial Accrued Liability (UAAL) expressed as a percent of payroll for all active members.				
TIER 4 requirements:				
1. Entry age cost	19.62%	32,384,530		6,353,845
2. Unfunded supplemental present value annual amount*	0.46%	1,579,733,175		7,266,773
3. Pension Admin Expenses	1.12%	32,384,530		362,707
4. Health subsidy entry age cost	4.48%	32,384,530		1,450,827
5. Health subsidy unfunded actuarial accrued liability annual amount*	0.22%	1,579,733,175		3,475,413
6. Health Admin Expenses	0.09%	32,384,530		29,146
		Subtotal		18,938,711
* Unfunded Actuarial Accrued Liability (UAAL) expressed as a percent of payroll for all active members.				
TIER 5 requirements:				
1. Entry age cost	20.10%	1,155,574,818		232,270,538
2. Unfunded supplemental present value annual amount	13.03%	1,155,574,818		150,571,399
3. Pension Admin Expenses	1.12%	1,155,574,818		12,942,438
4. Health subsidy entry age cost	4.33%	1,155,574,818		50,036,390
5. Health subsidy unfunded actuarial accrued liability annual amount	3.19%	1,155,574,818		36,862,837
6. Health Admin Expenses	0.09%	1,155,574,818		1,040,017
		Subtotal		483,723,619

DEPARTMENT OF FIRE AND POLICE PENSIONS
 2020-21 Final Budget
 Detail of City, Harbor, and Airport Contribution Requirements
 (Assuming Contributions Made on July 15, 2020)

Schedule 2

	%	Projected	=	Contribution
	of Payroll	Payroll		Required ¹
TIER 6 requirements:				
1. Entry age cost	17.03%	305,204,449		51,976,318
2. Unfunded supplemental present value annual amount	13.03%	305,204,449		39,768,140
3. Pension Admin Expenses	1.12%	305,204,449		3,418,290
4. Health subsidy entry age cost	6.93%	305,204,449		21,150,668
5. Health subsidy unfunded actuarial accrued liability annual amount	3.19%	305,204,449		9,736,022
6. Health Admin Expenses	0.09%	305,204,449		274,684
		Subtotal		126,324,122
<u>NET CITY (GENERAL FUND) ACTUARIAL CONTRIBUTION REQUIREMENT</u>				738,908,217
Early Payment Savings (relative to payment at the end of each pay period)				24,238,922
TIER 5 Harbor requirements:				
1. Entry age cost	20.58%	13,031,764		2,681,937
2. Unfunded supplemental present value annual amount	6.25%	13,031,764		814,485
3. Pension Admin Expenses	1.12%	13,031,764		145,956
4. Health subsidy entry age cost	6.04%	13,031,764		787,119
5. Health subsidy unfunded actuarial accrued liability annual amount	1.43%	13,031,764		186,354
6. Health Admin Expenses	0.09%	13,031,764		11,729
		Subtotal		4,627,580
TIER 6 Harbor requirements:				
1. Entry age cost	16.74%	2,726,113		456,351
2. Unfunded supplemental present value annual amount	6.25%	2,726,113		170,382
3. Pension Admin Expenses	1.12%	2,726,113		30,532
4. Health subsidy entry age cost	6.77%	2,726,113		184,558
5. Health subsidy unfunded actuarial accrued liability annual amount	1.43%	2,726,113		38,983
6. Health Admin Expenses	0.09%	2,726,113		2,454
		Subtotal		883,260
<u>NET HARBOR (SPECIAL FUND) ACTUARIAL CONTRIBUTION REQUIREMENT</u>				5,510,840
Early Payment Savings (relative to payment at the end of each pay period)				180,065
TIER 6 Airport requirements:				
1. Entry age cost	17.18%	7,858,000		1,350,004
2. Unfunded supplemental present value annual amount	1.50%	7,858,000		117,870
3. Pension Admin Expenses	1.12%	7,858,000		88,010
4. Health subsidy entry age cost	7.85%	7,858,000		616,853
5. Health subsidy unfunded actuarial accrued liability annual amount	0.56%	7,858,000		44,005
6. Health Admin Expenses	0.09%	7,858,000		7,072
		Subtotal		2,223,814
<u>NET AIRPORT (SPECIAL FUND) ACTUARIAL CONTRIBUTION REQUIREMENT</u>				2,223,814
Early Payment Savings (relative to payment at the end of each pay period)				72,294

DEPARTMENT OF FIRE AND POLICE PENSIONS
2020-21 Final Budget
Detail of City, Harbor, and Airport Contribution Requirements
(Assuming Contributions Made on July 15, 2020)

Schedule 2

GENERAL FUND TO LAFPP	736,508,661
EXCESS BENEFIT PLAN	<u>2,399,556</u>
TOTAL GENERAL FUND CONTRIBUTION	738,908,217
TOTAL SPECIAL FUND (HARBOR) CONTRIBUTION TO LAFPP	5,510,840
TOTAL SPECIAL FUND (AIRPORT) CONTRIBUTION TO LAFPP	<u>2,223,814</u>
TOTAL CITY CONTRIBUTION	<u><u>746,642,871</u></u>

¹ Figures may be rounded.

DEPARTMENT OF FIRE AND POLICE PENSIONS
2020-21 Final Budget
Detail of Estimated Payrolls and Member Contributions

Schedule 3

	<u>Tier 2</u>	<u>Tier 3</u>	<u>Tier 4</u>	<u>Tier 5</u>	<u>Tier 6</u>	<u>TOTAL⁴</u>
SWORN PAYROLL						
<u>PENSIONABLE PAY</u>						
Fire	252,347	22,795,320	8,621,846	307,652,704	81,255,642	420,577,859
Police	695,493	62,826,218	23,762,684	847,922,114	223,948,807	1,159,155,316
Harbor	-	-	-	13,031,764	2,726,113	15,757,877
Airport	-	-	-	-	7,858,000	7,858,000
TOTAL	947,840	85,621,538	32,384,530	1,168,606,582	315,788,562	1,603,349,052
TOTAL General Fund	947,840	85,621,538	32,384,530	1,155,574,818	305,204,449	1,579,733,175
TOTAL Special Fund (Harbor)	-	-	-	13,031,764	2,726,113	15,757,877
TOTAL Special Fund (Airport)	-	-	-	-	7,858,000	7,858,000
<u>BASE PAY (2% OPT-IN)¹</u>						
Fire	266,142	1,230,015	3,677,020	215,963,719	-	221,136,896
Police	122,461	52,896,204	14,939,562	503,025,117	-	570,983,344
Harbor	-	-	-	9,487,481	-	9,487,481
Airport	-	-	-	-	-	-
TOTAL	388,603	54,126,219	18,616,582	728,476,317	-	801,607,721
TOTAL General Fund	388,603	54,126,219	18,616,582	718,988,836	-	792,120,240
TOTAL Special Fund (Harbor)	-	-	-	9,487,481	-	9,487,481
TOTAL Special Fund (Airport)	-	-	-	-	-	-
MEMBER CONTRIBUTIONS						
<u>PENSIONABLE PAY</u>						
	<u>Seven Percent²</u>	<u>Eight Percent</u>	<u>Eight Percent</u>	<u>Nine Percent³</u>	<u>Eleven Percent</u>	<u>TOTAL</u>
Fire	-	1,823,626	689,748	27,688,743	8,938,121	39,140,238
Police	-	5,026,097	1,901,015	76,312,990	24,634,369	107,874,471
Harbor	-	-	-	1,172,859	299,872	1,472,731
Airport	-	-	-	-	864,380	864,380
TOTAL	-	6,849,723	2,590,763	105,174,592	34,736,742	149,351,820
<u>BASE PAY (2% OPT-IN)</u>						
	<u>Two Percent</u>	<u>Two Percent</u>	<u>Two Percent</u>	<u>Two Percent</u>	<u>N/A</u>	<u>TOTAL</u>
Fire	5,323	24,600	73,540	4,319,274	-	4,422,737
Police	2,449	1,057,924	298,791	10,060,502	-	11,419,666
Harbor	-	-	-	189,750	-	189,750
Airport	-	-	-	-	-	-
TOTAL	7,772	1,082,524	372,331	14,569,526	-	16,032,153
TOTAL	7,772	7,932,247	2,963,094	119,744,118	34,736,742	165,383,973
TOTAL General Fund	7,772	7,932,247	2,963,094	118,381,509	33,572,490	162,857,112
TOTAL Special Fund (Harbor)	-	-	-	1,362,609	299,872	1,662,481
TOTAL Special Fund (Airport)	-	-	-	-	864,380	864,380

¹ This figure reflects estimated base pay amounts for those members who elected to unfreeze their future retiree medical subsidy by making additional 2% opt-in contributions. The 2% is calculated based on base pay, not pensionable pay.

² Pursuant to Charter Section 1420, pension benefit-related deductions shall not be made from the salaries of Tier 2 System members who have completed 30 years of service. Accordingly, as of December 8, 2010, all Tier 2 members have completed at least 30 years of service and therefore no longer make pension contributions.

³ For Tier 5 only, the City pays 1% of the 9% if the Plan is at least 100% actuarially funded for pension benefits.

⁴ Figures may be rounded.

DEPARTMENT OF FIRE AND POLICE PENSIONS
2020-21 Final Budget
Detail of Investment Management Expense

Schedule 4

	Adopted Budget 2019-20	Estimated Expenditures 2019-20	Budget 2020-21	\$ Change from Budget ³ 2019-20	% Change from Budget 2019-20
CONSULTANTS & BANK SERVICES					
Custodian Bank Services (STIF)	346,321	342,127	318,928	(27,393)	(7.9%)
General Consultant - RV Kuhns	503,750	503,750	503,750	-	0.0%
CONSULTANTS & BANK SERVICES TOTAL (0.78%)	850,071	845,877	822,678	(27,393)	(3.2%)
ADVISORY					
PUBLIC EQUITY - LARGE CAP					
Alliance Capital (Russell 1000 Growth Index)	278,070	284,036	350,124	72,054	25.9%
Alliance Capital (S&P 500 Index)	147,656	135,704	130,106	(17,551)	(11.9%)
AllianceBernstein (Systemic Value)	480,277	397,710	379,856	(100,421)	(20.9%)
LA Capital (Enhanced Index-Growth)	829,543	809,979	63,506	(766,037)	(92.3%)
Robeco (Value)	621,667	493,605	474,696	(146,971)	(23.6%)
S&P 500 (Equal Weighted Index)	336,373	281,038	265,516	(70,857)	(21.1%)
STOXX USA (900 Minimum Variance)	245,590	214,297	214,406	(31,184)	(12.7%)
Subtotal	2,939,176	2,616,369	1,878,210	(1,060,966)	(36.1%)
PUBLIC EQUITY - SMALL CAP					
AB Small Cap Value Domestic	842,160	595,227	559,999	(282,161)	(33.5%)
Channing Capital Mgmt. (Core)	537,455	370,184	337,375	(200,080)	(37.2%)
Frontier Capital Management (Growth)	3,109,066	4,067,333	1,694,342	(1,414,724)	(45.5%)
Palisade	600,600	589,973	456,645	(143,955)	(24.0%)
Phocas Financial (Value)	443,619	289,615	274,873	(168,746)	(38.0%)
PIMCO Stocks Plus	965,250	690,583	640,062	(325,188)	(33.7%)
S&P 600	37,867	35,922	26,915	(10,951)	(28.9%)
Westwood Management (Value)	1,651,017	1,218,175	1,166,425	(484,592)	(29.4%)
Future Active Small Cap Managers	1,062,498	168,440	1,045,688	(16,810)	(1.6%)
Subtotal	9,249,532	8,025,451	6,202,325	(3,047,207)	(32.9%)
PUBLIC EQUITY - INTERNATIONAL					
Baillie Gifford (Growth)	2,951,610	3,476,258	3,432,613	481,003	16.3%
Blackrock (Large Cap Index)	341,238	364,510	369,930	28,692	8.4%
Boston Common (ESG)	196,201	170,508	172,898	(23,303)	(11.9%)
Brandes (Value)	3,501,558	2,484,010	2,554,630	(946,928)	(27.0%)
FIS International (Manager of Emerging Managers)	-	842,200	-	-	--
Fisher (Core)	2,265,111	1,000,000	-	(2,265,111)	(100.0%)
Principal (Active Small Cap)	1,228,078	957,115	933,569	(294,510)	(24.0%)
Victory Capital Management (Active Small Cap)	1,470,185	1,199,093	1,153,759	(316,426)	(21.5%)
Subtotal	11,953,981	10,493,693	8,617,398	(3,336,583)	(27.9%)
PUBLIC EQUITY - EMERGING MARKETS					
Dimensional Fund Advisors	2,858,019	2,226,843	1,995,811	(862,208)	(30.2%)
Harding Loevner	3,662,632	2,821,621	2,798,058	(864,574)	(23.6%)
Subtotal	6,520,651	5,048,464	4,793,870	(1,726,782)	(26.5%)
PUBLIC EQUITY TOTAL (20.29%)	30,663,340	26,183,978	21,491,803	(9,171,538)	(29.9%)
FIXED INCOME - INVESTMENT GRADE					
Bridgewater (Pure Alpha)	1,559,398	1,357,333	1,426,159	(133,240)	(8.5%)
Bridgewater (TIPS)	1,636,874	1,602,793	1,675,121	38,246	2.3%
GIA Partners (Opportunistic)	152,564	146,621	153,123	559	0.4%
LM Capital Group (Opportunistic)	340,924	340,226	362,384	21,460	6.3%
Loomis Sayles (Long Duration)	650,639	698,972	722,680	72,042	11.1%
Northern Trust (Index)	224,777	221,171	235,067	10,290	4.6%
Payden & Rygel (Unconstrained)	829,595	718,792	752,434	(77,161)	(9.3%)

DEPARTMENT OF FIRE AND POLICE PENSIONS
2020-21 Final Budget
Detail of Investment Management Expense

Schedule 4

	Adopted Budget 2019-20	Estimated Expenditures 2019-20	Budget 2020-21	\$ Change from Budget ³ 2019-20	% Change from Budget 2019-20
FIXED INCOME - INVESTMENT GRADE (Continued)					
Reams Asset Management (Opportunistic)	748,212	754,800	778,946	30,734	4.1%
Reams Asset Management (Passive TIPS)	147,908	150,986	158,483	10,575	7.1%
Reams Asset Management (Unconstrained)	476,299	461,549	476,202	(97)	(0.0%)
Semper Capital Management	163,752	149,321	157,617	(6,135)	(3.7%)
Subtotal	6,930,942	6,602,564	6,898,216	(32,726)	(0.5%)
FIXED INCOME - HIGH YIELD					
MacKay Shields	2,270,295	2,110,342	2,187,241	(83,054)	(3.7%)
Subtotal	2,270,295	2,110,342	2,187,241	(83,054)	(3.7%)
FIXED INCOME TOTAL (8.58%)	9,201,237	8,712,906	9,085,457	(115,780)	(1.3%)
PRIVATE EQUITY					
Fairview Capital Partners (Specialized Mandate)	300,000	300,000	300,000	-	0.0%
Portfolio Advisors	1,300,000	1,300,000	1,300,000	-	0.0%
Portfolio Advisors (Specialized Mandate)	45,000	60,000	60,000	15,000	33.3%
Private Equity Partnership Fees ¹	39,933,572	45,313,763	48,453,152	8,519,580	21.3%
PRIVATE EQUITY TOTAL (47.32%)	41,578,572	46,973,763	50,113,152	8,534,580	20.5%
COMMODITIES					
AB Commodities Indices (6)	510,335	446,454	434,296	(76,039)	(14.9%)
Goldman Sachs (Enhanced Index)	205,049	147,587	161,962	(43,087)	(21.0%)
Gresham Investment Management (Active)	513,237	383,937	418,375	(94,862)	(18.5%)
Private Equity Partnership Fees ¹	2,431,286	1,879,237	2,353,542	(77,745)	(3.2%)
COMMODITIES TOTAL (3.18%)	3,659,908	2,857,214	3,368,175	(291,733)	(8.0%)
REAL ESTATE					
AEW (Asset Management Fees)	2,619,878	2,286,008	2,533,430	(86,448)	(3.3%)
Alliance Capital (Global REIT) Index	91,295	95,768	87,389	(3,906)	(4.3%)
Cohen & Steers (US REIT)	835,357	968,528	874,079	38,722	4.6%
Principal (Global REIT)	903,781	774,419	783,105	(120,675)	(13.4%)
Principal (U.S. REIT)	976,301	855,153	769,908	(206,394)	(21.1%)
Real Estate Annual Appraisals	35,000	35,000	35,000	-	0.0%
Total Pooled Funds ²	15,248,591	15,829,643	15,703,532	454,941	3.0%
Townsend (Consultant)	245,000	245,000	245,000	-	0.0%
REAL ESTATE TOTAL (19.85%)	20,955,202	21,089,518	21,031,443	76,241	0.4%
ADVISORY TOTAL (99.22%)	106,058,258	105,817,378	105,090,029	(968,229)	(0.9%)
INVESTMENT MANAGEMENT EXPENSE TOTAL (100.00%)	106,908,329	106,663,256	105,912,707	(995,622)	(0.9%)

¹ Partnership fees **do not** include performance fees. Generally performance fees take 20% of the profit. In some cases, they can go as high as 30%.

² Pooled Fund fees **do not** include performance fees. Generally performance fees take 20% of the profit. In some cases, they can go as high as 30%.

³ Figures may be rounded.

DEPARTMENT OF FIRE AND POLICE PENSIONS
 2020-21 Final Budget
 Administrative Expense

Schedule 5

Actual Expenditure 2018-19	Adopted Budget 2019-20	Estimated Expenditure 2019-20 ¹	Account Titles	Budget 2020-21	% Change from Budget 2019-20	% Change from Estimated Expenditure 2019-20
11,200,799	12,215,000	12,404,300	Salaries - General	12,954,000	6.0%	4.4%
94,755	41,400	97,392	Salaries - As-Needed	87,367	111.0%	(10.3%)
129,897	68,100	68,100	Overtime	72,550	6.5%	6.5%
11,425,450	12,324,500	12,569,792	Sub-total Salaries	13,113,917	6.4%	4.3%
25,280	63,600	27,790	Printing and Binding	58,700	(7.7%)	111.2%
128,034	162,400	63,953	Travel Expense	79,000	(51.4%)	23.5%
5,030,245	3,972,833	7,035,008	Contractual Expense	3,955,383	(0.4%)	(43.8%)
6,000	6,000	6,000	Transportation	6,000	0.0%	0.0%
217,335	320,000	245,000	Medical Services	320,000	0.0%	30.6%
1,232,273	1,420,000	1,365,000	Health Insurance	1,631,000	14.9%	19.5%
52,878	60,000	55,000	Dental Insurance	60,000	0.0%	9.1%
36,476	40,000	36,000	Other Employee Benefits	37,000	(7.5%)	2.8%
3,081,220	3,210,414	3,199,490	Retirement Contribution ²	3,718,000	15.8%	16.2%
150,305	177,000	182,262	Medicare Contribution	191,000	7.9%	4.8%
58,328	45,000	56,940	Election Expense	-	(100.0%)	(100.0%)
378,501	662,063	394,000	Office and Administrative Expense	699,046	5.6%	77.4%
259,403	-	200,000	Total Furniture, Office, & Tech Equip.	6,000	0.0%	(97.0%)
18,141	35,000	19,597	Tuition Reimbursement	3,000	(91.4%)	(84.7%)
10,674,420	10,174,310	12,886,040	Sub-total Expense	10,764,129	5.8%	(16.5%)
-	-	-	Unappropriated Balance	-	0.0%	0.0%
22,099,870	22,498,810	25,455,832	TOTAL ADMINISTRATIVE EXPENSE	23,878,046	6.1%	(6.2%)

¹ Subsequent to the adoption of the 2019-20 Budget on June 20, 2019, the Board authorized the transfers of funds within the Administrative Expense Budget to cover unanticipated costs and projects identified throughout the fiscal year to maintain a balanced budget.

² LAFPP began receiving credit for the Enhanced Benefit Adjustment in 2018-19 for the Airport Peace Officers who opted to stay with LACERS (Tier 1 Enhanced) during the transition of Airport Police to LAFPP. As costs associated with the Enhanced Benefit Adjustment would be borne exclusively by Airport, LAFPP was credited for its share.

Acct No.	Account Titles	Adopted Budget 2019-20 ¹	Budget 2020-21	\$ Change from 2019-20	% Change from 2019-20
641010	Salaries - General	12,215,000	12,954,000	739,000	6.0%
641070	Salaries - As-Needed	41,400	87,367	45,967	111.0%
641090	Overtime	68,100	72,550	4,450	6.5%
	Subtotal Salaries	12,324,500	13,113,917	789,417	6.4%
642120	Printing and Binding	63,600	58,700	(4,900)	(7.7%)
642130	Travel Expense	162,400	79,000	(83,400)	(51.4%)
643040	Contractual Expense				
	City Attorney				
	City Attorney Expense Paid to LACERS	30,000	30,000	-	0.0%
	City Attorney Staff	700,000	848,000	148,000	21.1%
	Legal Services: Fiduciary Counsel	50,000	50,000	-	0.0%
	Legal Services: Health & Data Privacy Outside Counsel	75,000	75,000	-	0.0%
	Legal Services: Legal Representation	50,000	100,000	50,000	100.0%
	Legal Services: Real Estate and Investment Counsel	310,000	400,000	90,000	29.0%
	Legal Services: Tax Counsel	100,000	100,000	-	0.0%
	Subtotal	1,315,000	1,603,000	288,000	21.9%
	Communications & Education				
	Financial Planning Education - Venue	5,000	5,000	-	0.0%
	Financial Planning Education Consultant	76,000	60,500	(15,500)	(20.4%)
	Graphic Design Services	33,000	29,500	(3,500)	(10.6%)
	Pre-Retirement Seminar Caterer	40,000	48,000	8,000	20.0%
	Web Site Support Services	20,000	20,000	-	0.0%
	Subtotal	174,000	163,000	(11,000)	(6.3%)
	Department-wide				
	Career Development Training	20,000	10,000	(10,000)	(50.0%)
	Headquarters Furnishing	5,000	5,000	-	0.0%
	Neptune Building Property Management	511,000	511,000	-	0.0%
	Photocopiers	35,000	35,000	-	0.0%
	Records Retention	5,000	5,000	-	0.0%
	Secure Shredding Services	4,500	4,000	(500)	(11.1%)
	Vehicle Maintenance	1,000	1,000	-	0.0%
	Workers Compensation	25,000	25,000	-	0.0%
	Subtotal	606,500	596,000	(10,500)	(1.7%)
	Disability Pension				
	Hearing Reporter	20,000	40,000	20,000	100.0%
	Investigative Services	45,000	45,000	-	0.0%
	Subtotal	65,000	85,000	20,000	30.8%
	Executive				
	Actuarial Services	500,000	350,000	(150,000)	(30.0%)
	Annual Offsite Meeting	10,000	10,000	-	0.0%
	Fiduciary Liability Insurance	40,000	40,000	-	0.0%
	Governance Consultant	20,000	20,000	-	0.0%
	Cyber Liability Insurance	-	75,000	75,000	--
	CIO Recruitment RFP	-	30,000	30,000	--
	Subtotal	570,000	525,000	(45,000)	(7.9%)
	Internal Audit				
	Financial Audit	85,000	88,000	3,000	3.5%
	ALGA Peer Review	-	8,900	8,900	--
	Subtotal	85,000	96,900	11,900	14.0%
	Investments Division				
	Proxy Service	40,000	40,000	-	0.0%
	Investment Benchmarking	30,000	-	(30,000)	(100.0%)
	Investment Study	-	30,000	30,000	--
	Subtotal	70,000	70,000	-	0.0%

Acct No.	Account Titles	Adopted Budget 2019-20 ¹	Budget 2020-21	\$ Change from 2019-20	% Change from 2019-20
<i>Medical and Dental Benefits</i>					
	Graphic Designer	2,500	2,500	-	0.0%
	Health Consultant	100,000	100,000	-	0.0%
	Subtotal	102,500	102,500	-	0.0%
<i>Systems</i>					
	Disaster Recovery - IBM	50,000	-	(50,000)	(100.0%)
	AT&T	24,000	24,000	-	0.0%
	Pension Administration System (Avenu)	725,833	504,983	(220,850)	(30.4%)
	NT - Integrated Disbursement Services	185,000	185,000	-	0.0%
	Subtotal	984,833	713,983	(270,850)	(27.5%)
	Total Contractual Expense	3,972,833	3,955,383	(17,450)	(0.4%)
643310	Transportation	6,000	6,000	-	0.0%
644230	Medical Services (Disability Cases)	320,000	320,000	-	0.0%
645180	Health Insurance	1,420,000	1,631,000	211,000	14.9%
645190	Dental Insurance	60,000	60,000	-	0.0%
645200	Other Employee Benefits	40,000	37,000	(3,000)	(7.5%)
645360	Retirement Contribution ²	3,210,414	3,718,000	507,586	15.8%
645370	Medicare Contribution	177,000	191,000	14,000	7.9%
645417	Election Expense	45,000	-	(45,000)	(100.0%)
646010	Office and Administrative Expense				
	646010-01 Office & Administrative Expense	333,737	370,650	36,913	11.1%
	646010-02 Office Supplies	69,000	69,000	-	0.0%
	646010-03 Telephone, Internet, and Tablet Devices	86,000	86,000	-	0.0%
	646010-05 Training Expense	93,086	82,951	(10,135)	(10.9%)
	646010-06 Dues & Subscriptions	27,240	30,445	3,205	11.8%
	646010-530 Computer & Peripheral	53,000	60,000	7,000	13.2%
	Total Office and Administrative Expense	662,063	699,046	36,983	5.6%
647300	Total Furniture, Office, & Technical Equip > \$5,000	-	6,000	6,000	--
649570	Tuition Reimbursement	35,000	3,000	(32,000)	(91.4%)
	Subtotal Expense	10,174,310	10,764,129	589,819	5.8%
649500	Unappropriated Balance (UB)	-	-	-	-
	TOTAL ADMINISTRATIVE EXPENSE	22,498,810	23,878,046	1,379,236	6.1%

¹ Subsequent to the adoption of the 2019-20 Budget on June 20, 2019, the Board authorized the transfers of funds within the Administrative Expense Budget to cover unanticipated costs and projects identified throughout the fiscal year to maintain a balanced budget.

² LAFPP began receiving credit for the Enhanced Benefit Adjustment in 2018-19 for the Airport Peace Officers who opted to stay with LACERS (Tier 1 Enhanced) during the transition of Airport Police to LAFPP. As costs associated with the Enhanced Benefit Adjustment would be borne exclusively by Airport, LAFPP was credited for its share.

A resolution authorizing the employment of personnel in the Department of Fire and Police Pensions of the City of Los Angeles.

BE IT RESOLVED, that:

Section 1. Effective July 1, 2020, the number and classification of positions listed below are authorized within the Los Angeles Fire and Police Pension System:

FIRE AND POLICE PENSIONS

(a) Regular Positions:

2019-20	2020-21	Change	Code	Title	Salary Range
2	2	0	1116	Secretary	(53,285 - 77,903)
2	2	0	1117-2	Executive Administrative Assistant II	(64,122 - 93,772)
1	1	0	1117-3	Executive Administrative Assistant III	(68,757 - 100,513)
1	1	0	1170-1	Payroll Supervisor I	(71,722 - 104,838)
1	1	0	1201	Principal Clerk	(58,526 - 85,608)
20	20	0	1203	Benefits Specialist	(58,526 - 85,608)
4	4	0	1358	Administrative Clerk	(39,755 - 58,088)
17	15	-2	1368	Senior Administrative Clerk	(49,068 - 71,743)
2	2	0	1455-1	Systems Programmer I	(92,059 - 134,613)
1	1	0	1455-2	Systems Programmer II	(99,054 - 144,844)
1	1	0	1455-3	Systems Programmer III	(107,385 - 156,975)
7	7	0	1513	Accountant	(58,213 - 85,086)
2	2	0	1523-2	Senior Accountant II	(73,226 - 107,051)
1	1	0	1525-1	Principal Accountant I	(84,188 - 123,087)
1	1	0	1525-2	Principal Accountant II	(88,781 - 129,831)
1	0	-1	1593-3	Departmental Chief Accountant III	(120,498 - 176,206)
0	1	1	1593-4	Departmental Chief Accountant IV	(130,165 - 190,279)
6	6	0	1596	Systems Analyst	(74,165 - 108,471)
3	3	0	1597-1	Senior Systems Analyst I	(87,779 - 128,286)
2	2	0	1597-2	Senior Systems Analyst II	(108,576 - 158,771)
1	1	0	1610	Departmental Audit Manager	(130,165 - 190,279)
1	1	0	1625-2	Internal Auditor II	(74,165 - 108,471)
1	1	0	1625-4	Internal Auditor IV	(108,576 - 158,771)
0	16	16	9108	Benefits Analyst	(77,297 - 113,023)
0	2	2	9109-1	Senior Benefits Analyst I	(91,287 - 133,423)
0	7	7	9109-2	Senior Benefits Analyst II	(112,981 - 165,202)
2	2	0	9146-1	Investment Officer I	(100,954 - 147,579)
4	4	0	9146-2	Investment Officer II	(125,760 - 183,890)
1	1	0	9146-3	Investment Officer III	(158,124 - 231,183)
1	1	0	9147	Chief Investment Officer	(189,360 - 276,827)
2	2	0	9151	Chief Benefits Analyst	(130,165 - 190,279)
1	1	0	9167-1	Senior Personnel Analyst I	(91,287 - 133,423)
4	1	-3	9171-1	Senior Management Analyst I	(91,287 - 133,423)
7	1	-6	9171-2	Senior Management Analyst II	(109,954 - 165,202)
1	1	0	9182	Chief Management Analyst	(130,165 - 190,279)
21	5	-16	9184	Management Analyst	(74,165 - 108,471)
1	1	0	9267	General Manager	(168,627 - 298,876)
2	2	0	9269	Assistant General Manager	(149,605 - 218,676)
1	1	0	9375	Director of Systems	(130,165 - 190,279)
1	1	0	9734-2	Commission Executive Assistant II	(74,165 - 108,471)
127	125	-2			

(b) Resolution Authority Positions:

2019-20	2020-21	Change	Code	Title	Salary Range
1	1	0	1539	Management Assistant	(52,826 - 77,235)
0	1	1	9108	Benefits Analyst	(77,297 - 113,023)
1	0	-1	9184	Management Analyst	(74,165 - 108,471)
1	0	-1	1203	Benefits Specialist	(58,526 - 85,608)
<u>3</u>	<u>2</u>	<u>-1</u>			

(c) To be Employed As Needed in Such Numbers as Required:

0820	Administrative Trainee
1133	Relief Retirement Worker
1501	Student Worker
1502	Student Professional Worker
1535-1	Administrative Intern I
1535-2	Administrative Intern II

(d) Commissioner Positions:

<u>9</u>	0101-2	Commissioner
9		

Section 2. One Assistant General Manager (Class Code 9269), when designated by the General Manager to assume the additional administrative and supervisory duties of Executive Officer, shall be compensated at the fourth premium level rate above the appropriate step rate or premium level rate of the incumbent. Upon approval of the General Manager, one additional Assistant General Manager (Class Code 9269) may receive salary up to the fourth premium level rate above the appropriate step rate of the prescribed salary range.

Section 3. Whenever the General Manager is authorized pursuant to Charter Section 1164(b) to employ a person who is retired from City service, the employee may be employed at any step within the salary range prescribed for the class that is determined by the General Manager to be commensurate with, and based upon, the extent, responsibility, and importance of the work to be assigned and the experience, skill and ability of the employee.

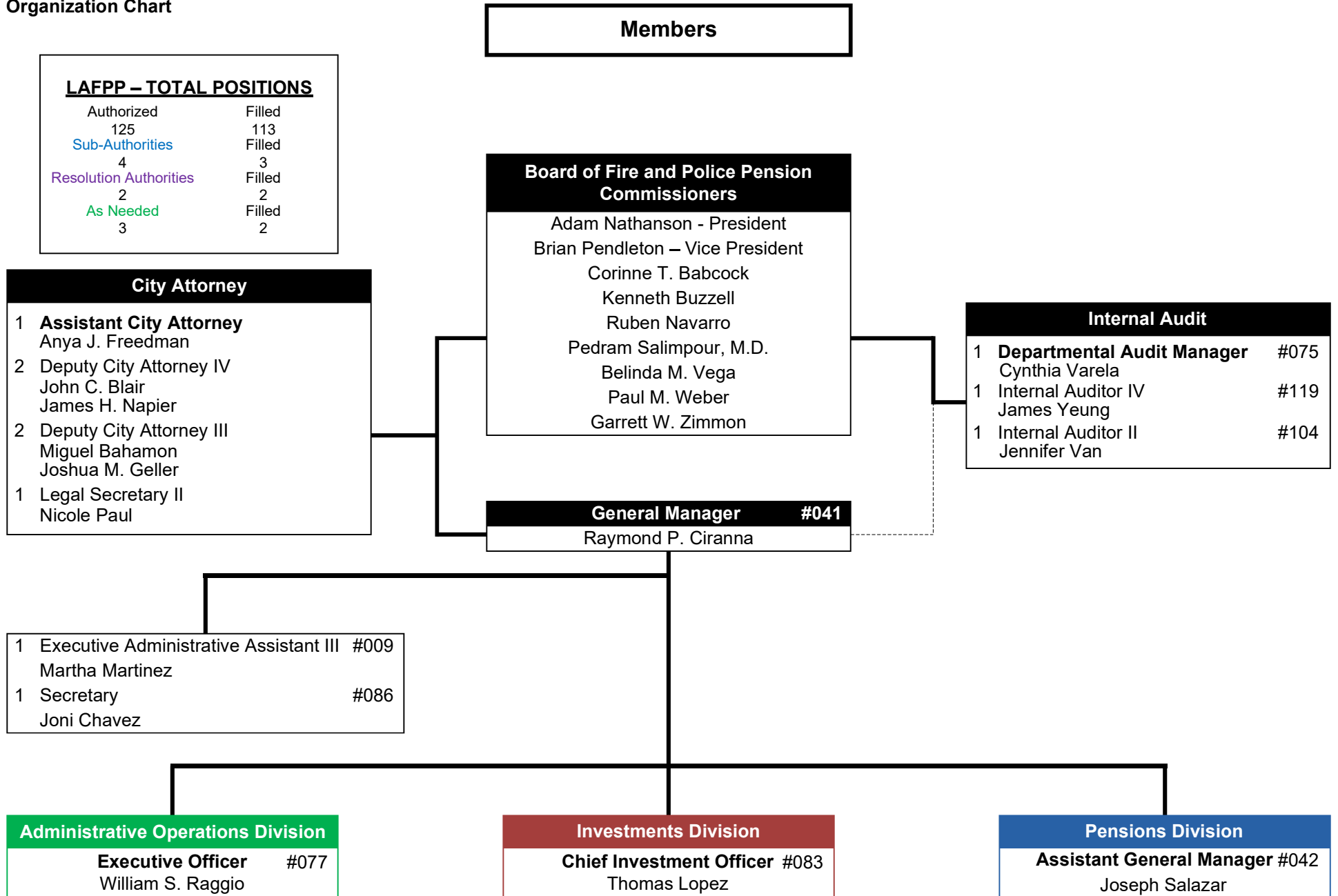
Section 4. Upon approval of the General Manager, substitute and resolution authority positions may be activated and filled using any class of position specified in Schedule "A" of Los Angeles Administrative Code Section 4.61 or approved Memorandum of Understanding. This approval shall specify the period during which the position shall be filled. The General Manager shall maintain a record of the substitute and resolution authority positions approved for filling.

Section 5. The General Manager may employ persons and assign duties appropriate to the employee's classification and pay grade in any class of position specified in Schedule "A" of Los Angeles Administrative Code Section 4.61 in lieu of vacant positions in a related occupational series which vacant positions have a salary or salary range equal to or higher than the salary or salary range for the class of position in which the persons are to be employed; provided, however, that at no time shall the total number of persons employed in the department exceed the total number of positions authorized.

Section 6. The personnel authority contained in this resolution shall be limited by the amount of money available on the records of the Departmental Chief Accountant for the payment of salaries and wages in the appropriate departmental account.

CHANGE	No.	REASON FOR CHANGE
ADD/DELETE POSITION		
<u>Accounting</u>		
Departmental Chief Accountant IV	1	The requested upgrade to Departmental Chief Accountant IV is to account for the increased level of duties that result from the implementation of the new pension administration system.
Departmental Chief Accountant III	-1	
<u>Active Member Services</u>		
Benefits Analyst (Reallocation)	2	The new Benefits Analyst classification was created specifically for the City's pension systems, providing a more accurate representation of the duties performed.
Management Analyst	-2	
Senior Benefits Analyst II (Reallocation)	1	The new Senior Benefits Analyst II classification was created specifically for the City's pension systems, providing a more accurate representation of the duties performed. The reallocation and requested upgrade of this position specifically also includes an increase in duties and responsibilities.
Senior Management Analyst I	-1	
<u>Communications & Education</u>		
Benefits Analyst (Reallocation)	3	The new Benefits Analyst classification was created specifically for the City's pension systems, providing a more accurate representation of the duties performed.
Management Analyst	-3	
Senior Benefits Analyst II (Reallocation)	1	The new Senior Benefits Analyst II classification was created specifically for the City's pension systems, providing a more accurate representation of the duties performed.
Senior Management Analyst II	-1	
<u>Disability Pensions</u>		
Benefits Analyst (Reallocation)	4	The new Benefits Analyst classification was created specifically for the City's pension systems, providing a more accurate representation of the duties performed.
Management Analyst	-4	
Senior Benefits Analyst I (Reallocation)	1	The new Senior Benefits Analyst I classification was created specifically for the City's pension systems, providing a more accurate representation of the duties performed.
Senior Management Analyst I	-1	
Senior Benefits Analyst II (Reallocation)	1	The new Senior Benefits Analyst II classification was created specifically for the City's pension systems, providing a more accurate representation of the duties performed.
Senior Management Analyst II	-1	
<u>DROP/Service Pensions</u>		
Benefits Analyst (Reallocation)	2	The new Benefits Analyst classification was created specifically for the City's pension systems, providing a more accurate representation of the duties performed.
Management Analyst	-2	
Senior Benefits Analyst I (Reallocation)	1	The new Senior Benefits Analyst I classification was created specifically for the City's pension systems, providing a more accurate representation of the duties performed.
Senior Management Analyst I	-1	
Senior Benefits Analyst II (Reallocation)	1	The new Senior Benefits Analyst II classification was created specifically for the City's pension systems, providing a more accurate representation of the duties performed.
Senior Management Analyst II	-1	

CHANGE	No.	REASON FOR CHANGE
ADD/DELETE POSITION		
<u>Medical and Dental Benefits</u>		
Benefits Analyst (Reallocation)	3	The new Benefits Analyst classification was created specifically for the City's pension systems, providing a more accurate representation of the duties performed.
Management Analyst	-3	
Senior Benefits Analyst II (Reallocation)	1	The new Senior Benefits Analyst II classification was created specifically for the City's pension systems, providing a more accurate representation of the duties performed.
Senior Management Analyst II	-1	
Benefits Specialist	-1	This vacant Benefits Specialist position is no longer needed. The duties of this position are being performed by the two remaining Benefits Specialist positions.
Senior Administrative Clerk	-1	This vacant Senior Administrative Clerk position is no longer needed. The duties of this position are being performed by the remaining Senior Administrative Clerk position.
<u>PAS Coordination</u>		
Senior Benefits Analyst II (Reallocation)	1	The new Senior Benefits Analyst II classification was created specifically for the City's pension systems, providing a more accurate representation of the duties performed.
Senior Management Analyst II	-1	
<u>Retirement Services</u>		
Benefits Analyst (Reallocation)	2	The new Benefits Analyst classification was created specifically for the City's pension systems, providing a more accurate representation of the duties performed.
Management Analyst	-2	
Benefits Specialist (Reallocation)	1	The requested change in position to Benefits Specialist is to accommodate the change of workload and realignment of duties to those more suited to work at the level of Benefits Specialist.
Senior Administrative Clerk	-1	
Senior Benefits Analyst II (Reallocation)	1	The new Senior Benefits Analyst II classification was created specifically for the City's pension systems, providing a more accurate representation of the duties performed.
Senior Management Analyst II	-1	
NET NUMBER OF POSITIONS	-2	



LAFPP – TOTAL POSITIONS

Authorized	Filled
125	113
Sub-Authorities	Filled
4	3
Resolution Authorities	Filled
2	2
As Needed	Filled
3	2

ADMINISTRATIVE OPERATIONS DIVISION

Executive Officer #077
William S. Raggio

Systems		
1	Director of Systems	#064
	Bob Yan (Info Systems Manager II in-lieu)	
1	Senior Systems Analyst I	#102
	Nichole Cheung	
1	Sr. Administrative Clerk	#109
	Vacant	
ConSEPP		
1	Senior Systems Analyst II	#073
	Alfredo Domagat	
1	Senior Systems Analyst I	#074
	Teresa Guerrero	
2	Systems Analyst	
	Sharon Chan	#092
	Raymond Mangahas	#103
Server and Help Desk		
1	Senior Systems Analyst II	#114
	David Liu	
1	Systems Programmer II	#094
	Tarralyn Rose	
1	Systems Programmer I	#079
	Tai Ma	
1	Senior Systems Analyst I	#044
	Eric Ho	
4	Systems Analyst	
	Vacant	#046
	Vacant	#049
	Robin Woo	#095
	Jack Huang	#110
Network and Security		
1	Systems Programmer III	#115
	Vacant	
1	Systems Programmer I	#116
	Vincent On	

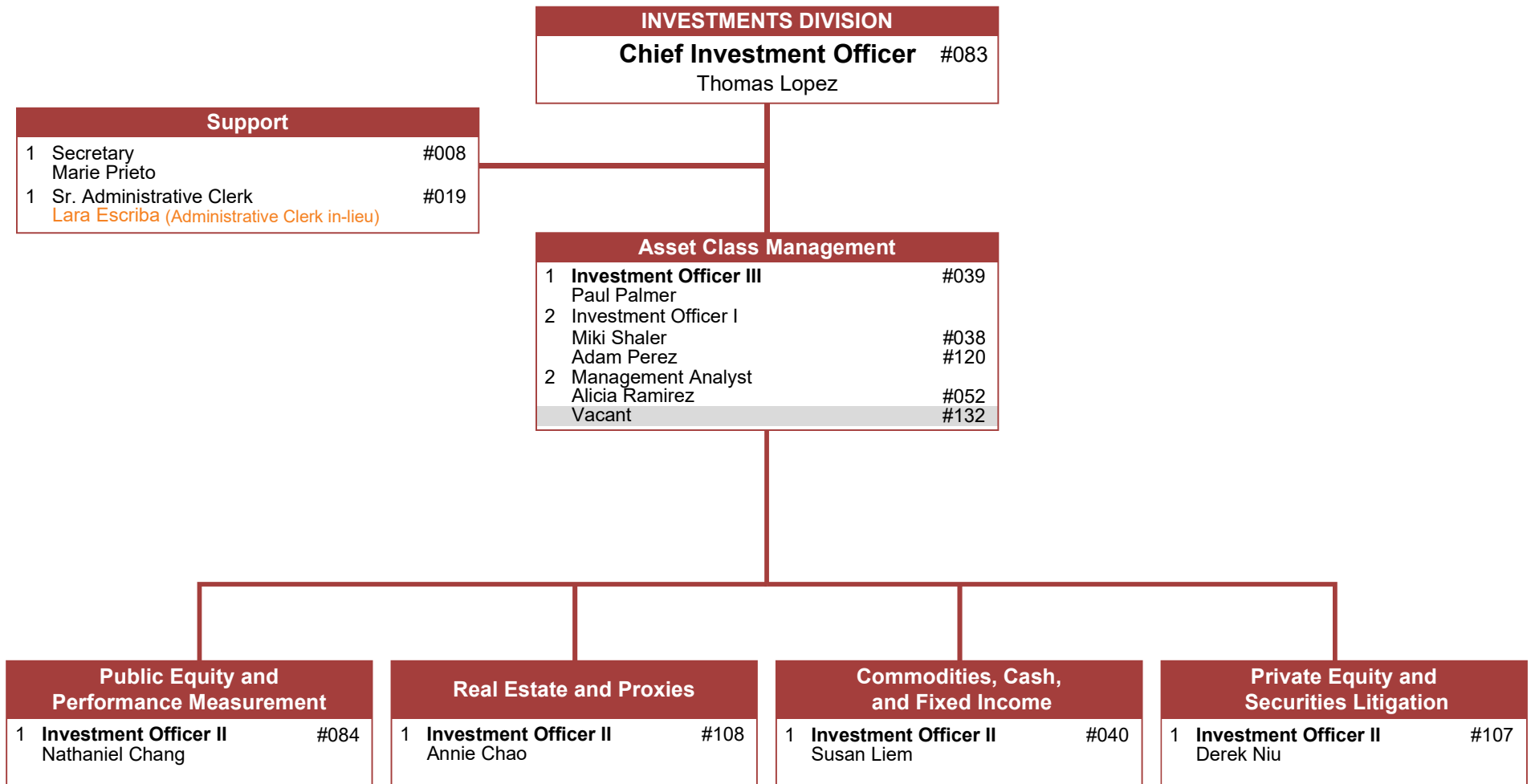
1	Commission Executive Assistant II	#069
	Rhonda Ketay	
1	Executive Administrative Assistant II	#011
	Evange Masud	

Accounting		
1	Department Chief Accountant IV	#037
	Yolanda Huang Reallocation 2020-21	
1	Administrative Clerk	#091
	Laura Navarro	
Pension Roll/Investment Accounting		
1	Principal Accountant II	SA79
	Cecilia De Los Angeles	
1	Principal Accountant II	#036
	Vacant	
Pension Accounting		
1	Senior Accountant II	#137
	Ana Velen Reyes	
2	Accountant	
	Emma Tuason	#014
	Yoshiyuki Goya	#034
Investment Accounting		
1	Senior Accountant II	#035
	Narciso Magno, Jr.	
3	Accountant	
	John Strand	#033
	Mahendra Ahuja	#062
	Eden Garcia	#117
	Vacant	SA70
General Accounting/Payroll		
1	Principal Accountant I	#093
	Blas Rafols	
2	Accountant	
	Dominador De Leon	#032
	Martha Bissett	#100
1	Payroll Supervisor	#018
	Annett Anderson	
1	Relief Retirement Worker	RRW6
	Anna Maria	

1	Chief Management Analyst	#057
	Myo Thedar	
	(Chief Benefits Analyst in-lieu)	

Human Resources		
1	Senior Personnel Analyst I	#118
	James Schiffhauer	
1	Management Analyst	#051
	Jennifer Barnych	
1	Sr. Administrative Clerk	#106
	Sue Wells	

Administrative Services		
Administrative Unit		
1	Senior Management Analyst II	#061
	Esther Chang (Sr. Mgmt. Analyst I in-lieu)	
1	Senior Management Analyst I	#105
	Vacant	
2	Management Analyst	
	Elijah Hernandez (Mgmt. Asst. in-lieu)	#056
	LoAn Luu (Mgmt. Asst. in-lieu)	#085
Administrative Support Unit		
1	Principal Clerk	#012
	James Pineda	
1	Sr. Administrative Clerk	#088
	Amanda Alva	
2	Administrative Clerk	
	Katrina Sarkisian	#015
	Vacant	#101
1	Sr. Administrative Clerk	#016
	Sandra Pacquette	
1	Administrative Clerk	
	Vacant	#017
1	Relief Retirement Worker	RRW1
	Vacant	



PENSIONS DIVISION
Assistant General Manager #042
Joseph Salazar

1	Chief Benefits Analyst Vacant	#043
Active Member Services		
1	Senior Benefits Analyst II Riza Mulawin (Sr. Mgmt Analyst I in-lieu)	#059
1	Benefits Analyst Jackie Pallas (Mgmt. Analyst in-lieu)	#078
3	Benefits Specialist Carin Batista	#029
	Rhodora Silverman	#031
	Sandy Davis	#063
1	Benefits Analyst Iris Liu (Mgmt. Asst. in-lieu)	#124
2	Benefits Specialist Travis King	#025
	Diane Barragan	#112
1	Sr. Administrative Clerk Charles Doble	#082
DROP/Service Pensions		
1	Senior Benefits Analyst II May Simmons (Sr. Mgmt. Analyst II in-lieu)	#053
1	Senior Benefits Analyst I Krystle Gill (Mgmt. Analyst in-lieu)	#058
2	Benefits Analyst Davey Baquian (Mgmt. Analyst in-lieu)	#022
	Stevie De Jong (Mgmt. Asst. in-lieu)	#099
Counseling and Application Processing		
3	Benefits Specialist (Entries) Luis Pelayo	#071
	Jesse Hernandez	#098
	Roel Villanueva	#126
1	Sr. Administrative Clerk Jarín Islam	#023
3	Benefits Specialist (Exits) Angela Espino	#089
	Leneva Cobb	#113
	Kimberly Boyd	#121
1	Sr. Administrative Clerk Nicole Horn	#097

Proposed reallocation from Management Analyst
Proposed reallocation from Senior Management Analyst I
Proposed reallocation from Senior Management Analyst II

1	Chief Benefits Analyst Gregory Mack	#131
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Special Projects		
1	Senior Benefits Analyst II Diana Anderson (Sr. Mgmt. Analyst II in-lieu)	SA76

Retirement Services		
1	Senior Benefits Analyst II Kyle Susswain (Sr. Mgmt. Analyst II in-lieu)	#080

Pensioner Benefits Administration		
1	Benefits Analyst Lourdes (Lis) Burog (Mgmt. Analyst in-lieu)	#045
4	Benefits Specialist Deborah Campos	#021
	Laura Gonzalez Ellis	#026
	Pam Dacoff Reallocation 2020-21 (Sr. Admin. Clerk in-lieu)	#066
	Lea Villero	#122

Pensioner Information & Support Services		
1	Benefits Analyst Kevin Davis (Mgmt. Analyst in-lieu)	#013
4	Sr. Administrative Clerk Evelyn Sanchez (Administrative Clerk in-lieu)	#020
	Cherise Flores	#024
	Ramiro Lopez	#072
	Tonette Lawson (Administrative Clerk in-lieu)	#123

Communications & Education		
1	Senior Benefits Analyst II Carol Tavares (Sr. Mgmt. Analyst II in-lieu)	#050
1	Benefits Analyst Elizabeth Trevizo (Mgmt. Analyst in-lieu)	#054
1	Benefits Specialist Bernice Ortiz	#127
1	Benefits Analyst Stephen Bayutas (Mgmt. Analyst in-lieu)	#125
1	Benefits Specialist Paul Guevara	#130
1	Benefits Analyst Katrina-Elise Isip (Mgmt. Asst. in-lieu)	#136
1	Sr. Administrative Clerk Christopher Dimaano	#111

1	Executive Administrative Assistant II Rita Harper	#010
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PAS Coordination		
1	Senior Benefits Analyst II Anthony Torres (Sr. Mgmt. Analyst II in-lieu)	#070
1	Benefits Analyst Erika Robinson	RA1
1	Management Assistant Jennifer Chan	RA2

Disability Pensions		
1	Senior Benefits Analyst II Kristen Rosauer (Sr. Mgmt. Analyst I in-lieu)	#060
1	Senior Benefits Analyst I Vacant	#065
4	Benefits Analyst Lamar Sorel (Mgmt. Asst. in-lieu)	#047
	Stella Khashakyan (Mgmt. Asst. in-lieu)	#048
	Lee Tsubaki (Mgmt. Analyst in-lieu)	#055
	Chelsea Chu (Mgmt. Asst. in-lieu)	#129
	Timothy Morita (Mgmt. Asst. in-lieu)	SA75
1	Benefits Specialist Carleen Guzman	#028
1	Sr. Administrative Clerk Anthony Samaniego	#027

Medical and Dental Benefits		
1	Senior Benefits Analyst II Eunice Zordilla (Sr. Mgmt. Analyst II in-lieu)	#096

Account Reconciliation		
1	Benefits Analyst Sandy Li (Mgmt. Asst. in-lieu)	#134

Benefits Administration		
1	Benefits Analyst Laura Morales (Mgmt. Analyst in-lieu)	#090
2	Benefits Specialist Jorge Saenz	#030
	Edwina Valencia	#087

Member Enrollment/Outreach & Education		
1	Benefits Analyst Lorie Nicio (Mgmt. Asst. in-lieu)	#081
1	Sr. Administrative Clerk Jasmine Pena	#076
1	Relief Retirement Worker Esmeralda Ortiz	RRW19

BE IT RESOLVED, that the Board of Fire and Police Pension Commissioners and staff are authorized to travel and incur required expenses to the functions and for the reasons listed below, adopted effective July 1, 2020. Travel under the following categories (A, B and C) is automatically approved to a maximum of four Commissioners (Board Operating Policies and Procedures, Section 2.6).

A. Business Trips

1. To meetings with investment advisors, a master custodian bank, and various consultants under contract in connection with fund asset management.
2. To the offices of investment advisors and consultants who are under consideration to be hired.
3. To the site of proposed real estate property investments.

B. Conferences, business meetings and educational programs held or sponsored by the following organizations as necessary to conduct the business of LAFPP (newly added organizations are displayed in **bold font**):

Association of Asian American Investment Managers (AAAIM)
Association of Local Government Auditors (ALGA)
Association of Public Pension Fund Auditors (APPFA)
Avenu Insights (Pension Administration System)
California Association of Public Retirement Systems (CALAPRS)
California Public Employees' Retirement System (CalPERS)
California State Teachers' Retirement System (CalSTRS)
Callan Investment Institute
Chartered Financial Analyst Institute (CFA Institute)
Client conferences of current contractors
Conferences and seminars related to women in Information Technology
Government Finance Officers Association (GFOA)
Harvard Kennedy School
Hispanic Heritage Foundation - Latinos On Fast Track Investors Forum (LOFT)
Institute for Fiduciary Education
Institute of Internal Auditors (IIA)
Institutional Investor Institute
Institutional Limited Partners Association (ILPA)
Institutional Real Estate, Inc. (IREI)
International Foundation of Employee Benefit Plans (IFEBC)
MER Conference
National Association of Investment Companies (NAIC)
National Association of Public Pension Attorneys (NAPPA)
National Association of REITS (NAREIT)
National Association of Securities Professionals (NASP)
National Conference on Public Employee Retirement Systems (NCPERS)
National Employment Law Institute (NELI)
New America Alliance (NAA)
Opal Financial Group Conferences
Pension Real Estate Association (PREA)
Public Retirement Information Systems Management (PRISM)
Public Safety Employees Pension and Benefits Conference
Stanford Law School - Fiduciary College
State Association of County Retirement Systems (SACRS)
Sworn active employee or retired member associations
The Pension Bridge
TRS Emerging Manager Conferences
Wharton School (Partnership w/ IFEBC)

C. Pension industry organization meetings of officers and directors, when a Commissioner or staff member is an officer in that organization and expenses are not reimbursable by the organization.

D. Other educational or continuing education training and seminars (not listed in B above), approved by the General Manager up to \$4,500 per staff member per trip.

AUTHORIZATIONS FOR TRAVEL

Travel expenses incurred by any Commissioner or General Manager shall require the approval of the Board President.