



KAREN BASS
MAYOR

MEMORANDUM

To: The Honorable Members of the City Council
c/o City Clerk

From: Karen Bass, Mayor *Karen Bass*

Subject: **EXEMPTION REQUEST – DEPARTMENT OF FIRE AND POLICE
PENSIONS – CHIEF INVESTMENT OFFICER**

Date: May 10, 2023

The Los Angeles Fire and Police Pensions (LAFPP) requested that the Mayor approve the exemption of one (1) position of Chief Investment Officer, Class Code 9147, in accordance with Charter Section 1001(b), from civil service as management, professional, scientific, or expert services exemptions. The Mayor's Office asked the Personnel Department to review LAFPP's request.

The Chief Investment Officer was previously approved for exemption under 1001 (b) by the City Council (CF#20-0699) and was subsequently filled. The position was vacated on June 18, 2022, and deleted from the count. Charter Section 1001 (b)(1) requires that, "when the position is vacated, the exemption shall terminate unless re-authorized in accordance with this subsection."

Charter Section 1001(b) allows up to 150 persons to be exempt, of which 134 are approved, and an additional 6 are pending approval. Approval of this request will increase the count. As of the date of this letter, this request will be in the 141st position of the 150 exemptions. There are an additional 50 exempt positions added by the City Council pursuant to Charter Section 1001(b)(4), of which 5 are filled.

The Chief Investment Officer will manage LAFPP's \$29.3 billion investment portfolio, serves as the investments expert for the Board of Fire and Police Pensions Commissioners, and reports directly to the LAFPP General Manager; will plan, develop, and evaluate investment policies and strategies for a defined benefit pension plan; act as advisor on all investment matters including developments in capital markets and

economic forecasts, and custody operations of the Fund and the securities lending program; maintains contact with members of the investment community to stay current and participate in the development of best practices in the industry; and oversee staff of investment professionals to implement fund investment policies and operate an institutional investment portfolio.

The Chief Investment Officer position requires:

1. Graduation from a recognized four year college or university and
 - a. Seven years of full-time paid professional experience administering a multi-asset class investment program of at least three billion dollars; or
 - b. Seven years of full-time paid professional experience as a portfolio manager of an investment portfolio with assets in excess of three billion dollars; **or**
2. A Master's Degree and/or higher from a recognized college or university and six years of full-time paid professional experience as the portfolio manager of an investment portfolio with assets in excess of three billion dollars.
3. At least two years of the full-time paid professional experience listed above must be supervisory, overseeing the work of investment staff.

The exemption of this position will allow LAFPP the flexibility to recruit and select the best qualified candidate who possesses the necessary experience and expertise for the position. The duties and requirements as described are appropriate to the class of Chief Investment Officer.

Based on my review of LAFPP's request, as well as the review of the Personnel Department, I hereby approve the request for the exemption of Chief Investment Officer and transmit my action to the City Council, pursuant to City Charter Section 1001(b)(1). If the exempt position is not filled within six months, the Mayor's approval for the department to fill the position may expire.

KB:alg

cc: Christopher Thompson, Chief of Staff, Office of the Mayor
Heleen Ramirez, Office of the Mayor
Joseph Salazar, Interim General Manager, Los Angeles Fire and Police Pensions
Dana Brown, General Manager, Personnel Department