

Retirement Investment Advisory Committee Meeting
Meeting Minutes
Via a Zoom Meeting
February 16, 2023 3:00 PM – 5:00 PM

Committee Members:

1. Dawn Watkins	Chief Risk Officer
2. David Hart	Chief Business Officer
3.	Board Appointee
4. Steve Schullo	Member-at-Large
5. Bradley Rumble	AALA
6. Letetsia A. Fox	CSEA-LA Chapter 500
7. Leonard Goldberg	UTLA
8.	SEIU Local 99
9. Chris Hannan	Building Trades Council
10. Adriana Salazar	Teamsters/Local 572
11. Max Gonzalez	LASPA

Present Members or Alternates

1. Priti Kapoor	Chief Risk Officer (Alt)
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3.	
4. Steve Schullo	Member-at-Large
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6. Joan Richardson	CSEA-LA Chapter 500 (Alt)
7. Leonard Goldberg	UTLA
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9. Chad Boggio	Building Trades Council
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Participants Present

Barbara Healy	NFP Consulting	Sandy Keaton	Member-at-Large (Alt)
Kevin Hensley	TSACG	David Lim	LAUSD
Eric Miller	TSACG	Jenny Ku	LAUSD
Dan Garcia	Voya	Bani Oberoi	LAUSD
Angela O'Donnell	Voya	Karen Woods	LAUSD
Chip Burciaga	Voya	Brian Wong	LAUSD
Josie Alejo	Public	Michele Montano	LAUSD
Joy Mayor	Public	Janet Meskin	Public

----- The meeting convened at 3:00 PM -----

Meeting called to order by David Lim.

(1) Roll Call

Quorum was reached at 3:30 p.m.

(2) Approval of November 17, 2022 Meeting Minutes

Joan Richardson motioned, and Steve Schullo seconded to approve the meeting minutes. The Committee voted 5 yes, 0 no, 0 abstentions. The motion was approved.

(3) 457(b) Quarterly Report

- Barbara Healy reported that the U.S. equity market (Russell 3000) rose by 7.2%, international by 14.3%, and U.S. fixed income by 1.9%.
- The best performing U.S. equity index for the quarter was the Russell 1000 Value at 12.4%, while the worst performing was the Russell 1000 Growth at 2.2%
- Unemployment was at 3.5%.
- The Federal Reserve raised interest rates by 1.25%. Further rate hikes are expected to combat inflation.
- Barbara explained the inverted yield curve to the Committee which was an indicator of a possible recession.
- The total assets for the plan decreased from \$326.3 to \$359.1 million.
- The following funds are on the Watch List: American Funds Fundamental Invs R6 (RFNGX), and American Funds Europacific Growth R6 (RERGX).

- Barbara restated that the weighted total average cost of the LAUSD 457(b) plan was 0.19%, which was incredibly low compared to any other major plans that she's worked with.

(4) 457(b) Report

- Chip Burciaga presented the fourth quarter participant engagement results to the Committee.
- 49% of the participant population has engaged via calls, mobile, web. 65% opted for e-delivery and 57% registered for the web.
- 3,062 participants logged into the Voya website and used myOrangeMoney, Loan Calculator, and Personalized Video.
- For predictive messaging, Voya reached out to 6,179 participants and 54% engaged with the personalized financial wellness emails. Engagement included Quarterly Education, Save More & Restart Savings, Beneficiary (designation), and Diversification.

(5) 403(b) Report

- Kevin announced that April Young has retired and introduced Eric Miller as her replacement.
- Eric presented the SECURE Act 2.0 provisions and how it will impact the 403(b)/457(b) plans.
- Total authorized plan assets trailing three months was \$2.70 billion with 41,404 participants.
- Total plan assets trailing three months was \$3.15 billion with 52,816 participants.
- Total contributions trailing three months was \$8.06 million with 16,973 participants.

(6) 457(b) University and Fund Line Up

- Barbara Healy asked the Committee for their availability to attend the education and training session.
- Barbara thanked the Committee for their hard work in bringing down the dollar weighted expense from 1.01% in 2012 to 0.19% in 2022.
- The ad hoc Subcommittee discussed the differences between active and passive management styles.
- Ad hoc Subcommittee recommended a plan re-design to the Committee.
- Leonard Goldberg motioned, and Steve Schullo seconded to explore the possibility of changing the fund line-up. The Committee voted 5 yes, 0 no, 0 abstentions. The motion was approved.

(7) Auto Enrollment/VANGUARD

- Steve Schullo motioned, and Leonard Goldberg seconded to the following: "The Committee moves to advise the CFO to add Vanguard Group to the 403(b) plan". The Committee voted 4 yes, 0 no, 1 abstention. The motion was approved.

(8) Standing items

- a. 457(b) – No new item.
- b. 403(b) – No new item.
- c. PARS – No new item.
- d. District Property Access Updates – No new item.

(9) Set Agenda for next meeting

- Time Allocation
- Auto Enrollment
- Fund Line Up

(10) Public Comments

- No Public Comment.

(11) Adjournment

The Meeting adjourned at 5:03 p.m.

Retirement Investment Advisory Committee Meeting
Meeting Minutes
Via a Zoom Meeting
May 18, 2023 3:00 PM – 5:00 PM

Committee Members:

1. Dawn Watkins	Chief Risk Officer
2. David Hart	Chief Business Officer
3. Sandy Keaton	Board Appointee
4. Steve Schullo	Member-at-Large
5. Bradley Rumble	AALA
6. Letetsia A. Fox	CSEA-LA Chapter 500
7. Leonard Goldberg	UTLA
8.	SEIU Local 99
9. Chris Hannan	Building Trades Council
10. Adriana Salazar	Teamsters/Local 572
11. Max Gonzalez	LASPA

Present Members or Alternates

1. Dawn Watkins	Chief Risk Officer
2. Tim Rosnick	Chief Business Officer (Alt)
3. Sandy Keaton	Board Appointee
4. Steve Schullo	Member-at-Large
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Participants Present

Barbara Healy	NFP Consulting	Scott Schmerelson	LAUSD
Kevin Hensley	TSACG	Priti Kapoor	LAUSD (Alt)
Eric Miller	TSACG	Jenny Ku	LAUSD
Dan Garcia	Voya	David Lim	LAUSD
Angela O'Donnell	Voya	Karen Woods	LAUSD
Chip Burciaga	Voya	Brian Wong	LAUSD
Luis Chaves Guzman	Voya	Angela Tang	PARS
Joe Marini	Voya	Eric O'Leary	PARS

----- The meeting convened at 3:00 PM -----
Meeting called to order by Priti Kapoor.

(1) Roll Call

Quorum was not reached.

(2) Approval of February 16, 2023 Meeting Minutes

Approval set for future meeting.

(3) 457(b) Quarterly Report

- Barbara Healy reported that the U.S. equity market (Russell 3000) rose by 7.2%, international by 6.9%, and U.S. fixed income by 3%.
- The best performing U.S. equity index for the quarter was the Russell 1000 Growth at 14.4%, while the worst performing was the Russell 2000 Value at -0.7%
- Unemployment was at 3.5%.
- The Federal Reserve raised interest rates by .50%. They will continue to analyze inflation data to make a decision on rate hikes.
- Barbara would like to explain the scorecard methodology in an upcoming 457(b) University session.
- The total assets for the plan decreased from \$359.1 to \$377.8 million.
- The following funds are on the Watch List: American Funds Fundamental Invs R6 (RFNGX), American Funds Washington Mutual R6 (RWMGX), American Funds Europacific Growth R6 (RERGX), and Vanguard Extended Market Instl (VIEIX).
- Barbara restated that the weighted total average cost of the LAUSD 457(b) plan was 0.19%, which was substantially lower than any other comparable benchmarks.

(4) 457(b) Report

- Chip Burciaga presented the first quarter participant engagement results to the Committee.
- 48% of the participant population has engaged via calls, mobile, web. 63% opted for e-delivery and 57% registered for the web.
- 3,422 participants logged into the Voya website and used myOrangeMoney, Loan Calculator, and Personalized Video.
- For predictive messaging, Voya reached out to 6,097 participants and 54% engaged with the personalized financial wellness emails. Engagement included Quarterly Education, Save More & Restart Savings, Beneficiary (designation), and Diversification.

(5) 403(b) Report

- Eric Miller reported that the total contributions trailing three months was \$8.01 million with 16,884 participants.
- Total authorized plan assets trailing three months was \$2.67 billion with 41,176 participants.
- Total plan assets trailing three months was \$3.11 billion with 52,460 participants.

(6) Fund Line Up

- Barbara recommended the following to the Committee:
 1. Eliminate American Funds Fundamental Invs R6 (RFNGX) and map it to Vanguard Institutional Index (VINIX)
 2. Eliminate American Funds Washington Mutual R6 (RWMGX) and map it to Vanguard Institutional Index (VINIX)
 3. Eliminate American Funds Europacific Growth R6 (RERGX) and map it to Vanguard Developed Markets Index Instl (VTMNX)

(7) Auto Enrollment/VANGUARD

- Steve Schullo asked Chip Burciaga about auto enrollment opt out rates. Chip replied that in general, it was about 3%. Chip could provide more data if requested.

(8) Time Allocation

- Tabled for a future date.

(9) Standing items

- a. 457(b) – Chip announced that TD Ameritrade was purchased by Charles Schwab. The accounts will transition in June 2023.
- b. 403(b) – No new item.
- c. PARS – Eric O’Leary introduced Angela Tang to the Committee.
- d. District Property Access Updates – No new item.

(10) Set Agenda for next meeting

- Plan Document Review

(11) Public Comments

- Steve Schullo mentioned that Dr. Sandy Keaton will be on a NAGDCA panel to talk about her Committee experience.

(12) Adjournment

The Meeting adjourned at 4:47 p.m.

Retirement Investment Advisory Committee Meeting
Meeting Minutes
Via a Zoom Meeting
August 17, 2023 3:00 PM – 5:00 PM

Committee Members:

1. Dawn Watkins	Chief Risk Officer
2. David Hart	Chief Business Officer
3. Sandy Keaton	Board Appointee
4. Steve Schullo	Member-at-Large
5. Bradley Rumble	AALA
6. Letetsia A. Fox	CSEA-LA Chapter 500
7. Leonard Goldberg	UTLA
8.	SEIU Local 99
9. Chris Hannan	Building Trades Council
10. Adriana Salazar	Teamsters/Local 572
11. Max Gonzalez	LASPA

Present Members or Alternates

1. Dawn Watkins	Chief Risk Officer
2.	
3. Sandy Keaton	Board Appointee
4. Steve Schullo	Member-at-Large
5. Bradley Rumble	AALA
6.	
7. Leonard Goldberg	UTLA
8.	
9. Chad Boggio	Building Trades Council (Alt)
10.	
11.	

Participants Present

Barbara Healy	NFP Consulting
Kevin Hensley	TSACG
Eric Miller	TSACG
Dan Garcia	Voya
Angela O'Donnell	Voya
Chip Burciaga	Voya
Luis Chaves Guzman	Voya
Joe Marini	Voya
Ryan Maxey	US Bank

Priti Kapoor	LAUSD (Alt)
Jenny Ku	LAUSD
Karen Woods	LAUSD
Brian Wong	LAUSD
Angela Tang	PARS
Eric O'Leary	PARS
Rachael Sanders	PARS
Dennis Mullens	US Bank
Rick Rosenthal	US Bank

----- The meeting convened at 3:00 PM -----
Meeting called to order by Priti Kapoor.

(1) Roll Call

Quorum was reached.

(2) Approval of February 16, 2023 and May 18, 2023 Meeting Minutes

- Dr. Sandy Keaton motioned, and Steve Schullo seconded to approve the February 16, 2023 meeting minutes. The Committee voted 6 yes, 0 no, 0 abstain. The minutes were approved.
- Leonard Goldberg motioned, and Dr. Sandy Keaton seconded to approve the May 18, 2023 meeting minutes. The Committee voted 6 yes, 0 no, 0 abstain. The minutes were approved.

(3) 457(b) Quarterly Report

- Barbara Healy reported that the U.S. equity market (Russell 3000) rose by 8.4%, international by 2.4%, and U.S. fixed income by -0.8%.
- The best performing U.S. equity index for the quarter was the Russell 1000 Growth at 12.8%, while the worst performing was the Russell 2000 Value at 3.2%
- Unemployment was at 3.6%.
- The Federal Reserve raised interest rates by .25%. They will continue to analyze inflation data to make a decision on rate hikes.
- The total assets for the plan increased from \$377.8 to \$410.2 million.

- The following funds are on the Watch List: American Funds Fundamental Invs R6 (RFNGX), American Funds Washington Mutual R6 (RWMGX), American Funds Europacific Growth R6 (RERGX), and Vanguard Extended Market Instl (VIEIX).
- The weighted total average cost of the LAUSD 457(b) plan was 0.19%, which was substantially lower than any other comparable benchmarks.
- Leonard Goldberg motioned, and Dr. Sandy Keaton seconded, to accept the Ad Hoc Subcommittee's recommendation to update the Fund Line Up. The Committee voted 6 yes, 0 no, and 0 abstain. The motion was passed.
- Leonard Goldberg motioned, and Dr. Sandy Keaton seconded, to deselect and select the following Fund Line Up:
 1. Deselect American Funds Fundamental Invs R6 (RFNGX) and map it to Vanguard Institutional Index (VINIX)
 2. Deselect American Funds Washington Mutual R6 (RWMGX) and map it to Vanguard Institutional Index (VINIX)
 3. Deselect American Funds Europacific Growth R6 (RERGX) and map it to Vanguard Developed Markets Index Instl (VTMNX)
 The Committee voted 6 yes, 0 no, and 0 abstain. The motion was passed.

(4) 457(b) Report

- Voya was recently recognized by PlanSponsor magazine with 50 total awards.
- Chip Burciaga presented the second quarter participant engagement results to the Committee.
- 46% of the participant population has engaged via calls, mobile, web. 62% opted for e-delivery and 58% registered for the web.
- 3,350 participants logged into the Voya website and used myOrangeMoney, Loan Calculator, and Personalized Video.
- For predictive messaging, Voya reached out to 2,300 participants and 59% engaged with the personalized financial wellness emails. Engagement included Save More & Restart Savings, Birthday, and Max Out.
- Recently, employees have been proactively reaching out to Dan Garcia and Angela O'Donnell to increase their contributions.

(5) 403(b) Report

- Eric Miller reported that the total plan assets trailing three months was \$3.15 billion with 51,800 participants. Franklin Templeton was late on reporting their information. TSACG will send updates.
- Total contributions trailing three months was \$7.96 million with 16,246 participants.
- Total authorized plan assets trailing three months was \$2.75 billion with 41,110 participants.

(6) Plan Document Review

- The Committee will review the Investment Policy Statement and discuss at a future meeting.

(7) PARS Report

- Rick Rosenthal presented the portfolio review to the Committee.
- The total portfolio value was \$155 million.
- It has 6 securities at 2.79% yield.
- For fixed income, 93% was in investment grade bonds while 7% was in high yield bonds.
- For equity, 60% was in large cap US, 20% was in developed markets, and 20% was in mid cap US.
- The one year return is 4.40%
- Dennis Mullins predicted that the interest rate will fall next year, increasing bond rates.

(8) Standing items

- a. 457(b) – No new item.
- b. 403(b) – No new item.
- c. PARS – No new item.
- d. District Property Access Updates – No new item.

(9) Set Agenda for next meeting

- Investment Policy Statement
- 457(b) University

(10) Public Comments

- No new comment.

(11) Adjournment

The Meeting adjourned at 5:15 p.m.

Retirement Investment Advisory Committee Meeting
Meeting Minutes
Via a Zoom Meeting
November 16, 2023 3:00 PM – 5:00 PM

Committee Members:

1. Dawn Watkins	Chief Risk Officer
2. David Hart	Chief Business Officer
3. Sandy Keaton	Board Appointee
4. Steve Schullo	Member-at-Large
5. Bradley Rumble	AALA
6. Letetsia A. Fox	CSEA-LA Chapter 500
7. Leonard Goldberg	UTLA
8.	SEIU Local 99
9. Chris Hannan	Building Trades Council
10. Adriana Salazar	Teamsters/Local 572
11. Max Gonzalez	LASPA

Present Members or Alternates

1. Priti Kapoor	LAUSD (Alt)
2.	
3. Sandy Keaton	Board Appointee
4. Steve Schullo	Member-at-Large
5. Bradley Rumble	AALA
6. Jone Richardson	CSEA-LA Chapter 500 (Alt)
7. Leonard Goldberg	UTLA
8.	
9. Chad Boggio	Building Trades Council (Alt)
10.	
11.	

Participants Present

Barbara Healy	NFP Consulting	Priti Kapoor	LAUSD (Alt)
Kevin Hensley	TSACG	Jenny Ku	LAUSD
Dan Garcia	Voya	Brian Wong	LAUSD
Angela O'Donnell	Voya	Rachael Sanders	PARS
Chip Burciaga	Voya	Eric O'Leary	PARS
Luis Chaves Guzman	Voya	Angela Tang	PARS

----- The meeting convened at 3:00 PM -----
Meeting called to order by Priti Kapoor.

(1) Roll Call

Quorum was reached.

(2) Approval of August 17, 2023 Meeting Minutes

- Dr. Sandy Keaton motioned, and Leonard Goldberg seconded to approve the meeting minutes with the inclusion of the 457(b) University alternative dates. The Committee voted 7 yes, 0 no, 0 abstain. The minutes were approved.
- Leonard Goldberg recommended to include looking into the dates for the 457(b) University.

(3) 457(b) Quarterly Report

- Barbara Healy reported that Equity and Fixed Income markets were both negative for the quarter.
- U.S. fixed income market returned a negative 3.2%
- International equities continue to underperform compared to U.S. equities.
- The broad U.S. equity market was down 3.3% for the quarter.
- Unemployment was at 3.8%.
- The Federal Reserve raised interest rates by .25%, indicating that rates would be higher for the outlook.
- The total assets for the plan decreased slightly from \$410.2 to \$408.5 million.

- The following funds are on the Watch List: American Funds Fundamental Invs R6 (RFNGX), American Funds Washington Mutual R6 (RWMGX), American Funds Europacific Growth R6 (RERGX), and Vanguard Extended Market Instl (VIEIX).
- The weighted total average cost of the LAUSD 457(b) plan was 0.19%, which was lower than any other comparable benchmarks.
- The Committee's recommendation to update the Fund Line Up has been submitted to the Chief Business Officer for review.
- The Fund Line Up recommendation was as shown:
 1. Deselect American Funds Fundamental Invs R6 (RFNGX) and map it to Vanguard Institutional Index (VINIX)
 2. Deselect American Funds Washington Mutual R6 (RWMGX) and map it to Vanguard Institutional Index (VINIX)
 3. Deselect American Funds Europacific Growth R6 (RERGX) and map it to Vanguard Developed Markets Index Instl (VTMNX)
- The total fee for the plan was 0.19%, which was significantly lower than other comparable plans.
- The new 403(b) and 457(b) contribution limit for 2024 will be \$23,000 with an additional catch-up option of \$7,500 for participants aged 50 and up.
- Chip Burciaga mentioned that the 457(b) plan was about to reach another price break.
- Fiduciary Education: Barbara presented education on the different types of cash equivalent options (Money Market, Guaranteed Insurance Contract, and Stable Value) to the Committee.

(4) 457(b) Report

- Chip Burciaga reported that Voya discovered an administrative error in the billing of the fees to participants in the 457(b) plan. Voya will adjust the affected accounts to make them whole again.
- Voya will send out communication via mail and email to those participants as well.
- 50% of the participant population has engaged via calls, mobile, web. 61% opted for e-delivery and 59% registered for the web.
- 3,524 participants logged into the Voya website and used myOrangeMoney, Loan Calculator, and Personalized Video.
- For predictive messaging, Voya reached out to 5,976 participants and 54% engaged with the personalized financial wellness emails. Engagement included Quarterly Education, Save More & Restart Savings, Birthday, and Max Out.

(5) 403(b) Report

- Kevin Hensley reported that the total plan assets trailing three months was \$3.03 billion with 50,655 participants. Several vendors were late on reporting their information. TSACG will send updates.
- Total contributions trailing three months was \$8.12 million with 16,534 participants.
- Total authorized plan assets trailing three months was \$2.68 billion with 40,795 participants.

(6) Plan Document Review

- The Committee has reviewed the Investment Policy Statement and discuss at a future meeting.

(7) Standing items

- a. 457(b) – No new item.
- b. 403(b) – No new item.
- c. PARS – No new item.
- d. District Property Access Updates – No new item.

(8) Set Agenda for next meeting

- Investment Policy Statement
- 457(b) University
- Pending Motions

(9) Public Comments

- No new comment.

(10) Adjournment

The Meeting adjourned at 4:50 p.m.