

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
5.	
6.	
7.	
8.	
9.	
10.	
11.	

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 (REGX) 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.