

Retirement Investment Advisory Committee Meeting  
Meeting Minutes  
LAUSD Headquarters

**February 15, 2018 3:00 PM – 5:00 PM**

**Committee Members:**

1. Mampre Pomakian Interim Chief Risk Officer
2. Deputy Chief Financial Officer
3. Board Appointee
4. Steve Schullo Member-at-Large
5. Bradley Rumble AALA
6. Letetsia A. Fox CSEA-LA Chapter 500
7. Eric Young UTLA
8. SEIU Local 99
9. Chris Hannan Building Trades Council
10. Thomas Beatty Teamsters/Local 572
11. Max Gonzalez LASPA

**Present Members or Alternates**

1. Mampre Pomakian Interim Chief Risk Officer
2. Timothy Rosnick Deputy Chief Financial Officer (Alt)
3. Alan Warhaftig Board Appointee (Alt)
4. Steve Schullo Member-at-Large (Via Phone)
5. Bradley Rumble AALA
6. Letetsia A. Fox CSEA-LA Chapter 500
7. Rafael Rubalcava UTLA (Alt)
- 8.
- 9.
- 10.
- 11.

**Participants Present**

- |                   |                |                  |                            |
|-------------------|----------------|------------------|----------------------------|
| Barbara Healy     | SST Consulting | Mariam Hironimus | LAUSD                      |
| Bill Tugaw        | SST Consulting | Brian Wong       | LAUSD                      |
| Violeta Mendez    | Voya           | Karen Woods      | LAUSD                      |
| Joe Marini        | Voya           | Rachael Sanders  | PARS                       |
| Warren Nagle      | Voya           | Sandy Keaton     | Member-at-Large (Alt)      |
| Jermaine Johnson  | Voya           | April Young      | TSA Consulting (Via Phone) |
| Michelle Williams | Voya           |                  |                            |

----- The meeting convened at 3:00 PM -----  
Meeting called to order by Mampre Pomakian.

**(1) Roll Call**

- Quorum was reached at 3:12 p.m.

**(2) Approval of November 16, 2017 Minutes**

Bradley Rumble motioned, and Alan Warhaftig seconded, to approve the meeting minutes. The Committee voted 7 yes, 0 no, 0 abstentions. The motion was approved.

**(3) 457(b) Quarterly Report**

- Barbara Healy presented the performance of the 457(b) plan to the Committee.
- All U.S. equity styles were positive in the last quarter. Growth outperformed value. Large growth was the best performing while small value was the worst performing.
- The best performing sectors were consumer discretionary and technology. The worst performing were utilities and health care.
- The best performing international style was small growth while the worst performing was large value. The best performing region was Japan while the worst performing was Europe ex UK.
- Fixed income was slightly positive. The best performing sector was TIPS (Treasury Inflation Protection Securities) while the worst performing was government.
- Barbara mentioned that the longer term bonds were performing slightly better than short and intermediate term bonds.
- Barbara discussed the development of corporate tax reform.

- The LAUSD plan performance was 5.03% for the fourth quarter, one year 19.41%, three year 9.46%, five year 12.29%. Total assets increased from \$137.9 million in third quarter 2017 to \$148.3 million in fourth quarter 2017.
- Alan Warhaftig motioned, and Letetsia Fox seconded, to remove American Century Heritage R6 (ATHDX) and map it into the Vanguard Extended Market Index (VIEIX). The Committee voted 7 yes, 0 no, 0 abstentions. The motion was approved.

**(4) 457(b) Report / My Orange Money**

- Warren Nagle from Voya demonstrated My Orange Money for the Committee to review.
- Alan Warhaftig recommended Voya to include links to outside sources such as CalSTRS and CalPERS for District participants.
- Alan expressed concern about how to notify participants who do not contribute to Social Security. They must take social security into consideration when they calculate their retirement plan. Warren replied that Voya has a messaging feature that could act as an alert system.
- Warren discussed loan options in the calculation and social media platforms being utilized by Voya.
- The Committee asked about site security. Warren discussed the security certifications that Voya has.

**(5) 403(b) Report**

- April Young announced that Metlife of Connecticut was rebranded as Brighthouse Life Insurance Company. Other than that, there was no major change in the report.
- April announced that the ancillary reports will become available for the Committee to review very soon.

**(6) Share Class Update**

- Mariam Hironimus announced that the share class update has been signed by the Chief Financial Officer, submitted to Voya, and will go into effect February 27, 2018.

**(7) Investment Sub Committee Update**

- Alan Warhaftig summarized the Investment Sub-Committee's discussions. The Sub Committee would like to look at the Vanguard Total Stock Market index and the Vanguard Institutional index as a future agenda item.
- Timothy Rosnick suggested having the Sub-Committee take a look at the international bond market.

**(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**

- Ad Hoc Investment Sub-Committee report.

**(10) Public Comments**

- Sandy Keaton announced that there will be a Financial Literacy 101 Investment workshop at UTLA headquarters on March 17, 2018. It is open to all employees of the District.

**(11) Adjournment**

The Meeting adjourned at 5:15 p.m.

Retirement Investment Advisory Committee Meeting  
Meeting Notes  
LAUSD Headquarters

**May 17, 2018 3:00 PM – 5:00 PM**

**Committee Members:**

1. Mampre Pomakian Interim Chief Risk Officer
2. Scott Price Chief Financial Officer
3. Alan Warhaftig Board Appointee
4. Steve Schullo Member-at-Large
5. Bradley Rumble AALA
6. Letetsia A. Fox CSEA-LA Chapter 500
7. Eric Young UTLA
8. SEIU Local 99
9. Chris Hannan Building Trades Council
10. Thomas Beatty Teamsters/Local 572
11. Max Gonzalez LASPA

**Present Members or Alternates**

1. Mampre Pomakian Interim Chief Risk Officer
2. Scott Price Chief Financial Officer
- 3.
4. Steve Schullo Member-at-Large (Via Phone)
5. Bradley Rumble AALA
6. Letetsia A. Fox CSEA-LA Chapter 500
- 7.
- 8.
- 9.
- 10.
- 11.

**Participants Present**

Barbara Healy	SST Consulting	Mariam Hironimus	LAUSD
Sandy Keaton	Member-at-Large (Alt)	Brian Wong	LAUSD
Violeta Mendez	Voya	Karen Woods	LAUSD
Michelle William	Voya	Rachael Sanders	PARS
Rafael Rubalcava	UTLA	April Young	TSA Consulting

----- The meeting convened at 3:00 PM -----  
Meeting called to order by Mampre Pomakian.

**(1) Roll Call**

- Quorum was not reached

**(2) Approval of February 15, 2018 Minutes**

Quorum was not reached.

**(3) 457(b) Quarterly Report**

- Barbara Healy presented an educational piece on asset classes to the Committee.
- Barbara presented the performance of the 457(b) plan to the Committee.
- The market experienced a 10% equity correction in January and volatility was sparked by fears of increased inflation and potential trade wars.
- The broad equity market declined slightly for the quarter. Growth outperformed value. Small growth was the best performing while large value was the worst performing.
- The best performing sectors were technology and consumer discretionary. The worst performing were telecommunication services and consumer staples.
- The best performing international style was small growth while the worst performing was large value. The best performing region was emerging markets while the worst performing was United Kingdom.
- Fixed income was slightly down. The best performing sector was TIPS (Treasury Inflation Protection Securities) while the worst performing was corporate investment grade.
- The LAUSD plan performance was -0.54% for the first quarter, one year 12.42%, three year 8.21%, five year 10.35%. Total assets increased from \$148.3 million in fourth quarter 2017 to \$152.9 million in first quarter 2018.

- Letetsia Fox asked Barbara Healy about the status of American Century Heritage. Barbara replied that the money will be moved to Vanguard Extended Market on July 17, 2018.
- Mampre Pomakian discussed the status of the Investment Policy Statement with the Committee.

**(4) 457(b) Report**

- Michelle Williams presented Financial Wellness for the Committee to review.
- Michelle reported that 36% of 1,419 participants who accessed myOrangeMoney took action after using it.
- Michelle mentioned that there were 178 new enrollments for the quarter.
- Michelle reported that there were 5,586 individuals actively contributing to the plan.
- Steve Schullo and Sandy Keaton asked Michelle to clarify participants who were eligible, not participating. Mariam Hironimus asked Michelle to identify the individuals for further research.
- Bradley Rumble plans to write a brief article about the report for his newsletter.
- Mariam Hironimus asked Michelle for a breakdown of the employees who were auto enrolled.
- The statistics showed that participants mostly utilized the fixed account and target date funds in their investments.
- Michelle discussed the age groups of investors and the possibility targeted communication outreach at a future date.
- Steve asked about the Roth 457(b). Mariam replied it is estimated to be implemented effective January 1, 2020.

**(5) 403(b) Report**

- April Young announced that total contributions have increased in one month by \$34,000 with 32 additional participants; most of whom are in National Life Group.
- The total authorized assets increased by 14.8 million dollars with a decrease in participants by 32 from the previous month.
- Total assets increased by 16 million dollars with a decrease in participants by 77 from the previous month.
- April discussed the effects of the Tax Cuts and jobs Act and Bipartisan Budget Act. The decrease in contribution limit and the single aggregated limit for the 403(b) and 457(b) did not make it into the final bill.
- Effective January 2018 through 2026, hardships regarding personal casualty losses cannot be used unless it was declared a Federal national disaster.
- Effective January 2019, hardship regarding no contributions for 6 months is going away. Hardships are now allowed from earnings and employer contributions. Individuals can directly take a hardship without having to exhaust all other alternatives such as loans.

**(6) Investment Sub Committee Update**

- Barbara Healy announced that the Investment Sub Committee did not meet, however they will be looking at Vanguard Total Stock Market index versus the current Vanguard Institutional index at a future date.

**(7) Standing items:**

- a. 457(b) – Mampre Pomakian announced that he was notified of a sales practice violation by a Voya field representative. That representative was removed from all District accounts and an audit was conducted on the sales practice since the inception of the contract.

- 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**

- Ad Hoc Investment Sub-Committee report.
- Pars Quarterly Presentation with Rick Rosenthal
- Voya Educational Contribution Breakdown.

**(9) Public Comments**

- No comment.

**(10) Adjournment**

The Meeting adjourned at 5:10 p.m.

Retirement Investment Advisory Committee Meeting  
Meeting Minutes  
LAUSD Headquarters

August 16, 2018 3:00 PM – 5:00 PM

**Committee Members:**

- |                    |                         |
|--------------------|-------------------------|
| 1. Janice Sawyer   | Chief Risk Officer      |
| 2. Dr. Scott Price | Chief Financial Officer |
| 3.                 | Board Appointee         |
| 4. Steve Schullo   | Member-at-Large         |
| 5. Bradley Rumble  | AALA                    |
| 6. Letetsia A. Fox | CSEA-LA Chapter 500     |
| 7. Eric Young      | UTLA                    |
| 8.                 | SEIU Local 99           |
| 9. Chris Hannan    | Building Trades Council |
| 10. Thomas Beatty  | Teamsters/Local 572     |
| 11. Max Gonzalez   | LASPA                   |

**Present Members or Alternates**

- |                     |                               |
|---------------------|-------------------------------|
| 1. Janice Sawyer    | Chief Risk Officer            |
| 2. Timothy Rosnick  | Chief Financial Officer (Alt) |
| 3.                  |                               |
| 4. Steve Schullo    | Member-at-Large (Via Phone)   |
| 5. Bradley Rumble   | AALA                          |
| 6. Letetsia A. Fox  | CSEA-LA Chapter 500           |
| 7. Rafael Rubalcava | UTLA (Alt)                    |
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| 9.                  |                               |
| 10.                 |                               |
| 11.                 |                               |

**Participants Present**

- |                |                |                  |                                 |
|----------------|----------------|------------------|---------------------------------|
| Barbara Healy  | SST Consulting | Mariam Hironimus | LAUSD                           |
| Bill Tugaw     | SST Consulting | Brian Wong       | LAUSD                           |
| Carolyn Cox    | US Bank        | Rachael Sanders  | PARS                            |
| Rick Rosenthal | US Bank        | Kevin Hensley    | TSA Consulting                  |
| Greg Gower     | Voya           | April Young      | TSA Consulting                  |
| Violeta Mendez | Voya           | Sandy Keaton     | Member-at-Large (Alt Via Phone) |

----- The meeting convened at 3:00 PM -----  
Meeting called to order by Janice Sawyer.

**(1) Roll Call**

- Quorum was reached at 3:10 p.m.

**(2) Approval of May 17, 2018 Meeting Notes and February 15, 2018 Minutes**

Letetsia Fox motioned, and Bradley Rumble seconded, to move the February 15, 2018 Meeting Minutes. The Committee voted, 5 yes, 0 no, 1 abstain, and the Minutes were approved.

**(3) PARS Report**

- Rick Rosenthal presented the PARS portfolio performance to the Committee.

**(4) 457(b) Report**

- Greg Gower introduced himself to the Committee and reported the 457(b) performance.
- Greg discussed Voya's field activities, myOrangeMoney, and auto enrollment.
- Mariam Hironimus mentioned that certificated members of AALA were also going to Board for auto enrollment.
- Bradley Rumble mentioned that the AALA newsletter will also have detailed information regarding auto enrollment.

**(5) 403(b) Report**

- April Young announced that authorized assets increased by \$16.7 million dollars since the previous quarter.
- Kevin Hensley announced that TSA Consulting Group (TSACG) now has an Internal Revenue service (IRS) pre-approved volume submitter plan document.
- TSACG will be responsible for updating this plan document.

**(6) 457(b) Quarterly Report**

- Barbara Healy announced that U.S. Equity was performing strongly at 3.9% while International Equity didn't fare well at all (-2.6%) due to the trade wars. Fixed income was also down -.02%.
- Barbara explained what an inverted yield curve was and how it could be predictive of a recession.
- The rate of return for the second quarter was 2.18%, one year was 11.18%, three year was 9.12%, and five year was 10.61%.
- Barbara mentioned that American Century Heritage Midcap Growth has been mapped into the Vanguard Extended Market Index.
- There were no funds on the watch list.

**(7) Investment Sub Committee Update**

- Steve Schullo summarized the Sub Committee's research and concluded with two global bond funds, DFA World ex U.S. Government Fixed Income (DWFIX) and Vanguard Total International Bond Index Fund Admiral (VTABX).
- Barbara asked the Committee if they wanted to add this asset class, and if so, which one.
- The Committee will discuss the global bond funds at a future meeting.

**(8) Education Administration and Plan Expenses**

- The committee will discuss this topic at a future meeting.

**(9) Training**

- Barbara Healy discussed the major asset classes and the importance of diversification with the Committee.
- Barbara reviewed how to build an efficient portfolio based on the District's Investment Policy Statement.
- Barbara advocated 5 target date funds, 4 active U.S. equity funds, 3 passive index funds, 2 active fixed income funds, and 1 international equity fund.
- Barbara explained the asset allocation scorecard and its factors.

**(10) 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.



**(11) Set Agenda for next meeting**

- Investment Sub Committee Update
- Education Administration and Plan Expenses
- Investment Policy Statement

**(12) Public Comments**

- No comment.

**(13) Adjournment**

The Meeting adjourned at 5:10 p.m.

Retirement Investment Advisory Committee Meeting  
Meeting Minutes  
LAUSD Headquarters

**November 15, 2018 3:00 PM – 5:00 PM**

**Committee Members:**

1. Janice Sawyer	Chief Risk Officer
2. Dr. Scott Price	Chief Financial Officer
3.	Board Appointee
4. Steve Schullo	Member-at-Large
5. Bradley Rumble	AALA
6. Letetsia A. Fox	CSEA-LA Chapter 500
7. Rafael Rubalcava	UTLA
8.	SEIU Local 99
9. Chris Hannan	Building Trades Council
10. Thomas Beatty	Teamsters/Local 572
11. Max Gonzalez	LASPA

**Present Members or Alternates**

1. Janice Sawyer	Chief Risk Officer
2. Dr. Scott Price	Chief Financial Officer
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4. Sandy Keaton	Member-at-Large (Alt)
5. Bradley Rumble	AALA
6. Letetsia A. Fox	CSEA-LA Chapter 500
7. Rafael Rubalcava	UTLA
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**Participants Present**

Barbara Healy	SST Consulting	Mariam Hironimus	LAUSD
Greg Gower	Voya	Brian Wong	LAUSD
Dan Garcia	Voya	Karen Woods	LAUSD
Jason Polonsky	Voya	Rachael Sanders	PARS
Joe Marini	Voya	April Young	TSA Consulting
Michelle Williams	Voya	Timothy Rosnick	Chief Financial Officer (Alt)

----- The meeting convened at 3:00 PM -----  
Meeting called to order by Janice Sawyer.

**(1) Roll Call**

- Quorum was reached at 3:10 p.m.

**(2) Approval of August 16, 2018 Meeting Minutes**

Bradley Rumble motioned, and Sandy Keaton seconded, to move the August 16, 2018 Meeting Minutes. The Committee voted, 6 yes, 0 no, 0 abstain, and the Minutes were approved.

**(3) 457(b) Quarterly Report**

- Barbara Healy provided fiduciary education by explaining the score card system and distributing a handout to the Committee.
- Barbara reviewed the quarterly plan performance and the market environment.
  - There are no funds on the watch list.
  - The plan performance was 4.24% in the third quarter, 11.39% in one year, 13.28% in three years, and 10.28% in five years.
  - The U.S. unemployment rate is very low at 3.7% and the Gross Domestic Product (GDP) increased to 4.2% in nearly four years.
  - Growth continued to outperform value this quarter with the Russell 1000 Growth outperforming the Russell 1000 Value by 3.5%.
  - The best performing U.S. equity index for the quarter was the Russell 1000 Growth (9.2%) while the worst performing was the Russell 2000 Value (1.6%).

- Developed international equity returned a positive 1.4% (MSCI EAFE) while Emerging market equity posted a negative -1.1% (MSCI Emerging Markets Index).
- High Yield Corporate Bond returned a positive 2.4% while TIPS returned a negative -.08%.
- Barbara mentioned that the Federal government is expected to raise the interest rate in December 2018 and the market is reacting to it.

**(4) 457(b) Report**

- Jason Polonsky introduced himself to the Committee and reported the marketing automation update and financial wellness tool.
- Jason announced that 46% of the plan participants engaged via telephone calls, mobile application, or web access over that last twelve months.
  - 38% of these engagements was accomplished digitally.
  - 10% was via E-delivery.
  - 30% of participants took action after using myOrangeMoney.
  - 29% of participants took action after using the Personal Financial Dashboard Engagement.
- Mariam Hironimus announced that auto enrollment for AALA (Associated Administrators of Los Angeles) members is coming up. Their first deduction will come out on their June 5, 2019 paycheck.
- Greg Gower and Dan Garcia reported their activities for the third quarter.

**(5) 403(b) Report**

- April Young announced that there was no significant change to the 403(b) report.
- April summarized a white paper titled “Improving Retirement Savings for America’s Public Educators” released by the National Tax-Deferred Savings Association (NTSA) on November 13, 2018. Some highlights included:
  - There was a significant positive correlation between the number of participation choices (choice of providers and advisors) and the participation levels of investment.
  - The research showed that public employees who have access to educational resources at their workplace and the assistance of financial professionals are saving earlier and contributing more to their 403(b) plans.

**(6) Investment Policy Statement**

- Mariam Hironimus announced that the investment policy statement was reviewed and approved by the Office of the General Counsel.

**(7) Vanguard added on the 403(b)**

- The Committee will discuss this at a future meeting.

**(8) Committee Member Retiree Volunteer Liability Coverage**

- The Committee will discuss this topic at a future meeting.

**(9) Standing items:**

- a. 457(b) – No new item.
- b. 403(b) – No new item.

- c. PARS – Rachael Sanders distributed the PARS report for the Committee to review.
- d. District Property Access Updates – No new item.

**(10) Set Agenda for next meeting**

- Investment Sub Committee Update
- Education Administration and Plan Expenses
- Vanguard added on the 403(b)
- Committee Member Retiree Volunteer Liability Coverage

**(11) Public Comments**

- No comment.

**(12) Adjournment**

The Meeting adjourned at 5:10 p.m.