

**CITY OF LOS ANGELES
BOARD OF DEFERRED COMPENSATION ADMINISTRATION**

ADOPTED MINUTES
SPECIAL MEETING OF DECEMBER 7, 2022
CONDUCTED VIA TELECONFERENCE

BOARD MEMBERS

Present:

Thomas Moutes, Chair
Neil Guglielmo, Vice-Chair
Joshua Geller, Third Provisional Chair
Dana H. Brown
Joseph Salazar
Baldemar J. Sandoval

Not Present:

Robert Schoonover, First Provisional Chair
Jeremy Wolfson, Second Provisional Chair
Linda P. Le

PERSONNEL DEPARTMENT STAFF

Paul Makowski, Chief Management Analyst
Esther Chang, Senior Personnel Analyst II
Mindy Lam, Benefits Analyst
Eric Lan, Benefits Analyst

OFFICE OF THE CITY ATTORNEY

Charles Hong, Deputy City Attorney IV

Voya Financial

Deirdre Jones, Vice President, Strategic Relationship Management
Kelly Montgomery, Client Relationship Manager

1. CALL TO ORDER

Mr. Moutes called the meeting to order at 10:32 a.m.

2. PUBLIC COMMENTS

Mr. Makowski introduced the DCP's newly hired Senior Personnel Analyst II, Ms. Esther Chang.

3. MINUTES

Board Member Comments/Questions & Responses:

There were no comments or questions from the Board.

Board Action:

A motion was made by Mr. Guglielmo and seconded by Mr. Salazar, to approve minutes of the October 18, 2022, regular Board meeting and of the November 9, 2022, special Board

meeting; the motion was adopted by approval of five Board members (Geller, Guglielmo, Moutes, Sandoval, and Salazar); one Board member was not present at the time of voting (Brown).

4. BOARD REPORT 22-59: DETERMINATION REGARDING TELECONFERENCING OPTION FOR BOARD MEETINGS PURSUANT TO ASSEMBLY BILL 361

Presentation Highlights:

Ms. Chang introduced the report and provided the following highlights:

- The Board is able to continue meeting virtually with the Governor’s COVID-19 State of Emergency Order in effect.
- The Emergency Order is expected to be lifted in February of 2023.
- Governor Newsom has signed AB 2449, which provides options for teleconferencing in the absence of an emergency order, but is not as broad as AB 361.
- Staff is exploring logistical options to conduct hybrid or in-person meetings, should AB 361 provisions no longer apply.

Ms. Chang asked Mr. Hong to provide information related to future considerations with the expectation that AB 361 would no longer be applicable once the emergency order is lifted and the impact of AB 2449. Mr. Hong provided the following highlights regarding AB 2449:

- Teleconferencing for Board Meetings would be possible under AB 2449 in the same way as under the Brown Act, as Board members must have their location publicized, with two exceptions:
 - Just cause, or
 - Emergency Circumstances (typically for healthcare or childcare).
- The committee must have an in-person quorum established in order for a Board Member to be eligible for a teleconferencing option.
- The frequency at which a Board Member can utilize the exception is limited and not meant to be a continuing provision.
- Should AB 361 no longer be applicable, Board members will be able to attend meetings remotely under AB 2449 with the noted conditions.

Board Member Comments/Questions & Responses:

Mr. Moutes indicated that given the current COVID surge, it is unlikely that the Board will convene in person prior to the expiration of AB 361, which grants staff additional time to work through logistical issues. Mr. Geller noted that based on the Board’s regular meeting schedule, the first potential meeting required to have an in-person quorum would be its March meeting. Ms. Chang confirmed. Mr. Moutes and Mr. Hong stated that the situation is contingent on the COVID levels and needs to be continually monitored.

Mr. Sandoval asked about potential initiatives taken by the City to allow for teleconferencing options for Board meetings. Mr. Hong stated that the City is subject to and governed by the Brown Act.

Board Action:

A motion was made by Mr. Salazar and seconded by Mr. Guglielmo, that the Board adopt the attached Resolution and find, pursuant to Section 54953(e)(1)(B)-(C) of the California Government Code, as amended by Assembly Bill (AB) 361, that due to the ongoing COVID-19 State of Emergency (COVID Emergency) proclaimed by the Governor on March 4, 2020, conducting Board meetings in person without continuing to provide a teleconference and/or videoconference option for the Board members and the public, would present imminent risks to the health or safety of attendees; the motion was adopted by approval of five Board members (Geller, Guglielmo, Moutes, Sandoval, and Salazar); one Board member was not present at the time of voting (Brown).

5. BOARD REPORT 22-60: ELECTION OF OFFICER(S) – SECOND PROVISIONAL CHAIR VACANCY

Presentation Highlights:

Ms. Chang introduced the report and provided the following highlights:

- The Second Provisional Chair was vacated upon the election of Mr. Guglielmo to the Vice-Chair seat.
- Per the DCP bylaws, the Board shall elect a new Second Provisional Chair at the earliest meeting, and any additional chairs as needed.

Board Member Comments/Questions & Responses:

There were no comments or questions from the Board.

Board Action:

A motion was made by Mr. Guglielmo and seconded by Mr. Salazar, to elect Mr. Wolfson to the position of Second Provisional Chair; the motion was adopted by approval of five Board members (Geller, Guglielmo, Moutes, Sandoval, and Salazar); one Board member was not present at the time of voting (Brown).

6. BOARD REPORT 22-61: QUARTERLY STAFFING REIMBURSEMENTS - THIRD QUARTER 2022

Presentation Highlights:

Ms. Lam introduced the report and provided the following highlights:

- The Board approves staffing reimbursements on a quarterly basis for Personnel Department and City Attorney staff providing direct support of the DCP, which are funded through the DCP Trust Fund and requires Board approval.
- Third quarter 2022 reimbursements totaled \$72,917.80, including \$47,045.58 for the Personnel Department and \$25,872.22 for the City Attorney.

Board Member Comments/Questions & Responses:

There were no comments or questions from the Board.

Board Action:

A motion was made by Mr. Guglielmo and seconded by Mr. Salazar, that the Board approve reimbursements from the Deferred Compensation Plan (DCP) Reserve Fund to the Personnel

Department in the amount of \$47,045.58 and to the City Attorney in the amount of \$25,872.22 totaling \$72,917.80 for staff providing direct support of the DCP during the quarter ending September 30, 2022; the motion was unanimously adopted.

7. BOARD REPORT 22-62: DEFERRED COMPENSATION PLAN PROJECTS AND ACTIVITIES REPORT: OCTOBER AND NOVEMBER 2022

Presentation Highlights:

Mr. Lan and Ms. Chang presented the report and provided the following highlights:

- The ACH process between Los Angeles Fire and Police Pensions was successfully launched on October 11, 2022.
- Self-Directed Brokerage Account (SDBA) minimum balance monitoring continued with staff directing Voya to initiate selling of shares for 65 participants in order to transfer funds and maintain the core account minimum balance. 299 participants had enough liquid balance available in their SDBA accounts to transfer to their core accounts and 62 participants took appropriate action upon receiving the mail notice.
- Ethics and Open Government training was assigned to the Board and staff and must be completed by December 31, 2022.
- National Retirement Security Month was successfully completed and a report will be presented to the Board at its next meeting.
- Staff released a communication containing a year-end checklist informing participants of key deadlines and a reminder to protect their DCP accounts by registering online.
- Ms. Moore, the DCP intern, resigned effective November 10, 2022, and the DCP is searching for a replacement.
- Mr. Timothy Merwin was hired as a new Voya Local Representative as of November 14, 2022.
- Staff is reviewing the DC Plan Manager recruitment timeline and process with Partners in Diversity and will work with the Ad Hoc Selection Committee to convene a meeting to approve the project plan.
- Staff will provide an update to the DCP Strategic Initiatives at the Board's meeting in January.

Board Member Comments/Questions & Responses:

Mr. Guglielmo asked about the classification for the DCP Intern. Ms. Chang indicated that the position is not a City classification, but was part of the new contract agreement with Voya.

Mr. Guglielmo inquired about the notice process for SDBA participants whose core account balances fall below the minimum amount. Ms. Chang noted that an annual notice was sent and participants were given a 30-day window to transfer funds to their core account. Mr. Guglielmo asked if the notice can be provided to participants automatically as soon as their account falls below the minimum balance. Ms. Chang noted that the current process is manual and indicated that staff will follow up with Voya to determine future steps.

Mr. Guglielmo noted that reminders for participants to register their accounts online are timely and important to better secure their accounts.

8. REQUESTS FOR FUTURE AGENDA ITEMS

There were no requests for future agenda items.

9. NEXT MEETING DATE

A regular meeting was noted for December 20, 2022, at 9:00 a.m.

10. ADJOURNMENT

The meeting was adjourned at 11:00 a.m.

Minutes prepared by staff member Eric Lan.