



Board of Deferred Compensation Administration (Board)

Regular Meeting Agenda February 18, 2020

9:00 a.m.

700 E. Temple Street, Room 350
Los Angeles, CA 90012

Board of Deferred Compensation Administration

John R. Mumma

Chairperson

Thomas Moutes

Vice-Chairperson

Raymond Ciranna

First Provisional Chair

Robert Schoonover

Second Provisional Chair

Wendy G. Macy

Third Provisional Chair

Joshua Geller

Hovhannes Gendjian

Linda P. Le

Lita Payne

Introductory

- (1) Call to Order
- (2) Public Comments

Administrative Items

- (3) **Minutes** – Recommendation to approve the minutes of the October 15, 2019, and December 10, 2019, Board meetings.
- (4) **Plan Administrator Quarterly Review: 2019 Q4** – Presentation from Mercer Consulting regarding DCP investment options for the quarter ending December 31, 2019.
- (5) **Board Report 20-01: Election of Officers** – Recommendation that the Board conduct its Election of Officers for the period of January 2020 through December 2021.
- (6) **Board Report 20-02: Defined Contribution Plan Executive Director Classification and Position Authority** – Recommendation that the Board: (1) receive and file the status update on the creation of a Defined Contribution Plan Executive Director classification and position authority; (2) adopt the creation of a Defined Contribution Plan Executive Director classification as a strategic initiative for the Deferred Compensation Plan (DCP); and (3) approve the proposed class specification for Defined Contribution Plan Executive

Notes:

- (a) All written materials reviewed by the Board are made part of the record.
- (b) Time will be provided for members of the public to address the Board on items of interest to the public that are within the subject matter jurisdiction of the Board, but not on the printed Agenda. Speaking time shall not exceed five (5) minutes for any one speaker. Members of the public interested in addressing the Board regarding matters on the printed agenda should notify Board staff prior to consideration of those items.
- (c) As a covered entity under Title II of the Americans with Disabilities Act, the City of Los Angeles does not discriminate on the basis of disability and, upon request, will provide reasonable accommodations to ensure equal access to its programs, services and activities. Sign language interpreters, assistive listening devices, or other auxiliary aids and/or services may be provided upon request. To ensure availability, your request should be received at least 72 hours in advance of the need. For more information contact Deferred Compensation Plan staff at (213) 978-1629 or at perdcp@lacity.org.
- (d) Deferred Compensation Plan agendas and documents disseminated at the meeting are available at 200 N. Spring Street (City Hall), Room 867, as well as on the Internet at <https://LA457.com/board-meeting-materials>. Subscribe: <http://lacity.org/city-government/subscribe-meeting-agendas-and-more/departments-commissions-committees-boards>



CITY OF *Los Angeles*
DEFERRED COMPENSATION PLAN

Director to be submitted to the Personnel Department's Classifications Division for approval by the Civil Service Commission.

- (7) **Board Report 20-03: Investment Manager and Stable Value Fund Manager RFPs** – Recommendation that the Board: (a) approve and release the draft RFPs for (i) DCP Investment Management Services and (ii) Stable Value Fund Investment Management Services; (b) approve extending the term of Contract No. C-127342 with Galliard for investment management services by one additional year from July 1, 2020 through June 30, 2021 for a total six-year term; (c) direct staff to prepare a report to City Council recommending extending Contract No. C-127342 for one additional year and authorize the Board Chairperson and Vice-Chairperson to sign and submit the report.
- (8) **Board Report 20-04: Request for Information for Financial Education and/or Investment Advisory Services** – Recommendation that the Board approve and authorize the release of the proposed RFI for Financial Education and/or Investment Advisory Services.
- (9) **Board Report 20-05: Board Member and Staff Procurement Responsibilities** – Recommendation that the Board direct staff to discontinue the use of procurement pledge forms and instead, provide timely and regular education on procurement responsibilities to Board members and staff to include: (a) a review of procurement responsibilities during new staff/Board orientations; (b) annual procurement responsibility reminders/reviews at the beginning of each calendar year; and (c) procurement responsibility reminders upon submission to the Board of draft RFPs.
- (10) **Board Report 20-06: 2020 Resources Review and Annual Budget Adoption Update** – That the Board: (a) approve the following DCP Growth and Expense variable and Fee variable assumptions for use in projecting future DCP Reserve Fund balances: (1) DCP Assets Growth Rate - 7%; (2) Net Enrollment Growth Rate - 3%; (3) Annual Expenses Increase Factor - 2%; (4) Special Rates Increase Factor: Personnel - 115%; (5) Special Rates Increase Factor: City Attorney - 115%; (6) Stable Value Interest Rate - 2%; (7) Participant Fees: Annual Basis Point Charge - 0.09%; (8) Participant Fees: Annual Dollar Cap - \$115; and (b) approve for the quarter ending September 30, 2020, a reduction of the quarterly basis point fee assessment from 2.25 basis points to 1.125 basis points, and a reduction in the quarterly fee cap amount from \$28.75 to \$14.38.

Notes:

- (a) All written materials reviewed by the Board are made part of the record.
- (b) Time will be provided for members of the public to address the Board on items of interest to the public that are within the subject matter jurisdiction of the Board, but not on the printed Agenda. Speaking time shall not exceed five (5) minutes for any one speaker. Members of the public interested in addressing the Board regarding matters on the printed agenda should notify Board staff prior to consideration of those items.
- (c) As a covered entity under Title II of the Americans with Disabilities Act, the City of Los Angeles does not discriminate on the basis of disability and, upon request, will provide reasonable accommodations to ensure equal access to its programs, services and activities. Sign language interpreters, assistive listening devices, or other auxiliary aids and/or services may be provided upon request. To ensure availability, your request should be received at least 72 hours in advance of the need. For more information contact Deferred Compensation Plan staff at (213) 978-1629 or at perdcp@lacity.org.
- (d) Deferred Compensation Plan agendas and documents disseminated at the meeting are available at 200 N. Spring Street (City Hall), Room 867, as well as on the Internet at <https://LA457.com/board-meeting-materials>. Subscribe: <http://lacity.org/city-government/subscribe-meeting-agendas-and-more/department-commissions-committees-boards>



CITY OF *Los Angeles* DEFERRED COMPENSATION PLAN

- (11) **Board Report 20-07: Staffing Reimbursements Q3 2019** – Recommendation that the Board approve reimbursements from the DCP Reserve Fund to the Personnel Department for \$154,833.03 and City Attorney for \$30,163.42 for the quarter ending September 30, 2019.
- (12) **Board Report 20-08: DCP Board Elections** – Recommendation that the Board receive and file information regarding 2020 Board elections for the active LACERS Representative and the active LAFPP Representative.
- (13) **Board Report 20-09: 2019 Board Member and Staff Training Report** – Recommendation that the Board receive and file report regarding Board member and staff training for calendar year 2019.
- (14) **Board Report 20-10: 2019 Board and Committee Attendance Review** – Recommendation that the Board receive and file report regarding 2019 Board and Committee meeting attendance.
- (15) **Board Report 20-11: DCP Projects & Activities Report: December 2019 & January 2020** – Recommendation that the Board (a) receive and file the monthly projects and activities report for December 2019 and January 2020 and (b) approve Hovhannes Gendjian to attend the April 2020 Wharton School Portfolio Concepts and Management Course.

Concluding Items

- (16) **Requests for Future Agenda Items**
- (17) **Next Meeting Date: March 17, 2020**
- (18) **Adjournment**

Notice to Paid Representatives

If you are compensated to monitor, attend, or speak at this meeting, City law may require you to register as a lobbyist and report your activity. See Los Angeles Municipal Code §§ 48.01 *et seq.* More information is available at ethics.lacity.org/lobbying. For assistance, please contact the Ethics Commission at (213) 978-1960 or ethics.commission@lacity.org.

Notes:

- (a) All written materials reviewed by the Board are made part of the record.
- (b) Time will be provided for members of the public to address the Board on items of interest to the public that are within the subject matter jurisdiction of the Board, but not on the printed Agenda. Speaking time shall not exceed five (5) minutes for any one speaker. Members of the public interested in addressing the Board regarding matters on the printed agenda should notify Board staff prior to consideration of those items.
- (c) As a covered entity under Title II of the Americans with Disabilities Act, the City of Los Angeles does not discriminate on the basis of disability and, upon request, will provide reasonable accommodations to ensure equal access to its programs, services and activities. Sign language interpreters, assistive listening devices, or other auxiliary aids and/or services may be provided upon request. To ensure availability, your request should be received at least 72 hours in advance of the need. For more information contact Deferred Compensation Plan staff at (213) 978-1629 or at perdcp@lacity.org.
- (d) Deferred Compensation Plan agendas and documents disseminated at the meeting are available at 200 N. Spring Street (City Hall), Room 867, as well as on the Internet at <https://LA457.com/board-meeting-materials>. Subscribe: <http://lacity.org/city-government/subscribe-meeting-agendas-and-more/departments-commissions-committees-boards>