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# DEFERRED COMPENSATION PLAN BOARD REPORT 09-13



Date: March 5, 2009  
To: Board of Deferred Compensation Administration  
From: Staff  
Subject: Stable Value Fund

Recommendation:

That the Board of Deferred Compensation Administration approve the selection of Galliard Capital Management as the Plan's Stable Value Fund manager and instruct staff to execute a transition of assets from the Hartford General Account to a newly branded City of Los Angeles Stable Value Fund effective approximately July 1, 2009.

Discussion:

The Board's consultant, Mercer Investment Consulting, has completed its review of responses received to the Plan's November 20, 2008 RFP for a Stable Value Fund manager (see attached report and scoring analysis). Five responses were received from the following firms: Dwight Capital Management, Galliard Capital Management, Great-West Retirement Services, PIMCO, and State Street Global Advisers. All five firms were found to be compliant with the City's Standard Provision requirements. Galliard scored highest on the evaluation criteria included within the RFP and, based on the mandate of the RFP and the scoring results, it is staff's recommendation that Galliard be selected as the provider for the Deferred Compensation Plan's Stable Value Fund.

Galliard is an incumbent provider for this option. As a result, the transition of assets will be focused on moving Hartford General Account assets to Galliard in order to complete consolidation of the Plan's fixed account assets within a newly branded "City of Los Angeles Stable Value Fund." All of the details regarding timing have not been resolved as of the time of writing this report, but it is expected that the transition will begin in very close proximity (i.e. a matter of days) prior to July 1, 2009. Further details on this will be provided to the Board as staff, Great-West and the providers address transition details.

Submitted by: \_\_\_\_\_  
Steven Montagna

Approved by: \_\_\_\_\_  
Maryanne Keehn