

AGENDA – REGULAR MEETING

BOARD OF DEFERRED COMPENSATION ADMINISTRATION

March 20, 2018

9:00 a.m.

700 E. Temple Street, Room 350

Los Angeles, CA 90012

Members

John R. Mumma, Chairperson

Michael Amerian, Vice-Chairperson

Raymond Ciranna, First Provisional Chair

Robert Schoonover, Second Provisional Chair

Wendy G. Macy, Third Provisional Chair

Cliff Cannon

Neil Guglielmo

Linda P. Le

Don Thomas

INTRODUCTORY

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

ADMINISTRATIVE ITEMS

- (3) **Minutes** – Recommendation to approve minutes of the January 16, 2018 meeting of the Board of Deferred Compensation Administration.
- (4) **Plan Investments Quarterly Review: 12/31/17** – Presentation from Mercer Investment Consulting regarding Deferred Compensation Plan investment options for quarter ending December 31, 2017.
- (5) **Investment Manager Presentation** – Presentation from Dimensional Fund Advisors (DFA) regarding the DFA Small Cap Value Portfolio and DFA Emerging Markets Core Equity Portfolio included within the Deferred Compensation Plan investment menu.
- (6) **Board Report 18-08: Proposed Adjustments to Participant Fees and 2018 Budget Adoption** – Recommendation that the Board of Deferred Compensation Administration: (a) approve recommendations from the Plan Governance and Administrative Issues Committee to: (1) reduce the Plan's administrative fee presently assessed on all participant account balances by one basis point (0.01%), from .10% to .09%; (2) reduce the Plan's current administrative fee cap from \$125 to \$115; (3) direct staff to convene the Plan Governance and Administrative Issues Committee on an annual basis to review and conduct Plan fee and revenue analyses; and (b) adopt proposed Deferred Compensation Plan budget for Plan Year 2018.
- (7) **Board Report 18-09: Plan Audits** – Recommendation that the Board of Deferred Compensation Administration: (a) receive and file information regarding defined contribution plan audits; and (b) direct staff to draft for Board approval a Request for Proposal (RFP) for Deferred Compensation Plan auditing services.

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. For updated meeting schedules, please visit http://per.lacity.org/DeferredComp/Deferred_Comp_Main%20Page.htm.
- (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 http://per.lacity.org/DeferredComp/Deferred_Comp_Agendas.htm.
- (e) Subscribe: <http://lacity.org/city-government/subscribe-meeting-agendas-and-more/departments-commissions-committees-boards>

AGENDA – REGULAR MEETING (continued)

BOARD OF DEFERRED COMPENSATION ADMINISTRATION

March 20, 2018

9:00 a.m.

700 E. Temple Street, Room 350

Los Angeles, CA 90012

Members

John R. Mumma, Chairperson
Michael Amerian, Vice-Chairperson
Raymond Ciranna, First Provisional Chair
Robert Schoonover, Second Provisional Chair
Wendy G. Macy, Third Provisional Chair
Cliff Cannon
Neil Guglielmo
Linda P. Le
Don Thomas

- (8) **Board Report 18-10: Plan Goals, Strategies and Metrics** – Recommendation that the Board of Deferred Compensation Administration: (a) receive and file this report regarding Deferred Compensation Plan goals, strategies, and metrics; and (b) adopt Fiscal Year 17/18 goals to: (1) increase the number of gross new enrollments by 6%; (2) increase average participant contributions by 2%; (3) reduce the number of closed accounts as a percent of retired participant accounts from 7% to 6%; and (4) reduce the number of outgoing rollovers as a percent of retired participant accounts from 5% to 4%.
- (9) **Board Report 18-11: Automatic Enrollment Program** – Recommendation that the Board of Deferred Compensation Administration receive and file staff update regarding pilot implementation of the Deferred Compensation Plan's Auto-Enrollment Program (AEP).
- (10) **Board Report 18-12: Consulting Services Contract Extensions** – Recommendation that the Board of Deferred Compensation Administration approve (a) extension of contracts with Segal Consulting (Segal) and Mercer Investment Consulting (Mercer) for the period July 1, 2018 through June 30, 2020; (b) an increase in the Mercer contract ceiling amount of \$379,000 for proposed years four and five of the contract; (c) no increase in the Segal contract ceiling amount for proposed years four and five of the contract; and (d) authorization for the Board Chairperson to execute the necessary contract amendments.
- (11) **Board Report 18-13: Plan Projects & Activities Report** – Recommendation that the Board of Deferred Compensation Administration receive and file staff monthly activity report for January and February 2018, to include updates regarding Governance; Board Member Departure, Special Election, and Election of Officers; Communications; Completed Projects/Meeting Calendar; Staffing; and Committee Assignments.

CONCLUDING ITEMS

- (12) **Requests for Future Agenda Items**
- (13) **Next Regular Meeting Date: April 17, 2018**
- (14) **Adjournment**

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. For updated meeting schedules, please visit http://per.lacity.org/DeferredComp/Deferred_Comp_Main%20Page.htm.
- (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 http://per.lacity.org/DeferredComp/Deferred_Comp_Agendas.htm.
- (e) Subscribe: <http://lacity.org/city-government/subscribe-meeting-agendas-and-more/departments-commissions-committees-boards>