

Retirement Investment Advisory Committee Meeting  
 Meeting Minutes  
 Via a Zoom Meeting  
 February 20, 2025 - 3:00 PM to 5:00 PM

**Committee Members**

1. Melissa Hollingsworth	Deputy Chief Risk Officer
2. Chris Mount-Benites	Chief Financial Officer
3. Sandy Keaton	Board Appointee
4. Steve Schullo	Member-at-Large
5. Bradley Rumble	AALA
6. Letetsia A. Fox	CSEA-LA Chapter 500
7. Leonard Goldberg	UTLA
8.	SEIU Local 99
9. Chad Boggio	Building Trades Council
10. Adriana Salazar	Teamsters/Local 572
11.	LASPA
12.	LASPMA

**Present Members or Alternates**

1. Melissa Hollingsworth	Deputy Chief Risk Officer
2. Tim Rosnick	CFO (Alt)
3. Sandy Keaton	Board Appointee
4. Steve Schullo	Member-at-Large
5. Bradley Rumble	AALA
6. Joan Richardson	CSEA-LA Chapter 500 (Alt)
7. Leonard Goldberg	UTLA
8.	
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10. Bryan Flores	Teamsters (Alt)
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12.	

**Participants Present**

Barbara Healy	NFP Consulting	Michele Montano	Member-at-Large Alt
Eric Miller	TSACG	Priti Kapoor	Deputy CRO Alt
Jose Mireles	Voya	Cheryl Clark	Board Appointee Alt
Dan Garcia	Voya	Jenny Ku	LAUSD
Angela O'Donnell	Voya	Nellie Chavez	LAUSD
Joe Marini	Voya	Claudia Chavez	LAUSD
Luis Chaves Guzman	Voya	Karen Woods	LAUSD
Eric O'Leary	PARS	Scott Schmerelson	Board President
Angela Tang	PARS		

----- The meeting convened at 3:02 PM -----  
 Meeting called to order by Priti Kapoor.

**(1) Roll Call**

Quorum was reached.

**(2) Approval of November 21, 2024 Meeting Minutes**

Dr. Sandy Keaton motioned, and Joan Richardson seconded to approve the November 21, 2024, meeting minutes. The Committee voted 8 yes, 0 no, 0 abstain. The minutes were approved.

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

- Barbara Healy reported on the 457(b) fourth quarter and year-end findings which included the U.S. equity market had a 2.6% rate of return for the quarter and 23.8% for the year-end. The international equities dropped to -7.6% rate of return for the quarter and was up overall 5.5% for the year-end. The fixed income dropped to -3.15% for the fourth quarter and was up overall 1.3% for the year-end.
- Unemployment remained flat at 4.1% at the year-end.
- No funds are on the watchlist. The total assets including TIAA Cref fixed account has increased to \$588M up from \$567.3M in the third quarter. The Plan's total overall costs are 13 basis points which is approximately \$80 per participant annually.

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

- Luis Chaves Guzman, from Voya, announced Voya's 2025 email communication campaign has already promoted "Welcome Back" in January and the "New Limits" along with a mention of the NAGDCA award in February.
- Luis mentioned that due to the January wildfires in Altadena and the Palisades, LAUSD has updated the 457(b) plan by allowing additional emergency distributions / hardship withdrawals of up to \$22,000, and this information has been posted on the LAUSD and Voya websites.
- Dan Garcia and Angela O'Donnell recently did presentations for Benefits staff, Organization Presidents, Pupil Services and Attendance, UTLA Financial Literacy Workshop, Esperanza Elementary School, and UTLA Area Chairs. Dan and Angela will be focusing on the middle school staff and administration the same way they did last year for the high schools.
- The Committee reminded all that Dan and Angela are the only 457(b)/403(b) visitors allowed on campuses. Angela stated that when Dan and she send out emails they include the bulletin as a way of reminding the schools that they are the only representatives allowed on campus.
- Jose Mireles shared that as of 12/31/2024 there are 10,103 active contributors compared to September 30, 2024, when there were 9,955 active contributors. He also mentioned that the individual plan contribution amounts increased by about 1% since the prior quarter.

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

- Eric Miller shared that in January 2025, there were over \$8.9M in contributions by 16,663 participants. As of January 2025, with the approved investment providers there are 37,101 accounts with over \$2.8B in assets.
- The entire 403(b) plan has over 50,278 active and legacy accounts with assets totaling over \$3.4B.
- From November 2024 to January 2025, there have been 261 new enrollees (or those who haven't contributed in over 12 months).

#### **(6) Sub Committee Updates**

In January 2025, the Sub Committee discussed the following 2 topics:

1. 403(b) Providers who do not offer a Roth option

- Eric Miller, from TSACG, explained Section 603 of the Secure Act 2.0 which requires any age 50 and over employee who makes over \$145,000 in the prior year and wishes to utilize the age 50 catch-up (\$7,500) must put their catch-up contributions into the Roth option. Section 603 is to go into effect as of January 1, 2026.
- Currently, LAUSD has 3 approved and 6 grandfathered 403(b) providers that do not offer a Roth option. The 3 approved providers include Americo Financial, Midland National Life and North American. The 6 grandfathered providers include USAA Insurance, USAA Mutual Funds, John Alden Life Insurance, Mass Mutual Life Insurance, Paul Revere Tax Shelter Annuity, and Western National Life-American General.
- The Sub Committee shared their discussion of what can be done with these nine 403(b) providers that do not offer a Roth option. The 3 options include:
  1. status quo (no changes for participants).
  2. grandfathering (no new enrollments/participants but existing participants may continue their contributions), or
  3. deselection (stop all account transactions – no contributions nor enrollments),

There are pros and cons to each option. The major concern is what happens when participants in one of these nine 403(b) providers want to make age 50 catch-up contributions.

- There is no IRS or legal requirements for providers to offer Roth products. Eric Miller did reach out to the providers to determine if they were going to offer the Roth and a couple of providers are working to add the Roth option while other providers did not provide a response.
  - Some LAUSD employees do not pay FICA taxes therefore this requirement does not apply to them.
  - There are over 3,700 participants currently contributing to these 9 403(b) providers.
  - Eric ran a report recently that shows there are 237 employees who are age 50+ and make over \$145k and of these 25 employees are with providers that do not offer Roth.
  - Barbara stated that the *Sub Committee's recommendation is option 3 - to deselect the 9 403(b) providers*. Later Barbara met with Eric and the District and the District's recommendation is option 2 – to grandfather the providers.
  - Leonard motioned and Steve seconded the motion to recommend taking the recommendations of the Sub Committee with concerns to the CFO. 5 Yes, 2 No, 0 abstain
2. Environmental, Social and Corporate Governance (ESG) funds
- Barbara reported that after discussion of the ESG funds, there are no actions to be taken currently.
  - There are 12-15 rating agencies that rate ESG funds. NFP Consulting uses MSCI for ESG rating factors.
  - Key takeaways - interest in ESG funds seems to be declining globally; Barbara explained if LAUSD were to offer ESG funds then LAUSD should offer 3 ESG funds in the 3 asset classes - large, fixed, and international; and then there is no single way to rate/evaluate the funds.
  - Sandy motioned and Steve seconded that the Sub Committee will continue to look at ESG funds on an annual basis and report back to the Committee. 7 Yes, 0 No, 0 abstain
  - Jose reported that there are currently 4 participants with ESG funds in the self-directed brokerage account (SDBA). This accounts for \$54,389 in assets.

**(7) 457(b) University – Target Date Funds**

Due to time constraints this item will be moved to the next meeting's agenda.

**(8) Standing items**

- a. PARS – Angela Tang mentioned that the PARS report was included with the meeting invite.
- b. District Updates -  
At the April 8<sup>th</sup> Board meeting, Priti will be presenting the NAGDCA award and thanking the RIAC, NFP, Benefits, and Voya Teams. All of whom were involved in making the 457(b) plan such a success. All are welcome to attend.

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

- 457(b) University - Target Date Funds and remaining trainings
- Change frequency of RIAC meetings

**(9) Public Comments**

**(10) Adjournment**

The Meeting adjourned at 5:00 p.m.

Retirement Investment Advisory Committee Meeting  
Meeting Minutes  
Via a Zoom Meeting  
May 15, 2025 - 3:00 PM to 5:00 PM

**Committee Members**

1. Melissa Hollingsworth	Deputy Chief Risk Officer
2. Chris Mount-Benites	Chief Financial Officer
3. Sandy Keaton	Board Appointee
4. Steve Schullo	Member-at-Large
5. Bradley Rumble	AALA
6. Letetsia A. Fox	CSEA-LA Chapter 500
7. Leonard Goldberg	UTLA
8.	SEIU Local 99
9. Chad Boggio	Building Trades Council
10. Adriana Salazar	Teamsters/Local 572
11.	LASPA
12.	LASPMA

**Present Members or Alternates**

1. Melissa Hollingsworth	Deputy Chief Risk Officer
2. Tim Rosnick	CFO (Alt)
3. Sandy Keaton	Board Appointee
4. Steve Schullo	Member-at-Large
5. Bradley Rumble	AALA
6. Joan Richardson	CSEA-LA Chapter 500 (Alt)
7. Leonard Goldberg	UTLA
8.	
9.	
10. Alfredo Campos	Teamsters (Alt)
11.	
12.	

**Participants Present**

Barbara Healy	NFP Consulting	Michele Montano	Member-at-Large Alt
Eric Miller	TSACG	Jenny Ku	LAUSD
Jose Mireles	Voya	Nellie Chavez	LAUSD
Dan Garcia	Voya	Ana Rosas	LAUSD
Angela O'Donnell	Voya	Karen Woods	LAUSD
Joe Marini	Voya	Claudia Chavez	LAUSD
Luis Chaves Guzman	Voya		
Angela Tang	PARS		

----- The meeting convened at 3:05 PM -----  
Meeting called to order by Jenny Ku.

**(1) Roll Call**

Quorum was reached.

**(2) Approval of February 20, 2025 Meeting Minutes**

Dr. Sandy Keaton motioned, and Bradley Rumble seconded to approve the February 20, 2025, meeting minutes. The Committee voted 8 yes, 0 no, 0 abstain. The minutes were approved.

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

- Barbara Healy reported on the 457(b) first quarter of 2025 which included the U.S. equity market had a -4.7% rate of return. The international equities performed well with a 7.0% rate of return at the end of the first quarter. The fixed income dropped from 3.15% for the fourth quarter of 2024 to 2.8% rate of return at the end of the first quarter.
- The unemployment rate had a slight increase to 4.2%, up from 4.1% at the previous quarter-end.
- No funds are on the watchlist. The Scorecard Point system is used to evaluate each fund. A score of 7-10 is acceptable, 5-6 the fund goes on the watchlist, and a 0-4 score the fund goes under review.
- The total assets, including TIAA Cref fixed accounts, have increased to \$590.1M, up from \$588.1M at the end of the fourth quarter. The Plan's total overall costs are 13 basis points, which is approximately \$80 per participant annually.

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

- Luis Chaves Guzman, from Voya, provided a marketing update stating 4,563 participants have engaged in the Voya website, viewed myOrangeMoney, and/or have taken action by changing their deferral amount or fund allocations.
- Dan Garcia and Angela O'Donnell have finished all the middle school visits and have met with the principals to establish meeting times to present to their staff. Dan and Angela also presented at Pupil Services and Attendance meetings and at the UTLA Pre-Retirement Workshop.
- Jose Mireles shared that as of 3/31/2025 there are 10,111 active contributors and 15,487 Voya accounts.

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

- Eric Miller shared that in April 2025, there were over \$9.1M in contributions by 16,683 participants. As of April 2025, with the approved investment providers there are 36,942 accounts with over \$2.7B in assets.
- The entire 403(b) plan has over 49,913 active and legacy accounts with assets totaling over \$3.3B.
- From February to the end of April 2025, TSACG processed 2,186 transactions done by participants using TSACG's online systems, fax, email, or US mail.

**(6) NAGDCA**

A committee member asked how many RIAC members could be sponsored by the District to attend the NAGDCA Conference in September 2025. There are three RIAC members interested in attending.

**(7) RIAC Meeting Frequency**

A committee member requested that we meet more often than quarterly as there is so much information to discuss and not enough time in the 2-hour quarterly meetings. One idea discussed is to have an informal subcommittee meeting the month prior (July, October, January, and April) to the regular scheduled quarterly meetings. Another suggestion is to have Voya and TSA present every other meeting, but continue to provide their reports quarterly. TSA and Voya both agreed to present twice a year. PARs will continue doing their annual reporting at the August quarterly meeting.

Leonard motioned and Steve seconded the motion to have up to four subcommittee meetings - one monthly meeting prior to each quarterly RIAC meeting - with available RIAC members and no quorum requirement. 8 Yes, 0 No, 0 abstain

**(8) 457(b) University – Target Date Funds**

- Due to time constraints this item will be moved to the upcoming subcommittee meetings. Barbara does suggest that it is time to review the Black Rock Target Funds as they have not been reviewed for about 5 years.
- Barbara would like an ok from the committee to research the pricing differential of the Vanguard Collective Investment Trust as opposed to the mutual funds. There may be 2 to 3 basis in savings. The Committee agreed.

**(9) Standing items**

- a. PARS – Angela Tang mentioned that PARS and U.S. Bank will have a full report at the August meeting.

b. District Updates -

- As of May 9, 2025, Priti Kapoor has resigned. Melissa Hollingsworth, the District's Deputy Chief Risk Officer, is the RIAC member and Jenny Ku will be Melissa's alternate.
- The 403(b) motion made by the Committee at the February 2025 RIAC meeting was presented to the CFO for approval. The motion was how to best proceed with the 3 approved and 6 grandfathered 403(b) providers that do not offer a Roth option. The 3 options were to 1) leave the providers as status quo (no changes for participants), 2) grandfather the providers (no new enrollments/participants but existing participants may continue their contributions), and 3) to deselect the providers (stop all account transactions – no contributions nor enrollments). The Committee voted for the deselect option. The CFO has decided upon the grandfathering option.

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

**(11) Public Comments**

**(12) Adjournment**

The Meeting adjourned at 5:09 p.m.

Retirement Investment Advisory Committee Meeting  
Meeting Minutes  
Via a Zoom Meeting  
August 21, 2025 - 3:00 PM to 5:00 PM

**Committee Members**

- |                          |                           |
|--------------------------|---------------------------|
| 1. Melissa Hollingsworth | Deputy Chief Risk Officer |
| 2.                       | Chief Financial Officer   |
| 3. Sandy Keaton          | Board Appointee           |
| 4. Steve Schullo         | Member-at-Large           |
| 5. Bradley Rumble        | AALA                      |
| 6. Chad Boggio           | Building Trades Council   |
| 7. Letetsia A. Fox       | CSEA-LA Chapter 500       |
| 8. Adriana Salazar       | Teamsters/Local 572       |
| 9. Leonard Goldberg      | UTLA                      |
| 10.                      | LASPA                     |
| 11.                      | LASPMA                    |
| 12.                      | SEIU Local 99             |

**Present Members or Alternates**

- |                          |                           |
|--------------------------|---------------------------|
| 1. Melissa Hollingsworth | Deputy Chief Risk Officer |
| 2. Tim Rosnick           | CFO (Alt)                 |
| 3. Sandy Keaton          | Board Appointee           |
| 4. Michele Montano       | Member-at-Large (Alt)     |
| 5. Bradley Rumble        | AALA                      |
| 6. Chad Boggio           | Building Trades Council   |
| 7.                       | CSEA-LA Chapter 500 (Alt) |
| 8. Alfredo Campos        | Teamsters (Alt)           |
| 9. Leonard Goldberg      | UTLA                      |
| 10.                      |                           |
| 11.                      |                           |
| 12.                      |                           |

**Participants Present**

- |                       |                 |                |                  |
|-----------------------|-----------------|----------------|------------------|
| Barbara Healy         | NFP Consulting  | Jenny Ku       | Deputy CRO (Alt) |
| Eric Miller           | TSACG           | Nellie Chavez  | LAUSD            |
| Jose Mireles          | Voya            | Ana Rosas      | LAUSD            |
| Dan Garcia            | Voya            | Claudia Chavez | LAUSD            |
| Angela O'Donnell      | Voya            | Karen Woods    | LAUSD            |
| Eric O'Leary          | PARS            | Dennis Mullins | US Bank (PARS)   |
| Rachael Sanders       | PARS            |                |                  |
| Angela Tang           | PARS            |                |                  |
| Cheryl Clark<br>(Alt) | Board Appointee |                |                  |

----- The meeting convened at 3:02 PM-----  
Meeting called to order by Jenny Ku.

**(1) Roll Call**

Quorum was reached.

**(2) Approval of May 15, 2025 Meeting Minutes**

Dr. Sandy Keaton motioned, and Melissa Hollingsworth seconded to approve the May 15, 2025, meeting minutes. The Committee voted 6 yes, 0 no, 0 abstain. The minutes were approved.

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

- Barbara Healy reported on the 457(b) plan's results for the second quarter of 2025. The U.S. equity market had about an 11% increase in the rate of return up from the prior quarter's -4.7% bringing the end of the second quarter up to 5.8%. The international equities performed well with a 12% increase; thus, the rate of return was at 17.9% by the end of the second quarter. The fixed income, which is also known as bonds, had a 1.2% increase bringing the rate of return to 4%.

The table shows the rate of returns as of June 30, 2025.

Returns	Prior Qtr.	Current Qtr.	Year to Date
U.S. Equity	-4.7%	11%	5.8%
Int'l Equity	7.0%	12%	17.9%
Fixed Income	2.8%	1.2%	4%

- The unemployment rate may have dropped from 4.2% to 4.1%, although this number has not been finalized at the time of this report.
- No funds are on the watchlist. The Scorecard Point system is used to evaluate each fund. A score of 7-10 is acceptable, 5-6 the fund goes on the watchlist, and a 0-4 score the fund goes under review.
- Barbara mentioned that LAUSD probably has the least expensive public K-12 plan on the planet. She predicts that in the next 5 years the plan could be near a billion dollars in assets assuming the market does not crash.
- The total assets, including TIAA CREF fixed accounts, have increased to \$654M, up from \$590M at the end of the first quarter. The Plan's total overall costs are 13 basis points, which is approximately \$87 per participant annually.
- Private Investments are all over the news. Alternative investments or private investments are private equity, private credit, private real estate, and hedge funds. These are illiquid, opaque and complex. Their fee structure has a "2 and 20" structure meaning 2% assets management fee (compared to LAUSD's plan fee of 0.13%) and 20% performance fee. These investments lack clear valuation standards – the only entity that can verify the worth is the private investment itself – not indexed, not traded daily, limited transparency, etc. Fiduciary responsibility is extremely difficult. Most fiduciaries and NFP would never allow these types of investments in their plans unless there are significant changes in the structure, pricing, and transparency.
- Cryptocurrency is an asset that does not exist in reality and is worth whatever someone is willing to pay for it. NFP does not recommend allowing cryptocurrency to be available in the Self-Directed Brokerage Accounts (SDBA) because of regulatory issues and it is a non-fungible asset.

#### (4) PARS

- Dennis Mullins, Portfolio Manager for PFM Asset Management (a subsidiary of U.S. Bank), provided the annual update of the PARS portfolio. As of June 30, 2025, the PARS portfolio has \$189,598,092 in total assets up from \$171,770,009 last June 2024. The portfolio is comprised of 68.42% fixed income, 23.45% equity assets, 2.85% real assets, and 5.28% cash. All the funds in the portfolio are low-cost index funds, which keeps the expenses of the portfolio low.
- In 2025, non-US stocks are now outperforming US stocks where previously it had been the other way around for over the past 10 years or so.
- The total portfolio has a 5.18% total rate of return for January through June 2025.
- Dennis says looking forward while stocks were doing 14% for the last 5 years, we expect they will go to 7% due to demographic changes, federal budget deficit, and day of reckoning drawing near as the market has been doing so well. So, lower expectations for equity returns may be more like 7% while the fixed income account may go up to 4% due to bond yields – however inflation does affect this.

#### (5) 403(b) Report

- Eric Miller shared that in July 2025, there were over \$8.9M in contributions by 16,206 participants. There are currently 27,837 accounts with over \$2.2B in assets with the authorized investment providers.
- The entire 403(b) plan has over 49,240 active and legacy accounts with assets totaling over \$3.4B.

- From May to the end of July 2025, TSACG processed 1,908 transactions done by participants using TSACG's online systems, fax, email, or US mail.

**(6) Sub Committee Updates**

- At the July 29, 2025, Sub Committee meeting, Barbara Healy shared the highlights of Private Equity Investments, Cryptocurrency, and Target Date funds.
- The topics for the October 23, 2025, Sub Committee meeting are:
  - Target Date Fund Suitability Analysis and review the glidepath based on LAUSD's demographics,
  - Collective Investment Trust Education
  - Difference in Advisor Classification Education – ERISA 3(21) vs. ERISA 3(38)
  - Review of current index funds for any potential reduction in costs

**(7) Standing items**

- a. Vendor Updates - None
- b. District Updates -

At the May quarterly meeting, it was decided to revise when our vendors partners would be presenting. Going forward Voya will present at the May and November meetings, TSACG will report at the August and February meetings, PARS will report every August, and NFP will report at every meeting.

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

**(9) Public Comments**

**(10) Adjournment**

The Meeting adjourned at 4:00 p.m.