



## Board of Deferred Compensation Administration (Board)

### Regular Meeting Agenda

**December 15, 2020**

9:00 a.m. to 11:00 a.m.

This meeting is conducted via teleconference only. To participate telephonically, please call (669) 900-6833, enter access code 836 3310 6246#, and then press # again. All participants are reminded to mute their lines when not speaking by pressing \*6.

### Introductory

**(1) Call to Order**

Members of the Board will be attending the meeting by teleconference pursuant to Government Code Section 54953(b) and the Executive Orders of the Governor of California.

**(2) Public Comments**

### Administrative Items

**(3) Minutes** – Recommendation to approve minutes of the October 20, 2020 regular meeting of the Board of Deferred Compensation Administration.

**(4) Board Report 20-43: Deferred Compensation Plan (DCP) Autonomy** – Recommendation that the Board: (a) approve a proposed Memorandum of Understanding (MOU) between the Board and the Personnel Department regarding the reporting relationship and duties for staff assigned to work with the City of Los Angeles Deferred Compensation Plan (DCP); and (b) assuming adoption of the MOU, recommend to the General Manager Personnel

**Board of  
Deferred Compensation  
Administration**

**Thomas Moutes**

*Chairperson*

**Raymond Ciranna**

*Vice-Chairperson*

**Robert Schoonover**

*First Provisional Chair*

**Wendy G. Macy**

*Second Provisional Chair*

**Hovhannes Gendjian**

*Third Provisional Chair*

**Joshua Geller**

**Neil Guglielmo**

**Linda T. Ikegami**

**Baldemar J. Sandoval**

**Important Message to the Public –**

Members of the public desiring to speak on an agenda item should inform the Board Chair upon the Chair’s request for public comment.

Upon recognition by the Chair, speakers should identify themselves and limit comments to the specific agenda item.

**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](https://ethics.lacity.org/lobbying). For assistance, please contact the Ethics Commission at (213) 978-1960 or [ethics.commission@lacity.org](mailto: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 two (2) 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](mailto: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: <https://lacity.org/city-government/subscribe-meeting-agendas-and-more/departments-commissions-committees-boards>
- (e) Please note that telephone usage charges and fees from your service provider may apply.



CITY OF *Los Angeles*  
DEFERRED COMPENSATION PLAN

Department that, pending filling of the DC Plan Manager position, DC Plan Manager duties continue to be assigned on an interim basis to the current Employee Benefits Division Chief and Assistant Division Chief staff supporting the DCP.

- (5) **Board Report 20-44: Stable Value Fund Request for Proposal (RFP)** – Recommendation that the Board: (a) review and consider reports and findings from the Deferred Compensation Plan (DCP) Investments Committee, investment consultant, and staff regarding responses to the DCP RFP for stable value fund management services; and (b) provide direction with respect to scheduling oral presentations, conducting further analysis, or proceeding to make a final selection decision.
- (6) **Board Report 20-45: Deemed IRA Investment Menu** – Recommendation that the Board direct the Investments Committee to work with staff and the Deferred Compensation Plan (DCP) investment consultant to develop options and considerations for a potential alternative investment menu design for the DCP Deemed IRA.
- (7) **Board Report 20-46: Proposed Revisions to Board of Deferred Compensation Administration Election Policies and Procedures** – Recommendation that the Board approve proposed modifications to the Board Election Policies and Procedures.
- (8) **Board Report 20-47: 2021 DCP Resource Review** – Recommendation that the Board:
  - (a) Approve the following Deferred Compensation Plan (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

**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](https://ethics.lacity.org/lobbying). For assistance, please contact the Ethics Commission at (213) 978-1960 or [ethics.commission@lacity.org](mailto: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 two (2) 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](mailto: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: <https://lacity.org/city-government/subscribe-meeting-agendas-and-more/department-commissions-committees-boards>
- (e) Please note that telephone usage charges and fees from your service provider may apply.



## CITY OF *Los Angeles* DEFERRED COMPENSATION PLAN

- (b) Find that the cost of investment advice services at the level illustrated in this report can reasonably be funded under the existing fee structure.
  - (c) Defer further action with respect to strategies for reducing the long-term projected Reserve Fund balance until the Board has completed its assessment of investment advice services.
- (9) Board Report 20-48: Quarterly Staffing Reimbursements – Third Quarter 2020 –** Recommendation that the Board approve reimbursements from the Deferred Compensation Plan (DCP) Reserve Fund to the Personnel Department in the amount of **\$165,789.90** and to the City Attorney in the amount of **\$45,821.39** totaling **\$211,601.86**, inclusive of the third quarter of calendar year 2020 ending September 30, 2020, for staff providing direct support of the DCP.

### Informational Items

- (10) Quarterly Investment & Economic Review: September 30, 2020 –** Presentation from Mercer Investment Consulting regarding Deferred Compensation Plan investment options for the quarter ending September 30, 2020.
- (11) Plan Administrator Quarterly Review: September 30, 2020 –** Presentation from Voya Financial regarding Deferred Compensation Plan participant activity and statistics for the quarter ending September 30, 2020.
- (12) Board Report 20-49: 2020 National Retirement Security Month (NRSM) Campaign Results –** Report from staff regarding the results of the 2020 NRSM campaign.
- (13) Board Report 20-50: Deferred Compensation Plan Projects and Activities Report: October to November 2020 –** Report from staff regarding Deferred Compensation Plan (DCP) project and activity updates for October to November 2020.

#### **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](https://ethics.lacity.org/lobbying). For assistance, please contact the Ethics Commission at (213) 978-1960 or [ethics.commission@lacity.org](mailto: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 two (2) 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 [perdcpl@lacity.org](mailto:perdcpl@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: <https://lacity.org/city-government/subscribe-meeting-agendas-and-more/departments-commissions-committees-boards>
- (e) Please note that telephone usage charges and fees from your service provider may apply.



CITY OF *Los Angeles*  
DEFERRED COMPENSATION PLAN

## Concluding Items

- (14) **Requests for Future Agenda Items**
- (15) **Next Meeting Date: January 19, 2021**
- (16) **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](https://ethics.lacity.org/lobbying). For assistance, please contact the Ethics Commission at (213) 978-1960 or [ethics.commission@lacity.org](mailto: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 two (2) 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](mailto: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>
- (e) Please note that telephone usage charges and fees from your service provider may apply.