

DEFERRED COMPENSATION PLAN BOARD REPORT 14-35

Date: August 6, 2014
To: Board of Deferred Compensation Administration
From: Staff
Subject: Proposed Retirement Security Survey for National Save for Retirement Week

Members
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Recommendation:

That the Board of Deferred Compensation Administration review and provide feedback on staff's proposed Retirement Security Survey to be distributed as part of a Deferred Compensation Plan engagement/awareness campaign for National Save for Retirement Week.

Discussion:

At its July 15, 2014 meeting, the Board of Deferred Compensation Administration approved a proposed campaign for promoting participant engagement and awareness during National Save for Retirement Week. Staff's proposal included creation of a Retirement Security Survey for participants who have retired or otherwise separated from City service. This report presents a draft of the proposed survey (Attachment I).

As noted in staff's prior report, the mission of the Deferred Compensation Plan is to assist employees in achieving retirement income security. To accomplish that mission the Plan must **engage** employees/participants and raise their **awareness** of Plan benefits and keys to success. Increased engagement and awareness increases the likelihood of achieving successful participant **outcomes**.

The Plan website is a primary engagement tool for the Plan's 40,000 participants. In October 2013, as part of National Save for Retirement Week, the Plan launched a new website with an improved, intuitively-based design and two important new tools: the "*Retirement Income Projection Calculator*" and "*How Am I Doing?*" account review tools.

Both of these tools are geared largely towards Plan participants who are in the accumulation phase with their accounts. However, for the Plan to be successful with its mission of retirement income security, it is equally important to engage participants who have retired or otherwise separated service to help them be as successful as possible in using their accounts to foster retirement income security. As a result, for this promotional campaign staff proposed that a new web-based survey be developed for the retired participant population.

The goal of the survey is to engage our retired participants as well as learn more about how they view their retirement security and assess their overall retirement experience. Topics include the transition to retirement, retirement income sources, and use of the participant's Deferred Compensation Plan Account. Staff recommends that the Board review the attached preliminary draft of the survey and provide input and approve the survey with any requested modifications. Staff has also requested feedback from staff and Great-West, and will be working to review all suggestions and incorporate revisions as necessary.

In staff's prior report, key milestones were provided for the National Save for Retirement Week campaign. That milestone summary is provided as reference in Attachment II.

Submitted by: _____
Paul Makowski

Approved by: _____
Steven Montagna

RETIREMENT SECURITY SURVEY

Introduction

Welcome to our Retirement Security Survey! The goal of this survey is to learn more about how our Plan participants who have retired or otherwise separated from service view their retirement security and assess their overall retirement experience. This survey is open to all participants who have separated from City service, regardless of whether or not they are receiving retirement income from one of the City's three primary retirement plans. After you complete and submit your response to the survey, you will become eligible to win a \$25 gift card from _____.

All individual survey responses are confidential and personal information will only be used for the purpose of contacting you if you win a prize.

Contest Terms and Conditions - A total of ___ gift cards will be awarded. Only participants of the City of Los Angeles Deferred Compensation Plan (DCP) are eligible to enter. Active and retired participants will utilize different survey reporting tools to establish eligibility for a gift card. All DCP participant entries (both active and retired) will be combined into one drawing for all prizes. Participants are not eligible to win more than one prize. There are a total of 40,734 participants, providing a 1:40,XXX chance for winning a prize if all eligible participants enter. Actual chance in winning is subject to the number of entrants.

Each plan participant is limited to one entry. Multiple entries will not be entered into the drawing. The submission period for entries opens on ___ and concludes on ___ at 4:00 p.m. Pacific Standard Time. Entries received after 4:00 p.m. Pacific Standard Time on ___ will not be honored. Winners will be selected by random drawing on _____. Participants providing administrative and support services to the City's Deferred Compensation Plan are not eligible to win a prize. For full contest rules, please visit _____.

SURVEY

1. Tell Us About You

- **Full Name**

- **Age**

 ▼

[Age ranges will be provided]

- **Gender**

○ Female

○ Male

- **Contact info - Daytime Phone and/or Email Address**

- What State or US Territory do you live in?

[Alphabetical State listing; None - I live out of the US]

Are you a resident of Los Angeles County?

[Logic question only appears if "CA" is answer to State question]

- Yes
- No

- Which of the following retirement plans are you a member of:

[Dropdown: LACERS, LAFPP, DWP, None, More than one plan]

- How many years has it been since you retired/separated from City service?

[provide ranges: 0-5, 6-10, 11-15, 16 or more]

2. Tell Us About Your Transition to Retirement

What event or situation occurred that led you to retire or separate City service?
(check all that apply)

- Met age/years of service requirement*
- Found other employment*
- Spouse/domestic partner retired*
- Personal reasons*
- Other*

Which of the following comes closest to describing your financial transition to retirement

- It was easier than I expected*
- It was more difficult than I expected*
- It was about what I expected*
- n/a – I separated service but did not retire*

3. Tell Us About Your Retirement Income

What sources of ongoing income do you presently receive? (check all that apply):

- Retirement/Pension Income from LACERS, LAFPP, DWP or combination*
- Deferred Compensation Plan*
- Social Security*
- Paid employment*
- Investment income (including real estate)*
- IRA*
- Other employer retirement plan*
- Spouse or family member income*
- Annuity*
- Other*

Have you rolled other qualified retirement account assets into the City of LA Deferred Compensation Plan?

- Yes (I rolled in my IRA, 401(a), DROP, 401(k), 403(b), or other 457 account)
- No

How would you rate your present level of income compared to your financial needs?

-
- Poor Fair Good Very Good Excellent

How would you rate your expected future income relative to your expected future financial needs?

-
- Poor Fair Good Very Good Excellent

4. Tell Us About Your Overall Retirement Experience

How would you rate your present overall health in retirement?

-
- Poor Fair Good Very Good Excellent

How would you rate your present overall satisfaction in retirement?

-
- Poor Fair Good Very Good Excellent

7. Tell Us How You Plan to Use Your Deferred Compensation Plan Account

- I am using/will use my account to provide an ongoing source of retirement income
- I am using/will use my account for periodic lump sum partial withdrawals for important expenditures
- I do not presently need my account and will postpone distribution as long as possible
- I am hoping to pass on most of my account to my heirs

8. Tell Us About Your Deferred Compensation Plan Investment Preferences

- I invest in stocks, bonds and savings options
- I invest in stocks only
- I invest in bonds only
- I invest in savings options only

9. Tell Us About How Frequently You Use the Plan Website at www.cityofla457.com

- 12 or more times per year
- 6-11 times per year
- 5 times or less per year
- I never or rarely visit the Plan website

9. Tell Us About Your Beneficiary Designation

- I have recently verified that my beneficiary for this account is current
- I need to verify that my beneficiary for this account is current
- I need to change my beneficiary for this account

**NATIONAL SAVE FOR RETIREMENT WEEK PROMOTION CAMPAIGN
KEY MILESTONES**

National Save for Retirement Week: Oct. 19-25

Promotional Period (including Incentive Eligibility): Oct. 15-31

CAMPAIGN COMPONENT	TARGET COMPLETION DATE	COMMENTS
Complete Labor Organization/Retirement Plan Web Articles	August 15, 2014	Articles must be completed early to allow for various publishing deadlines
Board Approves Proposed Retiree Population Survey	August 19, 2014	n/a
Submit Mayoral/Council Proclamation for Signature	September 1, 2014	n/a
Obtain Signed Mayoral/Council Proclamation	September 22, 2014	Due by this date to allow adequate time for print publishing deadlines
Finalize Electronic Surveys: Retiree Self-Assessment/Participant Results Tools	October 1, 2014	n/a
Finalize 2014 Calculator Enhancements	October 1, 2014	Enhancements will be implemented only if time/funding permit
Special Mailing - Plan Participants	October 13, 2014	Will include Mayoral/Council Proclamation, Guide to Using Calculator
Retirement Plan/Labor Organization Communications	Various	Depending on publishing schedule
1st Citywide Email	October 15, 2014	Will include Mayoral/Council Proclamation, Guide to Using Calculator
2nd Reminder Citywide Email	October 20, 2014	n/a
Great-West Quarterly Newsletter	October 20, 2014	n/a
Calculator Webinar	October 21, 2014	n/a

3rd Reminder Citywide email	October 23, 2014	n/a
Incentive Eligibility Period Closes	October 31, 2014	n/a
Incentives Awarded/Announced on Plan Website	November 14, 2014	n/a