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BOARD REPORT 18-46

Date: October 16, 2018
To: Board of Deferred Compensation Administration (Board)
From: Staff
Subject: Plan Projects and Activities Report: September 2018

Recommendation:

That the Board receive and file staff monthly activity report for September 2018, including updates regarding Communications; Project Updates; Completed Projects/Meeting Calendar; Staffing; and Committee Assignments.

Discussion:

Following are activity updates for September 2018:

A. Communications

- National Retirement Security Week (NRSW) Campaign – The City’s NRSW engagement campaign will take place October 21 - 27, 2018. The goal of the campaign is to raise engagement with the Plan and awareness of significant Plan features and services. Announcement of the week and an interactive “Name That Year!” quiz (relating pop culture to dates of Plan significance) will be released early that week via email as well as on the Plan’s authenticated and unauthenticated websites and Facebook page. Retired participants for whom the Plan does not have email addresses will receive a postcard mailed to their home. Staff anticipates being able to present the engagement results of NRSW at the Board’s December 18, 2018 meeting.

B. Project Updates

- FDIC-Insured Request for Proposal – As previously reported, three responses were received to the Board’s Request for Proposal (RFP) for FDIC-Insured Savings Accounts (from Bank of the West, East West Bank, and Union Bank). Evaluation of the responses is largely complete and staff is in the process of scheduling performance examinations with the proposers as the last scored component of the evaluation process. The examinations are tentatively scheduled to take place October 29 – November 2, 2018. Mercer Investments Consulting will also participate in the examinations. Staff expects to submit a recommendation to the Board at its November 20, 2018 meeting. Contracts with the incumbent providers do not expire until September 30, 2019.

- Financial Auditing Services Request for Proposal (RFP) – At its May 15, 2018 meeting, the Board authorized the release of an RFP for Deferred Compensation Plan financial auditing services. The deadline for submitting proposals was October 4, 2018. Two firms submitted responses: Crowe LLP and Turner and Warren, Hwang & Conrad AC. The proposals are being reviewed by the Personnel Department’s Administrative Services Division to determine completeness of required documentation and compliance with the City’s administrative and general contracting requirements; once that review is complete staff will proceed with evaluating and scoring the responses. Staff expects to submit a recommendation to the Board at its December 18, 2018 meeting.
- Outside Tax Counsel Procurement – As previously reported to the Board, recruitment letters were sent out on September 5, 2018, to six law firms. Four responses were received by the response due date of September 26, 2018 (from Best Best & Krieger, Ice Miller, Kutak Rock, and Reed Smith). Interviews will take place October 17, 18 and 23. Staff members Steven Montagna and Matthew Vong and Board counsel Curt Kidder will participate in the interviews.
- Automatic Enrollment – As previously reported to the Board, pilot implementation of the Plan’s Automatic Enrollment Program (AEP) is underway, with participation in a Police Academy orientation on October 1, 2018, and additional presentations scheduled for October 29, November 26, and December 24. Staff is developing a schedule for outreach to the City’s employee organizations as follow-up to its recently issued communication to those entities regarding key metrics related to their populations. Staff’s objective in these meetings is to provide a supportive resource to labor organizations to help optimize outcomes for their members, including beginning a dialogue around interest in the AEP. Staff is targeting meetings with a handful of organizations over the next 60 days.
- Deemed IRA – As previously reported to the Board, staff is in the process of gathering information from other plan sponsors offering or considering offering Deemed IRAs and developing its report and analysis. Outside tax counsel review will be part of completing the research and review process.
- Plan Document Review – In accordance with the Board’s approval at its April 17, 2018 meeting, staff is working with Segal Consulting and conducting an internal review process as part of developing recommended revisions and updates to the City’s Plan Document. Once the revisions have been reviewed by the Board’s legal counsel, and as directed by the Board, draft revisions to the Plan Document will be referred to the Plan Governance & Administrative Issues Committee for further review and to develop recommendations for action by the Board. Outside tax counsel review will be part of completing the research and review process.
- Voya Financial (Voya) Site Visit – From October 1, 2018 through October 3, 2018, staff members Matthew Vong and Daniel Powell conducted a site visit to Voya’s headquarters

and call center. They observed Voya’s recordkeeping and processing operations and engaged in discussions with Voya’s work teams regarding how to enhance and optimize a range of customized workflow processes to better meet the needs of the City’s Plan and its participants. Staff found the meetings to be greatly informative and productive and demonstrated the breadth and depth of Voya’s operations support for the City.

- National Association of Government Defined Contribution Administrators (NAGDCA) Conference – On September 23 through 26, 2018, six Board members consisting of John R. Mumma, Thomas Moutes, Wendy Macy, Joshua Geller, Hovhannes Gendjian, and Neil Guglielmo, and three Plan staff consisting of Steven Montagna, Isaias Cantu, and Kevin Hirose, attended the NAGDCA Conference held in Philadelphia, Pennsylvania. This year’s NAGDCA Conference focused on topics including behavioral economics and communications; engagement and enrollment techniques; environmental, social and governance investment criteria; and best practices for defined contribution plans.

C. Completed Projects/Meeting Calendar

Attachment A provides a list of monthly completed projects, as well as a calendar of upcoming Board meetings and proposed topics.

D. Staffing

Following is a summary of staff positions supporting the Deferred Compensation Plan:

Position Authority	Incumbent Class	Function	Est. Percent Reimbursed by DCP	Staff Member
Personnel				
Chief Personnel Analyst	Chief Personnel Analyst	Executive Director	20%	Steven Montagna
Senior Personnel Analyst II	Senior Management Analyst II	Operations Manager	30%	Isaias Cantú
Senior Personnel Analyst I	Senior Personnel Analyst I	Administration/Policy	100%	Matthew Vong
Management Analyst	Personnel Analyst	Metrics/Communications	90%	Daniel Powell
Management Analyst	Personnel Analyst	Governance/Special Projects	90%	Kevin Hirose
Benefits Specialist	Sr. Administrative Clerk	Participant Services	90%	Claudia Guevara
Administrative Intern I	Administrative Intern I	Research	100%	Sandeep Kaur
City Attorney				
Assistant City Attorney	Assistant City Attorney	Board Counsel	25%	Curt Kidder
Legal Assistant	Legal Assistant	Participant Legal Services	40%	Vicky Williams

E. Committee Assignments

Following is the current committee roster as designated by the Board Chairperson:

Plan Governance & Administrative Issues Committee
John R. Mumma, Chair
Wendy Macy
Thomas Moutes
Joshua Geller

Investments Committee
Raymond Ciranna, Chair
Neil Guglielmo
Thomas Moutes
Hovhannes Gendjian

Submitted by: _____ / _____ / _____
Kevin Hirose Daniel Powell Matthew Vong

Approved by: _____
Steven Montagna

COMPLETED PROJECTS & UPCOMING MEETINGS CALENDAR

COMPLETED PROJECTS: SEPTEMBER 2018		
#	STATUS	PROJECT
1	Completed	Board Report: Fiscal Year (FY) 19-20 Training/Travel Program and Training Policy Revisions
2	Completed	Board Report: Participant Engagement Website, Video Content, and Social Media Update
3	Completed	Board Report: Plan Projects and Activities Report: August 2018

BDCA UPCOMING MEETINGS CALENDAR		
Meeting Date	Agenda Item	Presentation
November 20, 2018	Board Report: Plan Participation Goal & Metrics	Investment Manager Presentation - Galliard Capital
	Board Report: FDIC RFP Evaluation and Recommendations	Quarterly Investment & Economic Review (Third Quarter 2018)
	Board Report: Plan Projects & Activities Report	
December 18, 2018	Board Report: Quarterly Reimbursements, Third Quarter 2018	
	Board Report: Plan Projects & Activities Report	
January 15, 2019	Board Report: 2019 Plan Year Budget & Quarterly Reimbursements Q3 2018	Investment Manager Presentation - Loomis Sayles Bond
	Board Report: 2018 Meeting Attendance	
	Board Report: 2018 Training Completion	
	Board Report: Plan Projects & Activities Report	