



Board Report 19-11

Date: March 19, 2019

To: Board of Deferred Compensation Administration (Board)

From: Staff

Subject: Plan Projects and Activities Report: February 2019

Board Members

John R. Mumma
Chairperson

Thomas Moutes
Vice-Chairperson

Raymond Ciranna
First Provisional Chair

Robert Schoonover
Second Provisional Chair

Wendy G. Macy
Third Provisional Chair

Joshua Geller
Hovhannes Gendjian

Neil Guglielmo

Linda P. Le

Recommendation:

That the Board receive and file the monthly projects and activities report for February 2019, including updates regarding Communications; Activities; 2019 DCP Strategic Initiatives Update; Board Information Requests; Completed Projects/Meeting Calendar; Staffing; and Committee Assignments.

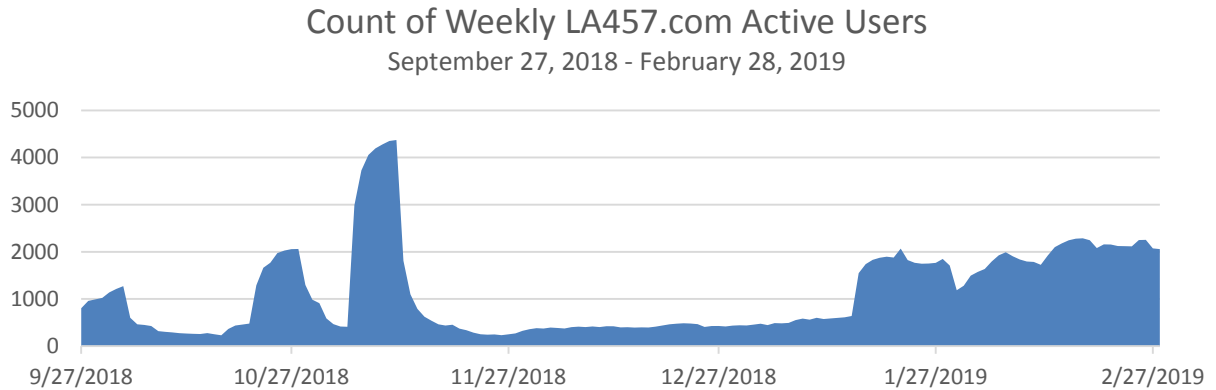
Discussion:

Following are project and activity updates for February 2019:

A. Communications

- **Be a Confident Investor Email** – On February 20, 2019, Voya released an email to all participants who have supplied Voya Financial (Voya) with their email addresses regarding investment choices available to DCP participants. The purpose of the email was to highlight the importance of and opportunities for participants to choose investments based on their personal risk tolerance level.
- **Retiree Survey** – On February 21, 2019, staff released a targeted survey to former participants that elected to take full distributions from their DCP accounts. The purpose of the survey was to gather data on topics such as their reasons for taking full distributions, their confidence level with respect to having sufficient income throughout their retirement, and suggestions for improving the services and resources offered by the DCP. To date, 11 responses have been provided. Staff will incorporate survey results into future quarterly statistic and activity reporting from Voya beginning with the quarter ending March 31, 2019.
- **LA457.com Update** – After market close on January 31, 2019, the DCP's new Resource Center was adopted as the landing page for LA457.com. The change has been a success with high engagement and a smooth rollout that resulted in no participant complaints. Traffic to the Resource Center since its rollout on September 27, 2018, is indicated in the following

chart, which shows the significant increase in traffic when it was announced and during National Retirement Security Week (NRSW). After NRSW, traffic decreased but picked up again in January when the LA457.com change was announced and subsequently implemented in February.



B. Activities

- Cybersecurity Workshop – As discussed with the Board at its February 19, 2019 meeting, Personnel DCP staff and City Attorney staff attended a pilot cybersecurity workshop presented by Segal Consulting (Segal) on January 17, 2019. Staff is conducting further research and preparing a full report to the Board at its April meeting.

C. 2019 DCP Strategic Initiatives Update

Attachment A provides a list on the status of 2019 DCP Strategic Initiatives as adopted by the Board at its January 15, 2019 meeting.

D. Completed Projects/Meeting Calendar

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

E. Staffing

Staff is continuing to work with the Personnel Department’s Personnel Services Section to fill its vacant position. In order to draw a wider range of candidates, staff expanded the process to include a concurrent Management/Personnel Analyst transfer opportunity and rescheduled interviews from February to March. Staff anticipates filling the vacant position during the second quarter of 2019. Following is a summary of staff positions supporting the DCP:


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	Vacant	Communications/Metrics	100%	Vacant
Management Analyst	Personnel Analyst	Payroll/Participant Engagement	90%	Daniel Powell
Management Analyst	Personnel Analyst	Budget/Operations	90%	Kevin Hirose
Benefits Specialist	Benefits Specialist	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

F. Committee Assignments

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

Plan Governance & Administrative Issues Committee	Investments Committee	Participant Engagement Committee
John R. Mumma, Chair	Raymond Ciranna, Chair	Wendy Macy, Chair
Joshua Geller	Neil Guglielmo	Joshua Geller
Wendy Macy	Hovhannes Gendjian	Hovhannes Gendjian
Thomas Moutes	Thomas Moutes	Neil Guglielmo

Submitted by:  
 Kevin Hirose Daniel Powell

Reviewed by: 
 Isaias Cantú

Approved by: 
 Steven Montagna

2019 DCP STRATEGIC INITIATIVES

1. **Implement Strategies to Achieve Goals for Core Participant Outcomes**

Staff and Voya continue their work to develop and implement engagement strategies to improve participant outcomes in 2019.

2. **Conduct Annual DCP Long-Term Revenue and Expenses Review**

This project was completed on February 19, 2019 and addressed in Board Report 19-07.

3. **Expand Automatic Enrollment Program (AEP) Participation**

Staff is continuing its effort to expand participation in the AEP by conducting outreach to employee labor organizations.

4. **Complete Investment Manager Searches**

An update on this project is addressed in Board Report 19-09.

5. **Conduct Financial Audit**

The draft Professional Services Agreement with Crowe LLP to conduct a financial audit of the DCP is being reviewed by Board Counsel. Staff anticipates contract execution during the second quarter of 2019, with scheduling of the audit to occur shortly thereafter.

6. **Conduct Plan Document Review**

Staff has completed first draft revisions to the Plan Document and submitted to Board Counsel for feedback and further direction once a contract is finalized with the outside tax counsel provider (Ice Miller). Once feedback is provided by Ice Miller, staff will convene the Plan Governance and Administrative Issues Committee.

7. **Conduct Deemed IRA Review**

Staff is finalizing its report and analysis, and, following review by Board Counsel and Ice Miller, is tentatively expecting to present its findings to the Board at its May 21, 2019 meeting.

8. **Conduct Investment Advisory and Financial Education Services Review**

Staff continues to conduct research into Investment Advisory services and is scheduled to meet with Voya in late March to review their resources for providing advisory

services. Other options for providing advisory services are also being considered and will be included in a report to the Plan Governance and Administrative Issues Committee which should take place during the second quarter of 2019.

9. Develop 2019 Strategic Communications Plan

The Participant Engagement Committee (PEC) is scheduled to meet on March 15, 2019, and their discussion will inform development of the 2019 strategic communications plan.

COMPLETED PROJECTS & 2019 MEETINGS CALENDAR

COMPLETED PROJECTS: February 2019		
#	STATUS	PROJECT
1	Completed	Board Report: FDIC-Insured Savings Account Crediting Methodologies and Provider Selections
2	Completed	Board Report: Gender and Age Review of DCP Participation, Contribution, and Risk Tolerance Patterns
3	Completed	Board Report: 2019 Resources Review and Annual Budget Adoption
4	Completed	Board Report: Projects and Activities Report: January 2019

BOARD 2019 MEETINGS CALENDAR		
Meeting Date	Agenda Item	Presentation
April 16, 2019	Board Report: DCP Annual Report 2018	
	Board Report: Participant Engagement Committee Recommendations	
	Board Report: Cybersecurity Initiatives	
	Board Report: DCP Projects & Activities Report: March 2019	
May 21, 2019	Board Report: DCP Financial Education and Investment Advice Services Recommendations	Quarterly Investment & Economic Review (1Q 2019)
	Board Report: Deemed IRA Review and Recommendations	Investment Manager Presentation - Loomis Sayles Core Plus Bond Fund
	Board Report: 2019 National Retirement Security Week Campaign	
	Board Report: DCP Projects & Activities Report: April 2019	
June 18, 2019	Board Report: Training-Travel FY 19/20	TPA Quarterly Review (1Q 2019)
	Board Report: Quarterly Reimbursements 1Q 2019	
	Board Report: Plan Document Recommendation	
	Board Report: DCP Projects & Activities Report: May 2019	