



CITY OF *Los Angeles*
DEFERRED COMPENSATION PLAN (DCP)

Board Report 19-29

Date: July 16, 2019

To: Board of Deferred Compensation Administration (Board)

From: Staff

Subject: Plan Projects and Activities Report: June 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 activities report for June 2019, including Communications and Administrative Updates; 2019 DCP Strategic Initiatives Update; Staffing; Committee Assignments; and Upcoming Board Meetings.

Discussion:

Following are project and activity updates for June 2019:

A. Communications and Administrative Updates

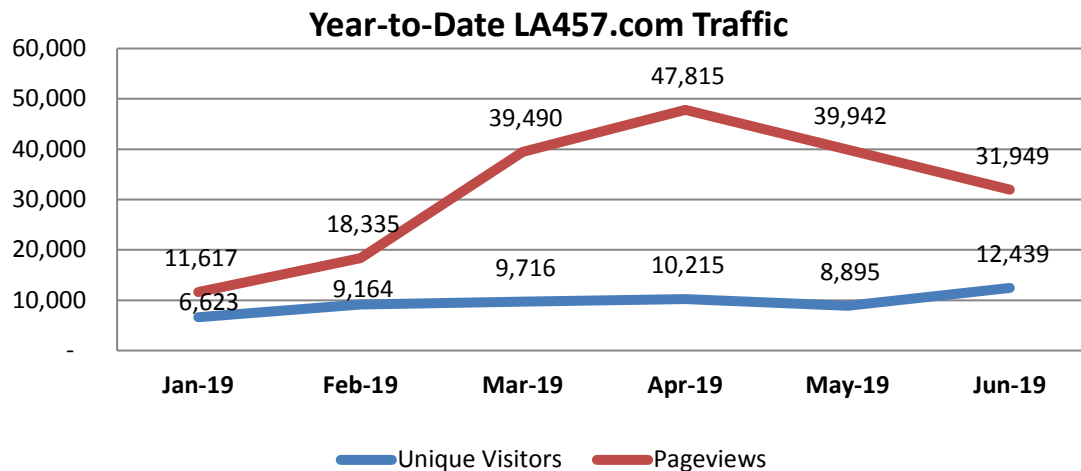
- **National Association of Government Defined Contribution Administrators (NAGDCA) Leadership Award** – Staff is pleased to report that the DCP’s 2019 National Retirement Security Week campaign entitled “Name That Year!” has been selected as a recipient of a 2019 NAGDCA Leadership Award. The award recognizes the DCP for outstanding achievement in the National Retirement Security Week category. The award will be presented at the 2019 NAGDCA annual conference, and all staff and Board members in attendance are invited to join in accepting the award.
- **NAGDCA Goals, Data, and Improving Participant Outcomes Webinar** – DCP staff member Daniel Powell presented a NAGDCA webinar on methods for using goals and data-driven processes to drive improved retirement outcomes for defined contribution plan participants. The live webinar was attended by 49 NAGDCA members from defined contribution plans across the country. The presentation and recording are posted to NAGDCA’s website and can be accessed via LA457.com/webinar.



- LA457.com Financial Wellness Blog Posts – In June, staff published four financial wellness blog posts on LA457.com: “Retirement Goals: Why Bother Saving?,” “Save More with Plan Contributions,” “How Long Will My Retirement Savings Last?,” and “Easy Ways to Save on Your Next Vacation.”

- Online Engagement Statistics – During the month of June, LA457.com saw 12,439 unique visitors and 31,949 page views. The table to the right provides a review of the top ten website topics accessed by participants during the month. The chart on page two tracks LA457.com unique visitors and page viewed year-to-date.

Top 10 LA457.com Pages in June	Views
1. Homepage	28,514
2. Contact Us	557
3. Join the Plan	231
4. Plan Highlights	218
5. Investment Options	202
6. Percent-of-Pay	166
7. Contribution Limits	156
8. Loans	153
9. Risk-Based Portfolios	117
10. Your Distribution Options	115



The DCP Facebook page continues to receive modest traffic. Staff posted the financial wellness blog entry of “Retirement Goals: Why Bother Saving?,” and the retirement counselor site visit calendar, both directly linked to LA457.com. Staff also created a Facebook event promoting the fact that DCP representatives would be onsite during the June 11, 2019 LIVEwell Wellness Festival. In total, the posts have reached 190 unique individuals. Staff will continue to promote the DCP Facebook page by expanding its communication materials, particularly around upcoming events or campaigns, such as the National Retirement Security Week campaign in September. Engagement statistics of the DCP Resource Center and Facebook page will be incorporated into the Plan Administrator Quarterly Review beginning with the quarter ending June 30, 2019.

- DCP Participant Engagement Videos – The DCP’s third-party administrator, Voya, developed an informational video regarding the DCP’s risk-based portfolio funds. Additionally, Thomas Moutes, Board Vice-Chairperson and staff filmed a short informational video tailored to the DCP retiree population regarding the benefits of staying in the DCP during retirement. Both videos will be screened for the Board during this meeting.

B. 2019 DCP Strategic Initiatives Update

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

C. Staffing

Effective June 23, 2019, Kevin Hirose accepted a promotional opportunity within another section of the Employee Benefits Division. Mr. Hirose will continue to provide support to the DCP pending staff vacancies being filled. Staff has extended two offers for the Management Analyst vacancies, and both have been accepted. The tentative start date for both analysts is August 5, 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	Vacant	Operations Manager	30%	Vacant
Senior Personnel Analyst I	Senior Personnel Analyst I	Administration/Participant Engagement	100%	Daniel Powell
Management Analyst	Appointment pending	Communications/Metrics	90%	Appointment pending
Management Analyst	Appointment pending	Budget/Operations	90%	Appointment pending
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

D. 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

E. Upcoming Board Meetings

Following is a review of upcoming Board meeting agenda items:

Meeting Date	Agenda Items
<i>August 20, 2019</i>	<ul style="list-style-type: none">• Presentation: Quarterly Investment & Economic Review (2Q 2019)• Presentation: Bank of the West (FDIC-Insured Savings Account)• Board Report: Quarterly Reimbursements, 2Q 2019• Board Report: DCP Projects & Activities Report: July 2019
<i>September 17, 2019</i>	<ul style="list-style-type: none">• TPA Quarterly Review as of June 30, 2019• Board Report: FY 2020-21 Training/Travel Budget• Board Report: DCP Goals & TPA Contract• Board Report: Investment Manager RFP• Board Report: DCP Projects & Activities Report: August 2019
<i>October 15, 2019</i>	<ul style="list-style-type: none">• Board Report: NAGDCA Conference Review• Board Report: DCP Projects & Activities Report: September 2019

Submitted by:

_____/_____
Kevin Hirose Daniel Powell

Approved by:

Steven Montagna

Attachment A

2019 DCP Strategic Initiatives

1. Implement Strategies to Achieve Goals for Core Participant Outcomes

See update in Board Report 19-28.

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

At its June 18, 2019 meeting, the Board approved staff's recommendation to convene a meeting with City labor organizations to gather feedback and gauge interest in the AEP. After the meeting, staff will provide an update to the Board.

4. Complete Investment Manager Searches

See update in Board Report 19-26.

5. Conduct Financial Audit

The draft Professional Services Agreement with Crowe LLP to conduct a financial audit of the DCP is currently being finalized by the City and Crowe. Staff anticipates contract execution during the third quarter of 2019, with scheduling of the audit to occur shortly thereafter.

6. Conduct Plan Document Review

The contract for outside tax counsel (Ice Miller) was executed in April 2019, with the contract term effective February 18, 2019, through February 17, 2022. Subsequently, Board Counsel discussed and forwarded to Ice Miller staff's first draft revision of the Plan Document for compliance review with federal tax law and to advise of any additional requirements. Ice Miller's feedback is pending.

7. Conduct Deemed IRA Review

At its June 18, 2019 meeting, the Board reviewed Board Report 19-21 which provided a review of the Deemed IRA options. Staff continues its work towards a Deemed IRA and will continue to work with Board Counsel and outside tax counsel to develop a detailed set of recommended Deemed IRA design feature for consideration by the Board.

8. Conduct Investment Advisory and Financial Education Services Review

Staff is finalizing its report and anticipates convening the Plan Governance & Administrative Issues Committee in August 2019 to discuss the DCP's options regarding financial education and investment advisory services.

9. Develop 2019 Strategic Communications Plan

The Participant Engagement Committee is next scheduled to meet on August 15, 2019. The meeting will be an informational and interactive workshop led by communications professionals from Segal Consulting. The workshop will detail best practices as they relate to retirement communications and how to implement key principals of behavioral economics.