



# Board Report 19-31

Date: August 20, 2019  
To: Board of Deferred Compensation Administration (Board)  
From: Staff  
Subject: DCP Projects and Activities Report: July 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 July 2019, including Communications and Administrative Updates; 2019 DCP Strategic Initiatives Update; Staffing; Committee Assignments; and Upcoming Board Meetings.

### Discussion:

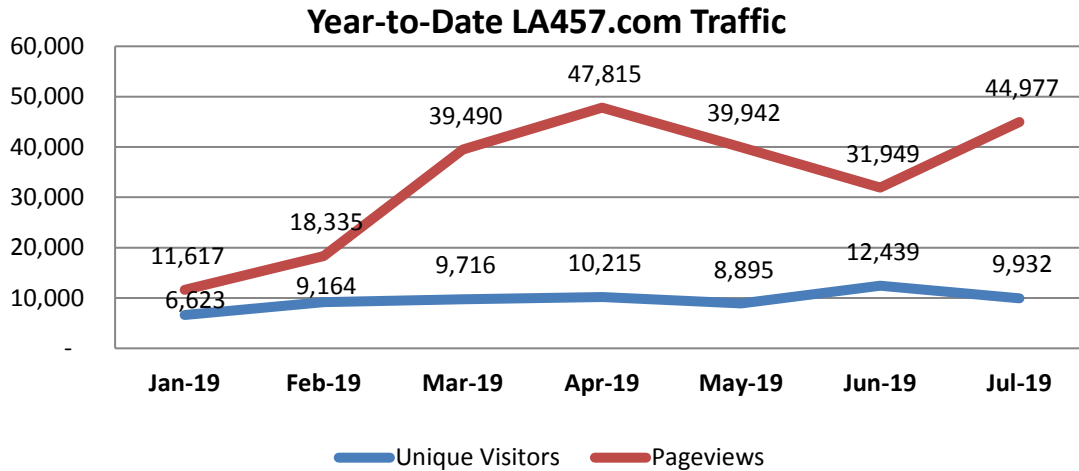
Following are project and activity updates for July 2019:

#### A. Communications and Administrative Updates

- Financial Wellness Event – On Saturday, August 3<sup>rd</sup>, the Deferred Compensation Plan partnered with LACERS to offer an all-day Financial Wellness Event for active and retired employees. The event covered relevant topics including the market and economy, budgeting, estate planning, and protecting oneself from identity theft and scams. The event went smoothly, and staff received positive feedback from attendees.
- LA457.com Financial Wellness Blog Posts – In June, staff published one financial wellness blog post titled “Growing Your Savings with Compound Interest” which explained how compound interest works and how it can help participants reach their retirement goals.
- Online Engagement Statistics – During the month of June, LA457.com saw 9,932 unique visitors and 44,977 pageviews. The table to the right provides a review of the top ten website topics accessed by participants during the month.

Top 10 LA457.com Pages in July	Views
A. Homepage	40,070
B. Save More with Plan Contributions	743
C. Contact Us	627
D. Join the Plan	294
E. Contribution Limits	241
F. Plan Highlights	225
G. Percent-of-Pay	223
H. Investment Options	211
I. Loans	196
J. Risk-Based Portfolios	129

The chart below tracks LA457.com unique visitors and pageviews year-to-date. After the homepage, the most popular item was a blog post encouraging employees to save part of their cost-of-living adjustment or step increase with the DCP. This post was promoted in the Personnel Department’s monthly newsletter, which helped it gain wide readership.



Staff posted to Facebook the financial wellness blog entry of “Grow Your Savings with Compound Interest,” which is hosted on LA457.com. 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. At the end of July, staff launched a new Instagram account for the DCP, which will also be used to post these materials. Engagement statistics related to the DCP Resource Center and social media accounts will be incorporated into the Plan Administrator Quarterly Review beginning with the quarter ending June 30, 2019.

- DCP Participant Engagement Videos – Staff presented two videos to the Board at its July meeting. The informational video regarding the DCP’s risk-based portfolio funds has been posted to LA457.com and will be promoted in future communications. The retiree video featuring retiree representative Tom Moutes is undergoing edits suggested by the Board and will be posted online and promoted in August.

**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**

Anna Ancheta and Mindy Lam have accepted promotional opportunities as Personnel Analysts with the DCP effective this month.

Position Authority	Incumbent Class	Function	Estimated Percent Reimbursed by DCP	Staff Member
<b>Personnel Department</b>				
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	Plan Administration	100%	Daniel Powell
Management Analyst	Personnel Analyst	Communications	90%	Anna Ancheta
Management Analyst	Personnel Analyst	Operations	90%	Mindy Lam
Benefits Specialist	Benefits Specialist	Participant Services	90%	Claudia Guevara
Administrative Intern II	Administrative Intern II	Research	100%	Sandy Kaur
<b>City Attorney's Office</b>				
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:

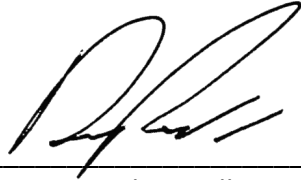
Plan Governance & Administrative Issues Committee	Investments Committee	Participant Engagement Committee
John R. Mumma, Chair	Raymond Ciranna, Chair	Wendy Macy, Chair
Joshua Geller	Neil Guglielmo	Joshua Geller
Wendy Macy	Hovhannes Gendjian	Hovhannes Gendjian
Thomas Moutes	Thomas Moutes	Neil Guglielmo

#### E. Upcoming Board Meetings

Following is a review of upcoming Board meeting agenda items:

Meeting Date	Agenda Items
September 17, 2019	<ul style="list-style-type: none"> <li>TPA Quarterly Review as of June 30, 2019</li> <li>Board Report: FY 2020-21 Training/Travel Budget</li> <li>Board Report: DCP Goals &amp; TPA Contract</li> <li>Board Report: DCP Projects &amp; Activities Report: August 2019</li> </ul>
October 15, 2019	<ul style="list-style-type: none"> <li>Board Report: NAGDCA Conference Review</li> <li>Board Report: DCP Projects &amp; Activities Report: September 2019</li> </ul>
December 10, 2019	<ul style="list-style-type: none"> <li>Quarterly Investment &amp; Economic Review (3Q 2019)</li> <li>Investment Manager Presentation - Galliard Capital</li> <li>Board Report: DCP Revenue and Expense Review</li> <li>Board Report: Quarterly Reimbursements, 3Q 2019</li> <li>Board Report: NRSW Campaign Results</li> <li>Board Report: DCP Projects &amp; Activities Report: October and November 2019</li> </ul>

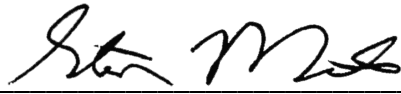
Submitted by:



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Daniel Powell

Approved by:



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Steven Montagna

## Attachment A

### 2019 DCP Strategic Initiatives

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

At its July 16, 2019 meeting, the Board reviewed the results of its fiscal year (FY) 2018-19 participant outcome goals and adopted new goals for FY 2019-20. In Board Report 19-28, the Board was provided with a review of ongoing strategies for meeting the adopted goals. Additionally, new strategies will be developed in concert with the Participant Engagement Committee, which most recently met on August 15, 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

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

At its July 16, 2019 meeting, the Board approved staff's recommendation to expand the combined institutional manager procure and mutual fund search process to include the Mid-Cap Value Equity, Mid-Cap Growth Equity, Small-Cap Value Equity, International Small-Cap Equity, and International Emerging Markets Equity mandates. Staff will present a draft of the revised request for proposal (RFP) to the Investments Committee before it is presented to the full Board for approval.

#### 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 fourth 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 a first draft revision of the Plan Document for compliance review with federal tax law and for advice of any additional requirements. Ice Miller has provided its feedback which is being reviewed by DCP and City Attorney staff.

**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 September 2019 to discuss the DCP's options regarding financial education and investment advisory services.

**9. Develop 2019 Strategic Communications Plan**

The Participant Engagement Committee met on August 15, 2019. The meeting was an informational and interactive workshop led by communications professionals from Segal Consulting. The workshop detailed best practices as they relate to retirement communications and how to implement key principals of behavioral economics. This training will be used to inform the DCP's ongoing communications plan.