



Board Report 19-39

Date: December 10, 2019

To: Board of Deferred Compensation Administration

From: Staff

Subject: DCP Projects and Activities Report: October through November 2019

Board of Deferred Compensation Administration

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
Lita Payne

Recommendation:

That the Board of Deferred Compensation Administration (Board) receive and file the monthly projects and activities report for October and November 2019.

Discussion:

Following are Deferred Compensation Plan (DCP) project and activity updates for October and November 2019:

A. Board Member Updates

- Board member Neil Guglielmo has taken a leave of absence from his position as General Manager of the Los Angeles City Employees' Retirement System (LACERS). Effective November 4, 2019, the LACERS Board of Administration voted to designate the LACERS Executive Officer, Lita Payne, as the General Manager until Mr. Guglielmo's return. As General Manager, Ms. Payne will also serve on the DCP's Board. Mr. Guglielmo is expected to return by May 2020.
- Effective November 2019, Board member Linda Le left her position as Department of Water & Power Retirement Plan Manager to pursue a new position with the department. As such, she will no longer serve on the DCP's Board. A replacement for Ms. Le has not yet been determined.

B. Communications Updates

- National Retirement Security Week (NRSW) Campaign – The City's NRSW engagement campaign took place from October 20th through November 8th, 2019. The goal of the campaign was to increase engagement with the DCP and raise awareness of DCP services. Communication about the campaign was issued via Citywide email, Voya-

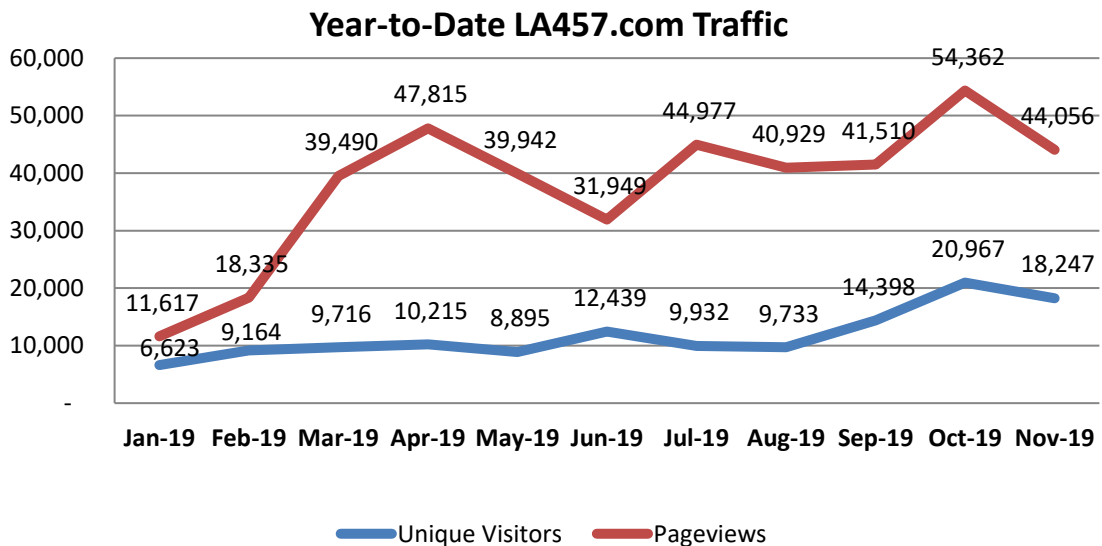
distributed emails, the quarterly newsletter, and mailers to all participants and eligible non-participating employees. Staff anticipates presenting the results of NRSW at the Board’s January 21, 2019, meeting.

- Online Engagement Statistics

- October 2019 – LA457.com saw 20,967 unique visitors and 54,362 pageviews. The table below provides a review of the top ten website topics accessed by participants during the month.
- November 2019 – LA457.com saw 18,247 unique visitors and 44,056 pageviews. The table below provides a review of the top ten website topics accessed by participants during the month.

Top 10 LA457.com Pages in October		Views	Top 10 LA457.com Pages in November		Views
1.	Homepage	43,702	Homepage		35,194
2.	NRSW Campaign Site	3,067	NRSW Campaign Site		1,744
3.	Pay increase blog post	820	Percent-of-Pay		807
4.	Contact Us	767	Contact Us		729
5.	Join the Plan	676	Pay increase blog post		699
6.	Percent-of-Pay	628	Join the Plan		578
7.	How to use your Plan site	452	Contributions		505
8.	Contributions	422	Contribution Limits		341
9.	Investment Options	340	Investment Options		306
10.	Loans	303	Loans		235

The chart below tracks LA457.com unique visitors and pages viewed year-to-date.



C. 2019 DCP Strategic Initiatives Update

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

D. Staffing

The table below provides a summary of staff positions supporting the DCP. Effective December 6, 2019, Sandy Kaur, Administrative Intern II, has left the program to pursue full-time employment outside of the City. Ms. Kaur provided invaluable support in surveying the DCP’s retirees and bolstering the DCP’s engagement efforts. Staff will begin the search process for a new administrative intern in the new year.

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	Plan Governance	30%	Jenny Yau
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 I	Vacant	Participant Research	100%	Vacant
City Attorney				
Assistant City Attorney	Assistant City Attorney	Board Counsel	25%	Curtis 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	Investments Committee	Participant Engagement Committee	Ad Hoc Committee on DCP Autonomy
John R. Mumma, Chair	Raymond Ciranna, Chair	Wendy Macy, Chair	John R. Mumma, Chair
Joshua Geller	Hovhannes Gendjian	Joshua Geller	Thomas Moutes
Wendy Macy	Thomas Moutes	Hovhannes Gendjian	Raymond Ciranna
Thomas Moutes	Lita Payne	Lita Payne	Joshua Geller

F. Upcoming Board Meetings

Following is a review of upcoming Board meeting agenda items:

Meeting Date	Proposed Agenda Items
<i>January 21, 2019</i>	<ul style="list-style-type: none"> • Board Report: 2020 DCP Strategic Initiatives • Board Report: Third-Party Administrator Contract Extension Options • Board Report: DCP Resource Review and 2020 Budget Adoption • Board Report: Financial Education & Investment Advisory Services Request for Information • Board Report: 2019 NRSW Campaign Update • Board Report: 2020 Board Elections • Board Report: Election of Officers • Board Report: 2019 Board and Committee Meeting Attendance Review • Board Report: 2019 Board Member and Staff Training Report • Board Report: DCP Plan Projects & Activities Report: December 2019
<i>February 18, 2020</i>	<ul style="list-style-type: none"> • Quarterly Investment & Economic Review (4Q 2019) • Investment Manager Presentation • Board Report: DCP Projects & Activities Report: January 2020
<i>March 17, 2020</i>	<ul style="list-style-type: none"> • Board Report: Quarterly Reimbursements (4Q 2019) • Board Report: DCP Plan Projects & Activities Report: February 2020

G. Upcoming Committee Meetings

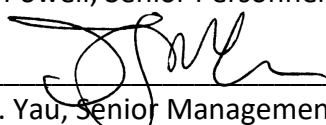
Committee	Meeting Date	Agenda
Investments Committee	December 2019	<ul style="list-style-type: none"> • Review Investment Manager RFP • Review Stable Value Fund RFP
Ad Hoc Committee on DCP Autonomy	January 2020	<ul style="list-style-type: none"> • Discussion of trustee designation, roles, and responsibilities

Submitted by:




 Daniel Powell, Senior Personnel Analyst I

Reviewed by:



 Jenny M. Yau, Senior Management Analyst II

Approved by:



 Steven Montagna, Chief Personnel Analyst

Attachment A

2019 DCP Strategic Initiatives

1. Implement Strategies to Achieve Goals for Core Participant Outcomes

This project has been completed. See final fiscal year 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. Once the meeting takes place, staff will provide an update to the Board. Staff is consulting the CAO for guidance on communicating with the City's labor partners on this matter.

4. Complete Investment Manager Searches

Staff and Mercer have completed the significantly revised Investment Manager Request for Proposal (RFP). The new draft of the RFP meaningfully reduces the number of questions asked of bidders (in instances where the information is already provided within Mercer's database) and expands the institutional product search to span all mandates. The revised Investment Manager and Stable Value Fund RFPs are being reviewed by the City Attorney's Office and staff anticipates bringing both RFPs to the Investments Committee in December 2019.

5. Conduct Financial Audit

The draft Professional Services Agreement with Crowe LLP is near completion with an expected execution date in the first quarter of 2020. Commencement of audit services is expected to begin immediately afterward.

6. Conduct Plan Document Review

The Plan Document has been reviewed both by Segal Consulting, the DCP's consultant for administrative concerns, and Ice Miller, outside tax counsel for the DCP. DCP and City Attorney staff have been regularly meeting to review comments from both firms and to conduct a comprehensive review of the entire document. Through the review sessions, DCP and City Attorney staff are ensuring that all language in the Plan Document is consistent with the Administrative Code, applicable state law (especially relating to the state probate code), and best practices related to DCP administration. Staff is also seeking to clarify the roles and responsibilities of Board members and

Personnel staff in administration of the DCP. Review sessions occurred in August, September, October, and November and will continue through the first quarter of 2020.

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 the City Attorney and outside tax counsel to develop a detailed set of Deemed IRA design features for consideration by the Board. Staff expects to provide the Board with recommendations in the first quarter of 2020.

8. Conduct Investment Advisory and Financial Education Services Review

Staff's report detailing its findings was presented to the Plan Governance & Administrative Issues Committee at its November 26, 2019, Board meeting. Staff and the Committee's recommendations are detailed in Board Report 19-36 which are being presented at the DCP's December 10th meeting.

9. Develop 2019 Strategic Communications Plan

The Participant Engagement Committee met on October 31, 2019, to participate in a communications workshop facilitated by Segal. The workshop detailed best practices as they relate to retirement communications and how to implement key principles of behavioral finance. It is anticipated that a 2020 strategic communications plan incorporating these strategies will be presented to the Committee in the first quarter of 2020.