

# DEFERRED COMPENSATION PLAN BOARD REPORT 10-07

Date: March 5, 2010  
To: Board of Deferred Compensation Administration  
From: Staff  
Subject: Staff Report: Pending Projects & Information Items

Members  
*Eugene K. Canzano, Chairperson*  
*Richard Kraus, Vice-Chairperson*  
*Sally Choi, First Provisional Chair*  
*Cliff Cannon, Second Provisional Chair*  
*Maggie Whelan, Third Provisional Chair*  
*Sangeeta Bhatia*  
*John R. Mumma*  
*Michael Perez*

## Recommendation:

That the Board of Deferred Compensation Administration receive and file the following information.

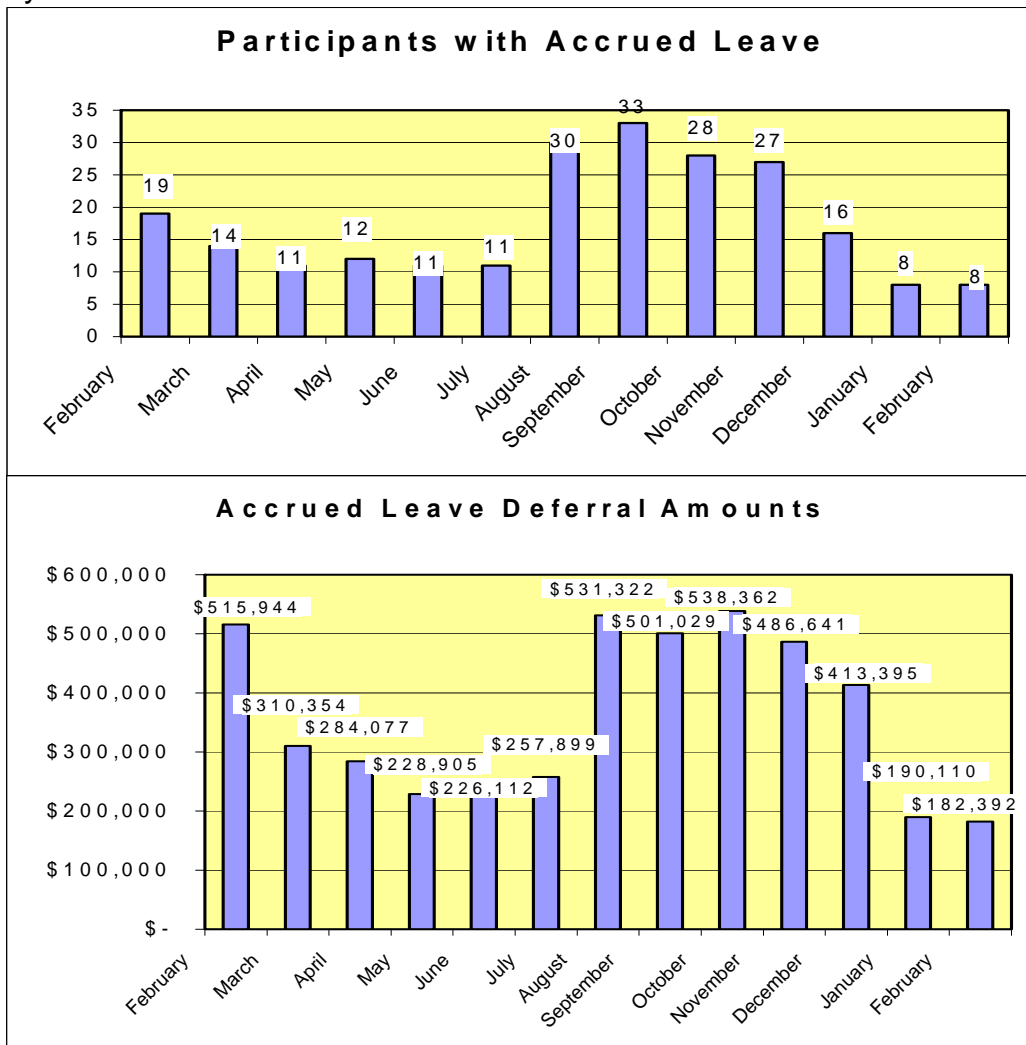
## Pending Projects & Information Items:

- **Staffing** –Management Analyst II Natasha Gameraoz has returned to the Personnel Department and assignment with the Deferred Compensation Plan. Clerk Typist Claudia Guevara will continue in her role supporting the Plan.
- **Investments Committee** – A report regarding the work of the Investments Committee will be presented at the Board's April 20, 2010 meeting.
- **Plan Governance Committee** – The Plan Governance Committee met on December 1, 2009 and began its work on proposed Board bylaws. Staff will be contacting Committee members to schedule the next meeting before the end of April.
- **2009 Annual Report** – Staff is developing the 2009 Annual Report for approval at the Board's April 20, 2010 meeting.
- **Cal-Net Meeting** – The first meeting of Cal-Net (an affiliation of large State of California Section 457 plan sponsors), previously scheduled for March 23-24, has been postponed due to a family member illness of one of the group's participants. A new meeting date has not yet been scheduled.
- **Domestic Partner Benefits** – As a result of information gained at this year's NAGDCA Conference, City Attorney staff are reviewing the Plan's obligations as they relate to domestic partner benefits. Certain conflicts between State and Federal law must be resolved as they relate to account separations due to divorce and beneficiary designations. Staff is reaching out to other California entities as part of its research.
- **Beneficiary Form Focus Group and Report-Back to Board** – The revised beneficiary form recently considered by the Board has been revised based on domestic partner benefit information noted above and is now being reviewed by Great-West compliance staff. The focus group will follow that review, with the results subsequently reported back to the Board.
- **Fiduciary Liability Insurance** – Board member Richard Kraus has requested that staff provide information to the Board regarding fiduciary liability insurance. Board member Sally Choi has forwarded information from LACERS concerning this issue

as it is being explored by the LACERS Board. This information is presently under review.

- **Proxy Share Voting** – A report on this item is pending.
- **Pre-Audit Testing Phase II** – The next phase of pre-audit testing is pending.
- **Beneficiary Notifications** – This item is pending.
- **Deemed IRA Implementation** – This item is pending.
- **Refined Count of Non-Contributing Participants** – This item is pending.
- **Automatic Enrollment** – This item is pending and may be developed further within the California Large-Plans Working Group.
- **Distribution Guide Revisions** – Staff will be working with Great-West to revise/update the Plan distribution guide.
- **Abbreviated Enrollment Brochure** - Staff will be working with Great-West to revise/update the abbreviated enrollment brochure.
- **Retirement Plan Summit** – This item is pending.

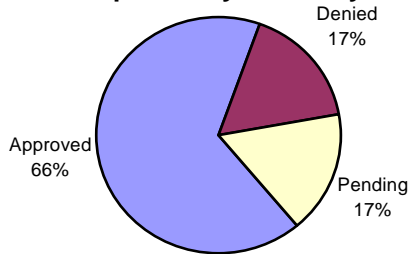
**Accrued Leave Activity** – Staff has compiled the following results of Accrued Leave enrollment for the months of February 2010. During the month of February, eight participants elected to enroll in Accrued Leave and \$182,392 was contributed into the Plan from their Accrued Leave payouts. Following are accrued leave activity results from February 2010:



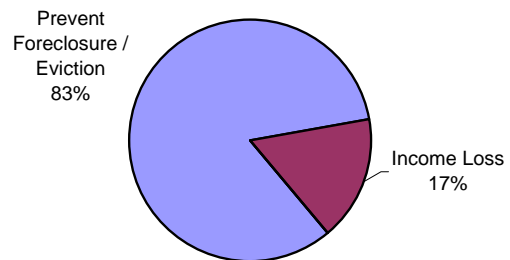
**Hardship Activity** – Staff has compiled the following results of hardship processing with Great-West for the month of February 2010. During the month of February, eighteen hardship cases were submitted to Great-West. Twelve cases were approved, three denied, and three were pending further documentation.

Following are hardship activity results for the month of February:

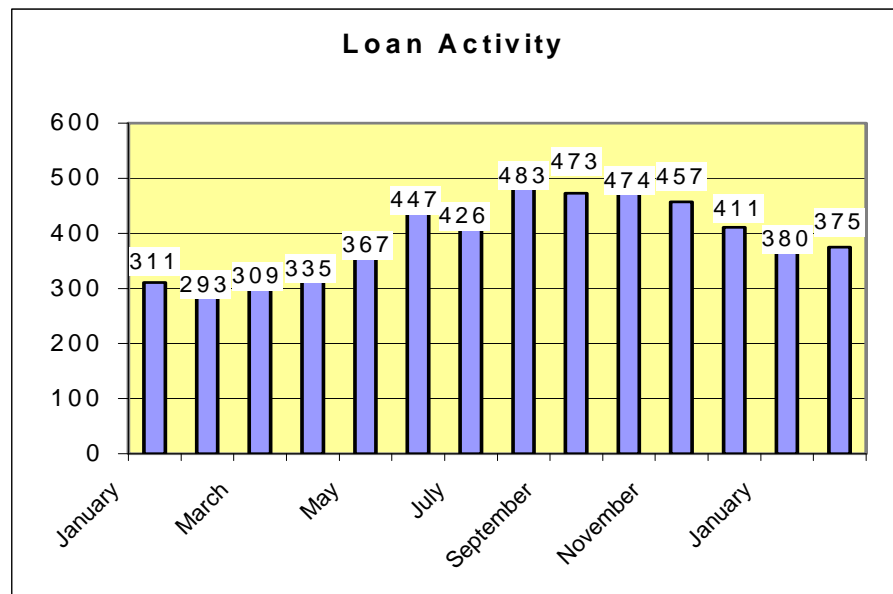
**Hardship Activity February '10**



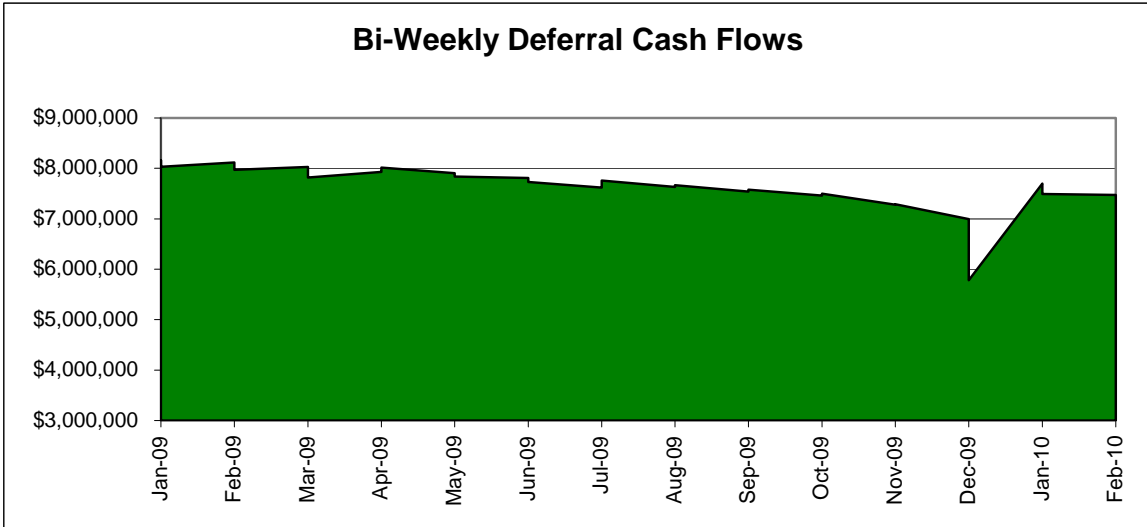
**Distribution Reasons**



**Loan Activity** – Staff has compiled the following results of new loans acquired for the month of February 2010. During the month of February, 375 participants elected to obtain a new loan and \$4,609,613 was withdrawn from the Plan from their loan payouts.



**Deferral Tracking** - Staff has compiled the following results of bi-weekly deferral cash flows for the month of February 2010 for the City of Los Angeles and Department of Water and Power. During the month of February, the City and Department of Water and Power deferred \$14,920,286 into the Deferred Compensation Plan.



Submitted by: \_\_\_\_\_  
 Natasha Gameroz

\_\_\_\_\_  
 Steven Montagna

Approved by: \_\_\_\_\_  
 Alejandrina Basquez