

DEFERRED COMPENSATION PLAN BOARD REPORT 11-09

Date: January 11, 2011
To: Board of Deferred Compensation Administration
From: Staff
Subject: Staff Report: Completed & Pending Projects & Activity Report

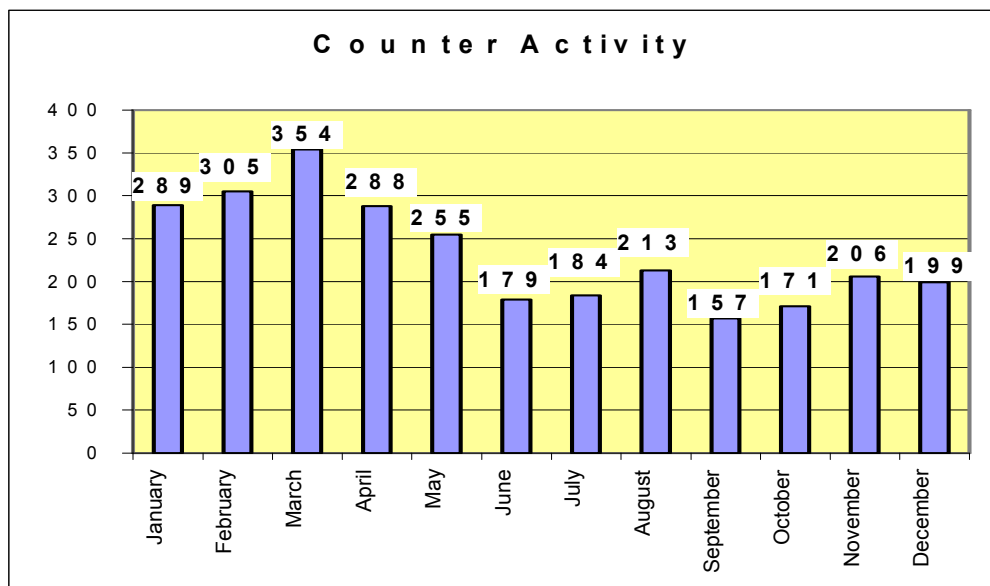
Members
Eugene K. Canzano, Chairperson
Richard Kraus, Vice-Chairperson
Sangeeta Bhatia
Cliff Cannon
Tom Moutes
John R. Mumma
Michael Perez
Robert Schoonover
Maggie Whelan

Recommendation:

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

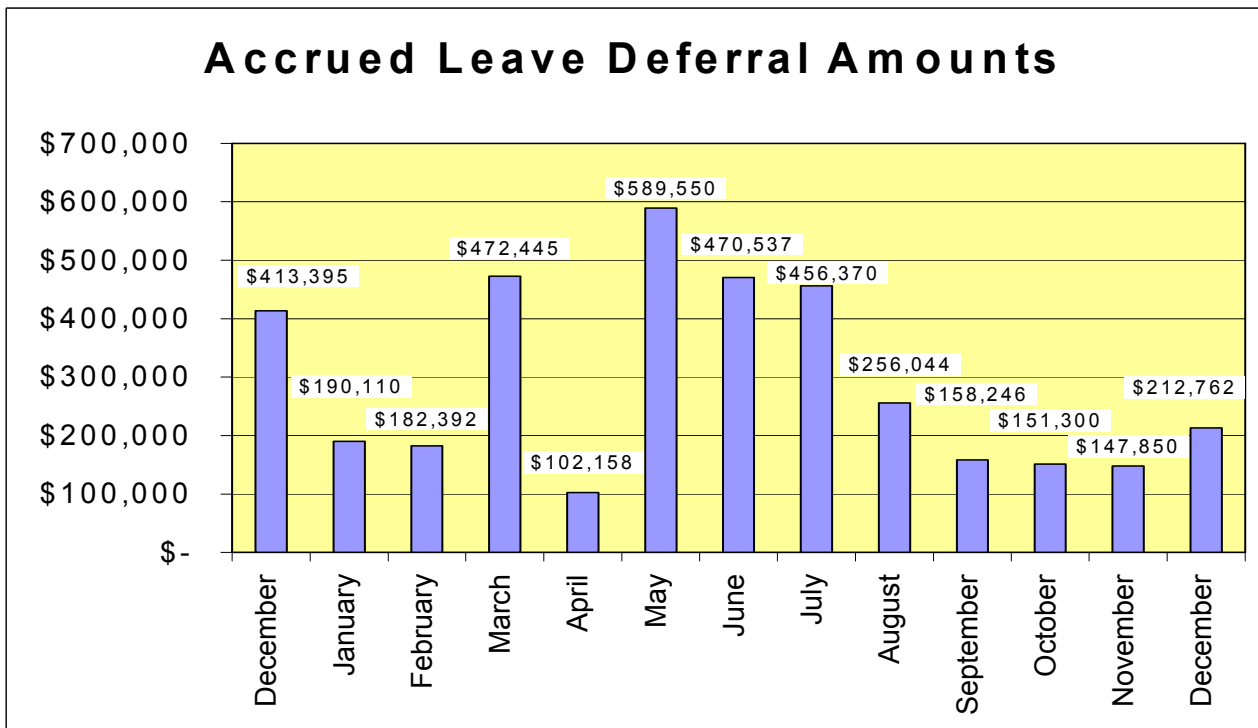
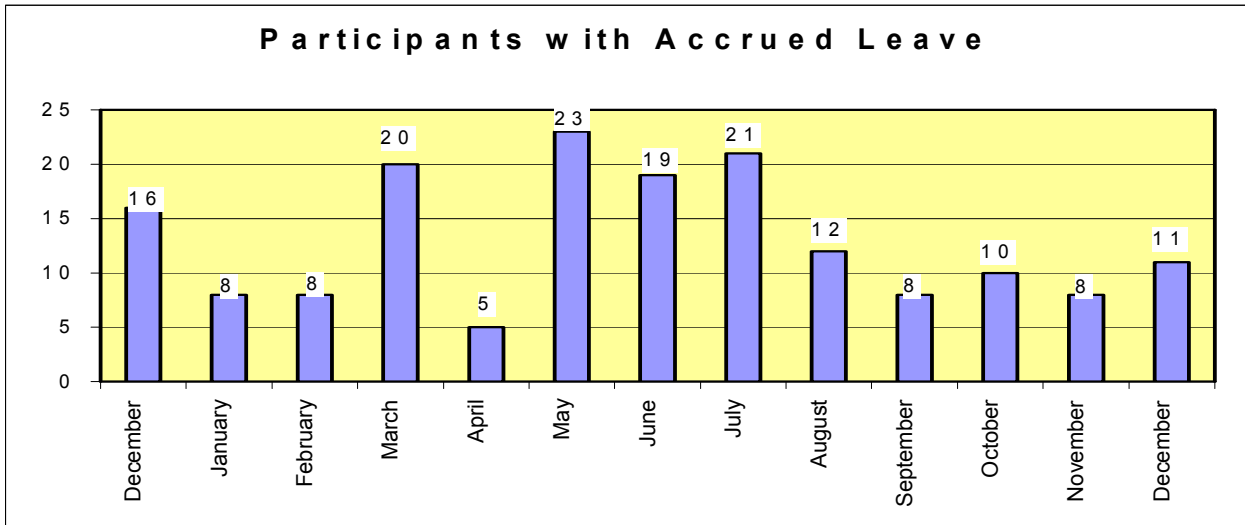
Activity Reports:

Counter Activity Employee Benefits Division – Staff has compiled the following results of Counter Activity flow for the month of December 2010. During the month of December, 199 participants visited the Employee Benefits Division to discuss their Deferred Compensation accounts with the Great-West representatives and/or staff. Following are counter activity results from January 2010 to December 2010:



Accrued Leave Activity – Staff has compiled the following results of Accrued Leave enrollment for the month of December 2010. During the month of December, eleven

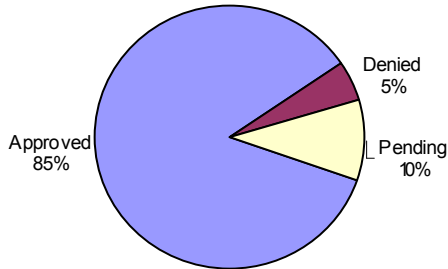
participants elected to enroll in Accrued Leave and \$212,762 was contributed into the Plan from their Accrued Leave payouts. Following are accrued leave activity results from December 2009 to December 2010:



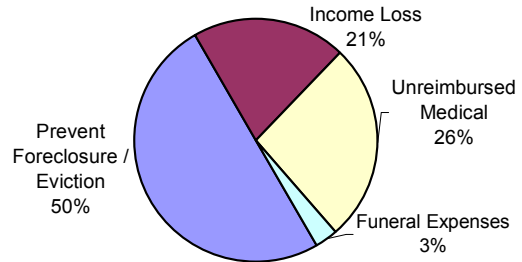
Hardship Activity – Staff has compiled the following results of hardship processing with Great-West for the month of December 2010. During the month of December, forty

hardship cases were submitted to Great-West. Thirty-four cases were approved, two denied, and four were pending further documentation.

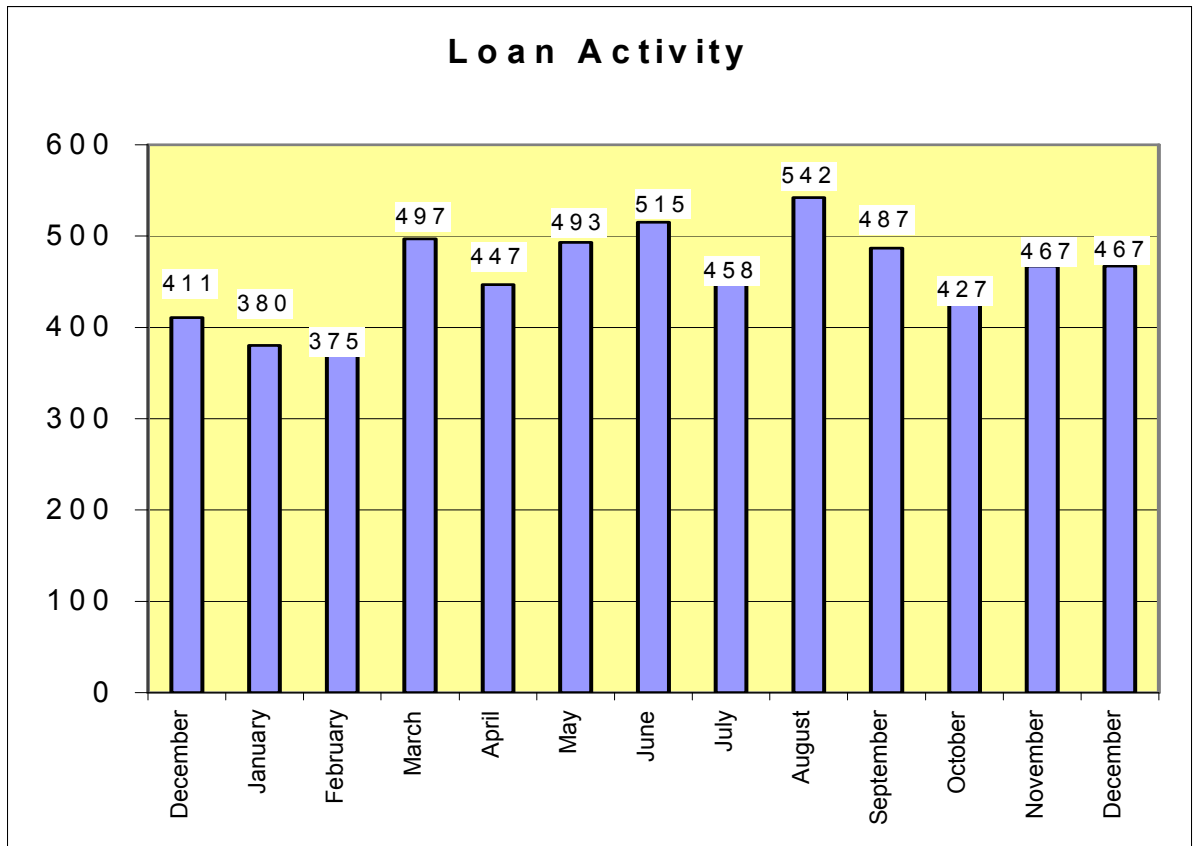
Hardship Activity December'10



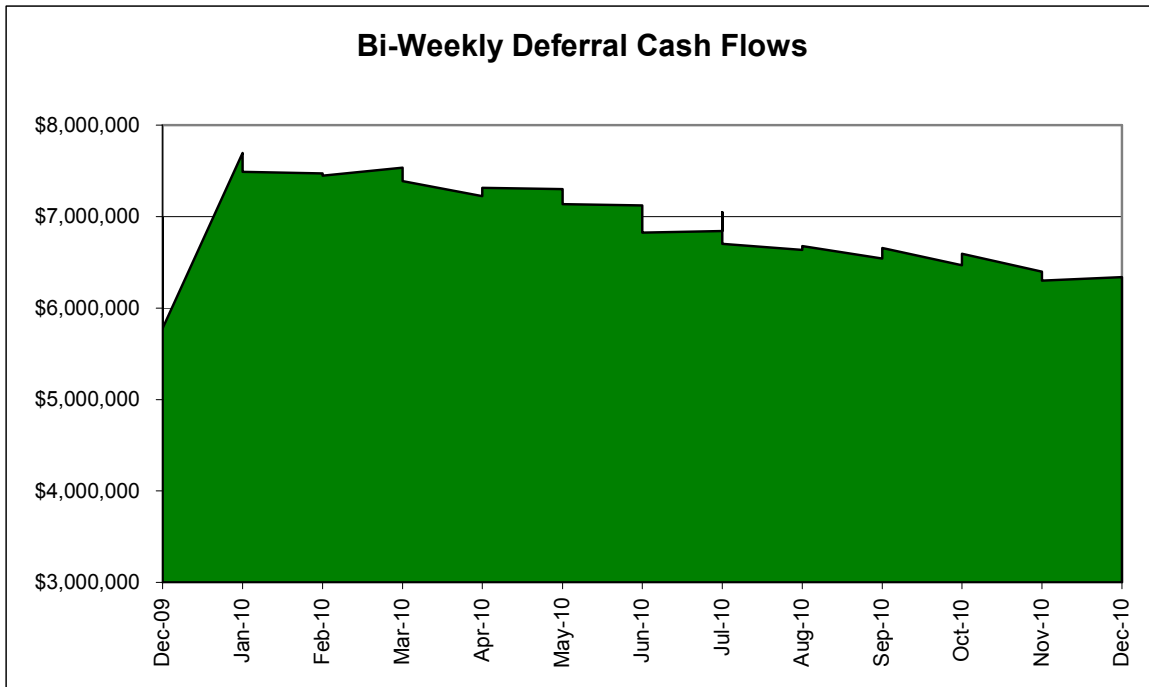
Distribution Reasons



Loan Activity – Staff has compiled the following results of new loans acquired for the month of December 2010. During the month of December, 467 participants elected to obtain a new loan and \$5,132,964 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 December 2010 for the City of Los Angeles and Department of Water and Power. During the month of December, the City and Department of Water and Power deferred \$11,493,516 into the Deferred Compensation Plan. This compares to **\$12,771,704** in December 2009, or a reduction of **10.1%** year-over-year.



PROJECT UPDATE

(reflects project activity for period 12/01/10 through 12/31/10)

COMPLETED PROJECTS: DECEMBER 2010					
#	STATUS	PROJECT	DUE DATE	COMPLETED	NOTES
1	Completed	Board Report - Roth 457 Implementation December Update	12/31/10	12/08/10	N/A
2	Completed	Board Report - Staff Report December	12/31/10	12/08/10	N/A
3	Completed	Board and Consultant Reports - DCP Trust Consultant Review	12/31/10	12/27/10	N/A
4	Completed	Board Report - Investment Menu Implementation	12/31/10	12/30/10	N/A
5	Completed	Minutes Investment Committee Meeting	12/31/10	12/28/10	N/A
6	Completed	Minutes Plan Governance Committee Meeting	12/31/10	12/28/10	N/A
PENDING PROJECTS					
#	STATUS	PROJECT	DUE DATE	COMPLETED	NOTES
1	PENDING	Minutes - 12/21/10 Board Meeting	01/06/11		Pending
2	PENDING	Board Report - Staff Report January	01/06/11		Pending

3	PENDING	Board Report - Quarterly Budget Review 9/30/10	01/06/11	Pending
4	PENDING	Draft Council Report - DCP Contract Extension	01/06/11	Pending City Attorney Review of Ad Code provisions relating to contract extensions
5	PENDING	Board Report - Roth 457 Implementation January Update	01/06/11	State has approved moving forward; target is May 1 implementation
6	PENDING	Board Report - TPA Contract Update	01/06/11	Pending
7	PENDING	Board Report- Elections for 2011	01/06/11	Pending
8	PENDING	Board Report - Board Member Attendance Review	01/06/11	Pending
9	PENDING	Board Report - Resolution for Board Meeting Dates	01/06/11	Pending
10	PENDING	Plan Governance Committee Meeting 4 - Bylaws	01/13/11	Scheduled for 1/13 at 12:30
11	PENDING	Cal-Net Meeting San Francisco	01/20/11	Travel approved
12	PENDING	Board Report - Small Account Balances	01/31/11	Pending
13	PENDING	Roth 457 Implementation - Core Communication Document	01/31/11	Pending
14	PENDING	Fiduciary Liability Insurance	01/31/11	Pending
15	PENDING	Pension Savings Plan Quarterly Report & Update	01/31/11	Pending
16	PENDING	Board Report - Travel/Education Issues (On-site Review)	01/31/11	Pending City Attorney Review
17	PENDING	Board Report - Beneficiary Notifications and Focus Group Results	01/31/11	Focus group held 5/10-5/14; revisions to draft form pending; staff report being drafted
18	PENDING	Domestic Partners Research and Discussion with City Attorney and California Peers	01/31/11	Pending
19	PENDING	Review and report back on City of New York financial advice program	02/28/11	Pending
20	PENDING	Review and report back on PIMCO hedge fund strategy	02/28/11	Pending
21	PENDING	Review and report back on Plan statistics broken down by constituency	02/28/11	Pending
22	PENDING	Communications Plan: List of alternative DC publications and outlets (LACERS, Pensions, Union pubs, etc.)	02/28/11	Pending
23	PENDING	Plan Account Records	02/28/11	Researching obligations to retain historical records in light of issues w/Nationwide and Great Western Bank records
24	PENDING	Cal-Net Marketing Brochure on Retaining Assets	02/28/11	Materials obtained; first conference call on 7/13/10; draft flyer prepared, awaiting other versions/concepts
25	PENDING	Deferred Compensation Plan Annual Report	03/31/11	Pending
26	PENDING	Pension Savings Plan Annual Report	03/31/11	Pending
25	PENDING	Roth 457 Implementation: Revise Enrollment Form	03/31/11	Pending

26	PENDING	Roth 457 Implementation: Revise Enrollment Guide	03/31/11	Pending
27	PENDING	Roth 457 Implementation: Revise Distribution Guide	03/31/11	Pending
28	PENDING	Roth 457 Implementation - Payroll Deduction	03/31/11	Pending
29	PENDING	Board Report - Auto Glide-Path for Asset Allocation Funds	03/31/11	Pending
30	PENDING	Beneficiary Addresses	03/31/11	Beneficiary addresses can be captured on system - waiting to implement until we have new form issues resolved
31	PENDING	Board Report - Proxy Share Voting	03/31/11	Pending
32	PENDING	Investment Advice Review and Proposal	04/30/11	Pending
33	PENDING	Notification of Participants - Catch-Up Eligibility	04/30/11	Pending
34	PENDING	Pre-Audit Testing - Phase II	04/30/11	Pending
35	PENDING	Revise Mini-Enrollment Brochure	04/30/11	Pending
36	PENDING	Revise Pension Savings Plan Highlights	04/30/11	Pending
37	PENDING	Plan Document Revisions - Amend Plan Document to reflect 2009 RMD waiver - and make other necessary changes	05/31/11	Provided documentation to Natasha on 11/24/10; advised to consult w/City Atty on more substantive update of Plan Document
38	PENDING	Retirement Plan Summit	05/31/11	Pending
39	PENDING	Automatic Enrollment	05/31/11	Pending
40	PENDING	Revisit Plan Audit	05/31/11	Pending
41	PENDING	PSP Account Consolidation	05/31/11	Pending
42	PENDING	Statistical Project: Refined Count of Non-Contributing Participants	05/31/11	Pending
43	PENDING	Deemed IRA Implementation	05/31/11	Pending
44	PENDING	Retiree Loans	05/31/11	Pending

Staffing Summary – Following is a summary of staff positions supporting the Deferred Compensation Plan:

Position Authority	Incumbent Class	Percent Dedicated to DCP	Staff Member
Personnel			
Chief Personnel Analyst	Chief Personnel Analyst	25%	Alejandrina Basquez
Senior Personnel Analyst II	Senior Personnel Analyst II	80%	Steven Montagna
Management Analyst II	Management Analyst II	100%	Natasha Gameroz
Management Analyst II	Management Assistant	100%	Ashley Stracke
Benefits Specialist (prior incumbent left under ERIP)	Clerk Typist	100%	Claudia Guevara
City Attorney			
Assistant City Attorney	Assistant City Attorney	25%	Curt Kidder
Legal Assistant	Legal Assistant	40%	Vicky Williams

Submitted by:

Natasha Gameraoz

Steven Montagna

Approved by:

Alejandrina Basquez