

# Deferred Compensation Plan BOARD REPORT 15-52

Date: October 7, 2015  
To: Board of Deferred Compensation Administration  
From: Staff  
Subject: Plan Participation Goals and Metrics

*Board of Deferred  
Compensation Administration  
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## **Recommendation:**

That the Board of Deferred Compensation receive and file staff's presentation regarding Plan participation goals and metrics.

## **Discussion:**

The Personnel Department has established a process whereby each of its Divisions reports on a regular basis to Department management regarding key goals and metrics for its primary functions. Included within Employee Benefits Division reporting are statistics, objectives and metrics for Plan participation.

Simultaneously, as the Board is aware, staff has been developing benchmarking data analysis for the City's Deferred Compensation Plan. In connection with both of these efforts, at the Board's April 21, 2015 meeting, staff proposed (and the Board adopted) establishing a goal to achieve a 3% annual increase in participation. The Board further approved a targeted enrollment initiative for Department of Transportation Crossing Guards and Traffic Officers. Staff has subsequently reported on the status of developing the communications campaign for that that initiative. The campaign concluded at the end of September and final results will be available at the Board's November meeting.

In the interim, staff has prepared a presentation for the Board regarding participation metrics, including the results for FY 14/15 as well as targets for and progress relative to FY 15/16. As previously discussed with the Board, the core mission of the City's Deferred Compensation Plan is assisting employees with achieving retirement income security. Retirement income security is defined as 100% or greater replacement of lifestyle income upon retirement from a full (e.g. 30-year) career with the City. Lifestyle income is defined as an employee's nominal salary less primary reductions for retirement savings.

Achieving a 100% lifestyle income replacement objective depends upon a combination of an individual's defined benefit and defined contribution income streams. Absent any alternative income stream, meeting this objective thus requires participation in the City's Deferred Compensation Plan.

A renewed staff focus on increasing participation has yielded new initiatives and innovations. Auto enrollment, as it grows within the City, will assist in improving the Plan's overall participation rate, presently at 69%. But substantial improvements in the participation rate will, to a much greater degree in the immediate future, require ongoing efforts to increase the number of voluntary enrollments. In staff's presentation, staff will review the various lenses through

which the Plan may view participation, and the new initiatives it is embarking upon in concert with the Plan's Third-Party-Administrator.

Submitted by: \_\_\_\_\_  
Alexandra Castillo

Approved by: \_\_\_\_\_  
Steven Montagna



*City of Los Angeles*  
*Deferred Compensation Plan*

# PLAN PARTICIPATION GOALS & METRICS

October 20, 2015



## Deferred Compensation Plan Participation Metrics “Lenses”

### ACTIVE EMPLOYEES ONLY

**A. Participation Rate**  
(as % of Eligible Active Employees)

**B. Gross New Enrollees**  
(Active Employees)

**C. Participation Levels by Department**  
(Active Employees)

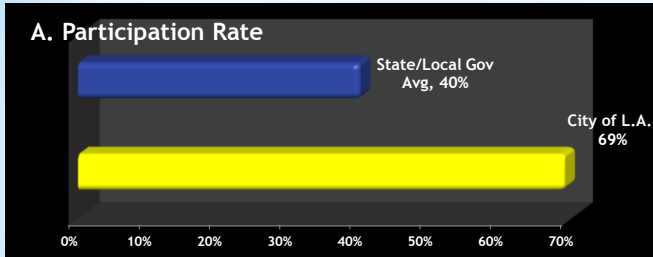
### ALL PARTICIPANTS

**D. Total # of Participants**  
(Active & Retired)

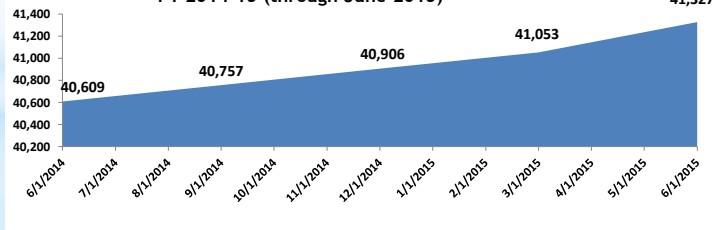
**E. Net Growth in Overall Participation**

## Deferred Compensation Plan: Participation Status/Trends

### A. Participation Rate



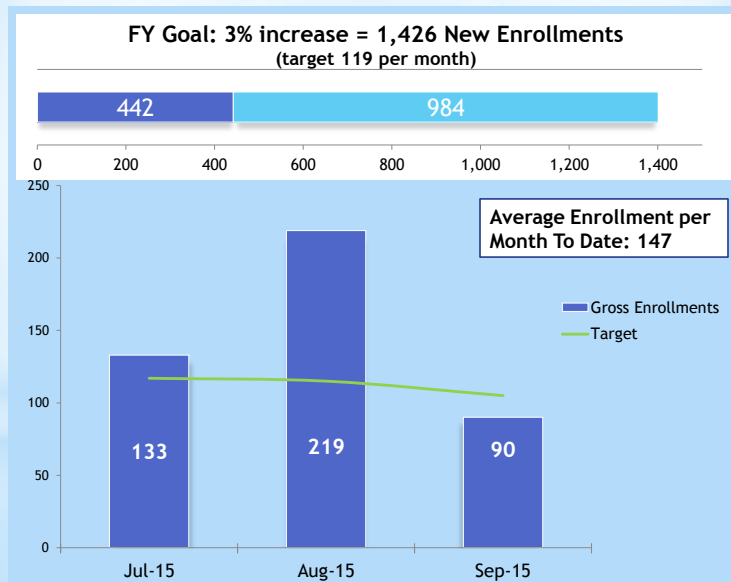
D&E: Net Growth by Quarter, Overall Participation  
FY 2014-15 (through June 2015)



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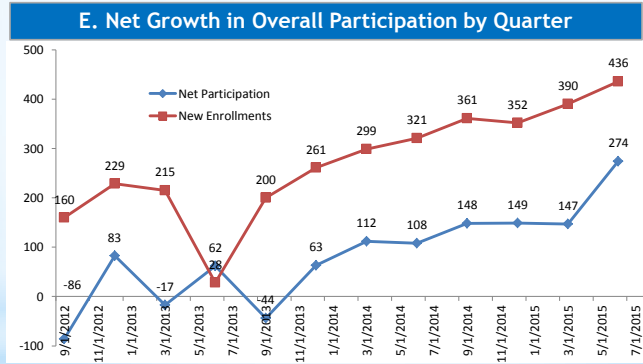
## Deferred Compensation Plan:

### B. Gross Enrollments, FY 2015-16 (through Sep. 18, 2015)





## All Participants Metrics (Active & Retired)



## FY 14-15 Gross Enrollments: Final Results



Department Name	Current Eligible 1/15	DCP Participants 1/15	Participation % as of 1/15	Target New Enrollments FY 2014-15	FY 2014-15 YTD Enrollments	Balance Above/Below Target
MAYOR	157	39	25%	5	10	5
RECREATION & PARKS	3,085	790	26%	93	85	-8
COUNCIL	363	113	31%	11	21	10
EL PBLO LA HIST MNT AUT	16	6	38%	0	0	0
LIBRARY	1,073	410	38%	32	31	-1
DEPT ON DISABILITY	17	8	47%	1	2	1
GENERAL SERVICES	1,393	669	48%	42	30	-12
LOS ANGELES ZOO	219	106	48%	7	5	-2
EMPLOYEE RELATIONS	2	1	50%	0	0	0
ANIMAL SERVICES	315	158	50%	9	6	-3
CULTURAL AFFAIRS	47	24	64%	1	3	2
TRANSPORTATION	1,590	884	56%	48	86	38
AIRPORTS	3,367	1,885	56%	101	78	-23
ECONOMIC & WORKFORCE DEVELOPMENT	149	87	58%	4	4	0
PUBLIC WORKS	4,583	2,684	59%	137	165	28
CITY ETHICS	22	13	59%	1	1	0
BUILDING & SAFETY	802	476	59%	24	34	10
NEIGHBORHOOD EMPOWER.	23	14	61%	1	2	1
FIRE CIVILIAN	293	185	63%	9	4	-5
DWP	9,865	6,463	66%	296	300	4
HOUSING & COMMUNITY INVESTMENT	581	383	66%	17	19	2
PLANNING	254	169	67%	8	17	9
CITY ATTORNEY	880	611	69%	26	49	23

Department Name	Current Eligible 1/15	DCP Participants 1/15	Participation % as of 1/15	Target New Enrollments FY 2014-15	FY 2014-15 YTD Enrollments	Balance Above/Below Target
HARBOR	928	647	70%	28	25	-3
POLICE CIVILIAN	2,812	1,987	71%	84	104	20
FINANCE	319	231	72%	10	8	-2
EMERGENCY MGMT. DEPT	22	16	73%	1	0	-1
PENSIONS	112	82	73%	3	5	2
ITA	452	345	76%	14	13	-1
AGING	35	27	77%	1	1	0
CITY CLERK	102	79	77%	3	3	0
PERSONNEL	482	376	78%	14	14	0
CAO	114	90	79%	3	1	-2
CONTROLLER	160	130	81%	5	7	2
LACERS	133	109	82%	4	9	5
POLICE OFFICERS	9,854	8,628	88%	296	313	17
FIRE - FIREFIGHTERS	3,167	2,940	93%	95	47	-48
<b>TOTALS--&gt;</b>	<b>47,788</b>	<b>31,865</b>	<b>67%</b>	<b>1,434</b>	<b>1,502</b>	<b>68</b>



# FY 15-16 Gross Enrollments: Year-to-Date Results



## C. Deferred Compensation Plan: FY 15-16 Enrollment by Department

Department Name	Current Eligible 7/15	DCP Participants 7/15	Participation % as of 7/15	FY 2015-16		
				Target New Enrollments	YTD Enrollments	Balance Above/Below Target
FIRE - FIREFIGHTERS	3,080	2,885	94%	93	45	-48
POLICE OFFICERS	9,626	8,558	89%	289	76	-213
LACERS	128	110	86%	4	1	-3
AGING	33	27	82%	1	0	-1
CONTROLLER	147	115	78%	5	1	-4
CAO	108	84	78%	4	0	-4
ITA	434	333	77%	14	0	-14
PERSONNEL	478	353	74%	15	5	-10
FINANCE	309	226	73%	10	1	-9
PENSIONS	110	80	73%	4	0	-4
HARBOR	877	629	72%	27	10	-17
POLICE CIVILIAN	2,732	1,946	71%	82	8	-74
DWP	9,205	6,519	71%	302	96	-206
CITY ATTORNEY	890	609	68%	27	5	-22
EMERGENCY MGMT. DEPT	24	16	67%	1	0	-1
EMPLOYEE RELATIONS	3	2	67%	1	0	-1
FIRE CIVILIAN	291	192	66%	9	6	-3
HOUSING & COMMUNITY INVESTMENT	562	368	65%	17	3	-14
NEIGHBORHOOD EMPOWER.	20	13	65%	1	1	0

### C. Deferred Compensation Plan: FY 15-16 Enrollment by Department

Department Name	Current Eligible 7/15	DCP Participants 7/15	Participation % as of 7/15	FY 2015-16		
				Target New Enrollments	YTD Enrollments	Balance Above/Below Target
CONVENTION & TOURISM	11	7	64%	1	0	-1
TRANSPORTATION	1,457	891	61%	44	40	-4
PLANNING	267	163	61%	9	4	-5
CITY ETHICS	23	14	61%	1	0	-1
PUBLIC WORKS	4,508	2,634	58%	136	41	-95
ECONOMIC & WORKFORCE DEVELOPMENT	138	80	58%	5	0	-5
BUILDING & SAFETY	806	462	57%	25	2	-23
AIRPORTS	3,297	1,855	56%	99	42	-57
CULTURAL AFFAIRS	43	24	56%	2	1	-1
CITY CLERK	137	74	54%	5	2	-3
DEPT ON DISABILITY	15	8	53%	1	0	-1
LOS ANGELES ZOO	211	107	51%	7	0	-7
ANIMAL SERVICES	303	152	50%	10	5	-5
GENERAL SERVICES	1,349	642	48%	41	9	-32
EL PBLO LA HIST MNT AUT	15	6	40%	1	0	-1
LIBRARY	1,046	366	35%	32	10	-22
COUNCIL	363	102	28%	11	5	-6
RECREATION & PARKS	2,816	756	27%	85	18	-67
MAYOR	164	37	23%	5	5	0
<b>As of Sep 18, 2015 - TOTALS</b>	<b>46,026</b>	<b>31,887</b>	<b>69%</b>	<b>1,426</b>	<b>442</b>	<b>-984</b>

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### Deferred Compensation Plan: Engagement & Enrollment Initiatives

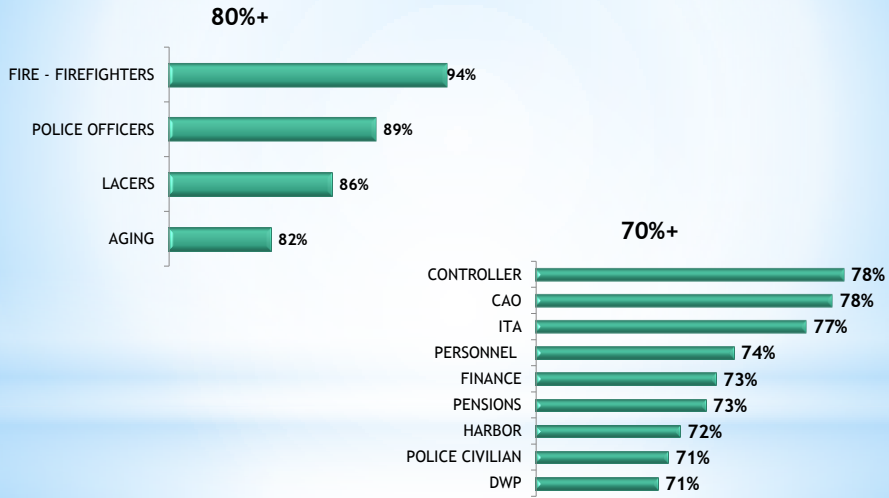
- 1) New Employee Enrollment/Marketing
- 2) National Retirement Security Week
  - o "Take a Trip Through Time"
    - Mayor's Proclamation
    - October 19-31, 2015
    - Interactive Portals
- 3) Next Targeted Enrollment Campaign(s)
- 4) Plan Administration Survey to Retired and Active Plan Participants
- 5) LACERS DPD Presentation: October 8<sup>th</sup>
- 6) Employee Benefits Division Newsletter



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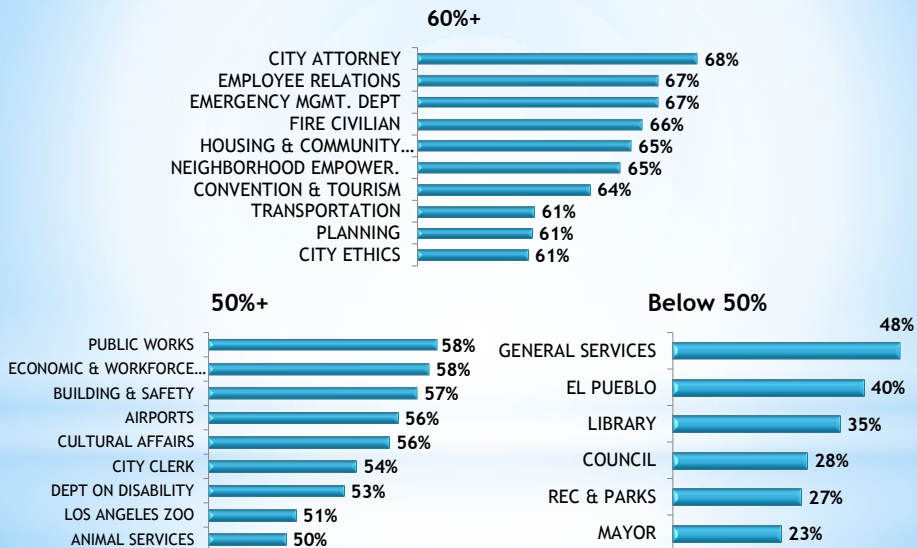


## Deferred Compensation Plan: Participation Rates by Department



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## Deferred Compensation Plan: Participation Rates by Department



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