

DEFERRED COMPENSATION PLAN BOARD REPORT 11-50

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

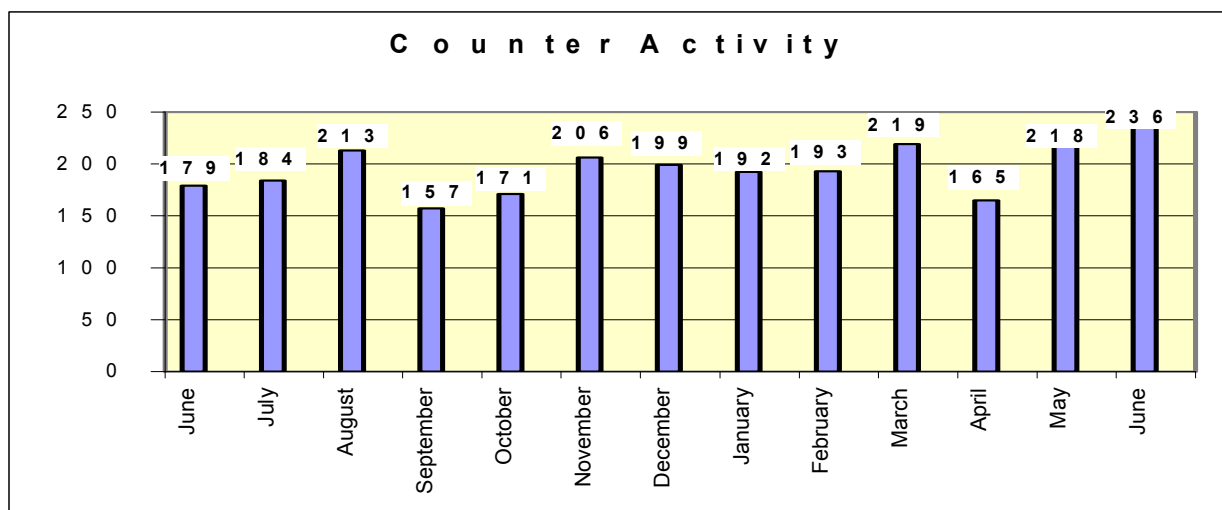
Members
 Eugene K. Canzano, Chairperson
 John R. Mumma, First Provisional Chair
 Cliff Cannon, Second Provisional Chair
 Tom Moutes, Third Provisional Chair
 Michael Amerian
 Sangeeta Bhatia
 Michael Perez
 Robert Schoonover
 Maggie Whelan

Recommendation:

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

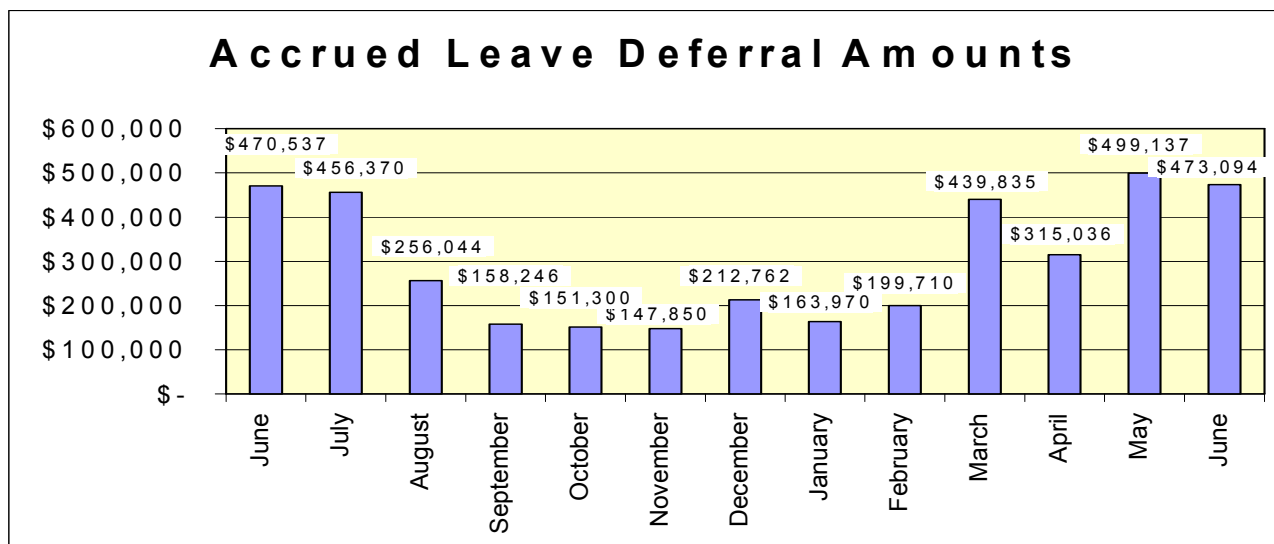
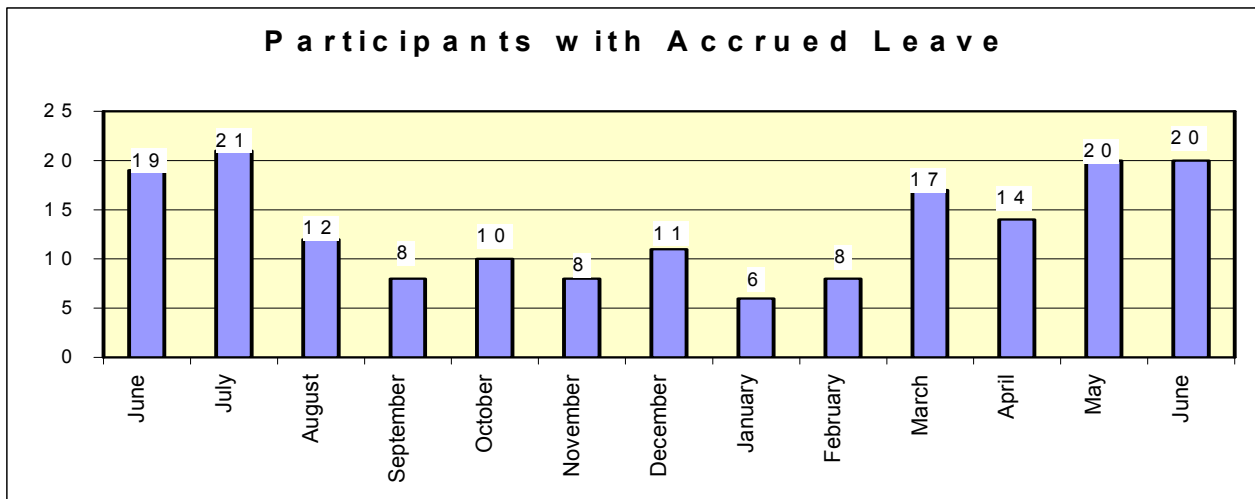
Activity Reports:

Counter Activity Employee Benefits Division – Staff has compiled the following results of Counter Activity flow for the month of June 2011. During the month of June, 236 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 June 2010 to June 2011:



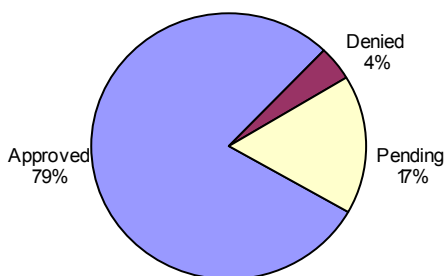
Accrued Leave Activity – Staff has compiled the following results of Accrued Leave enrollment for the month of June 2011. During the month of June, twenty participants elected to enroll in Accrued Leave and \$473,094 was contributed into the Plan from their Accrued Leave payouts.

Following are accrued leave activity results from June 2010 to June 2011:

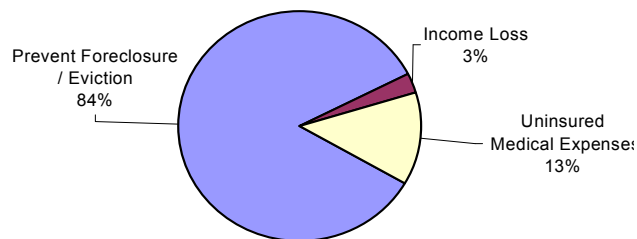


Hardship Activity – Staff has compiled the following results of hardship processing with Great-West for the month of June 2011. During the month of June, forty-eight hardship cases were submitted to Great-West. Thirty-eight cases were approved, two denied, and eight were pending further documentation.

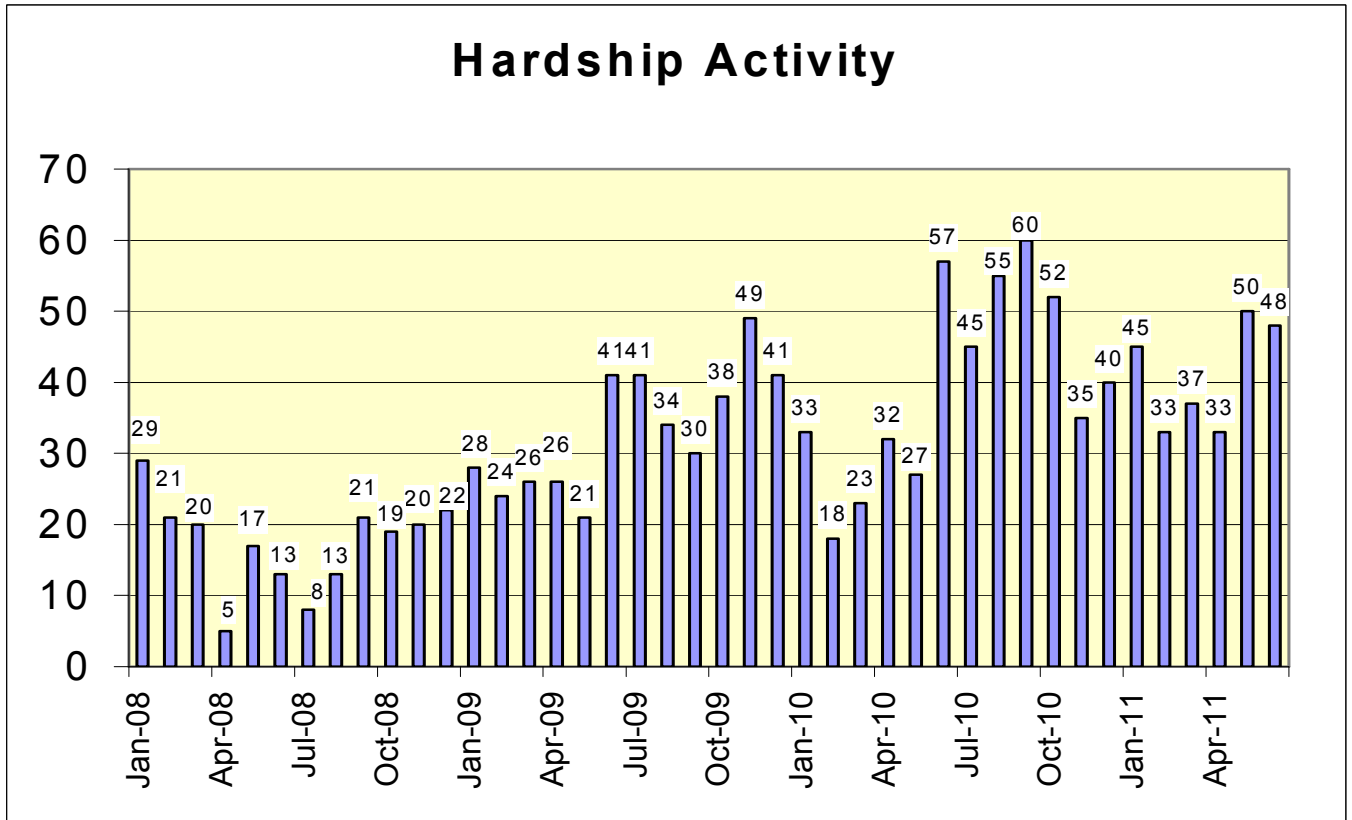
Hardship Activity June '11



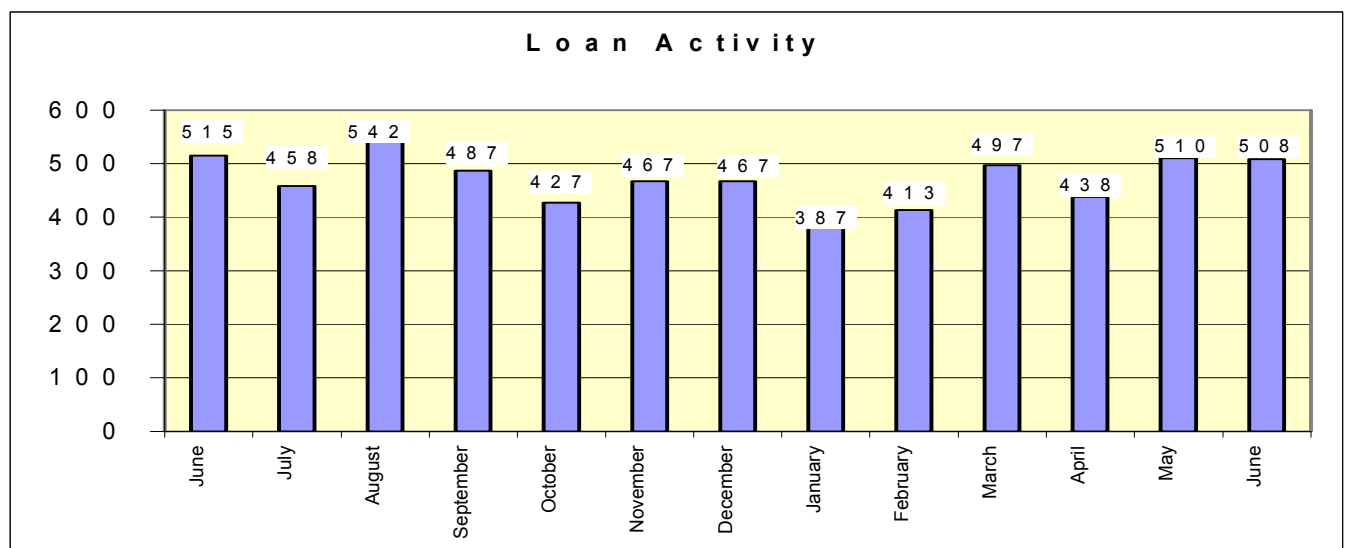
Distribution Reasons



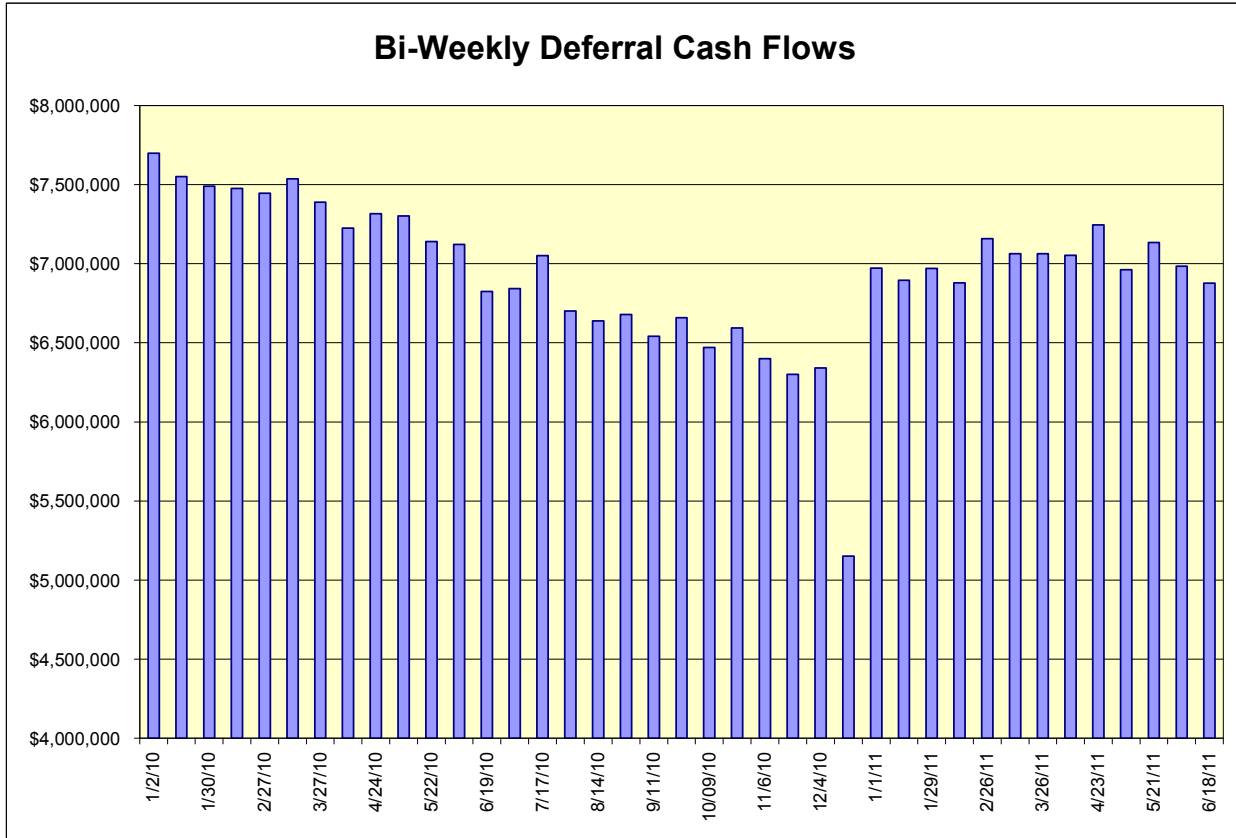
Staff has compiled long-term hardship activity results since the reassignment of hardship processing to Great-West in 2008. Following are hardship activity results from January 2008 to June 2011:



Loan Activity – Staff has compiled the following results of new loans acquired for the month of June 2011. During the month of June, 508 participants elected to obtain a new loan and \$5,309,731 was withdrawn from the Plan for their loan payouts.



Deferral Tracking - Staff has compiled the following results of bi-weekly deferral cash flows for the month of June 2011 for the City of Los Angeles and Department of Water and Power. During the month of June, the City and Department of Water and Power deferred **\$13,861,564** into the Deferred Compensation Plan. This compares to **\$13,947,485** in June 2010, or a reduction of **0.62%** year-over-year.



PROJECT UPDATE
(reflects project activity for period 06/01/11 through 06/30/11)

COMPLETED PROJECTS: JUNE 2011					
#	STATUS	PROJECT	DUE DATE	COMPLETED	NOTES
1	Completed	Minutes - 5/17/11 BDCA Meeting	06/01/11	06/10/11	N/A
2	Completed	Board Report - DC Peer Network Update & Request for Payment of Facilitator	06/01/11	06/10/11	N/A
3	Completed	Board Report - Strategic Plan	06/01/11	06/10/11	N/A
4	Completed	Board Report - Board Meetings	06/01/11	06/10/11	N/A
5	Completed	Board Report - Budget Review 12/31/10	06/01/11	06/10/11	N/A
6	Completed	Board Report - NAGDCA Conference	06/01/11	06/10/11	N/A
7	Completed	Board Report - June Roth Update	06/01/11	06/10/11	N/A
8	Completed	Board Report - June Elections Update	06/01/11	06/10/11	N/A
9	Completed	Board Report - June Staff Report	06/01/11	06/10/11	N/A
10	Completed	Board Report -Changes to Board meeting structure	06/01/11	06/10/11	N/A
11	Completed	PowerPoint Presentation - Roth Introduction	07/01/11	06/13/11	N/A
12	Completed	Roth Newsletter Article for Assorted City publications	07/01/11	6/23/2011	N/A
13	Completed	Advertisements for DCP/Roth in City/Employee Publications	07/01/11	6/23/2011	N/A
14	Completed	Memo from Personnel GM to All City Depts re Roth	07/01/11	6/23/2011	N/A
15	Completed	Roth 457 Implementation: Revise Enrollment Form	07/01/11	06/30/11	N/A
16	Completed	Roth 457 Implementation: Revise Enrollment Guide	07/01/11	06/30/11	N/A
17	Completed	Roth 457 Implementation: Revise Distribution Guide	07/01/11	06/30/11	N/A
18	Completed	Roth 457 Implementation - Payroll Deduction	07/01/11	06/30/11	N/A
PENDING PROJECTS					
#	STATUS	PROJECT	DUE DATE	COMPLETED	NOTES
1	PENDING	Board Report - Bylaws Revisions 3	07/01/11		Pending for 7/19/11 Meeting
2	PENDING	Board Report - Focus Group/Strategic Planning Volunteer Pools	07/01/11		Pending for 7/19/11 Meeting
3	PENDING	Board Report - July Roth Update	07/01/11		Pending for 7/19/11 Meeting
4	PENDING	Board Report - Vice-Chairperson Election	07/01/11		Pending for 7/19/11 Meeting

4	PENDING	Board Report - July Staff Report	07/01/11	Pending for 7/19/11 Meeting
5	PENDING	Minutes - 6/21/11 BDCA Meeting	07/01/11	Pending
6	PENDING	Issue RFP for Consulting Services	07/15/11	Pending Final ASD & City Attorney review
7	PENDING	Board Plenary Authority/ Fiduciary Liability Insurance	08/01/11	Reviewing w/City Attorney
8	PENDING	Board Report - FDIC Option Asset Apportionment	08/01/11	Pending
9	PENDING	Investment Menu Planning	08/01/11	Pending
10	PENDING	Investments Committee Meeting: Investment Policy Statement - Termination	08/01/11	Pending
11	PENDING	Board Report - History of funds on monitor/watch	08/01/11	Pending
12	PENDING	Board Report - review of consistency of access to separating City employees	08/01/11	Pending
13	PENDING	Great-West Contract Amendment - Wells Fargo	08/01/11	Reviewing w/City Attorney
14	PENDING	RFP-Fund Custodian	08/01/11	Mercer drafting RFP Questions
15	PENDING	Investments Committee Minutes - 4-18-11 Meeting	08/01/11	Pending
16	PENDING	Create Catch-Up Flyer Incorporating Roth	08/01/11	Pending
17	PENDING	Board Report - Contribution History & Rollovers	08/01/11	Pending
18	PENDING	Board Report - In-Kind Transfers from SDBO	08/01/11	Pending
19	PENDING	Board Report - Beneficiary Notifications and Focus Group Results	08/01/11	Pending
20	PENDING	Board Report - SAS Form from Great-West	08/01/11	Pending
21	PENDING	PowerPoint for NAGDCA Conference - Roth 457	08/01/11	Pending
22	PENDING	Domestic Partners Research and Discussion with City Attorney and California Peers	09/01/11	Pending
23	PENDING	Revise Distribution Form	09/01/11	Pending
24	PENDING	Review and report back on City of New York financial advice program	09/01/11	Pending
25	PENDING	Board Report - Merrill Lynch - Communication to Outside Vendors	09/01/11	Pending
26	PENDING	Beneficiary Addresses	09/01/11	Pending
27	PENDING	Plan Document Revisions - Amend Plan Document to reflect 2009 RMD waiver - and make other necessary changes	10/01/11	Pending
28	PENDING	Review and report back on PIMCO hedge fund strategy	10/01/11	Pending

29	PENDING	Review and report back on Plan statistics broken down by constituency	10/01/11	Pending
30	PENDING	Communications Plan: List of alternative DC publications and outlets (LACERS, Pensions, Union pubs, etc.)	10/01/11	Pending
31	PENDING	Plan Account Records	10/01/11	Pending
32	PENDING	Cal-Net Marketing Brochure on Retaining Assets	10/01/11	Pending
33	PENDING	Board Report - Social Media Options	10/01/11	Pending
34	PENDING	Board Report - Auto Glide-Path for Asset Allocation Funds	11/01/11	Pending
35	PENDING	Board Report - Proxy Share Voting	11/01/11	Pending
36	PENDING	Great-West Contract Development	11/01/11	Pending
37	PENDING	Investment Advice Review and Proposal	11/01/11	Pending
38	PENDING	Notification of Participants - Catch-Up Eligibility	11/01/11	Pending
39	PENDING	Pre-Audit Testing - Phase II	11/01/11	Pending
40	PENDING	Revise Pension Savings Plan Highlights	11/01/11	Pending
41	PENDING	Retiree Loans	12/01/11	Pending
42	PENDING	Retirement Plan Summit	12/01/11	Pending
43	PENDING	Automatic Enrollment Initiative	12/01/11	Pending
44	PENDING	Revisit Plan Audit	12/01/11	Pending
45	PENDING	PSP Account Consolidation	12/01/11	Pending
46	PENDING	Statistical Project: Refined Count of Non-Contributing Participants	12/01/11	Pending
47	PENDING	Deemed IRA Implementation	12/01/11	Pending
48	PENDING	Great-West Contract for DCP Services 2012-2016	12/01/11	Pending
49	PENDING	Great-West Contract for PSP Services 2012-2016	12/01/11	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

Committee Assignments – Following is a summary of committee assignments for the Investments Committee and the Plan Governance & Administrative Issues Committee:

Investments Committee

- Richard Kraus, Chair
- Sangeeta Bhatia
- John Mumma
- Michael Perez

Plan Governance & Administrative Issues Committee

- Eugene Canzano, Chair
- Cliff Cannon
- John Mumma
- Maggie Whelan

Participant Correspondence – Staff received correspondence (attached) from a Plan participant, with copies addressed to the Board. The participant’s request was that certain general participant communications be provided on the City’s internal Deferred Compensation Plan web page as well as on the Great-West website. Staff responded by indicating that this would be a valuable improvement and responded to the participant accordingly. The participant subsequently replied and indicated satisfaction with staff’s response.

Submitted by: _____
Natasha Gameraoz

Steven Montagna

Approved by: _____
Alejandrina Basquez