

DEFERRED COMPENSATION PLAN BOARD REPORT 10-34

Date: September 7, 2010
To: Board of Deferred Compensation Administration
From: Staff
Subject: Staff Report: Completed & Pending Projects & Activity Report

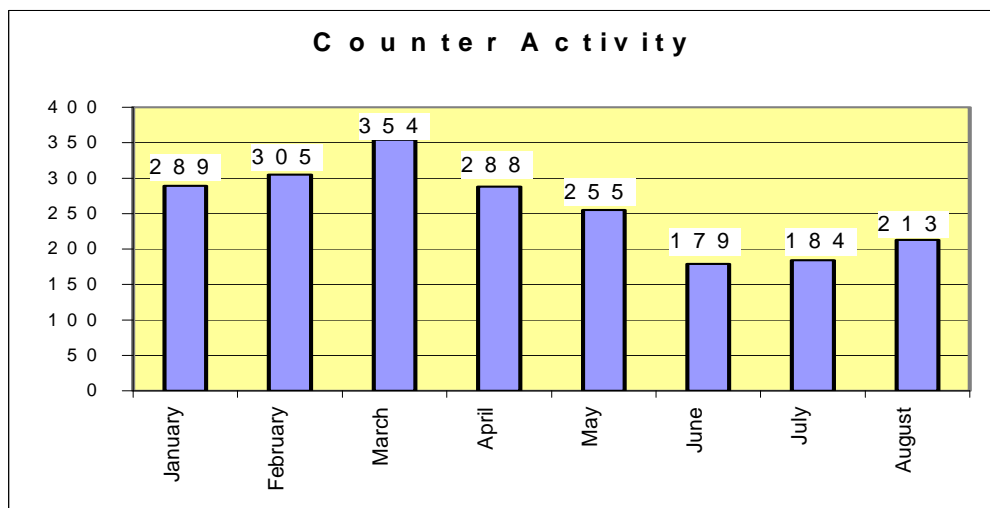
Members
Eugene K. Canzano, Chairperson
Richard Kraus, Vice-Chairperson
Sally Choi, First Provisional Chair
Cliff Cannon, Second Provisional Chair
John R. Mumma, Third Provisional Chair
Sangeeta Bhatia
Michael Perez
Maggie Whelan

Recommendation:

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

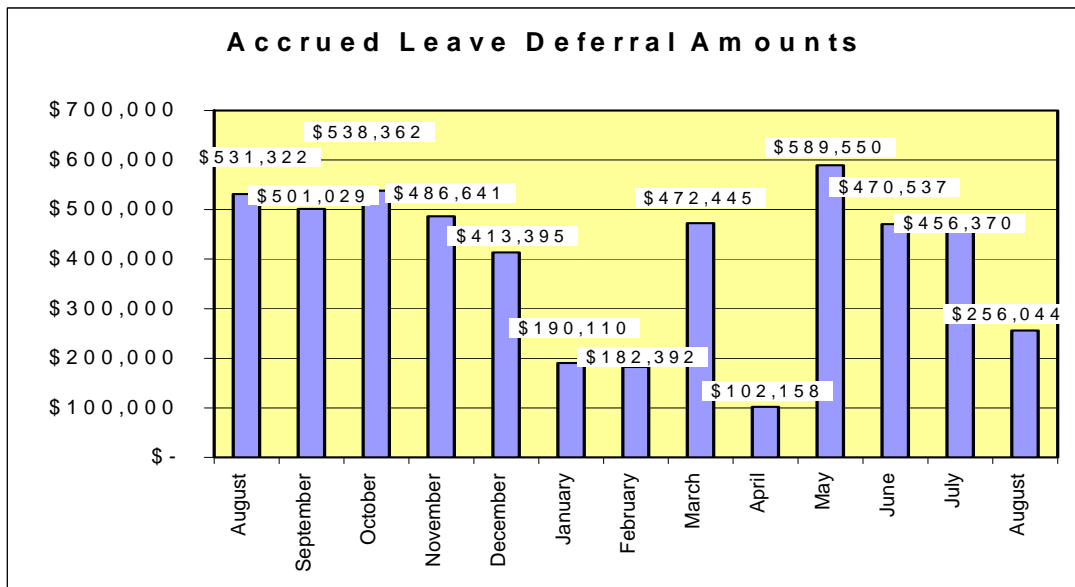
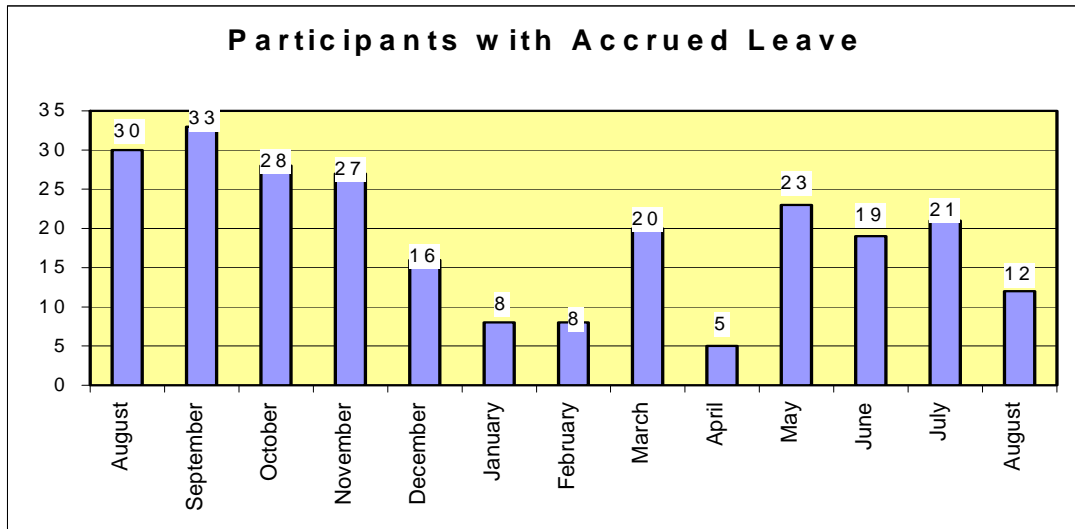
Activity Reports:

Counter Activity Employee Benefits Division – Staff has compiled the following results of Counter Activity flow for the month of August 2010. During the month of August, 213 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 August 2010:



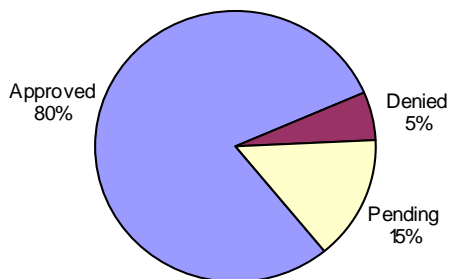
Accrued Leave Activity – Staff has compiled the following results of Accrued Leave enrollment for the month of August 2010. During the month of August, twelve participants elected to enroll in Accrued Leave and \$256,044 was contributed into the

Plan from their Accrued Leave payouts. Following are accrued leave activity results from August 2009 to August 2010:

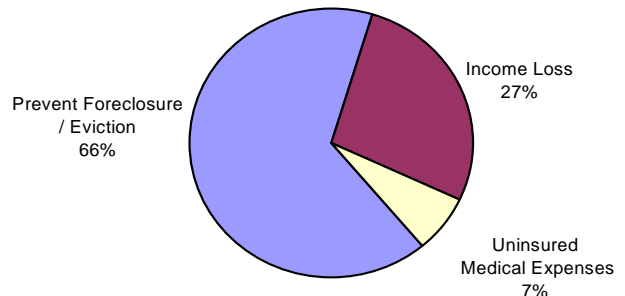


Hardship Activity – Staff has compiled the following results of hardship processing with Great-West for the month of August 2010. During the month of August, fifty-five hardship cases were submitted to Great-West. Forty-four cases were approved, three denied, and eight were pending further documentation.

Hardship Activity August '10

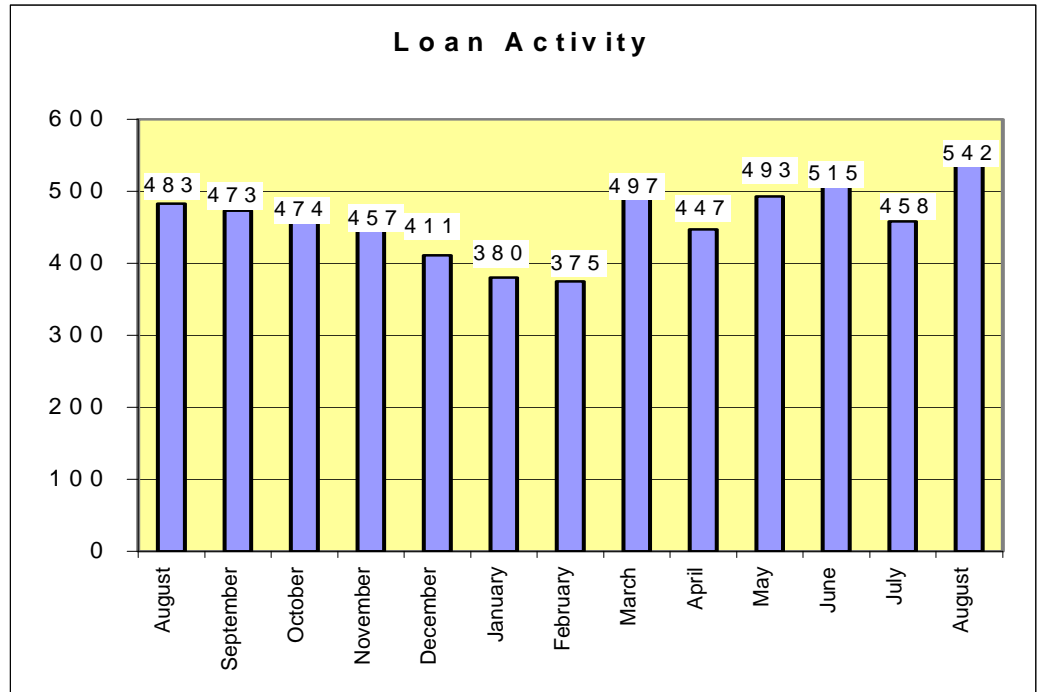


Distribution Reasons

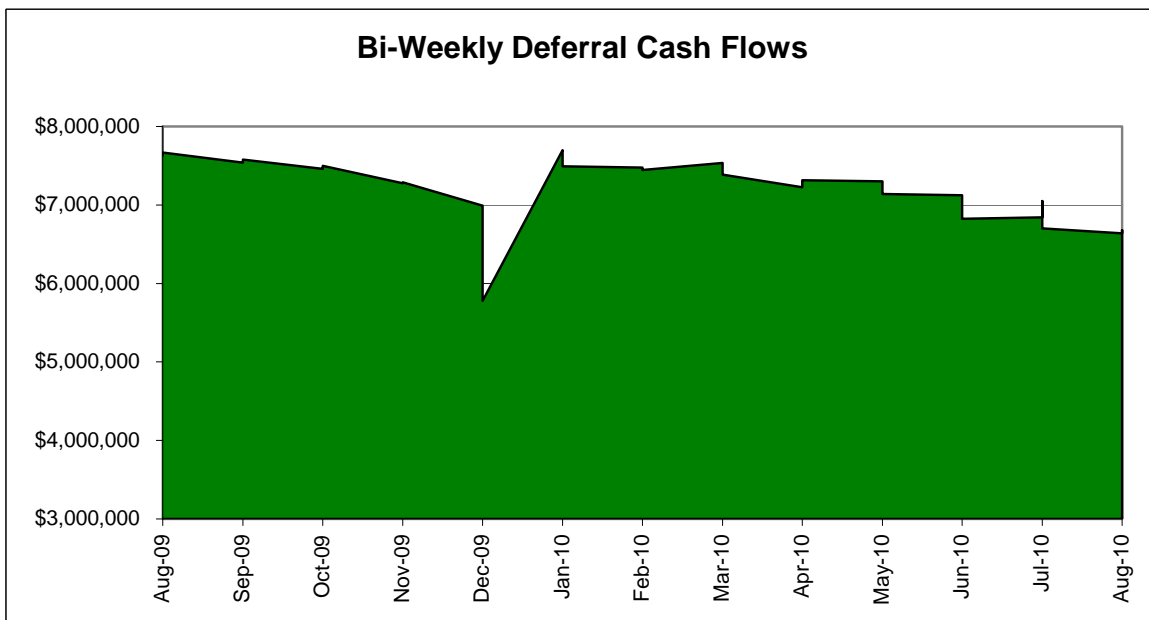


Loan Activity –

Staff has compiled the following results of new loans acquired for the month of August 2010. During the month of August, 542 participants elected to obtain a new loan and \$5,983,267 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 August 2010 for the City of Los Angeles and Department of Water and Power. During the month of August, the City and Department of Water and Power deferred \$13,316,703 into the Deferred Compensation Plan. This compares to **\$15,296,794** in August 2009, or a reduction of **12.9%** year-over-year.



PROJECT UPDATE					
COMPLETED PROJECTS: AUGUST 2010					
#	STATUS	PROJECT	DUE DATE	COMPLETED	NOTES
1	DCP	Minutes - 8/17/10 Meeting	09/01/10	09/01/10	Completed
2	DCP	Minutes - Plan Governance Meeting	09/01/10	09/01/10	Completed
3	DCP	Board Report - Staff Report September 2010	09/01/10	9/7/2010	Completed
4	DCP	Board Report - Mercer Review of Trust	09/01/10	9/1/2010	Completed
PENDING PROJECTS					
#	STATUS	PROJECT	DUE DATE	COMPLETED	NOTES
1	PENDING	Bylaws Revisions	09/21/10		Incorporating edits based on Plan Governance Committee meeting
2	PENDING	Great-West Contract Negotiation	09/27/10		Had initial discussion with Great-West on 8/26, presented items for negotiation, to research certain items and respond
3	PENDING	Next Meeting - Plan Governance Committee - Bylaws	09/28/10		3rd discussion of Bylaws - Plan Governance Committee Meeting scheduled for late September
4	PENDING	Draft Council Report - DCP Contract	10/01/10		Drafting report
5	PENDING	Board Report re Contract Extension	10/01/10		Drafting report
6	PENDING	Board Report - Budget Review	10/01/10		Drafting for October meeting
7	PENDING	Minutes - 09/21/10 Meeting	10/01/10		Pending
8	PENDING	Board Report - Small Account Balances	10/01/10		Drafting report
9	PENDING	Board or Investments Committee Report: DC Menu Implementation Plan	10/01/10		Pending
10	PENDING	National Save for Retirement Week - Promotion	10/17/10		Pending
11	PENDING	PSP Contract Extension thru 12/31/11	11/01/10		Contract drafted - presently under review by Great-West
12	PENDING	Board Report - Travel/Education Issues (On-site Review)	11/01/10		Pending City Attorney Review
13	PENDING	Board Report - Beneficiary Notifications and Focus Group Results	11/01/10		Focus group held 5/10-5/14; revisions to draft form pending; staff report being drafted
14	PENDING	Domestic Partners Research and Discussion with City Attorney and California Peers	11/01/10		Pending
15	PENDING	Communications Plan: List of alternative DC publications and outlets (LACERS, Pensions, Union pubs, etc.)	11/01/10		Pending
16	PENDING	Plan Account Records	11/01/10		Researching obligations to retain historical records in light of issues w/Nationwide and Great Western Bank records

17	PENDING	Cal-Net Marketing Brochure on Retaining Assets	11/01/10	Materials obtained; first conference call on 7/13/10; draft flyer prepared, awaiting other versions/concepts
18	PENDING	Board Report - Auto Glide-Path for Asset Allocation Funds	12/01/10	Pending
19	PENDING	Beneficiary Addresses	12/01/10	Beneficiary addresses can be captured on system - waiting to implement until we have new form issues resolved
20	PENDING	Board Report - Proxy Share Voting	12/01/10	Pending
21	PENDING	Fiduciary Liability Insurance	12/01/10	Pending
22	PENDING	Investment Advice Review and Proposal	12/01/10	Pending
23	PENDING	Notification of Participants - Catch-Up Eligibility	01/01/11	Pending
24	PENDING	Pre-Audit Testing - Phase II	01/01/11	Pending
25	PENDING	Revise Mini-Enrollment Brochure	01/01/11	Pending
26	PENDING	Revise Pension Savings Plan Highlights	01/01/11	Pending
27	PENDING	Begin Processing Next Election Cycle	01/01/11	Pending
28	PENDING	Retirement Plan Summit	02/01/11	Pending
29	PENDING	Automatic Enrollment	02/01/11	Pending
30	PENDING	Revisit Plan Audit	02/01/11	Pending
31	PENDING	PSP Account Consolidation	02/01/11	Pending
32	PENDING	Statistical Project: Refined Count of Non-Contributing Participants	02/01/11	Pending
33	PENDING	Deemed IRA Implementation	02/01/11	Pending
34	PENDING	Retiree Loans	02/01/11	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			
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	On loan to Layoff Team	Ashley Stracke
Benefits Specialist (prior incumbent left under ERIP)	Clerk Typist	100%	Claudia Guevara
City Attorney			
Deputy City Attorney	Deputy City Attorney	25%	Anita Parys
Legal Secretary	Legal Assistant	40%	Vicky Williams

Submitted by: _____
 Natasha Gameroz

 Steven Montagna

Approved by: _____
 Alejandrina Basquez