

DEFERRED COMPENSATION PLAN BOARD REPORT 10-38

Date: October 12, 2010
To: Board of Deferred Compensation Administration
From: Staff
Subject: Staff Report: Completed & Pending Projects & Activity Report

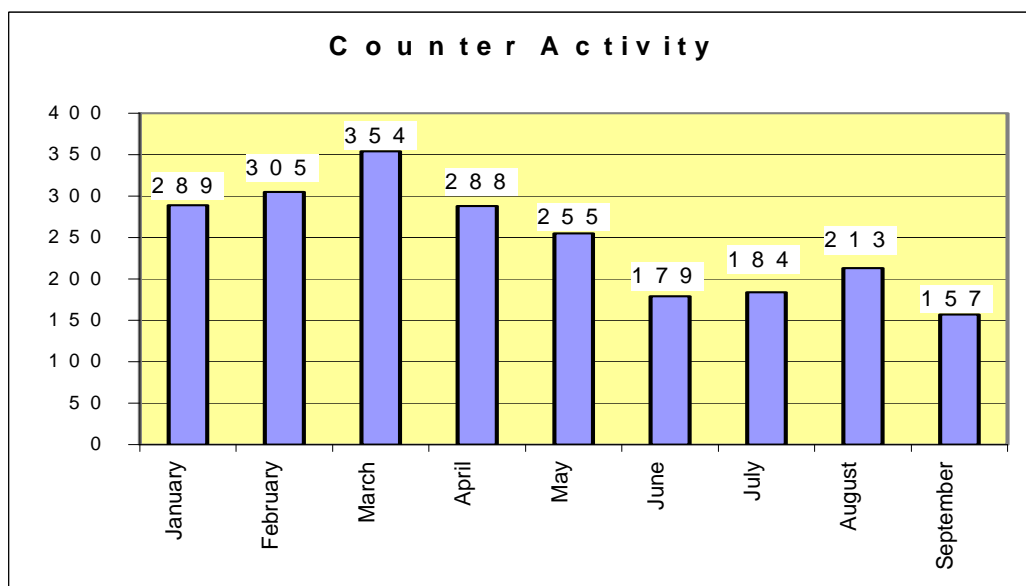
Members
Eugene K. Canzano, Chairperson
Richard Kraus, Vice-Chairperson
Sally Choi, Second Provisional Chair
Maggie Whelan, Third Provisional Chair
Sangeeta Bhatia
Cliff Cannon
John R. Mumma
Michael Perez

Recommendation:

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

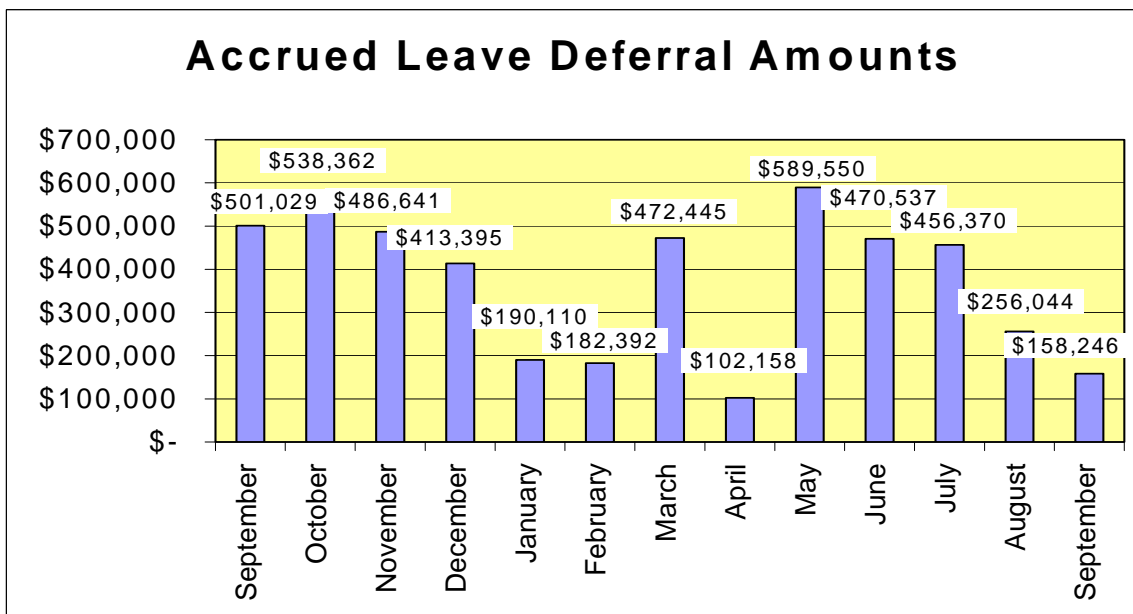
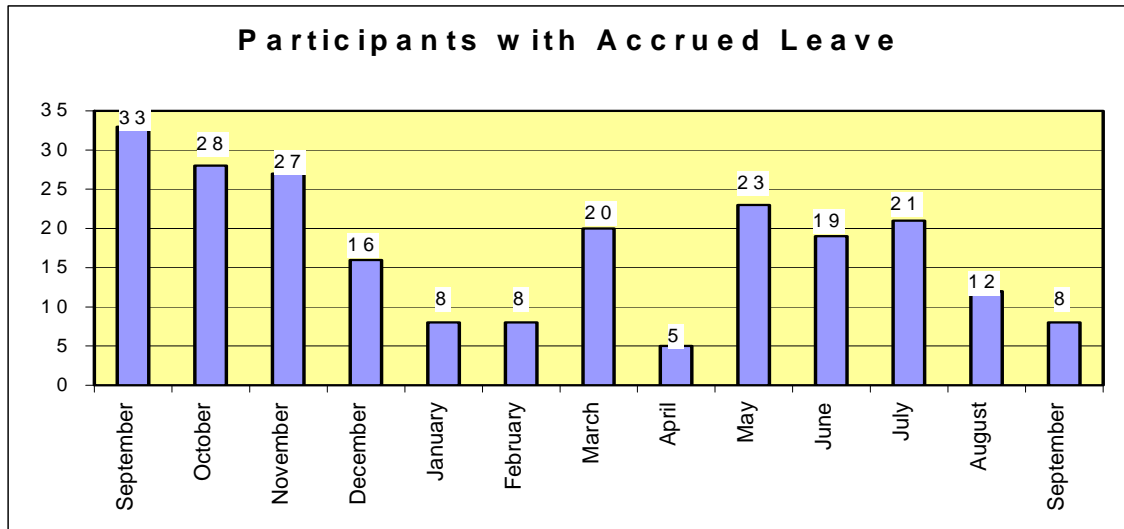
Activity Reports:

Counter Activity Employee Benefits Division – Staff has compiled the following results of Counter Activity flow for the month of September 2010. During the month of September, 157 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 September 2010:



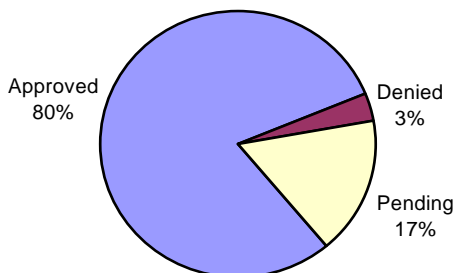
Accrued Leave Activity – Staff has compiled the following results of Accrued Leave enrollment for the month of September 2010. During the month of September, eight participants elected to enroll in Accrued Leave and \$158,246 was contributed into the

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

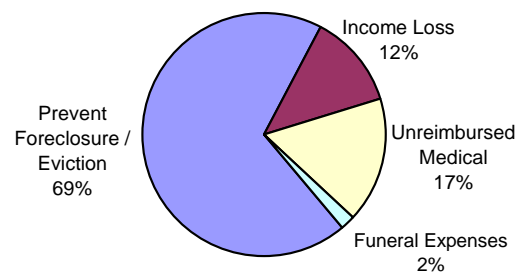


Hardship Activity – Staff has compiled the following results of hardship processing with Great-West for the month of September 2010. During the month of September, sixty hardship cases were submitted to Great-West. Forty-eight cases were approved, two denied, and ten were pending further documentation.

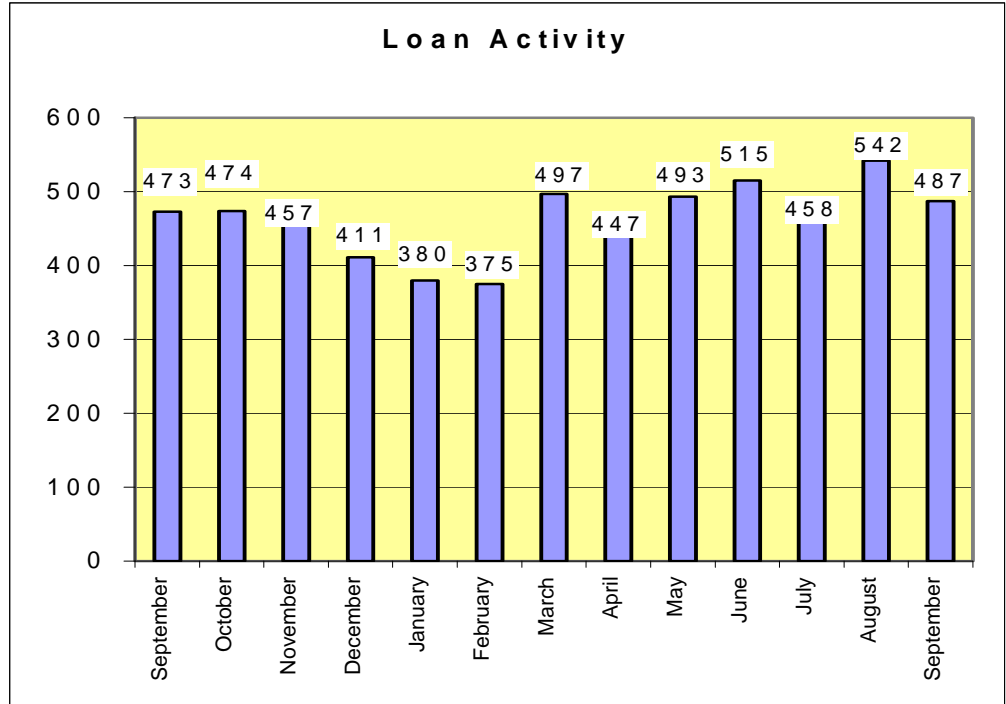
Hardship Activity September'10



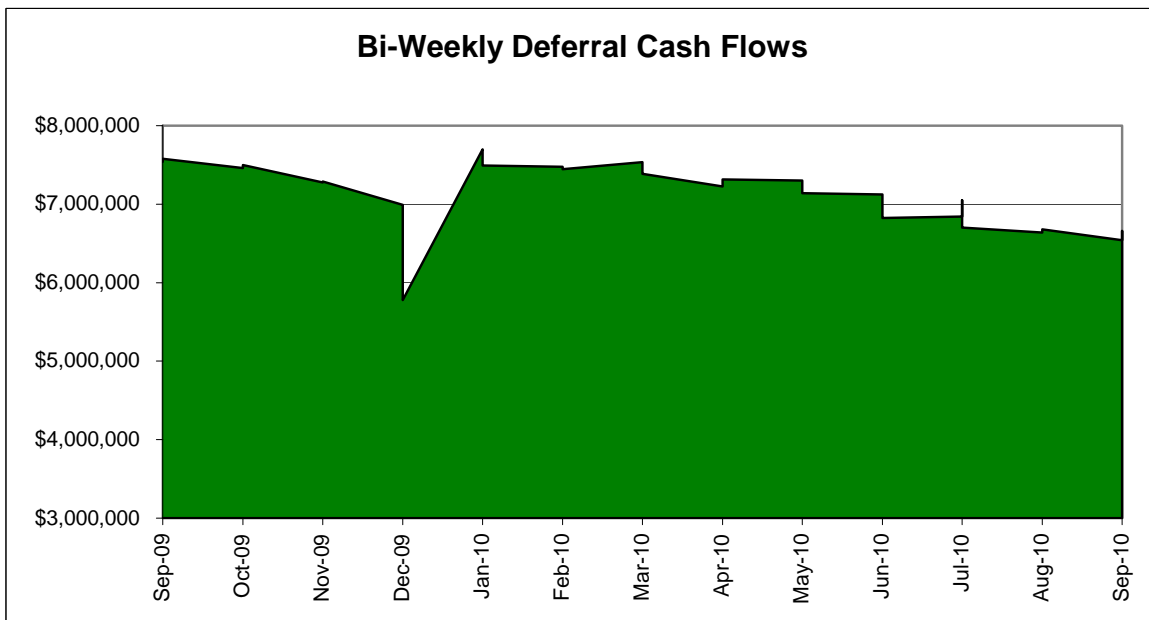
Distribution Reasons



Loan Activity – Staff has compiled the following results of new loans acquired for the month of September 2010. During the month of September, 487 participants elected to obtain a new loan and \$5,647,974 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 September 2010 for the City of Los Angeles and Department of Water and Power. During the month of September, the City and Department of Water and Power deferred \$13,199,572 into the Deferred Compensation Plan. This compares to **\$15,114,606** in September 2009, or a reduction of **12.7%** year-over-year.



PROJECT UPDATE					
COMPLETED PROJECTS: SEPTEMBER 2010					
#	STATUS	PROJECT	DUE DATE	COMPLETED	NOTES
1	DCP	Minutes - 09/21/10 Meeting	09/01/10	9/9/2010	Completed
2	STATUS	Minutes - Plan Governance Meeting	09/01/10	9/9/2010	Completed
3	DCP	Committee Report & Bylaws Revisions	09/28/10	9/23/2010	Completed
4	DCP	Board Report - Budget Review for 06/30/10	10/01/10	9/30/2010	Completed
5	DCP	Plan Governance Committee Meeting - Bylaws 3	09/30/10	9/30/2010	Completed
PENDING PROJECTS					
#	STATUS	PROJECT	DUE DATE	COMPLETED	NOTES
1	PENDING	Board Report - Roth 457	10/08/10		Drafting report for 10/19/10 meeting
2	PENDING	Board Report - PPL Trust Review Referral	10/08/10		Drafting report for 10/19/10 meeting
3	PENDING	National Save for Retirement Week - Promotion	10/17/10		Promotion calendar and meeting locations being developed; giveaways already in stock; website announcement approved
4	PENDING	Bylaws Revisions 4	10/31/10		Researching/Incorporating edits based on Plan Governance Committee meeting on 9/20/10
5	PENDING	Board Report - Voting Majorities on Bylaws Revisions	10/31/10		Pending
6	PENDING	Board Report - Great-West Contract Negotiation	10/31/10		Had initial discussion with Great-West on 8/26, initial proposal and costing provided 9/30, requested more detailed outline and developing Board report
7	PENDING	Committee Report - Investment Menu Transition	10/31/10		Report drafted and submitted for consultant/TPA review on 09/30; conference call re Master Custodian held 10/05; Mercer to develop outline of Custodial issues
8	PENDING	Next Meeting - Plan Governance Committee - Bylaws	10/31/10		4th discussion of Bylaws - Plan Governance Committee Meeting targeted for late October/early November
9	PENDING	Draft Council Report - DCP Contract	10/31/10		Drafting report
10	PENDING	Board Report re Contract Extension	10/31/10		Drafting report
11	PENDING	Minutes - 10/19/10 Meeting	10/31/10		Pending
12	PENDING	Board Report - DCP Trust Consultant Review	10/31/10		Pending
13	PENDING	Roth 457 Implementation - Plan Document/Ad Code Review	10/31/10		Pending
14	PENDING	Board Report - Roth 457 Implementation November Update	10/31/10		Pending
15	PENDING	Board Report - Small Account Balances	10/31/10		Drafting report

16	PENDING	PSP Contract Extension thru 12/31/11	10/31/10	Contract drafted - presently under review by City Attorney & Admin Services
17	PENDING	Roth 457 Implementation - Core Communication Document	11/30/10	Pending
18	PENDING	Fiduciary Liability Insurance	11/30/10	Pending
19	PENDING	Board Report - Travel/Education Issues (On-site Review)	11/30/10	Pending City Attorney Review
20	PENDING	Board Report - Beneficiary Notifications and Focus Group Results	11/30/10	Focus group held 5/10-5/14; revisions to draft form pending; staff report being drafted
21	PENDING	Domestic Partners Research and Discussion with City Attorney and California Peers	11/30/10	Pending
22	PENDING	Review and report back on City of New York financial advice program	11/30/10	Pending
23	PENDING	Review and report back on PIMCO hedge fund strategy	11/30/10	Pending
24	PENDING	Review and report back on Plan statistics broken down by constituency	11/30/10	Pending
25	PENDING	Communications Plan: List of alternative DC publications and outlets (LACERS, Pensions, Union pubs, etc.)	11/30/10	Pending
26	PENDING	Plan Account Records	11/30/10	Researching obligations to retain historical records in light of issues w/Nationwide and Great Western Bank records
27	PENDING	Cal-Net Marketing Brochure on Retaining Assets	11/30/10	Materials obtained; first conference call on 7/13/10; draft flyer prepared, awaiting other versions/concepts
28	PENDING	Roth 457 Implementation: Revise Enrollment Form	12/31/10	Pending
29	PENDING	Roth 457 Implementation: Revise Enrollment Guide	12/31/10	Pending
30	PENDING	Roth 457 Implementation: Revise Distribution Guide	12/31/10	Pending
31	PENDING	Roth 457 Implementation - Payroll Deduction	12/31/10	Pending
32	PENDING	Board Report - Auto Glide-Path for Asset Allocation Funds	12/31/10	Pending
33	PENDING	Beneficiary Addresses	12/31/10	Beneficiary addresses can be captured on system - waiting to implement until we have new form issues resolved
34	PENDING	Board Report - Proxy Share Voting	12/31/10	Pending
35	PENDING	Investment Advice Review and Proposal	01/31/11	Pending
36	PENDING	Notification of Participants - Catch-Up Eligibility	01/31/11	Pending
37	PENDING	Pre-Audit Testing - Phase II	01/31/11	Pending
38	PENDING	Revise Mini-Enrollment Brochure	01/31/11	Pending

39	PENDING	Revise Pension Savings Plan Highlights	01/31/11	Pending
40	PENDING	Begin Processing Next Election Cycle	01/31/11	Pending
41	PENDING	Retirement Plan Summit	02/28/11	Pending
42	PENDING	Automatic Enrollment	02/28/11	Pending
43	PENDING	Revisit Plan Audit	02/28/11	Pending
44	PENDING	PSP Account Consolidation	02/28/11	Pending
45	PENDING	Statistical Project: Refined Count of Non-Contributing Participants	02/28/11	Pending
46	PENDING	Deemed IRA Implementation	02/28/11	Pending
47	PENDING	Retiree Loans	02/28/11	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	100%	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