

DEFERRED COMPENSATION PLAN BOARD REPORT 11-44

Date: June 7, 2011
To: Board of Deferred Compensation Administration
From: Staff
Subject: Staff Report: Completed & Pending Projects & Activity Report

Members

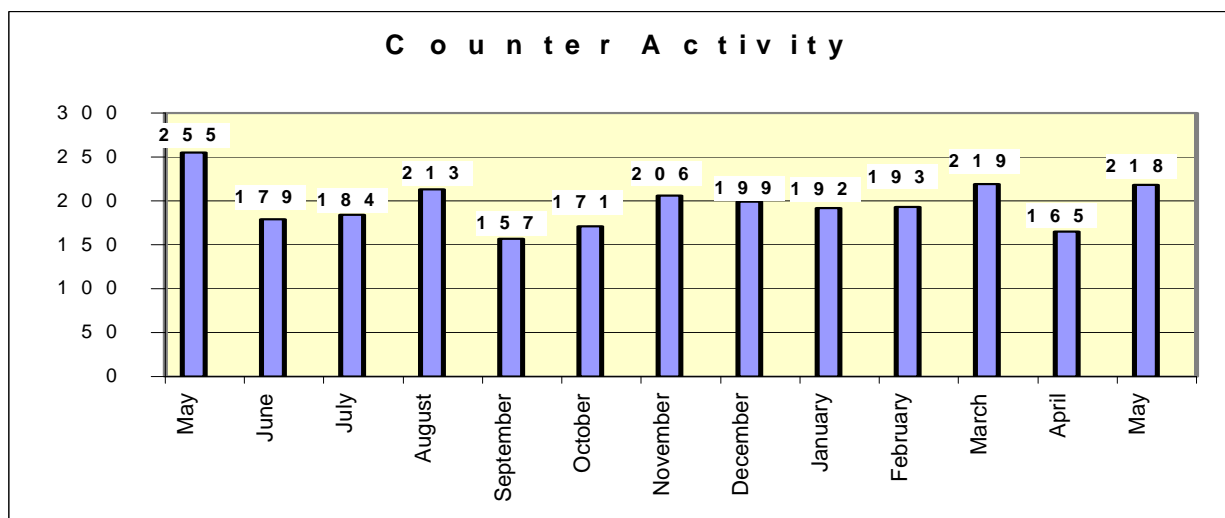
Eugene K. Canzano, Chairperson
Richard Kraus, Vice-Chairperson
Sangeeta Bhatia
Cliff Cannon
Tom Moutes
John R. Mumma
Michael Perez
Robert Schoonover
Maggie Whelan

Recommendation:

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

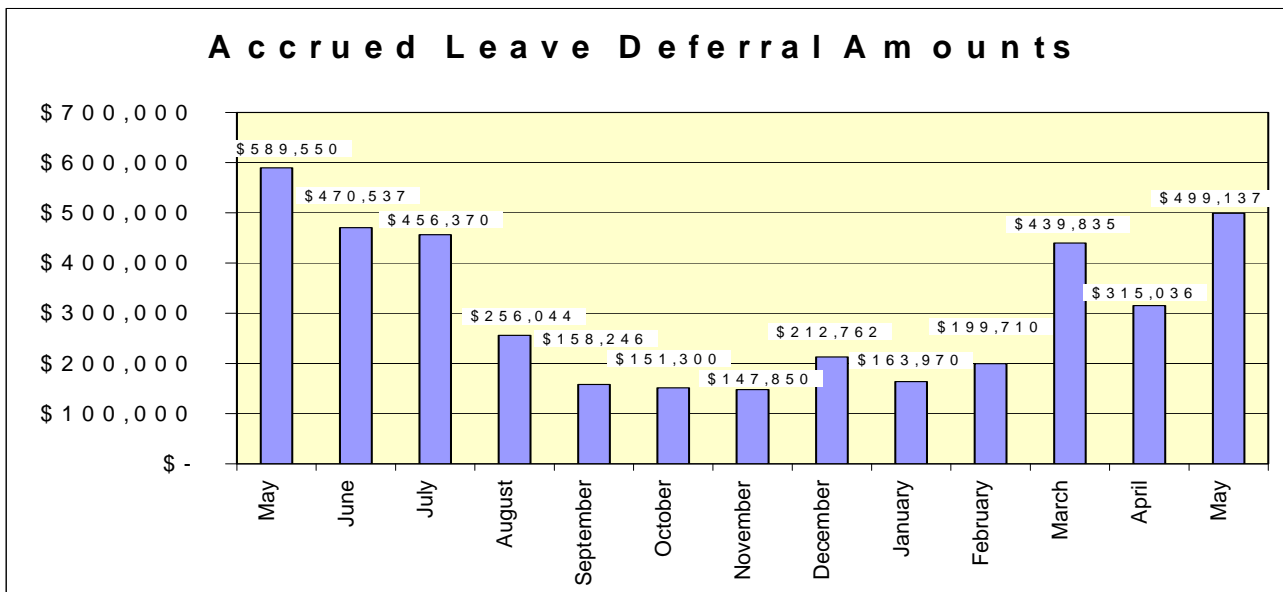
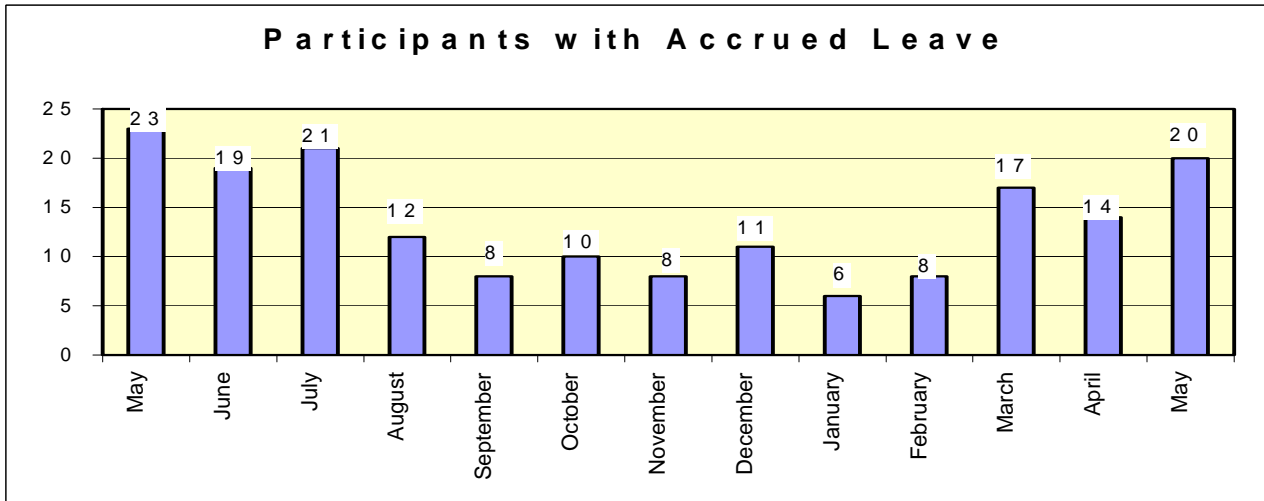
Activity Reports:

Counter Activity Employee Benefits Division – Staff has compiled the following results of Counter Activity flow for the month of May 2011. During the month of May, 218 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 May 2010 to May 2011:



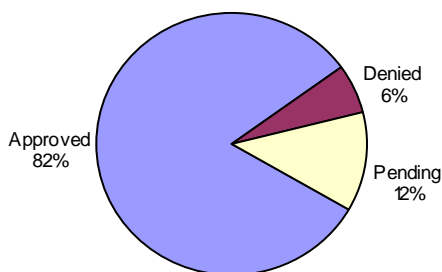
Accrued Leave Activity – Staff has compiled the following results of Accrued Leave enrollment for the month of May 2011. During the month of May, twenty participants elected to enroll in Accrued Leave and \$499,137 was contributed into the Plan from their Accrued Leave payouts.

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

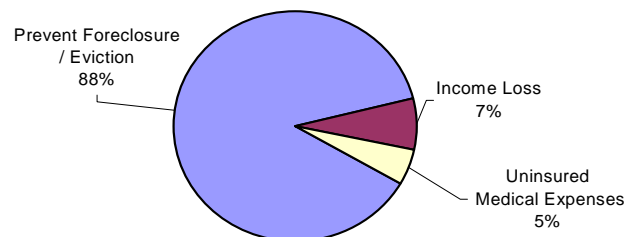


Hardship Activity – Staff has compiled the following results of hardship processing with Great-West for the month of May 2011. During the month of May, fifty hardship cases were submitted to Great-West. Forty-one cases were approved, three denied, and six were pending further documentation.

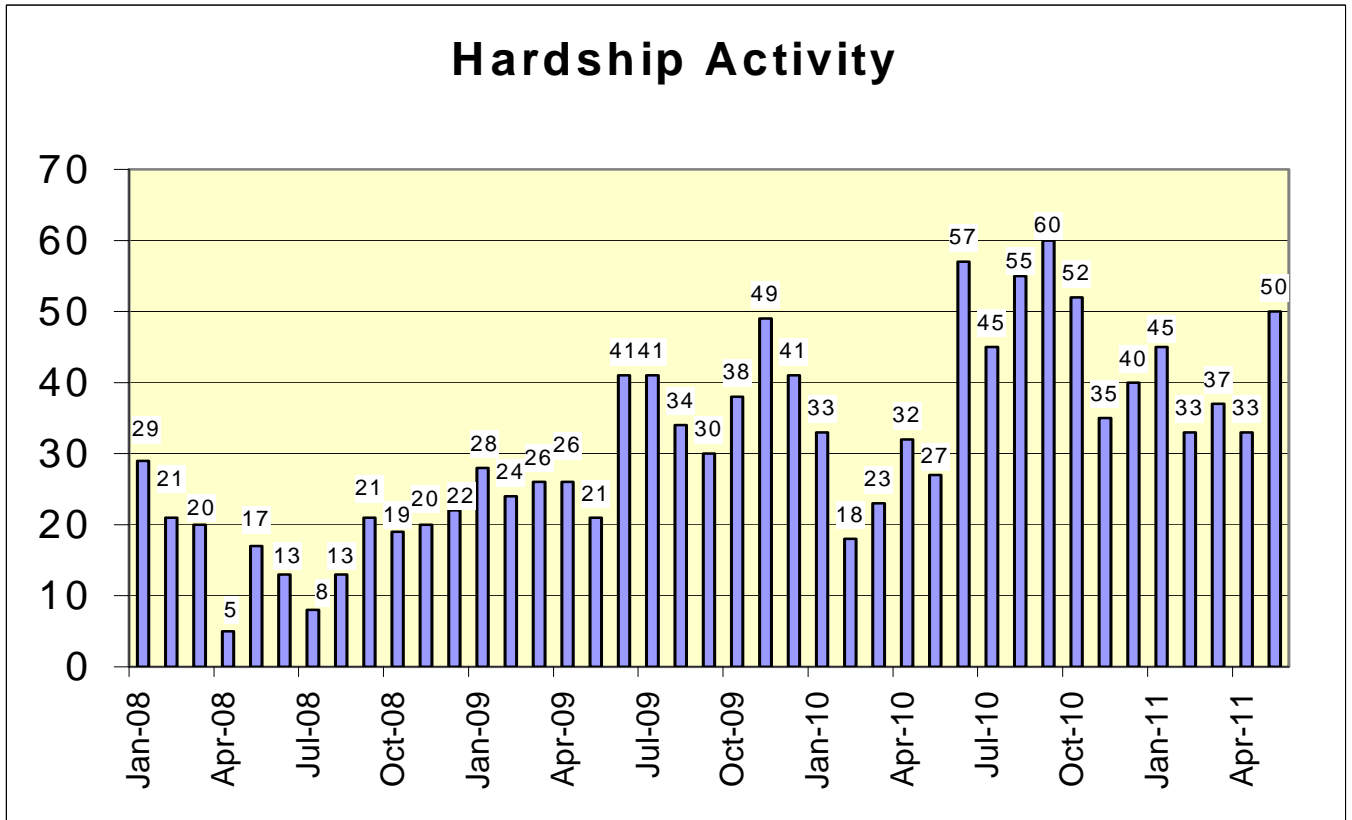
Hardship Activity May '11



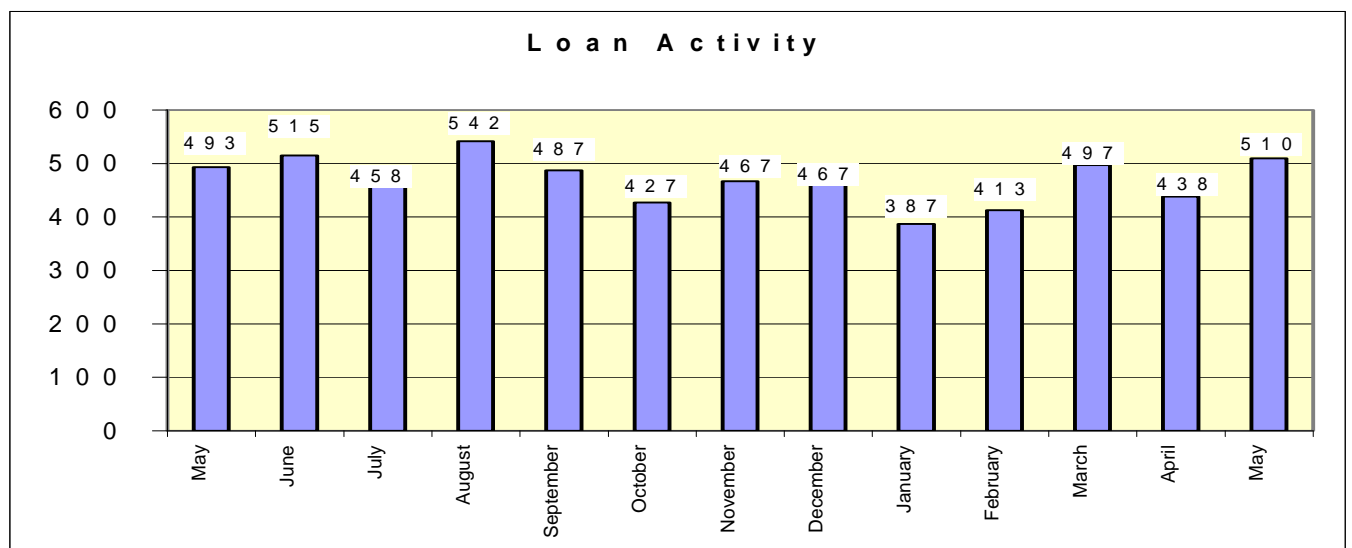
Distribution Reasons



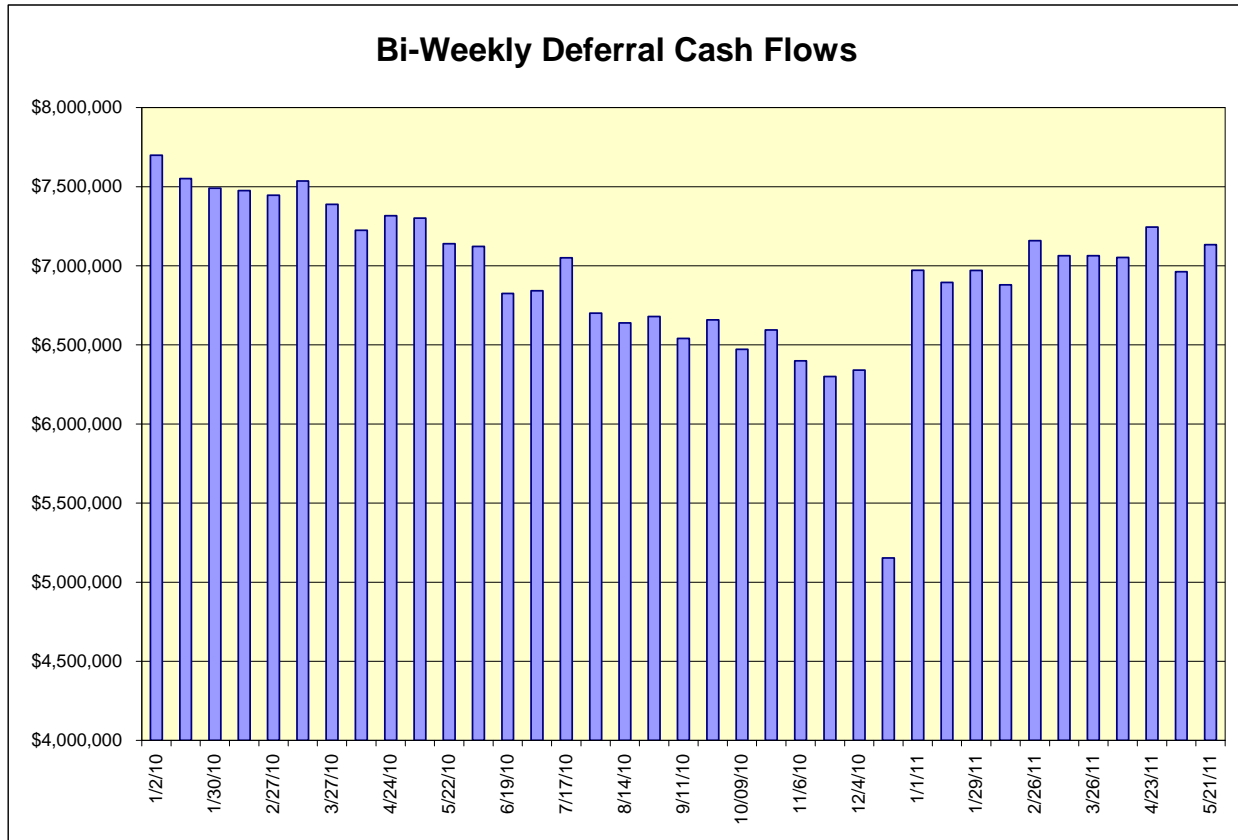
Staff has compiled long-term hardship activity results since the reassignment of hardship processing to Great-West in 2008. Following are hardship activity results from January 2008 to May 2011:



Loan Activity – Staff has compiled the following results of new loans acquired for the month of May 2011. During the month of May, 510 participants elected to obtain a new loan and \$5,320,762 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 May 2011 for the City of Los Angeles and Department of Water and Power. During the month of May, the City and Department of Water and Power deferred **\$14,096,274** into the Deferred Compensation Plan. This compares to **\$14,439,642** in May 2010, or a reduction of **2.38%** year-over-year.



PROJECT UPDATE
(reflects project activity for period 05/01/11 through 05/31/11)

COMPLETED PROJECTS: MAY 2011					
#	STATUS	PROJECT	DUE DATE	COMPLETED	NOTES
1	Completed	Deferred Compensation Plan Annual report	05/06/11	05/06/11	N/A
2	Completed	Investments Committee Report to Board on menu changes	05/06/11	05/06/11	N/A
3	Completed	BDCA Minutes 4-19-11 Meeting	05/06/11	05/06/11	N/A
4	Completed	Board Report - Great-West Contract Extension	05/06/11	05/06/11	N/A
5	Completed	Board Report - Consulting Services RFP	05/06/11	05/06/11	N/A
6	Completed	Board Report - Stable Value Fund & Equity Wash	05/06/11	05/06/11	N/A
7	Completed	Board Report - May Roth Update	05/06/11	05/06/11	N/A
8	Completed	Board Report - May Elections Update	05/06/11	05/06/11	N/A
9	Completed	Board Report - May Staff Report	05/06/11	05/06/11	N/A
10	Completed	Board Report - Quarterly Budget Review 12/31/10	05/06/11	05/06/11	N/A
11	Completed	Revise Accrued Leave Flyer/Form to Incorporate Roth	06/01/11	5/24/2011	N/A

PENDING PROJECTS					
#	STATUS	PROJECT	DUE DATE	COMPLETED	NOTES
1	PENDING	Minutes - 5/17/11 BDCA Meeting	06/01/11		Pending
2	PENDING	Board Report - Bylaws Revisions 3	06/01/11		Reviewing w/City Attorney
3	PENDING	Great-West Contract Amendment - Wells Fargo	06/01/11		Reviewing w/City Attorney
4	PENDING	Board Plenary Authority/ Fiduciary Liability Insurance	06/01/11		Reviewing w/City Attorney
5	PENDING	Board Report - DC Peer Network Update & Request for Payment of Facilitator	06/01/11		Pending
6	PENDING	RFP-Fund Custodian	06/01/11		Conference call held 5/31/11 to discuss proposed revisions to RFP
7	PENDING	Board Report - Strategic Plan	06/01/11		Pending
8	PENDING	Board Report - Board Meetings	06/01/11		Pending
9	PENDING	Board Report - Budget Review 12/31/10	06/01/11		Pending
10	PENDING	Board Report - NAGDCA Conference	06/01/11		Pending

11	PENDING	Board Report - June Roth Update	06/01/11	Pending
12	PENDING	Board Report - June Elections Update	06/01/11	Pending
13	PENDING	Board Report - June Staff Report	06/01/11	Pending
14	PENDING	Investments Committee Minutes - 4-18-11 Meeting	06/01/11	Pending
15	PENDING	Board Report -Changes to Board meeting structure	06/01/11	Pending
16	PENDING	Issue RFP for Consulting Services	07/01/11	Pending
17	PENDING	Minutes - 6/21/11 BDCA Meeting	07/01/11	Pending
18	PENDING	Create Catch-Up Flyer Incorporating Roth	07/01/11	Pending
19	PENDING	Board Report - FDIC Option Asset Apportionment	07/01/11	Pending
20	PENDING	Board Report - Contribution History & Rollovers	07/01/11	Pending
21	PENDING	Roth 457 Implementation: Revise Enrollment Form	07/01/11	Pending
22	PENDING	Roth 457 Implementation: Revise Enrollment Guide	07/01/11	Pending
23	PENDING	Roth 457 Implementation: Revise Distribution Guide	07/01/11	Pending
24	PENDING	Roth 457 Implementation - Payroll Deduction	07/01/11	Pending
25	PENDING	Board Report - In-Kind Transfers from SDBO	07/01/11	Pending
26	PENDING	Board Report - Beneficiary Notifications and Focus Group Results	07/01/11	Pending
27	PENDING	Board Report - SAS Form from Great-West	07/01/11	Pending
28	PENDING	Advertisements for DCP in City/Employee Publications	07/01/11	Pending
29	PENDING	Domestic Partners Research and Discussion with City Attorney and California Peers	08/01/11	Pending
30	PENDING	Review and report back on City of New York financial advice program	08/01/11	Pending
31	PENDING	Board Report - Merrill Lynch - Communication to Outside Vendors	08/01/11	Pending
32	PENDING	Beneficiary Addresses	09/01/11	Pending
33	PENDING	Plan Document Revisions - Amend Plan Document to reflect 2009 RMD waiver - and make other necessary changes	09/01/11	Pending
34	PENDING	Review and report back on PIMCO hedge fund strategy	09/01/11	Pending

35	PENDING	Review and report back on Plan statistics broken down by constituency	09/01/11	Pending
36	PENDING	Communications Plan: List of alternative DC publications and outlets (LACERS, Pensions, Union pubs, etc.)	09/01/11	Pending
37	PENDING	Plan Account Records	09/01/11	Pending
38	PENDING	Cal-Net Marketing Brochure on Retaining Assets	09/01/11	Pending
39	PENDING	Board Report - Social Media Options	09/01/11	Pending
40	PENDING	Board Report - Auto Glide-Path for Asset Allocation Funds	10/01/11	Pending
41	PENDING	Board Report - Proxy Share Voting	10/01/11	Pending
42	PENDING	Great-West Contract Development	10/01/11	Pending
43	PENDING	Investment Advice Review and Proposal	10/01/11	Pending
44	PENDING	Notification of Participants - Catch-Up Eligibility	10/01/11	Pending
45	PENDING	Pre-Audit Testing - Phase II	10/01/11	Pending
46	PENDING	Revise Pension Savings Plan Highlights	10/01/11	Pending
47	PENDING	Retiree Loans	11/01/11	Pending
48	PENDING	Retirement Plan Summit	11/01/11	Pending
49	PENDING	Automatic Enrollment Initiative	11/01/11	Pending
50	PENDING	Revisit Plan Audit	11/01/11	Pending
51	PENDING	PSP Account Consolidation	11/01/11	Pending
52	PENDING	Statistical Project: Refined Count of Non-Contributing Participants	11/01/11	Pending
53	PENDING	Deemed IRA Implementation	11/01/11	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

Submitted by: _____
Natasha Gameroz

Steven Montagna

Approved by: _____
Alejandrina Basquez