



CITY OF *Los Angeles* DEFERRED COMPENSATION PLAN

BOARD REPORT 18-18

Date: April 17, 2018

To: Board of Deferred Compensation Administration

From: Staff

Subject: Plan Document Review

Board of Deferred Compensation Administration

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Recommendation:

That the Board of Deferred Compensation Administration (a) direct staff to work with Segal Consulting, Voya Financial, and the Board's legal counsel to review and propose recommended revisions to the City's Plan Document; and (b) upon completion of proposed Plan Document revisions, refer those revisions to the Plan Governance & Administrative Issues Committee to develop recommendations for action by the Board.

Discussion:

At its meeting held on January 16, 2018, the Board reviewed Board Report 18-04, which identified certain strategic initiatives for the Plan for 2018. Among these initiatives was a review and update of the City's Plan Document. Staff indicated it would provide a recommended project plan for the Board.

The Board and staff periodically review and update the Deferred Compensation Plan's Plan Document in order to reflect changes and refinements to Plan administrative rules and processes, as well as to verify compliance with all current Federal rules and regulations. The last updates to the Plan Document were made effective June 16, 2015, at which time the Board adopted revisions incorporating provisions for the Automatic Enrollment Program and allowing in-Plan Roth conversions for active participants.

In order to ensure a thorough, orderly review with input from the appropriate resources, staff has developed the following proposal for staging the review process with input from the Board's Plan administration consultant, Segal Consulting; the Board's Third-Party Administrator, Voya Financial; and Board counsel, including outside tax counsel.

Entity:	Task:	Estimated Completion Date:
Segal Consulting	Review and propose regulatory and best practice updates	April 27, 2018

Voya Financial	Review and propose administrative process updates	May 25, 2018
City Attorney/outside counsel	Review and propose regulatory and compliance updates	June 29, 2018
Plan Governance & Administrative Issues Committee	Review all proposed updates and develop recommendations for action to the full Board	July/August, 2018

The final step in the proposed process, as noted above, involves a review of the proposed revisions by the Plan Governance & Administrative Issues Committee (the Committee). Staff therefore recommends that the Plan Document review be referred to the Committee in order to develop final recommendations for action by the Board. Based on the proposed schedule, staff anticipates being able to schedule the Committee review once the Committee has its membership fully constituted after new members join the Board in July 2018.

Submitted by: _____
Kevin Hirose

Approved by: _____
Steven Montagna