

2018-004

February 28, 2018

Amendments to the Water and Power Employees' Retirement Plan

On February 28, 2018, the Board of Administration (Retirement Board) of the Water and Power Employees' Retirement Plan (Plan) adopted several resolutions amending the Plan.

Regular Interest Rate – Effective March 1, 2018

This amendment aligns the Regular Interest rate with the Plan's investment return assumption as adopted by the Retirement Board, so long as the investment return assumption is at least 7.0 percent.

The Plan credits your contributions on deposit with the Plan by applying the Regular Interest rate. **The Regular Interest rate will decrease from 7.5 percent to 7.25 percent effective March 1, 2018.**

Mortality Table – Effective July 1, 2018

This amendment aligns the mortality tables used by the Plan to calculate retirement allowances and the conversion to optional benefit amounts with the mortality assumptions as adopted by the Retirement Board.

The mortality assumption currently adopted by the Retirement Board is the RP-2014 Headcount-Weighted Healthy Annuitant Mortality Table with an interest rate of 7.25 percent. This mortality assumption reflects the generational improvements in the life expectancy of Plan members.

Vesting Requirement for Tier 2 Members – Effective January 1, 2014

This amendment is in compliance with the MOU amendments approved by the City Council on June 20, 2017 for IBEW Local 18 members. The amendments included a reduction in the minimum vesting requirement for Tier 2 members to five (5) years. The reduced vesting will apply to all Tier 2 members.

Be sure to visit the Retirement Plan Office website at <http://retirement.ladwp.com/> for additional information, including a link to the Retirement Information System (RIS). (Intranet and network access are required.)

SOURCE	DISTRIBUTION	MANUALS REFERENCE	SERIES	DISPOSITION
LL:km	Global	N/A		Post Until July 1, 2018