



WATER AND POWER EMPLOYEES' RETIREMENT PLAN

SUMMER 2019 **ACTIVE NEWSLETTER**



A Message from the Board President

It is an honor and privilege to be representing all LADWP employees as President of the Retirement Board. Having been a Board member since

2013 representing the Joint system, I am committed to protecting the financial future of LADWP employees and their families. I take my role and responsibility seriously and make Board decisions always with our workforce's interests in mind. My top priority remains to be providing careful administration of the Retirement Plan, and ensuring that our investments are fiscally sound.

A proud LADWP employee since February 2010 and a veteran of public service since December 2002, I am an active employee working as a Utility Executive Secretary in the Communications, Media, and Community Affairs Division. During my career, I have served as a member of the Clerical Worker Safety Joint Labor Management Committee and Workers' Compensation/Disability/Timekeeping Sub-Committee. In my continued pursuit for learning and advancement, I am currently working on my Bachelor's Degree in Business Administration. I am also a proud mother of three and wife to another LADWP employee.

To contact me or the Retirement Board directly, please send an email to RetireBoard@LADWP.com.

LaTanya Bogin

EXPERIENCE STUDY

The assumption changes, recommended by the Plan's actuary and adopted by the Retirement Board on June 26, 2019, ensure that the Plan is funded for all of us into the future. If you are wondering why the Board has adopted a lower investment return in the current economic environment, it is important to remember that the Plan is an institutional investor with a lifetime obligation to us. As such, the Board must look at a long term horizon when determining what assumptions to use to value how much assets and liabilities we will have in the future. Lowering the investment return rate to what we can expect to earn over the long term ensures that the Department provides the funding necessary to fulfill its obligations to us. Keeping the rates higher than what we can expect to earn will require less contributions from the Department today, pushing its obligations into the future.

Yes, the investment return assumption does affect the interest rate credited to our contributions on deposit with the Plan, but it does not impact our formula pension. The monthly amount that we were anticipating to receive for our normal retirement has not changed.

What does change is the interest credited to our Additional Annuity, which is an optional benefit. Unlike other investment vehicles, such as Deferred Compensation, there is no risk and no fees with our Additional Annuity. That said, if you would like to change future Additional Annuity contributions to the Plan, please complete the form available on our website or in our office. The contributions that you have already made will continue to accumulate interest until you retire or quit and withdraw.

A Message from the Retirement Plan Manager



As we are quickly at fiscal year end, staff has remained extremely busy working on several projects to provide better service to you, while ensuring that the Plan remains fiscally strong and a reliable source of income

for you and your loved ones.

This past year, we launched a new website, which we hope is easy to navigate, offers a great deal of useful information, and provides transparency about the Plan. We enrolled 828 new members, retired 358 existing members, and made improvements to our payroll system. We have maintained Plan funding at over 90% and continue to diversify our investments across asset classes and geographies.

In the coming months, we will be working with the Board of Water and Power Commissioners to fill two vacancies on the Retirement Board. Now that we have adopted new assumptions, we will also start working on the asset allocation and asset liability studies to further aid the Retirement Board in reviewing its long-term investment strategies. Also because of the new assumptions, we are working on additional materials to provide information to you on the impact of those changes.

If you have ideas to enhance your interaction with the Retirement Plan Office, please let me know.

Linda P. Le

Keep Your Beneficiary Form Updated

Your benefits from the Plan are some of the most valuable benefits from your employment in the Department. Keeping your Beneficiary Form updated with the Plan is critical to ensuring that your benefits are distributed properly according to your wishes.

To update your form, please call the Retirement Section at (213) 367-1715.



IMPORTANT DATES

Retirement Dates	Last Day to Apply
September 1, 2019	August 2, 2019
October 1, 2019	August 30, 2019
November 1, 2019	October 2, 2019
December 1, 2019	November 1, 2019

WEBSITE CONTEST

How well do you know your co-workers?

Visit the Plan's new website to identify those pictured in our banner. The entry with the most correct answers will win a prize courtesy of the Retirement Plan Manager.

All entries are due by August 16, 2019 via the email address on our website.

FUN FACTS

Eligible to Retire with a 2.3% Factor: 941

Average Years of Service: 14.2

Average Age: 46.5

Tier 1 Members: 6,703

Tier 2 Members: 3,683

Members with Additional Annuity: 6,199

CONTACT INFORMATION

Retirement Plan Office
JFB Room 357

Monday through Friday
7:00 a.m. to 4:00 p.m.

Email: retire@ladwp.com

Phone:
(800) 367-7164 or
(213) 367-1692

Website: retirement.ladwp.com