



# WATER AND POWER EMPLOYEES' RETIREMENT PLAN

Fall 2020 | Active Newsletter



[retirement.ladwp.com](http://retirement.ladwp.com)

## A Message from Retirement Board President LaTanya Bogin



I have never felt more blessed and grateful to be a member of the Water and Power Employees' Retirement Plan. The Covid-19 pandemic has heightened the fear and uncertainty that we feel about our physical well-being, as well as our financial stability. During these trying times, I want to reassure you that your Plan benefits are secure.

Under the guidance of professional investment consultants and Plan staff, the Retirement Board's long-term investment strategies and funding policies have ensured that our benefits remain intact. As the market experienced unprecedented volatility responding to record unemployment and the effects of the pandemic, the Plan's return for fiscal year end was a respectable 3.71 percent and the funding ratio slightly decreased to 92.32 percent.

This occurred as a result of careful management of the Plan by the Retirement Board over many years. As the Board President, I am honored to lead this effort and reaffirm my continuing dedication to the Plan. As you worry about the health

and well-being of yourself and your family, you do not need to worry about the Plan benefits that you have earned. Plan staff continue to work remotely and in-person to provide the service and benefits that you have grown accustomed to over the years. Benefit payments have continued to be processed unabated. Plan staff have remained available to respond to your needs, albeit with minor delays due to the limitations of the safety measures established by the Department.

While nothing can entirely replace the in-person experience, as we continue to cope with the effects of the pandemic, you can look forward to greater opportunities to interact with the Plan and the Board through virtual platforms. Board meetings are being held online the 2<sup>nd</sup> and 4<sup>th</sup> Wednesday of every month. Online trainings have been developed and new ones are in the process. The retirement website is regularly updated to provide the most current information to you.

As soon as we can, we will reopen the Retirement Plan Office to receive you in-person. Until then, stay safe. If you need to reach me or the Retirement Board, you can email us directly at [retireboard@ladwp.com](mailto:retireboard@ladwp.com).

On behalf of the Retirement Board and staff, we wish you a safe holiday season and health in the new year.



### New Temporary Office Hours

The Retirement Plan Office is now open to active employees on Tuesdays and Thursdays, from 7:00 a.m. to 3:00 p.m. to drop off forms and documents:

- Retirement application -submit/withdraw
- Personal data sheet
- Service purchase applications and forms
- Payments for purchases and backbills
- Disability claim forms and medical certifications
- Prepayments for maternity leaves

Appointments are still required for the following services:

- Change of Beneficiary Form Designation
- Submit Proofs (e.g. birth and/or marriage certificates)
- Submit completed retirement counseling forms
- Submit original documents (DD214 or Birth Certificate) for service credit purchases

Email [Retire@ladwp.com](mailto:Retire@ladwp.com) to schedule an appointment.



## 2020 WPERP Portfolio Update

The Retirement Board and Investment Staff continue to stay well-informed of the ever-changing financial markets and global macroeconomic conditions in order to attain optimal results for the Water and Power Employees' Retirement Plan's (Plan) portfolio. This is especially true given this unprecedented time of the COVID-19 pandemic and the resulting consequences of global economic shutdown.

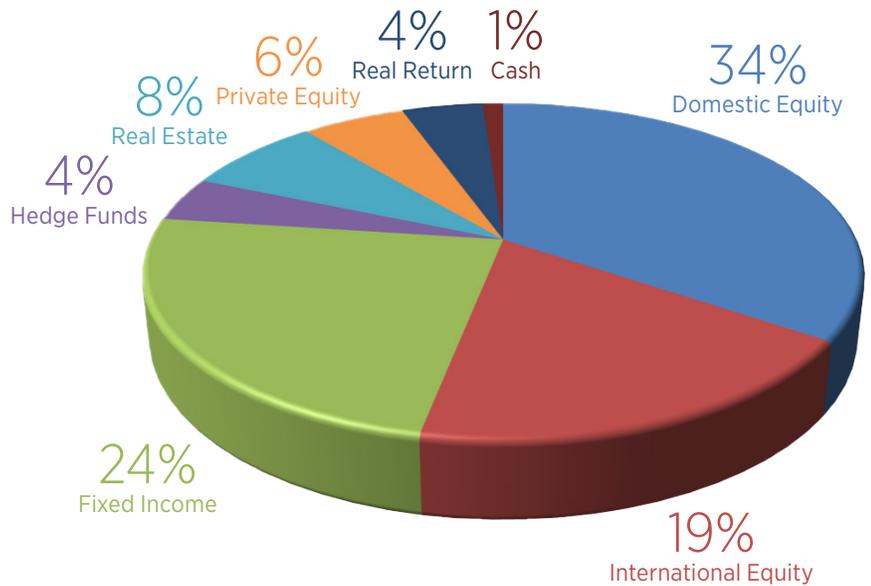
As a result of prudent planning, the Plan's portfolio was constructed to mitigate volatility resulting from such unpredictable events through a diversified asset allocation. As of June 30, 2020, the Plan had an aggregate market value of assets of \$15.6 billion, with a one-year return of 3.71%. The Plan's portfolio, for the one-year period ending June 30,

2020, has outperformed more than 65% of the other public sector plans of similar size\* and is 92.32% funded on a market value basis, which positions the Plan as one of the best funded plans in the nation.

This past year, Investment Staff has been working diligently with transitioning to the new portfolio allocation that the Retirement Board adopted in December 2019 to maximize investment returns, while reducing the risk level in those returns. Staff has just completed a full rebalance of the Plan's portfolio and transition to the new structure. Due to the length of time it takes to implement a new diversified allocation structure, the Plan adopted interim asset allocation targets until all assets can be properly funded.

Asset Class	Target	Interim Target
Domestic Equity	29.00%	33.00%
International Equity	19.00%	19.00%
Fixed Income	25.00%	26.00%
Hedge Funds	5.00%	5.00%
Real Estate	8.00%	6.00%
Private Equity	8.00%	5.00%
Real Return	5.00%	5.00%
Cash	1.00%	1.00%

### WPERP Portfolio Allocation as of 6/30/20



\*Source: RVK, Inc. Plan Stats (as of June 30, 2020), except Real Estate and Private Equity as of 3/31/2020.

**WATER AND POWER EMPLOYEES' RETIREMENT PLAN**

Retirement Plan Office

**DROP BOX**

Documents dropped after 3:00pm will be stamped the next business day. Time sensitive documents must be stamped by the due date to be accepted. For processing of your requests, documents may also be emailed to [Retire@ladwp.com](mailto:Retire@ladwp.com).

### Drop Box

On November 23, 2020, the Retirement Plan Office installed a Drop Box on the A-level adjacent to the Security Check-in Station. You can use the Drop Box to submit retirement-related forms and documents. All items will be collected daily at 3:00 p.m. and date stamped on that collection date. If you miss

the 3:00 p.m. cut off, time sensitive items such as retirement applications or withdrawals can also be emailed to [retire@ladwp.com](mailto:retire@ladwp.com). Please note that it is your responsibility to make sure your forms and documents are submitted to the Retirement Plan Office by the stated deadlines.



## Welcome to A New Trustee: Cynthia McClain-Hill

Cynthia McClain-Hill, President of the Board of Water and Power Commissioners, is the trustee representative to the Retirement Board. She is managing director of Strategic Council PLC and a respected attorney. Ms. McClain-Hill has served on a variety of non-profit boards, such as the Los Angeles Police Commission, Community Redevelopment Agency, California Coastal Commission, California Fair Political Practices

Commission, CalEAP Environmental Justice Advisory Working Group, and the Los Angeles City Small and Local Business Commission. She is frequently named one of Southern California's "Super Lawyers" and ranks among the top five percent of the state's practicing attorneys. Ms. McClain-Hill earned a Bachelor's degree in Political Science from UCLA and a Juris Doctorate from UCLA School of Law.

## Sending Well Wishes for Great Retirement to Mario Ignacio

Mario C. Ignacio caps his 30-year career holding three positions: Chief Accounting Employee, Assistant Chief Financial Officer, and Treasurer. He is the first Asian and highest ranking Filipino-American in the 109-year history of LADWP to hold these top positions. Mr. Ignacio is the first Filipino-American to serve as a trustee on the Retirement

Board since it was established 82 years ago in 1938. As a trustee of this policy-setting Retirement Board since 2010, his financial expertise and contributions have been invaluable and we thank him for his service. We honor Mr. Ignacio for his achievements and extend our best wishes as he sets his sights on a well-deserved retirement.



## Welcome New Retirement Plan Manager Linda T. Ikegami

Linda T. Ikegami is the newly appointed Retirement Plan Manager. Linda is an experienced member of the management team at LADWP with over 31 years of experience. She recently established the new Covid-19 Resource Office in response to the current pandemic, and also managed the Employee Health and Benefits Office, responsible for the Health Plans Office, Workers Compensation, Family Care, and the Reasonable Accommodation

Program. She has had a diverse career and previously managed the administrative functions for the Power System and FSO. Ms. Ikegami holds an MBA in Finance from USC, an MPA from the University of Washington, a Certificate in Policy and Management from Harvard University, and a BA in Economics from UCLA. We look forward to Ms. Ikegami's leadership as she directs the Retirement Plan Office.

## Annual Member Statement

The Annual Member Statements (AMS) for the period ending June 30, 2020 were mailed by the US Postal Service on November 12, 2020. For any questions regarding the AMS, please call or email the Retirement Plan Office at the contact information provided.

Members can check current contribution balances by logging into the Retirement Information System (RIS) from a computer with department network access ([retirement.ladwp.com/Active/Quick Links/Links/Retirement Information System](http://retirement.ladwp.com/Active/Quick Links/Links/Retirement Information System)). Members who do not have network access can call (213) 367-1695 or email [retire@ladwp.com](mailto:retire@ladwp.com).



## Important Dates\*

Retirement Dates	Last Day to Apply	Last Day to Withdraw
January 1, 2021	December 2, 2020	December 24, 2020** Retirement Plan Office will close at 12:00PM
February 1, 2021	December 31, 2020**	January 25, 2021
March 1, 2021	January 29, 2021**	February 22, 2021

\*Subject to Board approval.

\*\*Earlier due to weekend and/or holiday. See website retirement.ladwp.com for complete list of due dates for the 2021 calendar year.

## Retirement Seminars\*

The Retirement Plan Office will continue to offer virtual training seminars by WebEx in calendar year 2021. Contact your Division Training Coordinator to sign-up and learn more about your benefits and retirement planning.

- Pre-Retirement Seminar – offered monthly to members within 3 years of retirement date
- Early-Mid Career Retirement Planning Seminar for Tier 1 members – offered in February, May, September, and November
- Early-Mid Career Retirement Planning Seminar for Tier 2 members – offered in January, April, June, August, October, and December

\*Subject to Board approval.

## Active Employee Fun Facts

Number of Employees: 10,778<sup>1</sup>

Rounded Average Years of Service: 14<sup>1</sup>

Rounded Average Age: 47<sup>1</sup>

Eligible to Retire with 2.3 Factor: 898<sup>2</sup>

Members with Additional Annuity: 6,812<sup>2</sup>

<sup>1</sup>As of July 1, 2020

<sup>2</sup>As of October 1, 2020



## Beneficiary Designation

Please don't wait! Plan ahead and update your beneficiary forms accordingly after a birth, death, marriage, or divorce. Without a named beneficiary, the Retirement Plan will pay benefits in the following manner based on "successive preference beneficiaries" in the order listed:

1. Widow or widower, if living,
2. Descendants (children and/or the children of deceased children), if living,
3. Father and/or mother, if living,
4. Brother(s) and/or sister(s), if living,
5. Executor or administrator of your estate.

To update your beneficiary form, send a written request to retire@ladwp.com.



WATER AND POWER  
EMPLOYEES' RETIREMENT PLAN

## Contact Information

Retirement Plan Office  
JFB Room 357

Email: retire@ladwp.com

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

Website: retirement.ladwp.com