



WATER AND POWER EMPLOYEES' RETIREMENT PLAN

Winter 2022/2023 | Active Newsletter



retirement.ladwp.com

A Message from Retirement Board President LaTanya Bogin



I wanted to take a moment to mark two major milestones in the Plan's history as your Retirement Board and the Retirement Plan Office staff continue to work tirelessly to ensure the stability of our Plan benefits.

First, as of June 20, 2022, the number of Tier 2 employees actively contributing to the Plan was 5,403, while the number of Tier 1 employees

actively contributing to the Plan was 5,392. While we are many years away from the total number of Tier 2 members surpassing Tier 1 members (including retirees and inactive members), this is an extraordinary turning point for us, further solidifying the longevity of our Plan benefits.

Second, in July, after extensive deliberation over three board meetings, the Retirement Board voted to adopt a lower assumed rate of return of 6.5%, putting the Plan at 0.5% lower than the median rate for pension plans nationwide and our sister plans in the City, and 0.3% lower than CalPERS. The lower assumed rate of return will require a higher rate of contribution from the Department, further mitigating funding risks to our Plan and providing greater sustainability for our benefits.

Why is this decision important for you as a member? The assumed rate of return is one of the most important decisions that the Retirement Board can make to ensure that we have adequate funding to pay for our benefits.

As active members of the Plan, the new rates will not impact you until July 1, 2024. When it does take effect, please understand that the Board's decision was based on a study

by the Plan's actuary of our own experience and the broader economic and demographic environment. The decision was difficult, but it was done as a safeguard to ensure the longevity of the Plan benefits for all of us, our spouses, and our beneficiaries.

I look forward to hearing from all of you. If you have a concern for me or the Board, please email us at retireboard@ladwp.com or join us in one of our bi-monthly meetings.

Happy New Year!

LaTanya Bogin, President

Plan Amendments Adopted

On November 9, 2022, the Retirement Board adopted several Plan amendments as approved by the Board of the Commissioners.

Some of the amendments include:

Regular Interest Rate and Discount Rate – Effective July 1, 2024, this amendment aligns the Regular Interest Rate and the rate used to convert your pension to an optional benefits form (Discount Rate) with the Plan's investment return assumptions as adopted by the Retirement Board.

Interest Rate Applied to Unpaid Death Benefits After One Year – This amendment corrects the interest rate that is applied to an unpaid death benefit claim after one year. If you have named a minor as your beneficiary, under the law, we will not be able to pay to the minor until they are at least 18 years old. If you named a minor, please contact us to review your Beneficiary Designation form.

Service Purchase for Unpaid Leaves – This amendment allows an employee to purchase other unpaid leaves, similar to unpaid maternity leaves, that are approved under the Family and Medical Leave Act (FMLA) or the California Family Rights Act (CFRA).

If you would like to see the amendments in detail, please visit our website at retirement.ladwp.com.



A Message from Retirement Board Vice President Adolfo Felix

Success in any arena is a team effort. The growth, strength, stability and security of the Water and Power Employees' Retirement Plan (Plan) is solidly built on the collective efforts of prudent oversight by your Retirement Board (Board), and excellent staff of professionals, committed to the systematic pursuit of excellence. As our Board's Vice President, I am extremely proud to be part of this critical team that year-after-year, collaborates to ensure secured and dignified retirement benefits for ourselves and our loved ones. The Board is tremendously fortunate to have the resources of talented, dedicated, and caring Retirement Office staff. We all benefit from the hard work of staff who provide fruitful and prudent investment advice, deliver excellent customer service to the Plan's members, and facilitate the Plan's constant march for improvement and growth. You can rest assured that, on your behalf, I will continue to provide strong leadership and constant oversight to the Plan. If you need to reach me or other members of the Board, please email us directly at retireboard@ladwp.com.

Coverage While on a Leave of Absence

Once you become a Full Member of the Plan, \$1.00 each is deducted from your paycheck for Temporary Disability, Permanent Total Disability, and Death Benefits. If the Plan is unable to take this deduction in any payroll period, you will lose coverage for your Disability and Death Benefits. However, if you are off work on a paid Disability Leave or Workers' Compensation Leave, even though you do not make contributions to the Plan, your coverage will continue automatically.

You may continue Disability and Death Benefits coverage for up to 13 payroll periods (approximately 6 months) while on leave without pay if you pay the required premium **in advance**. The premiums to be paid consist of your Disability and Death Benefits contributions plus the amount that is normally paid by the Department toward



these benefits. If you are enrolled in the Supplemental Family Death Benefits (SFDB), you can also pre-pay as long as you have already made the required 39 payments. If you choose to continue your coverages, you must make these payments in advance to the Plan.

Please contact the Retirement Plan Office/Disability Section for more information at extension 71680.

Additional Contributions Participate in a voluntary program to save additional funds 15 minutes	Additional Contributions at Retirement Distribution Options and Tax Basis 20 minutes	Purchasing Credit (Tier 2) Purchase Time and Full Actuarial Costing 30 minutes (For Tier 1, please speak with Membership staff.)	Retirement Process Applying for Retirement and What to Expect 20 minutes
Retirement Estimates (Tier 1) Learn How to Estimate Your Retirement So You Can Plan Ahead 20 minutes	Retirement (Tier 1) Comprehensive Review of the Retirement Calculation and Continuances After You Die 40 minutes	Retirement Estimates (Tier 2) Learn How to Estimate Your Retirement So You Can Plan Ahead 20 minutes	Retirement (Tier 2) Comprehensive Review of the Retirement Calculation and Continuances After You Die 45 minutes

Self-Guided Training Videos

Do you need information on the retirement process and cannot attend instructor-led sessions? Or, do you need a refresher course on what you learned years ago? We have created a suite of self-guided training videos as an additional resource for our members.

You can access the videos from most browsers and do not need log-in credentials. The videos can be viewed on

a computer, laptop, or any smartphone where you have internet or wi-fi access. Please visit our website at retirement.ladwp.com to see what training videos are available to you.

You can also view the 2023 calendar on our website for instructor-led classes or our live in-person trainings scheduled for later in the year. Please contact your Division Training Coordinator to enroll.



Welcome to the Retirement Board – William Truefitt



In Spring of 2022, the LADWP held a Special Election to select an Active Employee Member to the Board of Administration of the Water and Power Employees' Retirement Plan to represent the Power System. Mr. William Truefitt was elected to serve the remaining unexpired term, which will end on May 1, 2024.

William Truefitt began his career at LADWP in 2005 and has 16 years of service in Power, Transmission and Distribution. He has served on, and co-chaired numerous Joint Labor Management and Safety Committees, helping create and revise policies

and procedures benefiting both the membership and the Department. Throughout his career, Mr. Truefitt has worked with various of groups, providing him a well-rounded exposure throughout LADWP. Mr. Truefitt is excited to be a Board member to help ensure the retirement plan is properly managed, invested and distributed.

Welcome to the Retirement Board Mr. Truefitt!



Farewell to Retirement Plan Office Retirees

The Retirement Plan Office wishes to congratulate and express our gratitude to two esteemed colleagues as they embark on their next journey – Retirement! Best wishes and thank you for your many years of dedicated service, Monette and David!



Ramonette "Monette" Carranceja, Assistant Retirement Plan Manager (30 years), came to the DWP in 2006 from the City and has been Assistant Plan Manager for over 16 years. Her vast experience in the various aspects of the administration of retirement plan

benefits and kind demeanor have helped ensure the success of the Retirement Plan Office.



David Stielow, Benefits Specialist (35 years), has worked in the Retirement Plan Office since 2008. He has been an invaluable member of the Death Benefits team and has provided sincere compassion and understanding to our beneficiaries in their time of need.



Retirement Office Facts-at-a-Glance

Year ending June 30, 2022

- » Average age of Active members Tier 1 = 52.9
- » Average age of Active members Tier 2 = 39.9
- » There were 31 active deaths reported in FY 21-22. Of these, 8 were reported as COVID-related or 25.8%. The overall number of active deaths has stayed consistent for the one year (FY 20-21: 29 cases).
- » Average years of service = 13.3
- » Total Number of Active members = 10,799
- » There were 399 retirements processed for FY 21-22, an increase of 38 new retirees for the fiscal year (or approximately 10%). However, this number is still far less than the 535 new retirements report for FY 2019-20, which is the second highest year on record for the Plan within the past two decades.

Retirement Plan Office Hours

The Retirement Plan Office is open for in-person services Mondays – Thursdays from 7:00 am to 3:00 pm. Please call ahead or send an email to retire@ladwp.com to speak to your counselor or schedule an appointment. Our office phone number is (213) 367-1692 or (800) 367-7164.



Spotlight – Kenny Cheung

The Retirement Plan Office relies on its staff to provide excellent service to our members, especially those pursuing retirement. The process for retirement can be challenging for those who do not understand all that it entails. It takes dedicated staff to work with our members with patience and understanding. In this newsletter issue, we would like to recognize Kenny Cheung, a Retirement Plan Office staff who exemplifies these traits. Kenny's main function is to help upcoming retirees through the retirement process from beginning to end. He counsels them on their options, required documents, deadlines, and any retirement-related questions they may have. Kenny says he is most grateful for the group of people that he works with. It is their collaborative efforts that allow him to provide the best service he can for our members. In his spare time, Kenny enjoys a variety of outdoor activities and playing music. Thank you, Kenny, for all you do!

2023 Retirement Deadlines

Retirement Date	Last Day to Apply	Last Day to Withdraw	Last Day to Change Option
February 1, 2023	December 30, 2022*	January 25, 2023	February 10, 2023
March 1, 2023	January 30, 2023	February 22, 2023	March 10, 2023
April 1, 2023	March 2, 2023	March 24, 2023*	April 10, 2023
May 1, 2023	March 31, 2023*	April 24, 2023	May 10, 2023
June 1, 2023	May 2, 2023	May 25, 2023	June 9, 2023*
July 1, 2023	June 1, 2023	June 23, 2023*	July 10, 2023
August 1, 2023	June 30, 2023*	July 25, 2023	August 10, 2023
September 1, 2023	August 2, 2023	August 25, 2023	September 8, 2023*
October 1, 2023	September 1, 2023	September 22, 2023*	October 10, 2023
November 1, 2023	October 2, 2023	October 25, 2023	November 9, 2023*
December 1, 2023	November 1, 2023	November 22, 2023*	December 8, 2023*

*Earlier due to weekend and/or holiday.

Your Beneficiary Form

Your Plan death benefits are one of the most significant benefits provided to our LADWP members. For that reason, it is critical that you keep your Beneficiary Designation form up to date to help the Retirement Plan Office ensure that your benefits are distributed according to your wishes. If you have not updated the form recently, or do not remember who you designated, we encourage you to contact our office immediately.

To update your form, please call the Retirement Section at (213) 367-1715 or email a written request to retire@ladwp.com.



WATER AND POWER
EMPLOYEES' RETIREMENT PLAN

Contact Us

Retirement Plan Office
JFB Room 357

Monday – Thursday
7:00 a.m. – 3:00 p.m.

Email: retire@ladwp.com

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

Website: retirement.ladwp.com