

# ACTIVE NEWSLETTER

RETIREMENT.LADWP.COM



## WATER AND POWER EMPLOYEES' RETIREMENT PLAN

Winter 2023/2024



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## Retirement Board President LaTanya Bogin- Jordan



Dear Fellow Plan Members,

As your Joint System Representative since August 2013 and Board President since July 2018, I have been proud to serve on the Retirement Board on our behalf.

When I first joined the Retirement Board, our Retirement Fund had a market value of \$12.6 billion. Today, that amount has grown to \$16.4 billion, an increase of \$3.8 billion in just 10 years. More importantly, our funding ratio has grown to 96.58%, ensuring stability and longevity for our benefits.

Besides improving our funding, the Retirement Board has made improvements to the Plan and our operations to better provide for you. The list of improvements is long, so I wanted to focus on a few highlights:

- A Bereavement Counselor has been appointed to help your family navigate the DWP and its entities should you pass away;

- RIS calculator to give you on-demand estimates of your retirement and up-to-date information on your retirement account;
- Retirement website to give you a dedicated hub of information, whether it's board or benefits, training, the website has been a conduit to provide greater transparency to our members;
- Adopting responsible actuarial assumptions, ensuring our Plan sponsor properly funds our benefits and not push the costs into future years;
- Developing and documenting board policies to ensure consistency of practice and transfer of knowledge;
- Electronics record keeping to maintain your Plan file.

I have been proud of each and every accomplishment and so much more over the years. I would like to thank you for trusting me with your benefits.

# Assumption Changes

The mortality tables, including the discount rates, used to calculate the optional benefits form will change effective July 1, 2024.

Since 2011, the mortality tables, interest rate and discount rate have changed five times. These measures by the Retirement Board ensure that there is sufficient funding in the retirement trust fund to pay for all of our benefits for our lifetime and our spouse or beneficiary's lifetime, which is beneficial to you as a valued employee of LADWP. The Retirement Board's actions have required the LADWP to properly fund our benefits today. When the interest rate is assumed to be at an artificially high level, the result is the employer contribution rate is then kept at an artificially lowered amount since it is assumed that investments will make up the required funding. If the investments do not provide a return that is equal to the assumptions, then the LADWP will make up the difference when it is experienced, thus pushing its obligation to us into the future. By lowering the interest rates, the Retirement Board has required the LADWP to increase its funding to the Plan today to properly provide for our promised benefits, ensuring the longevity of the Plan, and mitigating the risk of a poor investment environment in the future.

The result of these difficult decisions is a retirement plan that is 97.58% funded, well ahead of LACERS and one of the top funded pension plans nationwide. You can be assured that your retirement benefits will be available when you are ready to retire.

The assumption changes do not affect how our retirement benefit is calculated. The formula pension is still calculated the exact same way. The Option Full retirement (highest amount you can get from the Plan) does not change because the assumption changes do not affect your salary, nor your service, nor your retirement factor. Your Option Full amount is still calculated using your highest average salary, multiplied by your service, multiplied by your retirement factor.

However, if you are a money purchase retirement (amount in your retirement account pays a higher monthly amount than the formula pension) or you have an Additional Annuity, then the amount calculated will change as a result of the assumption changes. Since you are earning less interest, there is less in your account to pay out over your lifetime.

Remember, your formula calculation does not change, so if you are a money purchase, you're getting more than what you were expecting or promised for your retirement.

For your Additional Annuity, you have the option of taking it out as a lump sum payment to you (taxes will apply) or rolling it to another account and taking a distribution from the other entity. However, if you decide to take a monthly amount with WPERP, you will have the security of knowing that you will get the amount for your lifetime, regardless of how long you live. If you select Option B or C, it will continue for your beneficiary's lifetime, no matter how long we have to pay it.

That said, for those employees planning to retire in 2024, if you have the flexibility to pick your retirement month, please use the Retirement Information System (RIS) and run your estimates to compare the difference between your monthly allowances for June 1, 2024, and July 1, 2024, to see any impact to you. These changes will not impact you if you are planning to retire before July 2024.

For additional information about the assumption changes, we will hold monthly Lunch and Learn starting in January to answer your questions. A bulletin with dates and times will be distributed in early January 2024.

## Retirement Seminars

Is retirement on your mind? The Retirement Plan Office offers monthly retirement seminars for LADWP employees.

These seminars are a great way to plan for your future retirement and learn about the benefits afforded to you as an LADWP employee. Beginning in 2024, registrations for our retirement seminars will be done via Cornerstone.

### Full Retirement Seminar (via Webex)

January, 1/18/2024  
March, 3/6/2024 (In-Person)  
April, 4/18/2024  
July, 7/16/2024  
September, 9/4/2024 (In Person)  
October, 10/24/2024

### Mid-Career Planning Seminar - Tier 1 (via Webex)

February, 2/8/2024  
May, 5/15/2024  
August, 8/22/2024  
November, 11/19/2024

### Mid-Career Planning Seminar - Tier 2 (via Webex)

March, 3/19/2024  
June, 6/5/2024  
September, 9/17/2024  
December, 12/5/2024



# Retirement Board Meetings

The Board of Administration (Retirement Board) meetings are open to the public.

Meetings are held on the second and fourth Wednesday of every month at 9:00 AM in Room 1555-H of the John Ferraro Building (JFB).

Attendees may also listen in to meetings by calling (213) 306-3065 and entering 97889547#.

To get a copy of the agenda or board items, please visit our website at [retirement.ladwp.com](http://retirement.ladwp.com).



# Farewell to President Bogin-Jordan and Mr. Truefitt

LaTanya Bogin-Jordan has been a member of the Retirement Board since August 2013. William Truefitt has been a member of the Board since May 2022. We are grateful for their guidance and service throughout their tenures, and we wish them all the best in their future endeavors.



Left to Right: William Truefitt, Betty Johnson, LaTanya Bogin-Jordan, and Adolfo Felix.

## RIS Updates

The Retirement Plan Office (RPO) is constantly updating our Retirement Information System (RIS) to increase functionality for members. RIS is accessible through MYDWP or our Retirement website (intranet access required).

### Recent Updates

- Changes to the interest rate, discount rate, and mortality tables are now reflected in the retirement calculator for retirements on or after July 1, 2024.

If you are planning to retire in 2024 and have the option to pick a date before or after July 1, please run your estimates to see the impact to you as a result of the changes to the tables and interest. If you have questions, please call Extension 7-1715.

- Review your beneficiary forms.
- Access 3 years' worth of Annual Member Statements, which provides fiscal year ending account balances.
- See a breakdown of the salary used in your retirement allowance calculation (highest average salary).
- Run a retirement estimate with a continuance for your non-spouse beneficiary (option C).
- Run an additional annuity estimate with a continuance for a beneficiary (option C).

## Connect with the RPO

If you have attended a LADWP-sponsored event recently, you might have met our friendly Retirement Plan Office staff. The Retirement Plan Office attended the Women's Career and Wellness Expo, LA Lineman Rodeo, LADWP Retiree Picnic, and the LADWP Wellness Fair. Staff was on hand to speak with attendees and answer questions.

These events are a great way for you to connect with a Retirement Plan Office representative as you enjoy the festivities. Please connect with us at future events.



# Upcoming Elections

Mark your calendar! Election ballots for your Retirement Plan Board Representatives will be mailed February 12, 2024, and must be returned by March 1, 2024. All active and contributing members of the Plan are eligible to vote.

## Positions

- Joint System Representative
- Power System Representative
- Water System Representative

For more information, please see WPERP Board Election bulletin released November 20, 2023.



# Fun Facts

>> 7,600 active retirees.

>> 6,130 live in California (81%).

>> We make payments to folks living in every state in the Union except for Nebraska.

>> Oldest retiree collecting a benefit? 106 years old.

>> Retiree with earliest retirement date? 6/1/1977.



# Your Beneficiary Form

Your plan benefits are one of the most significant benefits provided to our LADWP members.

Please check RIS to see your most recent beneficiary on file with the plan.

If you need to update it, please contact the Retirement section at (213) 367-1715.

# Contact Us

Retirement Plan Office  
JFB Room 357  
Office Hours:  
Monday - Thursday  
7:00 AM - 3:00 PM

Email: [Retire@ladwp.com](mailto:Retire@ladwp.com)  
Phone: (800) 367-7164 or  
(213) 367-1692  
Website: [retirement.ladwp.com](http://retirement.ladwp.com)



# Know your Benefits

Did you know that your retirement plan protects your beneficiaries after your death? Benefits are available to you while in active service and as a retiree.

## Death While in Active Service

- 14 times your monthly compensation (no limit).
- Refund of the employee contributions and interest (or survivorship for your spouse or domestic partner, if eligible).
- Refund of any Additional Annuity contributions and interest (if applicable).
- Any unpaid disability benefits (if applicable).

For additional questions regarding Death Benefits, including Family Death Benefits Supplemental Family Death Benefits, and spousal continuance please see the self-guided training videos located on our website at [retirement.ladwp.com](http://retirement.ladwp.com).

