

DWP BOARD OF ADMINISTRATION
Retirement Board

Ex-Officio/Appointed Members



Martin L. Adams
General Manager &
Chief Engineer



Cynthia McClain-Hill
Commissioner



Linda T. Ikegami
Chief Accounting
Employee



Elizabeth Johnson
Appointed
Retired Member

Elected Members



LaTanya Bogin
President

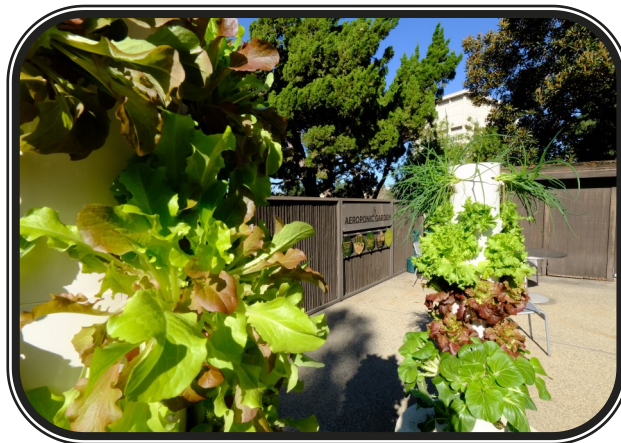


Adolfo Felix
Vice-President



William Truefitt
Member

**WATER and POWER EMPLOYEES'
RETIREMENT, DISABILITY and
DEATH BENEFIT INSURANCE
PLAN**



**SUMMARY
ANNUAL
REPORT**

JUNE 30, 2022

Retirement Plan Office
111 N Hope St.—Room 357
Los Angeles, CA 90012

Phone: (213) 367-1712
(800) 367-7164

E-Mail: RETIRE@LADWP.COM
Website: RETIREMENT.LADWP.COM

To All DWP Retirement Plan Members:

The Summary Annual Report as of June 30, 2022 is submitted in conformity with Section III C (4) of the Retirement Plan provisions. A complete financial report, audited by Simpson & Simpson, CPAs, is posted on the Retirement Plan Office website at retirement.ladwp.com.

The total fiduciary net position for the Retirement Fund decreased to \$15.5 billion from \$ 16.7 billion. The decrease of \$1.2 billion in the Retirement Fund's fiduciary net position is due to the challenging capital market environment. The funded ratio of the Retirement Fund (fiduciary net position as a percentage of total pension liability) decreased to 96.18% from 111.05%.

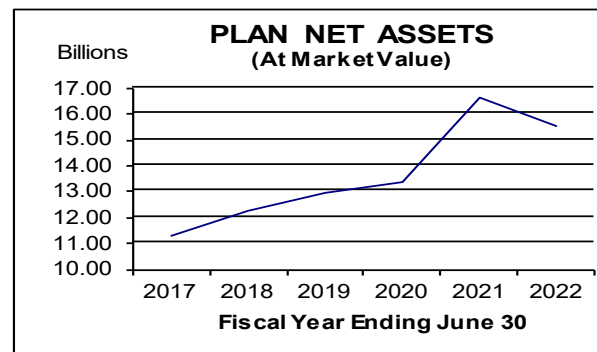
Correspondingly, the Retirement Fund has a net pension liability of \$616.2 million at fiscal year end versus a net pension surplus of \$1.7 billion in the prior year. The Department's contribution to the Retirement Fund for Fiscal Year 2022-2023 will increase to 29.84% of payroll from the previous rate of 26.04% in accordance with the annual Actuarial Valuation as of July 1, 2022 prepared by Segal Consulting, also posted on the Retirement Plan Office website at retirement.ladwp.com.

Pension plan assets are professionally managed and invested in well-diversified asset classes to manage risk while seeking to achieve long-term investment goals.

The Retirement Board and Staff remain committed to their mission of providing responsive and efficient service through responsible administration of the Plan and prudent management of its assets.

LaTanya Bogin
President
Retirement Board

Linda P. Le
Retirement
Plan Manager



RETIREMENT PLAN OFFICE STAFF

Linda P. Le
Retirement Plan Manager

Monette Carranceja
Assistant Retirement Plan Manager

William Feng
Assistant Retirement Plan Manager

Jeremy Wolfson
Chief Investment Officer

Tri Luu
Chief Accountant

LEGAL COUNSEL
City Attorney's Office

Joshua M. Geller

SERVICE PROVIDERS

As of June 30, 2022

ACTUARY The Segal Company	PROXY SERVICE PROVIDER Glass, Lewis & Co., LLC
AUDITOR Simpson & Simpson, CPAs	TRANSACTION COST ANALYSIS PROVIDER Zeno AN Solutions
CUSTODIAN BANK Northern Trust	COMMISSION RECAPTURE Russell Investments Implementations Services, LLC
INVESTMENT CONSULTANTS StepStone Group Real Estate, L.P. StepStone Group, L.P. RVK, Inc.	IN-KIND DISTRIBUTION ADVISOR Hamilton Lane Advisors, LLC
COUNSEL Ice Miller, LLP Nossaman, LLP Kutak Rock, LLP	PORTFOLIO TRANSITION PROVIDERS Blackrock Institutional Trust Co., N.A. Northern Trust Investments, Inc. Russell Implementation Services, Inc.

INVESTMENT MANAGERS

ACORE Capital Adams Street Partners Alliance Bernstein Allspring Global Investments Almanac Realty Investors Angelo Gordon & Co. Apollo Global Management, LLC Ares Management, LLC Atalaya Capital Management Audax Group BlackRock The Blackstone Group Boston Partners Bristol Group, Inc. Brookfield Asset Management Inc. Capital Dynamics Capital Group Corberus Clayton, Dubilier & Rice, Inc. Clearlake Capital Group Crestview Partners Dimensional Fund Advisors DRA Advisors, LLC Earnest Partners, LLC Emerald Advisors, Inc. EnCap Investments FIAM, LLC Fisher Lynch Capital FPA Multifamily, LLC Genstar Capital Partners Green Equity Investors Hancock Timber Resource Group Harrison Street Harvest Partners Heitman	Industry Ventures, LLC Invesco Real Estate Invesco National Trust Company J.P. Morgan Jamestown Jennison Associates, LLC Landmark Partners, Inc. LaSalle Investment Management Lexington Partners, Inc. Lone Star Funds Los Angeles Capital Management & Equity Research, Inc. Mesa West Capital MFS Institutional Advisors, Inc. Molpus Woodlands Group Neuberger Berman Oaktree Capital Management, LLC Oak HC/FT Partners Pacific Asset Management PGIM Real Estate Platinum Equity Advisors, LLC Prologis, Inc. Providence Strategic Growth Capital Partners, LLC Searchlight Capital Partners, LLC Silver Lake Partners Stellex TPG Torchlight Investors, LLC T. Rowe Price Associates USAA Real Estate Company Victory Park Capital Vista Equity Partners Wellington Management Westbrook Partners
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STATEMENT OF CHANGES IN FIDUCIARY
NET POSITION

Retirement Fund	2022	2021
Net Position– Beginning of Year	\$16,667,463,956	13,353,708,096
Members’ Contribution	131,105,102	122,316,256
Department Contribution Towards Benefits (Net of Reversions)	318,873,759	378,990,511
Administration Expenses	6,451,962	6,080,956
Total Contributions	\$456,430,823	507,387,723
Total Investment Income ¹	(818,482,075)	3,554,452,073
(Less Securities Lending Expenses)	(1,900,005)	(548,383)
(Less Investment Expenses)	(68,076,515)	(64,819,787)
Net Investment Income	\$(888,458,595)	3,489,083,903
Other Income	109,867	116,430
Total Additions	\$(431,917,905)	3,996,588,056
Retirement Benefits Paid	706,884,767	671,277,654
Refund of Members’ Contribution	9,123,134	6,439,360
Administrative Expenses	5,613,756	5,115,182
Total Deductions	\$721,621,657	682,832,196
Net Increase in Plan Net Position	(1,153,539,562)	3,313,755,860
Net Position - End of Year	\$15,513,924,394	16,667,463,956

Disability Fund		
Members’ Contribution	\$528,522	528,815
Department Contribution	16,357,748	16,794,349
Total Contributions	\$16,886,270	17,323,164

Benefits Provided		
Temporary Disability	13,839,136	11,442,586
Extended Temporary Disability	454,775	544,294
Permanent Total Disability	2,066,050	1,963,922
Supplemental Disability	1,486,607	1,215,960
Total Benefits Paid	\$17,846,568	15,166,762

Death Benefit Fund		
Members’ Contribution	\$372,258	373,989
Department Contribution	14,991,933	14,522,798
Total Contributions	\$15,364,191	14,896,787

Benefits Paid		
Death Benefit	\$8,704,737	9,679,179
Family Allowances	635,479	566,072
Total Benefits Paid	\$9,340,216	10,245,251

Retiree Health Benefits Fund		
Department Contributions	\$113,094,077	110,261,019
Net Investment/Other Income ²	(157,243,140)	614,234,046
Total Additions	\$(44,149,063)	724,495,065

Retiree Health Benefits Paid (Insurance Premiums)	\$112,081,130	109,282,435
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¹ Includes Fair Market Value Net Depreciation of \$1,103,563,240 for 2022 and Net Appreciation of \$3,309,171,398 for 2021.
² Includes Fair Market Value Net Depreciation of \$194,009,355 for 2022 and Net Appreciation of \$585,247,030 for 2021.

WATER AND POWER EMPLOYEES’ RETIREMENT,
DISABILITY, AND DEATH BENEFIT INSURANCE PLAN

SUMMARY ANNUAL REPORT
JUNE 30, 2022

ANNUAL ACTIVITY

Active Membership	2022	2021
Number of Contributing Members	10,799	10,605
Tier 1	5,510	5,926
Tier 2	5,289	4,679
Number of New Members	697	370
Average Age	46.5	46.7
Average Years of Service	13.3	13.8

Disability Related		
Number of Temporary Disability Claims	1,042	941
Number Paid Worker’s Compensation Supplement	213	155
Number on PTD	52	55

Retirees		
Number of Retirees	7,760	7,621
Tier 1	7,745	7,609
Tier 2	15	12
Number of Beneficiaries	1,956	1,943
Tier 1	1,955	1,942
Tier 2	1	1
Number Who Retired During the Fiscal Year	405	468
Average Monthly Benefit	\$6,825	\$6,603
Average Age	72.7	72.7

Death Benefit Related		
Number of Deaths		
Active members	32	29
Retirees	256	315
Number Receiving Monthly Survivorship	264	262
Number of Family Allowances	63	62
Number of Children on Family Death Benefit Roll	83	81

ACTUARIAL BALANCE SHEET

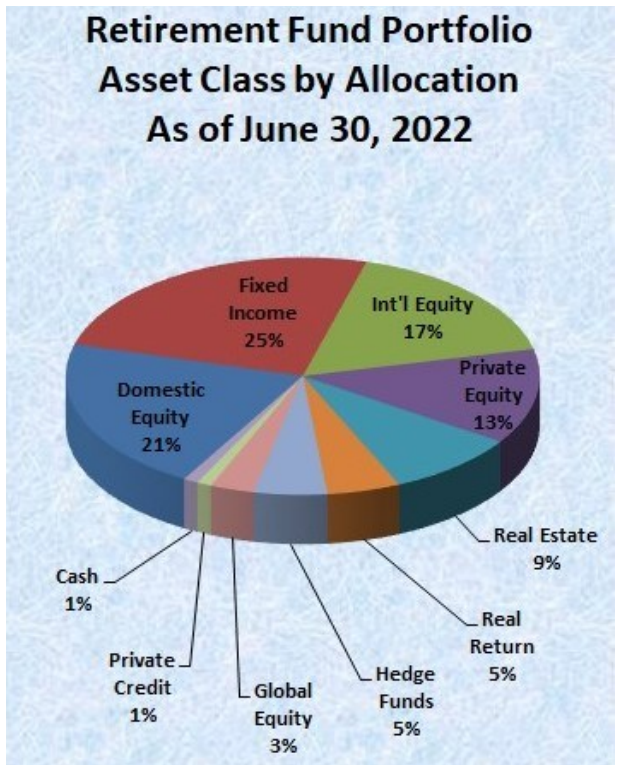
Assets	June 30, 2022	June 30, 2021
Total Actuarial Value of Assets	\$15,812,000,418	14,889,255,775
Present Value of Future Contributions by Members	1,338,199,223	1,186,434,779
Present Value of Future Department Contributions for a. Normal Cost	2,390,476,053	1,882,426,985
b. Unfunded Actuarial Accrued Liability	318,108,339	119,561,791
Total Current and Future Assets	\$19,858,784,033	18,077,679,330

Liabilities		
Present Value of Benefits Retirees & Beneficiaries	\$9,628,733,394	8,889,505,418
Present Value of Benefits Terminated Vested Members	265,177,322	243,126,270
Present Value of Benefits Active Members	9,964,873,317	8,945,047,642
Total Liabilities	\$19,858,784,033	18,077,679,330

RETIREMENT FUND
PORTFOLIO PERFORMANCE
(Fiscal Year Ended June 30, 2022)

Asset Class vs. Benchmarks	1YR (%)	3YR (%)	5YR (%)
Total Retirement Fund	-5.24	7.60	7.72
Policy Benchmark	-7.16	6.39	6.90
Domestic Equity	-15.55	9.35	10.69
Russell 3000	-13.87	9.77	10.60
International Equity	-20.99	2.44	3.50
MSCI ACWI ex-US IMI ND Index	-19.86	1.55	2.50
Global Equity ²	-7.87	N/A	N/A
MS AC Wld Idx IMI Nt	-16.52	N/A	N/A
Fixed Income	-9.26	-0.27	1.46
Fixed Income Blend	-10.10	-0.92	0.99
Private Credit ³	N/A	N/A	N/A
Credit Suisse Lev. Loan +2%	N/A	N/A	N/A
Real Estate ¹	24.62	11.10	10.48
NCREIF + 50bps	22.46	10.14	9.08
Real Return	6.68	8.97	6.65
CPI + 1%	9.64	6.44	6.01
Private Equity ¹	36.41	27.90	23.30
Russell 3000 + 3%	15.25	21.74	18.82
Hedge Funds (One Month Lag)	8.54	4.36	3.54
T-Bills + 3%	3.15	3.71	4.15
Cash	0.35	0.73	1.40
ML 3 Month T-Bills	0.17	0.63	1.11

¹Returns as of 3/31/2022 ²Added to portfolio in September 2020 ³Added to portfolio in October 2021



RETIREMENT FUND PORTFOLIO
ASSET ALLOCATION¹
(As of June 30, 2022)

Asset Class	Market Value (\$ Million)	Current Allocation (%)	Target Allocation (%)
Fixed Income	3,837	25	24
Domestic Equity	3,263	21	24
International Equity	2,626	17	19
Private Equity	1,952	13	10
Real Estate	1,374	9	8
Hedge Funds	867	5	5
Real Return	859	5	5
Global Equity	402	3	3
Cash	170	1	1
Private Credit	119	1	1
Total Retirement Fund	\$15,469	100	100

¹ Source: The Northern Trust Company