

**BOARD OF DEFERRED
COMPENSATION
ADMINISTRATION**

EUGENE K. CANZANO
CHAIRPERSON

RICHARD KRAUS
VICE-CHAIRPERSON

SANGEETA BHATIA
CLIFF CANNON
TOM MOUTES
JOHN MUMMA
MICHAEL PEREZ
ROBERT SCHOONOVER
MARGARET WHELAN

CITY OF LOS ANGELES
CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

**PERSONNEL DEPARTMENT
EMPLOYEE BENEFITS DIVISION**
200 NORTH SPRING STREET, ROOM 867
LOS ANGELES, CA 90012
(213) 978-1617

July 1, 2011

INTRODUCING ROTH 457 – A NEW WAY TO SAVE

Dear Plan participant,

The Board of Deferred Compensation Administration is pleased to announce the introduction of an exciting new savings opportunity in the City's Deferred Compensation Plan: **Roth 457**.

Effective July 1, 2011, Roth 457 will provide active employee participants with the **option of saving after-tax dollars** into their accounts and **not paying tax on distributions**. This provides an alternative to the current savings approach of **saving pre-tax dollars** and **paying tax on distributions**.

The enclosed materials provide details and illustrations regarding how this savings option will work. Although no action is required on your part, we encourage you to review the information closely so that you understand your new choices.

The introduction of the Roth savings option does not impact your existing account balance. It also does not impact participants who have retired or otherwise separated service.

As always, our Plan representatives are available to answer questions or assist you in making changes. Contact information is provided in the enclosures.

Roth 457 provides yet another tool to consider for helping you build a secure and prosperous retirement. On behalf of the Board, we wish you much success in making your retirement dreams come true!

Eugene K. Canzano, Chairperson
Board of Deferred Compensation Administration