

Retirement Income Replacement Calculator

Let's take a sneak peek at your retirement future!

We'll show you how your projected retirement income compares to your income while working.

Prepared by the Personnel Department

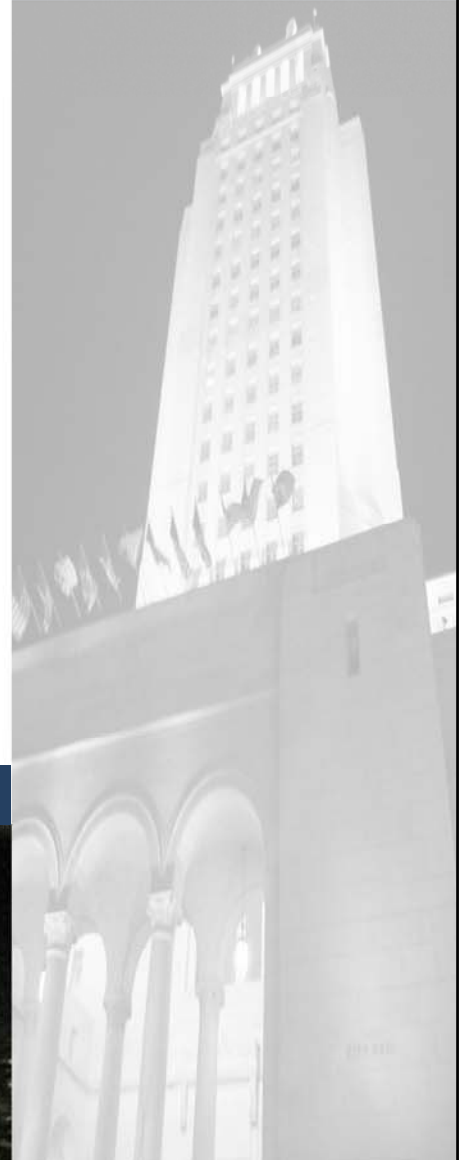
**City of Los Angeles
Deferred Compensation Plan**





This calculator is designed to provide an **illustration of your potential retirement income**, rather than a definitive projection of actual retirement income.

For more specific information related to any retirement/pension benefits available to you through either the Los Angeles City Employees' Retirement System, Department of Water and Power Retirement System, or Fire and Police Pension System, please contact those agencies. Any differences between the illustrations provided through this calculator and the projections provided by your retirement/pension systems should be resolved in favor of the retirement/pension systems.



About You



Please tell us your name:

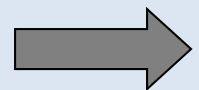
First Name

Last Name

How old are you?

How many years of service do you have with the City? **A39**

Which pension system are you a member of? **A40**



Slide 3

A39 This is the number of years since you began contributing to LACERS, Fire & Police Pensions, or DWP Retirement.

Administrator, 10/17/2012

A40 Choose from:
LACERS (for civilian employees and non-DWP),
Fire & Police Pensions (for sworn employees), or DWP Retirement (DWP employees only).

Your paystub will indicate which pension system you belong to, e.g. "04-LACERS" or "03-Fire & Police Pensions".

Not all sworn members contribute to Pensions. GSD Police Officers and some Port Police are part of LACERS.

Administrator, 10/17/2012

A41 Insert dropdown

LACERS

LAFPP

DWP Retirement

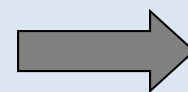
Administrator, 10/17/2012



Your City Retirement/Pension Benefit

Your retirement/pension benefit is a payment of certain retirement income based on your salary and years of service.

You must satisfy certain minimum age/service requirements to be eligible to receive a benefit.



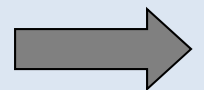
Your LACERS Benefit



A42 At what age would you like to retire?

A32 What is your current annual salary (gross)?

A15 What percentage of each paycheck do you contribute to LACERS?



Slide 5

A32 To verify, please refer to your paycheck stub.

Example:

GROSS BI-WEEKLY PAY (before tax & deductions)
x 26 PAYCHECKS

= ANNUAL GROSS SALARY

Administrator, 10/17/2012

A42

The City's normal retirement age for LACERS is:

30 years of service and attainment of age 55

OR

10 years of service and attainment of age 60

A selection of an age prior to normal retirement would reduce your final pension benefit.

Administrator, 10/17/2012

A15

This percentage will vary depending on your MOU.

Non-represented employees contribute 9% of each paycheck.

Coalition, EAA, and all other members contribute 11% of each paycheck.

Administrator, 10/18/2012

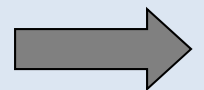
Your DWP Retirement Benefit



A45 At what age would you like to retire?

A47 What is your current annual salary (gross)?

A23 What percentage of each paycheck do you contribute to DWP Retirement?



Slide 6

A23 This percentage will vary depending on your hire date with DWP.

If you became a Plan member after June 1, 1984, your contribution percentage would be 6%.

If you became a Plan member before June 1, 1984, your contribution percentage would be less than 6%.

Please contact the DWP Retirement Office at (213) 367-1715 for specific information.

Administrator, 10/17/2012

A44

Default to 6%

Administrator, 10/17/2012

A45

The normal retirement age fo DWP members is:

30 years of service and attainment of age 55

OR

10 years of service and attainment of age 60

A selection of an age prior to normal retirement would reduce your final pension benefit.

Administrator, 10/17/2012

A47

To verify, please refer to your paycheck stub.

Example:

 GROSS BI-WEEKLY PAY (before tax & deductions)

x 26 PAYCHECKS

= ANNUAL GROSS SALARY

Administrator, 10/17/2012

Your Fire & Police Pensions Benefit



A20 What is your retirement Tier?

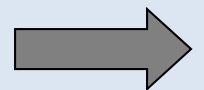
A19

A46 At what age would you like to retire?

A48 What is your current annual salary (gross)?

A21 What percentage of each paycheck do you contribute to Fire & Police Pensions?

9%



Slide 7

A19 Drop-down with options:

Tier 1
Tier 2
Tier 3
Tier 4
Tier 5
Tier 6

Administrator, 4/11/2012

A20 If you are not sure which Tier you are a member of, please contact Fire & Police Pensions at (800) 787-2489.

Administrator, 4/11/2012

A21 This percentage is calculated by dividing your bi-weekly retirement contribution by your bi-weekly gross pay.

Example:

\$337.28 PENSION CONTRIBUTION
(Deduction Code 03)

divided by

\$3,747.60 GROSS BI-WEEKLY PAY

=0.09 (9%)

Note: Base bi-weekly pay would not include any overtime paid

Administrator, 10/17/2012

A46 The normal retirement age for Fire & Police Pensions members would vary depending on the Tier:

For Tiers 1, 2, 4
20 years of service (with no age requirement)

For Tier 3
10 years of service and attainment of age 50

For Tier 5, 6
20 years of service and attainment of age 50

A selection of an age prior to normal retirement would reduce your final pension benefit.

Administrator, 10/17/2012

Slide 7 (Continued)

A48 To verify, please refer to your paycheck stub.

Example:

x GROSS BI-WEEKLY PAY (before tax & deductions)
x 26 PAYCHECKS

= ANNUAL GROSS SALARY

Administrator, 10/17/2012

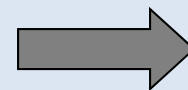


Your Deferred Compensation Plan Account

The Deferred Compensation Plan is a voluntary supplemental retirement savings account.

You can withdraw the funds at any time upon separation from service.

The Plan was designed to provide you with an ongoing stream of income to supplement your retirement/pension benefit.



Your Deferred Compensation Account

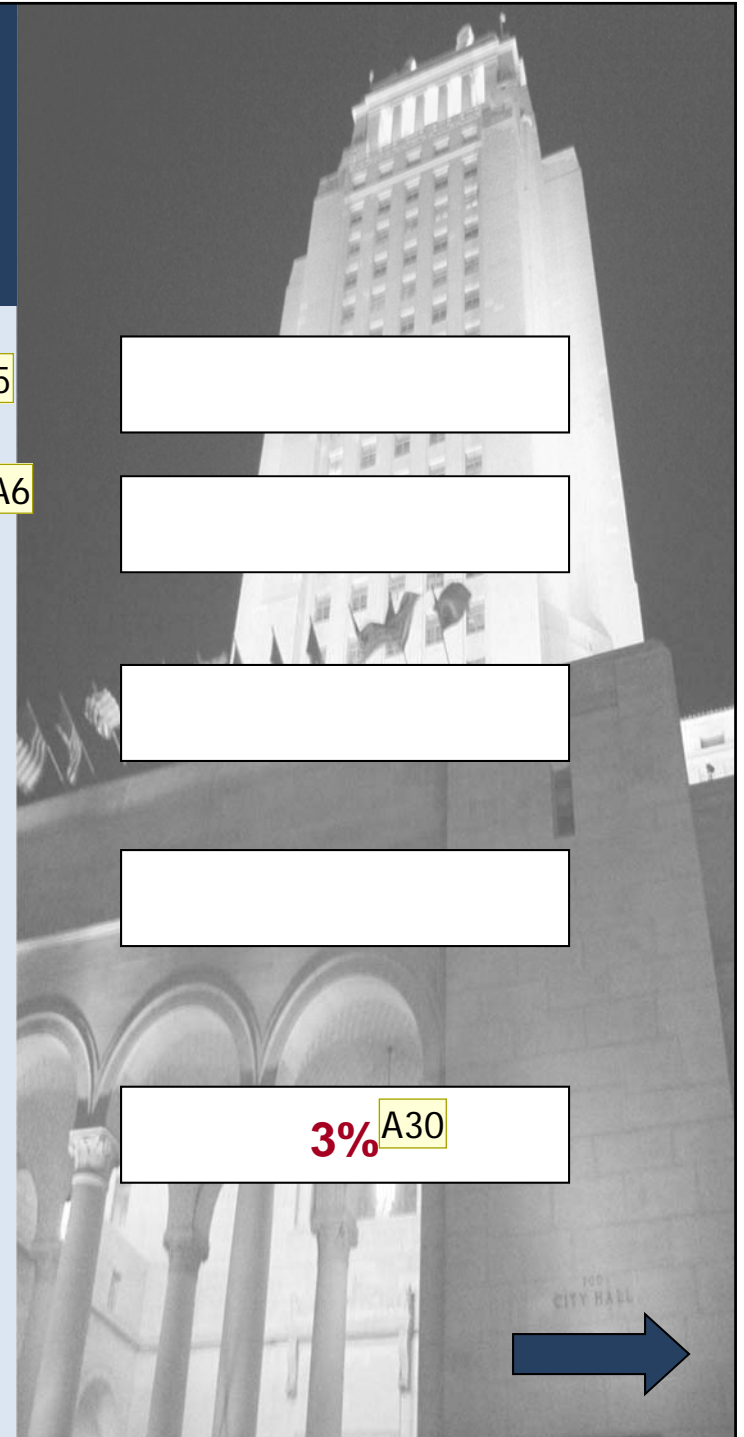
What is your current **pre-tax** contribution per paycheck? **A5**

What is your current **after-tax** contribution per paycheck? **A6**

What is your current total DCP **pre-tax** account balance? **A7**

What is your current total DCP **after-tax** account balance? **A8**

What rate of return would you like to assume for your DCP money until retirement? **A4**



Slide 9

A4 This is the rate of return for your DCP balance while you are working for the City. This field defaults to a 3% rate, which is generally conceived as a conservative estimate.

Your rate of return will be determined by your investment choices. Volatile investments may have higher rates of return, whereas more stable investments may have lower rates of return. As there is no certain way to predict what your overall rate of return may be, we would recommend starting off with a conservative estimate so that you may better anticipate different scenarios in your retirement.

Administrator, 10/18/2012

A5 You can refer to your paystub. Your pre-tax Deferred Compensation contribution is listed as code "86 - Deferred Comp Pre-Tax"

Administrator, 4/10/2012

A6 You can refer to your paystub. Your after-tax Deferred Compensation contribution is listed as code "88 - Roth 457"

Administrator, 4/10/2012

A7 You can verify your total DCP pre-tax account balance by either contacting Great-West at (888) 457-9460 or going online at www.cityofla.com. It is listed under View Account, Balance, Employee Before Tax.

Administrator, 4/10/2012

A8 You can verify your total DCP after-tax account balance by either contacting Great-West at (888) 457-9460 or going online at www.cityofla.com. It is listed under View Account, Balance, Roth Contribution.

Administrator, 4/10/2012

A30 Insert drop down

1%

2%

3%

4%

5%

6%

7%

8%

9%

10%

Administrator, 10/18/2012

Your Deferred Compensation Account

How many years will you need to withdraw from your DCP account? **A13**

What is your expected rate of return for your DCP funds in retirement? **A11**

30

3%



Slide 10

- A11** This is the interest your DCP money will accrue while in retirement or once separated from the City. This field defaults to a 3% rate, which is generally conceived as a conservative estimate.
Administrator, 10/18/2012
- A13** This number would be dependent upon your age at retirement and the number of years you expect to live in retirement.
Administrator, 4/10/2012



Additional Resources

Some employees have other assets or sources of income available to them in retirement.

Adding these in gives you a fuller picture of your post-retirement income.



Extra Savings and Income



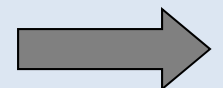
(A) Enter a current balance for any additional **pre-tax** savings you anticipate using for retirement income. **A37**

(B) Enter a current balance for any additional **after-tax** savings you anticipate using for retirement income. **A38**

(C) Enter an amount of any additional monthly **pre-tax** income you anticipate using for retirement income. **A33**
Not included in (A) above

(D) Enter an amount of any additional monthly **after-tax** income you anticipate using for retirement income.
Not included in (B) above

Enter any monthly significant current expenses that will be eliminated by the time you retire. **A34**



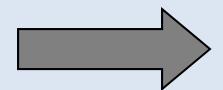
Slide 12

- A33** Additional income could be rental property income and/or annuities (i.e., Larger Annuity, DWP Retirement Annuity), etc.
Administrator, 10/18/2012
- A34** Indicate any obligations that you will have paid off at the time of retirement, such as a mortgage payment and/or car payment, transportation costs, etc. This calculator has already taken into account that you no longer will be paying for retirement.
Administrator, 10/18/2012
- A37** Indicate the anticipated total balances of any "DROP" account or outside retirement account (individual IRA, 401(k), etc.).
Administrator, 10/18/2012
- A38** Indicate balances for any Roth IRAs, Roth 401(k) accounts, Roth 401(a) accounts, etc.
Administrator, 10/18/2012



Results

The following results provide you a projection of the percent of your working income that can be replaced by the combination of your retirement income sources.





<<First Name>> <<Last Name>>
<<TODAY'S DATE>>

Based on your responses, you will have **100%** of your estimated salary at retirement.



Your Estimated Monthly Pension Benefit: **\$1,400.00**

Your Estimated Monthly DCP Benefit: **\$1,000.00**

Your Estimated Monthly Additional Savings/Income: **\$1,000.00**

Your Estimated Combined Monthly Benefit: **\$3,400.00**

Retiring at Age

Years of Service at Retirement

Estimated Salary at Retirement

DCP Pre-Tax Contribution

DCP After-tax Contribution

DCP Rate of Return (before retirement)

DCP Rate of Return (during retirement)

Assumptions

- Annual salary increase 3%
- Backs out retirement contribution, etc
- Pension benefit doesn't take into account early penalties
- Other

Not happy with your number?

A52

Try different numbers (e.g., increase or decrease contributions, rates of return, or age at retirement).

Let's try this again.

Slide 15

A52

Button to take back to Pensions/Retirement Slide (Screen #3a, b, or c)

Administrator, 12/12/2012