

DEFERRED COMPENSATION PLAN BOARD REPORT 14-38

Date: September 3, 2014
To: Board of Deferred Compensation Administration
From: Staff
Subject: Proposed Mayoral Proclamations for National Save for Retirement Week

Members
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Cliff Cannon, First Provisional Chair
Tom Moutes, Second Provisional Chair
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Recommendation:

That the Board of Deferred Compensation Administration review and approve the proposed communications from the Office of the Mayor to Deferred Compensation Plan participants regarding the promotional campaign for National Save for Retirement Week.

Discussion:

At its July 15, 2014 meeting, the Board of Deferred Compensation Administration approved a proposed campaign for promoting participant engagement and awareness during National Save for Retirement Week. Staff's proposal included developing a proclamation from the Mayor and/or City Council regarding the promotional efforts for this event. This report presents draft communications from the Mayor to both active and retired Plan participants (Attachment I).

As noted in staff's prior report, the Plan website is a primary engagement tool for the Plan's 40,000 participants. The draft communications from the Mayor are focused on encouraging Plan participants to engage with their retirement readiness and/or retirement experience through utilizing the Plan's "*Retirement Income Projection Calculator*" and the special retiree survey being developed for this effort (and which was previously considered by the Board at its August 19, 2014 meeting). The flyer provides details regarding the promotion. Once approved by the Board, these letters will be submitted to the Office of the Mayor for review and signature.

An updated key milestone summary is provided for reference in Attachment II.

Submitted by: _____
Paul Makowski

Approved by: _____
Steven Montagna

CITY OF LOS ANGELES

CALIFORNIA

ERIC GARCETTI
MAYOR

DATE: October 1, 2014

TO: All City of Los Angeles Employees

FROM: Eric Garcetti, Mayor

SUBJECT: **2014 National Save for Retirement Week**

The United States Congress adopts an annual resolution for **National Save for Retirement Week** in order to raise public awareness about the importance of preparing for a secure retirement. Celebrated during the third week of October, this event provides an opportunity to reflect on your personal retirement goals and review whether you are on target to reach those goals.

As Mayor of the City of Los Angeles, I recognize the importance of retirement readiness for the City's workforce and support this important national effort. Full-time employees have retirement/pension benefits provided to them through the City's three primary retirement pension plans: the **Los Angeles City Employees' Retirement System (LACERS)**, **Los Angeles Fire and Police Pensions (LAFPP)**, and the **Department of Water and Power Employees' Retirement Plan (DWPERP)**. This is an excellent time to learn more about the services and benefits available to you in these plans.

In addition, contributing members to these plans have the option of participating in the **City's Deferred Compensation Plan**, a supplementary retirement savings plan administered by the Personnel Department. The Deferred Compensation Plan has a valuable new online tool, called the **Retirement Income Projection Calculator**, to help participants understand whether they are on track to achieve retirement income security by comparing projected pre- and post-retirement income.

To promote use of the Retirement Income Projection Calculator, **I'm inviting all City employees who are participants in the Deferred Compensation Plan to log in to their online accounts and use the calculator between October 15-31, 2014.** Those who do so, and who self-report their current projected retirement income replacement percentage on the website between October 15-31, 2014, will become eligible for a random prize drawing. Please see the attached flyer for details.

I encourage all employees to take an active part in preparing for a secure retirement. On behalf of the City's primary and supplemental retirement plans, thank you for participating in National Save for Retirement Week!

National Save for Retirement Week – October 2014

PROJECT YOUR RETIREMENT INCOME!

Share Your Results to Become Eligible for a Gift Card Drawing

As part of celebrating National Save for Retirement Week, the Deferred Compensation Plan is embarking on a special effort to encourage Plan participants to use our powerful new online tool called the **Retirement Income Replacement Calculator**. This calculator allows you to compare your projected future retirement income with your working income. The calculator provides you

with the **percentage of income replacement** you're on track to receive in retirement. Knowing this percentage is crucial information for making decisions today - regarding contributions, risk tolerance, and taxes – that can enhance your retirement readiness.

What is the Deferred Compensation Plan?

The Deferred Compensation Plan is a voluntary, supplemental retirement savings option. It provides a way to set aside current income and invest it for your retirement.

How do I participate?

Log in to your account at www.cityofla457.com during Oct 15-31 and look for the announcement. You will be asked to enter your personal information into the Retirement Income Projection Calculator. After you reach the results page with your retirement income replacement percentage, follow the announcement instructions to submit your results.



What if I don't have a username/password to log in to my account?

Call the Plan Administrator, Great-West Retirement Services, at **(888) 457-9460**, Monday through Friday from 6:00 a.m. to 5:00 p.m., to set up online access (please say "Representative" when you dial in to quickly reach an operator).

When does this promotional event take place?

The promotional event period is open **October 15-31, 2014**. If you submit your results during this period you will become eligible for the random prize drawing.

What prizes will be offered?

Two hundred \$25 restaurant or movie gift cards will be awarded. Please visit the Plan website on or after October 15, 2014, for official rules and details.

Who's eligible for the promotion?

All Plan participants with account balances who participate in the promotion by submitting their results are eligible for the random prize drawing.

What if I'm not a current participant but wish to join?

To enroll in the Plan, you can obtain enrollment materials from the Plan website, contact Great-West Retirement Services at (888) 457-9460, or visit the Plan's Local Service Center at City Hall, 200 N. Spring Street, Room 867, Monday through Friday between 8:00 a.m. - 4:00 p.m. Local representatives are also available at the City Hall location by calling (213) 978-1601.

The City's \$4.5 billion plan has over 40,600 participants. Of these, 31,280 are active employees, representing 68% of those eligible to join.

CITY OF LOS ANGELES

CALIFORNIA



ERIC GARCETTI
MAYOR

DATE: October 1, 2014

TO: Retired/Separated From Service Deferred Compensation Plan Participants

FROM: Eric Garcetti, Mayor

SUBJECT: **2014 National Save for Retirement Week**

The United States Congress adopts an annual resolution for **National Save for Retirement Week** in order to raise public awareness about the importance of saving for and maintaining a secure retirement. Celebrated during the third week of October, this event provides an opportunity for our active population to focus on retirement readiness, and our retired population to focus on their ongoing experience of retirement.

As Mayor of the City of Los Angeles, I recognize the importance of retirement security for the City's workforce and support this important national effort. If you've retired, you already recognize the value of the retirement/pension benefits provided to you through one of the City's three primary retirement pension plans: the **Los Angeles City Employees' Retirement System (LACERS)**, **Los Angeles Fire and Police Pensions (LAFPP)**, and the **Department of Water and Power Employees' Retirement Plan (DWPERP)**. This is an excellent time to learn more about the services and benefits available to you in these plans.

In addition, as a participant in the **City's Deferred Compensation Plan**, a supplementary retirement savings plan administered by the Personnel Department, you've established another resource to help support your retirement. The Deferred Compensation Plan is interested in obtaining your feedback on your retirement experience by taking a special online **Retiree Income Survey**, where you will be asked to provide feedback on your retirement experience, post-retirement income, and how you use your Deferred Compensation Plan account. The survey is available after you log in to your account by looking for the online survey announcement.

As a result, **I'm inviting all retired (or otherwise separated from service) participants to log in to their online accounts and use the calculator between October 15-31, 2014.** Those who do so will become eligible for a random prize drawing. Please see the attached flyer for details.

I encourage all of our retired Deferred Compensation Plan participants to take an active part in maintaining a secure retirement. On behalf of the City's primary and supplemental retirement plans, thank you for participating in National Save for Retirement Week!

City of Los Angeles Deferred Compensation Plan
National Save for Retirement Week – October 2014

TELL US ABOUT YOUR RETIREMENT!
Take our Survey to Become Eligible for a Gift Card Drawing

As part of celebrating National Save for Retirement Week, the Deferred Compensation Plan is embarking on a special effort to collect information from participants who have retired or otherwise separated from City service. This survey will help the Plan gather important information about your transition to and experience in retirement.

How do I participate?

Log in to your account at www.cityofla457.com during the promotion period (Oct 15-31) and look for the promotion announcement. You will be asked to take a short survey and submit it to the Plan.

What if I don't have a username/password to log in to my account?

Call the Plan Administrator, Great-West Retirement Services, at (888) 457-9460, Monday through Friday from 6:00 a.m. to 5:00 p.m., to set up online access (please say "Representative" when you dial in to quickly reach an operator).

What if I don't have web access but would still like to participate?

You can request a printed version of the survey by calling (213) 978-1586.

When does this promotional event take place?

The promotion period is **October 15-31, 2014**. If you submit your results during this period you will become eligible for one of the prizes.

What prizes will be offered?

Two hundred \$25 restaurant or movie gift cards will be awarded. Please visit the Plan website on or after October 15, 2014, for official rules and details about participating.

Who's eligible for the prize?

All Plan participants who are retired or separated from City service with an account balance may participate in the promotion by taking a survey and, upon completion of the entire survey, are eligible for the random prize drawing.

What if I have more questions about the promotion?

Visit the Plan's website at www.cityofla457.com or visit the Local Service Center at City Hall, 200 N. Spring Street, Room 867, Monday through Friday between the hours of 8:00 a.m. and 4:00 p.m. Local representatives are also available at the City Hall location by calling (213) 978-1601.

Why is This Survey Important?
The Deferred Compensation Plan is surveying retired participants to help us learn about your experiences and needs, and guide us in helping others prepare for the future.

The City's \$4.5 billion plan has over 40,600 participants. Of these, 9,320 are retired or separated from City service, representing 23% of all participants.

**NATIONAL SAVE FOR RETIREMENT WEEK PROMOTION CAMPAIGN
KEY MILESTONES**

National Save for Retirement Week: Oct. 19-25

Promotional Period (including Incentive Eligibility): Oct. 15-31

CAMPAIGN COMPONENT	TARGET COMPLETION DATE	COMMENTS	<input checked="" type="checkbox"/>
Complete Labor Organization/Retirement Plan Web Articles	August 15, 2014	Articles must be completed early to allow for various publishing deadlines	<input checked="" type="checkbox"/>
Board Approves Proposed Retiree Population Survey	August 19, 2014	APPROVED	<input checked="" type="checkbox"/>
Submit Mayoral/Council Proclamation for Signature	September 1, 2014	n/a	
Obtain Signed Mayoral/Council Proclamation	September 22, 2014	Due by this date to allow adequate time for print publishing deadlines	
Finalize Electronic Surveys: Retiree Self-Assessment/ Participant Results Tools	October 1, 2014	n/a	
Finalize 2014 Calculator Enhancements	October 1, 2014	Enhancements will be implemented only if time/funding permit	
Special Mailing - Plan Participants	October 13, 2014	Will include Proclamation, Guide to Using Calculator	
Retirement Plan/Labor Organization Communications	Various	Depending on publishing schedule	
1st Citywide Email	October 15, 2014	Will include Proclamation, Guide to Using Calculator	
2nd Reminder Citywide Email	October 20, 2014	n/a	
Great-West Quarterly Newsletter	October 20, 2014	n/a	
Calculator Webinar	October 21, 2014	n/a	
3rd Reminder Citywide email	October 23, 2014	n/a	
Incentive Eligibility Period Closes	October 31, 2014	n/a	
Incentives Awarded/Announced on Plan Website	November 14, 2014	n/a	