



CITY OF *Los Angeles*
DEFERRED COMPENSATION PLAN (DCP)

Board Report 19-12

Date: April 16, 2019
To: Board of Deferred Compensation Administration (Board)
From: Staff
Subject: 2018 DCP Annual Report

Board Members

John R. Mumma
Chairperson

Thomas Moutes
Vice-Chairperson

Raymond Ciranna
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Robert Schoonover
Second Provisional Chair

Wendy G. Macy
Third Provisional Chair

Joshua Geller

Hovhannes Gendjian

Neil Guglielmo

Linda P. Le

Recommendation:

That the Board approve the 2018 DCP Annual Report.

Discussion:

Pursuant to Division 4, Chapter 14 of the City of Los Angeles Administrative Code, the Board is required to report annually to the City Council and DCP participants on the administrative and financial conditions of the DCP. This report serves to satisfy this requirement. Once approved, the 2018 Annual Report will be submitted to the City Council, Office of the Mayor, and the City's labor unions, as well as posted on the DCP's website.

The 2018 Annual Report includes discussion and data pertaining to DCP core goals and metrics related to participation, contributions, asset retention, and distributions. It also includes key indicative data regarding assets, investments, fees, participant engagement, and budget accounts. The report highlights new features and services rolled out in 2018 and provides a review of their success. Staff recommends that the Board approve the 2018 DCP Annual Report.

Submitted by:



Daniel Powell

Approved by:



Steven Montagna



CITY OF *Los Angeles*
DEFERRED COMPENSATION PLAN

CREATE AND LIVE YOUR BEST RETIREMENT!

2018
ANNUAL
REPORT



CITY OF *Los Angeles*
DEFERRED COMPENSATION PLAN (DCP)

May 1, 2019

The Honorable Eric Garcetti, Mayor
Honorable Council of the City of Los Angeles
Deferred Compensation Plan Participants

On behalf of the Board of Deferred Compensation Administration, I am pleased to present the 2018 Annual Report for the City of Los Angeles Deferred Compensation Plan (DCP). As of December 31, 2018, the DCP served **46,904** active and retired City employees, an increase of nearly 2,000 compared to the end of 2017 and a new record for the DCP. At year-end DCP assets accounts totaled **\$5.8 billion**, a slight decrease from the prior year's \$6 billion due to year-end market declines. However, participants contributed a record **\$254 million** during the year and despite the market's volatility the City's DCP remains one of the largest city-sponsored defined contribution plans in the country, trailing only New York City.

The Board and Personnel Department continuously look for ways to drive innovation in administration of the DCP and ever more successful participant outcomes. Some of the most significant achievements in 2018, further detailed in this report, include:

- Completing a long-term fee and expense review and reducing participant fees
- Achieving the DCP's highest ever annual number of new enrollments
- Launching a pilot Auto-Enrollment Program for employee labor organizations
- Launching a new custom online resource center and Facebook page
- Introducing the DCP's first custom educational videos
- Working with the Mayor and City Council to promote National Retirement Security Week
- Introducing new engagement resources to drive improved targeted participant outcomes

During 2019, the DCP will continue to innovate new strategies and program features that improve employee retirement outcomes. We look forward to sharing these accomplishments with you in the future.

Respectfully submitted,

John R. Mumma, Chairperson
Board of Deferred Compensation Administration

Board of Deferred Compensation Administration & Staff

Board of Deferred Compensation Administration

John R. Mumma
Chairperson
Fire and Police Pensions
Participant Representative

Robert Schoonover
Second Provisional Chair
Organized Labor
Representative

Linda P. Le
Retirement Plan Manager
DWP Employees'
Retirement Plan

Thomas Moutes
Vice Chairperson
Retired Participant
Representative

Wendy G. Macy
Third Provisional Chair
General Manager
Personnel Department

Neil Guglielmo
General Manager
Los Angeles City
Employees' Retirement
System

Raymond Ciranna
First Provisional Chair
General Manager
Fire and Police Pensions

Joshua Geller
Los Angeles City
Employees' Retirement
System Participant
Representative

Hovhannes Gendjian
Department of Water and
Power Active Participant
Representative

Personnel Department Staff

Jody Yoxsimer
Assistant General Manager

Steven Montagna
Executive Director

Isaias Cantu
Operations Manager

Kevin Hirose
Budget & Operations

Daniel Powell
Administration &
Communications

Claudia Guevara
Participant Services

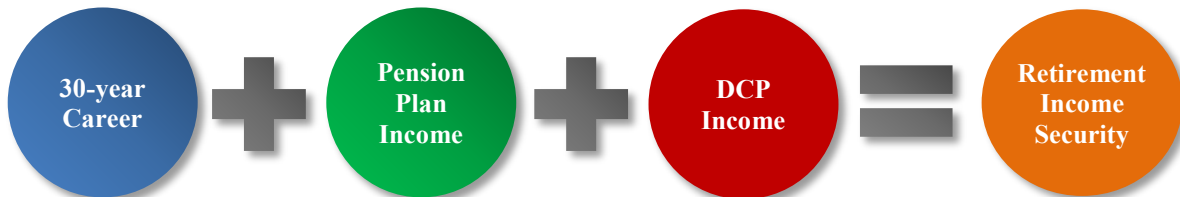
City Attorney Staff

Curtis Kidder
Assistant City Attorney

Vicky Williams
Legal Assistant

Our Mission

The mission of the DCP is to support our active and retired participants in achieving and maintaining retirement income security. We've defined retirement income security as full replacement of lifestyle income upon retirement. Lifestyle income is an employee's nominal salary upon retirement less primary reductions for retirement saving – in simple terms, maintaining one's standard of living.



How We Measure Success

There are many ways the DCP measures its success. The most fundamental ways relate to **participation, contributions, asset retention, and withdrawals upon retirement.**

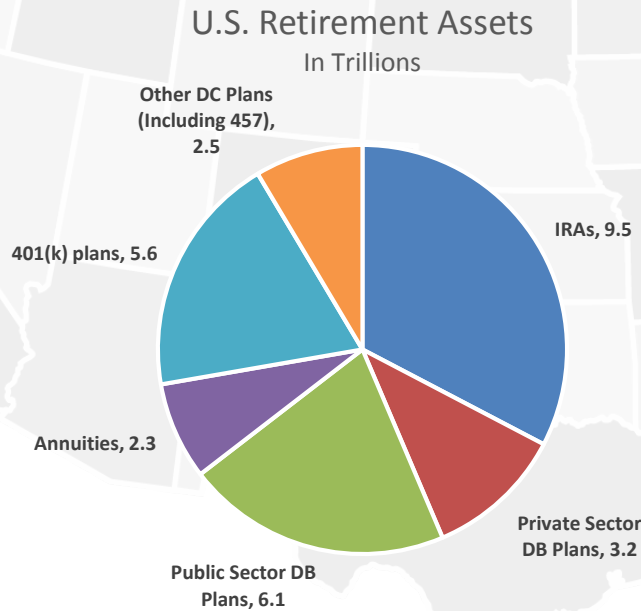
- ✓ Participation in the DCP is an important component for achieving retirement income security, as pension benefits alone may not be sufficient for all employees to maintain their lifestyle income and standard of living in retirement.
- ✓ Likewise, participants must contribute at a level sufficient to generate a large enough asset base to provide a sufficient supplemental income stream.
- ✓ Maintaining assets in the DCP upon separation from service protects our participants from often higher costs associated with alternate rollover vehicles.
- ✓ Withdrawing assets in a manner which supports financial security is the final key to retirement income success.

The balance of this report will focus on these key metrics as well as other data related to accumulation in total DCP assets, investment performance, and other key indicators.

Retirement Assets in the U.S.

Retirement Assets in the United States

U.S. retirement assets are distributed across a broad range of individual, corporate, governmental, defined benefit (DB) and defined contribution (DC) accounts. Section 457 plans fall into a defined contribution category - excluding 401(k) plans - representing \$2.5 trillion of a total \$29.2 trillion in U.S. retirement assets nationally.



Source: Investment Company Institute, "Quarterly Retirement Market Data, Third Quarter 2018"

DCP Administration

The Los Angeles City Council established the Board of Deferred Compensation Administration to provide administrative oversight of the DCP. In support of its fiduciary obligations, the Board administers the DCP, contracts with service providers, and operates the DCP in compliance with applicable Federal and State law. The Personnel Department is responsible for day-to-day management and administration of the DCP.

Legal Authority for the DCP

The DCP is a tax-advantaged supplemental retirement savings program established in 1983 under Internal Revenue Code (IRC) Section 457 and City of Los Angeles Administrative Code Division 4, Chapter 14. Section 457 plans were created by the United States Congress specifically for state and local government entities. All DCP assets are held in trust for the exclusive benefit of participants and their beneficiaries.

City of Los Angeles Retirement Assets

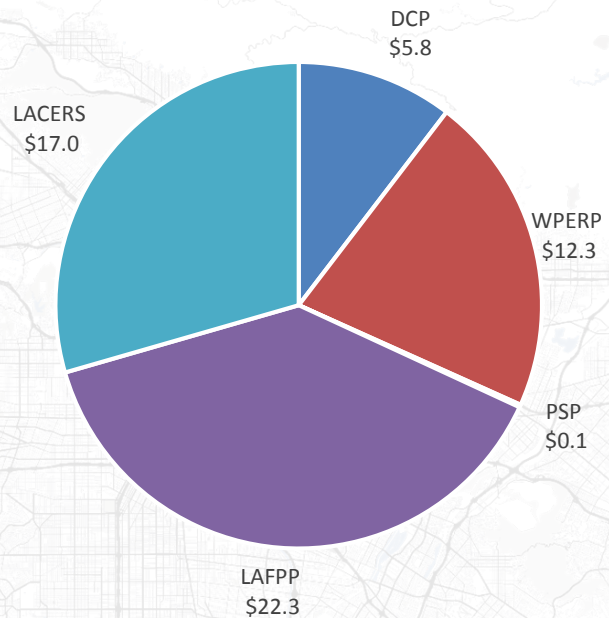
City of Los Angeles Retirement Assets

The City of Los Angeles provides three defined benefit retirement plans, and two defined contribution plans, to support the retirement security of its workforce. With \$5.8 billion in assets, the DCP represents **10%** of total City retirement assets. The defined benefit plans include:

- Los Angeles City Employees' Retirement System (LACERS) for civilian employees
- Los Angeles Fire and Police Pensions (LAFPP) for sworn Police/Fire employees
- Water and Power Employees' Retirement Plan (WPERP) for Department of Water and Power employees
- The City also offers a defined contribution Pensions Savings Plan (PSP) for its part-time, temporary, and seasonal workers.

Statistics for LACERS, LAFPP, & WPERP are from each organization's annual report for fiscal year ending 6/30/18. PSP and DCP figures are as of 12/31/18.

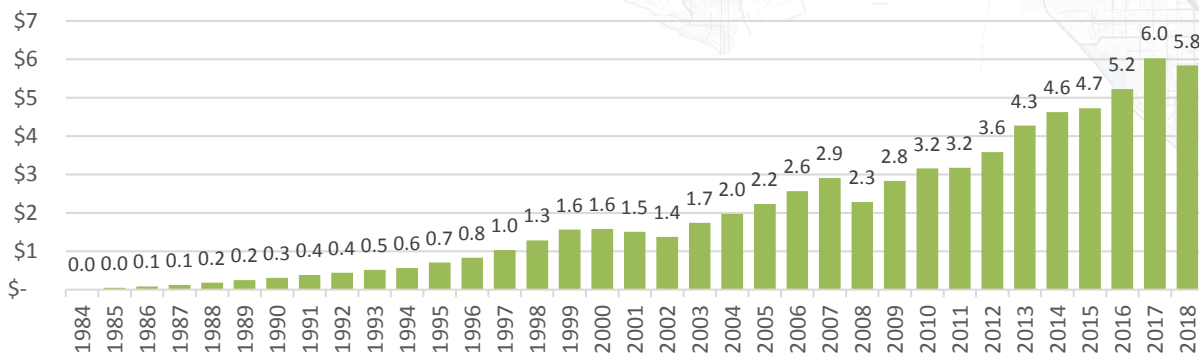
Plan Assets
(In Billions)



Historical DCP Assets

Beginning with the DCP's first contributions in 1984, assets have generally increased year over year, with declines resulting only from periodic major investment market declines. 2018 assets ended at approximately \$5.8 billion, representing a decline versus \$6.0 billion at the end of 2017 due to significant market volatility near the end of the year.

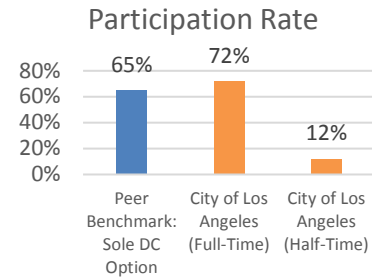
DCP Assets from 1984-2018
(In Billions)



DCP Review: Participation

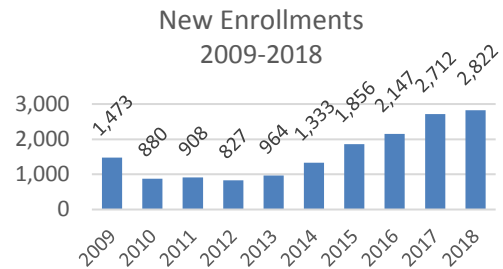
Participation Rate

The participation rate for full-time employees ended at **72%** in 2018 while the participation rate for regular half-time employees ended at **12%** (half-time employees typically participate at much lower levels than full-time employees). The City's full-time employee participation rate is meaningfully above its government peers nationwide as indicated by the chart to the right.

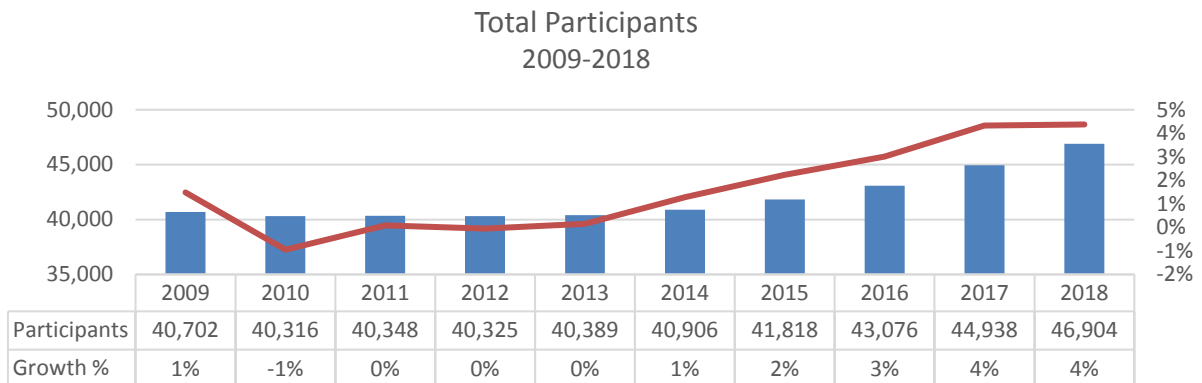


New Enrollments and Total Participation

Increasing participation is a primary objective for the DCP. In 2018, the DCP enrolled **2,822** participants, an increase over 2017 and a new annual enrollment record. The DCP effectively used multiple engagement strategies to achieve its goal, including new communications and educational efforts at time of hire as well as outreach campaigns to targeted current employee populations.



Total participation continued its steady growth following workforce reductions from 2009-2013. The overall increase in 2018 was 4%, which continues the high trend from 2017. Following is a ten-year chart of year-ending total DCP participants and percent increases in participation.



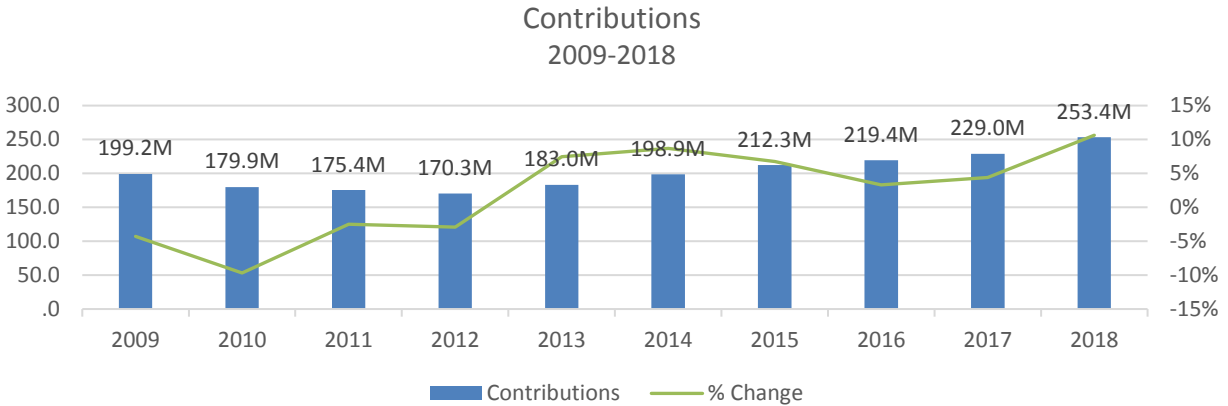
Automatic Enrollment

In August 2018 the DCP launched its pilot Automatic Enrollment Program (AEP), an optional enrollment alternative for employee labor organizations. The AEP provides a mechanism for labor organizations to opt in to having their newly hired employees automatically enrolled into the DCP (although employees are given multiple opportunities to decline enrollment). The first labor organization to join was the Los Angeles Police Protective League (LAPPL). Given the success of the pilot, the DCP is engaging other labor organizations and hopes to expand AEP participation. Automatic enrollment typically results in enrollments rates in excess of 90% for new hires.

DCP Review: Contributions

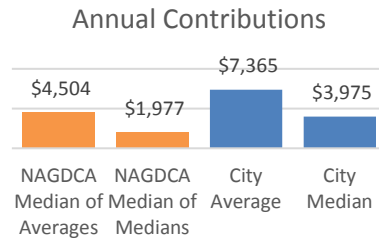
Total Contributions

Increasing participant contributions is a primary objective for the DCP. During 2018, City employees contributed a total of **\$253,385,675** to the DCP, an **11%** increase compared to 2017, and the highest contribution amount recorded.



Average Contribution Amount

Average contributions increased to **\$7,365** in 2018 compared to **\$7,031** in 2017. Overall, the City’s average and median annual contribution amounts were substantially above its governmental peers.



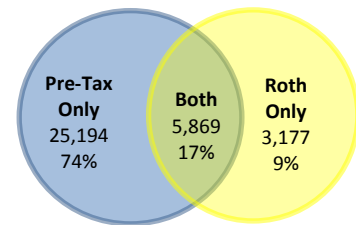
Types of Contributions

Participants can contribute in two tax-advantaged ways:

- ✓ **Pre-tax:** taxes are deferred when the contribution is made and are assessed upon distribution
- ✓ **After-tax (Roth):** taxes are paid when the contribution is made, and not assessed upon distribution for either contributions or earnings

The Roth savings option was introduced in 2011. Roth assets ended at \$113 million in 2018, representing 1.9% of DCP assets.

Participants Contributing Pre-Tax vs. Roth Dollars



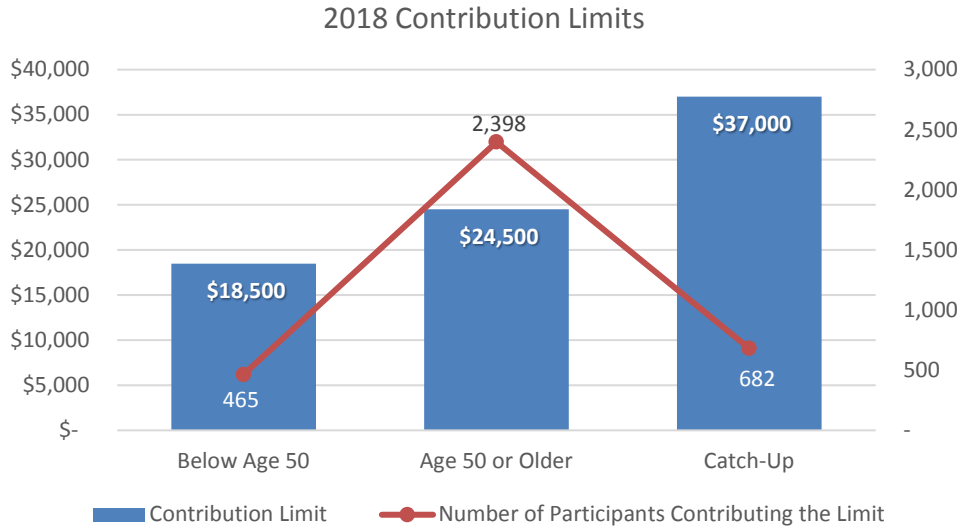
Percent-of-Pay

Voya assisted the DCP in introducing a new percent-of-pay contribution option. By choosing to contribute as a percent-of-pay, participants’ biweekly contributions will grow as their salary increases throughout their City career. Through the end of 2018, 1,057 participants are taking advantage of the new percent-of-pay feature, a strong start and one the DCP is looking to further expand in the future.

DCP Review: Contributions

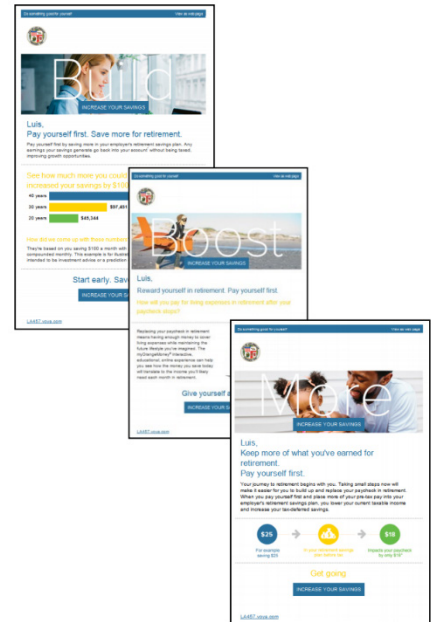
Contribution Limits

Federal law provides for three contribution limits based on age/retirement status. The contribution limits in effect for 2018 are reflected below. Approximately **8%** of the City’s active employee participants contribute at their applicable maximum limit.



“Save More” Journey

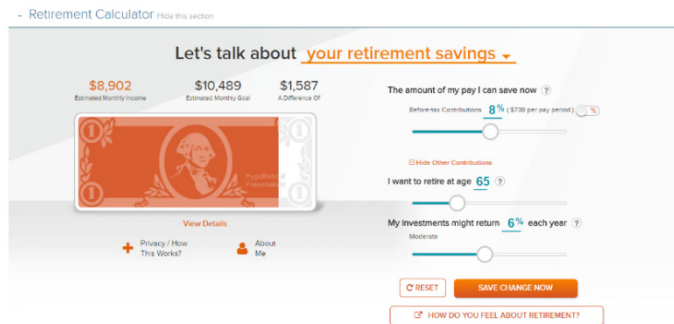
Voya provides the DCP with new and unique engagement resources. One such resource is their automated engagement “journeys.” A journey is a targeted automated campaign designed to improve certain retirement readiness outcomes. The DCP launched its first journey, “Save More,” in 2018. This journey was targeted to participants who have not recently adjusted their ongoing contributions. In 2018, 4,913 participants were included in this journey and 200 of those participants increased their contributions on average by \$108, or 3.3%. In 2019, the DCP will be launching new journeys related to beneficiary designations, investment diversification, and financial wellness. These targeted communications benefit participants by speaking more directly to their unique situations.



DCP Review: Retirement Readiness

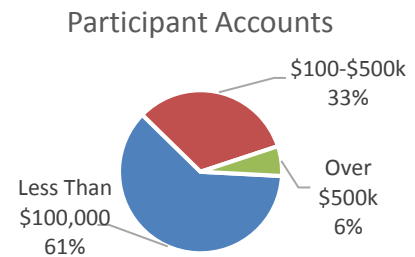
Retirement Calculator

The DCP helps participants engage with their retirement readiness through its custom Retirement Calculator. This calculator expresses their retirement assets, including their City pension, DCP balance, and any external retirement accounts, as a monthly income figure. In 2018, 17,305 unique participants interacted with the retirement calculator, and almost one-third took action afterward to either increase their savings, update their investment choices, or roll outside assets into their DCP account.



Account Balances

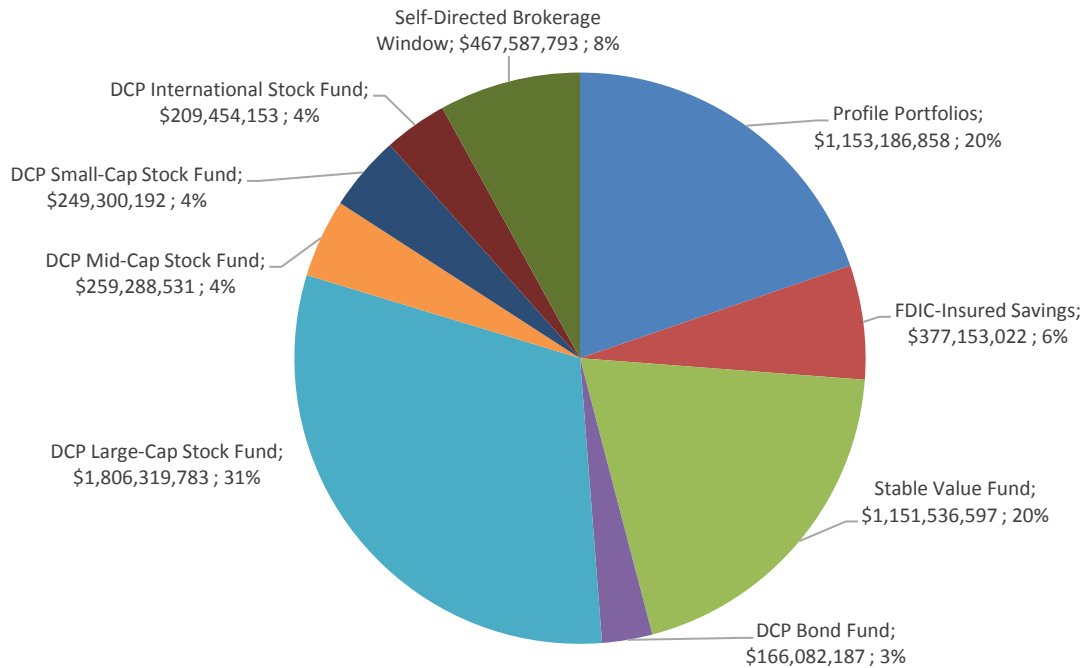
Participant average account balances decreased **8%** in 2018 versus 2017, from \$138,231 to \$128,655. The decrease in average account balances can be attributed to year-end investment market declines and the significant growth of new participants who are just starting out with the DCP. Participant accounts as allocated by balance amounts indicate that 66% of accounts are valued at less than \$100,000; 30% are between \$100-500,000; and 5% are above \$500,000.



Balance Amount	Participant Accounts	% of Total
Less Than \$25,000	17,152	37%
\$25-50k	6,382	14%
\$50-75k	4,043	9%
\$75-100k	2,845	6%
\$100-125k	2,239	5%
\$125-150k	1,710	4%
\$150-175k	1,402	3%
\$175-200k	1,219	3%
\$200-300k	3,512	7%
\$300-400k	2,260	5%
\$400-500k	1,468	3%
\$500-600k	996	2%
\$600-700k	621	1%
\$700-800k	366	1%
\$800-900k	209	<1%
\$900-\$1 million	149	<1%
Over \$1 million	280	1%
Total	46,853	

DCP Review: Assets

2018 Asset Allocation Holdings



DCP investments are well diversified among the major asset class categories comprising the City’s investment menu. Investment returns were volatile in 2018 for equities and bonds, while interest bearing investments continued to offer slightly higher rates of return relative to prior years. The net overall return for the DCP in 2018 was **-2.53%** compared to 11.55% in 2017.

2018 Investment Option Rates of Return

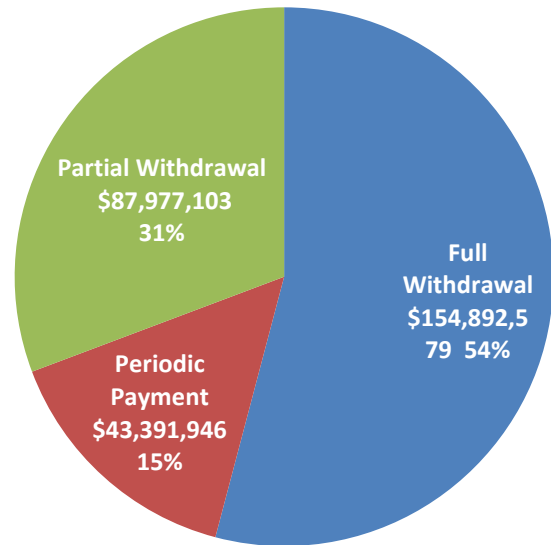
Investment Option	1-Year	3-Year	5-Year
FDIC-Insured Savings Account	2.00%	1.23%	0.86%
DCP Stable Value Fund	2.35%	2.15%	2.05%
Profile: Ultra-Conservative	-0.55%	3.44%	2.79%
Profile: Conservative	-2.58%	4.53%	3.47%
Profile: Moderate	-4.32%	5.85%	4.56%
Profile: Aggressive	-5.89%	6.39%	4.84%
Profile: Ultra-Aggressive	-7.28%	6.98%	5.13%
DCP Bond Fund	-0.34%	3.03%	2.42%
DCP Large-Cap Fund	-4.41%	9.24%	8.48%
DCP Mid-Cap Fund	-8.41%	6.93%	6.50%
DCP Small-Cap Fund	-12.07%	6.35%	N/A
DCP International Fund	-13.06%	4.47%	N/A

DCP Review: Distributions

Distribution Options

Upon separation from service, participants can leave their funds in the DCP, begin receiving installment payments, request lump sum withdrawals, or roll funds over to another eligible retirement savings plan. Periodic payments are optimal, as they indicate funds are being used to promote long-term retirement income security. At age 70½, participants must begin drawing enough from their accounts to meet Internal Revenue Code minimum distribution requirements.

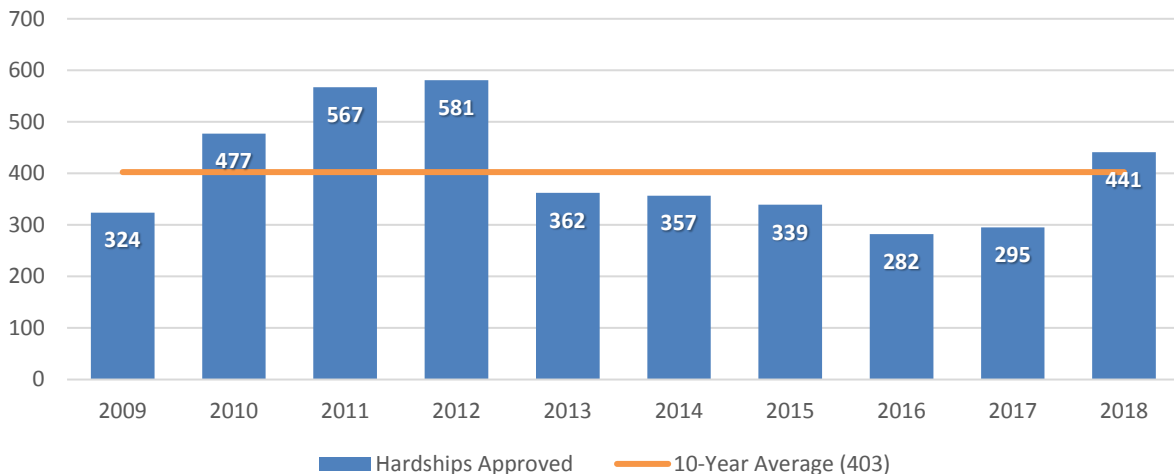
2018 Distributions by Type



Hardship Withdrawals

The DCP permits hardship withdrawals for participants experiencing unforeseen financial emergencies. The total number of approved hardship requests rose 49% compared to 2017, which is within the range of hardship requests over the last ten years. Of the requests received, 67% were for the purpose of avoiding mortgage foreclosure or eviction.

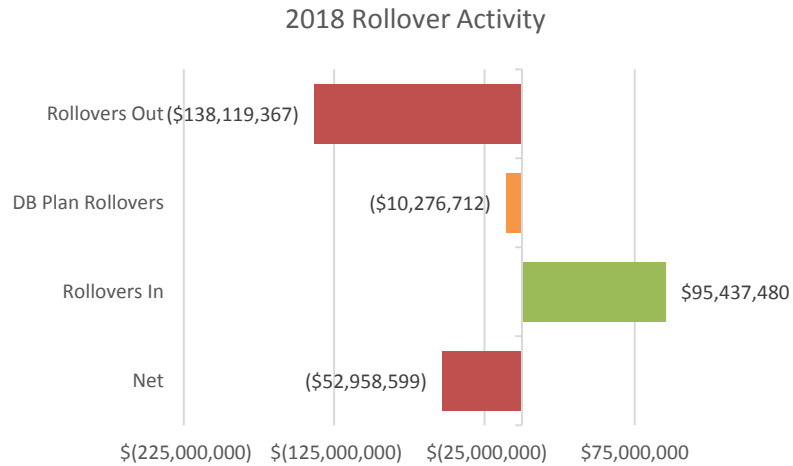
Number of Hardship Withdrawals Approved from 2009-2018



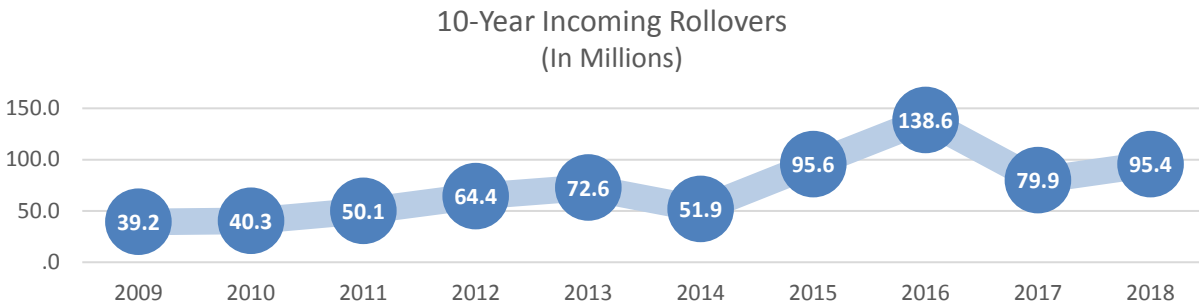
DCP Review: Rollovers

Asset Retention

A primary goal for the DCP is asset retention, meaning both encouraging retired participants to maintain their accounts in the DCP after separation from service (rather than rolling the funds out to other investment managers or advisors), as well as encouraging active and retired participants to consolidate other eligible pre-tax savings within the DCP.



In 2018, over \$95 million rolled in from eligible 457(b), 401(a), 401(k), or 403(b) plans, or Individual Retirement Account (IRAs); \$148 million rolled out, but approximately 7% of this amount was for purchasing service credit or additional benefit payments from the City’s pension plans.



Retiree Research

To better understand retiree behaviors and to be responsive to their needs, in 2018 the DCP began surveying retirees who closed their account by withdrawing all their funds or who rolled their funds to another institution. These surveys represent the first stage of a comprehensive initiative on the part of the DCP to better understand what motivates retiree financial decisions.

Information obtained from these efforts will be instructive for the Board as the DCP contemplates new outreach strategies and ways to improve DCP features. Improved resources for retirees are already underway beginning with the new retiree resource center at LA457.com. The site provides informational resources specifically for retirees, including key considerations before rolling assets to outside providers which may assess higher administrative fees.

DCP Review: Loans

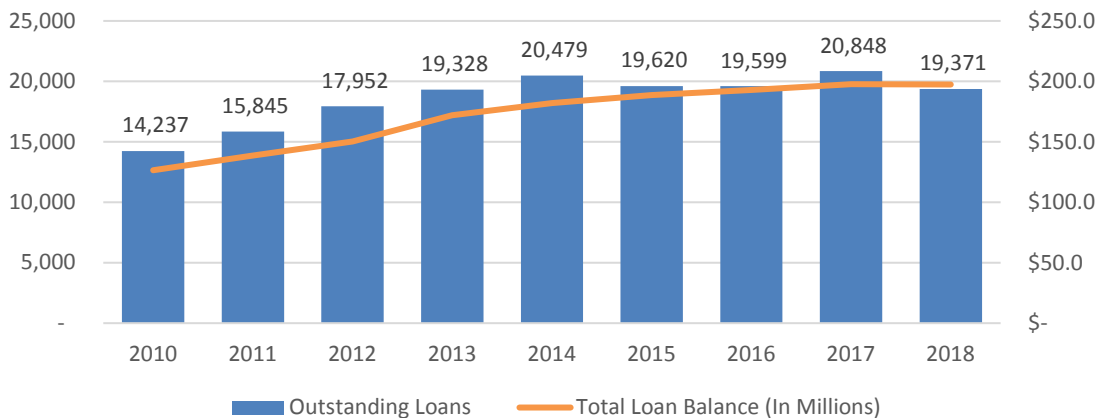
Loans

The DCP offers a Loan Program allowing participants to borrow funds from their individual accounts and repay those amounts with interest credited back to their accounts. Two loan types are permitted: General Purpose (with a repayment term of up to 5 years) and Principal Residence (with a repayment term of up to 15 years). A participant may have up to two loans outstanding at any given time. Both active and retired participants may take loans.



Loans are widely utilized by participants. As of **December 31, 2018**, **13,290** participants had **19,371** loans outstanding, totaling **\$197,401,232**. Of the 19,371 outstanding loans, 17,506 are general loans and 1,868 are residential. The chart below provides historical information regarding DPC loan activity.

Loan Activity
2010-2018



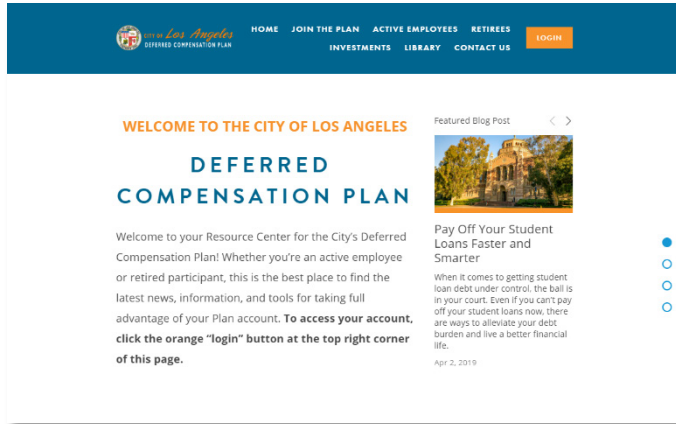
DCP Review: Engagement

Engagement Achievements

Engagement is the fundamental driver for improving retirement outcomes. When participants engage with the DCP, for whatever purpose, they have an opportunity to consider their retirement security. In 2018 the DCP vastly expanded its engagement efforts. Some of the most notable achievements include the following:

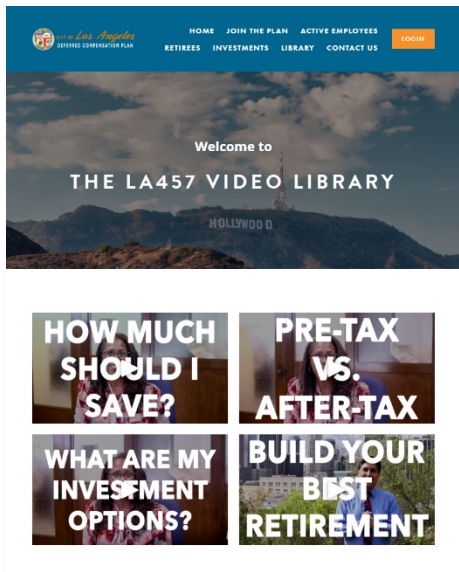
LA457.com

In September 2018, the DCP launched a new online resource center at LA457.com. The resource center provides participants with timely and helpful information related to a variety of financial wellness topics, including retirement readiness. This platform allows the DCP to provide fresh content for its distinct audiences (active participants, retired participants, non-enrolled employees, stakeholders, and members of the public).



Social Media

The DCP also launched a Facebook page to establish a social media platform for its audiences. Social media provides a unique way for information to be shared by the DCP and between participants.



DCP Videos

Personnel Department staff created the DCP's first custom videos. Videos can be a more compelling and accessible form of communication for current or potential participants.

DCP Review: Engagement

National Retirement Security Week

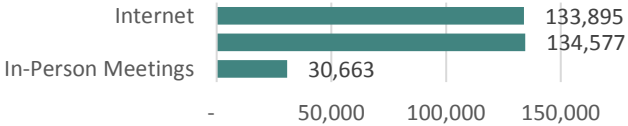
National Retirement Security Week took place October 21-27, 2018. Mayor Eric Garcetti helped to promote the celebration by filming a special video that was distributed to City employees and posted on the DCP’s resource center and Facebook page. In addition, the Los Angeles City Council presented a proclamation declaring “Retirement Security Week in the City of Los Angeles.”



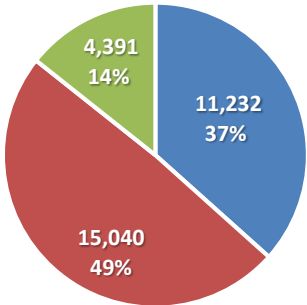
Engagement Channels

Key measures of engagement can be found in how often participants are using the automated phone system, the DCP website, interacting with local counselors, and attending meetings. Total engagement rose in 2018, from 294,454 to 299,135, a **1.6%** increase.

Participant Engagements by Type



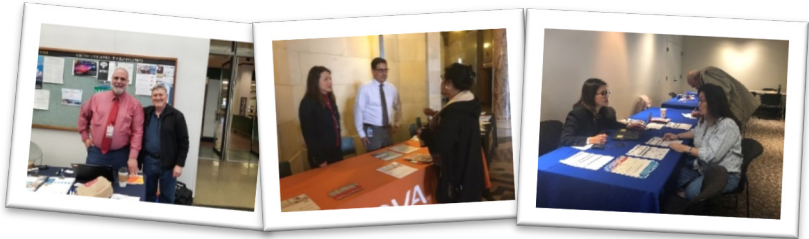
Local Office Engagements by Type



- On-Site Meeting Attendees
- Calls
- Counter Service

Local Service Center

The DCP takes pride in the strength of its local, personalized counseling resources, which it regards as the most valuable form of engagement. In 2018, the DCP recorded **30,663** in-person contacts including local phone calls, group meetings, and one-on-one counseling sessions.



DCP Review: Fees

The DCP is committed to maintaining expense levels at a reasonable level consistent with providing efficient and effective participant service. All DCP expenses are required to be paid by participants. The DCP maintains a reserve fund with a target reserve amount that is 50% of annual DCP operating expenses.

As a result of its 2017 change in TPA providers, the Board achieved overall annual savings of approximately \$1.2 million in administrative and investment management fees. In 2018 the Board conducted an extensive review of DCP fees and expenses. Following its review, the Board (a) reduced the DCP's administrative fee assessed on all participant account balances by one basis point (0.01%), from .10% to .09%; and (2) reduced the DCP's administrative fee cap from \$125 to \$115. These actions allowed all participants to directly share in the successful management of DCP costs.

Investment Fee Comparison: The City's investment consultant provides ongoing reporting with respect to how the City's investment management costs compare to median investment fees nationwide. The table below indicates that all of the City's investment funds are below benchmark medians.

Fund	Style	Fund Balance	Estimated Fund Expense	DCP Fund Net Expense Ratio	National Median Net Expense Ratio	Net Expense Diff.	Expense Rebate	Expense Ratio after Expense Rebate
FDIC-Insured Savings Account	Cash Equivalents	\$377,153,022	N/A	N/A	N/A	N/A	N/A	N/A
DCP Stable Value Fund	Stable Value	\$1,151,536,597	\$3,339,456	0.29%	0.42%	-0.13%	0.00%	0.29%
DCP Bond Fund	US Fixed	\$166,082,187	\$415,205	0.25%	0.45%	-0.19%	0.10%	0.15%
Ultra Conservative Profile	Risk-based	\$67,823,108	\$189,905	0.28%	0.73%	-0.44%	0.06%	0.22%
Conservative Profile	Risk-based	\$164,950,887	\$494,853	0.30%	0.73%	-0.42%	0.06%	0.24%
Moderate Profile	Risk-based	\$366,786,549	\$1,283,753	0.35%	0.79%	-0.43%	0.07%	0.28%
Aggressive Profile	Risk-based	\$374,282,398	\$1,459,701	0.39%	0.85%	-0.46%	0.06%	0.33%
Ultra Aggressive Profile	Risk-based	\$179,343,916	\$753,244	0.42%	0.85%	-0.43%	0.06%	0.36%
DCP Large Cap Stock Fund	US Large Cap Equity	\$1,806,319,783	\$361,264	0.02%	0.20%	-0.18%	0.00%	0.02%
DCP Mid Cap Stock Fund	US Mid Cap Equity	\$259,288,531	\$1,140,870	0.44%	0.84%	-0.40%	0.25%	0.19%
DCP Small Cap Stock Fund	US Small Cap Equity	\$249,300,192	\$1,196,641	0.48%	0.95%	-0.46%	0.10%	0.38%
DCP International Fund	International Equity	\$209,454,153	\$1,549,961	0.74%	0.87%	-0.13%	0.03%	0.71%
Schwab Self-Directed	Brokerage Window	\$467,587,793	N/A	N/A	N/A	N/A	N/A	N/A
Total investment expense		\$5,839,909,115	\$12,184,853	0.21%			0.03%	0.18%

DCP Review: Fees

Administrative Fee Comparison

The DCP's fees are also extremely competitive relative to its peers. The results of a special fee study comparing the City to 21 of its largest state and local government peers, including Los Angeles County, City/County of San Francisco, County of San Diego, State of California, New York State, and other agencies, indicated that the City's fees are lower than the average and median of its peers.



Total Expense Overview

Expense	Cost
Total Investment Expense After Expense Rebate	0.18%
Administrative & Other Expenses	0.05%
Total "All-In" Expenses Including Admin & Other Expenses	0.23%

Appendix

DCP Revenue and Expenses

DCP Annual Budget Review Administrative and Operating Expenses Year Ending 12/31/18

Starting Balance		
Payroll Fee Trust Fund Ending Balance - 12/31/17	\$	37,094
Administrative Fee Reserve Fund Balance - 12/31/17	\$	3,251,090
	Total	\$ 3,288,184
Revenue / Fees		
Interest Earnings on Payroll Fee Trust Fund	\$	933
Payroll Fee Trust Fund Deposit: Travel	\$	50,000
Payroll Fee Trust Fund Deposit: Salary Reimbursements	\$	677,356
Interest Earnings on Administrative Fee Reserve Fund	\$	87,920
Revenue from Fees Deducted from Participant Accounts	\$	2,777,114
Miscellaneous Credits	\$	256,176
	Total Revenue / Fees	\$ 3,849,501
	Total Assets (Starting Balance + Revenue / Fees)	\$ 7,137,685
Expenditures		
Participant Administrative Fees Paid to TPA	\$	(1,533,177)
Prior Quarter Departmental Staffing Reimbursements	\$	(677,356)
Consulting Costs	\$	(103,465)
Communications	\$	(8,231)
2130 Travel/Training/Education	\$	(23,601)
Elections Administration	\$	(56,138)
Office and Administrative	\$	(16,173)
	Total Expenditures	\$ (2,418,142)
Ending Balance		
Actual Payroll Fee Trust Fund Ending Balance (12/31/17)	\$	44,925
Actual Administrative Fee Reserve Fund Ending Balance (12/31/17)	\$	3,923,478
	Actual Total Balance as of 12/31/17	\$ 3,697,903
Encumbrances / Liabilities		
Prior Departmental Reimbursements	\$	(332,633)
	Total Liabilities	\$ (332,633)
	Total Balance Less Liabilities as of 12/31/17	\$ 3,292,548

DCP Review: Engagement

Starting Balance	Year Ending					
	12/31/2012	12/31/2013	12/31/2014	12/31/2015	12/31/2016	12/31/2017
Payroll Fee Trust Fund Balance	527,626	18,441	202,456	19,776	51,339	51,339
Administrative Fee Reserve Fund Balance	2,820,011	2,628,075	2,751,928	2,822,365	3,190,587	3,190,857
Total Starting Balance	3,347,637	2,646,516	2,954,384	2,842,141	3,241,926	3,242,196
Revenues/Fees						
Interest	76,090	55,338	657	1,086	866	62916
Revenue from Fees						
Deducted from Participant Accounts	2,222,921	2,359,530	2,510,954	2,584,196	2,783,549	2,766,082
Credits and Adjustments	52,643	873,212	796,906	300,934	971,306	272
Total Revenues/Fees	2,351,654	3,288,080	3,308,517	2,886,216	3,755,721	3,306,787
TOTAL ASSETS (Starting Balance + Revenues/Fees)	5,699,291	5,934,596	6,262,901	5,728,357	6,997,647	3,431,873
Expenditures						
Participant Admin Fees Paid to TPA 2130	-1,518,543	-1,493,450	-1,499,651	-1,523,432	-1,562,667	-1,616,887
Travel/Training/Education 4160 Governmental Meetings	-20,980	-73,269	-31,582	-45,294	-15,532	
6010 Office and Administrative	-6,482	-	-	-	-4,264	
Staffing Reimbursements	-564,975	-627,434	-577,548	-326,778	-1,819,669	
Consultant Costs	-71,951	-139,584	-181,635	-120,008	-186,362	
Communications	-	-	-	-94,256	-58,966	
Election Administration and Special Marketing	-8,253	-15,000	-65,382	-110,552	-	
GWRS Asset Allocation Fund Management	-75,404	-57,000	-57,000	-57,000	-91,000	
GWRS Hardship Admin (aka Unforeseen Emergency Withdrawal Service)	-123,500	-102,500	-80,500	-75,500	-65,500	
Wells Fargo Custodial Fees	-8,250	-5,000	-5,000	-5,000	-5,000	
Total Expenditures	-2,398,338	-2,513,237	-2,498,298	-2,357,820	-3,808,960	
Ending Balance						
Actual Payroll Fee Trust Fund Ending Balance	18,441	202,456	19,776	62,314	44,304	
Actual Admin Fee Reserve Fund Ending Balance	2,632,208	2,751,928	2,822,682	3,308,222	3,104,611	
Total Ending Balance	2,650,649	2,954,384	2,842,458	3,370,536	3,148,915	
Encumbrances/Liabilities						
Staffing Requirements	-303,378	-369,771	-354,992	-612,620	-233,110	
Total Assets Less Liabilities	2,997,575	2,584,613	2,487,466	2,757,916	2,915,805	

Appendix

Participation by Department (Full-Time and Half-Time)

Department Name	Participants	Eligible	Participation Rate
Aging	25	34	74%
Airports	2,240	3,596	62%
Animal Services	183	318	58%
Building & Safety	563	916	61%
Cannabis Regulation	5	12	42%
CAO	87	110	79%
City Attorney	713	983	73%
City Clerk	79	126	63%
Controller	102	136	75%
Convention Center & Tourism	7	8	88%
Council	173	402	43%
Cultural Affairs	33	82	40%
Disability	8	21	38%
Economic & Workforce Development	78	127	61%
El Pueblo	6	13	46%
Emergency Management	15	25	60%
Employee Relations	2	3	67%
Ethics	17	27	63%
Fire & Police Pensions	93	117	79%
Fire (Civilian)	257	361	71%
Fire (Sworn)	3,166	3,455	92%
GSD	679	1,410	48%
Harbor	699	904	77%
Housing	376	595	63%
ITA	285	380	75%
LACERS	109	139	78%
Library	570	1,221	47%
Mayor	81	218	37%
Neighborhood Empowerment	16	30	53%
Office of Finance	220	310	71%
Office of Public Accountability	4	4	100%
Personnel	344	499	69%
Planning	255	376	68%
Police (Civilian)	2,307	3,086	75%
Police (Sworn)	8,973	10,047	89%
Public Works - Board	84	103	82%
Public Works - Contract Administration	225	328	69%
Public Works - Engineering	585	799	73%
Public Works - Sanitation	1,590	2,796	57%
Public Works - Street Lighting	175	282	62%
Public Works - Street Services	518	1,010	51%
Recreation & Parks	978	3,747	26%
Transportation	1,048	1,559	67%

Appendix

Participation by MOU (Full-Time and Half-Time)

MOU	Participants	Eligible	Participation Rate
MOU 00: Non-Represented	513	971	53%
MOU 01: Administrative	1580	2256	70%
MOU 02: Building Trades	572	969	59%
MOU 03: Clerical	2587	4908	53%
MOU 04: Equip. Operation & Labor	1557	3735	42%
MOU 05: Inspectors	591	881	67%
MOU 06: Librarians	205	307	67%
MOU 07: Recreation Assistants	62	944	7%
MOU 08: Professional Engineering & Scientific	1066	1443	74%
MOU 09: Plant Equip. Operation & Repair	207	295	70%
MOU 10: Professional Medical	50	82	61%
MOU 11: Recreational	190	326	58%
MOU 12: Supervisory Blue Collar	595	842	71%
MOU 13: Supervisory Building Trades	101	145	70%
MOU 14: Service & Craft	480	929	52%
MOU 15: Service Employees	289	932	31%
MOU 16: Supervisory Librarians	85	110	77%
MOU 17: Supervisory Prof. Engineering & Scientific	455	522	87%
MOU 18: Safety / Security	1022	1746	59%
MOU 19: Supervisory Technical	216	280	77%
MOU 20: Supervisory Administrative	1088	1313	83%
MOU 21: Technical	763	1192	64%
MOU 22: Fire Chief Officers	90	90	100%
MOU 23: Firefighters & Fire Captains	3074	3074	100%
MOU 24: Police Officers, Lts. and Below	8858	8863	100%
MOU 25: Police Officers, Capt. And Above	111	111	100%
MOU 26: Port Pilots	12	14	86%
MOU 27: L. A. Port Police Command Officers	13	15	87%
MOU 28: L. A. General Services Police Officers	17	22	77%
MOU 29: Deputy City Attorneys	381	500	76%
MOU 30: L. A. Airport Peace Officers	313	436	72%
MOU 31: Confidential Attorneys	24	35	69%
MOU 32: Management Attorneys	14	18	78%
MOU 34: Crossing Guards	49	216	23%
MOU 36: Management Employees	552	708	78%
MOU 37: Executive Administrative Assistants	91	101	90%
MOU 38: L. A. Port Police Assoc.	97	115	84%
MOU 39: L. A. Airport Supervisory Peace Officers	61	73	84%
MOU 40: Airport Police Command Officers	5	7	71%
MOU 61: Senior Administrative and Administrative Analysts	39	42	93%
MOU 63: Personnel Directors	19	20	95%

Appendix

Historical DCP Assets and Net Growth Rate

Year	Assets	% Change
1984	\$17,990,298	N/A
1985	\$48,584,697	170%
1986	\$84,762,277	43%
1987	\$126,921,243	33%
1988	\$180,395,336	30%
1989	\$249,105,465	28%
1990	\$303,691,355	18%
1991	\$378,018,448	20%
1992	\$441,306,161	14%
1993	\$516,401,147	15%
1994	\$564,392,235	9%
1995	\$702,779,928	20%
1996	\$831,689,383	15%
1997	\$1,029,129,147	19%
1998	\$1,285,271,264	20%
1999	\$1,564,440,301	18%
2000	\$1,578,565,882	1%
2001	\$1,508,545,448	-5%
2002	\$1,373,444,396	-10%
2003	\$1,737,260,679	21%
2004	\$1,973,665,625	12%
2005	\$2,230,031,810	11%
2006	\$2,566,734,158	13%
2007	\$2,909,282,960	12%
2008	\$2,279,918,897	-28%
2009	\$2,828,435,629	19%
2010	\$3,154,860,910	10%
2011	\$3,174,274,111	1%
2012	\$3,578,684,906	11%
2013	\$4,277,754,120	16%
2014	\$4,622,493,622	7%
2015	\$4,726,682,745	2%
2016	\$5,221,905,502	10%
2017	\$6,025,581,565	15%
2018	\$5,839,909,114	-3%

Board of Deferred Compensation Administration
Personnel Department – Employee Benefits Division
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