



# Plan Review

## City of Los Angeles Deferred Compensation Plan

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Fourth Quarter, 2023

For plan sponsor use only. Not for use with participants.

**PLAN | INVEST | PROTECT**

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CITY OF *Los Angeles*  
DEFERRED COMPENSATION PLAN



# For discussion

- Updates – News – Trends
- Plan Health
- DCP Communications
- Employee Engagement
- Appendix





# Updates – News – Trends



# Voya innovates

Winter 2024



Start 

**VOYA**  
FINANCIAL

# Reach new heights

With innovative retirement solutions

At Voya, we've risen to the challenge to provide workplace solutions that make a difference.

Using **science, technology, data and human-centered design**, we remove obstacles to help individuals feel more financially confident, now and in the future.





## Employee experiences

- > Participant Web, mobile app & contact center
- > New customer homepage experience
- > Security enhancements



## Sponsor solutions

- > VRA powered by Morningstar
- > Dual QDIA solution
- > Sponsor Web enhancements
- > Sponsor solutions delivered



## Looking forward in 2024

- > SECURE 2.0 Act
- > Advisor tools
- > Employee experience
- > Sponsor Web enhancements
- > Upcoming sponsor solutions
- > Coming soon: Voya Cares thought leadership
- > Coming soon: Voya Perspective's Paper

+ Next steps

+ Disclosures



**VOYA**  
FINANCIAL

# Employee experiences

- > **Participant Web, mobile app & contact center**
- > New customer homepage experience
- > Security enhancements

## Participant Website, mobile app & contact center

### Participant Website and mobile app

- Employees can now view up to 12 months of history for their contributions.
- Enhanced loan payment information shows employees with loans how much they paid back in principal and interest.
- Introduced Money Matters Resources for employees under age 50 to help them balance competing financial needs, talk to their families about money, learn about investing and more.
- Optimized the Voya Learn® online education experience to make it easier to find on-demand content and live sessions.
- Spanish statements are available for all plans.
- Mobile app check & document upload for rollovers are available to eligible plans.

### Contact center

- Employees calling into the Voya contact center can authenticate by receiving a secure, one-time verification code to their mobile phone number or email address on file.

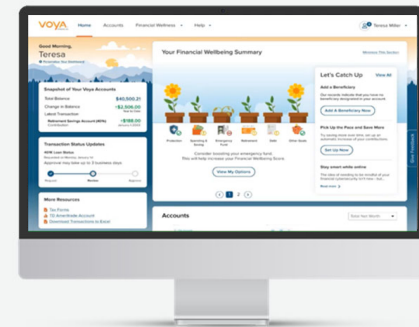
# Employee experiences

- > Participant Web, mobile app & contact center
- > **New customer homepage experience**
- > myVoyage enhancements
- > Security enhancements

## New employee homepage experience launched

Began rolling out the new employee homepage experience, which brings together an individual's financial life. The experience offers:

- A comprehensive view of all Voya accounts
- The ability to add all types of accounts to view net worth, spending and budgeting
- An innovative feature that distills complex data into easy-to-understand financial insights
- Automatic personal finance resources
- The flexibility to tailor the experience so that it's personal



Watch video



# Employee experiences

- > Participant Web, mobile app & contact center
- > New customer homepage experience
- > myVoyage enhancements
- > **Security enhancements**

## Security enhancements

As part of our ongoing commitment to security, a step-up security feature was introduced on the Participant Website and Voya Retire mobile app. This added layer of security requires employees to provide real-time authentication to complete activities like address changes, banking information updates and paperless money out transactions. Employees will receive a one-time passcode via text to their mobile phone number on file. After entering the one-time passcode, the employee can complete their request. Employees who do not have a mobile phone number on file are prompted to add one to their account for enhanced authentication and security purposes.

For employees that link their Voya accounts in third-party applications (like their banking website), an API solution was implemented that provides a convenient and secure way for employees to share their Voya account information with third party applications. It also provides employees a clear view of firms they've granted account information access to.



# Sponsor solutions

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## Voya Retirement Advisors (VRA) powered by Morningstar rollout continues

A new advisory services program called Voya Retirement Advisors (VRA) powered by Morningstar was added to our suite of solutions for retirement plan employees. This co-branded Voya / Morningstar experience replaces the Morningstar Retirement Manager offering and was rolled out in waves.

### Sponsor benefits

#### **Simplified for plan**

**sponsors** – Voya is the recordkeeper, managed account provider and fiduciary to your plan employees.



### Employee benefits

#### **1:1 investment provider support –**

Employees can connect with VRA investment advisor representatives by phone or in person for help with their retirement savings and planning goals.

**Integrated experience** – Web and mobile app integration provides flexibility for participants.

# Sponsor solutions

- > VRA powered by Morningstar
- > **Dual QDIA solution**
- > Sponsor Web enhancements
- > Sponsor solutions delivered

## Dual qualified default investment alternative (QDIA) ✕

The dual QDIA enables plans to target different QDIA solutions to different populations. Typically, a dual QDIA will start younger employees in a target date fund and transition employees nearing retirement to a managed account at a designated age. Transitioning older employees to a managed account solution provides them with extra planning support as they near retirement.

### Read our blog

Rethinking the single QDIA approach

[Read more](#)

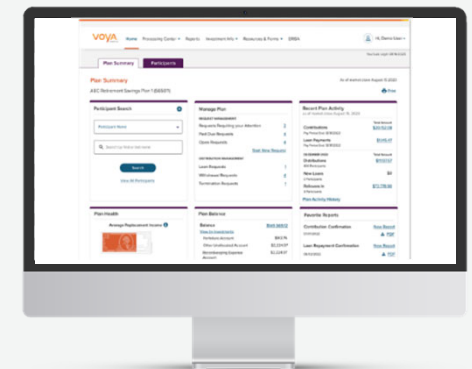


# Sponsor solutions

- > VRA powered by Morningstar
- > Dual QDIA solution
- > **Sponsor Web enhancements**
- > Sponsor solutions delivered

## Sponsor Web enhancements

- Participant Summary page enhancements: edit feature allows users to make common updates without leaving the page, Beneficiary Information tile brings forward a participant's beneficiary information with details a click away, and Investment Elections tile provides a summary of employee investment elections
- Updates to Plan and Employee Balance pages to make it even easier to find information
- Navigation enhancements: Intuitive navigation makes it easier to find information, plan and participant information are both available through the home screen, and predictive participant search feature makes finding an employee faster
- Improved payroll feedback notifications
- New sponsor reports



Watch video

Sponsor Web navigation enhancements

# Sponsor solutions

- > VRA powered by Morningstar
- > Dual QDIA solution
- > Sponsor Web enhancements
- > **Sponsor solutions delivered**

## Sponsor solutions delivered

- We extended access to Voya's eligibility tracking and vesting services for rehires. These services further simplify the plan administration related to rehires and is available to all existing plans and new plans during the onboarding phase.
- An enhanced online account opening experience for the Schwab Personal Choice Retirement Account® (PCRA) self-directed brokerage simplifies the account opening process.
- Voya's Pay Period Employer Match service was extended to more plans.

# Looking forward in 2024

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- > Coming soon: Voya Cares thought leadership
- > Coming soon: Voya Perspective's Paper



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## SECURE 2.0 Act provisions coming in 2024

More SECURE 2.0 provisions are in the pipeline for 2024, including:

- Eliminating unnecessary plan requirements for unenrolled participants
- Small balance mandatory distribution limit change from \$5,000 to \$7,000
- Long-term part-time worker eligibility and vesting for 403(b) plans and calculation change
- Mandatory automatic enrollment and escalation
- Age 50+ Catch-up contribution limits for ages 60-63

Visit the **SECURE 2.0** Resource Center



[Read more](#)

“ More than **25** new provisions that Voya has rolled out for 2023 and early 2024 ”



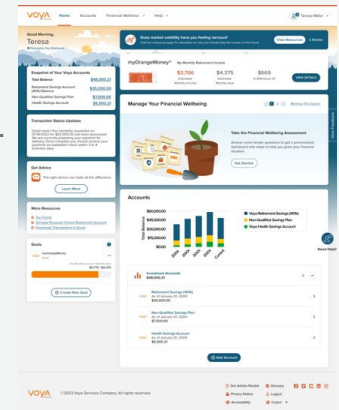
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## Employee experience

The employee experience will be enhanced to include:

- The rollout of the new customer homepage experience will continue, and we will be adding new features to the dashboard to further personalize the experience.
- Conversational interactive voice response (IVR) capabilities will be added for employees calling the Voya contact center.
- One-time verification codes will be added for outbound calls.
- Nonqualified plan web experience will be enhanced for investment elections and transfers.
- Previous year's health claims will be added in myVoyage enrollment guidance.
- Ongoing cybersecurity advancements will be made to address the ever-changing landscape.



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## A sampling of Sponsor Web enhancements for simplified administration

Be on the lookout for upcoming Sponsor Web enhancements informed by your feedback and user testing:

- Reports hub redesign that will make plan management easier
- More information at your fingertips – without having to open a report
- More intuitive search
- Report notification improvements
- Updated log in and log out experiences
- Continued enhancements to predictive employee search



[Watch Reports Hub video](#)

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## What's coming in 2024 for sponsor solutions

- **Final rollout to all plans of a dual QDIA option that includes VRA powered by Morningstar or Advisor Managed Accounts.**
- **Managed account non-core funds**  
VRA powered by Morningstar and Advisor Managed Accounts will have the capability to include funds in their portfolios that are not part of the regular “core” lineup of the plan.
- **Sponsor distribution approvals expansion**
- **Case management enhancements**
- **Personalized target date funds expansion**

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## Voya Cares® thought leadership focused on veterans with disabilities – *coming soon*

Helping employers better meet the needs of veterans with disabilities in the workforce

Understanding how veterans with disabilities in the workplace are underrecognized and underserved

- Unique needs (as compared to veterans without disabilities)
- Gap between needs and benefits that employers provide

**Full research report available in 2Q**



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## Voya Perspective's Paper: Women and financial security – coming soon

Phase 2 launches in early 2024 with a new thought leadership rollout including a Voya Perspectives paper around **Women and financial security**.

A snapshot of our recent findings:

- Pay gaps persist
- Concerns around inflation
- Lower confidence of personal finance knowledge
- Gaps in HSA investing



**Phase 1** launched in April 2023 with an **award-winning** Voya Perspectives paper: *Bringing greater financial equity to the workplace*



**Did you miss the last paper?**

[Read paper](#)

In 2003, Voya Financial was recognized as a winner of the Gramercy Institute's Financial Content Marketing Awards in the Retirement, Business to Business category. The recognition is based on 2023 information and a \$350 entry fee was paid for consideration. For more details regarding the award, please see the information at the end of this presentation.

Voya continuously strives to be innovative, flexible and results-driven – helping both plan sponsors and employees take positive actions toward achieving retirement plan success.

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Contact your Voya representative to learn more.



## Disclosures (1/2)

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# Q4 2023 Plan Summary

## ➤ Assets and Cash Flow

- Assets at the end of the fourth quarter reached \$9.5 billion – this is an increase of over \$1.09 billion from the first quarter of 2023.
- Plan participants have taken active roles in naming a beneficiary for their DCP accounts – over 90% of participants with a balance have a named beneficiary.
- Net cash flow remained fairly consistent with the prior quarter. The amount of outflows surpassed contributions during the fourth quarter. However, we did see a decrease in one type of outflow for the quarter. The number of new loans decreased slightly from the third quarter.

## ➤ Investment Composition

- The Schwab Brokerage option and the FDIC Insured account were the only two investment options with net positive transfer activity during the quarter.
- The DCP Large Cap fund continues to hold the largest percentage of plan assets – this fund comprises 30% of total plan assets.

## ➤ Participant Activity

- The number of participants receiving installment payments increased by 253 in the fourth quarter – allowing participants to maintain their DCP accounts.
- In comparison to the third quarter, over 530 more participants have elected to make deferral elections by percentage instead of by dollar amount.





# Plan Health

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CITY OF *Los Angeles*  
DEFERRED COMPENSATION PLAN



# Plan Overview

	2023 Q1	2023 Q2	2023 Q3	2023 Q4
<b>Total Plan Participants (Active/Terminated)</b>	51,901 (35,087/16,814)	51,919 (35,271/16,648)	52,220 (35,205/17,015)	52,527 (35,469/17,058)
<b>Total Plan Participants with a Beneficiary</b>	46,799	46,656	46,863	47,619
<b>Total Plan Assets</b>	\$8,482,590,981	\$8,919,031,561	\$8,842,725,719	\$9,578,321,756
<b>Average Balance</b>	\$163,438	\$172,016	\$169,336	\$182,347
<b>Median Balance</b>	\$62,632	\$65,266	\$63,330	\$67,917
<b>Average Biweekly Deferral %*</b>	-	-	8%	8%
<b>Average Biweekly Deferral \$*</b>	-	-	\$361	\$370

- Based on the deferral data in Voya's record keeping system as of the end of the quarter

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CITY OF *Los Angeles*  
DEFERRED COMPENSATION PLAN



# Plan Overview By Group

2023 Q4	LAFPP *	LACERS	WPERP
<b>Total Plan Participants</b>	10,985	16,823	7,661
<b>Total Plan Participant with a Beneficiary</b>	10,093	14,705	6,976
<b>Total Plan Assets (Total % of Plan Assets)</b>	\$2,128,488,922 (22.2%)	\$1,806,346,978 (18.9%)	\$925,948,182 (9.7%)
<b>Average Balance</b>	\$193,763	\$107,373	\$120,865
<b>Median Balance</b>	\$113,288	\$32,781	\$47,602

\* Population includes Fire and Police Department employees. About 200 LAFPP participants employed by Airport and Harbor could not be included in the stats based on the dataset.



# Plan Overview -Termed/QDRO/Beneficiary/Ineligible Group

2023 Q4	Retired or Separated from Service	QDRO Alternate Payees and Beneficiaries	Ineligibles
<b>Total Plan Participants</b>	15,700	1,274	84
<b>Total Plan Participant with a Beneficiary</b>	14,620	1,147	78
<b>Total Assets (Total % of Plan Assets)</b>	\$4,501,041,353 (47%)	\$186,995,775 (2%)	\$23,112,944 (0.2%)
<b>Average Balance</b>	\$286,690	\$146,778	\$275,154
<b>Median Balance</b>	\$127,605	\$67,560	\$158,428



# Cash Flow Summary

## Cash In

Pre-tax Contributions	\$67,835,593.45
Roth Contributions	\$17,489,711.00
Rollover Contributions	\$33,401,625.52
Loan Repayments	\$23,576,269.81
Other	\$10,698,284.01

**Total Cash In** **\$153,001,483.79**

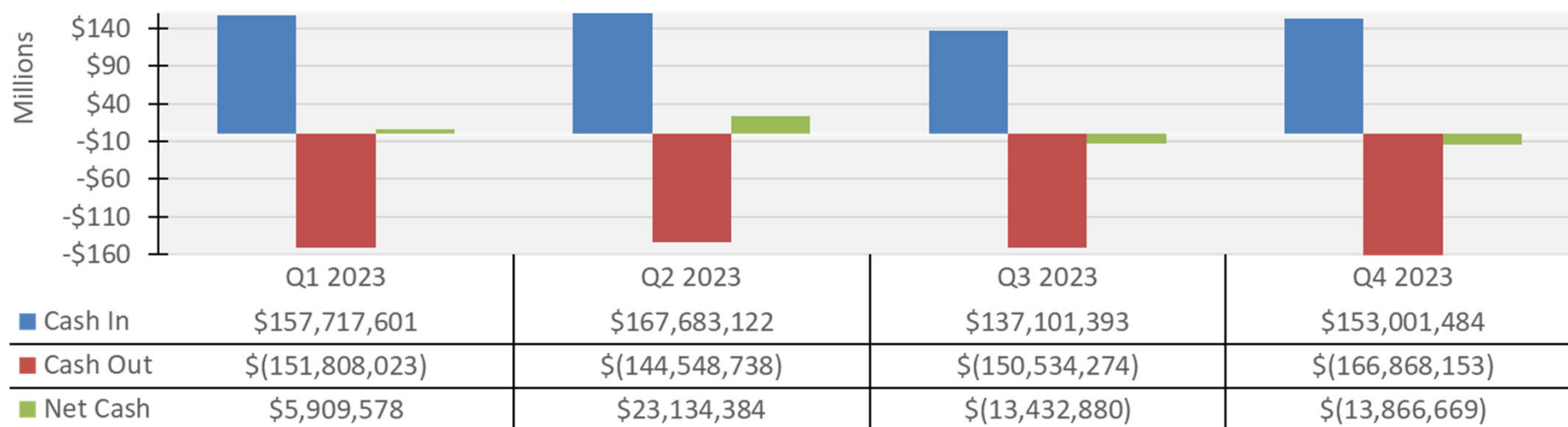
## Cash Out

Distributions	(\$70,049,195.54)
Rollovers	(\$61,822,097.43)
Loans Issued	(\$23,187,014.25)
Fees	(\$1,111,561.93)
Other	(\$10,698,284.01)

**Total Cash Out** **(\$166,868,153.16)**

"Other" activity represents all inter-participant transfer activity, which includes decedent/beneficiary activity, QDRO splits and Alternate participant transfers. "Distributions" activity represents withdrawals, installments and termination payments.

**Net Cash Flow** **(\$13,866,669.37)**

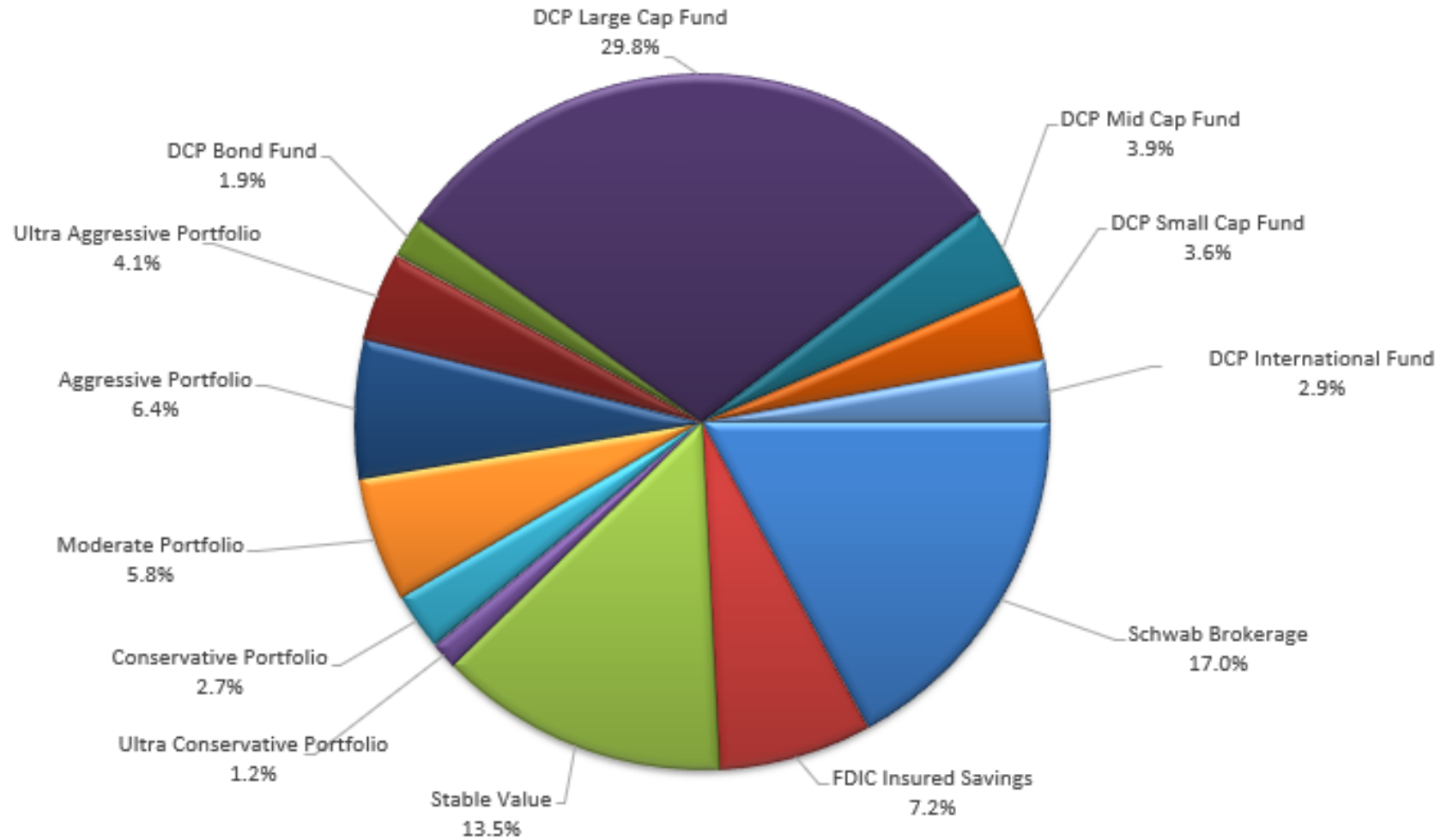


# Balances by Investment

Investment	Investment Balance	Number of Participants	Average Participant Balance	Percentage of Plan Assets
SCHWAB BROKERAGE	\$1,597,409,974.26	7,285	\$219,273.85	16.99%
FDIC INSURED SAVINGS ACCOUNT	\$673,789,683.87	13,389	\$50,324.12	7.17%
STABLE VALUE	\$1,270,240,549.57	13,300	\$95,506.81	13.51%
ULTRA CONSERVATIVE PORTFOLIO	\$116,702,916.52	3,121	\$37,392.80	1.24%
CONSERVATIVE PORTFOLIO	\$254,871,790.49	5,769	\$44,179.54	2.71%
MODERATE PORTFOLIO	\$544,370,403.46	12,546	\$43,389.96	5.79%
AGGRESSIVE PORTFOLIO	\$604,072,032.43	14,786	\$40,854.32	6.42%
ULTRA AGGRESSIVE PORTFOLIO	\$388,150,643.07	11,332	\$34,252.62	4.13%
DCP BOND FUND	\$179,820,066.44	6,636	\$27,097.66	1.91%
DCP LARGE CAP FUND	\$2,805,023,117.53	21,943	\$127,832.25	29.83%
DCP MID CAP FUND	\$362,454,936.78	8,312	\$43,606.22	3.85%
DCP SMALL CAP FUND	\$337,569,082.23	9,183	\$36,760.22	3.59%
DCP INTERNATIONAL FUND	\$269,165,082.63	8,855	\$30,396.96	2.86%
<b>Total Investment Balance:</b>	<b>\$9,403,640,279.28</b>			
<b>Total Loan Fund:</b>	<b>\$174,681,477.83</b>			



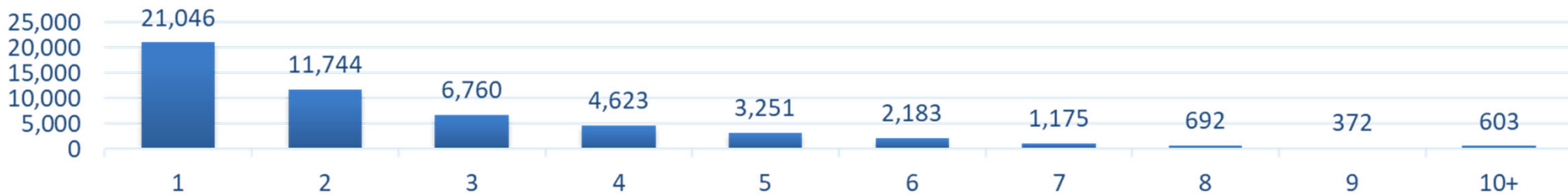
# Percentage of Plan Assets



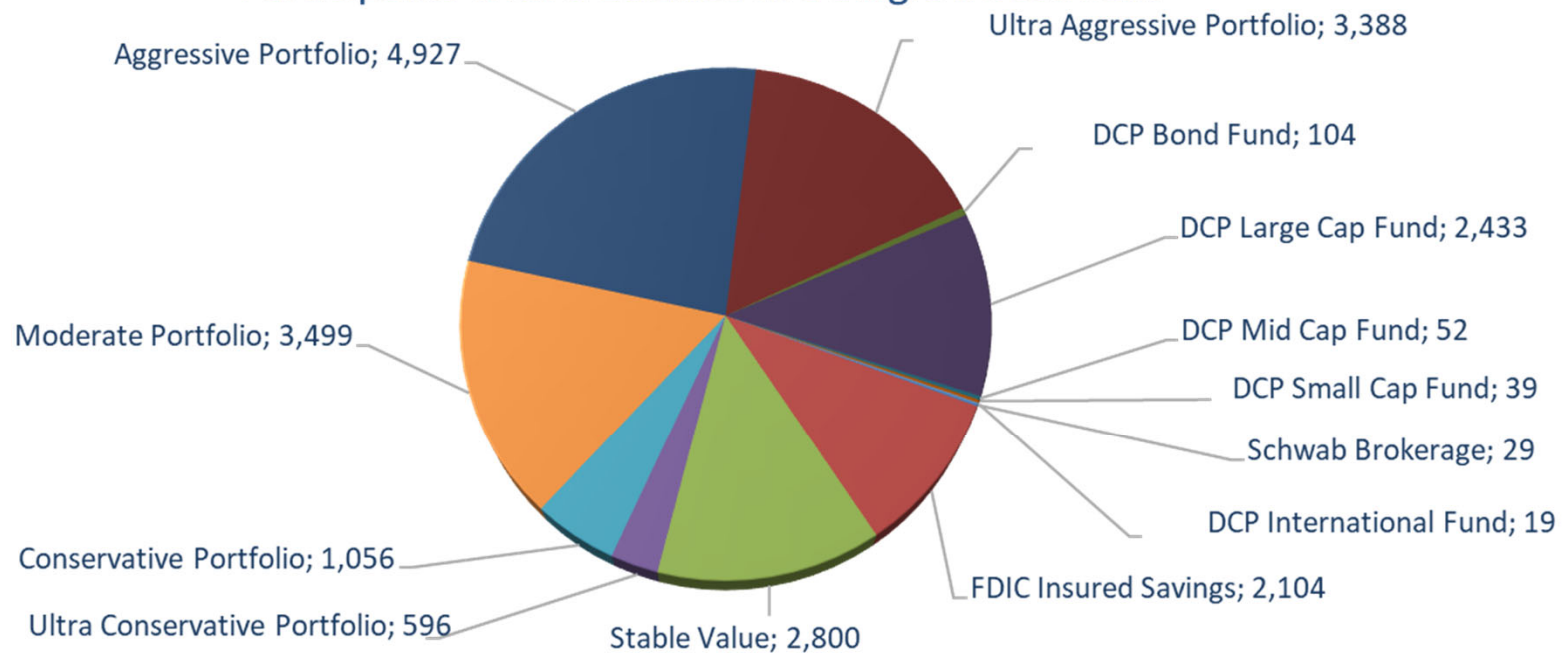


# Diversification – All Investment Options

Participants with Balances by Number of Investments

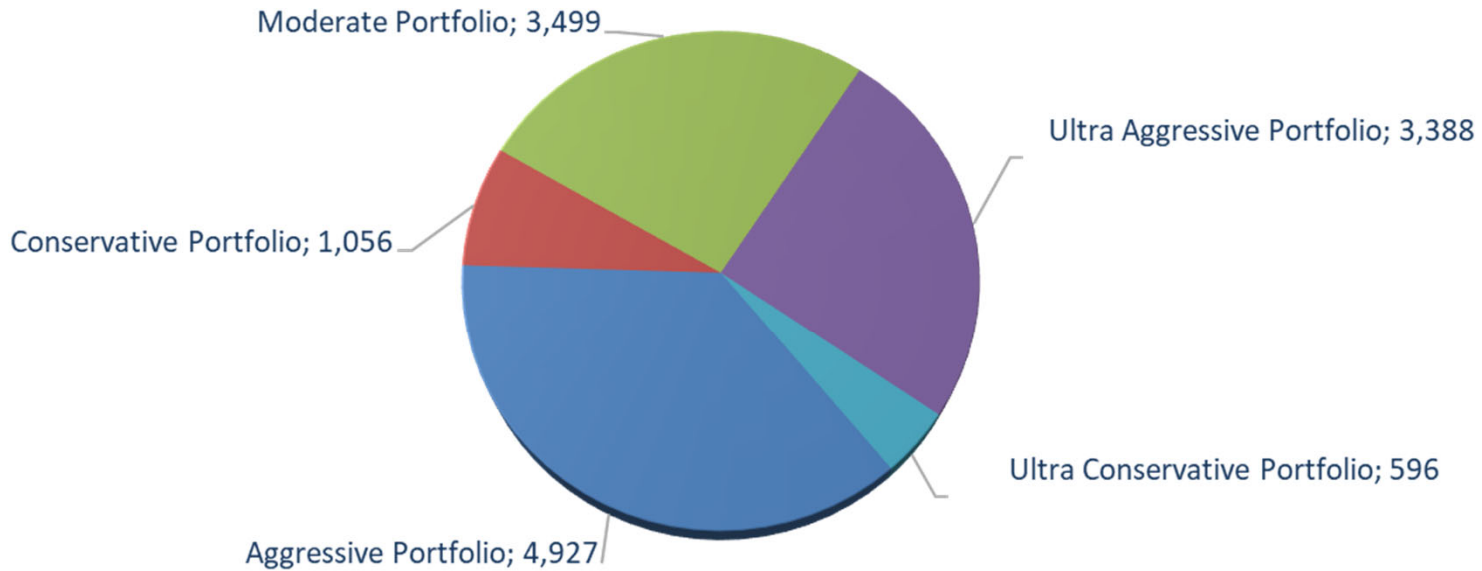
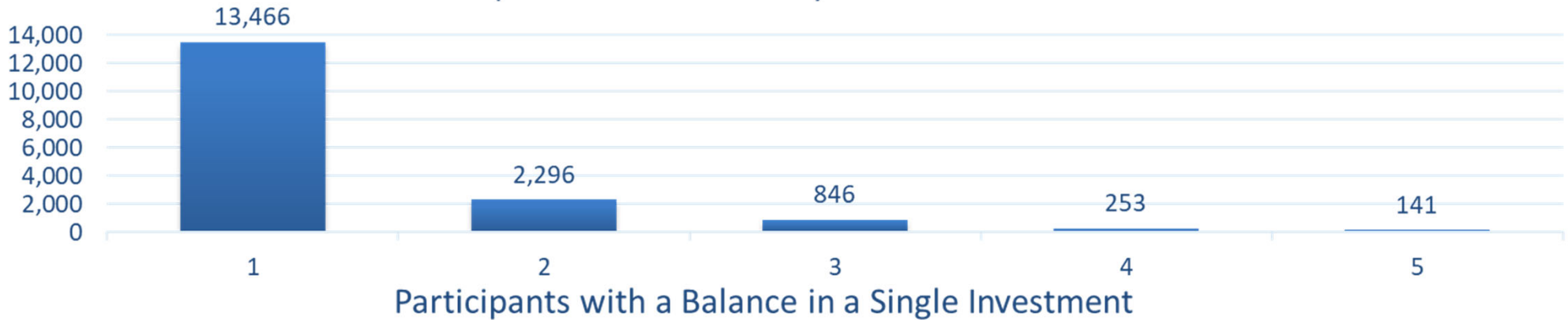


Participants with a Balance in a Single Investment

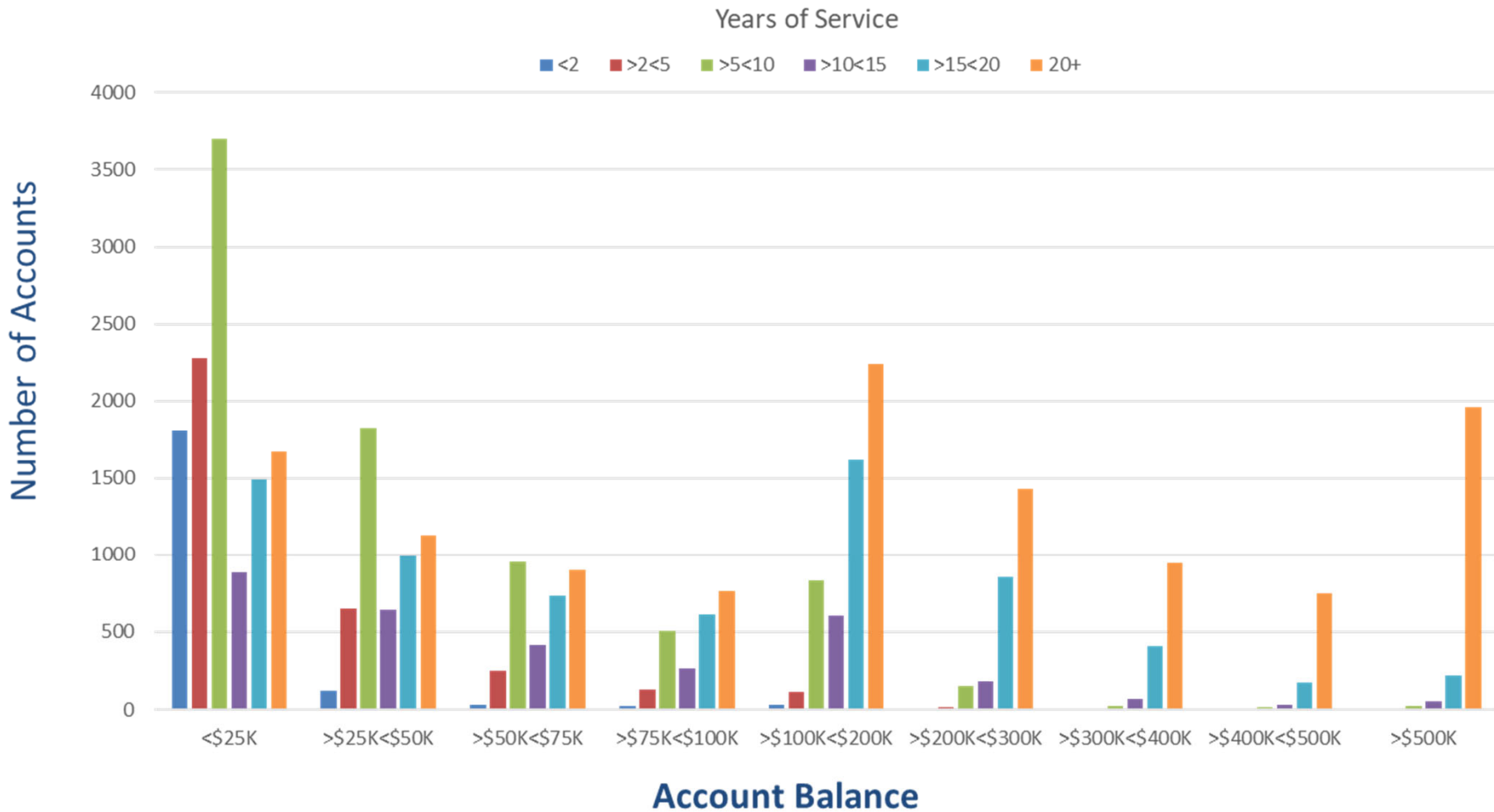


# Diversification – Portfolio Funds Only

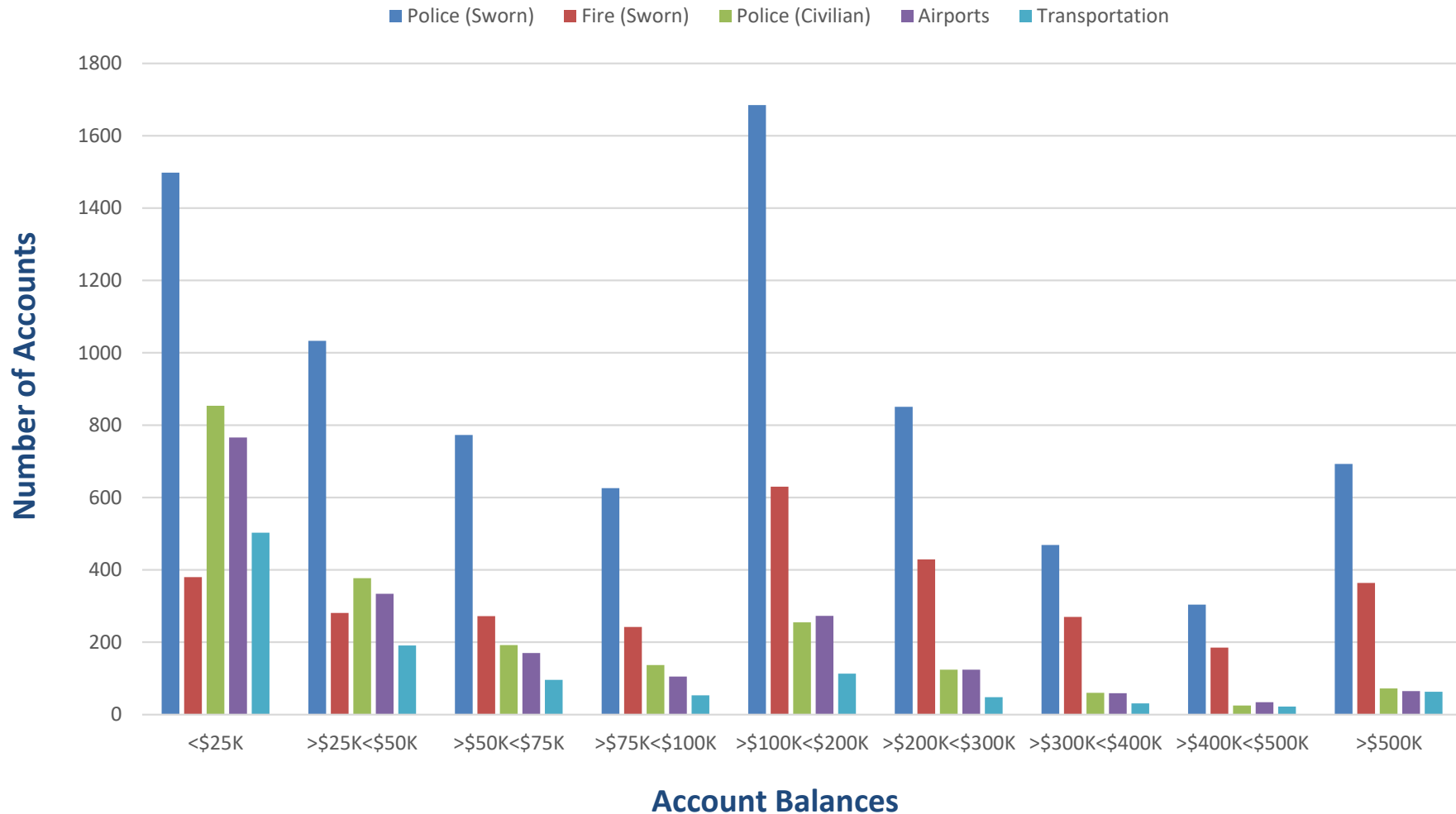
Participants with Balances by Number of Investments



# Active Participant Account Balances – by Years of Service

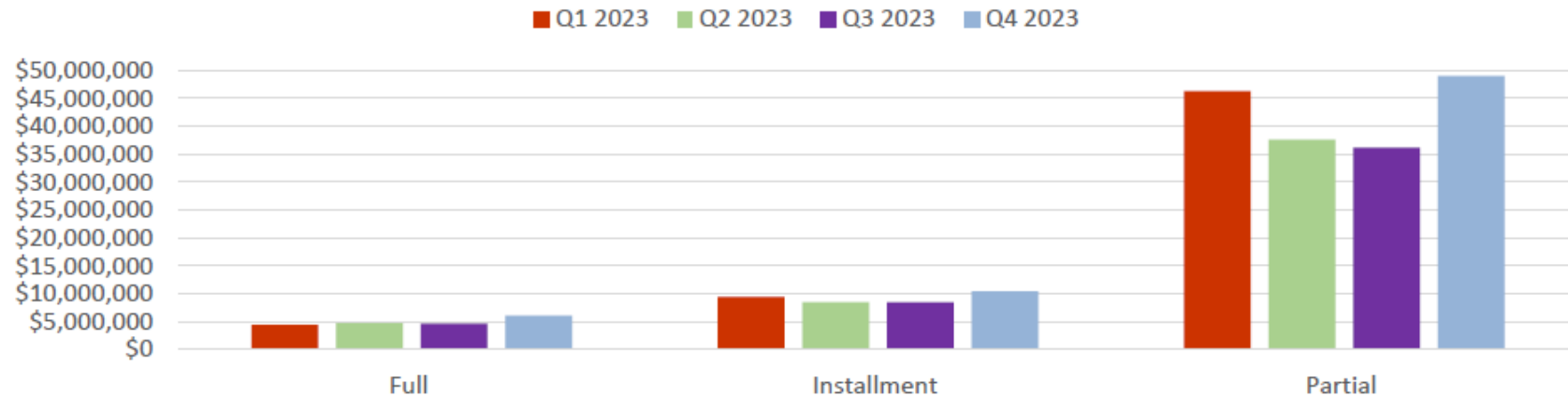


# Account Balances – Top 5 City Departments by Active Participant Count



# Participant Outcomes

## Distribution types by quarter



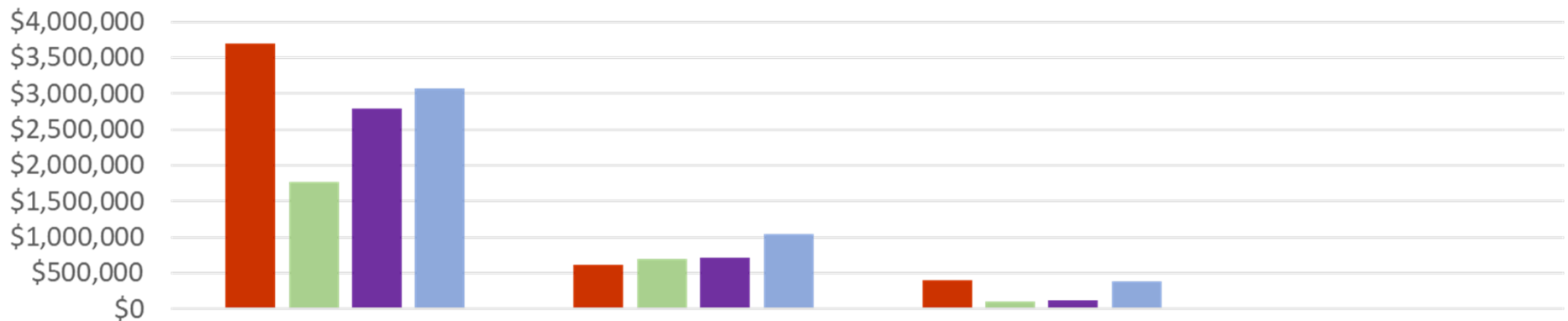
		Q1 2023		Q2 2023		Q3 2023		Q4 2023	
		Amount	Ptp Count	Amount	Ptp Count	Amount	Ptp Count	Amount	Ptp Count
Full	Ptp	\$3,697,341	143	\$3,898,683	143	\$2,798,656	139	\$3,623,743	109
	QDRO	\$116,506	5	\$204,716	8	\$81,382	5	\$94,021	3
	Bene	\$542,261	16	\$591,156	18	\$1,732,178	19	\$2,323,636	28
Install	Ptp	\$9,041,352	1,608	\$8,157,285	1,617	\$8,141,468	1,591	\$9,890,242	1,844
	Qdro	\$29,366	5	\$23,992	7	\$14,310	6	\$27,810	7
	Bene	\$329,525	64	\$256,388	65	\$290,073	64	\$509,129	93
Partial	Ptp	\$44,513,445	1,493	\$36,241,112	1,224	\$34,803,695	1,263	\$43,522,860	2,938
	Qdro	\$524,770	24	\$275,701	16	\$169,465	18	\$425,422	38
	Bene	\$1,324,354	57	\$1,045,742	58	\$1,192,702	71	\$5,112,535	368
Total		\$60,118,920	3,415	\$50,694,774.89	3,156	\$49,223,928.13	3,176	\$65,529,398.00	5,428



# Participant Outcomes

## In-service withdrawals by quarter

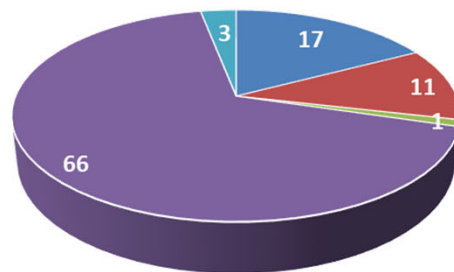
■ Q1 2023 ■ Q2 2023 ■ Q3 2023 ■ Q4 2023



	59.5 In-Service		UEW/ Hardship		Rollover Source		Birth & Adoption	
	Q1 2023		Q2 2023		Q3 2023		Q4 2023	
	Amount	Ptp Count	Amount	Ptp Count	Amount	Ptp Count	Amount	Ptp Count
59.5 In-Service	\$ 3,704,740.35	121	\$ 1,773,299.23	125	\$ 2,783,058.00	154	\$ 3,077,488.43	159
UEW/Hardship	\$ 619,550.59	82	\$ 695,543.09	98	\$ 716,542.00	54	\$ 1,048,679.00	98
Rollover Source	\$ 395,767.26	22	\$ 97,062.60	21	\$ 113,734.00	22	\$ 387,812.87	27
Birth & Adoption	\$ 9,500.00	2	\$ 9,500.00	2	\$ 19,183.00	5	\$ 5,817.00	2
<b>Total</b>	<b>\$ 4,729,558.20</b>	<b>227</b>	<b>\$ 2,575,404.92</b>	<b>246</b>	<b>\$ 3,632,517.00</b>	<b>235</b>	<b>\$ 4,519,797.30</b>	<b>286</b>

Unforeseeable Emergency Withdrawal (UEW) Reasons

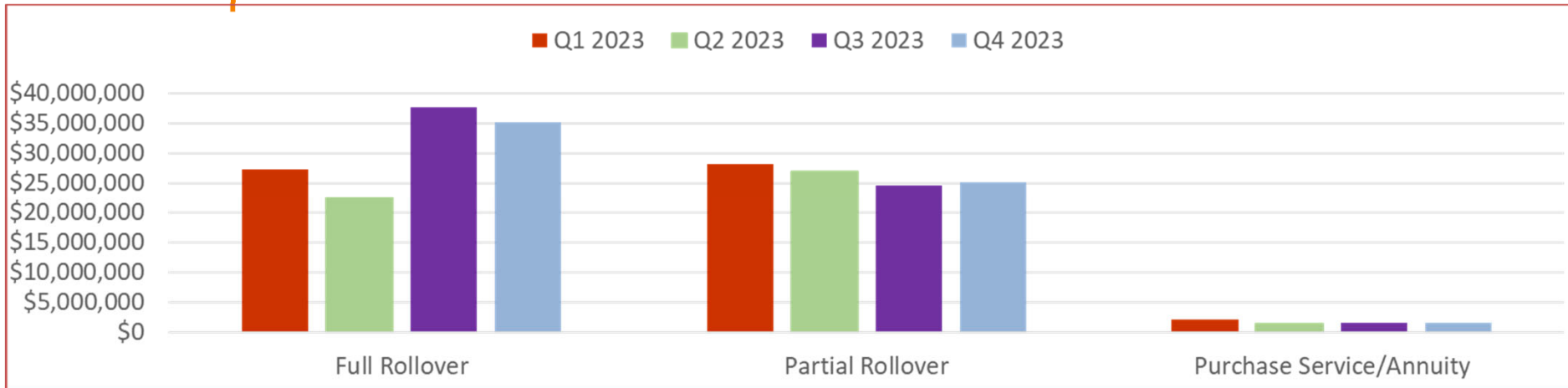
- Medical Expenses
- Illness or Accident
- Funeral Expenses
- Eviction/ Foreclosure
- Residence Repair



- 108 UEW's Processed
- 73 UEW's Rejected

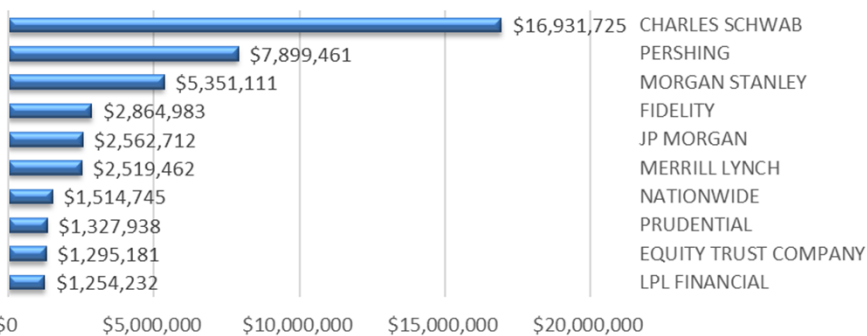


# Participant Outcomes – Rollovers

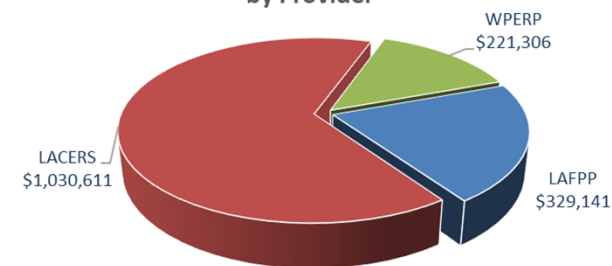


	Q1 2023		Q2 2023		Q3 2023		Q4 2023	
	Amount	Part Count	Amount	Part Count	Amount	Part Count	Amount	Part Count
Full Rollover	\$27,290,909	128	\$22,468,822	100	\$37,623,479	142	\$35,062,570	132
Partial Rollover	\$28,108,965	96	\$26,894,342	103	\$24,513,694	91	\$25,178,470	79
Purchase Service/Annuity	\$2,003,920	122	\$1,326,380	122	\$1,541,997	113	\$1,581,057	90
<b>Total</b>	<b>\$57,403,794</b>	<b>346</b>	<b>\$50,689,545</b>	<b>325</b>	<b>\$37,623,479</b>	<b>142</b>	<b>\$61,822,097</b>	<b>301</b>

Top 10 Rollover Providers by Dollar Amount



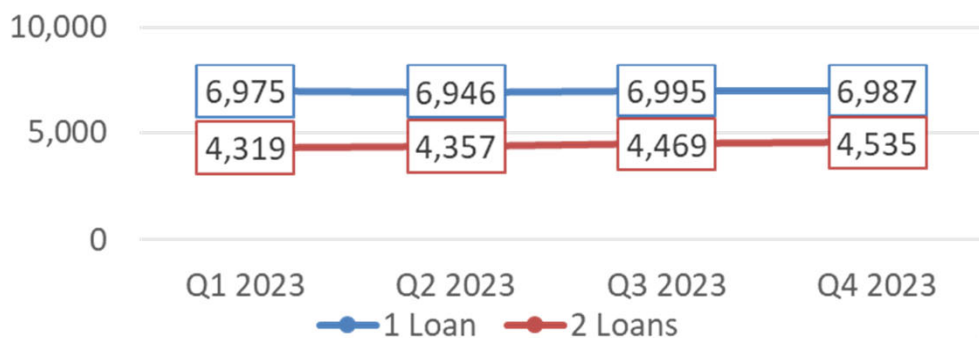
Purchase of Service/Annuity by Provider



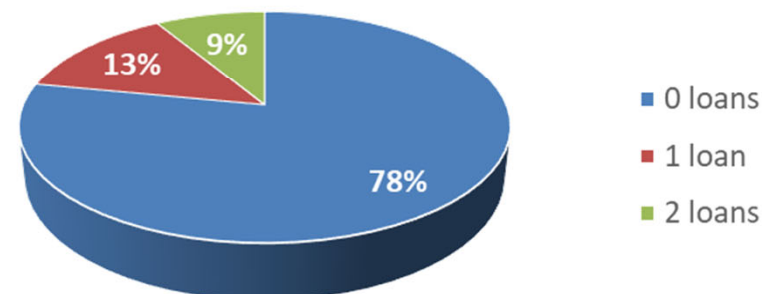
# Loan Trending

	Q1 2023	Q2 2023	Q3 2023	Q4 2023
Total Participants with Loans	11,294	11,303	11,464	11,522
Total Number of Outstanding Loans	15,613	15,660	15,933	16,057
Number of General Loans	14,127	14,194	14,494	14,631
Number of Residential Loans	1,486	1,466	1,439	1,426
Total Outstanding Loan Balance	\$159,881,530	\$161,601,588	\$166,008,460	\$167,583,530
General Loan Balance	\$135,006,225	\$137,247,288	\$142,215,370	\$144,103,665
Residential Loan Balance	\$24,875,305	\$24,354,300	\$23,793,090	\$23,479,865
Average Outstanding Loan Balance per Borrower	\$14,156	\$14,297	\$14,481	\$14,545
Number of Loans Re-amortized	156	188	183	109
Number of Loans in Arrears >30 days	106	150	128	116
Number of Loan Defaults	212	175	220	146
Total New Loans Initiated	1,424	1,605	1,658	1,600
Average Amount of New Loans Initiated	\$14,213	\$14,411	\$14,245	\$14,514
New Loans Active	1,335	1,505	1,562	1,514
New Loans Separated from Service	89	100	96	86

Participant Loan Count, 1 Loan vs 2



Participant Loan Count, Percentage







# DCP Communications

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# Oct - Nov 2023 Campaign: DCP City Fair

(National Retirement Security Month - Active participants and retirees)

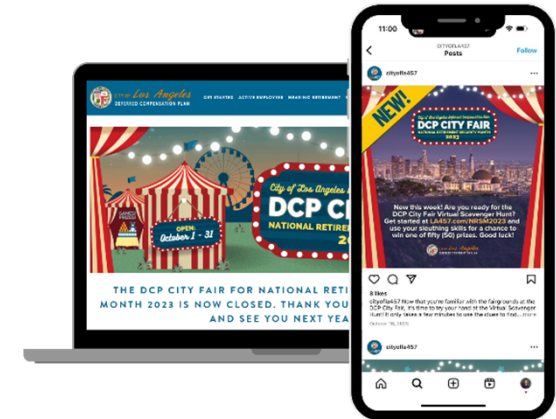
## Email Campaign



## Mailer



## Web and Socials



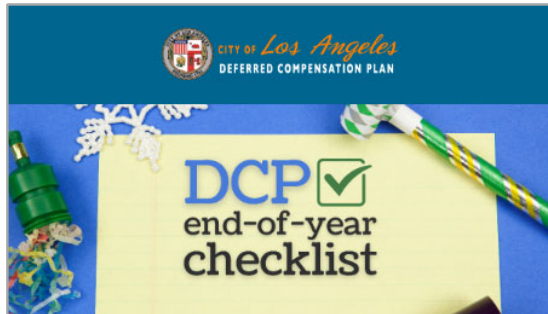
## Key Metrics and Results:

- **168,415 emails sent**
  - Open rate: **47.3%** (industry: 27%)
  - Click-through rate: **5.1%** (industry: 2.4%)
- **City-wide mailer sent**
- **October 2023 LA457.com engagement:**
  - The DCP City Fair homepage received a total of **29,585** page views, which was a 37% increase over 2022.

# December 2023: End-of-year Checklist

(Active and retired/separated from service participants )

## Email Campaign

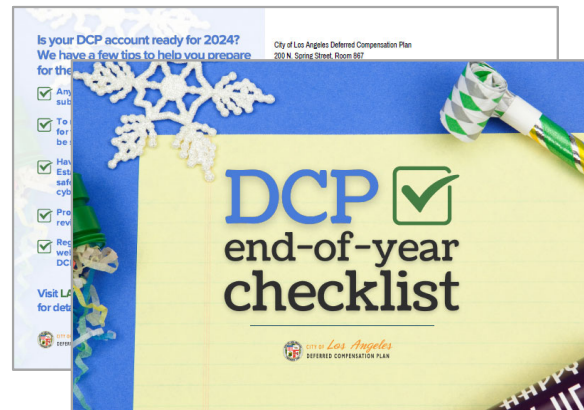


Is your Deferred Compensation Plan (DCP) account ready for 2024? We have a few tips to help you get ready for the New Year and beyond!

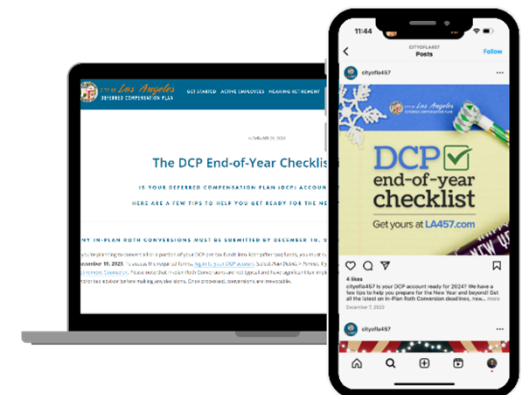
- Any Roth In-Plan Conversions must be submitted by December 15, 2023
  - If you're planning to convert all or a portion of your DCP pre-tax funds into Roth (after-tax) funds, you must submit the required forms no later than Friday, December 15, 2023. To access the required forms, [log in to your DCP account](#) (select *Plan Details > Forms*). If you have any questions, please [contact a Local Retirement Counselor](#).
- Contribution limits have increased for 2024!
  - Thursday, December 28, 2023 is the deadline for new contribution changes to be effective for the first paycheck of 2024. Review the increased contribution limits at [LA457.com/contributions](#).
- Secure your account
  - There is often an increase in scams and fraudulent impersonations during this time of year. Safeguard yourself against cybersecurity threats by establishing a unique username and password for your [online DCP account](#) and reviewing your account activity periodically.
  - The DCP will never ask you to withdraw and/or transfer funds to an external account for any reason. If you detect any suspicious activity or receive any suspected fraudulent text messages, emails, or phone calls, please immediately call our Service Center at 844-523-2457.
- Review your account beneficiary elections
  - Protect your savings and your loved ones by reviewing or updating your beneficiary elections at [LA457.com](#).

[Get more details here](#)

## Mailed Postcard



## Blog post and socials



## Key Metrics and Results:

- **38,437** emails sent
  - Open rate: **66.3%** (industry: 27%)
  - Click-through rate: **8.2%** (industry: 2.4%)
- **14,295** postcards sent
- **LA457.com** engagement
  - The “**Checklist**” blog post was the most viewed blog post December 5 – January 5. 555 visits.

# Ad-Hoc Communications

## NRSM Outreach/Video Promo

**CITY OF Los Angeles**  
DEFERRED COMPENSATION PLAN

**PRESS PLAY ON YOUR RETIREMENT.**

Watch our new video about the Deferred Compensation Plan.

**Thank you again for joining the Deferred Compensation Plan's (DCP) City of Los Angeles.**

Throughout National Retirement Security Month 2023, we highlighted the DCP plays in securing a prosperous retirement. In fact, there's no better time to enroll in this essential retirement benefit that works alongside your Social Security to help you create and live your best retirement.

To get a better idea of how the DCP can help you reach your retirement goals, watch our **brand-new video below** and press "play" on your retirement journey.

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## Q3 Statements

**CITY OF Los Angeles**  
DEFERRED COMPENSATION PLAN

**Deferred Compensation Plan (DCP) Quarter 3 Statement Updates**

Your latest Deferred Compensation Plan (DCP) Quarterly Account Statement and DCP Newsletter are now available.

**Important Alert:** Please note you may have already been notified about your statement being available on LA457.com. Due to the system error, we are resending this message to ensure all participants receive a timely notification. Additionally, some participants may also receive a paper statement and newsletter in the mail over the coming days. Please be assured that your e-delivery preference is still on file, and statements will be delivered electronically in future quarters. We apologize for the delay and any inconvenience this may have caused.

To view your statement, follow these steps:

- (1) Log in at [www.LA457.com](http://www.LA457.com).
- (2) Select *Overview* and choose *Statements & Documents*.
- (3) Click on the small arrow next to *Additional Statements Info & Documents* and select *Prior Statements*. This will take you to your most recently issued statement as well as statements for the past two years.

Please also check out the [DCP Newsletter](#) for helpful financial wellness articles, valuable information, and updates about the DCP.

Your quarterly statement summarizes your DCP account value and is available anytime by accessing your account at [www.LA457.com](http://www.LA457.com). You may change your preference for how you receive your statement by logging in to your account and selecting *Communication Preferences* from the drop-down menu when you hover over your profile name.

We're here to help. If you have a question about this statement or your DCP account, please call the Participant Service Center at (844) 523-2457.

**\*\* Please do not reply to this email. \*\***

# Q4 Participant Newsletter



## Key Topics:

- **Retirement Withdrawal Strategies**
  - Review potential sources of income.
  - Examine your pension benefit.
  - How the DCP factors into supplementing income.
  - Prioritization of distributions.
- **DCP News**
  - Contribution limit increases.
  - Election preview
  - First-of-the-month rule
  - HRP project reminder
- **Cybersecurity Corner**
  - How to review and examine DCP account activity.



# Employee Engagement

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DEFERRED COMPENSATION PLAN



## Local Retirement Counselors

As of December 31, 2023

CITY OF LOS ANGELES



## Highlights from 4Q 2023

New - Conducted 3 meetings for LAFD Behavioral Services

Conducted 3 NRSM Events at City Hall, DWP & City Hall

Conducted 4 Library Enrollments which was their Financial Literacy Event

## Activity by Quarter

	1Q 2023	2Q 2023	3Q 2023	4Q 2023
In-Person & Virtual Meetings	31	39	40	43
Call Totals	2,532	2,381	2,049	1,950
Counter Service	61	139	224	198
Emails	2,210	1,575	1,180	1,272
<b>Total Participant Interaction</b>	<b>4,834</b>	<b>4,134</b>	<b>3,493</b>	<b>3,463</b>
<b>Meeting Attendees</b>	<b>1,071</b>	<b>1,301</b>	<b>1,363</b>	<b>1,822</b>
<b>Enrollments</b>	<b>145</b>	<b>149</b>	<b>124</b>	<b>59</b>

# Local Retirement Counselors

As of December 31, 2023  
CITY OF LOS ANGELES

## Site Visits/Virtual by Quarter

Location	1Q 2023	2Q 2023	3Q 2023	4Q 2023
Animal Services	-	-	-	-
AFSEME Local 3090 General Membership	-	-	1	-
Board of Public Works	-	-	-	-
Building & Safety	-	-	-	-
City Hall	-	-	-	-
Civil Human Rights & Equity Department	1	-	-	-
Council	-	-	-	-
Cultural Affairs	-	-	-	-
DWP	3	4	4	5
Economic & Workforce Development	3	3	3	3
Elected Staff	-	-	-	-
General Services	-	-	-	-
Housing	-	-	-	-
ITA	-	-	-	-
LACERS	7	6	6	4
LAFD (Civilian)	-	-	-	-
LAFD (Sworn)	1	2	1	5
LAFPP	2	4	3	5
LAPD (Civilian)	-	1	1	2
LAPD (Sworn)	3	4	4	6
LAPPL	-	6	7	-
LAWA LAX	1	-	-	-
LAWA Van Nuys	-	-	-	-
LA Zoo & Botanical Gardens	-	-	-	-
Los Angeles Filipino Association of City Employees	1	-	-	-
Library	4	3	1	4
Marvin Braude Building	-	-	-	-
Money Matters Presentation	3	3	3	4
NRSM (National Retirement Security Month)	-	-	-	3
Department of Neighborhood Empowerment	-	-	-	-
Office of Finance	1	-	1	-
Personnel	-	-	-	-
Planning Department	-	1	-	-
Port of Los Angeles Harbor	-	-	-	-
Public Works Building	-	-	-	-
Public Works- Contracts Administration	-	-	1	-
Public Works- Engineering	-	-	-	-
Public Works- Sanitation	1	-	2	1
Public Works- Street Lighting	-	-	-	1
Public Works- Street Services	-	-	-	-
Rec & Park	-	2	-	-
Transportation	-	-	2	-
<b>Total On-site Visits</b>	<b>31</b>	<b>39</b>	<b>40</b>	<b>43</b>



# Appendix

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CITY OF *Los Angeles*  
DEFERRED COMPENSATION PLAN



# The Schwab Personal Choice Retirement Account (PCRA) Quarterly Report

## CITY OF LA 457 DEFERRED COMP as of 12/31/2023

### Plan Profile Information

Plan Type	457B
Total PCRA Assets	\$1,596,172,483
Total Funded PCRA Accounts	8,712
Total Roth Assets	\$82,129,956
Total Funded Roth Accounts	1,795
Total Advisor Managed PCRA Assets	\$728,332,047
Total Advisor Managed Funded PCRA Accounts	3,965
PCRA Accounts Opened This Quarter	213
PCRA Assets In and Out This Quarter*	\$24,753,382
Average PCRA Account Balance	\$183,215

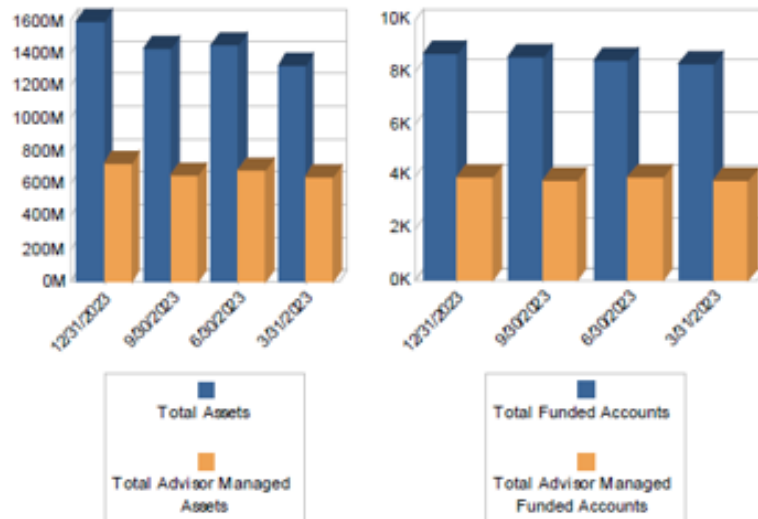
### PCRA Participant Profile Information

Average Participant Age	50
Percent Male Participants	83%
Percent Female Participants	17%

### Total Assets by Category

Cash Investments	\$121,140,477
Equities	\$707,178,743
ETFs	\$329,516,950
Fixed Income	\$147,140,619
Mutual Funds	\$291,727,647
Other	-\$531,944

### Assets and Accounts (Trailing 4 Quarters)



\* Assets In and Out includes contributions and distributions.

### Average Positions Per Account

Cash Investments	1.0
Equities	12.1
ETFs	3.3
Fixed Income	0.6
Mutual Funds	2.3
Other	0.1
Total	19.4

### Average Trades Per Account

Equities	8.4
ETFs	2.5
Fixed Income	0.1
Mutual Funds	2.2
Other	0.4
Total	13.5



CITY OF *Los Angeles*  
DEFERRED COMPENSATION PLAN

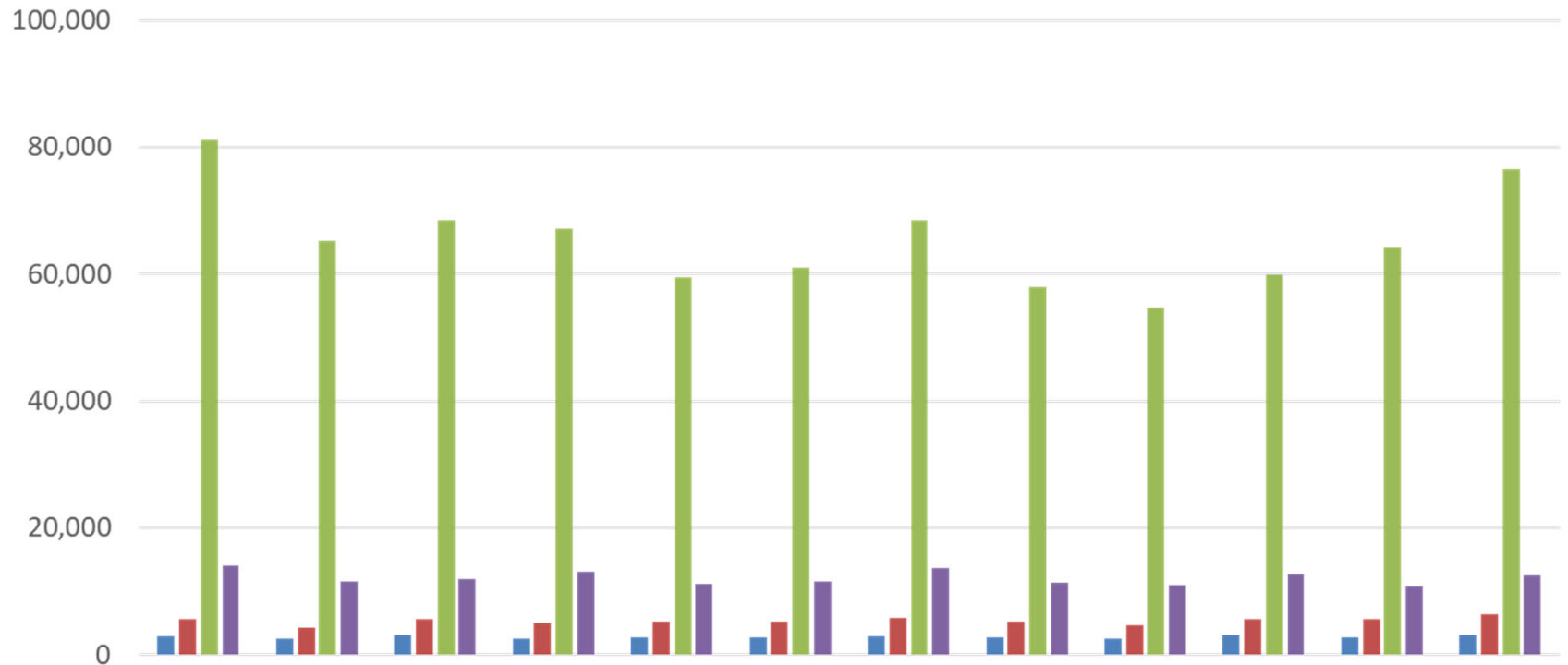


# Transfer activity by investment

Investment Name	Transfers In	Transfers Out	Net
SCHWAB BROKERAGE	\$35,946,842	\$-24,437,488	\$11,509,354
FDIC INSURED SAVINGS ACCOUNT	\$54,189,808	\$-44,070,792	\$10,119,017
STABLE VALUE	\$34,080,081	\$-34,606,171	-\$526,090
ULTRA CONSERVATIVE PORTFOLIO	\$5,703,966	\$-9,040,982	-\$3,337,016
CONSERVATIVE PORTFOLIO	\$7,759,068	\$-10,389,510	-\$2,630,442
MODERATE PORTFOLIO	\$13,918,868	\$-11,071,008	\$2,847,860
AGGRESSIVE PORTFOLIO	\$5,392,889	\$-13,901,972	-\$8,509,083
ULTRA AGGRESSIVE PORTFOLIO	\$9,295,030	\$-11,643,034	-\$2,348,003
DCP BOND FUND	\$8,632,694	\$-11,064,325	-\$2,431,631
DCP LARGE CAP FUND	\$59,471,141	\$-55,640,925	\$3,830,216
DCP MID CAP FUND	\$7,950,528	\$-11,727,918	-\$3,777,391
DCP SMALL CAP FUND	\$10,142,669	\$-13,410,389	-\$3,267,720
DCP INTERNATIONAL FUND	\$4,692,669	\$-6,595,286	-\$1,902,617



# 2023 Participant Contact Summary



	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
Total PSR Calls **	2,863	2,636	3,067	2,563	2,797	2,767	2,883	2,778	2,497	3,062	2,827	3,053
Total IVR Calls ***	5,652	4,330	5,578	5,032	5,159	5,314	5,875	5,164	4,650	5,555	5,538	6,346
Total Web Visits	81,239	65,333	68,457	67,238	59,500	61,110	68,419	57,932	54,683	59,891	64,285	76,566
Total Unique Web Visits	13,993	11,614	11,881	13,128	11,096	11,566	13,709	11,369	10,977	12,784	10,714	12,476

\* Rolling 12 months of data

\*\* PSR: Participant Service Representative Connect

\*\*\* IVR: Interactive Voice Response



# Q4 2023 Voice of the Participant

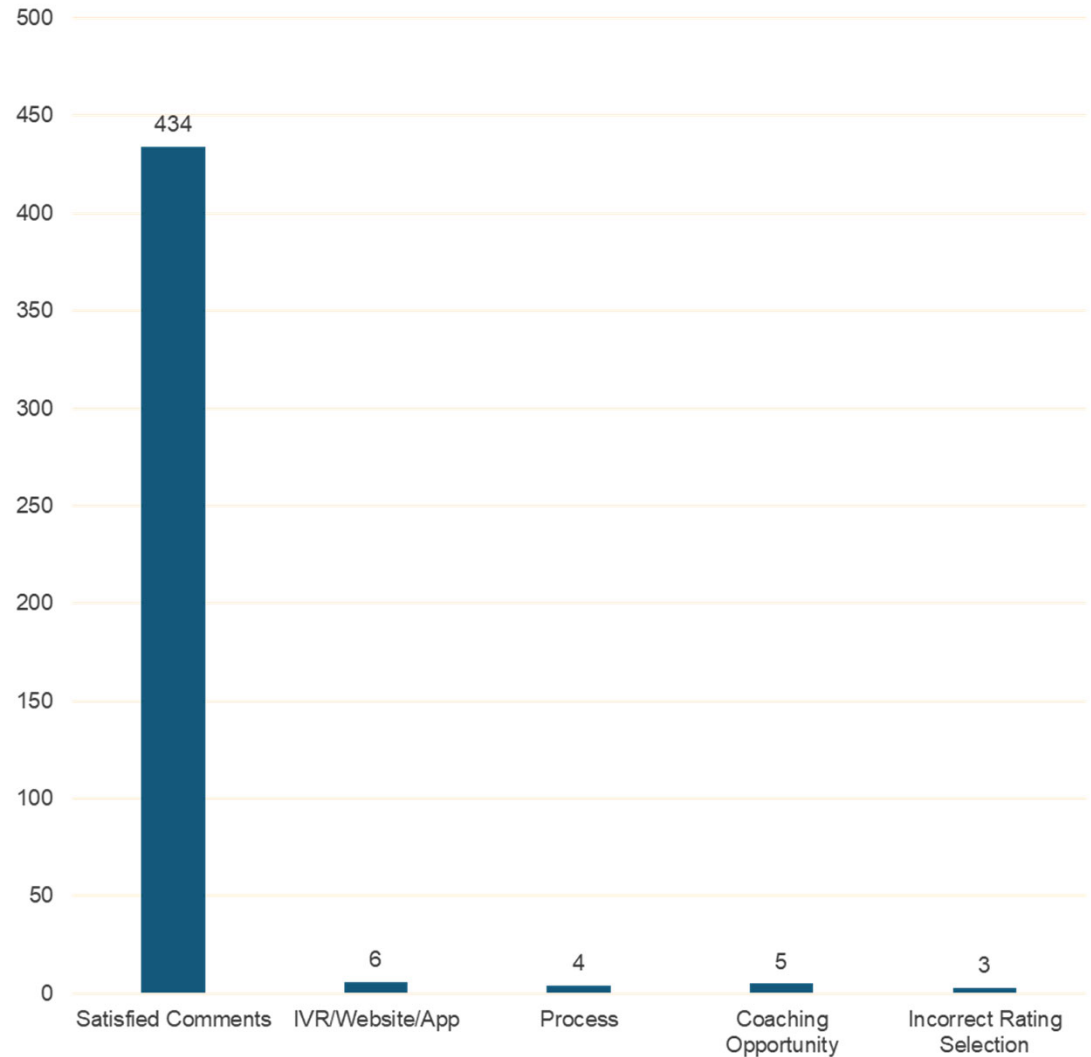
## Q4 2023 Analysis:

Number of Surveys: 2,679

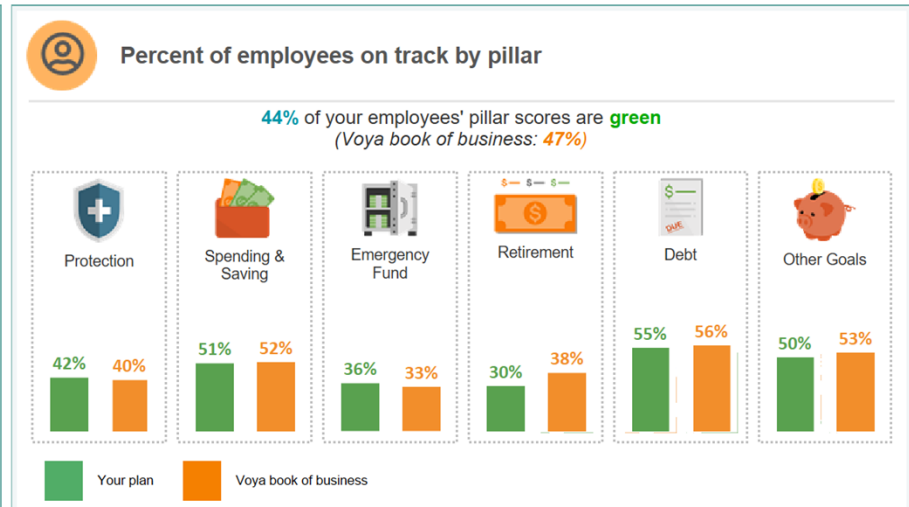
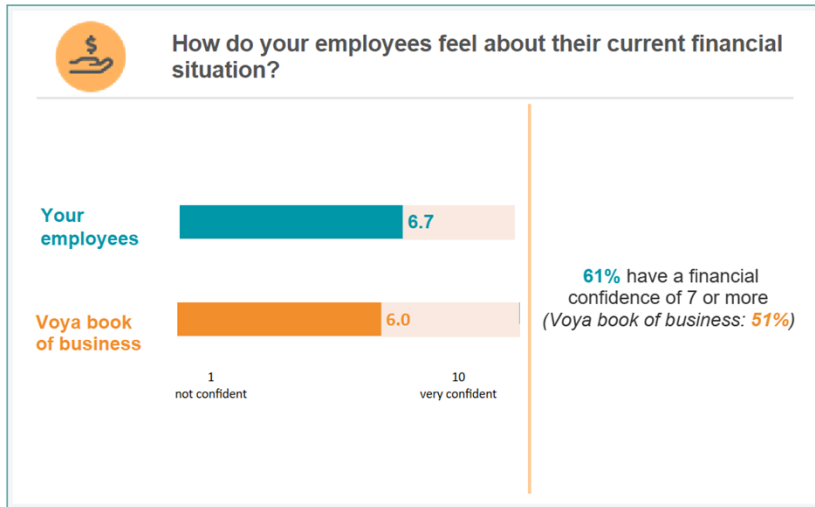
Number of Surveys with Comments:  
452

## Comment Breakdown:

- Satisfied Comments: 434
- Dissatisfied Comments: 18
  - IVR/Website/App: 6
  - Process: 4
  - Coaching Opportunity: 5
  - Incorrect Rating Selection: 3

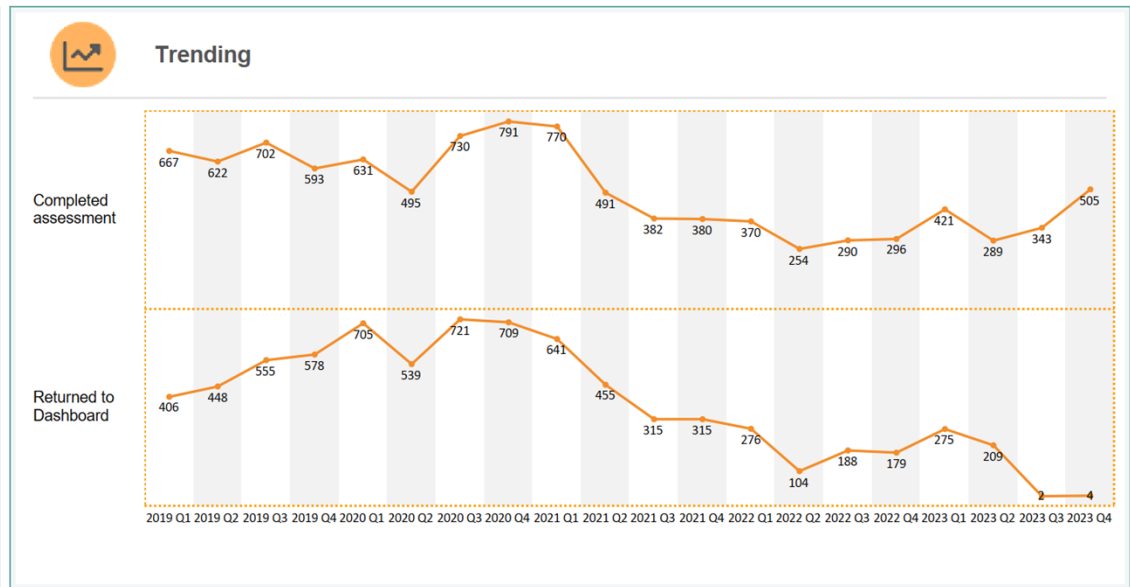


# Financial Wellness Assessment

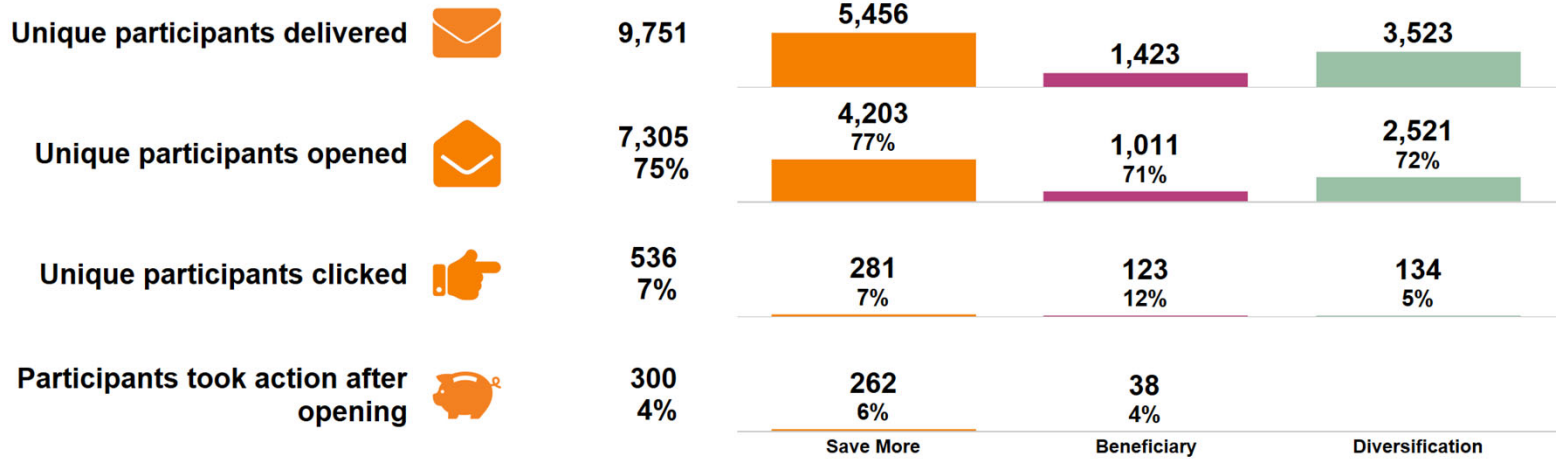


### Engagement

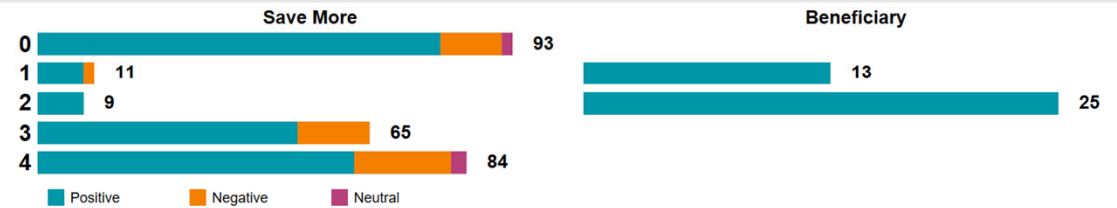
	# of participants	% of participants	Voya Book of Business
Started Financial Wellness assessment	6,432	--	--
Completed assessment and viewed results	5,755	89%	89%
Viewed dashboard after completing assessment	4,771	83%	77%



# Personalized Financial Wellness Messaging



## Action details: total actions after email open



## Potential financial impact: (those who changed deferral rate, excludes deferral amt)

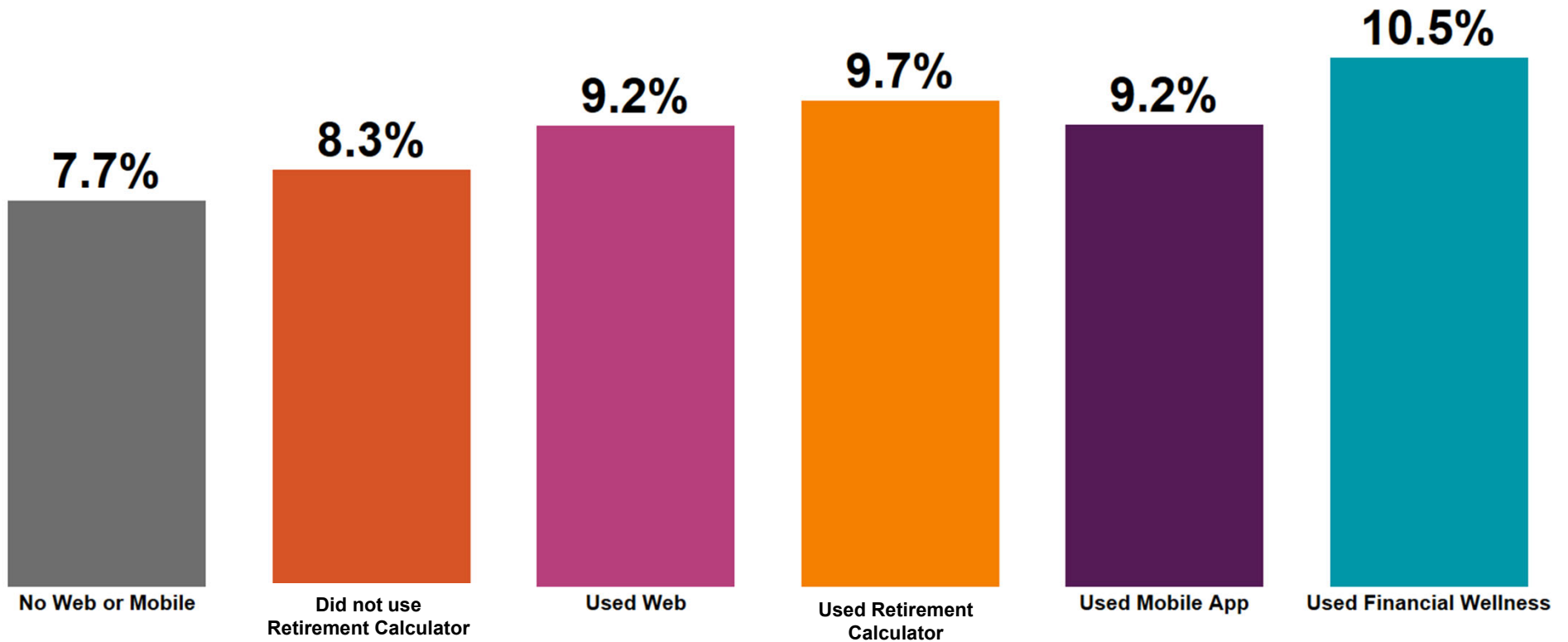
**Save More**      **\$48,409** of additional contributions per year. (74 participants increased their savings rate by 0.7% on average)



# Digital Engagement Savings Report

Engagement Outcomes - Savings Rate

Savings Rate (%)



Data as of 12/31/2023

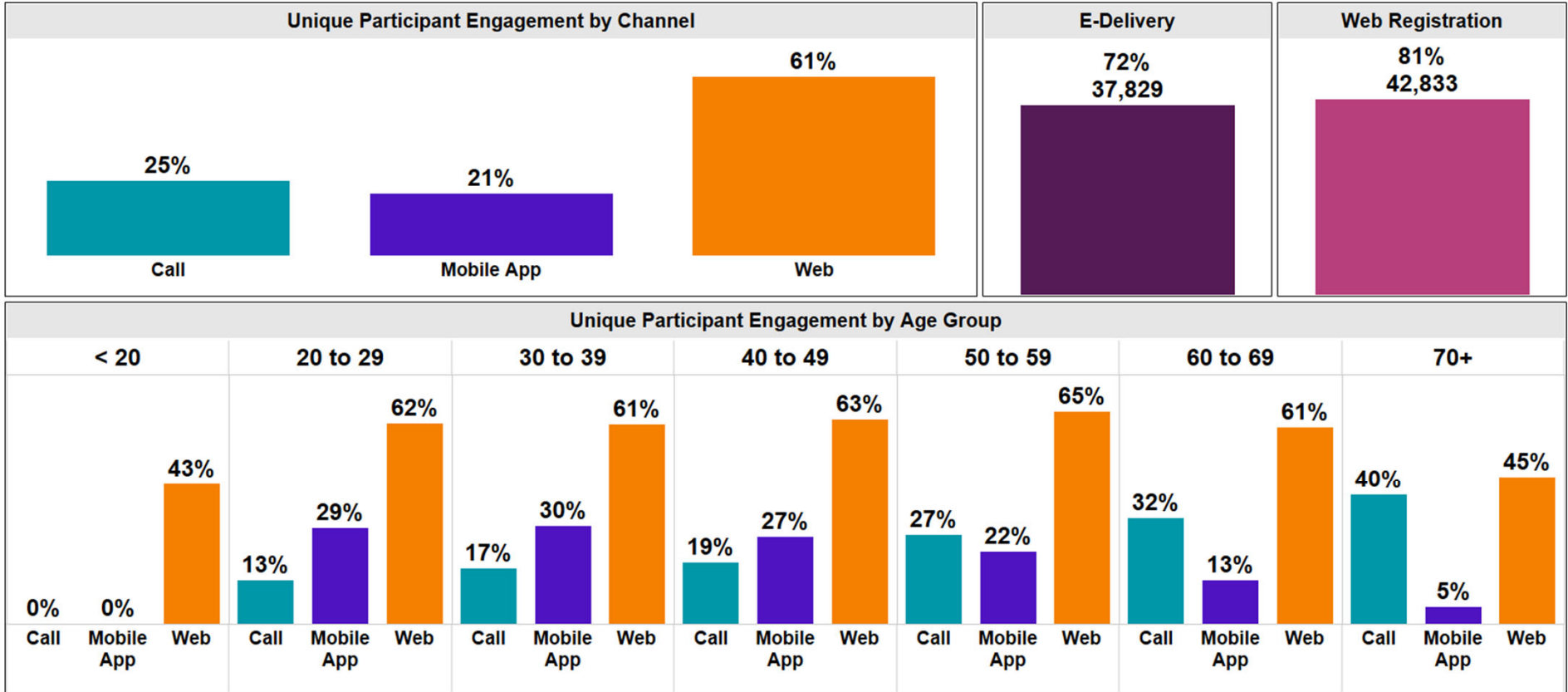




# Digital Engagement Usage

## Engagement

73% of plan participants have engaged (used web, mobile, or called) over the past 12 months  
 61% of plan participants have digitally engaged over the past 12 months



Data as of 12/31/2023



# Contribution Summary

Total Number of Participants Currently Contributing: 27,180

## Participant Counts

Total Deferral \$	Total Participants
< \$49	2,279
\$50 to \$99	3,252
\$100 to \$149	3,853
\$150 to \$199	1,534
\$200 to \$249	2,221
\$250 to \$299	1,096
\$300 to \$399	2,111
\$400 to \$499	1,388
\$500 >	9,446

Total Contribution

Total Number of Participants Currently Contributing: 5,793

## Participant Counts

Total Deferral %	Total Participants
1%	235
2%	367
3%	446
4%	352
5%	760
6%	384
7%	505
8%	321
9%	148
10%	864
11 - 20%	1,162
21 - 40%	198
41 - 99%	51

Percent of Pay



# Contribution Summary

Percent of Pay Contribution  
by Age Group

Age Group	Total Contribution %
< 21	7.38
21-30	7.57
31-40	6.47
41-50	7.22
51-60	9.34
61 +	12.72
Overall	7.56

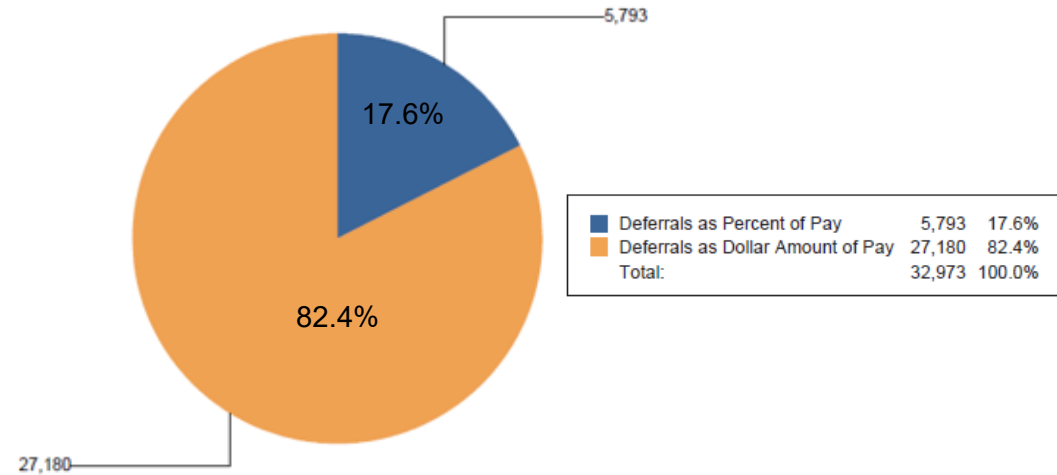
Average Contribution Amount

Age Group	Average Contribution \$
< 21	\$150.00
21-30	\$299.30
31-40	\$275.94
41-50	\$356.73
51-60	\$442.87
61 +	\$495.02
Overall	\$369.96



# Fixed Dollar Amount vs. Percent of Pay

## All Participants



## New Enrollees

