



## IN THE SPOTLIGHT:

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City of Los Angeles Quarterly Newsletter

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## JOIN THE GREEN REVOLUTION!

Your City of Los Angeles PREMIERE Deferred Compensation Plan is strongly committed to going green. Join us as we embark on a green revolution through a series of green initiatives that will be rolled out in the coming months and years. By making your PREMIERE Plan greener, we can help reduce our carbon footprint and still give you the same high-quality resources and tools to help you reach your retirement goals. Why start the PREMIERE Plan green revolution now? Well, here's some food for thought:

- **Did you know that the average American goes through seven trees a year in paper, wood, and other products made from trees? This amounts to about 2,000,000,000 trees per year!\***
- **Rainforests are being chopped down at the rate of 100 acres per minute!\***
- **And to top it off, the U.S. is the #1 trash-producing country in the world at 1,609 pounds per person per year. This means that 5% of the world's people create 40% of the world's waste.\***

Alarming statistics aren't they? The better question may be: why not try to be green? The first two goals of the green revolution will be increased participation in your online resource, Online File Cabinet®, and delivery of electronic confirmations for web-based transactions.

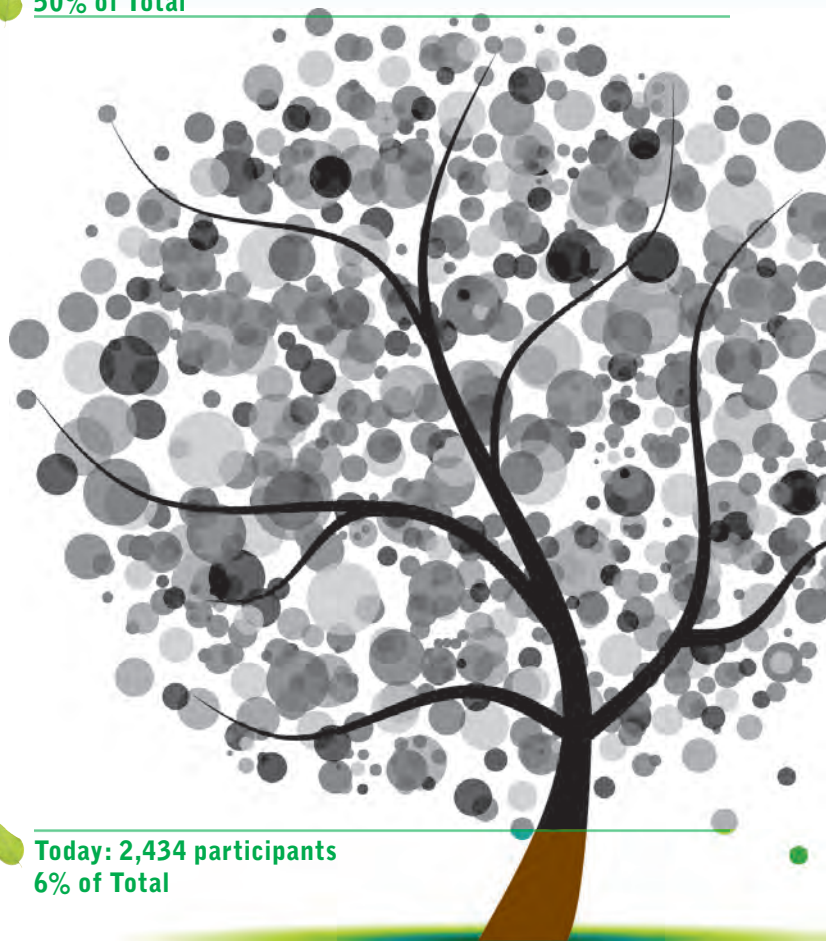
**Come help us be green today! By making simple, green modifications, we can make our world a better place to live in tomorrow.**

\* Source: <http://www.recycling-revolution.com/recycling-facts.html>

In fact, we'll be gauging how many green followers come on board with the green revolution through our green tree thermometer. It will show how many people sign up for Online File Cabinet over time. The big tree directly below is where we currently stand with 2,434 participants using the service. Our goal is 20,150 participants using Online File Cabinet.

### GREEN TREE THERMOMETER

**Goal: 20,150 participants**  
**50% of Total**





## ONLINE FILE CABINET CAN HELP SAVE PETE...SIGN UP FOR HIS SAKE!

**You may not be able to save Pete single-handedly, but you can help through your City of Los Angeles PREMIERE Deferred Compensation Plan.**

Manage your savings online and, while you're on the website, sign up for paperless and secure electronic delivery of your quarterly account statements and other information through **Online File Cabinet®**.

### A SECURE AND GREENER WAY

When you sign up for Online File Cabinet through the website at [www.cityofla457.com](http://www.cityofla457.com), your statements are delivered electronically as a PDF file, instead of a hard copy delivered to your home. You'll receive an e-mail notification each time a new statement is available to view at [www.cityofla457.com](http://www.cityofla457.com)—which can help reduce your risk of becoming a victim of mail fraud.

### A QUICKER WAY

Another reason to consider switching over to Online File Cabinet is so you can access your statement information a few days sooner than with hard copy statements. Online File Cabinet eliminates the extra time needed to print, package and mail the statement to your home. So not only is Online File Cabinet a greener and more convenient way to get your statement information, it's also quicker.

### IT'S EASY TO SIGN UP FOR ONLINE FILE CABINET

- **Log in to the website at [www.cityofla457.com](http://www.cityofla457.com).**
- **Click on the Online File Cabinet tab.**
- **Select "Consent" and review the Online File Cabinet agreement.**
- **Check the box for electronic delivery, provide your e-mail address, and click "Continue."**

As you save for your financial future, you can help make the future brighter for Pete and his friends. Pete says thanks!



Save some greenery while you save some green.  
For Pete's sake, sign up for electronic plan statements.

## A SIMPLE WAY TO GO GREEN



### Introducing Electronic Confirmations for Web-based Transactions

Your City of Los Angeles PREMIERE Deferred Compensation Plan is committed to going green. As part of our "go green" initiative, beginning July 1, 2011, anytime you make a web-based transaction, such as changing your contribution amount or transferring between investment options, your confirmation statement will now be sent to you electronically. Paper confirmations will no longer be generated for web-based transactions.

You will still be able to print the screen if you wish to have a hard copy. And you may retrieve details of the transaction in the "Transaction History" link under the "View Account" tab on the website.

## CYBER SMARTS WEB TIP:

### How to Get a PIN

- **To have a new PIN mailed to you:**

Go to [www.cityofla457.com](http://www.cityofla457.com)<sup>†</sup> and click on "Forgot your PIN?" in the Login area and enter the required information. You'll receive your new PIN in seven to 10 business days.

- **For immediate account access:**

Contact KeyTalk® at (888) 457-9460.<sup>†</sup>

## MANAGING "GOOD" AND "BAD" DEBT

### A good rule of smart debt management is to minimize your "bad debt."

"Good debts" are loans that allow you to make purchases of long-lasting—and potentially increasing—value. A student loan, for example, lets you buy an education that can enhance your future earning power. A mortgage not only helps you buy a home for your family for many years to come, but it's also an asset, the value of which may grow over time.

By contrast, "bad debts" are loans used to buy something that disappears almost immediately—like a night out for dinner and a movie—or something that starts losing value as soon as you've bought it, such as a car or plasma TV. Of course, it's impossible to entirely avoid bad debts. But it's a good idea to try to minimize them. You don't want to be overly burdened paying for things long after their value has vanished.

### PAY IT DOWN

You'll save yourself a bundle—and free up extra cash to sock away for retirement—by making more than the minimum payment on your credit cards every month. Take a card on which you owe \$6,000 and incur 15% interest, for example. Paying \$50 more than the minimum each month is likely to eliminate your debt nearly 17 years faster and save you more than \$4,000 in interest.<sup>^</sup> What a difference!

<sup>^</sup> [www.bankrate.com](http://www.bankrate.com) (Feb 2011)

Great-West Retirement Services® is not responsible for, nor does it endorse the content contained in the additional websites provided. These websites are for general education and information only and are provided as a benefit to the users of the sites.

## DEFERRED COMPENSATION BOARD: ELECTIONS REMINDER

Elections are currently underway for the: (1) Fire/Police Pensions Representative, and (2) LACERS representative. Participants eligible to vote for these positions should have already received their ballots by mail. All ballots are due to the Office of the City Clerk no later than Friday, May 20, 2011.



**Board of Deferred  
Compensation  
Administration  
Members:**

**Eugene K. Canzano**  
Chairperson  
DWP Participant  
Representative  
**Richard Kraus**  
Vice Chairperson  
L.A. City Employees'  
Retirement System  
Participant Representative

**Cliff Cannon**  
Retired Participant  
Representative  
**Sangeeta Bhatia**  
Retirement Plan Manager  
DWP Retirement

**Tom Moutes**  
General Manager  
L.A. City Employees'  
Retirement System  
**Michael A. Perez**  
General Manager  
Fire/Police Pensions

**John R. Mumma**  
Fire/Police Pensions  
Participant Representative  
**Margaret M. Whelan**  
General Manager  
Personnel Department  
**Robert Schoonover**  
Organized Labor  
Representative

## HAVE QUESTIONS? NEED INFORMATION?

For information about the Plan and/or access to your account, contact Great-West Retirement Services® in any of the following ways.

Website: [www.cityofla457.com](http://www.cityofla457.com)<sup>†</sup>  
KeyTalk®: (888) 457-9460<sup>†</sup>

### CITY HALL

200 N. Spring Street, Room 867  
Office hours: 8:00 a.m. to 4:00 p.m.

City Hall office is closed on alternate Fridays (through June 2011).

### DWP

JFB Main Office Building  
111 N. Hope Street, Level A area  
Office hours: First and third  
Tuesday of each month, usually  
from 8:00 a.m. to 4:00 p.m.

For information about the Board, decisions made by the Plan and investment selection, contact:

**NATASHA GAMEROZ**  
(213) 978-1617  
The Board's Website:  
<http://www.lacity.org/per/deferredcomp/DeferredComp.htm>

<sup>†</sup> Access to KeyTalk and the website may be limited or unavailable during periods of peak demand, market volatility, systems upgrades/maintenance or other reasons. The account owner is responsible for keeping the assigned PIN confidential. Please contact Great-West Retirement Services immediately if you suspect any unauthorized use.

## SEMINAR: BASIC INVESTMENT EDUCATION

This seminar discusses stocks, bonds, cash equivalents and mutual funds, how they work, and the different types of investment risk.

LOCATION	DATE	TIME
City Hall, Room 1070, 10th Floor 200 N. Spring Street, Los Angeles	May 11, 2011	10:00 a.m. 1:00 p.m.
Marvin Braude Constituent Center Conference Room 1-B, 1st Floor 6262 Van Nuys Blvd, Van Nuys	May 24, 2011	10:00 a.m. (office hours commence after the presentation until 2:00 p.m.)
Playa Vista Library, Meeting Room 6400 Playa Vista Dr., Los Angeles	May 25, 2011	10:15 a.m.
Department of Water and Power John Ferraro Building (JFB) Auditorium 111 N. Hope Street, Los Angeles	June 7, 2011	10:00 a.m.
Harbor Department, Board Room 425 Palos Verdes Street, San Pedro	June 9, 2011	10:00 a.m.

# CITY OF LOS ANGELES PREMIERE DEFERRED COMPENSATION PLAN

## INVESTMENT OPTION RETURNS AS OF MARCH 31, 2011

Current performance may be lower or higher than performance data shown. Performance data quoted represents past performance and is not a guarantee or a prediction of future results. For performance data current to the most recent month-end, please visit [www.cityofla457.com](http://www.cityofla457.com). The investment return and principal value of an investment will fluctuate so that, when redeemed, shares/units may be worth more or less than their original cost.

*Please consider the investment objectives, risks, fees and expenses carefully before investing. For this and other important information, you may obtain prospectuses for mutual funds, any applicable annuity contract and the annuity's underlying funds and/or disclosure documents from your registered representative. For prospectuses on Self-Directed Brokerage, contact Schwab PCRA at (888) 393-7272. Read them carefully before investing.*

Average Annualized Returns as of March 31, 2011<sup>1</sup>

Variable Investment Options	YTD	1 Year	3 Years	5 Years	10 Yrs/Since Inception	Expense Ratio <sup>2</sup>	Inception Date
<b>FDIC-Insured Savings Option</b>							
FDIC-Insured Savings Account	0.10%	0.43%	N/A	N/A	0.42%	N/A	9/28/09
<b>Stable Value Option</b>							
Deferred Compensation Stable Value Fund <sup>3,4</sup>	0.77%	3.56%	4.10%	4.37%	4.64%	0.09%	9/1/85
<b>Profile Portfolios<sup>5,6</sup></b>							
Ultra-Conservative	1.32%	6.46%	4.91%	N/A	4.68%	0.09%	1/8/08
Conservative	2.29%	9.01%	4.74%	5.01%	5.41%	0.11%	5/1/02
Moderate	3.83%	12.59%	4.53%	4.50%	5.64%	0.12%	5/1/02
Aggressive	4.73%	14.94%	3.68%	3.62%	5.59%	0.14%	5/1/02
Ultra-Aggressive	5.62%	17.27%	2.61%	N/A	1.06%	0.17%	1/8/08
<b>Bond: Active<sup>7</sup></b>							
PIMCO Total Return Fund <sup>8</sup>	1.11%	6.86%	8.31%	8.40%	7.15%	0.47%	5/11/87
Benchmark Index: Barclays Capital Aggregate Bond <sup>9</sup>	0.42%	5.12%	5.30%	6.03%	5.56%	N/A	
<b>Bond: Index<sup>7</sup></b>							
Vanguard Total Bond Market Index Inst.Plus <sup>3,8</sup>	0.28%	5.08%	5.19%	5.96%	5.28%	0.05%	2/5/10
Benchmark Index: Barclays Capital Aggregate Bond <sup>9</sup>	0.42%	5.12%	5.30%	6.03%	5.56%	N/A	
<b>Large-Cap Stock: Active</b>							
Hartford Capital Appreciation HLS - CI IA <sup>8</sup>	4.77%	15.92%	2.97%	4.42%	7.29%	0.68%	4/2/84
Benchmark Index: S&P 500 <sup>9</sup>	5.92%	15.65%	2.35%	2.62%	3.29%	N/A	
American Funds Investment Company of Amer A <sup>8</sup>	4.30%	11.98%	1.78%	2.51%	4.23%	0.61%	1/2/34
American Funds Investment Company of Amer R6 <sup>8</sup>	4.41%	12.33%	1.98%	2.63%	4.29%	0.30%	5/1/09
Benchmark Index: Russell 1000 <sup>9</sup> Value <sup>9</sup>	6.46%	15.15%	0.60%	1.38%	4.53%	N/A	
American Funds Growth Fund of America A <sup>8</sup>	5.29%	13.48%	1.69%	2.70%	4.90%	0.69%	11/30/73
American Funds Growth Fund of America R6 <sup>8</sup>	5.39%	13.86%	1.91%	2.83%	4.97%	0.34%	5/1/09
Benchmark Index: Russell 1000 <sup>9</sup> Growth <sup>9</sup>	6.03%	18.26%	5.19%	4.34%	2.99%	N/A	
<b>Large-Cap Stock: Index</b>							
Vanguard Institutional Index Plus Fund <sup>8</sup>	5.92%	15.65%	2.44%	2.68%	3.34%	0.02%	7/7/97
Benchmark Index: S&P 500 <sup>9</sup>	5.92%	15.65%	2.35%	2.62%	3.29%	N/A	
<b>Mid-Cap Stock: Active<sup>10</sup></b>							
Lazard Mid Cap Institutional <sup>8</sup>	6.34%	21.81%	6.79%	3.83%	7.95%	0.91%	11/3/97
Benchmark Index: Russell Mid Cap <sup>9</sup>	7.63%	24.27%	7.25%	4.67%	8.52%	N/A	
<b>Mid-Cap Stock: Index<sup>10</sup></b>							
Vanguard Mid Cap Index Institutional <sup>8</sup>	8.22%	25.13%	7.54%	4.56%	9.02%	0.08%	5/21/98
Benchmark Index: MSCI <sup>9</sup> US Mid Cap 450 <sup>9</sup>	8.24%	25.21%	7.52%	4.55%	8.41%	N/A	
<b>Small-Cap Stock: Index<sup>11</sup></b>							
SSgA Russell Small Cap Index NL Fund - S <sup>9</sup>	7.95%	25.70%	8.42%	3.05%	7.46%	0.06%	8/1/99
Benchmark Index: Russell 2000 <sup>9</sup>	7.94%	25.79%	8.57%	3.35%	7.87%	N/A	
<b>International Stock: Active<sup>12</sup></b>							
Fidelity Diversified International Fund <sup>8</sup>	3.18%	12.46%	-3.31%	1.16%	7.56%	0.98%	12/27/91
Benchmark Index: MSCI <sup>9</sup> EAFE <sup>9</sup>	3.36%	10.42%	-3.01%	1.30%	5.39%	N/A	
<b>International Stock: Index<sup>12</sup></b>							
DWS EAFE Equity Index Institutional Fund <sup>8,9</sup>	3.46%	10.17%	-3.16%	1.08%	4.91%	0.52%	1/24/96
Benchmark Index: MSCI <sup>9</sup> EAFE <sup>9</sup>	3.36%	10.42%	-3.01%	1.30%	5.39%	N/A	

### Self-Directed Brokerage Option<sup>13</sup>

Schwab Personal Choice Retirement Account<sup>®</sup> (PCRA) Self-Directed Brokerage Option

# CITY OF LOS ANGELES PREMIERE DEFERRED COMPENSATION PLAN

## Benchmark Indices

Barclays Capital Aggregate Bond	An unmanaged index considered indicative of the broad fixed income market in general (formerly the Lehman Brothers Aggregate Bond Index).
MSCI® EAFE®	The MSCI® EAFE® Index is a trademark of Morgan Stanley Capital International Inc., and is an unmanaged index considered indicative of foreign equity markets in general.
MSCI® US Mid Cap 450	The MSCI® US Mid Cap 450 Index represents the universe of medium-capitalization companies in the U.S. equity market. MSCI® is a trademark of Morgan Stanley Capital International Inc.
Russell 2000®	The Russell 2000® is a trademark of the Frank Russell Company and measures the performance of the smallest 2,000 companies in the Russell 3000 Index (the 3,000 largest U.S. companies by market capitalization), representing about 7% of the Russell 3000 total market capitalization.
Russell Mid Cap®	The Russell Mid Cap® is a trademark of the Frank Russell Company and measures the performance of approximately 800 of the smallest securities in the Russell 1000® Index. The Russell Mid Cap Index represents approximately 31% of the total market capitalization of the Russell 1000 companies.
Russell 1000® Value	The Russell 1000® Value Index is a trademark of the Frank Russell Company and is considered indicative of the domestic large-cap equity value market.
Russell 1000® Growth	The Russell 1000® Growth Index is a trademark of the Frank Russell Company and is considered indicative of the domestic large-cap equity growth market.
Standard & Poor's 500®	S&P 500® Index is a registered trademark of Standard & Poor's Financial Services LLC, and consists of 500 stocks chosen for market size, liquidity and industry group representation. It is one of the most widely used benchmarks of U.S. equity performance, and is considered indicative of the domestic large-cap equity market.

## DISCLOSURES

<sup>1</sup>The average annual and calendar year returns for the funds reflect actual total returns for each fund, net of fund operating expenses. Any administrative fees or expenses charged will reduce the overall rate of return. If returns are shown prior to the inception date of the current share class, they are hypothetical, and based on the initial share class (adjusted to reflect the fees and charges associated with the current share class).

<sup>2</sup>Actual fund expense ratio may be less if the fund currently offers a waiver or reimbursement of a portion of this expense.

<sup>3</sup>Transfer restrictions may apply. Check the Fund Fact Sheet for further information.

<sup>4</sup>Formerly the Galliard Stable Value Fund.

<sup>5</sup>The Profiles include investment options directly available to your Plan. For more information about the Profiles, including the eligible underlying portfolios, review the Fund Data Sheets or contact your registered representative.

<sup>6</sup>Asset allocation funds may be subject to a fund operating expense at the fund level, as well as prorated fund operating expenses of each underlying fund in which they invest.

<sup>7</sup>A bond fund's yield, share price and total return change daily and are based on changes in interest rates, market conditions, economic and political news, and the quality and maturity of its investments. In general, bond prices fall when interest rates rise and vice versa.

<sup>8</sup>Mutual fund investment option.

<sup>9</sup>An benchmark index is not actively managed, does not have a defined investment objective, and does not incur fees or expenses. Therefore, performance of a fund will generally be less than its benchmark index. You cannot invest directly in a benchmark index.

<sup>10</sup>Equity securities of medium-sized companies may be more volatile than securities of larger, more established companies.

<sup>11</sup>Equity securities of small-sized companies may be more volatile than securities of larger, more established companies.

<sup>12</sup>Foreign investments involve special risks, including currency fluctuations and political developments.

<sup>13</sup>Participants choosing the Schwab PCRA Self-Directed Account will be charged an additional annual administrative fee of \$50. These securities are not offered through GWFS Equities, Inc.

### Transfer Restrictions

Transfers out of the Deferred Compensation Stable Value Fund must be invested in a variable investment option for a minimum of 90 days prior to investing any funds in the FDIC-Insured Savings Account. Transfers may not be made directly from the Deferred Compensation Stable Value Fund to the FDIC-Insured Savings Account.

**Securities (except those offered through Schwab PCRA), when offered, are offered through GWFS Equities, Inc., a wholly owned subsidiary of Great-West Life & Annuity Insurance Company.**

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