



IN THE SPOTLIGHT:

Prescription for a Healthier Retirement
Updating Your Beneficiary Information
Investment Menu Changes Update
Deferred Compensation Plan Receives a Moment in the Spotlight
2012 Elections – Board of Deferred Compensation Administration

City of Los Angeles Quarterly Newsletter

April 2012

PRESCRIPTION FOR A HEALTHIER RETIREMENT: GIVE YOUR PAYCHECK CONTRIBUTIONS A REGULAR CHECKUP

To maintain a healthy lifestyle, we all have to make periodic adjustments—like adding more exercise to our daily regimen. It's the same for your retirement. Consider some of the following options for improving your retirement health.

Saving Two Ways

You've probably already heard about the recent addition of an after-tax Roth savings option to the Plan. That means you now have more than one way to create your retirement nest egg: a) with pre-tax dollars (where you defer taxes until distribution) and/or b) with after-tax dollars (where you don't pay taxes on investment gains so long as you meet the criteria for a qualified distribution).

Which approach is best? Many individuals struggle with this question because it's difficult to forecast what your income, expenses and tax rates will be after retiring. One potential savings strategy is to accumulate buckets of both pre-tax and after-tax dollars. This gives you options. As you gain greater clarity on your post-retirement life, you may find that emphasizing one or the other makes more sense. You also may find that having two buckets creates opportunities for being strategic when taking distributions from the Plan after you retire.



MONTHLY CONTRIBUTION AMOUNT	AFTER 15 YEARS	AFTER 30 YEARS
\$75	\$23,465	\$88,205
\$100	\$31,286	\$117,607
\$150	\$46,930	\$176,410

FOR ILLUSTRATIVE PURPOSES ONLY. This hypothetical illustration does not represent the performance of any specific investment options. It assumes contributions are made at the beginning of each month, a 7% annual rate of return, and reinvestment of earnings with no withdrawals. Rates of return may vary. The illustration does not reflect any charges, expenses or fees that may be associated with your Plan.

Increasing Contributions

One of the best ways to keep your retirement plans in shape is to regularly increase the amount you contribute to your City of Los Angeles Deferred Compensation Plan account. As the table to the left shows, even a small change to your contribution amount can make a big difference to your future retirement income.

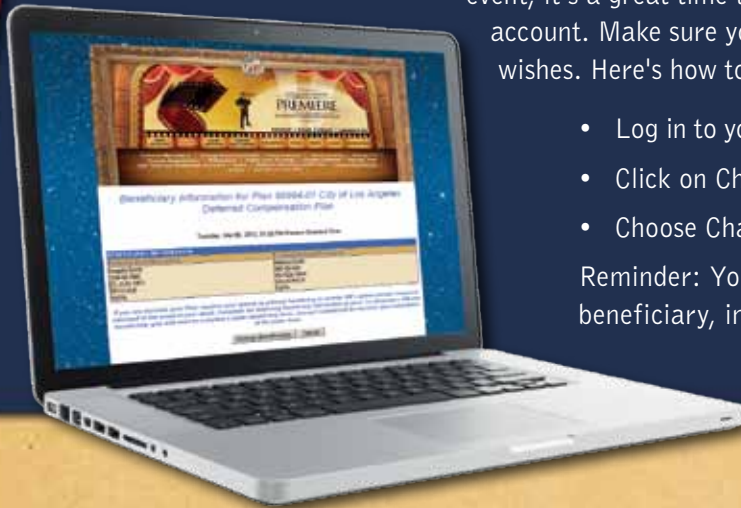
When you're ready to boost your contribution rate, log in to your account at www.cityofla457.com¹, click on Change Account, and select Change Deferral. Choose Ongoing from the list of options and you're on your way.

Continued on page 4

CYBER SMARTS WEB TIP:

UPDATING YOUR BENEFICIARY INFORMATION

If you were recently married, welcomed a new child into your life, or experienced another life-changing event, it's a great time to update your beneficiary designation for your Plan account. Make sure your beneficiary designations reflect your current wishes. Here's how to review and update your information:



- Log in to your account at www.cityofla457.com.¹
- Click on Change Account in the menu bar.
- Choose Change Beneficiary from the list of options.

Reminder: You'll need complete contact information for each beneficiary, including their Social Security number.



INVESTMENT MENU CHANGES UPDATE

As you know, several changes to the Plan's investment menu were implemented successfully on April 20, 2012. The Plan will continue to work on making improvements to the investment menu, as indicated in the comprehensive information packet that was mailed to all Plan participants in March. Should you wish to review the investment menu changes informational packet, it is available online at www.cityofla457.com. Please note revisions to charts detailing holdings of the Profile Funds on page 2 of the Investment Menu Changes brochure; an updated copy is available online.

Next steps include improvements to the small-cap, international, and mid-cap fund options in early 2013. We will continue to keep you posted as updates are available.

DEFERRED COMPENSATION PLAN COMMUNICATIONS RECEIVE A MOMENT IN THE SPOTLIGHT

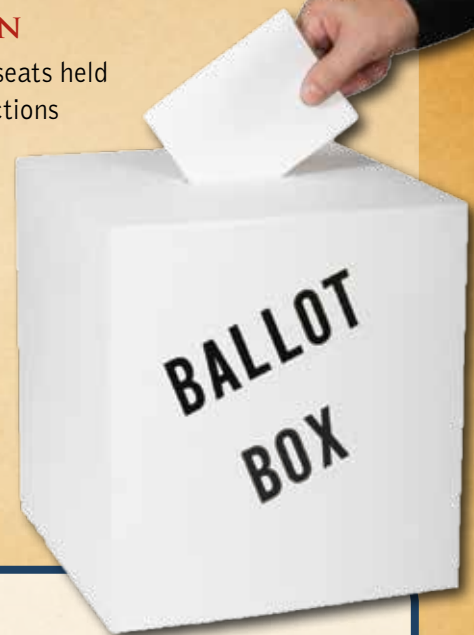
The recent rollout of the Plan's Roth savings option was a hit with Plan participants. The communications campaign supporting the Roth rollout also created some buzz within the community of marketing professionals. The evidence: a Gold award in the category of Marketing/Promotion Campaign/Benefits/HR Materials in the 2011 MarCom awards competition and an Eddy Award from the prestigious "Pensions & Investments" publication, both of which recognize outstanding creative achievement by marketing and communication professionals. Congratulations to everyone who contributed!



2012 ELECTIONS - BOARD OF DEFERRED COMPENSATION ADMINISTRATION

The City's Board of Deferred Compensation Administration includes several seats held by individuals who are directly elected by their particular constituencies. Elections for two of these seats will be held **May 11, 2012**. The Office of the City Clerk – Election Division will be administering the elections. The term for these positions begins July 1, 2012 and ends June 30, 2015. The specific positions up for election include the following:

- DWP Active Participant Representative
Representing current Plan participants who are active DWP employees
- Retired Participant Representative
Representing current Plan participants who are retired or otherwise separated from the City



Ballots were mailed to eligible participants by April 27, 2012. **Ballots must be received by the Office of the City Clerk – Election Division by 5:00 p.m. on Friday, May 11, 2012 (Election Day).** Participants may mail their ballots OR, starting May 4, 2012, personally deliver them to the Office of the City Clerk – Election Division (see regular business hours and contact information listed at right).

Contact the Office of the City Clerk – Election Division if you:

- Did not receive a ballot
- Damaged or spoiled your ballot
- Are a newly eligible member (having become eligible within 30 days of an election) and wish to vote

OFFICE OF THE CITY CLERK – ELECTION DIVISION

Piper Technical Center
555 Ramirez Street, Space 300
Los Angeles, CA 90012
(213) 978-0440

Regular business hours:
8:00 a.m. – 5:00 p.m.,
Monday through Friday

The Office of the City Clerk – Election Division will certify the results to the Board of Deferred Compensation Administration within 14 calendar days after the election. The DWP Active Participant Representative candidate and the Retired Participant Representative candidate that receives a plurality of all votes cast in their respective elections will be declared elected.

Additional information regarding the elections process is available at <http://per.lacity.org/DeferredComp/ElectionsPage.htm>. You may also contact Deferred Compensation Plan staff at (213) 978-1586.



ELECTION DAY - MAY 11, 2012
DON'T MISS OUT



**Board of Deferred
Compensation
Administration
Members:**

Eugene K. Canzano
Chairperson
DWP Participant
Representative

John R. Mumma
Vice-Chairperson
Fire/Police Pension
Participant Representative

Michael Amerian
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

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.com¹
KeyTalk®: (888) 457-9460¹

CITY HALL

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

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.

PERSONNEL

700 E. Temple Street
1st Floor Lobby
Office hours: Second and
fourth Thursday of each month,
from 9:00 a.m. to 2:00 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://per.lacity.org/DeferredComp/
Deferred_Comp_Main_Page.htm](http://per.lacity.org/DeferredComp/Deferred_Comp_Main_Page.htm)

PRESCRIPTION FOR A HEALTHIER RETIREMENT (CONTINUED FROM PAGE 1)

Going Automatic

Did you know that you can set up an automatic annual increase to your contribution amount? This way, you don't need to remember to do it every year. Just log in to your account at www.cityofla457.com, click on the Change Account tab, and select Change Deferral. Choose Scheduled Increase from the list of options and click on Continue.

Saving Extra When You Get Extra

Employees occasionally receive extra amounts in their paychecks. If you'd like to schedule a one-time contribution increase (in addition to your regular contributions from each paycheck), select Single Payroll from the list of options under Change Account>Change Deferral. It's a great way to put a small windfall toward a better retirement.

The screenshot shows the 'Change Deferrals for Plan: 98994-01 City of Los Angeles Deferred Compensation Plan' page. At the top, there is a decorative banner with a film strip and the word 'PREMIERE'. Below the banner is a navigation menu with links: HOME, ABOUT, CONTACT US, LOGOUT, MY ACCOUNT, PLAN, OPTIONS, ONE-TIME CONTRIBUTION, TOOLS, PORTFOLIO, INVESTMENT. The main content area has a heading 'Change Deferrals for Plan: 98994-01 City of Los Angeles Deferred Compensation Plan' and a timestamp 'Tuesday, Mar 06, 2012, 01:02 PM Eastern Standard Time'. Below this is a link 'View your current deferral information.' and a section titled 'Select the type of deferral change you would like to make:'. This section contains a table with five rows: 'Ongoing' (Modify your deferral for all future pay periods), 'Single payroll' (Schedule a single payroll increase for a single pay period), 'Scheduled increase' (Schedule annual increases to your salary reduction amount), 'Cancel request' (Cancel future dated or scheduled deferral requests), and 'Stop all deferrals' (Change all of your deferrals to zero). At the bottom of the table are 'Continue' and 'Cancel' buttons. A note at the very bottom states: 'NOTE: Deferral changes will be forwarded to your employer for processing. The actual deferral effective date is dependent upon your employer's payroll cutoff date.'

¹ Access to KeyTalk® and the website may be limited or unavailable during periods of peak demand, market volatility, systems upgrades/maintenance or other reasons.

CITY OF LOS ANGELES PREMIERE DEFERRED COMPENSATION PLAN

INVESTMENT OPTION RETURNS AS OF MARCH 31, 2012

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. 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, 2012¹

Variable Investment Options	YTD	1 Year	3 Years	5 Years	10 Yrs/Since Inception	Expense Ratio ²	Inception Date
FDIC-Insured Savings Option							
FDIC-Insured Savings Account	0.10%	0.40%	N/A	N/A	0.41%	N/A	9/28/09
Stable Value Option							
Deferred Compensation Stable Value Fund ^{3,4}	0.74%	3.17%	3.55%	4.06%	4.34%	0.09%	9/1/85
Profile Portfolios^{5,6}							
Ultra-Conservative	2.21%	5.34%	8.07%	N/A	4.83%	0.09%	1/8/08
Conservative	4.49%	5.12%	11.49%	4.37%	5.38%	0.11%	5/1/02
Moderate	7.55%	4.47%	16.10%	3.44%	5.53%	0.12%	5/1/02
Aggressive	9.36%	3.31%	19.14%	2.13%	5.36%	0.14%	5/1/02
Ultra-Aggressive	11.18%	2.08%	22.19%	N/A	1.30%	0.17%	1/8/08
Bond: Active⁷							
PIMCO Total Return Fund ⁸	2.88%	5.99%	9.36%	8.34%	7.03%	0.46%	5/11/87
Benchmark Index: Barclays Capital Aggregate Bond ⁹	0.30%	7.71%	6.83%	6.25%	5.80%	0.00%	
Bond: Index⁷							
Vanguard Total Bond Market Index Inst.Plus ^{3,8}	0.28%	7.74%	6.72%	6.19%	5.54%	0.05%	2/5/10
Benchmark Index: Barclays Capital Aggregate Bond ⁹	0.30%	7.71%	6.83%	6.25%	5.80%	0.00%	
Large-Cap Stock: Active							
Hartford Capital Appreciation HLS - CI IA ⁸	16.07%	-1.85%	23.46%	1.83%	7.51%	0.67%	4/2/84
Benchmark Index: S&P 500 ⁹	12.59%	8.54%	23.42%	2.01%	4.12%	0.00%	
American Funds Investment Company of Amer R6 ⁸	11.21%	4.96%	19.23%	1.22%	4.46%	0.30%	5/1/09
Benchmark Index: Russell 1000 ⁹ Value ⁹	11.12%	4.79%	22.82%	-0.81%	4.58%	0.00%	
American Funds Growth Fund of America R6 ⁸	14.69%	3.90%	20.09%	2.08%	5.28%	0.33%	5/1/09
Benchmark Index: Russell 1000 ⁹ Growth ⁹	14.69%	11.02%	25.28%	5.10%	4.28%	0.00%	
Large-Cap Stock: Index							
Vanguard Institutional Index Plus Fund ⁸	12.58%	8.54%	23.47%	2.07%	4.16%	0.02%	7/7/97
Benchmark Index: S&P 500 ⁹	12.59%	8.54%	23.42%	2.01%	4.12%	0.00%	
Mid-Cap Stock: Active¹⁰							
Lazard Mid Cap Institutional ⁸	11.37%	-1.12%	25.62%	0.64%	5.84%	0.91%	11/3/97
Benchmark Index: Russell Mid Cap ⁹	12.94%	3.31%	29.13%	3.03%	7.85%	0.00%	
Mid-Cap Stock: Index¹⁰							
Vanguard Mid Cap Index Institutional ⁸	13.42%	2.76%	28.93%	3.03%	7.41%	0.08%	5/21/98
Benchmark Index: MSCI ⁹ US Mid Cap 450 ⁹	13.43%	2.79%	28.97%	3.03%	7.72%	0.00%	
Small-Cap Stock: Index¹¹							
SSgA Russell Small Cap Index NL Fund - S ⁹	12.41%	-0.22%	26.63%	1.94%	6.11%	0.22%	8/1/99
Benchmark Index: Russell 2000 ⁹	12.44%	-0.18%	26.90%	2.13%	6.45%	0.00%	
International Stock: Active¹²							
Fidelity Diversified International Fund ⁸	12.62%	-5.90%	16.74%	-2.85%	6.80%	0.90%	12/27/91
Benchmark Index: MSCI ⁹ EAFE ⁹	10.86%	-5.77%	17.13%	-3.51%	5.70%	0.00%	
International Stock: Index¹²							
DWS EAFE Equity Index Institutional Fund ^{8,9}	11.40%	-5.66%	16.97%	-3.67%	5.25%	0.51%	1/24/96
Benchmark Index: MSCI ⁹ EAFE ⁹	10.86%	-5.77%	17.13%	-3.51%	5.70%	0.00%	

Self-Directed Brokerage Option¹³

Schwab Personal Choice Retirement Account® (PCRA) Self-Directed Brokerage Option

CITY OF LOS ANGELES PREMIERE DEFERRED COMPENSATION PLAN

Benchmark Indices

Barclays Capital Aggregate Bond ⁷	An unmanaged index considered indicative of the broad fixed income market in general (formerly the Lehman Brothers Aggregate Bond Index).
MSCI® EAFE ^{®12}	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 ¹⁰	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 ^{®10}	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

¹ 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).

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

³ Transfer restrictions may apply. Check the Fund Fact Sheet for further information.

⁴ Formerly the Galliard Stable Value Fund.

⁵ The Profiles include investment options not 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.

⁶ 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. For more information, please refer to the fund prospectus.

⁷ 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.

⁸ Mutual fund investment option.

⁹ A 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.

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

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

¹² Foreign investments involve special risks, including currency fluctuations and political developments.

¹³ 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.

Core securities, when offered, are offered through GWFS Equities, Inc. and/or other broker dealers. GWFS Equities, Inc. is a wholly owned subsidiary of Great-West Life & Annuity Insurance Company.

Great-West Retirement Services® refers to products and services provided by Great-West Life & Annuity Insurance Company, FASCore, LLC (FASCore Administrators, LLC in California) and their subsidiaries and affiliates. Not intended for Plans whose situs is in New York. Core investment options are through separately managed accounts and mutual funds. GWFS Equities, Inc., or one or more of its affiliates, may receive a fee from the investment option provider for providing certain recordkeeping, distribution and administrative services. Securities available through Schwab Personal Choice Retirement Account® (PCRA) are offered through Charles Schwab & Co., Inc. (Member SIPC), a registered broker-dealer. Additional information can be obtained by calling (888) 393-7272. Charles Schwab & Co., Inc. and GWFS Equities, Inc. are separate and unaffiliated. Great-West Retirement Services® and KeyTalk® are registered trademarks of Great-West Life & Annuity Insurance Company. ©2012 Great-West Life & Annuity Insurance Company. All rights reserved. Form# CB1003N (04/12) PT145836