



County of Los Angeles Savings Plan

January 2009

A Simple Asset Allocation Strategy

Let's face it, most of us do not have the time needed to become investment experts. If you're looking for a simple way to diversify and allocate your retirement assets, you may want to invest in one of the new Savings Target Date Funds.¹ You've heard how diversification is one of the keys to a successful investment strategy, but you also know that choosing individual funds and monitoring those funds over time can be challenging. A Target Date Fund is an investment option that places your contributions in a more diversified asset allocation mix based on your estimated retirement date. You only need to select one Target Date Fund to have a diversified portfolio.

How Target Date Funds Work

Funds with dates furthest in the future have the most aggressive fund allocation and invest primarily in stocks. The idea is that you have time on your side to endure today's market fluctuations. As the retirement date of the fund gets closer, the fund is professionally adjusted incrementally to a more conservative investment mix between stocks and fixed income securities. Once the fund reaches its target year, it converts into a Retirement Income Fund that is designed to emphasize principal protection during retirement with some continued market exposure.

Each Target Date Fund is designed as a standalone investment. That is, you only need to invest in a single Target Date Fund to be fully diversified. However, you may split your assets between options; but by doing so, you will not experience the optimal benefit of the Target Date Fund. For example, a 50% Target Date Fund and 50% Stable Income Fund allocation will only expose half of your current account

to the professional management of the Target Date Fund in the market, while the other half is fixed at the Stable Income Fund rate—this is a portfolio management decision you will need to make!

Choosing a Target Date Fund

To start, take the year you were born and the age at which you expect to retire and add them together to get your retirement date. From there, pick the fund with the date closest to your retirement date. Now all you have to do is set your current allocation and/or future contributions to the Target Date Fund to have a professionally managed portfolio.

Making the Change

If you feel a Target Date Fund is the right investment choice for you, follow these steps to get started properly:

1. Log in to your Savings Plan account at www.countyla.com.²
2. Click on the Change Account tab at the top of the page.
3. Click on the Redirect Future Contributions link.
4. Direct 100% of your current allocation to one Target Date Fund of your choice and click Continue.
5. Reallocate your current account balance according to your selections by checking the "Reallocate Current Account Balance" box, then click Continue.
6. You will then be prompted to review your request. If all of the information is correct, click Submit.

To find out more information about or to invest in a Target Date Fund, go to www.countyla.com or call the County of Los Angeles Service Center at **(800) 947-0845**.²

YEAR YOU WERE BORN	EXPECTED RETIREMENT AGE	FUND CHOICE
1965	65	Savings 2030 Target Date Fund

For illustrative purposes.

Please Note:

The fund allocations for the Target Date Funds are designed with a retirement age of 62. Should you anticipate retiring at an earlier age (e.g., Safety members), you will have a shorter period to build your retirement nest egg. You may want to consider a Target Date Fund that is closer to when you actually expect to begin taking distributions.

- 1 Diversification of an investment portfolio does not ensure a profit and does not protect against loss in declining markets.
- 2 Access to the automated voice response system and Web site may be limited or unavailable during periods of peak demand, market volatility, systems upgrades/maintenance or other reasons.

Don't Forget to Monitor Your Contributions

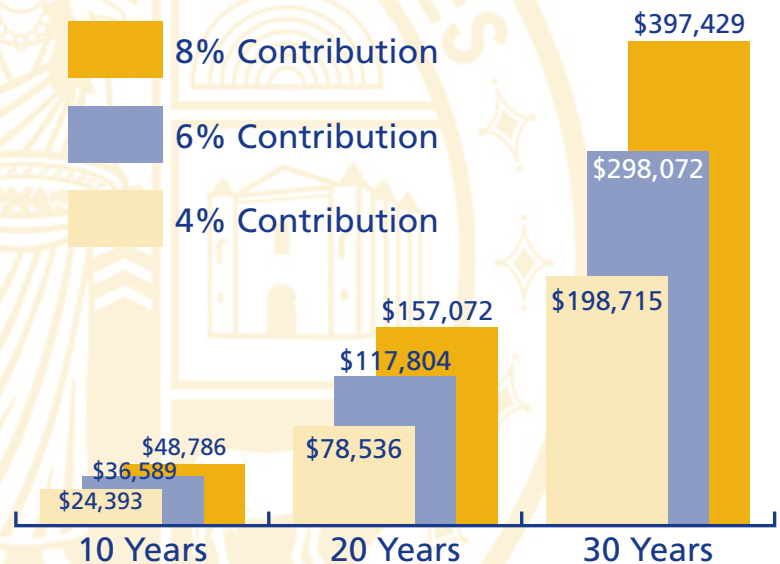
Some people refer to Target Date Funds as the “set it and forget it” solution to retirement planning because the incremental allocation change from aggressive to conservative is automatically made for you over the years. However, asset allocation is only one part of a successful investment strategy.

Another factor in how much of a retirement nest egg you will build depends on how much you save today. A Target Date Fund will allow you to delegate your asset diversification; but don't forget to adjust your contributions as you receive pay increases for step advances, cost of living allowances and promotions. The amount you save today is something you have absolute control over, and it will have a direct effect on your account balance at retirement.

The concept of increasing your contribution as you receive pay increases is a simple one. It means having money deducted from your paycheck and put into your Plan account before you ever have the chance to spend it. Since the money is automatically withdrawn from your paycheck, you are less likely to miss it because you have grown accustomed to adhering to a budget that does not include the deducted amount.

To see how important it is to increase your retirement contributions, take a look at the following example in the right column. If you earn \$40,000 annually and increase your contribution by just 2%, you would have an additional \$100,000 in 30 years. By increasing your contribution by 4%, you would have an additional \$200,000 in 30 years!

When you receive a cost of living adjustment (COLA) increase, or the next time you are promoted, make the easy decision to put that money toward your retirement by increasing your contribution. Rather than adopting the “set it and forget it” mentality, you could adopt a “cash flow it and grow it” philosophy!



Source: Great-West Retirement Services®, 2009. This is for illustrative purposes only and assumes a hypothetical 8% annual rate of return (compounded monthly). These examples do not reflect any applicable fees. If such fees were deducted, the accumulations above would be reduced. These hypothetical illustrations are not intended to represent the actual performance of any particular security or investment plan, nor do they project or predict future investment results.

Your Saving Plan Is A Tax Shelter

Contributing to your retirement is so important that the U.S. government actually gives you a tax break by allowing you to put away money toward retirement before taxes are applied to your income. This means your current taxable income for the year is reduced by your total contribution amount. So basically, the more you contribute to your Plan now, the less you will be taxed on your income.

While it is true that you or your beneficiaries will eventually pay income taxes on your contributions, keep in mind that money can grow in your account until you begin taking withdrawals in retirement, which is when most people are in a lower tax bracket.

These transactions are consistent with what was described in the Investment Model Conversion brochure that mailed in early January 2009. Please review your statement carefully to confirm that your current allocations are correct and that we have properly acted on your instructions.

For those invested in either the Stable Value Fund or the City National Bank Fund, please note that the Stable Value Fund is now the Savings Stable Value Fund, while the City National Bank Fund is now the Bank Depository Fund. These two funds went through only a name change and will show their current balances.

In this section, the old investment options will show a zero balance because the new funds have been funded and transferred on a one-to-one basis.

Great West Retirement Services
P.O. Box 177364
Denver, CO 80217-0364

COUNTY OF LOS ANGELES SAVINGS PLAN

Amount Statement for October 01, 2008 through December 31, 2008

RE
PARTICIPANT A
123 MAIN ST.
LOS ANGELES, CA 90012

Participant ID
Group No.
Division
Employee No.

FOR ACCOUNT INFORMATION CALL THE LOS ANGELES COUNTY SERVICE CENTER AT (800) 947-0843 AND PRESS
OPTION 1. YOU MAY ALSO VISIT THE WEB SITE AT WWW.COUNTYLA.CA.GOV

ROLLING CONTRIBUTIONS		This contribution allocation record is current as of the end of the reporting period applicable to this statement. All future contributions will be directed as follows:		
ROLLING DATE			INVESTMENT OPTIONS	
02	3%	Service Public Safety Fund	3%	Service New C.B. Equity Fund
			3%	Service Mid C.B. Equity Fund

ACCOUNT SUMMARY

FUND SUMMARY	RECEIPTS BALANCE	CONTRIBUTIONS	INTEREST EARNINGS	REPAYMENTS CHARGES	WITHDRAWALS	THIRTY DAY BALANCE
Capital Gains International (Dom. Inv.)	1,000.00	50.00		1,000.00		50.00
Service - New C.B. Equity Fund	0.00	50.00		1,000.00		1,000.00
Service - Mid C.B. Equity Fund	1,000.00	50.00		1,000.00		60.00
Service - Mid C.B. Equity Fund	0.00	50.00		1,000.00		1,000.00
Service - Public Safety Fund	1,000.00	50.00		1,000.00		1,000.00
TOTAL ALL	3,000.00	250.00				3,000.00

Year-To-Date Total Contributions
Year-To-Date Total Withdrawals
2007 Year-End Balance
Receipts To-Date Additional Deposits
Receipts To-Date Payroll Contributions

TOTAL

3,000.00
3,000.00
3,000.00
3,000.00
3,000.00

Investments shown are for the 2007-2008 period. Actual Results may vary. All amounts are in US Dollars. All amounts are in US Dollars. All amounts are in US Dollars.

ADDITIONAL INFORMATION

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This section will show the transfer of fund allocations out of the old funds and into the new funds on October 31, 2008—with the exact amount of the old funds being credited to the new funds.

What If I See an Error?

Corrections involving eligibility or deferrals will only be made for errors that have been communicated within 90 calendar days following the first payroll date upon which the initial election should have been reflected on your paycheck and should have been reported to the County or Great-West Retirement Services®.

All other account discrepancies must be communicated to Great-West Retirement Services within 90 days of the last calendar quarter. Please direct all inquiries to:

Great-West Retirement Services
Client Service Department
Attn: Correspondence Dept. 6T2
8515 E. Orchard Rd.
Greenwood Village, CO 80111

COUNTY OF LOS ANGELES SAVINGS PLAN

Annual Statement for October 01, 2008 through December 31, 2008

FUND INFORMATION

MUTUAL	PRICE PER UNIT/SHARE 12/31/2008	PRICE PER UNIT/SHARE 12/31/2007	% CHANGE IN UNIT/SHARE 12/31/08	TOTAL UNIT/SHARE 12/31/2008
Savings New U.S. Equity Fund	N/A	\$0.0000	N/A	\$0.0112
Savings Mid-Cap Equity Fund	N/A	\$0.0000	N/A	\$1.5600

FIXED INCOME

Savings Stable Value Fund

0.00%

THIS STATEMENT CONFIRMS ALL TRANSACTIONS PROCESSED WITHIN THE STATEMENT TIME FRAME SPECIFIED. Please review your statement carefully and report any discrepancies immediately. Current account information is available to you 7 days a week by calling the Los Angeles County Service Center at (800) 441-5888.

TRANSACTION DETAIL

PLAN	ACTIVITY	EFFECTIVE DATE	DOLLAR AMOUNT	SHARES	RATE OR UNIT/SHARE 12/31/08	MATURITY DATE
Savings Mid-Cap Fund	Beginning Balance	Aug 30, 2007	\$0.00	1.000	10.000	
	Transfer In	Oct 31, 2008	-(12.40)	-0.006	10.000	
	Interest Earnings	Dec 31, 2008	-(22.38)			
	Ending Balance	Dec 31, 2008	0.00	0.994	10.000	
Capital Growth International (New US)	Beginning Balance	Aug 30, 2007	\$0.15	0.016	17.131	
	Transfer In	Oct 31, 2008	-(20.00)	-0.001	17.131	
	Interest Earnings	Dec 31, 2008	-(0.72)			
	Ending Balance	Dec 31, 2008	0.00	0.000	14.340	
Savings Stable Value Fund	Beginning Balance	Aug 30, 2007	\$0.00			
	County Administrative Fee	Aug 30, 2008	-1.00		0.00%	
	Plan Administrative Fee	Mar 27, 2008	-0.00		0.00%	
	Interest Earnings	Dec 31, 2008				
Savings New U.S. Equity Fund	Beginning Balance	Aug 30, 2007	0.00	0.000		
	Transfer In	Oct 31, 2008	100.00	10.000		
	Interest Earnings	Dec 31, 2008	0.77			
	Ending Balance	Dec 31, 2008	100.77	10.000		
Savings Mid-Cap Equity Fund	Beginning Balance	Aug 30, 2007	0.00	0.000		
	Transfer In	Oct 31, 2008	112.40	11.240		
	Interest Earnings	Dec 31, 2008	-2.91			
	Ending Balance	Dec 31, 2008	109.49	11.240		

Los Angeles County, California (01-0007-000)

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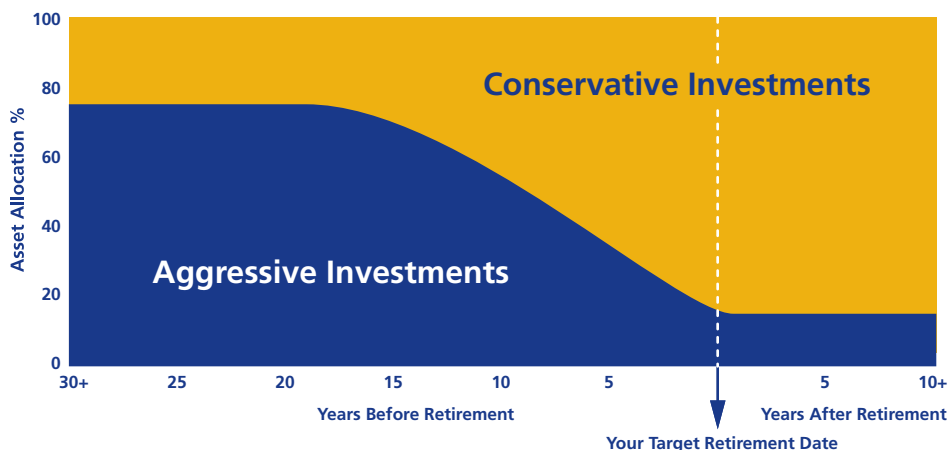
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After the 90-day correction window has passed without dispute, the account information shall be deemed accurate and acceptable to you. If you notify Great-West Retirement Services of an error after this 90-day correction window, the correction will only be processed as quickly as practicable from the date of notification forward, and not on a retroactive basis. Contact the County of Los Angeles Service Center at **(800) 947-0845** with questions.

Asset Allocation within Target Date Funds

The chart shows how each of the Target Date Funds vary in levels of conservative investments versus aggressive investments, depending on the time frame to retirement. If your retirement is many years or even decades away, the mix of investment options is likely to be more aggressive because you may have time to weather the market's ups and downs, and it can potentially provide long-term growth. Likewise, if retirement is just around the corner, your investment lineup should probably consist of more conservative, fixed or income-based funds. That way, the risk of losing a substantial amount of your savings when you need it the most may be reduced.¹⁴



For illustrative purposes. Generally, investments in more aggressive options have greater risk as well as greater return potential. Conversely, investments in more conservative options have lower risk as well as lower return potential.

Great-West Retirement Services® Customer Service Is There for You On-Site Customer Service Locations

Martin Luther King/Drew

Medical Center

12021 S. Wilmington Ave., Los Angeles
First Monday every even-numbered month
in main lobby

LAC/USC Main Hospital

1200 N. State St., Los Angeles
Second and fourth Friday of each month
in cafeteria

Kenneth Hahn Hall of Administration

500 W. Temple St., Los Angeles
Third Thursday of each month, second floor
lobby entrance from mall

Public Works

900 S. Fremont Ave., Alhambra
Third Wednesday of each month in cafeteria

Health Services

313 N. Figueroa St., Los Angeles
Fourth Thursday of every even-numbered
month in the main lobby

Olive View Medical Center

14445 Olive View Dr., Sylmar
Fourth Wednesday of each month
in cafeteria

Rancho Los Amigos

Rehabilitation Center
7601 E. Imperial Hwy., Downey
Second Thursday each month in
Jacquelyn Perry Clinic lobby

Harbor/UCLA Medical Center

1000 W. Carson St., Torrance
Second Thursday of each month in
elevator lobby

*Note: On rare occasions, a representative may not be available.
Representatives also follow the normal holiday schedule.*

How to Reach Us

On the Internet:
www.countyla.com²

By Phone:
(800) 947-0845²

Call the L.A. County Service Center toll free and choose "1" from the menu of options you hear to obtain information or make changes to your account. You will be connected to KeyTalk®, an automated service available 24 hours a day, seven days a week.³ Once you enter your Social Security number and PIN², you can retrieve personal account information and make changes to your account.

In Person: The L.A. County Service Center

Located at 655 N. Central Ave., Suite 1900, Glendale, CA 91203. Office hours are Monday through Friday, 8:30 a.m. to 5:00 p.m. Pacific Time. Call (800) 947-0845 and choose "4" from the menu to schedule an appointment, or call the Retiree Advocate at (877) RET-GWRS (738-4977).

Please note: This newsletter does not constitute investment or financial advice. Representatives of GWFS Equities, Inc. are not registered investment advisers, and cannot offer financial, legal or tax advice. Please consult with your financial planner, attorney and/or tax adviser as needed.

Investment options and their underlying funds have been selected by the PAC. Securities are offered through GWFS Equities, Inc., a Great-West Company and FINRA member firm.

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