

First Quarter 2018



A Plan Review for:
City of Los Angeles

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TRENDS & INSIGHTS

Financial Wellness: Guided Education Experience Overview

CN0226-40419-0320

Products and services offered through the Voya® family of companies.

PLAN | INVEST | PROTECT



Why financial wellness matters



Financial stress is real

- 53% American workers report having financial stress



Financial stress impacts productivity

- 50% report personal finances distracted them an average of 3 or more hours a week while working



Financial stress impacts retirement savings

- 51% have saved less than \$50,000 for retirement



Financial stress impacts retirement age

- 54% plan to postpone retirement

What is financial wellness?

Financial Wellness is about the **healthy balance** between living for today while preparing financially for tomorrow

It's not necessarily about being wealthy, but it is a state of **mental well-being** in which one feels they have control over their current finances and have confidence in their financial decisions



HOW DOES IT FEEL?

Living
within your
means

Confident
in your future

Prepared
to handle the
unexpected

Free to
indulge a little
and embrace
life

Six financial wellness pillars

What

Why

Protection

Having adequate insurance

Not having coverage if you become ill or have an accident is a leading cause of bankruptcy

Spending & Saving

Managing cash flow

Spending less than you make is core to financial health

Emergency Fund

Having money to cover unexpected expenses

57% of Americans don't have enough cash to cover a \$500 unexpected expense¹

Retirement

Preparing for retirement

On average participants are on track to replace 59% of their income in retirement²

Debt

Managing debt

35% say debt is ruining quality of their lives³

Other Goals

Saving for other goals

Top savings priorities³

- Emergency fund (88%)
- Retirement (85%)
- Wealth accumulation (66%)
- Vacation / travel (55%)
- Making large purchase such as a car (45%)
- Education (44%)
- Home purchase (40%)

Client Health Review

Plan Highlights

As of March 31, 2018

CITY OF LOS ANGELES DEFERRED COMPENSATION PLAN

Plan assets (millions) 03/31/2018	\$6,215
Number of participants with a balance	45,537
Average participant account balance	\$136,487
Average outstanding loan balance per borrower	\$14,628
Catch-up contribution participation	9.8%
Participation rate – Pre-Tax	59.1%
Participation rate – Roth	14.9%
Total Participant Rate	71%
Average deferral rate – Pre-Tax	7.66% \$303.90
Average deferral rate – Roth	5.89% \$161.89

Cash Flow Summary

January 1, 2018 to March 31, 2018

CITY OF LOS ANGELES DEFERRED COMPENSATION

Cash In

Employee Before-tax Contributions	62,138,528.67
Roth Contributions	7,852,406.84
Rollover Contributions	34,271,409.66
Loan Repayments	23,603,867.62
Other	6,471,713.53

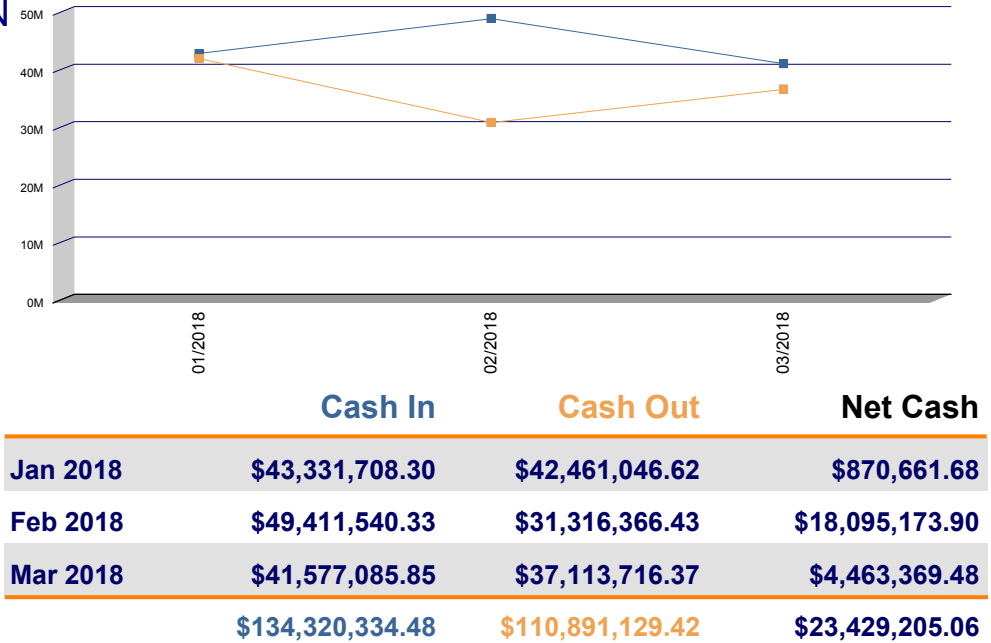
Total Cash In **\$134,337,926.32**

Cash Out

Withdrawals	3,655,577.67
Installment Payments	11,950,929.47
Terminations	67,620,729.68
Loans Issued	20,264,585.34
Fees	927,593.73
Other	6,471,713.53

Total Cash Out **(\$110,891,129.42)**

Net Cash Flow **\$23,446,796.90**

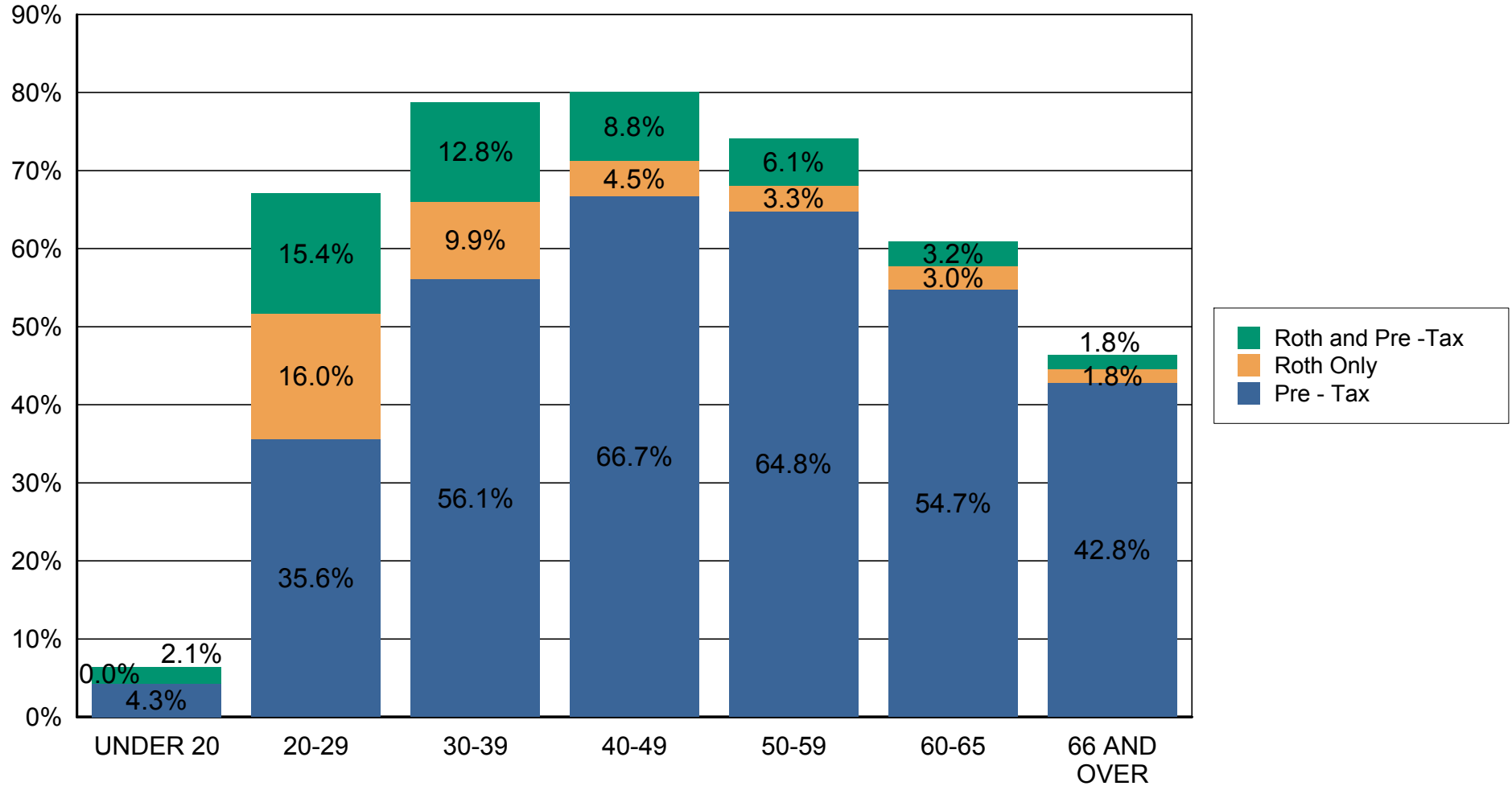


"Other" activity represents all inter-participant transfer activity, which includes decedent/beneficiary activity, QDRO splits and Alternate participant transfers.

Participation Rate - Age

As of March 31, 2018

CITY OF LOS ANGELES DEFERRED COMPENSATION PLAN

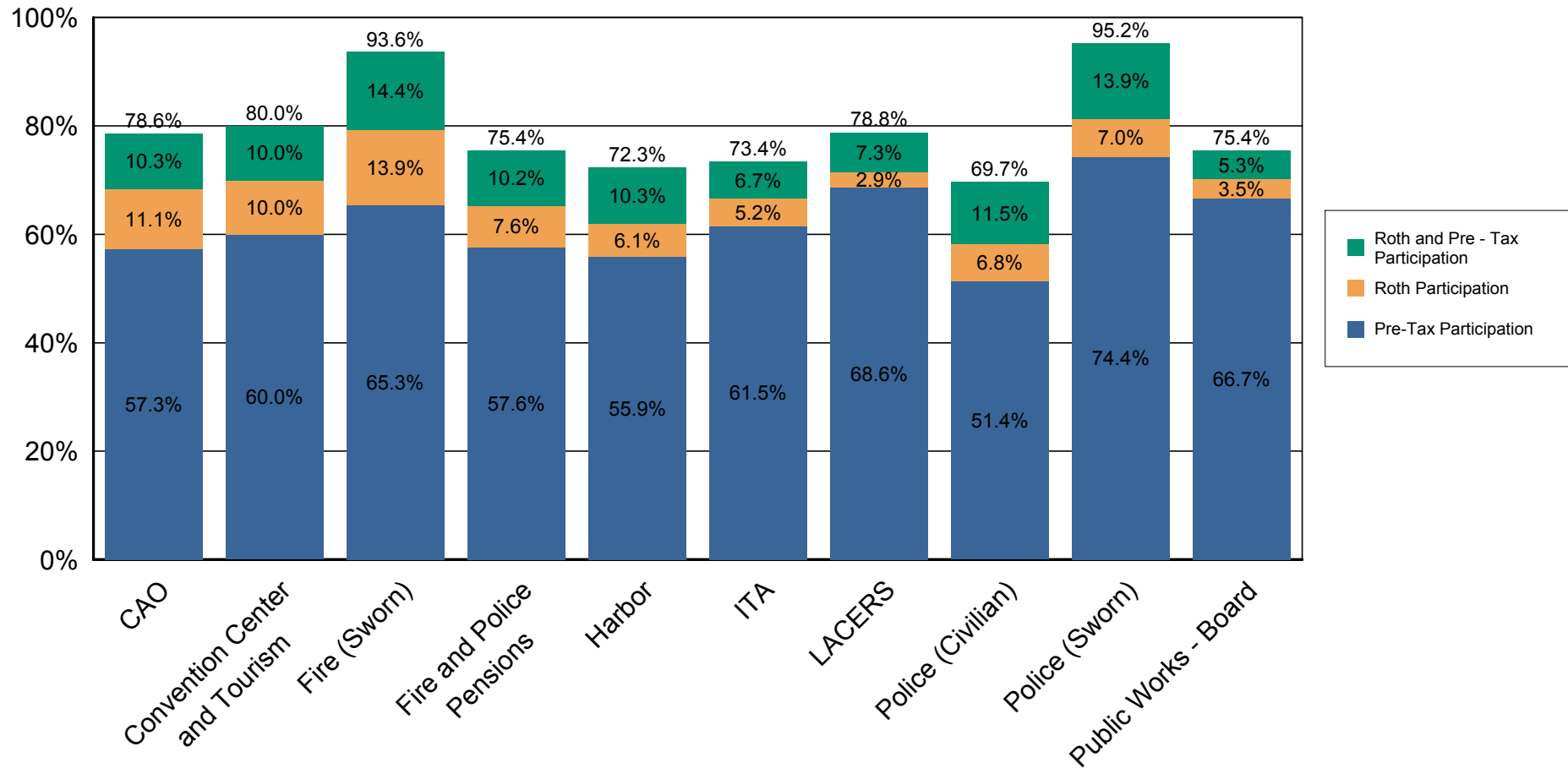


Participation Rate - Department

As of March 31, 2018

CITY OF LOS ANGELES DEFERRED COMPENSATION PLAN

Top 10 Departments by Total Participation



Participation Rate - Department

As of March 31, 2018

CITY OF LOS ANGELES DEFERRED COMPENSATION PLAN

Department	Eligible Participants	Pre-Tax Participation	Roth Participation	Roth and Non Roth Participation	Total Participation
Aging	35	51.4%	2.9%	0.0%	54.3%
Airports	3,563	43.9%	6.0%	7.7%	57.6%
Animal Services	321	33.6%	4.7%	6.9%	45.2%
Building and Safety	906	46.6%	4.3%	7.0%	57.8%
CAO	117	57.3%	11.1%	10.3%	78.6%
City Attorney	951	55.7%	5.4%	5.3%	66.4%
City Clerk	114	57.9%	2.6%	3.5%	64.0%
Controller	145	60.7%	3.4%	5.5%	69.7%
Convention Center and Tourism	10	60.0%	10.0%	10.0%	80.0%
Council	390	25.1%	4.1%	5.1%	34.4%
Cultural Affairs	59	32.2%	6.8%	11.9%	50.8%
Disability	21	23.8%	14.3%	0.0%	38.1%
Economic and Workforce Development	124	46.8%	4.0%	4.8%	55.6%
El Pueblo	9	33.3%	0.0%	11.1%	44.4%
Emergency Management	23	47.8%	8.7%	8.7%	65.2%
Employee Relations	3	33.3%	0.0%	0.0%	33.3%
Ethics	27	33.3%	7.4%	14.8%	55.6%
Fire (Civilian)	353	51.8%	5.7%	7.9%	65.4%
Fire (Sworn)	3,116	65.3%	13.9%	14.4%	93.6%
Fire and Police Pensions	118	57.6%	7.6%	10.2%	75.4%
GSD	1,377	37.0%	3.4%	4.3%	44.7%
Harbor	911	55.9%	6.1%	10.3%	72.3%
Housing	620	42.9%	5.8%	8.5%	57.3%
ITA	387	61.5%	5.2%	6.7%	73.4%
LACERS	137	68.6%	2.9%	7.3%	78.8%
Library	1,216	27.0%	7.1%	7.2%	41.2%
Mayor	202	18.8%	6.4%	5.4%	30.7%
Neighborhood Empowerment	31	32.3%	9.7%	6.5%	48.4%
Office of Finance	314	52.5%	4.1%	8.9%	65.6%
Personnel	491	50.9%	5.5%	8.8%	65.2%
Planning	385	41.3%	10.9%	6.5%	58.7%
Police (Civilian)	3,018	51.4%	6.8%	11.5%	69.7%
Police (Sworn)	8,936	74.4%	7.0%	13.9%	95.2%

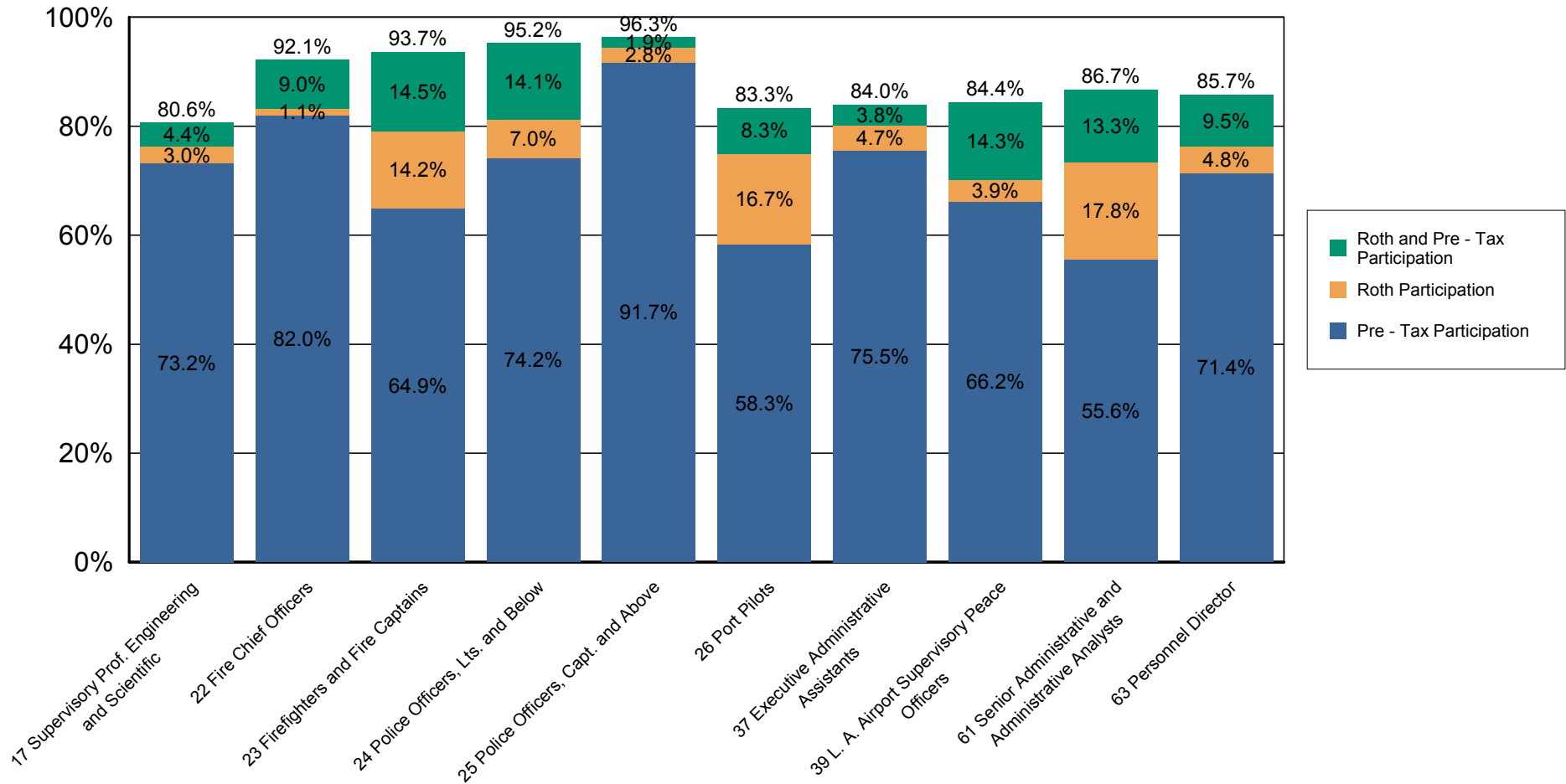
Department	Eligible Participants	Pre-Tax Participation	Roth Participation	Roth and Non Roth Participation	Total Participation
Public Works - Board	114	66.7%	3.5%	5.3%	75.4%
Public Works - Contract Administrati	313	46.6%	4.5%	9.9%	61.0%
Public Works - Engineering	776	55.9%	4.5%	8.1%	68.6%
Public Works - Sanitation	2,780	37.9%	5.7%	7.3%	51.0%
Public Works - Street Lighting	244	53.3%	9.4%	5.7%	68.4%
Public Works - Street Services	1,006	38.6%	3.8%	4.6%	46.9%
Recreation and Parks	3,507	17.5%	3.4%	2.3%	23.2%
Transportation	1,576	47.1%	6.3%	8.6%	62.1%
Water and Power	10,412	47.8%	5.2%	7.2%	60.2%
Zoo	228	38.2%	8.3%	4.8%	51.3%

Participation Rate - MOU

As of March 31, 2018

CITY OF LOS ANGELES DEFERRED COMPENSATION PLAN

Top 10 MOU by Total Participation



Participation Rate - MOU

As of March 31, 2018

CITY OF LOS ANGELES DEFERRED COMPENSATION PLAN

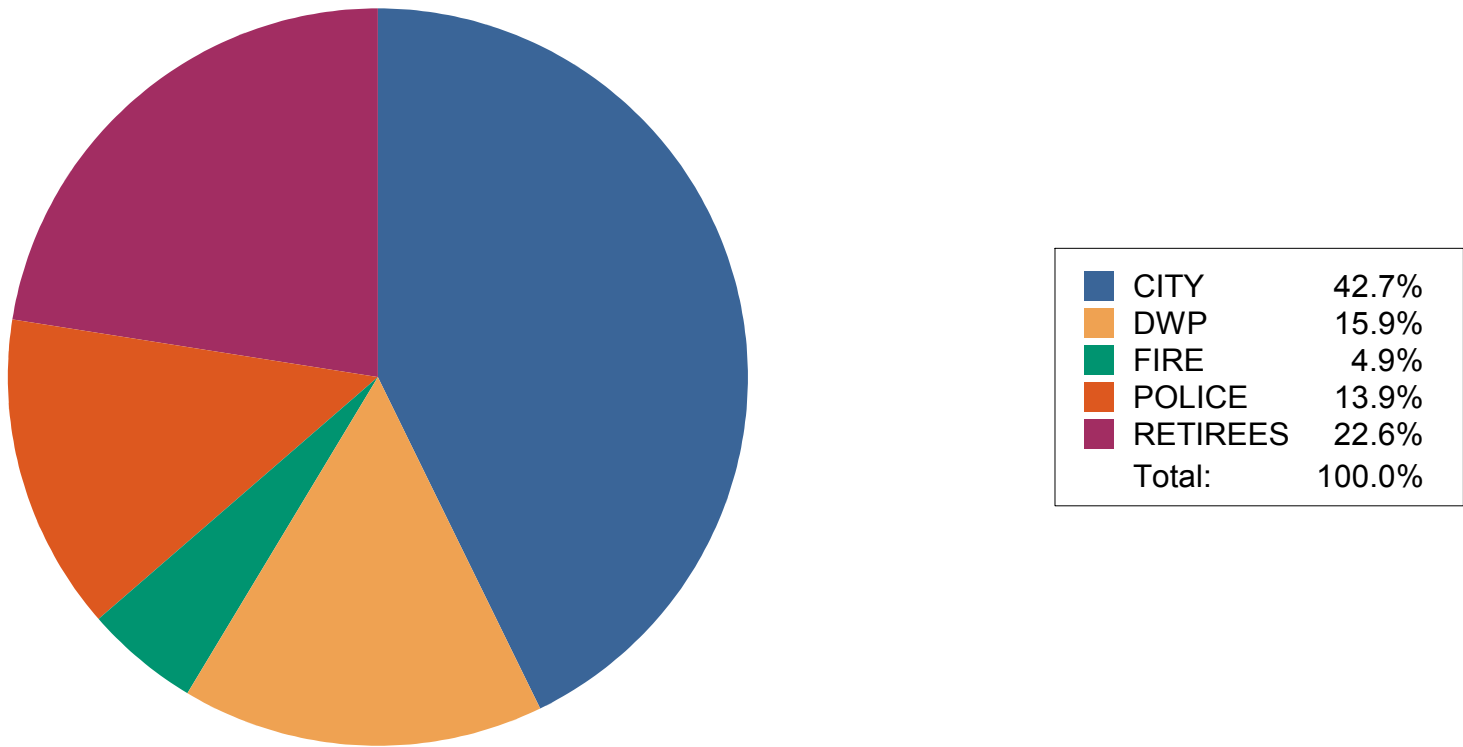
MOU	Eligible Participants	Pre-Tax Participation	Roth Participation	Roth and Pre-Tax Participation	Total Participation
01 Administrative	2,234	47.3%	7.5%	9.5%	64.3%
02 Building Trades	1,593	45.4%	5.5%	8.1%	59.0%
03 Clerical	5,899	39.0%	6.0%	8.2%	53.1%
04 Equip. Operation and Labor	4,086	29.7%	4.9%	4.5%	39.2%
05 Inspectors	877	50.2%	4.3%	7.8%	62.3%
06 Librarians	731	43.0%	8.1%	10.3%	61.3%
07 Recreation Assistants	2,262	26.7%	6.0%	6.1%	38.8%
08 Professional Engineering and Scier	5,731	45.9%	5.0%	7.8%	58.7%
09 Plant Equip. Operation and Repair	371	49.1%	3.8%	7.0%	59.8%
10 Professional Medical	78	47.4%	3.8%	9.0%	60.3%
11 Recreational	319	41.1%	6.9%	4.1%	52.0%
12 Supervisory Blue Collar	835	54.6%	4.2%	6.2%	65.0%
13 Supervisory Building Trades	141	57.4%	5.0%	2.8%	65.2%
14 Service and Craft	939	37.2%	4.3%	4.8%	46.2%
15 Service Employees	904	21.3%	3.7%	2.4%	27.4%
16 Supervisory Librarians	111	59.5%	9.0%	8.1%	76.6%
17 Supervisory Prof. Engineering and	496	73.2%	3.0%	4.4%	80.6%
18 Safety - Security	1,632	38.8%	9.1%	9.3%	57.2%
19 Supervisory Technical	279	59.1%	4.7%	7.5%	71.3%
20 Supervisory Administrative	1,329	65.0%	4.3%	8.0%	77.3%
21 Technical	1,168	42.9%	7.4%	9.8%	60.0%
22 Fire Chief Officers	89	82.0%	1.1%	9.0%	92.1%
23 Firefighters and Fire Captains	3,025	64.9%	14.2%	14.5%	93.7%
24 Police Officers, Lts. and Below	8,825	74.2%	7.0%	14.1%	95.2%
25 Police Officers, Capt. and Above	108	91.7%	2.8%	1.9%	96.3%
26 Port Pilots	12	58.3%	16.7%	8.3%	83.3%
27 L. A. Port Police Command Officer:	16	62.5%	6.3%	6.3%	75.0%
28 L. A. General Services Police Offic	22	54.5%	9.1%	0.0%	63.6%
29 Deputy City Attorneys	484	63.8%	4.1%	3.3%	71.3%
30 L. A. Airport Peace Officers	433	48.5%	6.0%	10.2%	64.7%
31 Confidential Attorneys	33	45.5%	3.0%	12.1%	60.6%

MOU	Eligible Participants	Pre-Tax Participation	Roth Participation	Roth and Pre-Tax Participation	Total Participation
32 Management Attorneys	18	72.2%	5.6%	0.0%	77.8%
34 Crossing Guards	221	11.8%	1.8%	1.4%	14.9%
36 Management Employees	688	62.9%	2.5%	4.4%	69.8%
37 Executive Administrative Assistant:	106	75.5%	4.7%	3.8%	84.0%
38 L. A. Port Police Assoc.	113	54.0%	7.1%	17.7%	78.8%
39 L. A. Airport Supervisory Peace Off	77	66.2%	3.9%	14.3%	84.4%
40 Airport Police Command Officers	8	50.0%	0.0%	25.0%	75.0%
61 Senior Administrative and Administ	45	55.6%	17.8%	13.3%	86.7%
63 Personnel Director	21	71.4%	4.8%	9.5%	85.7%
Non - Represented	3,090	49.5%	3.1%	5.4%	58.1%

Population Type

As of March 31, 2018

CITY OF LOS ANGELES DEFERRED COMPENSATION PLAN

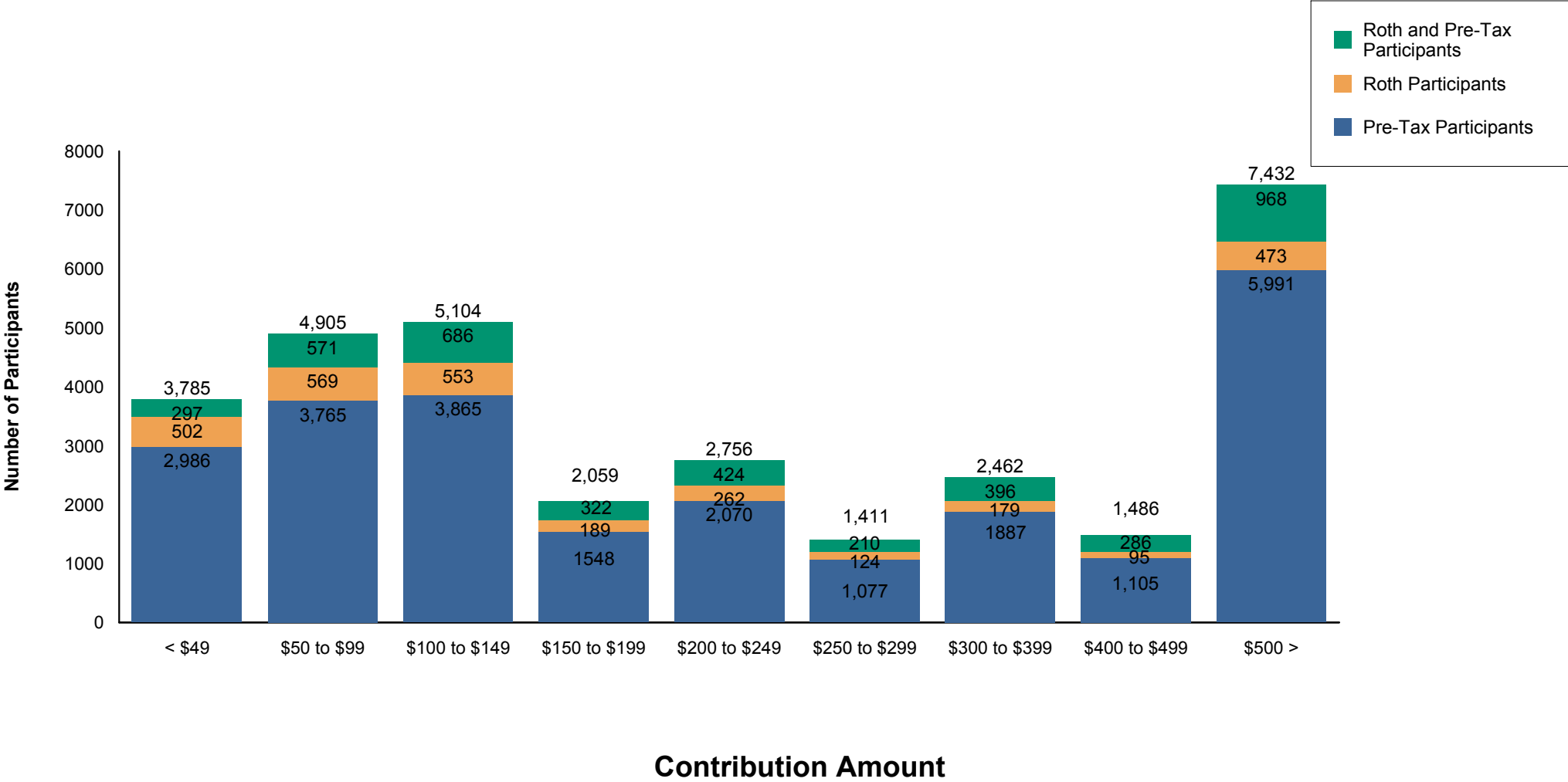


Participant Contributions Analysis

Total Contribution Amount Summary

As of March 31, 2018

CITY OF LOS ANGELES

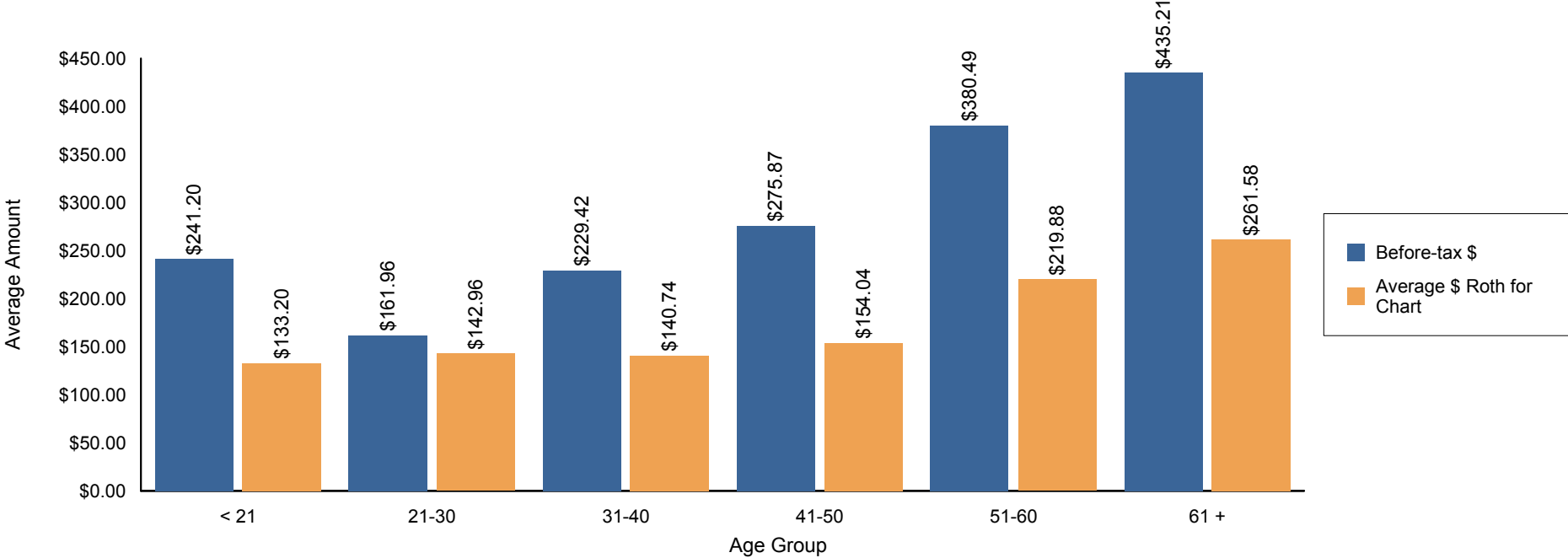


Total Number of Participants: 31,400

Average Contribution Amount

As of March 31, 2018

CITY OF LOS ANGELES

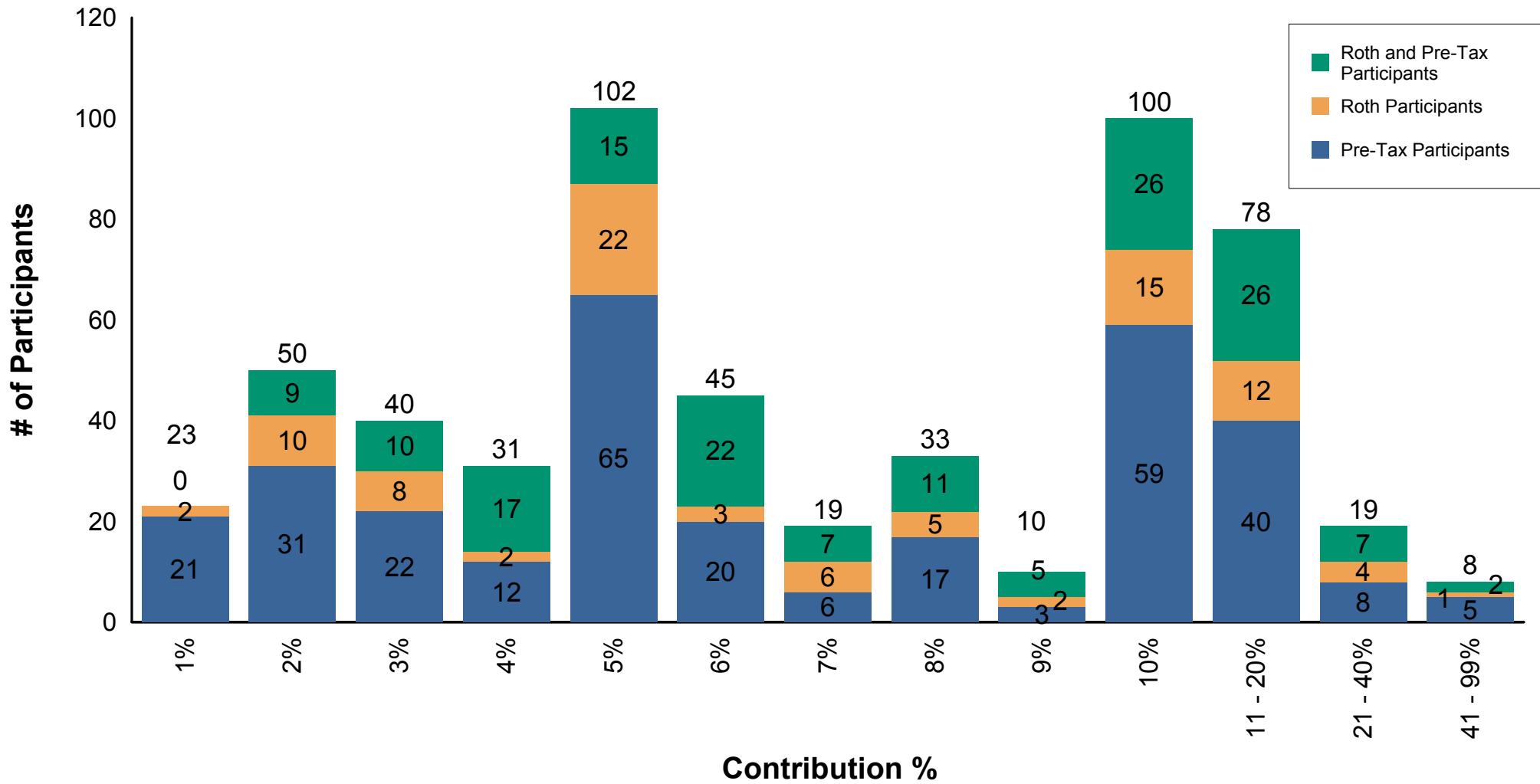


Age Group	Pre-tax Average \$	Roth Average \$
< 21	\$241.20	\$133.20
21-30	\$161.96	\$142.96
31-40	\$229.42	\$140.74
41-50	\$275.87	\$154.04
51-60	\$380.49	\$219.88
61 +	\$435.21	\$261.58
Overall	\$303.90	\$161.89

Total Contribution Percentage Summary

As of March 31, 2018

CITY OF LOS ANGELES

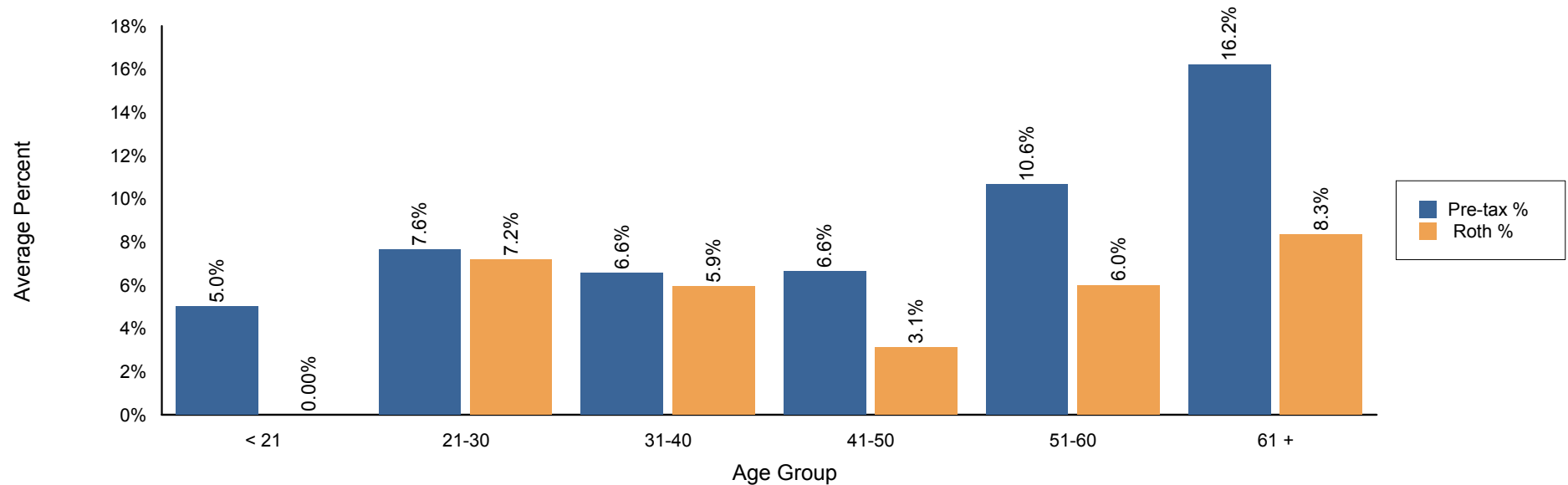


Total Number of Participants: 558

Average Contribution Percentage

As of March 31, 2018

CITY OF LOS ANGELES DEFERRED COMPENSATION PLAN



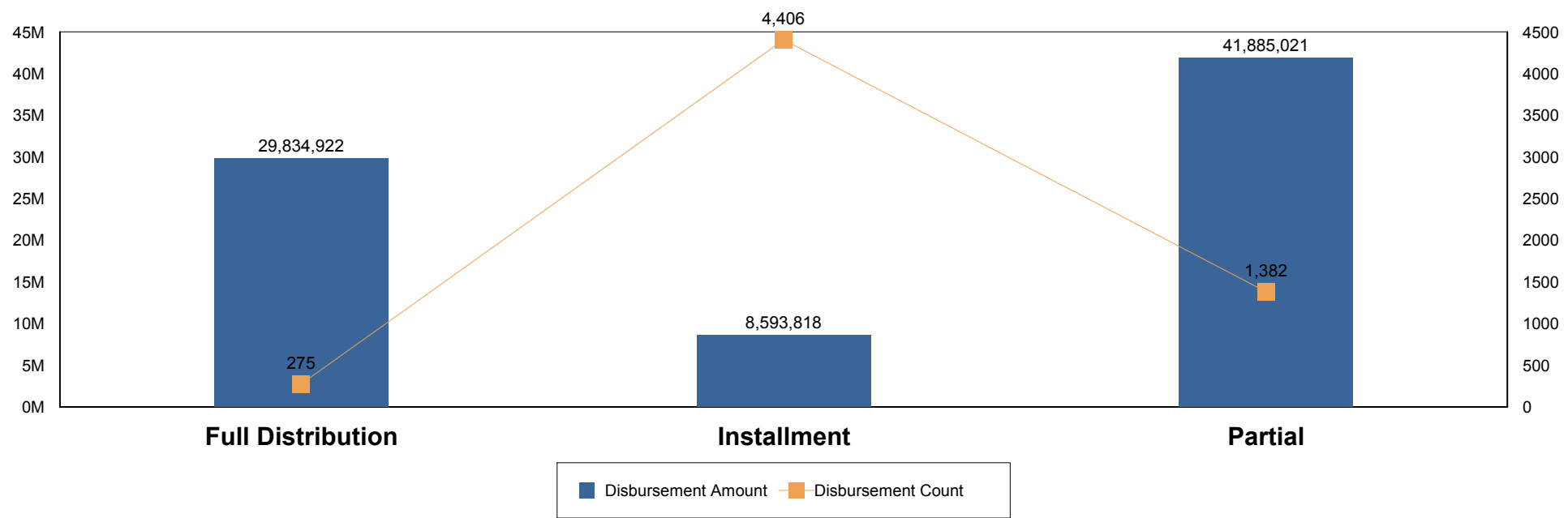
Age Group	Pre-Tax Average %	Roth Average %
< 21	5.0%	0.0%
21-30	7.6%	7.2%
31-40	6.6%	5.9%
41-50	6.6%	3.1%
51-60	10.6%	6.0%
61 +	16.2%	8.3%
Overall	7.7%	5.9%

Participant Distributions Analysis

Disbursements

January 01, 2018 and March 31, 2018

City of Los Angeles



Disbursement Type	Number of Disbursements	Total Disbursements
Full Distribution	275	\$29,834,922
Installment	4,406	\$8,593,818
Partial	1,382	\$41,885,021

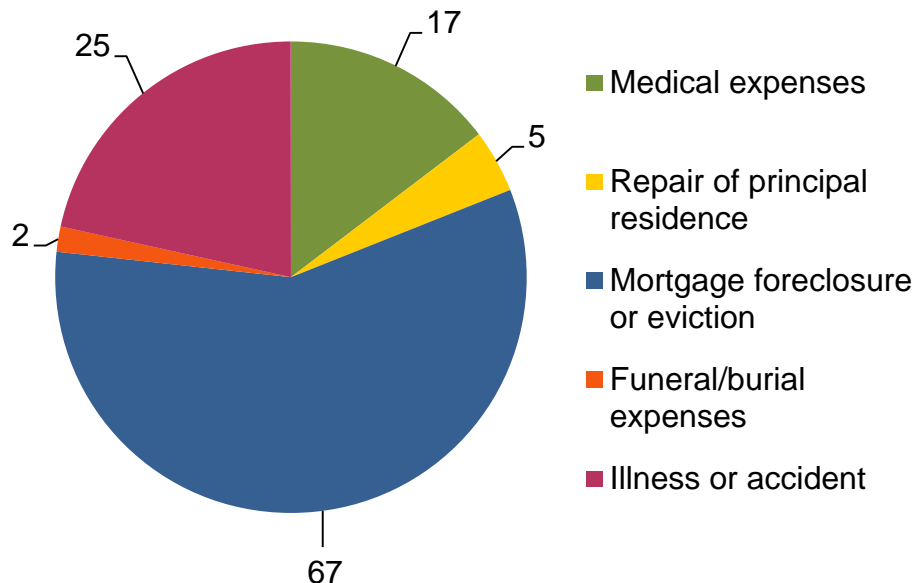
Unforeseeable Emergency Withdrawal Summary

As of March 31, 2017

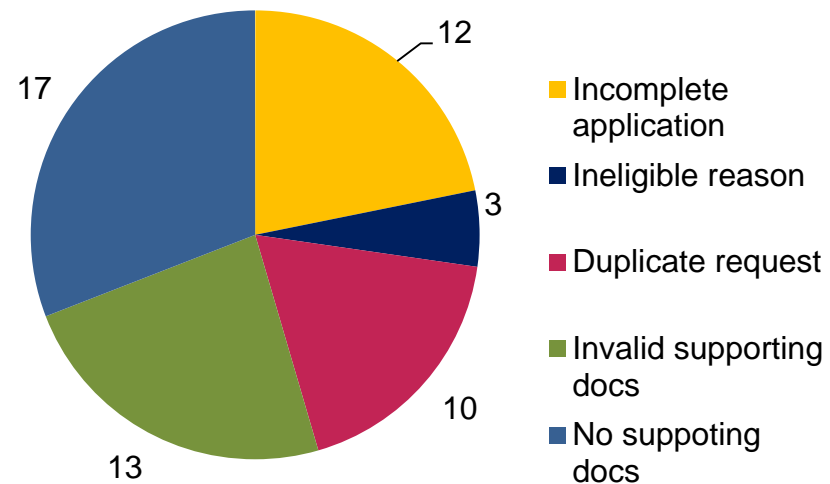
CITY OF LOS ANGELES DEFERRED COMPENSATION PLAN

Total Received	120
Approved	65
Denied	51

Withdrawal Reasons
(completed applications)



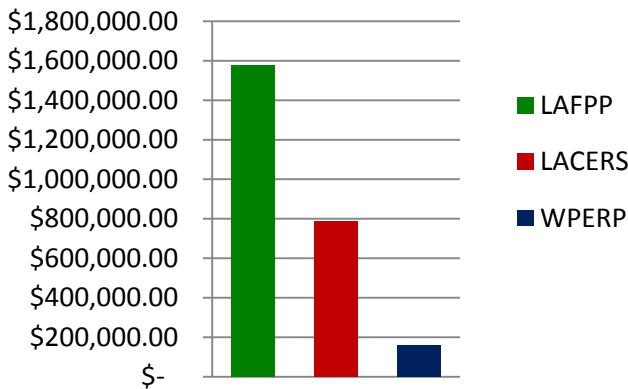
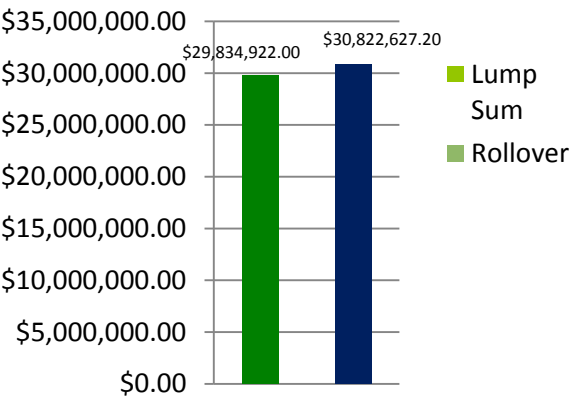
Rejection Reasons



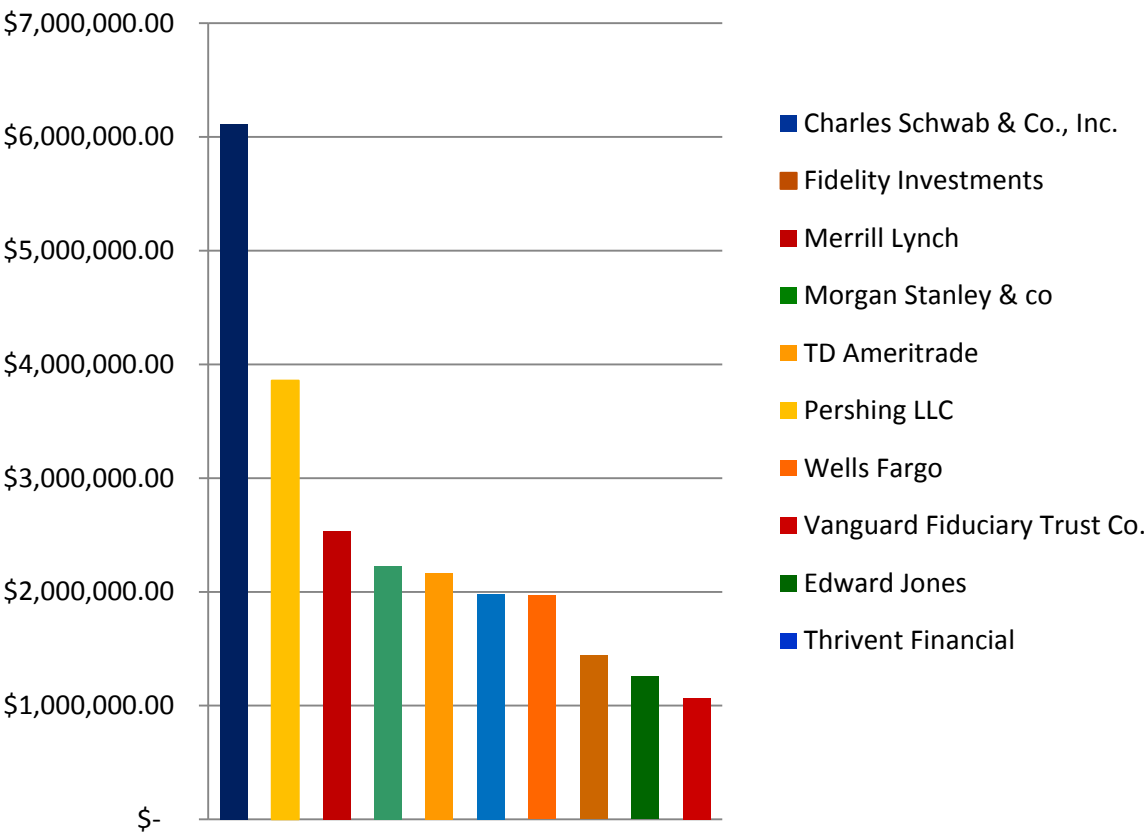
Rollover Activity

As of March 31, 2017

CITY OF LOS ANGELES DEFERRED COMPENSATION PLAN



Rollovers to LACERS, Board of Fire & Police Commissioners and WPERP by Dollar Amount



Top 10 Rollover Providers by Dollar Amount

Asset Analysis

Balances by Investment

As of March 31, 2018

CITY OF LOS ANGELES DEFERRED COMPENSATION PLAN

Investment	Investment Balance	Number of Participants	Average Participant	Percentage of Plan Assets
SCHWAB BROKERAGE	\$462,794,961.20	3,200	\$144,623.43	7.7%
FDIC INSURED SAVINGS ACCOUNT	\$335,928,467.17	13,644	\$24,620.97	5.6%
STABLE VALUE	\$1,083,341,730.22	13,726	\$78,926.25	18.0%
ULTRA CONSERVATIVE PORTFOLIO	\$62,562,783.10	1,937	\$32,298.80	1.0%
CONSERVATIVE PORTFOLIO	\$169,453,310.24	4,377	\$38,714.49	2.8%
MODERATE PORTFOLIO	\$386,296,767.00	10,658	\$36,244.77	6.4%
AGGRESSIVE PORTFOLIO	\$393,556,484.20	13,039	\$30,183.03	6.5%
ULTRA AGGRESSIVE PORTFOLIO	\$184,970,407.09	8,126	\$22,762.79	3.1%
DCP BOND FUND	\$171,767,172.88	7,544	\$22,768.71	2.9%
DCP LARGE CAP FUND	\$1,939,100,600.69	21,462	\$90,350.41	32.2%
DCP MID CAP FUND	\$289,288,243.83	8,336	\$34,703.48	4.8%
DCP SMALL CAP FUND	\$271,062,220.80	9,965	\$27,201.43	4.5%
DCP INTERNATIONAL FUND	\$269,616,474.57	10,555	\$25,543.96	4.5%

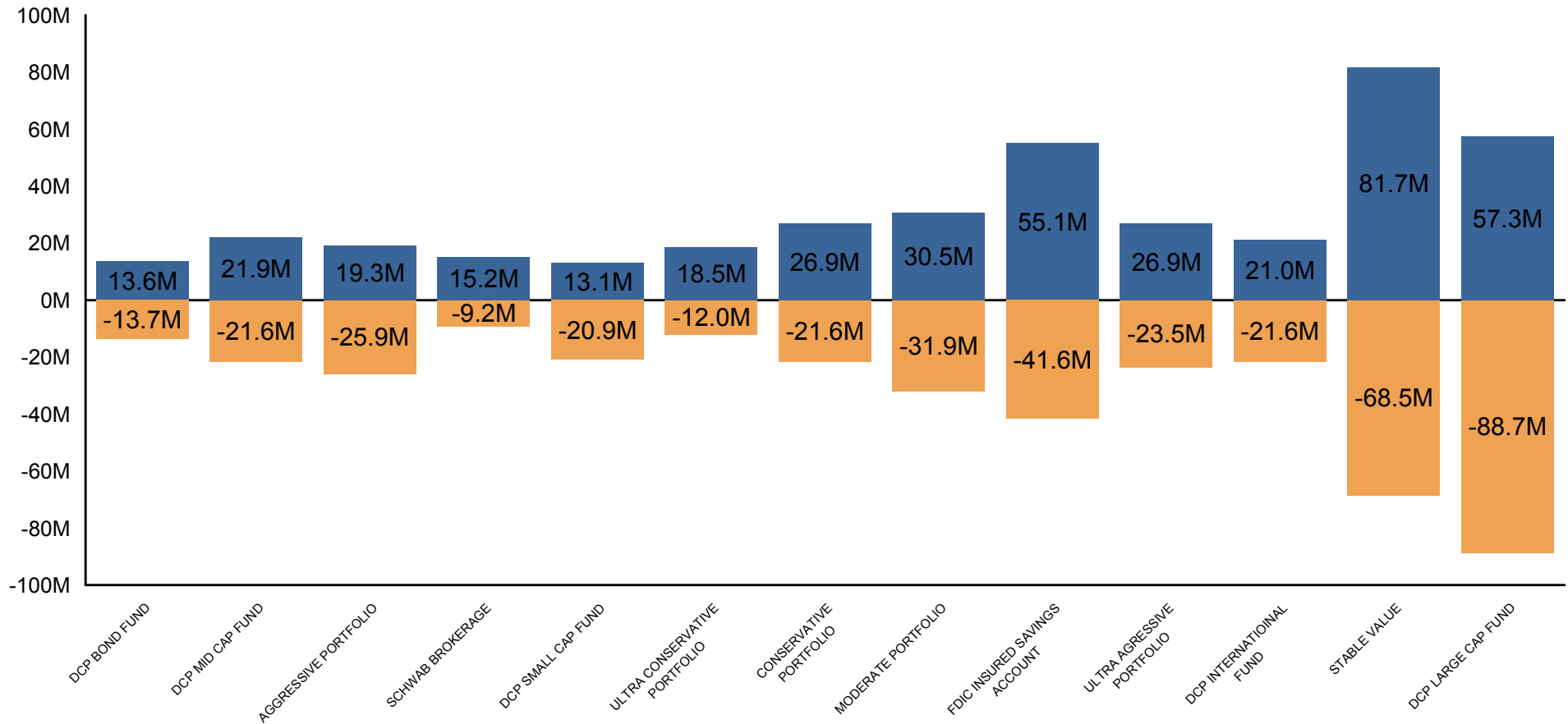
Total Investment Balance: \$6,019,739,622.9

Total Loan Fund: \$195,556,916.38

Transfer Activity by Investment

January 1, 2018 to March 31, 2018

CITY OF LOS ANGELES DEFERRED COMPENSATION PLAN



Transfer Activity by Investment

January 1, 2018 to March 31, 2018

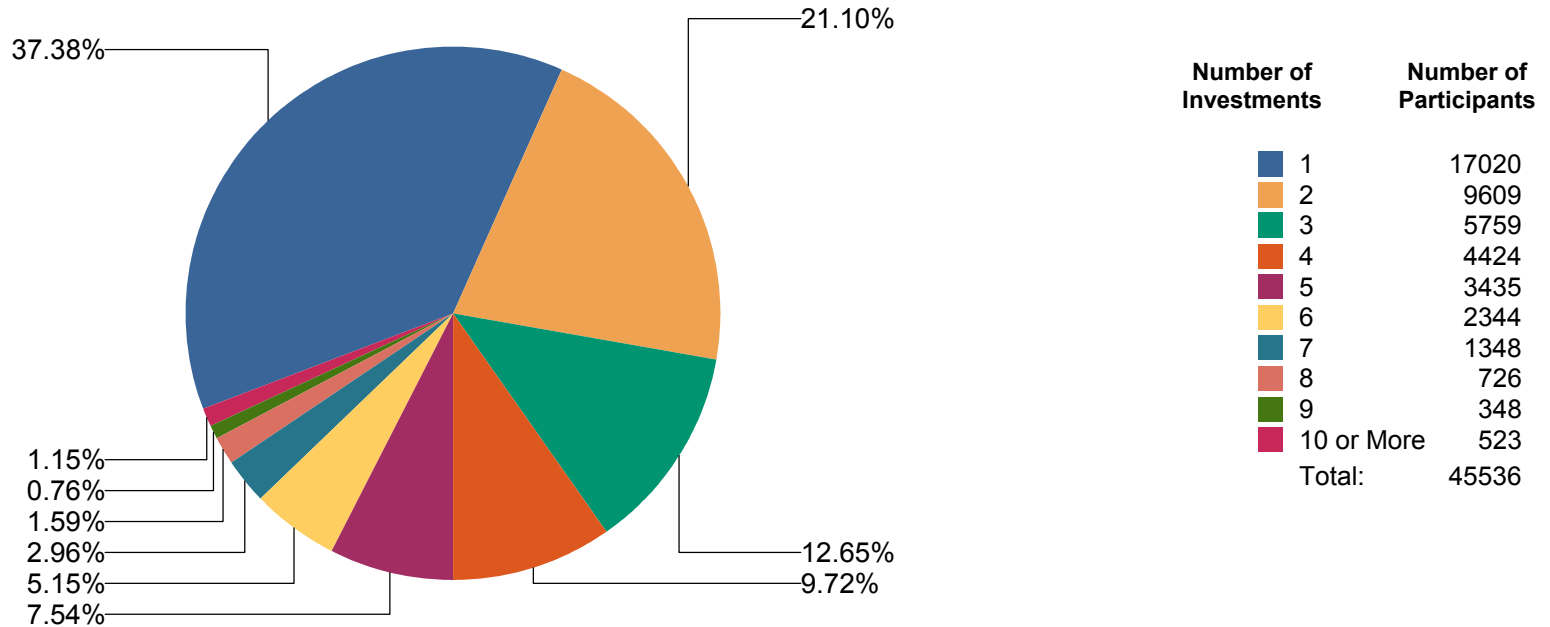
CITY OF LOS ANGELES DEFERRED COMPENSATION PLAN

Investment Name	Transfers In	Transfers Out	Net
SCHWAB BROKERAGE	15.20 M	-9.20 M	6.00 M
FDIC INSURED SAVINGS ACCOUNT	55.10 M	-41.60 M	13.50 M
STABLE VALUE	81.70 M	-68.50 M	13.20 M
ULTRA CONSERVATIVE PORTFOLIO	18.50 M	-12.00 M	6.50 M
CONSERVATIVE PORTFOLIO	26.90 M	-21.60 M	5.40 M
MODERATE PORTFOLIO	30.50 M	-31.90 M	-1.40 M
AGGRESSIVE PORTFOLIO	19.30 M	-25.90 M	-6.60 M
ULTRA AGGRESSIVE PORTFOLIO	26.90 M	-23.50 M	3.30 M
DCP BOND FUND	13.60 M	-13.70 M	-0.10 M
DCP LARGE CAP FUND	57.30 M	-88.70 M	-31.40 M
DCP MID CAP FUND	21.90 M	-21.60 M	0.30 M
DCP SMALL CAP FUND	13.10 M	-20.90 M	-7.80 M
DCP INTERNATIONAL FUND	21.00 M	-21.60 M	-0.60 M

Participants with Balances by Number of Investments

As of March 31, 2018

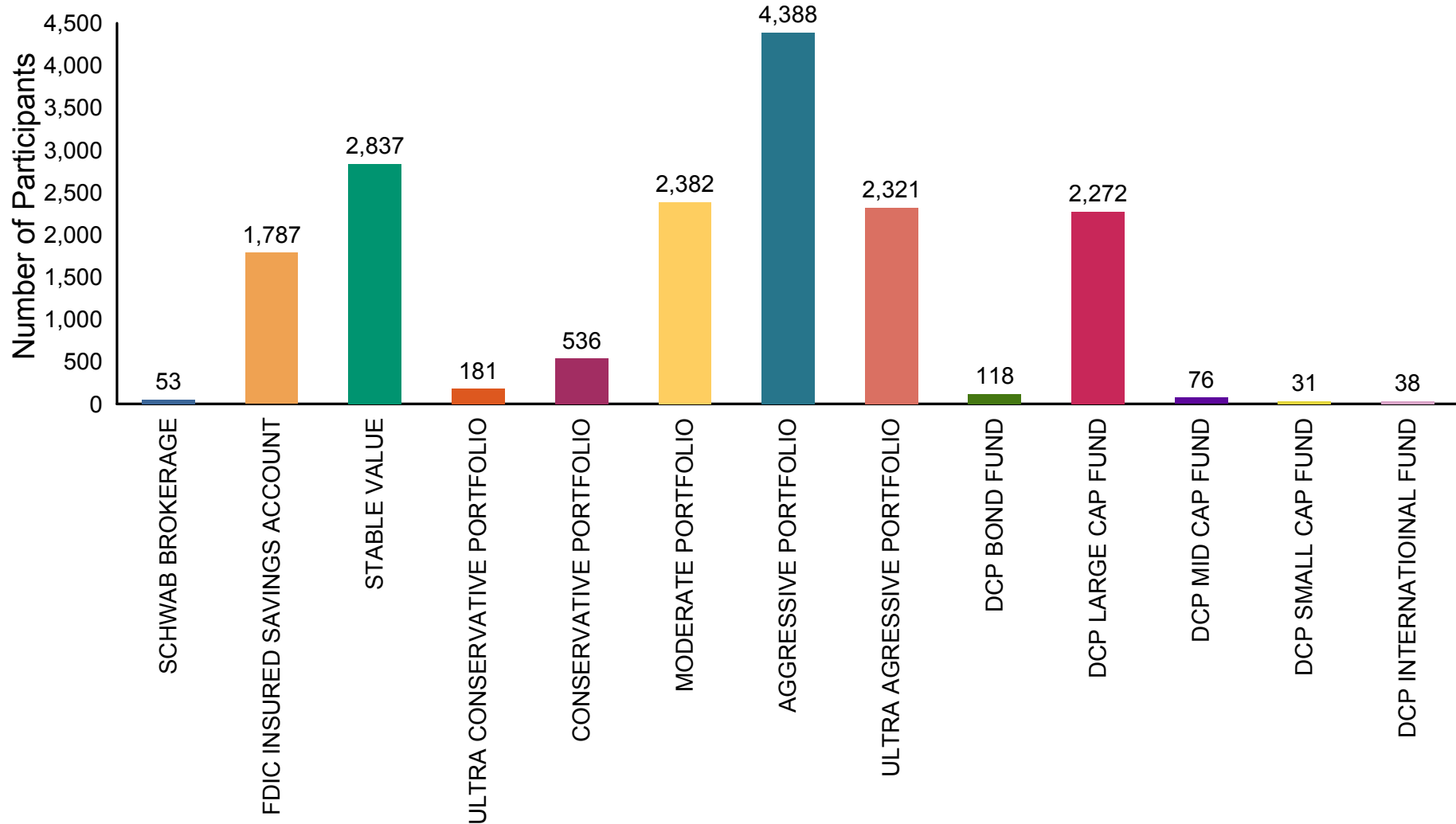
CITY OF LOS ANGELES DEFERRED COMPENSATION PLAN



Participants with a Balance in a Single Investment

As of March 31, 2018

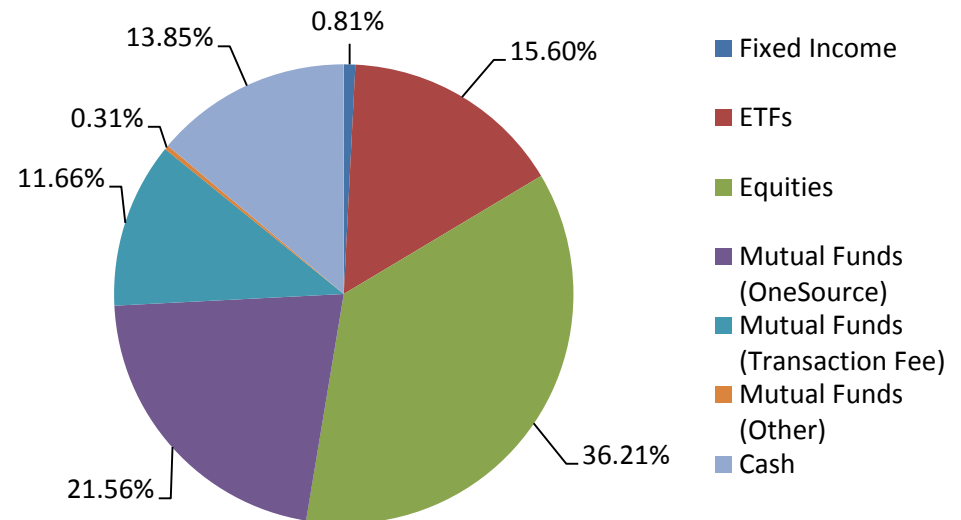
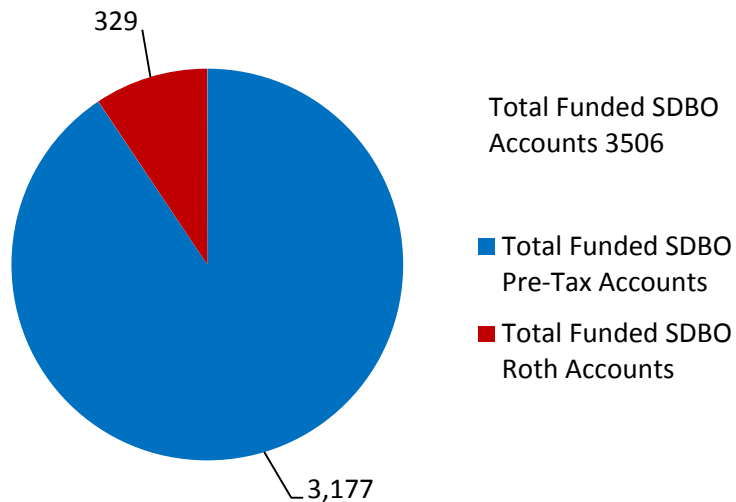
CITY OF LOS ANGELES DEFERRED COMPENSATION PLAN



PCRA Summary

As of March 31, 2018

CITY OF LOS ANGELES DEFERRED COMPENSATION PLAN

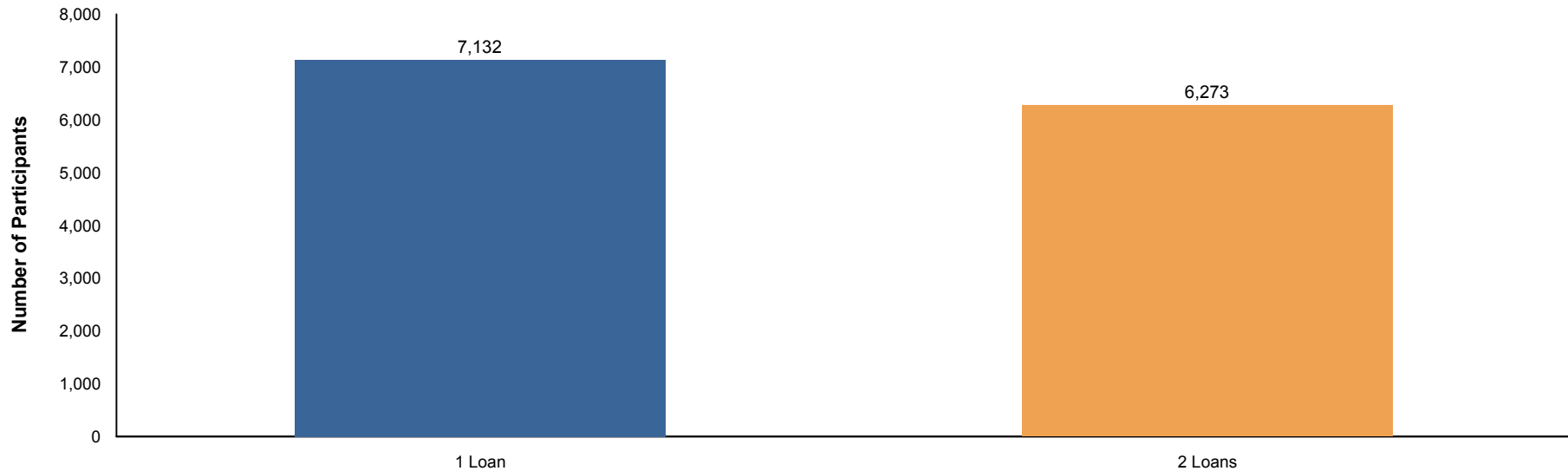


Total Funded SDBO Accounts: 3506
SDBO accounts opened this quarter: 118
Total Advisor Managed Funded SDBO Accounts: 643

Loan Summary

As of March 31, 2018

CITY OF LOS ANGELES DEFERRED COMPENSATION PLAN



Total Participants with Loans:	13,405
Total Number of Outstanding Loans:	19,678
Number of General Loans:	17,780
Number of Residential Loans:	1,901
Number of Inactive Loans with a Loan Balance:	836
Total Outstanding Loan Balance:	\$195,556,916.38
General Loan Balance:	\$156,738,931.62
Residential Loan Balance:	\$33,788,785.76
Number of Re-amortized Loans during the period:	221
Number of Loan Defaults during the period:	0
New Loans Initiated During the period:	1,297
New Loans Initiated by Active Participants:	1,232
New Loans Initiated by Retirees:	65

Participant Services

City of Los Angeles Digital Engagement

01/1/2018 to 03/31/2018

Retirement Calculator Engagement

28% of participants took action after using Calculator

144 participants changed deferral rate: on average from 7.4% to 5.6%

2,922 participants changed deferral amount: on average from \$304 to \$338

1,584 participants changed current/future asset allocation

61 participants rolled money into the plan (consolidated assets)

Activity	# of Participants
Logged in with access to Calculator	20,300
Viewed Calculator	12,070 (59%)
Engaged and interacted with Calculator	13,946 (116%)
Took Action after using Calculator	3,925 (28%)



Logged in: logged into web or mobile and have access to Calculator

Viewed: are those that viewed Calculator via the web or mobile

Engaged: are those that used the tool and clicked on events such as healthcare, how does this work, used the sliders, etc.

Actions taken: are those actions like asset transfers, increasing or decreasing deferral rates.

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For plan sponsor use only

Data above is based on participant activity for the time period specified in above title

Products and services offered through the Voya^(R) family of companies. CN0525-24868-0618

City of Los Angeles Digital Engagement

01/1/2018 to 03/31/2018

Loans

619 participants used loan guidance

397 (64%) participants used loan guidance and did not take a loan

222 (36%) participants used loan guidance and went on to take a loan

642 participants skipped loan guidance and clicked on “request a loan”

330 (51%) participants skipped loan guidance and did not take a loan

312 (49%) participants skipped loan guidance and went on to take a loan



PLAN | INVEST | PROTECT



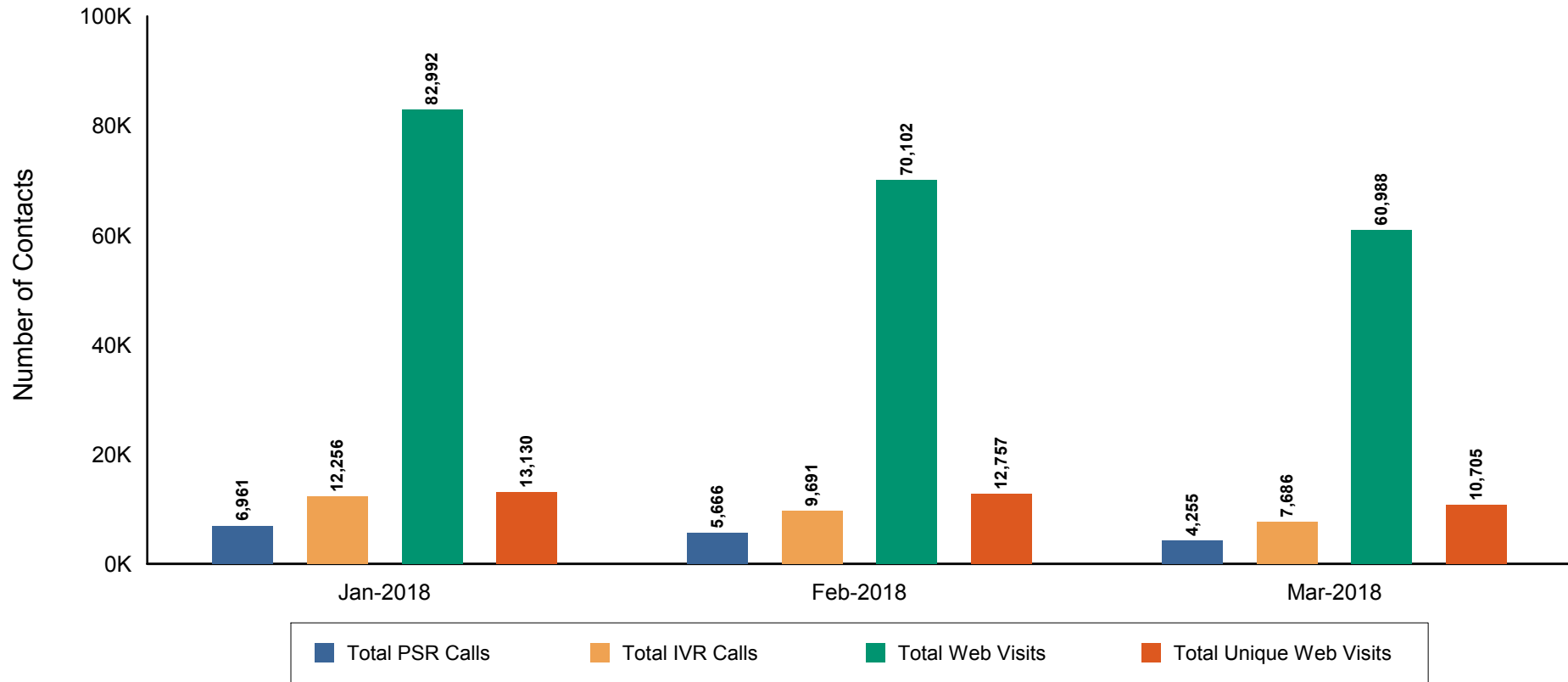
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Products and services offered through the Voya^(R) family of companies. CN0525-24868-0618

Participant Contact Summary

January 1, 2018 to March 31, 2018

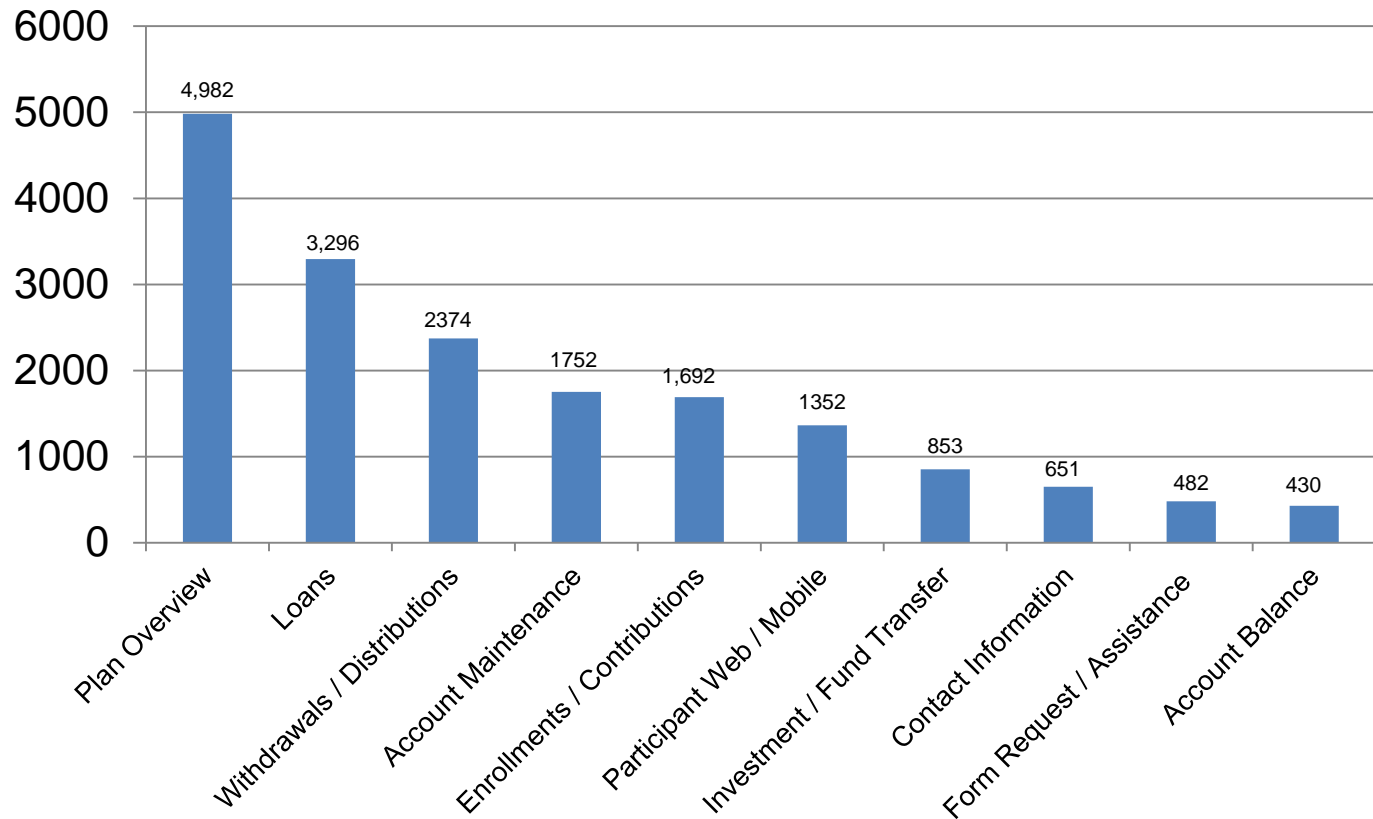
CITY OF LOS ANGELES



PSR Activity: Top Ten Call Reasons

As of March 31, 2018

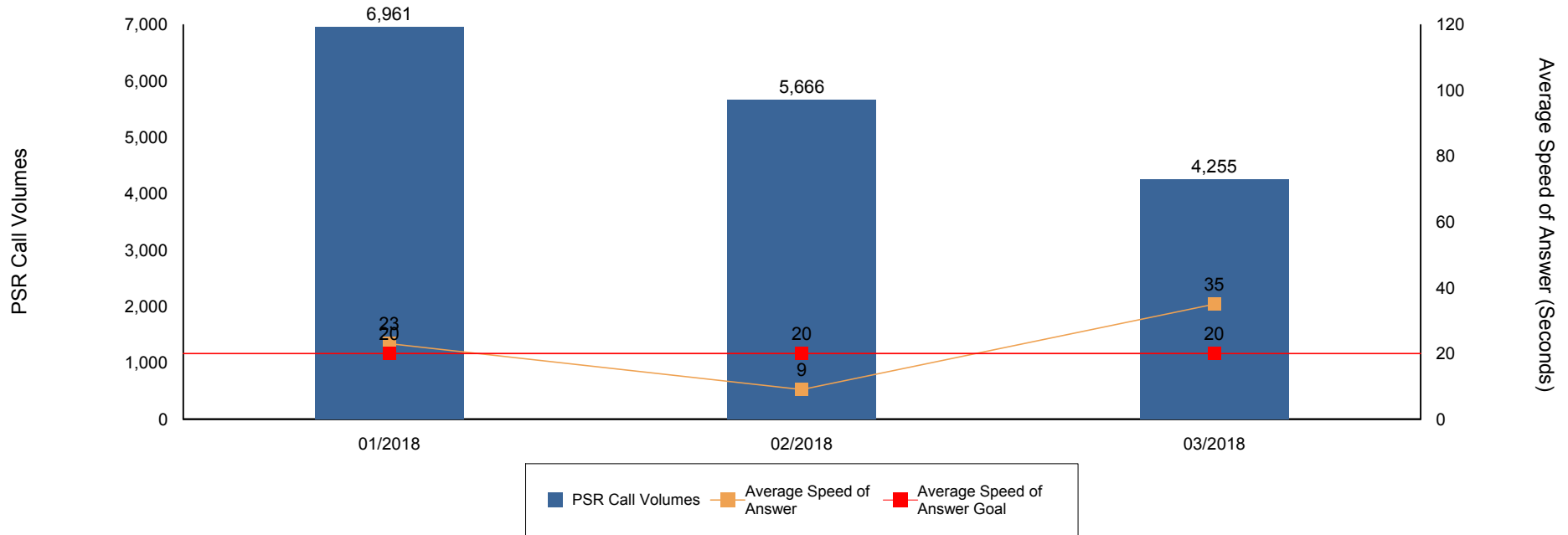
CITY OF LOS ANGELES DEFERRED COMPENSATION PLAN



Participant Service Representative (PSR) Activity

January 01, 2018 to March 31, 2018

CITY OF LOS ANGELES

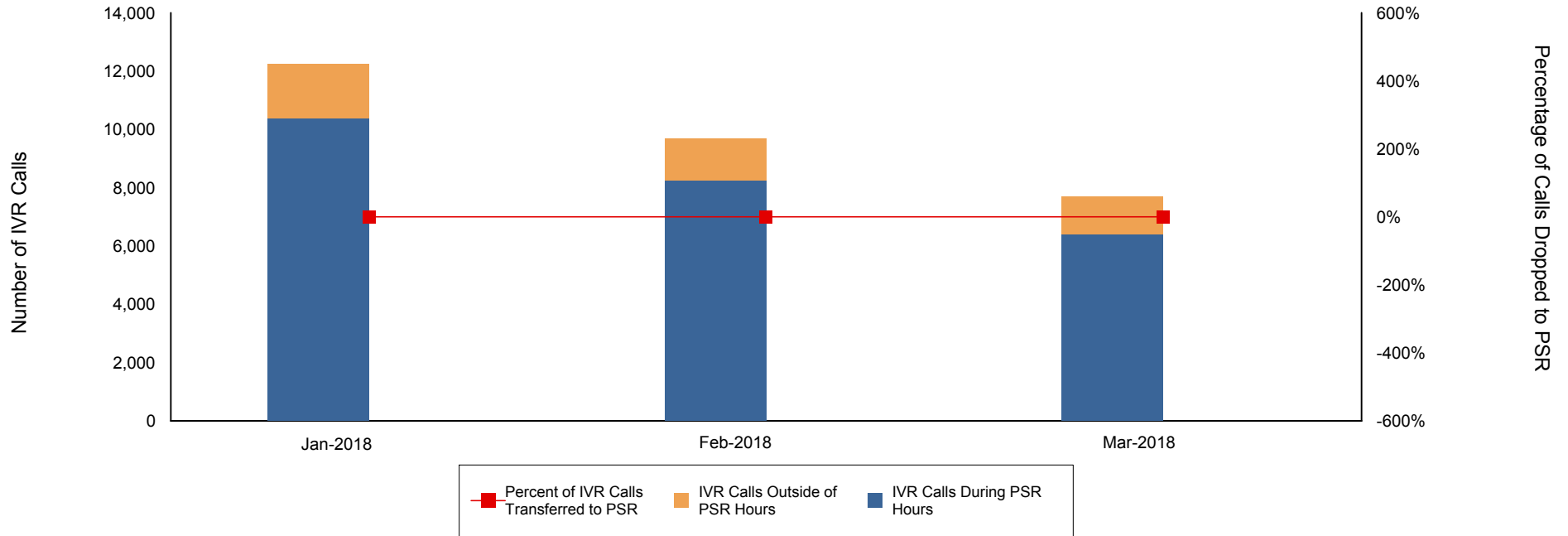


Reporting Period	PSR Call Volume	Average Speed of Answer (Seconds)	Average Call Length (Minutes)
Jan-2018	6,961	23	6.48
Feb-2018	5,666	9	6.15
Mar-2018	4,255	35	6.42

IVR Activity

January 01, 2018 to March 31, 2018

CITY OF LOS ANGELES



Date	Total IVR Calls	IVR Calls During PSR Hours	IVR Calls Outside of PSR Hours	IVR Calls Transferred to PSR	Percent of IVR Calls Transferred to PSR
Jan-2018	12,256	10,397	1,859	7,056	0.00
Feb-2018	9,691	8,246	1,445	5,692	0.00
Mar-2018	7,686	6,384	1,302	4,342	0.00

Paperless Transactions by Channel (IVR/PSR/WEB/MOB Combined)

January 1, 2018 to March 31, 2018

CITY OF LOS ANGELES

Paperless Transaction Description	Transaction Volume
Contribution Rate Change	6,377
Fund to Fund Transfer	3,748
Investment Election Change	2,462
Online Loan Payoff via ACH	2,181
Investment Reallocation	1,697
New Loans Issued	1,218
In-service Withdrawal	1,158
Beneficiary Election	1,142
Banking Information	988
Form Request	426
Termination Distribution	244
Address Change	221
Contribution Rate Escalator	94
Rebalance Election	75
Loan Repayment ACH Election	63

Enrollments for the Period: 727

Local Service Center

Local Retirement Counselors

January 1, 2018 to March 31, 2018

Call Totals: 3,736

Counter Service Totals: 1,297

Participant Interaction Totals: 5,124



La Tanya Harris



Carol Say



Vincent Alvarez



Leslie Yoshioka



Steve Harman

Department	Onsite Visits
Animal Services	3
Bureau of Street Services	1
Central Library	4
Central Parking Enforcement	1
City Hall	3
DWP	15
Hollywood Parking Enforcement	1
LA DOT H&W Benefits Fair	1
LA Harbor San Pedro	3
LACERS	13
LAFD LAX	1
LAFPP	4
LAPD	4
LAPPL	4
LAWA LAX	13
LAWA Van Nuys	1
Port of LA	1
Public Works	1
Public Works Bureau of Eng	1
Public Works Sanitation	1
Public Works Street Lighting	1
Public Works Marvin Braude	1
Southern Parking Enforcement	1
Valley Parking Enforcement	1
Western Parking Enforcement	1