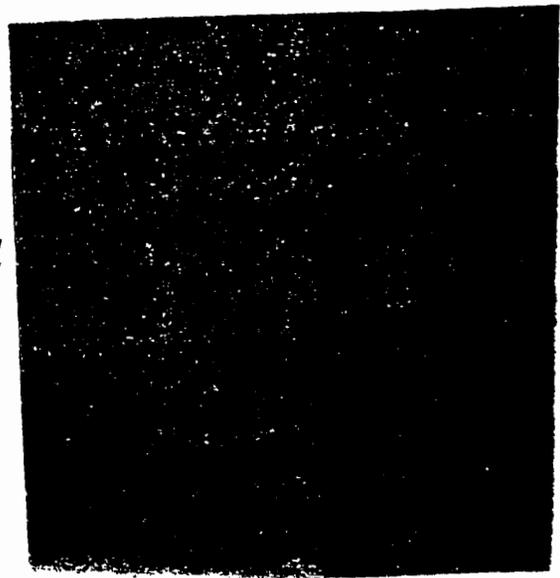


*Retirement Accty  
Div Copy*

*Annual Report*

**LOS ANGELES COUNTY  
EMPLOYEES RETIREMENT  
ASSOCIATION**

*For the Year Ended  
June 30, 1981*



LOS ANGELES COUNTY  
EMPLOYEES RETIREMENT ASSOCIATION  
437 HALL OF ADMINISTRATION  
LOS ANGELES, CALIFORNIA 90012

TO THE MEMBERS

This Annual Report of the Los Angeles County Employees Retirement Association is provided to you to inform you of general, statistical, and financial information concerning your retirement system.

Its contents are based on all changes in the Retirement Law that have been enacted through 1980 session of the Legislature. Each member should read it carefully to become aware of the many benefits provided by this law.

The law makes all individual records of members confidential. These records may not be disclosed to any other than the member himself, except in the administration of the law or upon order of a court of competent jurisdiction.

Any member of the Retirement Association may call upon the Retirement Benefit Division of the LACERA at any time for information about retirement benefits to which he is entitled. When writing to request such information, be sure to give your employee number and home address. Please do not telephone about matters of confidential records. If you call at our office, please bring identification with you.

H.B. ALVORD, Administrator



## GENERAL INFORMATION — ACTIVE MEMBERS

### MEMBERSHIP

Every employee appointed to a permanent position of three-quarter time or more (Items A, L, N, Y & Z) in County or district service becomes a member of the Los Angeles County Employees Retirement Association (LACERA) on the first of the month following the month in which appointed. Appointees to positions in law enforcement, fire fighting, foresters, and ocean and lake lifeguard classifications, under age 36, become safety members. All others become general members. CETA employees are not eligible for LACERA membership.

### CONTRIBUTIONS

Contributions to the Retirement Association are made by both the members and their employers. The rate of contribution for members is determined by age at nearest birthday anniversary at the time of entrance into the Retirement Association. (See Tables, Pages 2 & 3). The contribution rates of members who are covered under social security are reduced by one-third for the first \$350 monthly salary. For members after May, 1979, the rates are reduced by one-third for the first \$1,050 monthly salary. Contributions are discontinued when a person who entered membership before April 1, 1973 is credited with 30 years of service.

### BENEFICIARY DESIGNATION

The name and relationship of a beneficiary is given by each member upon entry into the Retirement Association. A married member normally names the spouse as beneficiary because of the community property laws of California and the survivorship benefits available to a spouse in the event of the member's death. The person named as beneficiary may be changed at any time that changes occur in the member's personal circumstances. Beneficiary Change Forms are available at departmental personnel and payroll offices or from the Retirement Benefits Division. Death benefits are paid upon the death of a member. It is very important that the members beneficiary on file with the LACERA be the correct one.

PLEASE KEEP YOUR BENEFICIARY DESIGNATION UP-TO-DATE

**RATES OF CONTRIBUTION BY PAYROLL DEDUCTION  
PERCENTAGE OF BASE SALARY  
(Nearest Year of Age at Membership)**

**SAFETY MEMBERS**

Age	(Plan "A") Membership Prior to 9/1/77		(Plan "B") Membership on or after 9/1/77	
	*Current	7/1/81	*Current	7/1/81
21	5.61%	8.57%	9.66%	11.04%
22	5.71	8.66	9.82	11.15
23	5.80	8.75	9.99	11.27
24	5.90	8.84	10.16	11.38
25	6.01	8.93	10.34	11.50
26	6.11	9.02	10.53	11.62
27	6.22	9.12	10.72	11.73
28	6.34	9.21	10.92	11.85
29	6.46	9.30	11.12	11.97
30	6.58	9.40	11.33	12.09
31	6.70	9.49	11.55	12.22
32	6.84	9.59	11.77	12.34
33	6.97	9.68	12.00	12.46
34	7.11	9.78	12.24	12.59
35	7.24	9.87	12.48	12.71

\*These rates were negotiated to remain effective through June, 1983 through the Memorandum of Understanding adopted by the Board of Supervisors on May 28, 1981.

Employer Contribution Rate:

32.82%	32.82%	26.56%	26.56%
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Negotiated Surcharge:

2.70%	5.90%	1.00%	10.55%
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**RATES OF CONTRIBUTION BY PAYROLL DEDUCTION**  
**PERCENTAGE OF BASE SALARY**  
 (Nearest Year of Age at Membership)

**GENERAL MEMBERS**

Age	(Plan "A")		(Plan "B")		(Plan "C") & (Plan "D")
	Membership Prior to 9/1/77	Membership Prior to 9/1/77	Membership 9/1/77-9/30/78	Membership 9/1/77-9/30/78	Membership 9/30/78
	*Current	7/1/81	*Current	7/1/81	All 1981
16	3.64%	5.46%	6.27%	7.54%	6.75%
17	3.70	5.52	6.37	7.62	6.82
18	3.74	5.58	6.43	7.71	6.89
19	3.80	5.64	6.53	7.79	6.97
20	3.84	5.70	6.61	7.87	7.04
21	3.89	5.75	6.69	7.95	7.12
22	3.93	5.82	6.78	8.03	7.19
23	3.99	5.88	6.88	8.12	7.27
24	4.06	5.94	6.98	8.20	7.34
25	4.11	6.00	7.09	8.29	7.42
26	4.18	6.06	7.21	8.37	7.50
27	4.25	6.12	7.33	8.46	7.58
28	4.34	6.19	7.46	8.55	7.66
29	4.40	6.25	7.60	8.64	7.74
30	4.49	6.31	7.74	8.72	7.82
31	4.59	6.38	7.89	8.81	7.90
32	4.67	6.44	8.05	8.90	7.98
33	4.77	6.51	8.21	8.99	8.06
34	4.86	6.57	8.38	9.08	8.14
35	4.97	6.64	8.56	9.18	8.23
36	5.08	6.71	8.75	9.27	8.31
37	5.19	6.78	8.94	9.36	8.40
38	5.31	6.84	9.14	9.46	8.48
39	5.43	6.91	9.35	9.55	8.57
40	5.55	6.98	9.56	9.64	8.65
41	5.68	7.05	9.78	9.74	8.74
42	5.80	7.12	10.00	9.84	8.83
43	5.94	7.19	10.24	9.93	8.92
44	6.08	7.26	10.48	10.03	9.01
45	6.23	7.33	10.72	10.13	9.10
46	6.37	7.40	10.98	10.23	9.19
47	6.52	7.47	11.24	10.33	9.28
48	6.68	7.55	11.50	10.43	9.37
49	6.84	7.62	11.78	10.53	9.46
50	7.00	7.69	12.06	10.63	9.55
51	7.18	7.77	12.34	10.73	9.65
52	7.34	7.84	12.53	10.83	9.74
53	7.51	7.92	12.65	10.94	9.83
54	7.69	7.99	12.76	11.04	9.93
55	7.69	7.99	12.76	11.04	10.03
56	7.69	7.99	12.76	11.04	10.12
57	7.69	7.99	12.76	11.04	10.22
58	7.69	7.99	12.76	11.04	10.32
59	7.69	7.99	12.76	11.04	10.42
& Over					

\* These rates were negotiated to remain effective through June, 1983 through the Memorandum of Understanding adopted by the Board of Supervisors on May 28, 1981, not applicable to District employees.

	Plan A	Plan B	Plan C	Plan D		
Employer Contribution Rate:						
	20.45%	20.45%	16.37%	16.37%	16.01%	16.26%
Negotiated Surcharge:						
	1.31%	4.35%	.72%	7.68%		

1. When salary is not subject to social security, the retirement contribution is calculated by multiplying the applicable percentage times monthly salary.
2. If current membership entry date is prior to June 1979 and salary is subject to social security taxes, multiply the first \$350 of monthly salary by 2/3 of the contribution rate and the balance of monthly salary by the full rate to determine monthly contributions.
3. If current membership entry data is June 1979 or later and salary is subject to social security taxes, multiply the actual monthly salary up to \$1,050 by 2/3 of the contribution rate and any salary in excess of \$1,050 by the full rate to determine monthly contributions.
4. Employer rates are based on full monthly salary without reduction for Social Security Coverage.

## **WITHDRAWAL OF CONTRIBUTIONS**

When a member terminates employment, he may withdraw the contributions he has made to the Retirement Association plus the interest credited to his account.

If a member resigns, withdraws contributions and then is hired at a later date, he will be covered under the current benefit levels for new employees which may require higher rates of retirement contributions and provide lower retirement benefits.

Withdrawal of contribution forms are initiated by the employing department during the termination process and sent to LACERA for preparation of a refund warrant. It is the responsibility of the employee to assure delivery of the completed withdrawal certificate. No interest is credited to a member's contributions after his termination date unless he is granted deferred retirement.

When a member withdraws from membership, he waives all retirement rights available to him from the Retirement Association.

Employees who do not withdraw their contributions within five (5) years after termination or if eligible and do not file a deferred retirement application within 180 days after termination may lose all rights to withdraw their accumulated contributions.

## **WITHDRAWAL FROM MEMBERSHIP**

Any member of the Retirement Association who, by resignation or transfer, changes from a position in which membership in the Retirement Association is compulsory to a position in which membership in the Retirement Association is non-compulsory may file within sixty (60) days from such resignation or transfer a written election to discontinue his membership. Such written election shall include an application either to:

- (a) Withdraw his accumulated contributions, or
- (b) If eligible to do so, take deferred retirement.

If within such sixty-day period he does not file such an election, he shall continue as an active member of the Retirement Association, except that if he was a safety member he shall become a general member. Such membership shall continue until his County or district service is discontinued.

## **CREDIT FOR PREVIOUS COUNTY SERVICE**

Members who have worked in County or district service in a non-permanent position before entering membership may obtain retirement credit for their non-membership service. Members who have withdrawn from membership after terminating a previous period of County service may also obtain retirement credit for their previous service, after repayment of withdrawn contributions plus additional interest allocable. Particulars applicable to each member entitled to these benefits may be obtained by written request addressed to the Retirement Benefits Division of LACERA.

## **CREDIT FOR PREVIOUS PUBLIC SERVICE**

You may be eligible to purchase credit for public service prior to membership in the LACERA provided that you are not entitled to retirement benefits (now or in the future) from the agency for the same service.

**Active Military Service or United States Government Service:** All employees holding continuous membership in the LACERA since July 1, 1974 are eligible for this credit.

**State of California, any County in California:** All employees holding continuous membership in LACERA since October 1, 1974 are eligible for this credit.

**City or Public Agency within the County of Los Angeles:** All employees holding continuous membership in LACERA since December 1, 1975 are eligible for this credit.

If you receive credit for public service, you may not use that credit to establish eligibility for service or disability retirement, deferred retirement, or death benefits. However, the credit may be used to meet the qualifications for discontinuing contributions after thirty (30) years if applicable.

## **SOCIAL SECURITY COVERAGE**

Employees who became general members of the Retirement Association or became eligible for membership on or after June 1, 1964, and all employees who selected OASDI coverage in May 1964 are covered under social security. OASDI contributions (FICA taxes) are paid by these members on the first \$29,700 of salary paid them during the 1981 calendar year. Old age, survivor, disability, and health insurance benefits provided by the Social Security Act are payable to those members when they meet the eligibility requirements. Questions concerning eligibility for these benefits should be directed to the nearest social security office.

## **QUALIFICATIONS FOR DEFERRED RETIREMENT**

Deferred retirement status is available to members who terminate employment with five or more years of county service credit and who apply in writing for deferred retirement status within 180 days after termination. Terminating members should carefully read the waiver relating to deferred retirement that is printed on the "Withdrawal Certificate". Deferred members may receive a retirement allowance at any time after attaining age 50, provided at least 10 years have passed from their entry in the Retirement Association, or any age after 30 years from their entry date, or age 70.

If you are granted deferred retirement and are rehired at a later date, you will return to the retirement system at the contribution rate applicable to your age at the time of initial entry and be eligible for the same retirement benefits that previously applied to you.

## RECIPROCITY WITH OTHER RETIREMENT SYSTEMS

Reciprocal retirement benefits are available to members who terminate County or district service to accept a position with another qualified public agency in California within 180 days after termination. Members taking such action should contact the Retirement Benefits Division and make certain that their deferred application was considered and the proper forms were forwarded to the new reciprocal agency. Deferred retirement is required for members who begin membership in another public agency under the reciprocal benefit laws. Once election is made, contributions may not be withdrawn unless service is terminated with the other public agency.

## APPROVAL OF APPLICATIONS FOR RETIREMENT BENEFITS

Each applicant for a service or disability retirement allowance is individually approved by the Board of Retirement. A letter informing each applicant of the action taken by the Board with respect to his application is sent by its secretary. Applicants should contact the Retirement Benefits Division if such a letter is not received within a few days after the meeting of the Board at which their application was considered.

## DEATH AND SURVIVOR BENEFITS FOR ACTIVE MEMBERS

The death benefit payable to the beneficiary of a member who dies before retirement consists of:

- a. The member's contributions and interest credited to his account, plus,
- b. An amount equal to an average month's salary (based on the last twelve months) for each year of retirement credit, but not exceeding six month's salary.

The death benefit may be paid in a lump sum or in 120 equal payments at the option of the beneficiary.

When a member's death was not caused by an injury on the job and the member had five or more years of retirement credit for service other than public service, the surviving spouse or the guardian for the unmarried children under age 18 (through age 21 if full-time student) may elect a monthly allowance in lieu of the basic death benefit equal to 60% of the retirement allowance that the member would have received had he retired because of non-service disability on the date of death.

The surviving spouse may elect to receive a combined benefit in lieu of either of the benefits previously described. The combined benefit consists of a lump sum payment (six month's salary) plus a reduced monthly allowance for life.

Information required by a surviving spouse to make an informed election is furnished by the Retirement Benefits Division.

If the member's death was caused by an injury on the job, the surviving spouse or guardian for the unmarried children under age 18 (through age 21 if full-time student) may elect a monthly allowance in lieu of the basic death benefit equal to the retirement allowance that the member would have received had he retired because of service-connected disability on the date of death. If the member's service-connected death resulted from external violence or physical force, the surviving spouse or other person having legal custody of the deceased member's children under age 18 (through age 21 if unmarried and full-time student) may receive an additional allowance based on the number of children as follows:

1 child	25% of basic allowance
2 children	40% of basic allowance
3 or more children	50% of basic allowance

A combined benefit as previously described is also available to the surviving spouse of a member who dies in service from an injury or illness by his job.

In addition to all other benefits, the surviving spouse of a safety member who is killed by force or violence on the job receives a lump sum payment equal to twelve months pay.

## **QUALIFICATIONS FOR SERVICE RETIREMENT**

### **General Members**

A service retirement application may be filed by any general member who:

- a. Has retirement credit of 30 years of service other than public service regardless of age, (if in deferred retirement status, 30 or more years after membership entry date), or
- b. Is 50 years of age or older and has retirement credit for 10 or more years of service other than public service (if in deferred status, age 50 and 10 or more years after membership entry date), or
- c. A member having less than 10 years' retirement credit at age 70 may receive a monthly allowance based upon actual service credited.
- d. General members holding membership prior to December 31, 1978 who have reached the age of 65 with less than 10 years' service may retire and receive a monthly allowance based on actual service credited.

### **Safety Members**

A service retirement application may be filed by any safety member who:

- a. Has retirement credit for 20 years of service other than public service, regardless of age, (if in deferred retirement status, 20 or more years after membership entry date), or
- b. Is 50 years of age and has retirement credit for 10 or more years of service other than public service (if in deferred retirement status, age 50 and 10 or more years after membership entry date). Safety members must retire at age 60.

## **QUALIFICATIONS FOR DISABILITY RETIREMENT**

If you become disabled and unable to perform the duties of your specific job, you may apply for disability retirement. You must present proof of disability including a physician's statement showing you are permanently disabled. In addition, the Board of Retirement may require that you take a medical examination.

Disabilities that result from a job-caused injury are termed service-connected and an application for retirement under these conditions may be filed regardless of age or length of service. Disabilities that are not caused by on-the-job injury are termed non-service-connected, and an application for retirement under these conditions may be filed by any members who have five or more years of retirement credit for service other than public service.

## **AMOUNT OF RETIREMENT ALLOWANCE**

The amount of retirement allowance that will be received by a retired member and eligible spouse throughout their lifetime is dependent on the optional settlement or basis selected by the member when he files his application. A member may choose either the unmodified basis or one of four optional bases to determine his retirement income.

The unmodified basis provides both the maximum retirement allowance for the member and continuation of 60% of that allowance to the surviving spouse, if marriage occurred a year or more before service retirement or non-service-connected disability retirement. The unmodified basis for a service-connected disability retirement provides both the maximum retirement allowance for the member and a continuation of 100% of that allowance to the surviving spouse if married at the time of retirement. Members may choose one of the optional bases which provide a smaller retirement allowance for the member but enable him to provide for a beneficiary with an insurable interest in the member in the event of his death. Detailed information about the optional bases is available from the Retirement Benefits Division.

## **APPLICATION FOR RETIREMENT**

A retirement application is submitted by each member who desires to retire. The Board of Retirement meets on the first Wednesday of each month to consider the applications for service retirement filed the preceding month. Applications must be received prior to date of retirement.

A disability application should be submitted before the last day for which active service compensation is received. The processing of applications for disability retirement usually entails a period of several months to obtain the required medical and other evidence of disability, have a medical examination and then report such evidence for consideration by the Board of Retirement.

## HOW TO COMPUTE A RETIREMENT ALLOWANCE ESTIMATE

A retirement allowance is based on a percentage of the member's age, service and final compensation. "Final compensation" is defined as:

- a. The member's average monthly salary for the latest or highest paid one year of service, for those with a membership date prior to September 1977.
- b. The member's average monthly salary for the latest or highest paid three years of service, for those with a membership date of September 1977 or later.

Age is calculated by the completed quarters and service is calculated by the full months completed.

Examples of calculating final compensation: When salary is not the same for a period covered.

**Membership Prior to 9/1/77:**

\$715 x 3 months = \$2,145.00  
 \$735 x 9 months = \$6,615.00  


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 12 months = \$8,760.00

**Membership 9/1/77 and Later:**

\$655 x 3 months = \$ 1,965.00  
 \$685 x 12 months = \$ 8,220.00  
 \$715 x 12 months = \$ 8,580.00  
 \$735 x 9 months = \$ 6,615.00  


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 \$25,380.00

Average Salary =  
 \$8,760 ÷ 12 = \$730.00

Average Salary =  
 \$25,380 ÷ 36 = \$705.00

After calculating the final compensation, find the percentage that applies to your age and years of service at retirement from the chart on pages 13—15. Multiply this percentage by your final compensation.

For example, if you are a general member, age 60, with 28 years of service:

Membership Prior to 9/1/77:	Membership 9/1/77 to 9/30/78	Membership 10/1/78 and after
% of final compensation	68.31%	61.10%
Final compensation	<u>x \$730</u>	<u>x \$705</u>
Estimated retirement allowance	\$498.66	\$378.37

**IF YOU ARE COVERED UNDER SOCIAL SECURITY, PLEASE TURN TO PAGE 11 TO COMPLETE THE CALCULATION OF YOUR RETIREMENT ALLOWANCE**

The Retirement Benefits Division should not be contacted to verify the results of your calculation unless you have filed an application for retirement.

The retirement allowance calculated as demonstrated here is the amount payable to the member under the unmodified basis for service retirement. Disability retirement allowance estimates and optional basis retirement estimates will be computed by the Retirement Benefits Division when a retirement application is filed.

### HOW TO COMPUTE A RETIREMENT ALLOWANCE ESTIMATE COORDINATED WITH SOCIAL SECURITY BENEFITS

Members who are covered by social security receive a reduced service retirement allowance from LACERA. The reduction is dependent on age at retirement, the number of years of social security coverage, and the membership date. These members receive social security benefits beginning at age 62, in addition to a retirement allowance from LACERA. An estimate of the reduced retirement income from LACERA may be computed as follows:

1. Compute the unmodified service retirement allowance. (See Page 10)
2. Determine the reduction factor for age at retirement from the chart on Page 12.
3. Determine the number of years of county service with social security coverage.
4. Multiply the reduction factor times the number of years of county service with social security coverage to obtain the amount of reduction.
5. Subtract the amount of reduction from the unmodified allowance to determine the reduced retirement allowance.

If a general member, with a membership date prior to September 1977, retires at age 60 with 28 years of service and had been covered by social security during the last 19 years of his county service, his reduced retirement allowance would be computed as follows:

Unmodified Retirement Allowance	\$498.66
(See Page 10)	
Reduction, 19 years x \$2.85 (Page 10)	— 54.15
Reduced Retirement Allowance	<u>\$444.51</u>

If a general member, with a membership entry date of September 1977 retires at age 60 with 28 years of service, and has been covered by social security during all 28 years of service, his reduced retirement allowance would be computed as follows:

Unmodified Retirement Allowance	\$430.76
(See Page 10)	
Reduction, 28 years x \$2.55	— 71.40
Reduced Retirement Allowance	<u>\$359.36</u>

**FOR MEMBERS COVERED UNDER SOCIAL SECURITY**

Age at Retirement	<u>PLAN A</u>	<u>PLAN B</u>	<u>PLAN C</u>	<u>PLAN D</u>
	Membership Prior to 9/77	Membership 9/77-9/78	Membership 10/78-5/79	Membership after 5/79
	Reduction	Reduction	Reduction	Reduction
50	\$1.72	\$1.45	\$1.38	\$4.14
51	1.83	1.53	1.45	4.35
52	1.94	1.62	1.52	4.56
53	2.03	1.72	1.59	4.77
54	2.15	1.83	1.66	4.99
55	2.27	1.94	1.74	5.22
56	2.40	2.03	1.82	5.47
57	2.55	2.15	1.91	5.74
58	2.65	2.27	2.01	6.04
59	2.75	2.40	2.12	6.36
60	2.85	2.55	2.24	6.71
61	2.95	2.65	2.32	6.97
62	3.05	2.75	2.44	7.32
63	3.05	2.85	2.56	7.69
64	3.05	2.95	2.70	8.09
65 and over	3.05	3.05	2.84	8.51

**AMOUNT OF RETIREMENT ALLOWANCE PER MONTH**  
**SAFETY MEMBERS**  
**(Firemen, Foresters, Peace Officers, Lifeguards)**

Percentage of Final Compensation

Years of service	AGES										55 & over			
	44	45	46	47	48	49	50	51	52	53		54		
10									20.00%	21.03%	22.16%	23.38%	24.67%	26.20%
11									22.00	23.14	24.37	25.72	27.14	28.82
12									24.00	25.24	26.59	28.06	29.61	31.44
13									26.00	27.34	28.80	30.40	32.07	34.06
14									28.00	29.44	31.02	32.74	34.54	36.68
15									30.00	31.55	33.23	35.08	37.01	39.30
16									32.00	33.65	35.45	37.41	39.48	41.92
17									34.00	35.75	37.67	39.75	41.94	44.54
18									36.00	37.86	39.88	42.09	44.41	47.16
19									38.00	39.96	42.10	44.43	46.88	49.78
20	29.59%	31.22%	32.90%	34.71%	36.34%	38.09%			40.00	42.06	44.31	46.77	49.34	52.40
21	31.07	32.78	34.55	36.45	38.16	39.99			42.00	44.17	46.53	49.11	51.81	55.02
22	32.55	34.34	36.19	38.18	39.97	41.90			44.00	46.27	48.74	51.44	54.28	57.64
23	34.03	35.90	37.84	39.92	41.79	43.80			46.00	48.37	50.96	53.78	56.75	60.26
24	35.51	37.46	39.48	41.65	43.61	45.71			48.00	50.48	53.17	56.12	59.21	62.88
25		39.03	41.13	43.39	45.43	47.61			50.00	52.58	55.39	58.46	61.68	65.50
26			42.78	45.13	47.24	49.51			52.00	54.68	57.61	60.80	64.15	68.11
27				46.86	49.06	51.42			54.00	56.79	59.82	63.14	66.61	70.73
28					50.88	53.32			56.00	58.89	62.04	65.48	69.08	73.35
29						55.23			58.00	60.99	64.25	67.81	71.55	75.97
30									60.00	63.10	66.47	70.15	74.02	78.59
31									62.00	65.20	68.68	72.49	76.48	81.21
32									64.00	67.30	70.90	74.83	78.95	83.83
33									66.00	69.41	73.11	77.17	81.42	86.45
34									68.00	71.51	75.33	79.51	83.68	89.07
35										73.61	77.55	81.84	86.35	91.69
36											79.76	84.18	88.82	94.31
37												86.52	91.29	96.93
38													93.75	99.55
39														100.00

AMOUNT OF RETIREMENT ALLOWANCE PER MONTH

Percentage of Final Compensation

GENERAL MEMBERS  
PLAN A (Prior to 9/1/77)

Years of service	AGES												
	50	51	52	53	54	55	56	57	58	59	60	61	62 and over
10	14.75%	15.67%	16.67%	17.41%	18.41%	19.48%	20.61%	21.82%	22.68%	23.54%	24.40%	25.26%	26.11%
11	16.23	17.23	18.33	19.15	20.25	21.42	22.67	24.00	24.95	25.89	26.84	27.78	28.72
12	17.70	18.80	20.00	20.89	22.10	23.37	24.73	26.19	27.22	28.25	29.28	30.31	31.34
13	19.18	20.36	21.67	22.64	23.94	25.32	26.79	28.37	29.48	30.60	31.72	32.83	33.95
14	20.65	21.93	23.33	24.38	25.78	27.27	28.85	30.55	31.75	32.95	34.16	35.36	36.56
15	22.13	23.50	25.00	26.12	27.62	29.22	30.91	32.73	34.02	35.31	36.60	37.88	39.17
16	23.60	25.06	26.67	27.86	29.46	31.16	32.97	34.91	36.29	37.66	39.04	40.41	41.78
17	25.08	26.63	28.33	29.60	31.30	33.11	35.03	37.10	38.56	40.01	41.47	42.93	44.39
18	26.55	28.20	30.00	31.34	33.14	35.06	37.09	39.28	40.82	42.37	43.91	45.48	47.00
19	28.03	29.76	31.67	33.08	34.99	37.01	39.16	41.46	43.09	44.72	46.35	47.98	49.62
20	29.50	31.33	33.33	34.82	36.83	38.95	41.22	43.64	45.36	47.08	48.79	50.51	52.23
21	30.98	32.90	35.00	36.56	38.67	40.90	43.28	45.83	47.63	49.43	51.23	53.04	54.84
22	32.45	34.46	36.67	38.31	40.51	42.85	45.34	48.01	49.90	51.78	53.67	55.56	57.45
23	33.93	36.03	38.33	40.05	42.35	44.80	47.40	50.19	52.16	54.14	56.11	58.09	60.06
24	35.40	37.60	40.00	41.79	44.19	46.74	49.46	52.37	54.43	56.49	58.55	60.61	62.67
25	36.88	39.16	41.67	43.53	46.03	48.69	51.52	54.55	56.70	58.85	60.99	63.14	65.28
26	38.35	40.73	43.33	45.27	47.87	50.64	53.58	56.74	58.97	61.20	63.43	65.66	67.89
27	39.83	42.30	45.00	47.01	49.72	52.59	55.64	58.92	61.24	63.55	65.87	68.19	70.51
28	41.30	43.86	46.67	48.75	51.56	54.53	57.70	61.10	63.50	65.91	68.31	70.71	73.12
29	42.78	45.43	48.33	50.49	53.40	56.48	59.76	63.28	65.77	68.26	70.75	73.24	75.73
30	44.25	47.00	50.00	52.23	55.24	58.43	61.82	65.47	68.04	70.61	73.19	75.77	78.34
31	45.73	48.56	51.67	53.98	57.08	60.38	63.89	67.65	70.31	72.97	75.63	78.29	80.95
32	47.20	50.13	53.33	55.72	58.92	62.33	65.95	69.83	72.58	75.32	78.07	80.82	83.56
33	48.68	51.69	55.00	57.46	60.76	64.27	68.01	72.01	74.84	77.68	80.51	83.34	86.17
34	50.15	53.26	56.67	59.20	62.61	66.22	70.07	74.19	77.11	80.03	82.95	85.87	88.79
35	.....	54.83	58.33	60.94	64.45	68.17	72.13	76.38	79.38	82.38	85.39	88.39	91.40
36	.....	.....	60.00	62.68	66.29	70.12	74.19	78.56	81.65	84.74	87.83	90.92	94.01
37	.....	.....	.....	64.42	68.13	72.06	76.25	80.74	83.92	87.09	90.27	93.44	96.62
38	.....	.....	.....	.....	69.97	74.01	78.31	82.92	86.18	89.45	92.71	95.97	99.23
39	.....	.....	.....	.....	.....	75.96	80.37	85.10	88.45	91.80	95.15	98.49	100.00
40	.....	.....	.....	.....	.....	.....	82.43	87.29	90.72	94.15	97.59	100.00	.....
41	.....	.....	.....	.....	.....	.....	.....	.....	92.99	96.51	100.00	.....	.....

**AMOUNT OF RETIREMENT ALLOWANCE PER MONTH**

Percentage of Final Compensation

GENERAL MEMBERS

PLAN B (9/1/77 to 9/30/78)

PLAN C and D (10/1/78 and after)

Years of service	AGES				
	50	52	55	60	65 and over
10	12.42%	13.91%	16.67%	21.82%	26.11%
11	13.67	15.30	18.33	24.00	28.72
12	14.91	16.69	20.00	26.19	31.34
13	16.15	18.08	21.67	28.37	33.95
14	17.39	19.47	23.33	30.55	36.56
15	18.63	20.87	25.00	32.73	39.17
16	19.88	22.26	26.67	34.91	41.78
17	21.12	23.65	28.33	37.10	44.39
18	22.36	25.04	30.00	39.28	47.00
19	23.60	26.43	31.67	41.46	49.62
20	24.85	27.82	33.33	43.64	52.23
21	26.09	29.21	35.00	45.83	54.84
22	27.33	30.60	36.67	48.01	57.45
23	28.57	31.99	38.33	50.19	60.06
24	29.82	33.38	40.00	52.37	62.67
25	31.06	34.78	41.67	54.55	65.28
26	32.30	36.17	43.33	56.74	67.89
27	33.54	37.56	45.00	58.92	70.51
28	34.79	38.95	46.67	61.10	73.12
29	36.03	40.34	48.33	63.28	75.73
30	37.27	41.73	50.00	65.47	78.34
31	38.51	43.12	51.67	67.65	80.95
32	39.75	44.51	53.33	69.83	83.56
33	41.00	45.90	55.00	72.01	86.17
34	42.24	47.29	56.67	74.19	88.79
35	.....	48.69	58.33	76.38	91.40
36	.....	50.08	60.00	78.56	94.01
37	.....	.....	61.67	80.74	96.62
38	.....	.....	63.33	82.92	99.23
39	.....	.....	65.00	85.10	100.00
40	.....	.....	.....	87.29	.....

Years of service	AGES		
	50	55	60
10	11.82%	14.92%	19.17%
11	13.00	16.42	21.08
12	14.18	17.91	23.00
13	15.36	19.40	24.92
14	16.55	20.89	26.83
15	17.73	22.38	28.75
16	18.91	23.88	30.67
17	20.09	25.37	32.58
18	21.27	26.86	34.50
19	22.45	28.35	36.42
20	23.64	29.85	38.33
21	24.82	31.34	40.25
22	26.00	32.83	42.17
23	27.18	34.32	44.08
24	28.36	35.82	46.00
25	29.55	37.31	47.92
26	30.73	38.80	49.83
27	31.91	40.29	51.75
28	33.09	41.79	53.67
29	34.27	43.28	55.58
30	35.46	44.77	57.51
31	36.64	46.26	59.42
32	37.82	47.75	61.33
33	39.00	49.25	63.25
34	40.18	50.74	65.17
35	.....	52.23	67.08
36	.....	53.72	69.00
37	.....	55.22	70.92
38	.....	56.71	72.83
39	.....	58.20	74.75
40	.....	59.69	76.67

## **COUNTY SERVICE AFTER RETIREMENT**

A retired member may not be paid for service to the County, except as follows:

- a. Payments for service as juror or election officer.
- b. Payments for suggestions made for the improvement of County or district activities.
- c. Payments for service as field deputy for registration of voters.
- d. Payments for service as a member of the Retirement Board.
- e. Payments under independent contract with the County.

## **ENDORSEMENT OF RETIREMENT WARRANT**

Personal endorsement of the retirement warrant is required of each retired member. His mark witnessed by two persons who sign their names and give their addresses is acceptable when the member is unable to sign his name.

A retired member may arrange to have his warrant deposited in a financial institution without his personal endorsement. The Retirement Benefits Division should be contacted to make the necessary arrangements.

If you have not received your warrant within five delivery days after the first of the month, first check with your mail carrier and then call the Retirement Benefits Division for a duplicate.

## **DEDUCTIONS FROM RETIREMENT ALLOWANCES**

There are no mandatory deductions from your retirement allowance, but deductions from retirement allowances may be authorized for the following purposes:

- a. Group Insurance under Board of Retirement plan.
- b. Dues — RELAC, Sheriff's Relief, POPA, Local 1014, LACEA
- c. Credit union loan repayments or savings deposits.
- d. Medicare premium payments.
- e. Federal and State income taxes.

## **FEDERAL AND STATE INCOME TAXES**

Retirement allowance income of retired members is taxable under both Federal and State of California Income Tax laws. A statement showing the taxable income status of each retired member's allowance is provided at the time of retirement. Questions concerning the applicability of the income tax laws to a member's personal situation should be directed to a tax advisor. We cannot provide such advice.

## HOSPITAL AND MEDICAL INSURANCE PLANS

Full or partially-paid group hospital and medical insurance coverage has been made available to all retirees, survivors, and their eligible dependent by the Board of Retirement.

The amount of premium that is paid by the Board is dependent upon the number of years of retirement service credited to the retiree when he retires. This ranges from 40% of the premium with ten full years of service credit to 100% of the premium with twenty-five or more full years of service.

There are two different plans sponsored by the Board of Retirement. One plan is an "indemnity" plan whereby the retiree chooses his own doctor or hospital and his bills are paid by the insurance company underwriting the plan. The other is a "service" plan whereby the retiree must use the doctors and facilities offered by the service plan he chooses.

The indemnity plans are underwritten either by the Occidental Life Insurance Company or by Blue Cross of California. Benefits under the indemnity plans are similar. Premiums are not identical, and the Board of Retirement premium payments for the indemnity plans are limited to the premium charge by the Occidental Life Insurance Company. Retirees who did not previously have Blue Cross coverage as an active member may not choose this company to process their claims.

The service plans are underwritten either by the Ross-Loos Medical Group or by Kaiser Permanente. Any retiree may choose Ross-Loos regardless of previous coverage, but only those retirees previously covered by Kaiser Permanente as an active member may choose this service plan.

Survivors of retirees are also eligible to participate in these hospital/medical plans.

In addition to the Board sponsored plans, retired firemen also may choose to remain covered under the hospital/medical plan offered by the Fire Fighters Union.

The Retirement Benefits Division should be notified of any deletions from the insurance coverage to insure that the costs for both the carrier and member are reduced accordingly.

## DENTAL/VISION CARE PLAN

Retirees, survivors, and their eligible dependents are eligible for fully or partially paid coverage under a dental/vision care plan provided for the Board of Retirement by Blue Cross of Southern California.

The dental/vision care plan is separate and distinct from the various hospital and medical insurance plans that are also available to retirees.

A different enrollment card is required to participate in the dental/vision care plan regardless of the medical plan that a retiree may select. Enrollment must be made within 60 days after retirement to participate in the plan.

The plan is of the indemnity type which means that the retiree may choose his own dentist or eye doctor and be reimbursed for the covered portion of the costs of these services.

The amount of premium for this coverage that is paid by the Board of Retirement is dependent upon the number of years of retirement service credited to the retiree when he retires. This ranges from 40% of the premium with ten full years of service credit to 100% of the premium with twenty-five or more full years of service credit.

#### **DEATH AND SURVIVOR BENEFITS — SERVICE RETIREMENT OR NONSERVICE-CONNECTED DISABILITY RETIREMENT**

When death occurs after a member has retired under the unmodified plan of retirement, the surviving spouse or the guardian for the unmarried children under age 18 through age 21, if such children remain unmarried and are regularly enrolled as full-time students in an accredited school, may be entitled to receive a monthly allowance equal to 60% of the retirement allowance received by the member before his death. To be eligible for this monthly allowance the member must have retired after September 21, 1951, and the surviving spouse must:

- a. Be named as beneficiary, and
- b. Have been married to the member at least one year before he retired.

#### **DEATH AND SURVIVOR BENEFITS — SERVICE-CONNECTED DISABILITY RETIREMENT**

The surviving spouse or the guardian for the unmarried children under age 18 (through age 21 if full-time student) continue to receive the same retirement allowance that the member received before his death. To be eligible for this benefit, the spouse must:

- a. Be named as beneficiary, and
- b. Have been married to the member when he retired.

#### **COST OF LIVING ADJUSTMENTS**

Effective on April 1 of each year all retirement allowances then payable are adjusted in accordance with the change in the consumer price index during the preceding calendar year. The amount of any adjustment may not exceed 3% of the allowance then being received. The cost of living adjustment may not exceed 2% in the case of a retiree whose current membership entry date is on or after September 1, 1977.

#### **BURIAL ALLOWANCE**

A special death benefit or burial allowance of \$750.00 is paid to the named beneficiary or estate of each retired member who dies after retirement.

**QUESTIONS AND ANSWERS THAT ARE COMMON CONCERN  
TO ACTIVE MEMBERS**

Q. WHEN SHOULD I RETIRE?

A. The most popular dates to retire are January 2nd, March 31 and July 2nd. Your age (quarter year birthday anniversary) is an important part of determining the best date of retirement.

Q. WHEN SHOULD I REQUEST TO RETIRE?

A. You should request an estimate about 90 days before your retirement date.

Q. DO I HAVE TO PURCHASE ALL RETIREMENT CREDIT PRIOR TO MY RETIREMENT EFFECTIVE DATE?

A. Any unpaid eligible retirement service credit must be purchased prior to the retirement effective date.

Q. DO I HAVE TO COME TO THE RETIREMENT DIVISION TO SIGN MY PAPERS?

A. No. Retirement matters can be handled by mail.

Q. HOW DO I DETERMINE MY LAST WORKING DATE?

A. Your last day of county employment is the day preceding your retirement date. If your retirement date falls on a day after a weekend or holiday, your last official working day is that holiday or weekend day.

Q. WHAT DOCUMENTS DO I NEED TO PRESENT TO YOU PRIOR TO RETIREMENT?

A. A signed application to retire must be presented prior to the retirement date.

If you have been married at least one year prior to retirement and if you name your spouse as beneficiary, evidence of marriage and a copy of your spouse's birth certificate should be presented to ensure survivor benefits to your spouse.

Q. CAN I RESCIND MY RETIREMENT AT A LATER DATE?

A. You may rescind your voluntary service retirement any time PRIOR to your retirement date.

Q. WHAT ARE THE TAX IMPLICATIONS IF I RETIRE IN NOVEMBER AND DECEMBER?

A. If your final outgoing check, paying you for accrued benefits (vacation, sick time, overtime) is issued by the Auditor-Controller before December 31st, it will be reflected on the W2 as taxable wages received in that calendar year.

Q: HOW DO I DETERMINE MY LAST WORKING DATE?

A: Your last working day is the day preceding your retirement effective date.

Q: WHAT DOCUMENTS DO I NEED TO PRESENT TO YOU PRIOR TO RETIREMENT?

A: If you have been married at least one year prior to retirement, a copy of your spouse's birth certificate and your recorded marriage license must be presented.

Q: CAN I RESCIND MY RETIREMENT AT A LATER DATE?

A: You can rescind anytime prior to your effective retirement date.

Q: WHAT ARE THE TAX IMPLICATIONS IF I RETIRE IN NOVEMBER AND DECEMBER?

A: If your final outgoing check, paying you for accrued benefits (vacation, sick time, overtime) is issued by the Auditor-Controller before December 31st, it will be reflected on the W2 as taxable wages received in that calendar year.

**QUESTIONS AND ANSWERS THAT ARE OF COMMON CONCERN  
TO RETIRED MEMBERS**

**Q: WHAT DO I DO IF I CHANGE MY ADDRESS?**

**A:** Notify us immediately by phone or by mail before the 20th of the month in order to have your warrant delivered to your new address on time.

**Q: DOES THE RETIREMENT DIVISION WITHHOLD TAXES OR ANY DEDUCTIONS FROM MY RETIREMENT WARRANT?**

**A:** We will not withhold any money from your retirement warrant for taxes, credit union, health insurance, other agencies, optical-dental insurance, medicare, etc., without your written authorization.

**Q: HOW CAN I STOP HAVING DEDUCTION TAKEN FROM MY RETIREMENT WARRANT?**

**A:** You must notify the credit union, alumni association, etc., in writing and request that a particular deduction be cancelled. The agency involved will notify us. If you have a deduction for Federal or State tax withholding, just notify our office in writing to cancel.

**Q: IS MY RETIREMENT PAY TAXABLE?**

**A:** There are two Internal Revenue Service rules which apply. If you recover your contribution within 36 months, you must pay taxes once you have recovered your contributions. If it takes longer than 36 months to recover your contribution, we will calculate an excludable percentage for life (based on life expectancy), and any retirement income over the excludable percentage amount is taxable. Refer to I.R.S. Publications 567 and 575 for further details.

**Q: WILL I RECEIVE A W2 TAX REPORTING FORM?**

**A:** We will send you a W2-P income form after each year-end to assist you with your income taxes. We will also send you a tax information letter with your first retirement warrant. Do not destroy this letter as it is the only one you will receive and you may need the information in future years.

**Q: WHAT ABOUT INSURANCE COVERAGE?**

**A:** You will receive an insurance package giving you a choice of medical insurance plans and Dental/Vision options after you have retired. The Board of Retirement will pay 4% for each year of credit with a minimum of 10 years of credit. Read carefully all plans and fill in the enrollment cards of your choice. Return the enrollment cards to our office. The Retirement Board does not provide any life insurance plans.

Q. WILL I KEEP MY EMPLOYEE NUMBER?

A. No. We will issue a retirement identification card, an I.D. number will be on this card. You must use this number whenever you communicate with our office.

Q. WHEN MAY I EXPECT MY FIRST RETIREMENT WARRANT?

A. You can expect your first warrant within 60 days after your retirement date. Your retirement warrant will arrive around the first day of each month in payment for the previous month. If your monthly warrant does not arrive after five (5) working days, you may request a replacement warrant. Once you have requested a replacement warrant, the original warrant is void. You then may not cash the original warrant even though you might later receive it in the mail.

Q. WHEN ARE RETIREMENT WARRANTS MAILED?

A. The retirement warrants are mailed the working day preceding the last day of each month.

Q. WHAT IF I DON'T RECEIVE MY RETIREMENT WARRANT?

A. Should you not receive your warrant by the fifth working day, after the first of the month, telephone our office for a new warrant. Do not call before the five days are past.

Q. WHAT WILL HAPPEN TO MY RETIREMENT WARRANT IF I AM ON AN EXTENDED VACATION AND WILL BE AWAY FROM HOME FOR A FEW MONTHS?

A. Request the appropriate form from LACERA for transmitting your retirement monies to your financial institution (Bank, Savings and Loan or Credit Union).

Q. DOES MY ELIGIBLE SPOUSE, UNDER THE UNMODIFIED PLAN AFTER RETIREMENT, RECEIVE 60% OF MY ALLOWANCE AFTER MY DEATH EVEN IF HE/SHE REMARRIES?

A. Yes. You must have been married at least one year prior to retirement, and your spouse must be named sole beneficiary for your surviving spouse to receive 60% of your retirement allowance.

Q. CAN I CHANGE MY BENEFICIARY AFTER I RETIRE?

A. Yes. You must do so in writing.

## GENERAL STATISTICS

	ACTIVE MEMBERS			DEFERRED MEMBERS		
	General	Safety	Total	General	Safety	Total
As of January 1, 1980 .....	59,546	8,191	67,737	1,586	206	1,792
Additions .....	<u>11,718</u>	<u>864</u>	<u>12,582</u>	<u>452</u>	<u>31</u>	<u>483</u>
	71,264	9,055	80,319	2,038	237	2,275
<b>Deductions</b>						
Withdrawals .....	7,589	302		66	8	
Retired .....	1,596	379		89	7	
Deferred .....	109	3				
TOTAL Deductions .....	<u>9,294</u>	<u>684</u>	<u>9,978</u>	<u>155</u>	<u>15</u>	<u>170</u>
As of June 30, 1981 .....	<u>61,970</u>	<u>8,371</u>	<u>70,341</u>	<u>1,883</u>	<u>222</u>	<u>2,105</u>
Unclaimed Accounts .....	781	24	805			

## RETIRED MEMBERS

	SERVICE	DISABILITY	SURVIVORS	TOTAL
<b>GENERAL</b>				
As of January 1, 1980 .....	14,786	2,381	2,694	19,861
Additions .....	<u>1,624</u>	<u>340</u>	<u>321*</u>	<u>2,285</u>
	16,410	2,721	3,015	22,146
Deductions .....	<u>400</u>	<u>73</u>	<u>82</u>	<u>555</u>
TOTAL .....	<u>16,010</u>	<u>2,648</u>	<u>2,933</u>	<u>21,591</u>
<b>SAFETY</b>				
As of January 1, 1980 .....	1,264	1,126	574	2,964
Additions .....	<u>161</u>	<u>200</u>	<u>128**</u>	<u>489</u>
	1,425	1,326	702	3,453
Deductions .....	<u>35</u>	<u>11</u>	<u>23</u>	<u>69</u>
TOTAL .....	<u>1,390</u>	<u>1,315</u>	<u>679</u>	<u>3,384</u>
<b>TOTAL RETIRED as of</b>				
June 30, 1981 .....	17,400	3,963	3,612	24,975

\* Includes survivors of 72 deceased active general members who receive life payments by election.

\*\* Includes survivors of 20 deceased active safety members who receive life payments by election.



**LOS ANGELES COUNTY  
EMPLOYEES RETIREMENT ASSOCIATION  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 1981**

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- EXHIBIT A — Statement of Financial Condition — Assets, Liabilities, and Reserves
- EXHIBIT B — Statement of Cash Receipts and Disbursements
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- EXHIBIT E — Statement of Changes in Reserves
- EXHIBIT F — Real Estate Projects subject to Direct Financing Leases

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION  
STATEMENT OF FINANCIAL CONDITION  
FOR THE YEAR ENDED JUNE 30, 1981

ASSETS

Current Assets

Cash .....	\$ 1,281,268.36 ✓
Member Contributions Receivable .....	6,370,583.88
Employer Contributions Receivable .....	22,642,840.89
Accounts Receivable — Bond Investments .....	35,277,007.84
Accounts Receivable — Mortgage Investments .....	623,717.02
Dividends Receivable .....	3,346,539.56
Proceeds Receivable — Sale of Stocks .....	1,204,624.83
Rentals Receivable .....	—0—
Interest Receivable — Pooled Surplus Investments .....	121,529.98
Reimbursable and Prepaid Expenses .....	1,466,187.32
Short-Term Investments (Book Value) .....	247,603,907.91 ✓
Net Investment in Direct Financing Leases .....	4,748,748.18
Miscellaneous Accounts Receivable .....	175,570.96
Total Current Assets .....	<u>\$ 324,862,526.73</u>

Investments

Bonds .....	\$ 1,600,128,386.58
Bonds on Loan .....	50,081,427.00
Total Bonds (at Book Value) .....	<u>\$ 1,650,209,813.58</u>

Common Stocks .....	\$ 775,714,721.92
Preferred and Convertible Stocks .....	4,690,631.54
Total Stocks (at Cost) .....	<u>\$ 780,405,353.46</u>

Net Investment in Direct Financing Leases .....	<u>\$ 220,410,725.87</u>
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FHA and VA Insured Mortgages .....	\$ 150,257,386.17
Conventional Mortgages (Commercial) .....	9,341,908.95
Conventional Mortgages (Residential) .....	503,156.47
Loan Participation Interest .....	14,243,719.51
Total Mortgages (at Book Value) .....	<u>\$ 174,346,171.10</u>

Total Investments .....	<u>\$2,825,372,064.01</u>
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Fixed Assets

Furniture and Equipment .....	\$ 80,443.44
Structure and Improvements .....	267,024.65
Total Fixed Assets .....	<u>\$ 347,468.09</u>

Total Assets .....	<u>\$3,150,582,058.83</u>
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Note: These financial statements have not been audited or reviewed by any internal or external auditor.

Employees who wish to obtain the audited financial statements for the year ended June 30, 1981 may write to:

Retirement Controls Division  
434 Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

**LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION  
STATEMENT OF FINANCIAL CONDITION  
FOR THE YEAR ENDED JUNE 30, 1981**

**LIABILITIES AND RESERVES**

**Current Liabilities**

Retirement Allowances Payable .....	\$ 1,978,703.63
Mortgage Loan Payments Collected in Advance .....	237,993.05
Accounts Payable — Purchase of Common Stocks .....	13,512,375.00
Loans Payable .....	8,156,250.00
Interest Payable — Loans .....	23,068.59
Administrative Expense Payable .....	275,001.50
Commitment Fee on Deposits .....	210,000.00
Miscellaneous Accounts Payable .....	440,075.33
Total Liabilities .....	<u>\$ 24,833,467.10</u>

**Members Deposit Reserves**

General Members .....	\$ 463,637,734.51
Safety Members .....	146,779,960.27
Unclaimed Deposits of Former Members .....	525,402.83
Total Members Deposit Reserves .....	<u>\$ 610,943,097.61</u>

**Employers Reserves**

General Members .....	\$ 74,288,541.97
Safety Members .....	96,063,954.07
Total Employers Reserves .....	<u>\$ 170,352,496.04</u>

**Retired Members Reserves**

General Members .....	\$ 1,320,844,851.45
Safety Members .....	475,425,079.21
Death Benefit Reserve .....	410,836.89
Retired Members Medical Insurance Reserve .....	18,394,154.24
Retired Members Dental/Vision Insurance Reserve .....	3,063,147.66
Total Retired Members Reserves .....	<u>\$ 1,818,138,069.45</u>

**Cost of Living Reserves**

Active Members .....	\$ 132,482,454.94
Employers Reserves .....	148,285,493.15
Retired Members .....	133,706,988.72
Total Cost of Living Reserves .....	<u>\$ 414,474,936.81</u>

**Reserve for Earnings Deficiencies, Investment Losses  
and Other Contingencies**

.....	<u>\$ 111,839,991.82</u>
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Total Liabilities and Reserves .....	<u><u>\$3,150,582,058.83</u></u>
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**EXHIBIT B**  
(Page 1 of 3)

**LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION  
STATEMENT OF CASH RECEIPTS  
FOR THE YEAR ENDING JUNE 30, 1981**

Cash Balance, July 1, 1980 .....	\$ 429,344.11
<b>RECEIPTS</b>	
<b>Members Contributions</b>	
General Members .....	\$ 43,732,737.31
Safety Members .....	8,826,212.72
Cost-of-Living .....	<u>25,083,582.24</u>
Total .....	\$ <u>77,642,532.27</u>
<b>Employers Contributions</b>	
General Members .....	\$ 165,328,123.39
Safety Members .....	55,391,750.06
Cost-of-Living .....	<u>48,990,922.76</u>
Total .....	\$ <u>269,710,796.21</u>
<b>Interest Collected on Securities</b>	
Long Term Investments .....	\$ 139,225,346.80
Short Term Investments .....	33,009,759.44
Loan on Securities .....	200,307.26
Savings Account .....	<u>58,341.16</u>
Total .....	\$ <u>172,493,754.66</u>
<b>Dividends Received on Stocks</b>	
Common Stocks .....	\$ 38,101,888.07
Preferred Stocks .....	<u>717,436.29</u>
Total .....	\$ <u>38,819,324.36</u>
<b>Debts Securities Sold or Matured</b>	
Long Term Investments .....	\$ 369,801,298.32
Short Term Investments .....	<u>9,900,443,120.45</u>
Total .....	\$ <u>10,270,244,418.77</u>
<b>Equity Securities Sold</b>	
Common Stocks .....	\$ 207,332,360.46
Preferred Stocks .....	<u>4,595,835.72</u>
Total .....	\$ <u>211,928,196.</u>

**EXHIBIT B**

(Page 2 of 3)

Statement of Cash Receipts (cont'd)

**Other Receipts**

**Other Receipts**

Rents and Return of Investments — Real Estate Projects .....	\$ 17,783,610.00
Income on Loan Participation Agreements .....	821,485.46
Repayments-Loan Participation Agreements .....	292,096.58
Interest and Return of Investments — Mortgage Loans .....	19,389,253.49
Loans Acquired .....	32,672,125.00
Investment Overpayments (Payables) .....	2,661,534.41
Collection of Interest Purchased .....	3,267,536.29
Investment Overpayment Recovery (Receivables) .....	20,216,483.07
Retired Members Contributions-Medical & Dental/Vision .....	4,066,884.70
Reimbursable Occupancy Cost .....	54,223.87
Interest on Pooled Surplus Investments .....	131,289.98
Commitment Fee on Deposit .....	210,000.00
Proceeds from Investment Options .....	50,000.00
Other Investment Income .....	297,328.13
Collection of Other Receivables .....	469,139.75
Miscellaneous Receipts .....	<u>189,840.80</u>
Total Other Receipts .....	<u>\$102,572,831.53</u>
TOTAL RECEIPTS .....	<u>\$11,143,411,853.98</u>
TOTAL CASH AVAILABLE .....	<u>\$11,143,841,198.16</u>

**LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION  
STATEMENT OF CASH DISBURSEMENTS  
FOR THE YEAR ENDING JUNE 30, 1981**

**Disbursements**

**Refunds to Terminated Members**

General Members .....	\$	14,170,671.72
Safety Members .....		1,613,552.44
Cost-of-Living .....		4,139,990.81
Total .....	\$	<u>19,924,214.97</u>

**Refunds — Employer Contributions**

General Members .....	\$	6,604.92
Safety Members .....		—0—
Cost-of-Living .....		465.02
Total .....	\$	<u>7,069.94</u>

**Death Benefits — Lump Sum**

	\$	<u>1,495,251.56</u>
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**Retirement Allowances**

General Members .....	\$	119,407,241.90
Safety Members .....		34,397,152.76
Cost-of-Living .....		30,287,800.16
Total .....	\$	<u>184,092,194.82</u>

**Retired Members Death Benefits**

	\$	<u>542,625.00</u>
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**Investments**

Bonds .....	\$10,617,542,428.98
Net Premium/Discounts .....	(83,351,169.26)
	<u>\$10,534,191,259.72</u>

Bond Interest Purchased .....	\$	<u>12,768,452.19</u>
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Common Stocks .....	\$	<u>240,231,246.20</u>
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Mortgage Loans .....	\$	<u>22,040,799.52</u>
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Mortgage Loan Service Fees .....	\$	<u>540,429.52</u>
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Mortgage Loan Interest Purchased .....	\$	<u>179,632.41</u>
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Loan Participation Interest .....	\$	<u>12,124,754.17</u>
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**Others:**

**Medical and Dental/Vision Insurance**

Retirees' Ded. \$ 3,741,386.81

Board Amount 13,795,486.68

	\$	17,536,873.49
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Loan Repayments .....	66,191,000.00
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Interest on Loans .....	1,819,822.26
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Refunds of Investment Overpayments Received .....	2,666,691.24
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Reimbursable Occupancy Cost .....	1,508,719.34
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Investment Overpayment Receivable .....	19,154,483.07
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Administrative Expenses .....	3,667,167.77
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Fixed Assets .....	333,313.95
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Investment Counsel Expenses .....	1,266,834.31
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Interest and Payments under Section 31725.5 .....	124,984.06
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Miscellaneous Disbursements .....	152,110.29
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Total Others .....	\$	<u>114,421,999.78</u>
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Total Disbursements .....	\$11,142,559,929.80
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Cash Balance, June 30, 1981 .....	\$	<u>1,281,268.36</u>
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EXHIBIT C

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION  
STATEMENT OF OPERATIONS  
FOR THE YEAR ENDED JUNE 30, 1981

Revenues:

Members Contributions .....	\$ 78,484,175.43
Pensioners Insurance Premiums .....	4,066,884.70
Employers Contributions .....	273,496,289.93
Miscellaneous Receipts .....	381,942.40
Total Contribution Revenue .....	<u>\$356,429,292.46</u>

Investment Income:

Interest Income on Bonds .....	\$170,607,991.44
Interest Income on Mortgages Loans .....	13,305,086.47
Other Interest Income .....	255,422.95
Income on Loan Participation Agreement .....	917,017.34
Dividend Income .....	43,266,407.51
Income from Financing Leases .....	13,301,664.41
Net loss on Sale of Long Term Bonds .....	(57,010,001.84)
Net Gain on Sale of Stocks .....	49,850,843.87
Net Gain on Sale of Mortgage Loans .....	41,901.61
Income-Real Estate Equities .....	71,250.00
Other Investment Income .....	371,670.60
Total Investment Income .....	<u>\$234,979,254.36</u>

Other Revenues .....	<u>\$ 22,905.71</u>
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Total Revenues .....	<u>\$591,431,452.53</u>
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Expenditures

Benefits:

Death Benefits — Lump Sum .....	\$ 2,037,876.56
Interest and Payments under Section 31725.5 .....	124,984.06
Pension and Annuity Payments .....	184,318,685.48
Retired Members Insurance Premiums .....	17,536,873.49
Total Benefit Payments .....	<u>\$204,018,419.59</u>

Refunds to Terminated Members .....	\$ 20,036,509.58
Refunds — Employers Contribution .....	7,069.94
Investment Counsel Expense .....	1,397,694.23
Mortgage Loan Service Fees .....	539,645.64
Custodian Fees .....	38,315.00
Administrative Expenses .....	3,618,470.08
Other Expenditures .....	22,999.73

Total Expenditures .....	<u>\$229,679,123.79</u>
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Excess Revenues over Expenditures .....	<u>\$361,752,328.74</u>
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EXHIBIT D

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION  
 ADMINISTRATIVE EXPENSES  
 FOR THE YEAR ENDED JUNE 30, 1981

<b>Personnel Services</b>	
Salaries and Wages .....	<u>\$1,584,880.69</u>
Employee Benefits:	
Retirement Contributions .....	\$ 202,493.25
FICA Contributions .....	63,170.12
Workers Compensation .....	—0—
Medical Insurance .....	72,075.04
Dental/Vision Insurance .....	14,450.00
Life Insurance .....	<u>417.68</u>
Total Employee Benefits .....	<u>\$ 352,606.09</u>
 Total Personnel Costs .....	 <u>\$1,937,486.78</u>
 <b>Office Expenses</b>	
Postage .....	\$ 20,231.62
Stationery and Forms .....	43,034.65
Other Supplies .....	<u>38,213.77</u>
Total Supplies .....	<u>\$ 101,480.04</u>
 <b>Other Services and Charges</b>	
Communications-Maintenance of Modules and Circuits .....	\$ 666.24
Maintenance-Office Equipments .....	296.41
Maintenance — Structure, Improvements and Grounds .....	18,958.89
Actuaries .....	66,000.00
Administrative Support .....	102,897.00
Attorney Fees .....	28,018.90
Data Processing Charges (EDP) .....	380,723.08
Other Data Processing Services (ADP) .....	207,946.69
Hearing Officer Fees .....	97,756.86
Medical Fees .....	169,113.75
Stenographic Fees .....	18,715.00
Systems Support .....	147,702.00
Rents and Leases — Office Equipments .....	42,814.14
Reproduction (Xerox Service) .....	6,728.88
Transportation and Travel .....	1,498.68
Rental — Specialized Equipment (Pensionmax) .....	101,463.66
Centralized Operations .....	150,000.00
Other Professional Services .....	35,551.09
Miscellaneous Expenses (Schedule A) .....	<u>2,651.99</u>
 Total Services and Charges .....	 <u>\$1,579,503.26</u>
 TOTAL ADMINISTRATIVE EXPENSES .....	 <u><u>\$3,618,470.08</u></u>

EXHIBIT E

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION  
STATEMENT OF CHANGES IN RESERVES  
FOR THE YEAR ENDED, JUNE 30, 1981

	Members Deposit Reserves	Employers Reserves	Retired Members Reserves	Members	Cost-of-Living Reserves Employers	Retired	Reserve for Earnings* Deficiencies, Investment Losses and other Contingencies
Balance, July 1, 1980	\$581,609,227.58	\$153,005,108.24	\$1,640,133,950.84	\$110,771,360.05	\$98,052,253.25	\$118,455,571.57	\$ 61,968,791.46
<b>Additions</b>							
Contributions	53,157,375.96	222,450,521.18		25,250,856.04	51,076,779.13		234,979,254.36
Investment Income							22,905.71
Other Income							
Retired Members			4,066,884.70				
Insurance Premiums			341,489.25				
Miscellaneous	71,480.70					13,905.50	
<b>Deductions</b>							
Pension and Annuity Payments			(154,030,885.32)			(30,287,800.16)	
Refunds of Contributions	(15,784,224.16)	(6,804.92)		(4,139,990.81)	(465.02)		
Death Benefits - Lump Sum		(1,495,251.56)	(542,625.00)				
Insurance Premiums			(17,536,873.49)				
Operating Costs							
Administrative Expenses							(3,618,470.08)
Mortgage Loan Service Fees							(539,845.64)
Investment Counsel Expense							(1,397,694.23)
Custodian Fees							(36,315.00)
Other Extraneous							(22,999.73)
Interest and Payments under Section 31725.5		(124,984.06)		(43,669.58)			
Miscellaneous	(68,625.03)						
<b>Transfers Between Reserves</b>							
Pension and Annuity Awarded	(37,840,265.51)	(213,061,550.90)	250,901,816.41	(5,037,817.25)	(6,814,825.29)	11,852,642.54	
Interest Credits and Adjustments	29,639,196.87	9,616,268.44	87,770,122.19	5,836,184.96	5,971,751.08	6,880,311.49	(145,713,835.03)
Transfers from Surplus to Fund							
Cost of Living, Death Benefits, Medical and Dental Vision Insurance	158,931.20	(31,010.38)	7,000,000.00	(154,468.47)		26,800,000.00	(33,800,000.00)
Miscellaneous			34,189.87			(7,642.22)	
Balance June 30, 1981	\$610,943,097.61	\$170,352,496.04	\$1,818,136,069.45	\$132,482,454.84	\$148,285,493.15	\$133,706,988.72	\$111,839,891.82

(5617,144.68)

234,979,254.36

EXHIBIT F

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION  
 REAL ESTATE PROJECTS SUBJECT TO DIRECT FINANCING LEASES  
 JUNE 30, 1981

Projects	Project No.	Date of Lease	Lease Period (Years)	Principal Financed	Principal Repaid	Balance June 30, 1981
Beverly Hills Municipal Court Facility	332	01-01-72	30	\$ 5,573,206.44	\$ 864,111.82	\$ 4,709,094.62
Central District Health Center	305	05-24-68	30	1,588,533.08	330,202.69	1,258,330.39
Civic Center Mall I	355	12-20-66	30	9,465,247.25	2,653,070.56	6,812,176.69
Civic Center Mall II	357	11-01-71	30	10,193,754.76	1,281,053.03	8,912,701.73
Criminal Courts Facility	315	11-01-73	30	38,570,332.16	4,197,090.45	34,373,241.71
County Downey Admin. Center	312	07-01-74	30	7,190,119.23	583,513.12	6,606,606.11
East District (Pomona) Court Facility	345	06-24-69	30	7,636,167.09	1,922,946.48	5,713,220.61
Hall of Admin. Bldg.	320	06-25-63	42	28,381,494.34	3,549,763.76	24,831,730.58
Health Admin. Building	322	02-01-72	30	13,087,984.89	1,864,249.90	11,223,734.99
Malibu Admin. Building	365	06-22-71	30	3,408,884.73	539,032.71	2,869,852.02
Mechanical Department, Parking & Service Garage	367	12-01-72	30	2,703,523.83	278,260.44	2,425,263.39
Mechanical Dept. — Phase II	368	06-01-75	30	19,113,540.47	1,099,749.05	18,013,791.42
Men's Central Jail	330	12-10-63	40	17,027,664.24	3,377,725.49	13,649,938.75
Men's Central Jail Addition	331	01-01-77	26/8/12	41,624,734.21	2,597,454.28	39,027,279.93
Municipal Traffic Court	335	11-01-73	30	17,653,582.10	1,827,904.65	15,825,677.45
Northeast District Court (Pasadena)	342	07-06-71	30	7,124,359.39	1,253,699.09	5,870,660.30
Northeast District Court Parking Structure	340	04-01-68	30	2,459,023.13	494,225.92	1,964,797.21
San Pedro Court Facility	392	06-24-69	30	1,506,377.53	245,017.67	1,261,359.86
Southeast District Court (Norwalk)	337	06-24-69	30	8,076,387.09	2,030,932.23	6,045,454.86
Southwest District Court (Torrance)	350	10-29-68	30	5,365,687.07	875,622.43	4,490,064.64
Lakewood Golf Course	375	07-08-69	20	5,463,610.00	1,837,168.91	3,626,441.09
Los Amigos Golf Course	380	05-31-67	30	2,884,148.15	396,957.24	2,487,190.91
Los Verdes Golf Course	385	05-18-65	30	2,797,681.64	534,574.87	2,263,106.77
Marshall Canyon Golf Course	390	05-31-67	30	1,232,258.09	334,480.07	897,778.02

TOTAL \$260,128,280.91 \$34,968,806.86 \$225,159,474.05

**MEMBERS OF THE BOARD OF RETIREMENT  
JANUARY 1981**

**CHAIRMAN**

H.B. ALVORD, County Treasurer and Tax Collector, Ex-officio member of the Board of Retirement by law. Elected Chairman of the Board, January 7, 1981.

**SECRETARY**

ROBERT STOTELMEYER, retired. Elected by retired members. Present term expires December 31, 1981. Elected Secretary of the Board, January 7, 1981.

**MEMBERS**

MAURICE R. CHEZ, Appointed by the Board of Supervisors. Present term expires December 31, 1981.

DAVID COMMONS, Appointed by the Board of Supervisors. Present term expires December 31, 1982.

CODY FERGUSON, Fire Captain, Forester and Fire Warden's Department. Elected by safety members. Present term expires December 31, 1983.

J. CLIFFORD HERDMAN, Appointed by the Board of Supervisors. Present term expires December 31, 1983.

RICHARD E. PACHTMAN, Head, Juvenile Division, District Attorney. Elected by general members. Present term expires December 31, 1982.

WILLIE J. STENNIS, Appointed by the Board of Supervisors. Present term expires December 31, 1981.

PAUL A. STROHMAN, Inspector, Sheriff's Department. Elected by safety members. Present term expires December 31, 1983. (Alternate)

JACK THOMAS, Sheet Metal Worker, Mechanical Department. Elected by general members. Present term expires December 31, 1981.

**MEMBERS OF THE BOARD OF INVESTMENTS  
JANUARY 1981**

**CHAIRMAN**

ALAN G. LOWY, Appointed by the Board of Supervisors. Present term expires December 31, 1983. Elected Chairman of the Board, January 14, 1981.

**VICE CHAIRMAN**

MARVIN KAYE, Deputy District Attorney, District Attorney. Elected by General Members. Present term expires December 31, 1981. Elected Vice Chairman of the Board, January 14, 1981.

**SECRETARY**

H.B. ALVORD, County Treasurer and Tax Collector, Ex-officio member of the Board of Investments by law. Elected Secretary of the Board on January 14, 1981.

**MEMBERS**

JAMES D. AKINS, Appointed by the Board of Supervisors. Present term expires December 31, 1981.

LEO B. BABICH, Appointed by the Board of Supervisors. Present term expires December 31, 1981.

CODY FERGUSON, Fire Captain, Forester and Fire Warden's Department. Elected by safety members. Present term expires December 31, 1983.

NORMAN S. JOHNSON, retired. Elected by retired members. Present term expires December 31, 1981.

RICHARD E. PACHTMAN, Head, Juvenile Division, District Attorney. Re-elected by general members. Present term expires December 31, 1982.

J. LAWRENCE STONE, Appointed by the Board of Supervisors. Present term expires December 31, 1982.



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