



Annual Report



**LOS ANGELES COUNTY
EMPLOYEES RETIREMENT
ASSOCIATION**



*For the Year Ended
June 30, 1982*



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 1981 session of the Legislature. Each member should read it carefully to become aware of the many benefits provided by this law.

You are invited to call upon the Retirement Benefit Division any time for information regarding retirement problems, or for information concerning the operation of the system. However, remember that the retirement law makes your individual record *confidential* to anyone other than yourself, except in the administration of the retirement law, or upon order of a court of competent jurisdiction. Therefore, please do not telephone about matters of confidential record. When writing, be sure to provide your home address, social security number, department and signature.

H.B. ALVORD, Administrator

A handwritten signature in black ink, reading "H.B. Alvord". The signature is written in a cursive style with a large, sweeping "A" and "V".

MEMBERS OF THE BOARD OF RETIREMENT JANUARY 1982

CHAIRMAN

CODY FERGUSON, Fire Captain, Forester and Fire Warden's Department. Elected by safety members. Present term expires December 31, 1983. Elected Chairman of the Board, January 6, 1982.

VICE CHAIRMAN

H.B. ALVORD, County Treasurer and Tax Collector, Ex-officio member of the Board of Retirement by law. Elected Vice-Chairman of the Board, January 6, 1982.

SECRETARY

ROBERT STOTELMEYER, retired. Elected by retired members. Present term expires December 31, 1984. Elected Secretary of the Board, January 6, 1982.

MEMBERS

ANDREW E. MARTIN, Appointed by the Board of Supervisors. Present term expires December 31, 1984.

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

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

SIMON S. RUSSIN, Los Angeles County Health Department. Elected April 14, 1982 by general members. Present term expires December 31, 1982.

ERNEST SHELL, Appointed by the Board of Supervisors. Present term expires December 31, 1984.

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, 1984.

MEMBERS OF THE BOARD OF INVESTMENTS JANUARY 1982

CHAIRMAN

ALAN G. LOWY, Appointed by the Board of Supervisors. Present term expires December 31, 1983. Elected Chairman of the Board, January 13, 1982.

VICE CHAIRMAN

MARVIN KAYE, Deputy District Attorney, District Attorney. Elected by general members. Present term expires December 31, 1984. Elected Vice Chairman of the Board, January 13, 1982.

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 13, 1982.

MEMBERS

JAMES D. AKINS, Appointed by the Board of Supervisors. Present term expires December 31, 1984.

SOLOMON C. SOTERAS, Appointed by the Board of Supervisors. Present term expires December 31, 1984.

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, 1984.

RICHARD E. PACHTMAN, Head, Juvenile Division, District Attorney. 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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GENERAL INFORMATION—ACTIVE MEMBERS

MEMBERSHIP

Every employee appointed to a permanent position of three-quarter time or more after January 9, 1982 (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 calendar month following his election of a retirement plan. 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 5 & 6). 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. There are no contributions deducted for Plan E members.

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. However, the rights of a spouse—or minor unmarried child, if the member had no spouse—will supercede the rights of any beneficiary named by the member prior to his death should the member die before retirement. (Also see page 12 and page 13 regarding death and survivor benefits.)

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	**7/1/82	*Current	**7/1/82
21	5.61%	7.51%	9.66%	9.85%
22	5.71	7.58	9.82	9.96
23	5.80	7.66	9.99	10.06
24	5.90	7.74	10.16	10.16
25	6.01	7.82	10.34	10.26
26	6.11	7.90	10.53	10.37
27	6.22	7.98	10.72	10.47
28	6.34	8.06	10.92	10.58
29	6.46	8.14	11.12	10.68
30	6.58	8.22	11.33	10.79
31	6.70	8.30	11.55	10.90
32	6.84	8.38	11.77	11.00
33	6.97	8.47	12.00	11.11
34	7.11	8.55	12.24	11.22
35	7.24	8.63	12.48	11.33

*Employee contribution rates are lower of *a) negotiated employee rates contained in the Memorandum of Understanding adopted by the Board of Supervisors on May 28, 1981 or **b) new rates set forth in the Actuarial Valuation of LACERA adopted by the Board of Supervisors on December 28, 1982.

TOTAL EMPLOYER CONTRIBUTION RATE

29.30%

22.05%

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")
	*Current	Membership Prior to 9/1/77	*Current	Membership 9/1/77-9/30/78	Membership 9/30/78
16	3.64%	4.87%	6.27%	6.84%	6.08%
17	3.70	4.92	6.37	6.91	6.14
18	3.74	4.97	6.43	6.93	6.21
19	3.80	5.03	6.53	7.05	6.27
20	3.84	5.08	6.61	7.13	6.34
21	3.89	5.13	6.69	7.20	6.41
22	3.93	5.18	6.78	7.28	6.47
23	3.99	5.24	6.88	7.35	6.54
24	4.06	5.29	6.98	7.43	6.61
25	4.11	5.35	7.09	7.50	6.68
26	4.18	5.40	7.21	7.58	6.75
27	4.25	5.46	7.33	7.66	6.82
28	4.34	5.51	7.46	7.74	6.89
29	4.40	5.57	7.60	7.82	6.96
30	4.49	5.62	7.74	7.89	7.03
31	4.59	5.68	7.89	7.97	7.10
32	4.67	5.74	8.05	8.05	7.18
33	4.77	5.80	8.21	8.14	7.25
34	4.86	5.85	8.38	8.22	7.32
35	4.97	5.91	8.56	8.40	7.40
36	5.08	5.97	8.75	8.38	7.47
37	5.19	6.03	8.94	8.46	7.55
38	5.31	6.09	9.14	8.55	7.62
39	5.43	6.15	9.35	8.63	7.70
40	5.55	6.21	9.56	8.72	7.78
41	5.68	6.27	9.78	8.80	7.86
42	5.80	6.33	10.00	8.89	7.93
43	5.94	6.39	10.24	8.98	8.01
44	6.08	6.46	10.48	9.06	8.09
45	6.23	6.52	10.72	9.15	8.17
46	6.37	6.58	10.98	9.24	8.25
47	6.52	6.65	11.24	9.33	8.33
48	6.68	6.71	11.50	9.42	8.41
49	6.84	6.77	11.78	9.51	8.49
50	7.00	6.84	12.06	9.60	8.58
51	7.18	6.90	12.34	9.69	8.66
52	7.34	6.97	12.53	9.78	8.74
53	7.51	7.04	12.65	9.88	8.83
54	7.69	7.10	12.76	9.97	8.91
55	7.69	7.10	12.76	9.97	9.00
56	7.69	7.10	12.76	9.97	9.08
57	7.69	7.10	12.76	9.97	9.17
58	7.69	7.10	12.76	9.97	9.26
59	7.69	7.10	12.76	9.97	9.34
& Over					

*Employee contribution rates are lower of *a) negotiated employee rates contained in the Memorandum of Understanding adopted by the Board of Supervisors on May 28, 1981 or **b) new rates set forth in the Actuarial Valuation of LACERA adopted by the Board of Supervisors on December 2, 1982.

TOTAL EMPLOYER CONTRIBUTION RATE

Plan A	Plan B	Plan C	Plan D	Plan E
19.11%	14.66%	14.19%	14.09%	12.97%

NOTES:

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.

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 \$32,400 of salary paid them during the 1982 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. The County of Los Angeles, having filed notice with the appropriate state and federal agencies, withdraw its employees from the social security system effective January 1, 1983. This withdrawal will not affect the eligibility of County employees who are already fully insured under social security.

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.

A member who resigns and withdraws contributions and then is hired at a later date, will be covered under the current benefit levels for new employees which may require higher rates of retirement contributions and provide lower retirement benefits. However, redeposit and withdrawn contributions will entitle the member to certain benefits of his original plan. Contact the Retirement Benefits Division for individual particulars.

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 any and all previously vested or accrued rights he may have had to retirement, survivor, disability, and death benefits.

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

QUALIFICATIONS FOR DEFERRED RETIREMENT

Deferred retirement status is available to members in Plans A, B, C, & D 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.

Plan E members who terminate employment will be considered to have deferred status provided they have at least 10 years of County and reciprocal agency service and are, therefore, vested. These members may receive a retirement allowance after attaining age 55. Vested members who terminate should file a Plan E Statement of Vesting form with the Retirement Benefits Division.

Members who are granted deferred retirement and are rehired at a later date, will return to the retirement system and be eligible for the same retirement benefits that previously applied. Plans A, B, C and D members would receive the contribution rate applicable to the age at the time of last entry into membership.

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 in Plans A, B, C, or D who have worked in County or district service in a non-permanent position before entering membership may obtain retirement credit for that period of 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.

Members who transferred from Plans A, B, C, and D to Plan E and have worked in County or district service in a non-permanent position before entering membership will obtain retirement credit for that period of service, such transferring members who had withdrawn from membership after terminating a previous period of County service will also obtain retirement credit for their previous service.

Employees hired on or after January 4, 1982 who elected Plan E are not eligible for retirement service credit for temporary service or for service during a previous period of LACERA membership.

Particulars applicable to each member entitled to these benefits may be obtained by written request addressed to the Retirement Benefits Division.

CREDIT FOR PREVIOUS PUBLIC SERVICE

Certain Plan A members may be eligible to purchase credit for public service with another agency prior to membership in LACERA provided that they are not entitled to retirement benefits (now or in the future) from the agency for that service. Members must meet the following eligibility requirements:

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 the LACERA since November 1, 1974 are eligible for this credit.

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

Members in Plan A who purchased credit for public service, 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. Members who transferred public service credit to Plan E may not use the public service credit to establish eligibility for service or deferred retirement.

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.

DEATH AND SURVIVOR BENEFITS FOR ACTIVE MEMBERS (PLANS A, B, C, D ONLY)

NOTE: There are no Plan E active member death and survivor benefits payable through LACERA. However, there are benefits available to eligible survivors through the Long-Term Disability and Survivors Benefit Plan which is administered by the Department of Personnel.

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 or 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) enrolled in an accredited institution 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 enrolled in an accredited institution), 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 enrolled in an accredited institution), 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 in addition to any other eligible benefits described above.

QUALIFICATIONS FOR SERVICE RETIREMENT

General Members (Plans A, B, C, D)

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

- a. Has retirement credit of 30 years of County and/or reciprocal 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 County and/or reciprocal 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. Members who wish to work beyond 70 must request approval from their department head, six months before reaching age 70, and each year thereafter.
- 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.

General Members (Plan E)

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

Is 55 years of age or older and has retirement credit for 10 or more years of County and/or reciprocal service other than public service.

Safety Members (Plans A, B)

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

- a. Has retirement credit for 20 years of County and/or reciprocal 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 County and/or reciprocal 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 (PLANS A, B, C, D ONLY)

NOTE: There are no disability retirement benefits available to Plan E members through LACERA. However, there is a Long-Term Disability and Survivors Benefit Plan which is administered by the Department of Personnel.

I. Service Connected Disability Retirement

- A. Disability is the direct result of a job-incurred injury or disease.
- B. No minimum age or service requirement.
- C. Member must be permanently disabled for the substantial performance of duty.

II. Non-Service Connected Disability Retirement

- A. Disability is not the result of a job-incurred injury or disease.
- B. Member must have a minimum of 5 years retirement service credit regardless of age.
- C. Member must be permanently disabled for the substantial performance of duty.

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 be examined by a Board appointed physician.

APPLICATION FOR RETIREMENT

A retirement application must be submitted by each eligible 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 the staff prepare a report for consideration by the Board of Retirement.

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 the Retirement Benefits Division. 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.

AMOUNT OF RETIREMENT ALLOWANCE (PLANS A, B, C, D)

The amount of the retirement allowance that will be received by a retired member and eligible spouse throughout their lifetime is dependent on the member's plan (A, B, C, or D) and the retirement settlement selected by the member when he files an application to retire. A member may choose either the Unmodified settlement or one of four optional settlements.

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 settlements 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 settlements is available from the Retirement Benefits Division.

AMOUNT OF RETIREMENT ALLOWANCE (PLAN E)

Unmodified Settlement—This option results in the largest monthly allowance possible under the law. It is paid during the lifetime of the retired member. Fifty percent of the member's monthly basic allowance at the time of death is payable each month to the member's spouse for life if the spouse was married to the member at least one year immediately before retirement and is named sole, primary beneficiary. When the member does not have a surviving spouse, the 50% continuance allowance may be paid collectively to the member's unmarried children under age 18 or through the age of 21 if such children are, and remain, unmarried and regularly enrolled as full-time students in an accredited school.

Optional Settlement—This option provides for a fixed monthly income in the amount the member selects to be paid to a co-annuitant after the member's death. The co-annuitant must have an insurable interest in the member's life at the time of retirement. The amount of the member's retirement allowance is directly affected by the age of the co-annuitant, the reduction being greater if the co-annuitant is younger. All payments cease upon the death of both annuitants.

LEVEL INCOME OPTION (PLANS A, B, C, & D ONLY)

A member who retires for service (not disability) *prior* to age 62 and who is fully insured under social security at the time of County retirement may elect to have his County retirement allowance increased until age 62. Based on the member's age and earnings at retirement, the Retirement Benefits Division makes an *estimate* of what his social security benefit will be at age 62. The member's County retirement allowance will be increased until age 62 by an actuarially established percentage of that estimate.

The member's County retirement allowance will then be reduced after he reaches 62 by the *full* amount of the estimated social security benefit. These figures are determined at the time of retirement and will not be affected by subsequent changes in social security.

If the member dies, whether before or after age 62, and leaves a spouse or minor child who is eligible to a continuance allowance, the amount of the survivor's allowance will be based on the basic allowance the member received had he not made the election to receive the "Level Income" Option.

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:

$$\begin{array}{l} \$715 \times 3 \text{ months} = \$2,145.00 \\ \underline{\$735 \times 9 \text{ months} = \$6,615.00} \\ 12 \text{ months} = \$8,760.00 \end{array}$$

Membership 9/1/77 and Later:

$$\begin{array}{l} \$655 \times 3 \text{ months} = \$ 1,965.00 \\ \$685 \times 12 \text{ months} = \$ 8,220.00 \\ \$715 \times 12 \text{ months} = \$ 8,580.00 \\ \underline{\$735 \times 9 \text{ months} = \$ 6,615.00} \\ \$25,380.00 \end{array}$$

$$\begin{array}{l} \text{Average Salary} = \\ \$8,760 \div 12 = \$730.00 \end{array}$$

$$\begin{array}{l} \text{Average Salary} = \\ \$25,380 \div 36 = \$705.00 \end{array}$$

After calculating the final compensation, find the percentage that applies to your age and years of service at retirement from the chart on pages 19-21. 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	x \$730	x \$705
Estimated retirement allowance	\$498.66	\$378.37

**IF YOU ARE COVERED UNDER SOCIAL SECURITY, PLEASE TURN TO PAGE 18
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.

**HOW TO COMPUTE A RETIREMENT ALLOWANCE ESTIMATE
(PLANS A, B, C, D)**

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

**HOW TO COMPUTE A RETIREMENT ALLOWANCE ESTIMATE
COORDINATED WITH SOCIAL SECURITY BENEFITS
(PLANS A, B, C, D)**

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 are eligible to 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 16)
2. Determine the reduction factor for age at retirement from the chart on Page 18.
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 (See Chart Below)	\$498.66
Reduction, 19 years x \$2.85 (See Chart Below)	<u>— 54.15</u>
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 (See Chart Below)	\$430.76
Reduction, 28 years x \$2.55	<u>— 71.40</u>
Reduced Retirement Allowance	<u>\$359.36</u>

NOTE: A member who contributes to social security during his employment pays less to LACERA in retirement contributions than does an employee who is not covered by social security.

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	3.05	3.05	2.84	8.51
and over				

HOW TO COMPUTE A RETIREMENT ALLOWANCE ESTIMATE UNDER PLAN E.

Members of LACERA under Plan E who want an estimate must contact the Retirement Benefits Division for a PIA figure and self-estimate form.

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	45.46	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	79.96	84.37	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

Years of service	PLAN B (9/1/77 to 9/30/78)					PLAN C and D (10/1/78 and after)			
	AGES					AGES			
	50	52	55	60	65 and over	50	55	60	65 and over
10	12.42%	13.91%	16.67%	21.82%	26.11%	11.82%	14.92%	19.17%	24.32%
11	13.67	15.30	18.33	24.00	28.72	13.00	16.42	21.08	26.75
12	14.91	16.69	20.00	26.19	31.34	14.18	17.91	23.00	29.19
13	16.15	18.08	21.67	28.37	33.95	15.36	19.40	24.92	31.62
14	17.39	19.47	23.33	30.55	36.56	16.55	20.89	26.83	34.05
15	18.63	20.87	25.00	32.73	39.17	17.73	22.38	28.75	36.48
16	19.88	22.26	26.67	34.91	41.78	18.91	23.88	30.67	38.91
17	21.12	23.65	28.93	37.10	44.39	20.09	25.37	32.58	41.35
18	22.36	25.04	30.00	39.28	47.00	21.27	26.86	34.50	43.78
19	23.60	26.43	31.67	41.46	49.62	22.45	28.35	36.42	46.21
20	24.85	27.82	33.33	43.64	52.23	23.64	29.85	38.33	48.64
21	26.09	29.21	35.00	45.83	54.84	24.82	31.34	40.25	51.08
22	27.33	30.60	36.67	48.01	57.45	26.00	32.83	42.17	53.51
23	28.57	31.99	38.33	50.19	60.06	27.18	34.32	44.08	55.94
24	29.82	33.38	40.00	52.37	62.67	28.36	35.82	46.00	58.37
25	31.06	34.78	41.67	54.55	65.28	29.55	37.31	47.92	60.80
26	32.30	36.17	43.33	56.74	67.89	30.73	38.80	49.83	63.24
27	33.54	37.56	45.00	58.92	70.51	31.91	40.29	51.75	65.67
28	34.79	38.95	46.67	61.10	73.12	33.09	41.79	53.67	68.10
29	36.03	40.34	48.33	63.28	75.73	34.27	43.28	55.58	70.53
30	37.27	41.73	50.00	65.47	78.34	35.46	44.77	57.51	72.97
31	38.51	43.12	51.67	67.65	80.95	36.64	46.26	59.42	75.40
32	39.75	44.51	53.33	69.83	83.56	37.82	47.75	61.33	77.83
33	41.00	45.90	55.00	72.01	86.17	39.00	49.25	63.25	80.26
34	42.24	47.29	56.67	74.19	88.79	40.18	50.74	65.17	82.69
35		48.69	58.33	76.38	91.40		52.23	67.08	85.13
36		50.08	60.00	78.56	94.01		53.72	69.00	87.56
37			61.67	80.74	96.62		55.22	70.92	89.99
38			63.33	82.92	99.23		56.71	72.83	92.42
39			65.00	85.10	100.00		58.20	74.75	94.85
40				87.29			59.69	76.67	97.29

GENERAL INFORMATION—RETIRED MEMBERS

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.
- f. Retired court commissioners of LA County may receive the amount equal to the difference between the retirement allowance and full compensation for services performed.
- g. Retired members may be employed on a temporary status with LA County for a period not to exceed 90 days in a calendar year.

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, Retired Members section should be contacted to make the necessary arrangements.

If you have not received your warrant within five working 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 medical insurance administered by the Board of Retirement.
- 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 and a W-2P is sent annually to each retired member and survivor. 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 dependents by the Board of Supervisors for County and District employees for which the Board of Supervisors are the governing body and by the Board of Directors of the SCAQMD for district employees. To participate in the medical insurance plans, enrollment must be made within 60 days after retirement or, in the case of disability retirees, within 60 days of the Board of Retirement meeting at which a member's application for disability was approved.

The amount of premium that is paid by the employer 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 types of administered plans by the Board of Retirement. One type 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 employers 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 employer 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

Full or partially-paid coverage under a dental/vision care plan underwritten by Blue Cross of Southern California has been made available to all retirees, survivors, and their eligible dependents by the Board of Supervisors for County and District employees for which the Board of Supervisors are the governing body and by the Board of Directors of the SCAQMD for district employees.

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 employer 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 or 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% (A,B,C,D), 50% (E) 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 the sole primary 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 or (through age 21 if full-time student) continue to receive the same retirement allowance that the member received before his death. 50% of the unmodified retirement allowance is payable under Plan E. To be eligible for this benefit, the spouse must:

- a. Be named as the sole primary 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. No cost of living increase is granted to Plan E members.

BURIAL ALLOWANCE (Plans A,B,C,D only)

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. If they were employees of the County or SCAQMD.

QUESTIONS AND ANSWERS THAT ARE OF COMMON CONCERN TO RETIRED MEMBERS

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

A: Notify the Retirement Benefits Division immediately by phone or by mail before the 18th of the month in order to have your warrant delivered to your new address on time.

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

A: We will not withhold any money from your retirement warrant for credit union, health insurance, other agencies, optical-dental insurance, medicare, etc., without your written authorization. Federal taxes will be withheld unless a written authorization is received to not have this deduction.

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 contributions, IRS will calculate an excludable percentage for life (based on life expectancy), and any retirement income over the excludable percentage amount is taxable. Refer to IRS 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 County will pay 4% of the premium cost for each year of credit with a minimum of 10 years of credit. Read carefully all plans and fill in the enrollment forms of your choice. Return the enrollment forms 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 is approved by the Board of Retirement. 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). Be sure to submit the completed form 60 days before the month you wish the automatic deposit.

Q: DOES MY ELIGIBLE SPOUSE, UNDER THE UNMODIFIED PLAN AFTER RETIREMENT, RECEIVE 60% OF MY ALLOWANCE AFTER MY DEATH EVEN IF HE/SHE REMARRIES? (Plans A,B,C,D only)

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

Q: CAN I CHANGE MY BENEFICIARY AFTER I RETIRE?

A: Yes. Unless you selected optional retirement supplements 2, 3, or 4. You must do so in writing.

GENERAL STATISTICS

	ACTIVE MEMBERS			DEFERRED MEMBERS		
	General	Safety	Total	General	Safety	Total
As of July 1, 1981	61,970	8,371	70,341	1,883	222	2,105
Additions	<u>12,799</u>	<u>913</u>	<u>13,712</u>	<u>156</u>	<u>10</u>	<u>166</u>
	74,769	9,284	84,053	2,039	232	2,271
Deductions						
Withdrawals	14,555	396		45	4	
Retired	1,542	269		89	2	
Deferred	130	10		295*	94*	
TOTAL Deductions	<u>16,227</u>	<u>675</u>	<u>16,902</u>	<u>429</u>	<u>100</u>	<u>529</u>
As of June 30, 1982	<u>58,542</u>	<u>8,609</u>	<u>67,151</u>	<u>1,610</u>	<u>132</u>	<u>1,742</u>
Unclaimed Accounts	1,055	32	1,087			

*These members were included as deferred as of 6-30-81 when they should have been considered as active employees having previous safety or general service.

RETIRED MEMBERS

	SERVICE	DISABILITY	SURVIVORS	TOTAL
GENERAL				
As of July 1, 1981	16,010	2,648	2,933	21,591
Additions	<u>1,371</u>	<u>281</u>	<u>202*</u>	<u>1,854</u>
	17,381	2,929	3,135	23,445
Deductions	<u>514</u>	<u>80</u>	<u>117</u>	<u>711</u>
TOTAL	<u>16,867</u>	<u>2,849</u>	<u>3,018</u>	<u>22,734</u>
SAFETY				
As of July 1, 1981	1,390	1,315	679	3,384
Additions	<u>103</u>	<u>189</u>	<u>47**</u>	<u>339</u>
	1,493	1,504	726	3,723
Deductions	<u>35</u>	<u>15</u>	<u>23</u>	<u>73</u>
TOTAL	<u>1,458</u>	<u>1,489</u>	<u>703</u>	<u>3,650</u>
TOTAL RETIRED as of				
June 30, 1982	18,325	4,338	3,721	26,384

*Includes survivors of 34 deceased active general members who receive life payments by election.

**Includes survivors of 4 deceased active safety members who receive life payments by election.

**LOS ANGELES COUNTY
EMPLOYEES RETIREMENT ASSOCIATION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 1982**

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EXHIBIT F — Statement of Changes in Reserves

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, 1982 may write to:

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

EXHIBIT A

Page 1 of 2

**Los Angeles County Employees Retirement Association
Statement of Financial Condition
For the Year Ended June 30, 1982**

ASSETS**Current Assets**

Cash	\$ 645,935.64
Member Contributions Receivable	5,164,783.74
Employer Contributions Receivable	26,269,212.23
Accounts Receivable—Bond Investments	42,881,114.96
Accounts Receivable—Mortgage Investments	1,201,154.62
Dividends Receivable	3,941,546.12
Proceeds Receivable—Sale of Stocks	216,988.62
Interest Receivable—Pooled Surplus Investment	48,451.68
Short Term Investments (at book value)	296,379,113.66
Net Investment in Direct Financing Leases	5,032,069.00
Miscellaneous Accounts Receivable	304,274.98
Total Current Assets	<u>\$382,084,645.25</u>

Investments

Bonds	\$1,759,131,030.96
Bonds on Loan	<u>9,415,554.36</u>
Total Bonds (at Book Value)	<u>\$1,768,546,585.32</u>
Common Stocks	\$ 834,063,828.46
Preferred and Convertible Stocks	<u>9,724,586.93</u>
Total Stocks (at Cost)	<u>\$843,788,415.39</u>
Net Investment in Direct Financing Leases	<u>\$ 215,378,656.87</u>
FHA and VA Insured Mortgages	\$ 153,355,368.34
Conventional Mortgages (Commercial)	9,127,088.08
Conventional Mortgages (Residential)	2,489,860.48
Loan Participation Interest	9,832,840.53
Real Estate Loans (Equity Participation)	<u>14,337,000.00</u>
Total Mortgages (at Book Value)	<u>\$ 189,142,157.43</u>
Real Estate Equities	<u>\$ 2,263,000.00</u>
Total Investments	<u>\$3,019,118,815.01</u>

Fixed Assets

Furniture and Equipment	\$ 97,149.54
Structures and Improvements	<u>240,296.89</u>
Total Fixed Assets (Net of Depreciation)	<u>\$ 337,446.43</u>
Total Assets	<u>\$3,401,540,906.69</u>

EXHIBIT A

Page 2 of 2

**Los Angeles County Employees Retirement Association
Statement of Financial Condition
For the Year Ended June 30, 1982****LIABILITIES and RESERVES****Current Liabilities**

Retirement Allowances Payable	\$ 2,268,404.29
Mortgage Loan Payments Collected in Advance	176,682.95
Accounts Payable—Purchase of Common Stocks	2,384,974.12
Administrative Expenses Payable	366,161.12
Commitment Fees on Deposit	559,000.00
Miscellaneous Accounts Payable	<u>414,534.93</u>
Total Liabilities	<u>\$ 6,169,757.41</u>

Members Deposit Reserves

General Members	\$427,048,414.95
Safety Members	156,933,845.53
Cost of Living	136,847,855.78
Unclaimed Deposits of Former Members	<u>466,258.04</u>
Total Members Deposit Reserves	<u>\$721,296,374.30</u>

Employers Reserves

General Members	\$ 90,500,961.87
Safety Members	97,363,765.27
Cost of Living	<u>149,071,320.29</u>
Total Employers Reserves	<u>\$336,936,047.43</u>

Retired Members Reserves

General Members	\$1,382,115,327.97
Safety Members	508,858,369.06
Cost of Living	<u>352,543,275.85</u>
Total Retired Members Reserves	<u>\$2,243,516,972.88</u>

Supplemental Reserve for Investment Losses	\$ 65,000,000.00
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Interest Stabilization Reserve	-0-
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**Reserve for Earnings' Deficiencies, Investment Losses
and Other Contingencies**

.....	<u>\$ 28,621,754.67</u>
Total Reserves	<u>\$3,395,371,149.28</u>
Total Liabilities and Reserves	<u><u>\$3,401,540,906.69</u></u>

EXHIBIT B

Page 1 of 4

**Los Angeles County Employees Retirement Association
Statement of Cash Receipts
For the Year Ended June 30, 1982**

Cash Balance, July 1, 1981 \$ 1,281,268.36

Receipts

Members Contributions

General Members \$ 62,427,213.99
Safety Members 17,714,621.40
Total \$ 80,141,835.39

Employers Contributions

General Members \$ 240,964,850.90
Safety Members 85,406,052.43
Total \$ 326,370,903.33

Interest Collected on Securities

Long Term Investments \$ 184,833,797.47
Short Term Investments 44,657,446.89
Loan on Securities 240,805.02
Savings Account 8,714.50
Total \$ 229,740,763.88

Dividends Received on Stocks

Common Stocks \$ 46,228,293.16
Preferred Stocks 553,517.31
Total \$ 46,781,810.47

Debts Securities Sold or Matured

Long Term Investments \$ 792,753,586.80
Short Term Investments 10,950,531,524.15
Total \$11,743,285,110.95

Equity Securities Sold

Common Stocks \$ 166,473,526.60
Preferred Stocks -0-
Total \$ 166,473,526.60

EXHIBIT B

Page 2 of 4

Statement of Cash Receipts (continued)

Other Receipts

Rents and Return of Investments—	
Real Estate Projects	\$ 17,783,610.00
Income on Loan Participation Interest	2,733,268.10
Repayments—Loan Participation Interest	20,899,985.51
Interest and Return of Investments—	
Mortgage Loans	18,688,594.32
Loan Acquired	67,717,250.00
Investment Overpayments (Payables)	3,261,252.15
Collection of Interest Purchased	2,523,364.44
Investment Overpayment Recovery (Receivables)	23,000.00
Retired Members Contributions—	
Medical & Dental/Vision	4,707,293.25
Reimbursable Occupancy Cost	2,886,693.20
Interest on Pooled Surplus Investments	242,912.80
Commitment Fee on Deposit	550,000.00
Loan Fees	96,358.69
Revenue—Real Estate Equities	1,440,488.61
Other Investment Income	70,166.71
Other Revenues	13,015.65
Collection of Other Receivables	280,518.81
Miscellaneous Receipts	16,927.10
Total Other Receipts	<u>\$ 143,934,699.34</u>
TOTAL RECEIPTS	<u>\$12,736,728,649.96</u>
TOTAL CASH AVAILABLE	<u>\$12,738,009,918.32</u>

EXHIBIT B

Page 3 of 4

**Los Angeles County Employees Retirement Association
Statement of Cash Disbursements
For the Year Ending June 30, 1982**

Disbursements

Refunds to Terminated Members

General Members	\$ 99,577,193.17
Safety Members	<u>1,828,655.26</u>
Total	<u>\$ 101,405,848.43</u>

Refunds—Employer Contributions

General Members	\$ 44,166,335.72
Safety Members	<u>17,985,282.60</u>
Total	<u>\$ 62,151,618.32</u>

Death Benefits—Lump Sum	<u>\$ 1,010,168.70</u>
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Retirement Allowances

General Members	\$ 160,364,206.13
Safety Members	<u>47,270,241.59</u>
Total	<u>\$ 207,634,447.72</u>

Retired Members Death Benefits	<u>\$ 501,937.15</u>
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Investments

Bonds	\$12,323,835,745.02
Net Premium/Discounts	<u>(336,396,826.71)</u>
	<u>\$11,987,438,918.31</u>

Bond Interest Purchased	\$ 22,509,683.27
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Common/Preferred Stocks	\$ 202,353,294.47
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Mortgage Loans	\$ 7,988,276.13
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Mortgage Loan Service Fees	\$ 573,357.15
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Mortgage Loan Interest Purchased	\$ 145,967.14
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Loan Participation Interest	\$ 17,823,455.34
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Real Estate Equities

Mortgage Loans	\$ 14,337,000.00
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Land Cost	\$ 2,263,000.00
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EXHIBIT B

Page 4 of 4

Statement of Cash Disbursements (Continued)

Others:

Medical and Dental/Vision Insurance	
Retired Members Contributions	\$ 4,593,522.98
Employer Contributions	16,519,289.17
Loan Repayments	75,873,500.00
Interest on Loans	1,145,599.77
Refund—Commitment Fee	120,000.00
Refunds of Investment Overpayments	3,275,412.53
Reimbursable Occupancy Costs	1,418,580.70
Investment Overpayment Receivable	\$ 23,000.00
Administrative Expenses	4,301,248.66
Fixed Assets	55,798.43
Custodian Fees	226,459.83
Investment Counsel Expense	1,367,473.06
Interest and Payments under Section 31725.5	187,978.90
Expenses—Real Estate Equities	76,671.02
Other Investment Expense	38,341.65
Miscellaneous Disbursements	<u>4,133.85</u>
Total Others	<u>\$109,227,010.55</u>
Total Disbursements	<u>\$12,737,363,982.68</u>
Cash Balance, June 30, 1982	<u>\$ 645,935.64</u>

EXHIBIT C**Los Angeles County Employees Retirement Association
Statement of Operations
For the Year Ended June 30, 1982****Revenues:**

Member Contributions	
Retirement	\$ 78,936,035.25
Pensioners Insurance Premiums	4,707,293.25
Miscellaneous Receipts	83,027.75
Employer Contributions	<u>\$330,007,047.54</u>
Total Contribution Revenue	<u>\$413,733,403.79</u>

Investment Income:

Interest Income on Bonds	\$222,205,676.94
Interest Income on Mortgages	14,956,779.97
Other Interest Income	178,549.00
Income from Loan Participation Interest	2,848,528.91
Dividend Income	51,875,130.70
Income from Financing Leases	13,034,861.82
Net loss on Sale of Long-Term Bonds	(82,397,444.34)
Net Gain on Sale of Stocks	32,536,547.80
Net Gain on Sale of Mortgage Loans	42,610.05
Income—Real Estate Equities	1,508,202.61
Other Investment Income	<u>43,610.96</u>
Total Investment Income	<u>\$256,833,054.42</u>

Other Revenues	<u>\$ 298,700.32</u>
Total Revenues	<u>\$670,865,158.53</u>

Expenditures**Benefits:**

Death Benefits—Lump Sum	\$ 1,512,105.85
Interest and Payments under Section 31725.5	187,978.90
Pension and Annuity Payments	207,924,148.38
Retired Members Insurance Premiums	<u>21,112,812.15</u>
Total Benefit Payments	<u>\$230,737,045.28</u>

Refunds to Terminated Members	\$101,405,848.43
Refunds—Employer Contributions	62,214,784.66
Investment Counsel Expense	1,342,260.27
Mortgage Loan Service Fees	576,658.50
Custodial Fees	271,299.47
Administrative Expense (Exhibit D)	4,373,373.75
Miscellaneous	<u>321,330.62</u>

Total Expenditures	<u>\$401,242,600.98</u>
Excess Revenues over Expenditures	<u>\$269,622,557.55</u>

EXHIBIT D**Los Angeles County Employees Retirement Association
Administrative Expenses
For the Year Ended June 30, 1982****Personnel Services**

Salaries and Wages	\$1,905,968.50
Employee Benefits:	
Retirement Contributions	\$ 240,645.17
FICA Contributions	82,228.85
Workers Compensation	5,183.00
Medical Insurance	114,609.14
Dental/Vision Insurance	19,867.30
Life Insurance	610.88
Total Personnel Costs	<u>\$2,369,112.84</u>

Office Expenses

Postage	\$ 34,726.10
Stationery and Forms	59,940.84
Other Supplies	52,490.50
Total Office Expenses	<u>\$ 147,157.44</u>

Other Services and Charges

Communications	\$ 66,277.27
Maintenance—Office Equipments	4,643.36
Maintenance—Structure, Improvements and Grounds	36,075.70
Actuary	83,030.17
Administrative Support	112,735.00
Attorney Fees	64,182.80
Data Processing Charges (DDP)	379,293.00
Other Data Processing Charges (ADP)	255,668.84
Hearing Officer Fees	77,649.00
Medical Fees	203,955.71
Stenographic Fees	16,430.44
Systems Support	157,019.00
Rents and Leases—Office Equipments	58,165.75
Reproduction (Xerox) Service Fees	2,331.40
Transportation and Travel	1,503.98
Rental—Specialized Equipment	111,613.43
Centralized Operations	150,000.00
Other Professional Services	17,524.40
Miscellaneous Expenses	4,516.90
Total Services and Charges	<u>\$1,802,616.15</u>

Depreciation—Fixed Assets	<u>\$ 54,487.32</u>
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TOTAL ADMINISTRATIVE EXPENSES	<u>\$4,373,373.75</u>
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EXHIBIT E

Los Angeles County Employees Retirement Association
Real Estate Projects Subject to Direct Financing Leases
June 30, 1982

Loc. #		Date of Lease (Years)	Lease Period	Principal Financed	Principal Repaid	Balance June 30, 1982
305	Central Dist. Health Center	241 N. Figueroa St., LA	05-24-88 30	\$ 1,588,533.08	\$ 364,634.93	\$ 1,223,898.15
312	Co. Downey Admin. Center	9150 E. Imperial Hwy., Downey	07-01-74 30	7,190,119.23	688,988.85	6,501,130.38
315	Criminal Courts Facility	210 W. Temple St., LA	11-01-73 30	38,570,332.16	4,899,406.56	33,670,925.60
320	Hall of Administration	500 W. Temple St., LA	06-25-83 42	28,381,494.34	3,859,324.92	24,522,169.42
322	Health Admin. Bldg.	313 N. Figueroa St., LA	02-01-72 30	13,087,964.89	2,120,806.94	10,967,177.95
330	Men's Central Jail	441 Baughet St., LA	12-10-83 40	17,027,864.24	3,660,604.89	13,367,059.35
331	Men's Central Jail Addn.	441 Baughet St., LA	01-01-77 26-8/12	41,824,734.21	3,304,535.72	38,320,198.49
332	Beverly Hills Mun. Court Facility	9355 Burton Way, BH	01-01-72 30	5,573,206.44	981,481.42	4,591,725.02
335	Municipal Traffic Court	1945 S. Hill St., LA	11-01-73 30	17,653,582.10	2,137,751.44	15,515,830.66
337	Norwalk (SE Dist.) Court Facility	12720 Norwalk Blvd. NW	08-24-89 30	8,076,387.09	2,289,158.13	5,807,230.96
340	Pasadena (NE Dist.) Court Parking Structure	199 N. Garfield Ave., Pasadena	04-01-88 30	2,459,023.13	544,403.15	1,914,619.98
342	Pasadena (NE Dist.) Court Facility	350 E. Walnut, Pasadena	07-06-71 30	7,124,359.39	1,412,883.19	5,711,476.20
345	Pomona (E Dist.) Ct. Facility	250 W. 5th St., Pomona	06-24-89 30	7,636,167.09	2,157,186.20	5,478,980.89
350	Torrance (SW Dist.) Ct. Facility	825 Maple Ave., Torrance	10-29-88 30	5,385,667.07	970,081.86	4,395,585.21
355	Civic Center—Mall I	Los Angeles Civic Center	12-20-86 30	9,485,247.25	2,894,954.78	6,570,292.49
357	Civic Center—Mall II	Los Angeles Civic Center	11-01-71 30	10,193,754.76	1,448,217.98	8,745,536.78
365	Malibu Admin. Center	23519 W. Stuart Ranch Rd., Malibu	06-22-71 30	3,408,884.73	608,791.13	2,799,093.60
367	Mech. Parking/Svc. Garage	1055 N. Alameda St., LA	12-01-72 30	2,703,523.83	322,219.48	2,381,304.35
375	Mech. Dept.—Phase II	1080 N. Eastern Ave., LA	08-01-75 30	19,113,540.47	1,330,020.51	17,783,519.96
375	Lakewood Golf Course	3101 Carson Blvd., Lakewood	07-08-89 20	5,463,610.00	2,081,151.08	3,382,458.92
380	Los Amigos Golf Course	7295 Quill Dr., Downey	05-31-87 30	2,884,148.15	436,253.28	2,447,894.87
385	Los Verdes Golf Course	30201 S. Hawthorne Blvd., Rancho Palos Verdes	05-18-85 30	2,797,881.64	583,496.95	2,214,184.69
390	Marshall Canyon Golf Course	6100 N. Stephens Ranch Rd., La Verne	05-31-87 30	1,232,258.09	388,037.08	864,221.01
392	San Pedro Municipal Court Facility	505 S. Center St., San Pedro	08-21-89 30	1,506,377.53	272,166.59	1,234,210.94
TOTAL				<u>\$280,128,280.91</u>	<u>\$39,717,555.04</u>	<u>\$220,410,725.87</u>

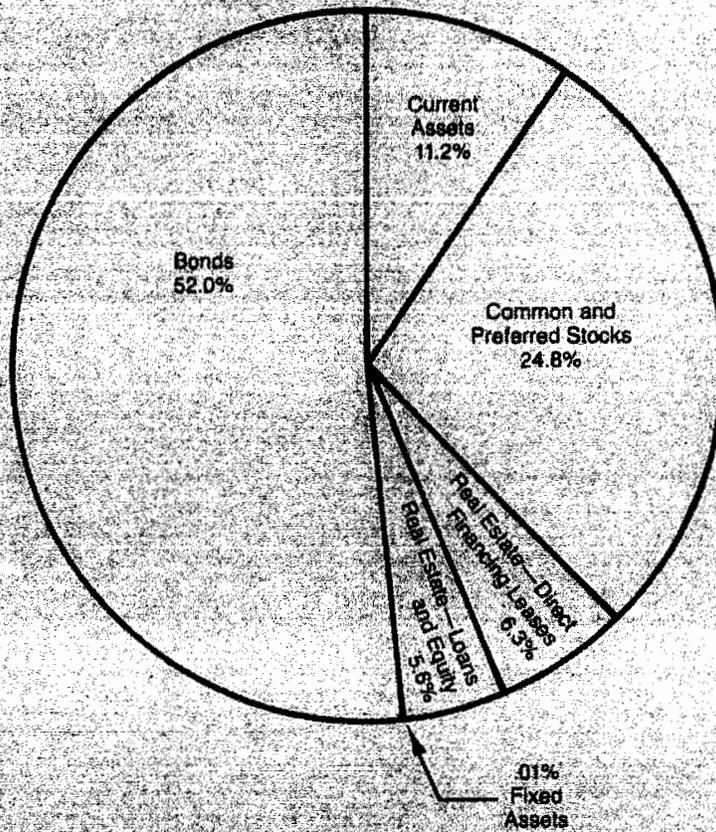
EXHIBIT F

Los Angeles County Employees Retirement Association
Statement of Changes in Reserves
For the Year Ended, June 30, 1982

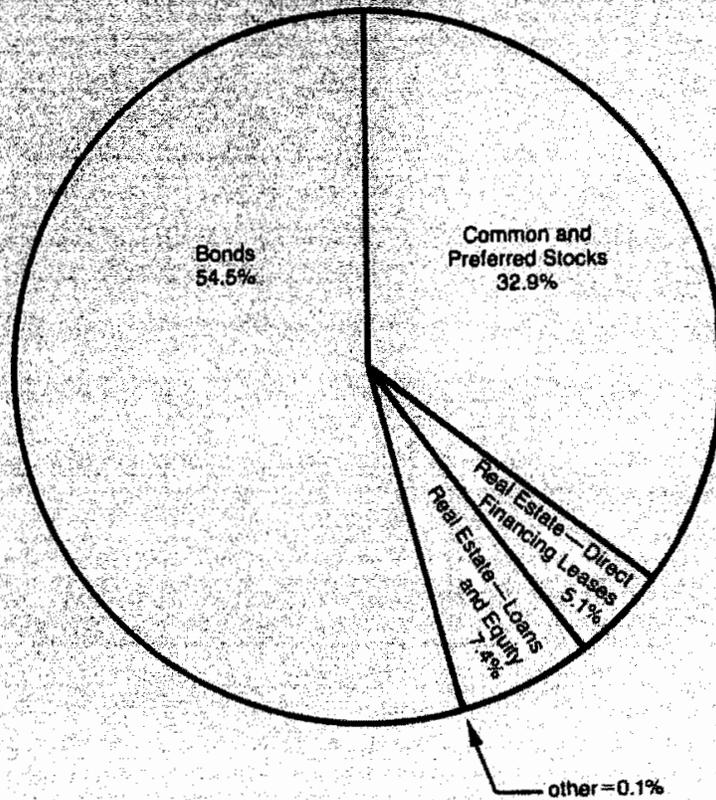
	Members Deposit Reserves	Employers Reserves	Retired Members Reserves	Cost-of-Living Reserves			Reserve for Earnings' Deficiencies, Invest- ment Losses and Other Contingencies	Supplemental Reserve for Invest. Losses	Interest Stabilization Reserve	TOTAL RESERVES
				Members	Employers	Retired				
Balance, July 1, 1981	\$610,943,097.81	\$170,352,496.04	\$1,818,136,069.45	\$132,482,454.94	\$148,265,493.15	\$133,706,986.72	\$111,839,991.82	-0-	-0-	\$3,125,748,591.73
Additions:										
Contributions										
Retirement	54,917,678.18	290,285,106.16	-0-	24,018,359.07	39,721,941.38					408,943,062.79
Adjustments		(71,033,371.05)			33,171,248.10	37,862,122.95				-0-
Insurance Premiums			4,707,293.25							4,707,293.25
Investment Income							256,833,054.42			256,833,054.42
Other Income							298,700.32			298,700.32
Miscellaneous	67,839.22		3,070.73	12,017.80						83,027.75
Total Additions	\$ 54,985,515.40	\$219,251,735.11	\$ 4,710,363.98	\$ 24,030,376.87	\$ 72,893,189.48	\$ 37,862,122.95	\$257,131,754.74			\$ 670,865,158.53
Deductions:										
Pension and Annuity Benefits			172,268,017.78			35,656,130.62				\$ 207,924,148.38
Death Benefits—Lump Sum		1,010,168.70	501,937.15							1,512,105.85
Interest and Payments under Section 31725.5		187,978.90								187,978.90
Insurance premiums										
Retirees' Contributions			4,593,522.96							4,593,522.96
Employers' Participation			16,519,289.17							16,519,289.17
Refunds	\$ 79,234,239.23	62,214,784.66		22,171,809.20						163,620,633.09
Operating Cost										
Investment Counsel Expense							1,342,260.27			1,342,260.27
Mortgage Loan Service Fees							576,658.50			576,658.50
Custodial Fees							271,299.47			271,299.47
Administrative Expenses							4,373,373.75			4,373,373.75
Other Expenditures										-0-
Miscellaneous	300,399.35			20,931.27						321,330.62
Total Deductions	\$ 79,534,638.58	\$ 63,412,932.26	\$193,882,767.06	\$ 22,192,540.47	-0-	\$ 35,656,130.62	\$ 6,563,591.99			\$ 401,242,600.98
Transfers:										
Pension and Annuities	(41,565,674.14)	(213,958,781.74)	255,524,655.88	(8,249,563.32)	(82,983,377.62)	89,232,940.94				-0-
Interest Credited	39,613,071.13	13,443,025.25	124,201,667.77	8,778,494.30	10,873,550.39	14,624,489.14	(211,532,297.98)			-0-
Transfer from Retired Members Reserve Basic to Cost of Living			(112,419,100.00)			112,419,100.00				-0-
Transfer to fund Employer Reserves Reverted Back by Auditors to General Fund		62,214,784.66					(62,214,784.66)			-0-
Transfer to Close Reserves for Medical, Dental/Vision and Retired Members D/B			(4,960,682.74)				4,960,682.74			-0-
Miscellaneous	7,247.10	(25,599.92)	(338,510.25)	633.48	2,464.89	353,764.72				-0-
Transfer to fund potential Investment Losses for FY 1982-83							(65,000,000.00)	\$ 65,000,000.00		-0-
Balance June 30, 1982	\$584,448,518.52	\$187,864,727.14	\$1,890,973,697.03	\$136,847,855.78	\$149,071,320.29	\$352,543,275.85	\$ 28,621,754.67	\$ 65,000,000.00	-0-	\$3,395,371,149.28

Fiscal Year Ended June 30, 1982

Assets \$3,401,540,907.



Return on Assets Invested
\$254,642,836.



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