

News for Active Members

Pathways to Retirement

June 2024
Vol. 35, No. 2



LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

Appointments and Tools Customized to You



LACERA has always prided itself on its highly personalized service to its members, and we continue to explore ways to improve upon your member experience in every way that you interact with LACERA.

Your first step for LACERA information and knowing how to take action regarding your benefits is lacera.com, since it is accessible to you any time! Under the Active Members tab, we provide summaries on key pre-retirement topics such as service credit, reciprocity, disability, divorce/dissolution, retirement planning, power of attorney, beneficiaries, and more, along with resource guides, related forms, and links for action steps and self-service transactions on My LACERA.

Of course, even after reviewing the information available to you, sometimes you have questions and need to speak with a specialist during business hours. Helping you is what we are here for, and improving how we do it is a constant effort.

Over the last year, we have concentrated on one of the

most important experiences you will have with LACERA as a member—your retirement process. As mentioned in last month’s issue, we went live with the My LACERA online service retirement application in January and rolled out our new counseling model in February. The new counseling model emerged out of months of reviewing, restructuring, and revising our process and related materials in all of our platforms. The new counseling model and online application are designed to complement each other and help you retire efficiently and timely, and they are already yielding positive reviews and results.

Our success in creating a more streamlined, cohesive, and seamless experience is extending to other transactions as well. We have prioritized the most common needs of members and applied the lessons learned in revamping our retirement process to provide more consistent service in a variety of other scenarios. Now when you make an online appointment, we ask you to select the reason for your session from a dropdown menu. This helps ensure we are fully prepared with the information and materials you need

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FROM THE EXECUTIVE DESK

SANTOS H. KREIMANN, CHIEF EXECUTIVE OFFICER

- LUIS A. LUGO, DEPUTY CHIEF EXECUTIVE OFFICER
- LAURA GUGLIELMO AND JJ POPOWICH, ASSISTANT EXECUTIVE OFFICERS

BOARD OF RETIREMENT

SHAWN R. KEHOE

Chair
Alternate Trustee
Elected by Safety Members

LES ROBBINS

Vice Chair
Elected by Retired Members

RONALD OKUM

Secretary
Appointed by Board of Supervisors

NANCY M. DURAZO

Elected by General Members

ELIZABETH B. GINSBERG

County Treasurer and Tax Collector
Ex-Officio Trustee

VIVIAN H. GRAY

Elected by General Members

JASON E. GREEN

Elected by Safety Members

JAMES P. HARRIS

Alternate Trustee
Elected by Retired Members

WAYNE MOORE

Appointed by Board of Supervisors

DAVID E. RYU

Appointed by Board of Supervisors

ANTONIO SANCHEZ

Appointed by Board of Supervisors

BOARD OF INVESTMENTS

PATRICK L. JONES

Chair
Appointed by Board of Supervisors

ELIZABETH B. GINSBERG

Vice Chair
County Treasurer and Tax Collector
Ex-Officio Trustee

VACANT

Secretary

TREVOR G. FAY

Appointed by Board of Supervisors

MIKE GATTO

Appointed by Board of Supervisors

JASON E. GREEN

Elected by Safety Members

DEBBIE MARTIN

Elected by Retired Members

NICOLE MI

Elected by General Members

DAVID E. RYU

Appointed by Board of Supervisors

Hello, members!

Here we are, already halfway through 2024! I hope you enjoyed the extra rain this year and wish you a terrific summer. Special thanks to those of you working in public safety, parks and recreation, elections outreach, youth services, and other occupations that ramp up at this time of year.

Fund Update

Thanks to the Board of Investments' strategic asset allocation, LACERA's fund achieved a 10.3 percent return in 2023, outperforming its annual, five- and 10-year benchmarks and actuarial return target. The Board recently approved adjustments to the strategic asset allocation to continue driving results that support our mission. See Chief Investment Officer Jon Gabel's article on page 4 for more details.

Modern Tools Help With the March Rush

We have tied up the annual "March Madness" retirement season, which requires an all-out effort on the part of several LACERA divisions to manage and process the spike in member retirements. I want to acknowledge and give a big shout-out to our Member Services, Retiree Healthcare, Benefits, and Document Processing staff members for working diligently and collaboratively to retire 1,963 members this year.

In its rollout year, the My LACERA service retirement application proved to be a popular and successful tool, streamlining the retirement process for members and our employees alike. For the soft rollout in January, 5 percent of retiring members used the application. By February that number rose to 14 percent, and in March it rose to 22 percent. These percentages exceeded our expectations, and we are glad to see

members take advantage of this convenient new way to retire.

The online application is a significant step toward meeting our first strategic priority of providing a superior (and modern) member experience. We are working out a few technical issues based on user feedback, but overall members have reported they appreciate being able to complete their retirement online and are looking forward to more online processes, versus having to complete and mail or upload forms.

The application rollout is another step forward in our efforts to automate work processes through our new case management system (CMS). We are continuing to develop our CMS capabilities so that the online application triggers several work processes and cuts down on highly manual form scanning—so the retirement process will move much quicker while being highly accurate.

Implementing Our Strategic Plan

We held our annual Board of Retirement (BOR) offsite meeting at end of May, which is an intensive two-day information and strategy session that allows the BOR, executive team, managers, and key staff members to focus on planning, operations, budgeting, and other foremost topics for the organization. This year, our five-year strategic plan implementation continued to shape our activities, discussions, and decisions. The action planning groups assigned to each strategic priority and its underlying objectives presented their charters and action plans, with the BOR providing feedback and suggested modifications. By the time we print this issue, the approved action plans should be posted on lacera.com/leadership/strategic-plan, so be sure to check the strategic priority progress trackers for more details about our next steps.

Hello, and Goodbye: Board Updates

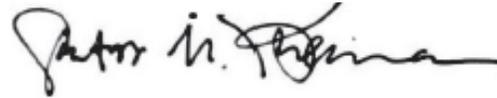
In February, newly appointed Trustee Trevor Fay joined the Board of Investments, and in March, Trustees Keith Knox and Herman Santos both retired. Welcome, Trevor; thank you, Keith and Herman, for your many years of service to County residents as well as LACERA members; and congratulations to Elizabeth Ginsberg, who has stepped into the ex-officio trustee position as part of her appointment to County Treasurer and Tax Collector. See Accomplishments on page 4 for more details about our new and departing trustees' service and contributions.

Capitol Efforts

As part of our responsibility in protecting your benefits, it's important for LACERA to be involved in legislative efforts, foster constructive relationships with lawmakers,

and consistently promote the value and contributions of public service employees. In March, Legislative Officer Barry Lew, Deputy Chief Executive Officer Luis Lugo, Legislative Advocate Naomi Padron, and I met with over a dozen California assemblymembers and senators to advocate on your behalf and provide input on pending legislation. Our visit was specifically aimed at educating our legislators on how our members strengthen the health and vitality of our communities, both while working and after retirement.

We have an ambitious schedule the next several months, and I look forward to updating you on our accomplishments and progress in the fall issue of *Pathways*. Have a great summer!



General Members: Upcoming LACERA Trustee Elections

In August, the County is holding elections for the third trustee seats on LACERA's Board of Retirement (BOR) and Board of Investments (BOI). The current trustees' terms expire on December 31, 2024.

After the election and certification by the Board of Supervisors, the elected BOI trustee will take office immediately through the end of 2024, to finish out the term of Trustee Herman Santos, who retired in March. The elected BOR trustee will begin their term on January 1, 2025.

Active LACERA general members will have three options for casting their votes: paper ballot, online, or over the phone.

More details about the election and voting options will be sent in the last half of July.

We recommend that you update or provide your current email address on My LACERA so you can receive election information and reminders via email. To edit your profile, please log in to your My LACERA account or call us at 800-786-6464.

Interested in serving as a trustee? Refer to the election notice found on the Executive Office website at: <https://bos.lacounty.gov/services/conflict-of-interest-lobbyist/lacera-elections>. Completed nomination packets must be filed with the Registrar-Recorder/County Clerk no later than 5:00 p.m. on June 21, 2024. Good luck!



Jonathan Grabel

Update From the Chief Investment Officer

In 2023, LACERA achieved a 10.3 percent return, resulting in a net asset value of \$75.9 billion as of December 31, 2023. Over the past five and 10 years, the fund has produced net returns of 9.2 percent and 7.5

percent, respectively, surpassing both its benchmark returns as well as the fund's actuarial return target of 7 percent. The outperformance is due to LACERA's strategic asset allocation, which diversifies exposure across different asset classes to maximize returns while minimizing uncompensated risk. LACERA's Board of Investments reviews and approves the fund's strategic asset allocation every three to five years to ensure an optimal long-term risk-adjusted portfolio.

The Board of Investments' strategic asset allocation review is thorough, encompassing discrete factors that allow the fund to drive returns as well as tolerate investment risks. These

factors include, but are not limited to, the fund's current and projected funded status, liquidity requirements, the long-term risk and return of different asset classes, and an assessment of future economic conditions. In an effort to continuously attain LACERA's mission, the Board of Investments approved a new strategic asset allocation. This decision was based on a comprehensive study that took place over 10 months and aligns with LACERA's Board-approved strategic initiatives. The new allocation continues to consist of a well-diversified portfolio, harmonizing with LACERA's investment beliefs. The proposed strategic asset allocation offers a higher probability of achieving LACERA's 7 percent target return without increasing the fund's risk compared to the previous policy allocation.

LACERA's investment performance stems from disciplined strategic asset allocation execution and further driving strategic initiatives. To continue delivering results, LACERA will maintain a steadfast focus on its asset allocation through its strategic initiatives and remain committed to fulfilling its mission of providing the promised benefits to its members.



LACERA Accomplishments

Board Updates

In the March issue, we introduced you to four new LACERA trustees—Nancy Durazo, Mike Gatto, Debbie Martin, and Nicole Mi—and announced that Wayne Moore was returning to serve on the Board of Retirement. Since then, we have had additional movement on the Boards.



Trevor Fay

Trevor Fay was appointed to the Board of Investments in February to complete the term of Onyx Jones, who retired from service last December. Mr. Fay is an investment professional, entrepreneur, and innovator, with extensive expertise in real estate, alternative investments, capital markets, impact and ESG measurement, and financial analysis. He is also actively involved in industry and community leadership and is passionate about providing mentorship, learning, and career opportunities to future investment professionals from underrepresented groups.



Elizabeth Ginsberg

As of the end of April, after being named County Treasurer and Tax Collector, Trustee **Elizabeth Ginsberg** has moved from the acting ex-officio to the ex-officio position on both boards. Ms. Ginsberg has over 26 years of combined experience managing various areas of accounting, internal controls, treasury management, property collections, and public administration. She also serves as the ex-officio member on the County's three Deferred Compensation Plan administrative committees. We are glad to have her step into this role.

Notable Retirements

Two long-time LACERA trustees retired at the end of March. Their leadership, insight, expertise, and engagement will be greatly missed.



Keith Knox

Keith Knox retired as L.A. County Treasurer and Tax Collector and, therefore, his ex-officio trustee positions on LACERA's Boards of Retirement and Investments. Mr. Knox served on the boards from 2015—first as acting ex-officio before being officially instated as County Treasurer and Tax Collector and LACERA ex-officio trustee in 2020. Among other contributions, Mr. Knox served as the Board of Investments Chair and Vice Chair and was an officer and/or active member on several committees, including Audit, Joint Organizational Governance, Corporate Governance, Operations Oversight, Credit and Risk Mitigation, and Real Assets.



Herman Santos

Herman Santos, elected by general members, served on the Board of Investments from 2004 and Board of Retirement from 2017. He performed various leadership roles on both boards, including Chair, Vice Chair, and Secretary on the Board of Investments, and Chair and Vice Chair on the Board of Retirement. He was also a valuable member and officer on various committees, including the Audit Committee, Corporate Governance Committee, Equity Public/Private Committee, Real Assets Committee, and Credit and Risk Mitigation Committee.

CIO Jon Grabel Recognized by DEIC Power100

LACERA Chief Investment Officer Jonathan Grabel has been included in the Allocator's category of the Diversity, Equity, and Inclusive Capitalism Power100 List. Grabel has been recognized for his leadership in championing diversity in all aspects of LACERA's investment strategies—including the nurturing of talent and development of the groundbreaking T.I.D.E initiative, which incorporates DEI into the evaluation process of all LACERA external managers.

Congratulations to Jon and the entire LACERA Investments team for this well-deserved recognition!

Honoring Nearly Six Decades of Service

Georgia Langdon

Senior Clerk, Department of Public Social Services (DPSS), Lancaster District

After 58 years and one month of County service, DPSS Senior Clerk Georgia Langdon retired on February 3, 2024. Congratulations on this amazing achievement, Georgia!

Georgia first started working for DPSS on an unpaid status in February 1965. She was one of the first welfare recipients to be placed to work in a DPSS office. Georgia worked with the program for 11 months before passing the County test. She was hired as a clerk on January 3, 1966, working the mail desk and stockroom before promoting to Typist Clerk, Intermediate Typist Clerk, and Supervising Clerk.

Georgia accepted a reassignment to Senior Clerk/Timekeeper in July 2011, finding her true niche and excelling due to her high degree of accountability. She became the go-to for supervisors and management alike,



with her name being synonymous for anything related to timekeeping. Her vast knowledge will be missed for years to come.

Before her County career, Georgia became a mom to three boys; today she is a proud grandmother to six grandchildren and five great-grandchildren. County service spans her family's generations: Both her parents were L.A. County employees, and one of her sons is currently a Sergeant with the L.A. County Sheriff's Department.

Georgia enjoys reading the Bible and attending her local church. She is a loyal supporter of many local nonprofit agencies and contributes her time and resources to United Way, Shriners, St. Jude, and various homeless programs administered by her church.

Thank you for your decades of dedicated service, Georgia! We wish you a long and healthy retirement.

Submitted by Patricia Guevara, Director



MEMBER SPOTLIGHT

Advocating for You at the State Capitol

On March 19 and 20, CEO Santos Kreimann, Deputy CEO Luis Lugo, Legislative Officer Barry Lew, and Legislative Advocate Naomi Padron conducted a two-day visit to the State Capitol in Sacramento. The trip was aimed at providing legislators an overview of LACERA, our membership, and how both our active and retired members have a positive economic and social impact on the State of California and County of Los Angeles.



LACERA's team met with 13 state senators and assemblymembers, including Assemblymembers Tina McKinnor (D-Inglewood) and Tom Lackey (D-Palmdale), Chair and Vice Chair, respectively, of the Public Employment and Retirement Committee, and staff from the office of Senator Scott Wilk (R-Santa Clarita), Vice Chair of the Senate Labor, Public Employment, and Retirement Committee.

The group also discussed bills sponsored by the State Association of County Retirement Systems (SACRS) that will come to the Assembly Public Employment and Retirement Committee during this legislative cycle and met with CalSTRS CEO Cassandra Lichnock and her team to discuss and strategize issues facing public pension organizations.

Appointments and Tools Customized to You, cont. from cover

when your session starts and can make the most of your time.

We will continue to enhance the lacera.com and My LACERA platforms by adding specialized resources like walkthrough videos and step-by-step processes under the topic sections,

right where you need them. These are being created to help you understand your benefits better, provide you with actionable information, and empower you to conduct self-transactions during nonbusiness hours. We'll keep you posted as we roll out more of these helpful tools!

Join Us: Webinars for Your Career Level

Have you started preparing for retirement? Let us help! LACERA partners with Empower Retirement to host workshops and webinars to help you plan for your future.

- **New Hire Orientations** are held on the first Wednesday of each month (plus additional Wednesdays to meet demand). This workshop is geared toward new and recent hires in Plan G/Safety C who have been working for L.A. County for less than two years since their hire date and for other new employees who want a refresher on how their pension and 457(b) or 401(k) plans work.
- **Mid-Career seminars** are held on the first Thursday of each month. This seminar is for members in the early to mid-stages of their careers. At this seminar, you will learn how to make sure you are on the right track for retirement.
- **Pre-Retirement and Retiree Healthcare workshops** are held every Tuesday (except for Tuesdays immediately following a holiday). These comprehensive workshops offer valuable retirement strategies and benefits information to help you prepare for a financially secure future. In addition to this workshop, there is a Long-Term Care Insurance



Planning session to help you plan or pay for personal care that you may need due to a disability or long-term illness.

- **Retirement Options webinars** are held on Thursdays. These webinars help familiarize you with your retirement options to help you select the option that is best for you. You'll learn how to structure your monthly payments and what continuing benefits you can leave to your beneficiaries.

Other workshops offered on a rotating basis include: the LACERA Special Durable Power of Attorney, My LACERA navigation, Active and Retired Death Benefits, Post Retirement, and a variety of mini-webinars hosted by Empower.

To register online, visit lacera.com, click "Active Members" and then click "Workshops." We look forward to seeing you!

Highlight on

Caribbean American Heritage Month



June is Caribbean American Heritage Month, honoring the profound contributions of Caribbean people to our society and culture. From valiant service in the military during the American Revolutionary War to pivotal roles in the Civil Rights Movement, Caribbean Americans have been integral to the nation's history. Their cultural traditions have significantly enriched the American cultural mosaic, influencing everything from music and cuisine to literature and politics.

Although Los Angeles lacks defined Caribbean neighborhoods (as opposed to distinct areas like Koreatown and Little Ethiopia), the vibrant spirit of the islands is still found throughout the city. This influence is celebrated through events such as the annual JazzReggae Fest and lively Hollywood Carnival, as well as beloved local establishments like Porto's Bakery and the Original Coley's, all of which highlight the enduring impact and deep roots of Caribbean Americans in the City of Angels.

In the mood for Caribbean culture? Here are a few of this year's events to check out:

- CariCon, June 1 and 2: more info at www.cari-con.org
- Hollywood Carnival 2024, June 20 to 23: more info at www.carnivaland.net/hollywood-carnival
- Long Beach Reggae and Food Fest 2024, July 6: more info at www.cahfla.org

Other Heritage Months

- June: LGBTQ+ Pride Month
- June: Caribbean American Heritage Month
- June: Immigrant Heritage and Refugee Awareness Month
- July: French American Heritage Month
- July: Muslim American Heritage Month

Editorial note: In the last issue, we did not include Armenian History Month in the list of recognized April heritage months. LACERA greatly values the contributions of our Armenian colleagues and greater community, and deeply regrets the omission.



"If they don't give you a seat at the table, bring a folding chair."

- Shirley Chisholm

Did You Know ...?

Did you know that Target Date Funds are automatically diversified for you?

Target Date Funds (TDFs) are named for an expected year of retirement. Each TDF features an investment mix that gradually changes and becomes more conservative as the fund gets closer to the year of the target date; however, the principal value of the fund is never guaranteed. In general, these are great for people who want a professionally constructed, diversified portfolio. To figure out which TDF may be right for you, combine your expected age of retirement and your birth year. For example, if you were born in 1970 and you wished to retire at the age of 68, you may want to consider the 2040 Target Date Fund applicable to your plan. You should also consider your risk tolerance when selecting a fund. For a complete list of TDFs available, visit the Investment Information section at www.CountyLA.com.

Did you know the County matches up to 4 percent of your total compensation?

Just for participating in the 457(b) Horizons and/or 401(k) Savings Plans, the County may provide a match on your pre-tax contribution for up to 4 percent of your total compensation. To help you calculate the payroll contribution percentage needed to meet your savings goal, an online contribution calculator is available at www.CountyLA.com.

¹“What percentage of salary to pay for retirement,” Investopedia February 2022: <https://www.investopedia.com/retirement/how-much-you-should-have-saved-age/>

Asset allocation and balanced investment options and models are subject to the risks of their underlying investments. Investing involves risk, including possible loss of principal.

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Did you know that LACERA and the County of Los Angeles Defined Contribution Plans work together?

Many financial advisers say you'll need about 80 percent¹ of your pre-retirement earnings to comfortably maintain your current standard of living in retirement. Your LACERA and/or Social Security benefits may not be enough to cover your retirement expenses. That's where the Deferred Compensation Plans comes in. The Horizons 457(b) and/or Savings 401(k) Plans can help bridge the retirement income gap. To learn more, set up a comprehensive account review with your local office representatives. Call **800-947-0845** to make an appointment.

Did you know you can set up an automatic increase for your contributions?

With automatic increase, your contributions are automatically increased 1 percent or a percentage of your choosing each year until it reaches your preset maximum percentage. This unique time-saving feature is an easy way to increase your savings rate each pay period all while saving time. You won't need to remember to increase your contributions annually, you can set it up automatically! Log in to your account at www.CountyLA.com and click on *Paycheck contributions* to get started.



Fraud Alert: Be Wary of Voice Clone Calls

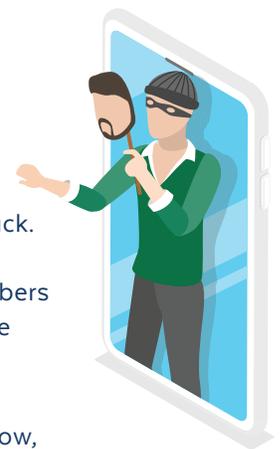
The rise of artificial intelligence (AI) has many positive practical applications, but the availability of AI software has also opened the door for bad actors to create increasingly sophisticated scams.

With just a short audio clip, criminals can create a convincing voice clone to make fake calls. A common scheme is an “emergency” call from a loved one claiming they have been arrested or in an accident and asking you to send money. Here are some tips for handling suspicious calls.

- As a standard practice, be on your guard any time you get a call from someone who conveys a great sense of urgency to get you to take action.
- Even if the original call looks like it comes from your

relative's phone number, the number may have been spoofed. Hang up and call back. If you can't reach them, try contacting other family members and friends to see if they have been in contact.

- Ask a specific question that only your loved one would know, for example, a detail about the last activity you did together, like where you went or what you ate for dinner.
- Planning ahead is always a good idea. Have a family discussion and create a password that you can ask for in the event you get a suspected voice clone call.



Backpack and School Supply Drive

The Department of Public Social Services (DPSS) provides year-round opportunities for individuals and groups alike to participate in projects that help our community's in-need residents.

From June through August, DPSS is conducting a backpack and school supply drive to benefit low-income children and families and help them be well prepared for the fall school start. DPSS will be collecting backpacks and school supplies throughout the summer. Email toyloan@dpss.lacounty.gov for more information on how to donate.



Have a Question? Email Us via My LACERA



If you don't have time for a call or need to ask us a question about your account after hours, send us an email via the My LACERA portal. It's a safe and secure method, and emails are answered daily. Just log in and select the messages icon on the upper right of the dashboard.

Upcoming Holidays

LACERA will be
closed on:

Wednesday, June 19
For Juneteenth

Thursday, July 4
For Independence Day

Email: welcome@lacera.com

Editor's Note: *Pathways to Retirement* is published by the staff of LACERA and is for general informational purposes only. Consult with professional advisors regarding legal, tax, and/or medical matters; LACERA does not offer legal, tax, or medical advice.

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