

P.S.

# POSTSCRIPT

NEWS FOR ACTIVE MEMBERS

JUNE 2013 • VOL. 24, NO. 2

## New Plan Books Coming Soon

LACERA has two new retirement plans, General Plan G and Safety Plan C. If you became a new LACERA member on or after January 1, 2013, you will belong to one of these new plans. If you haven't already received one, **LACERA will send you a New Hire Welcome Package soon.** Inside you'll find your new Summary Plan Description book,



which outlines key details of your retirement plan, along with other materials and forms such as the beneficiary form, reciprocity form, and purchasing service credit form.

For members in General Plans A, B, C, D, and E and Safety Plans A and B, we are currently updating the plan books to reflect changes that took effect as a result of the recent PEPRA legislation. We will notify

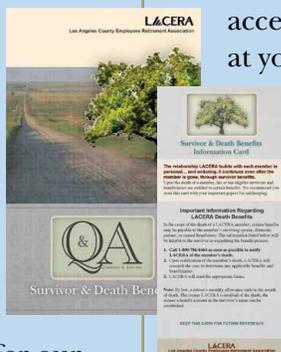
you when the updated plan books become available. Remember, you can find the most recent versions of our plan books on [lacera.com](http://lacera.com), in the Benefits section.



## Survivor & Death Benefits Brochure Guides Survivors through the Benefit Process

*It's one of those things no one wants to think about, but it's good to be prepared.*

At LACERA, we understand that a survivor or beneficiary's loss is a difficult and emotional period. We're here to help survivors and beneficiaries with LACERA-related matters when the time comes. To prepare survivors of LACERA members to navigate the benefit process, we offer our **Survivor & Death Benefits Q&A**



**brochure and Survivor & Death Benefits Information Card.** You can access and print these materials at your convenience from the Brochures & Forms page on [lacera.com](http://lacera.com).

The second section of the Survivor & Death Benefits Q&A brochure, written with active members' concerns in mind, provides straightforward

cont'd on pg.4

## IN THIS ISSUE

- 2 From the Executive Desk
- 3 LACERA at SACRS
- 4 March Madness 2013
- 4 Online Appointment System
- 5 Focus On: Retirement Benefits and Plans
- 5 Board Elections
- 6 Workshop Schedule
- 6 Daughters & Sons to Work Day
- 6 Facts and Figures: LACERA Plans
- 7 Inside My LACERA
- 8 Upcoming Holidays
- 8 Did You Know?

## Los Angeles County Employees Retirement Association

### Members of the Board of Retirement:

#### YVES CHERY

Chair  
Elected by General Members

#### MARK J. SALADINO

Vice Chair  
County Treasurer & Tax Collector  
Ex-Officio Member

#### WILLIAM DE LA GARZA

Secretary  
Elected by Retired Members

#### MARVIN ADAMS

Appointed by the Board of Supervisors

#### SADONYA ANTEBI

Appointed by the Board of Supervisors

#### JOHN M. BARGER

Appointed by the Board of Supervisors

#### ALAN J. BERNSTEIN

Appointed by the Board of Supervisors

#### VIVIAN GRAY

Elected by General Members

#### SHAWN R. KEHOE

Alternate Member  
Elected by Safety Members

#### EDWARD "ED" C. MORRIS

Alternate Member  
Elected by Retired Members

#### WILLIAM R. PRYOR

Elected by Safety Members

### Members of the Board of Investments:

#### HERMAN SANTOS

Chair  
Elected by General Members

#### LEONARD UNGER

Vice Chair  
Appointed by the Board of Supervisors

#### DIANE A. SANDOVAL

Secretary  
Elected by Retired Members

#### MARK J. SALADINO

County Treasurer & Tax Collector  
Ex-Officio Member

#### JOHN M. BARGER

Appointed by the Board of Supervisors

#### DAVID GREEN

Elected by General Members

#### WILLIAM R. PRYOR

Elected by Safety Members

#### MICHAEL S. SCHNEIDER

Appointed by the Board of Supervisors

#### CAROLYN WIDENER

Appointed by the Board of Supervisors

Chief Executive Officer

**GREGG RADEMACHER**

Assistant Executive Officer

**ROBERT HILL**

Assistant Executive Officer

**JJ Popowich**

## From the Executive Desk

Gregg Rademacher – CEO, LACERA



## Decades of Prudent Stewardship Enable LACERA to Keep Contribution Hikes in Check

As a number of California public retirement systems find themselves needing to sharply increase their contribution rates, this seems like a good time to give kudos to the Los Angeles County Board of Supervisors (County Board). Thanks to decades of prudent stewardship by the County Board, **LACERA is able to avoid the steep and abrupt increases to contribution rates** that have befallen a number of other public retirement systems in California.

### Self-Imposed Pension Reform Paved the Way to Long-Term Stability

Los Angeles County was at the forefront of pension reform long before the topic became a subject of public debate. Our County Board first embarked upon pension reform in 1977 when it recognized the benefit formula for Plan A, the original retirement plan for general members, would not be sustainable over the long term. Acting on its concern, the County Board, as the plan sponsor, met with employee groups and worked out the modified benefit formula that became known as Plan B. This process set the stage for additional formula modifications and the introduction of a series of new

retirement plans over the succeeding years. Each new retirement plan established a reduced benefit formula and marked the closing of the previous plan.

We can all be proud of the excellent track record the County and its employee groups have established for coming together to do what's right for the community.

**“Increases to our contribution rates remain carefully controlled and comparatively modest.”**

### Long-Term Conservative Strategy Positions LACERA to Avoid Fiscal Pitfalls

During the bull market periods of the 1990s, some counties in California chose to enrich the benefit formulas used by their retirement systems. Los Angeles County did not. By maintaining a prudent long-term fiscal strategy and foregoing formula enrichments, the County Board positioned LACERA to avoid costly pitfalls — such as sharp increases to contribution rates — often associated with sudden economic

cont'd on pg. 3

**Executive Desk**  
cont'd from pg. 2

downturns and recurring market fluctuations.

Thanks to the insight and long-term vision of the County Board and the responsible actions of our plan stakeholders, the frequency and amounts by which our employee and employer contribution rates increase remain carefully controlled and comparatively modest.

**LACERA's Boards Also Play an Important Role**

Our Board of Retirement and Board of Investments also play an integral role in LACERA's health and stability. Overall management of LACERA is accomplished under the careful guidance of our Board of Retirement. The administration of our investment portfolio is the

responsibility of the Board of Investments. The wisdom provided by both Boards is invaluable to our operation.

The Boards are comprised of elected representatives of active and retired general and safety members, along with appointees made by the County Board. The County Treasurer & Tax Collector also sits on both Boards as an ex-officio member.

Speaking of the Boards, an election for safety member seats on both Boards is coming up in July. More information on the election can found on page 5.

**Our Future is Bright**

By applying the latest technology and innovative problem-solving strategies, along with proven

business tactics, LACERA remains strategically positioned to respond to fluctuating conditions and prosper in a changing world. The superior service we provide our active members and retirees is a testament to our highly-trained and dedicated staff.

As we celebrate 75 years of our rich history, we continue to be enthusiastic about our future. With the guidance of the County Board, our Boards, and the dedication of our management and staff, LACERA is stable, successful, and secure. **Our retirement fund remains sound and well-funded to pay the promised benefits now and in the future.**



**LACERA Staff and Board Members Attend Spring SACRS Conference**

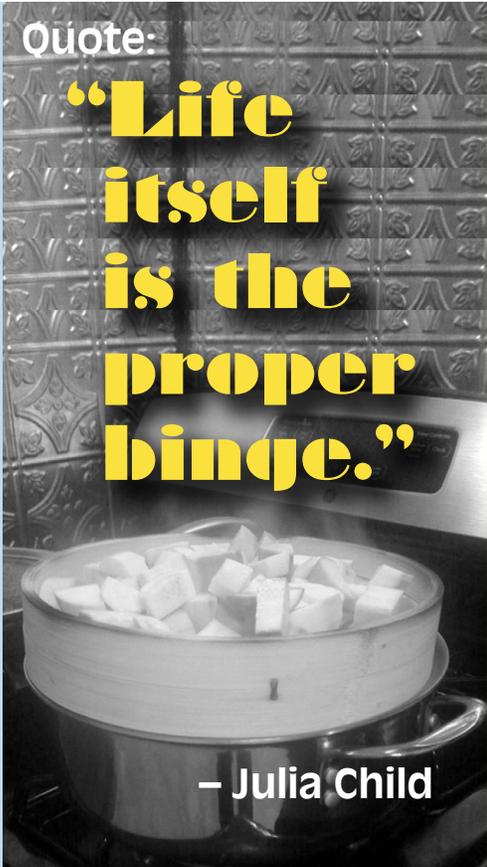
LACERA's board members, management, and staff attended the State Association of County Retirement Systems (SACRS) spring conference May 14-17 in Napa Valley. Representatives from LACERA and 19 other county retirement systems gathered to exchange ideas about investments in a digital world, risk monitoring, PEPRAs, and many more relevant topics.

**LACERA employees and our Board of Retirement chair participated in the event in several capacities, including:**

- Jorja L. Frank, Senior Legal Counsel and a former Workers' Compensation judge, Robb Van Der Volgen, Jr., Chief Counsel, and Ricki Contreras, Disability Services Division Manager, spoke at the "Disability Workshop Bias: Kevlar or Kryptonite?" workshop, which aimed to help participants eliminate biases when handling disability retirement applications.
- Jeannine Smart, Chief of Communications, spoke on effectively communicating key information to retirement association members, especially in situations such as the PEPRAs legislation, when organizations must communicate big changes quickly and efficiently.
- Richard Bendall, Chief Audit Executive, participated in the Internal Auditors Roundtable, which addressed post-PEPRAs auditing and

Quote:

**"Life itself is the proper binge."**



**- Julia Child**

# MARCH MADNESS 2013

Each year, LACERA sees a large number of retirements in January, February, and March—affectionately dubbed “March Madness.” This influx largely occurs because members who retire before April 1 are eligible for any cost-of-living adjustments that LACERA’s Board of Retirement approves. As in many previous years, 2013 saw plenty of

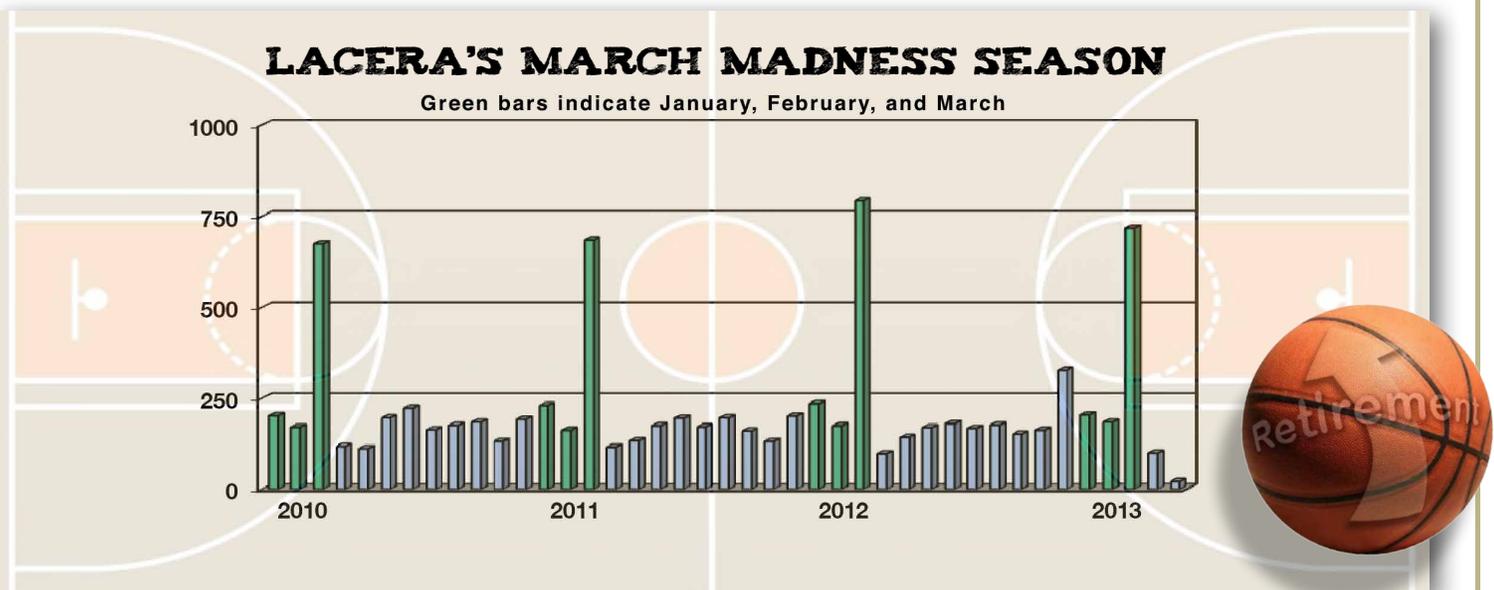
retirements between January and March. During that time this year, **1,082** LACERA members retired—a number lower than previous years.\* However, this doesn’t tell the full story.

Because 2012 saw the passage of the PEPRA legislation, December had a much higher retirement rate than in past years, with 327 retirements.

When we include the December retirements in the 2013 March Madness statistics, the number of new retirements climbs to **1,402**

Check the graph below to see an updated year-to-year comparison of retirements, including the always-high March Madness months.

*\*Figures as of May 1, 2013.*



## Survivor & Death Benefits Brochure cont'd from pg. 1

answers to questions that commonly arise after the death of a LACERA member. With separate Q&As for general members and for safety members, the brochure explains how to initiate the LACERA benefit process and expedite the payment of applicable benefits. A separate

section discusses retiree death and the benefit process.

Every LACERA member is encouraged to **complete the Survivor & Death Benefit Information Card** and give it to his or her beneficiary for future

reference. When the time comes for the survivor or beneficiary to apply for benefits, the card will be a convenient resource.

For more information, visit the Survivor & Death Benefits page in the Benefits section of [lacera.com](http://lacera.com).

## New Online Appointment and Workshop Reservation System

Have you been meaning to come in and talk with one of our

knowledgeable Retirement Benefits Specialists but don't have time to wait? Want us to save you a seat at one of our weekly in-house Pre-Retirement Workshops? We'd be pleased to do so!

**On February 20, 2013, LACERA launched the Appointment and**

**Workshop Reservation System on [lacera.com](http://lacera.com).** The appointment system enables you – at your convenience – to reserve a seat for a Pre-Retirement Workshop or schedule a time to visit our Member Service Center and speak one-on-one with a Retirement

cont'd on pg. 7

## Focus On: Retirement Benefits and Plans

LACERA continues celebrating our 75th anniversary in this issue. That's right, for 75 years we've been providing members with the resources they need to plan for their retirement. Let's take a look at some of the plans LACERA has offered during the 75 years we've been helping members build strong futures through good planning.

It all started in 1938 when LACERA offered its initial plan, the codified plan. LACERA also established the Board of Retirement in this year. Not long after, in 1945, we began offering disability benefits to eligible

members. To protect the futures of the people protecting Los Angeles, the first safety plan was introduced in 1951.

Our first retiree cost-of-living benefits went into effect in 1965 to allow retired members to keep up with inflation. Six years later, LACERA went even further by offering retirees healthcare, too.

The next decade saw a flurry of activity at LACERA. In 1971, the Board of Investments and the retiree healthcare program were established. In 1977, two new plans were created: General Plan B and Safety Plan B. A year later saw the introduction of General Plan C. By the end of 1979, LACERA had introduced General Plan D, and in 1982 offered its first and only non-contributory plan, General Plan E.

LACERA introduced the

Supplemental Targeted Adjustment for Retirees (STAR COLA) cost-of-living adjustment program in 1988 to further help retirees keep up with inflation. The program provides extra benefits to members whose retirement allowance has lost more than 20 percent of its purchasing power.

And that brings us to the present. In 2013, as we celebrate these wonderful 75 years, General Plan G and Safety Plan C offer members the same promise of a secure retirement that LACERA has always offered.

Every member helps tell the story of the 75 years of planning, building, protecting, and serving that comprise the LACERA story. Thanks for being a part LACERA's journey!

**Check the timeline below to see some of LACERA's milestones over the last 75 years.**



## Election for LACERA Boards Set for August

An election for the **Fourth Member of the Board of Investments and the Seventh and Alternate Members of the Board of Retirement** will be held Tuesday, July 30, 2013. The open positions are **Safety Member seats**, which carry three-year terms commencing January 1, 2014.

Safety members of LACERA as of March 1, 2013 are eligible to vote in the election. The County Registrar-Recorder/County Clerk will mail ballots to eligible voters by June 14. If you are an eligible voter and do not receive a ballot by July 2, you may submit a written request for a duplicate ballot through your Departmental Election Coordinator

on or before July 9. **To be eligible for counting, completed ballots must be received by the County Registrar-Recorder/County Clerk by 5:00 p.m. on July 30, 2013.**

For further information on this year's election, visit: [bos.co.la.ca.us/](http://bos.co.la.ca.us/) and look for LACERA Election in the Services menu.

# WORKSHOP SCHEDULE

## JUNE 2013

S	M	T	W	T	F	S
						1
2	3	S	5	6	7	8
9	10	11	12	13	14	15
16	17	G	19	20	21	22
23	24	G	26	27	28	29
30						

## JULY 2013

S	M	T	W	T	F	S
	1	2	3	H	5	6
7	8	G	10	11	12	13
14	15	G	17	18	19	20
21	22	G	24	25	26	27
28	29	G	31			

## AUGUST 2013

S	M	T	W	T	F	S
				1	2	3
4	5	S	7	8	9	10
11	12	G	14	15	16	17
18	19	G	21	22	23	24
25	26	G	28	29	30	31

G = General Members Pre-Retirement  
 S = Safety Members Pre-Retirement  
 H = Holiday

### Call 800-786-6464 to Register

Unless otherwise indicated, workshops are held from 8:30 a.m. - 11:30 a.m. Most include presentations by Great-West and long-term care providers.

## LACERA Employees Take Their Daughters and Sons to Work

On April 25, the children of LACERA's employees joined us to celebrate Take Your Daughters and Sons to Work Day. Twenty-eight great kids, ages 8 to 12, participated. A full day of activities, based around this year's theme, "The Future Starts Now," started at breakfast with a welcome from LACERA's CEO, Gregg Rademacher. The kids were also introduced to several LACERA divisions and special guests throughout the day.

Among other activities, the children illustrated a take-home booklet in LACERA's Communications

Division, toured Procurement, learned about our technological equipment from Systems, played "Who's Smarter Than a Lawyer" with Disability Litigation and other educational games with Accounting and Claims Processing, and talked with a very special guest, planetary geophysicist Todd Ratcliff, of NASA's Jet Propulsion Laboratory. After lunch with their parents, the kids burned off some energy with a hip-hop dance class.

We hope to see many more of the kids next year!

## Facts and Figures: LACERA Retirement Plan Membership as of April 1, 2013

Now that LACERA has two additional retirement plans – Safety Plan C and General Plan G – it seems like a good time to get some perspective on where LACERA members are, plan-wise.

	General Plans						Safety Plans		
	A	B	C	D	E	G	A	B	C
<b>Active</b>	<b>698</b>	<b>184</b>	<b>167</b>	<b>52,354</b>	<b>25,061</b>	<b>1,065</b>	<b>45</b>	<b>12,689</b>	<b>10</b>
Retired	21,821	630	376	8,417	8,709	0	6,442	2,919	0
Survivors	4,970	52	51	805	669	0	1,496	178	0
<b>Total</b>	<b>27,489</b>	<b>866</b>	<b>594</b>	<b>61,576</b>	<b>34,439</b>	<b>1,065</b>	<b>7,983</b>	<b>15,786</b>	<b>10</b>

### SACRS Conference cont'd from pg. 3

- the value of cloud computing.
- Yves Chery, Board of Retirement chair and the vice president of SACRS, moderated a general session on investment consequences in the global battle between government austerity and monetary profligacy.
- In addition, Mr. Chery served as the SACRS Program Chair and was reelected SACRS Vice President. Ms. Contreras served as the Disability Representative.

SACRS is an association of 20 California county retirement systems enacted under the County Employees Retirement Law of 1937.

# FAQs - The Online Appointment and Workshop Reservation System

**1. Q: How close to the time I intend to come to the Member Service Center can I schedule an appointment?**

**A:** Assuming availability, you can schedule an appointment online 24 hours in advance of the appointment time. Same-day appointments are unavailable.

**2. Q: Why am I next in line at my scheduled appointment instead of being given a specific appointment time?**

**A:** Our Retirement Benefits Specialists provide thorough counseling to each member. As our objective is to ensure we've answered your questions and addressed your concerns, counseling sessions are not constrained by time limits; each session may run shorter or longer, depending on each member's needs.

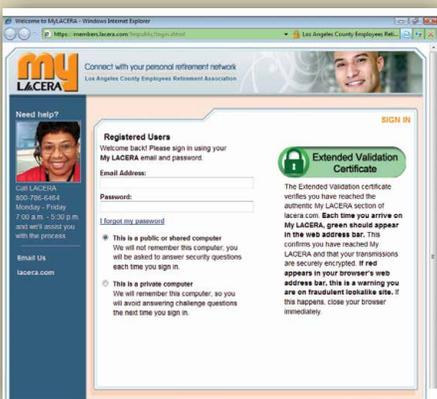
**3. Q: What if I'm late to the scheduled appointment?**

**A:** If you arrive to the Member Service Center more than 30 minutes late for your scheduled appointment, you will be asked to sign in as though no appointment had been scheduled, and you will be served on a first-come, first-served basis. If you need to cancel a scheduled appointment, please e-mail us at [welcome@lacera.com](mailto:welcome@lacera.com) or call us at: 800-786-6464.

## My LACERA: Your Private Office on [lacera.com](http://lacera.com)

**Visit My LACERA to review your personal retirement data and perform a variety of secure account transactions.**

Did you know you can handle a number of transactions and account changes relating to your



retirement benefits on [lacera.com](http://lacera.com)? Just register on the My LACERA page to bring control of your retirement straight to your

fingertips. Here's what My LACERA offers you:

### Active members:

- Generate a personalized Retirement Benefit Estimate.
- Update or add a mailing address.
- Update or add up to three phone numbers (home, cell, work).
- Update your e-mail address, password, and security questions.
- View your personal and retirement data.
- View your beneficiary information and Annual Benefit Statements.
- View interaction history with LACERA, both to and from you.

You can register in minutes, so visit My LACERA and sign up today!

### New Reservation System cont'd from pg. 4

Benefits Specialist. You can make an appointment up to six months in advance or schedule one on only 24 hours notice. Pre-Retirement Workshop reservations are available up to three months into the future. Once you have scheduled the appointment, a confirmation will be sent to the e-mail address we have on file for you. It's a good idea to bring the confirmation with you to the appointment or workshop.

**Members who schedule an appointment will be given priority** over those who walk-in. Because our goal is to thoroughly address your retirement-related questions and concerns, one-on-one appointments with Retirement Benefits Specialists are not constrained by time limits; each session will run as long as the member needs. The time you schedule guarantees that you will be next in line, provided you arrive on time. If you schedule an appointment and arrive more than 20 minutes in advance, you may either wait until your scheduled appointment or sign in to be seen potentially earlier, on a first-come, first-served basis.

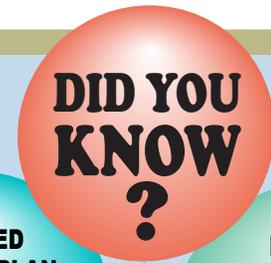
**Visit the Appointment and Workshop Reservation System on [lacera.com](http://lacera.com).**



## Upcoming Holidays

LACERA will be closed:

- **Thursday, July 4**, in observance of Independence Day.
- **Monday, September 2**, in observance of Labor Day.



### DEFINED BENEFIT PLAN

When you retire, employer promises to pay you a specified benefit.

### DEFINED CONTRIBUTION PLAN

Employer promises to periodically contribute a specified amount to your member account.



### Editor's Note:

*PostScript* is published by the staff of LACERA. Signed articles represent the opinion of the writers and not necessarily the opinion of LACERA Management, Board of Retirement, or Board of Investments. Consult with professional advisors regarding legal, tax, and/or medical matters; LACERA does not offer legal, tax, or medical advice.

LACERA Communications, PO Box 7060, Pasadena, CA 91109-7060 800-786-6464 email: [welcome@lacera.com](mailto:welcome@lacera.com)

Writers: Barbara Gordon, Jennifer Carter, Jared Clark Designer: Courtney Cook Editor: Jeannine Smart