

P.S.

POST SCRIPT

NEWS FOR ACTIVE MEMBERS

SEPTEMBER 2015 • VOL. 26, NO. 3



LACERA ACCOMPLISHMENTS

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

LACERA BOARD ELECTION RESULTS

We congratulate Vivian H. Gray and Herman B. Santos on their successful LACERA Board elections.

Board of Investments member Herman Santos, who won with 76 percent of the vote, will begin his fifth consecutive term on January 1, 2016. Ms. Gray, who ran unopposed, will begin her second consecutive term on the Board of Retirement.

ON THE TRACK TO RETIREMENT

At LACERA, the most popular time to retire is between December and the end of March. If you plan to retire in the next several months, check out the convenient resources LACERA offers to help make the process easy and to assist you in maximizing your retirement. Keep in mind, the sooner you begin to plan, the better.

Retirement-Planning Resources

In order for your spouse or registered domestic partner to receive a continuing allowance, you must be married for at least one year prior to the date of your retirement. To get a clearer picture of your retirement, try these tools:

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Los Angeles County Employees Retirement Association

Board of Retirement:

SHAWN R. KEHOE

Chair

Elected by Safety Members

ALAN J. BERNSTEIN

Vice Chair

Appointed by Board of Supervisors

WILLIAM DE LA GARZA

Secretary

Elected by Retired Members

ANTHONY BRAVO

Appointed by Board of Supervisors

YVES CHERY

Elected by General Members

VIVIAN H. GRAY

Elected by General Members

JOSEPH KELLY

County Treasurer & Tax Collector

Ex-Officio Member

KEITH KNOX

Chief Deputy County Treasurer & Tax Collector

Alternate Ex-Officio Member

DAVID L. MUIR

Alternate Retired Member

Elected by Retired Members

RONALD A. OKUM

Appointed by Board of Supervisors

WILLIAM R. PRYOR

Alternate Member

Elected by Safety Members

LES ROBBINS

Appointed by Board of Supervisors

Board of Investments:

JOHN M. BARGER

Chair

Appointed by Board of Supervisors

DAVID GREEN

Vice Chair

Elected by General Members

JOSEPH KELLY

Secretary

County Treasurer & Tax Collector

Ex-Officio Member

SHAWN R. KEHOE

Elected by Safety Members

KEITH KNOX

Chief Deputy County Treasurer & Tax Collector

Alternate Ex-Officio Member

DIANE A. SANDOVAL

Elected by Retired Members

HERMAN B. SANTOS

Elected by General Members

KENNETH M. SIMRIL

Appointed by Board of Supervisors

ESTEVAN R. VALENZUELA

Appointed by Board of Supervisors

VALERIE ROSE VILLARREAL

Appointed by 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



What We Do: Two Key Components

When I think about what we do here at LACERA and how we go about doing it, two things come to mind: **investments and customer service.**

These two components summarize our operation. The County Employees Retirement Law of 1937 promises Los Angeles County employees certain benefits and authorizes LACERA to pay them. To accomplish this, the law directs us to increase and administer the retirement fund.

Investments

As active members, we contribute to our retirement plans. Those contributions go into the Fund, and the Fund finances the benefits we provide. To promote the long-term growth and stability of the Fund, our **Board of Investments** established an Investment Policy Statement that guides the management of the Fund's assets. This prudently planned and executed investment strategy is designed to maximize the continuing strength of the Fund. The policy calls for a diversified portfolio, carefully balanced to minimize risk and maximize the Fund's enduring health and stability. LACERA's Board and **Investment staff** continue to employ solid investment and business strategies designed to serve the best interests of our current and future members, and their beneficiaries. With that in mind, we can all remain confident about the ongoing soundness of the Fund.

Customer Service

Most of you are probably more familiar with our customer service programs than you are with our investment operations. As anyone who has attended our workshops or been assisted by our Call Center or Member Service Center knows, attentive customer service is a key component of our business.

Our comprehensive services begin the moment a new hire becomes a LACERA member and continues throughout the member's career to retirement and beyond. After the member is gone, our service continues through benefits we provide to the member's eligible beneficiary. The services we offer take many forms, from printed materials to workshops, to services available by phone and on lacera.com through My LACERA.

Callers to 800-786-6464 receive personalized assistance from well-trained, knowledgeable Retirement Benefits Specialists, because that's the level of service our members deserve.

Although technology plays an important role in the scope and format of service options we provide (we continually add online service enhancements), it is the women and men of LACERA who have the greatest impact in customer service.

If you have experienced one-on-one counseling at our Member Service Center, attended one of our regularly scheduled pre-retirement workshops,

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The "Benchmark" Plan Premium and Retiree Healthcare

When we talk about Retiree Healthcare and the County's premium subsidy, we use the term "benchmark." But what does "benchmark" mean?

When we use the word "benchmark" in association with the premium healthcare subsidy, we are referring to the cost of a particular healthcare plan. This plan is the measure, the benchmark, for which the premium subsidy is applied. Example: If you have 10 years of service credit, the County contributes 40 percent toward the monthly

premium of your selected plan or 40 percent of the benchmark plan premium, whichever is less.

The LACERA-administered Retiree Healthcare group plan contracts are negotiated annually, and the premiums may vary accordingly. The current benchmark plans for medical are **Anthem Blue Cross I and II for Tier 1 members** and **Anthem Blue Cross III (enrolled in Medicare) and Anthem Blue Cross I and II for Tier 2.**

| Medical/Dental/ Vision Plans | Health Plan | Current Cost/ Benchmark Amount (Based on Retiree Only Rate) |
|---------------------------------|--|---|
| Tier 1 | Anthem Blue Cross I & II | \$1,062.79* |
| Tier 2 | Anthem Blue Cross I & II | \$1,062.79* |
| | Anthem Blue Cross III (enrolled in Medicare) | \$428.70* |
| Tier 1 and Tier 2 | Cigna Dental/Vision Indemnity | \$46.61* |

**Effective July 1, 2015*

Now that you have an understanding of the benchmark, let's talk about what happens when you have 25 years of service. Once you have 25 years of service, you are eligible to receive 100 percent of the Retiree Healthcare benchmark plan premium.*

For more information about premium subsidy and the benchmark plan premium, visit the Retiree Healthcare Subsidy – Benchmark web page on lacera.com.

**The County's subsidy is up to the benchmark plan rates only. If the selected group plan's premium exceeds the benchmark rates, the member is responsible for paying the difference, regardless of whether the member has earned 25 years of service credit.*



Executive Desk

or placed one of the 120,000+ calls to **Member Services** or 41,000+ calls to our **Retiree Healthcare Division**, you know that we provide personalized service.*

government service, our staff is dedicated to providing efficient, personalized customer service.

Behind the scenes, in our **Benefits Division**, the personal touch is unmistakable. From paying new retirees within one payroll cycle of their retirement date, to making sure benefits are seamlessly processed and paid to eligible new survivors, to assisting active members with plan transfers and purchases of prior

It is through the guidance of our boards and our adherence to a strategic investment policy and extensive program of personalized member services that we diligently uphold the promise made to County employees in 1937.

"It is the women and men of LACERA who have the greatest impact in customer service."

We Produce, Protect, and Provide, the Promised Benefits. – LACERA's Mission Statement

**Stats as of June 30, 2014.*

ANYTIME

Online – lacera.com

- A great first step is to watch the **Intro to Retirement video on lacera.com**. This five-minute video will show you how to stay on the track to a successful retirement.
- Create your own **Retirement Benefit Estimate (RBE)** by accessing your **My LACERA** account on lacera.com. The RBE calculator automatically inputs your personal information from data on file with LACERA. This includes the date on which you are first eligible to retire, your current amount of service credit and monthly compensation, and your beneficiary information, which is used to estimate your monthly benefit amount upon retiring. To see a variety of estimates, change the information – your retirement date, service credit, monthly compensation, or beneficiary compensation amounts – to generate different calculations.

TWO YEARS PRIOR

In Person

- If you haven't already attended, reserve your seat at a Pre-Retirement Workshop held at LACERA. You'll learn about your retirement options, how your retirement allowance is calculated, the right retirement date for you, purchasing service credit, and your retiree healthcare choices. The LACERA Retirement Benefits Specialist presenting the workshop will be available to answer your individual questions. **Reservations are required; you may use the Appointment and Workshop Reservation System on lacera.com to save a seat.**

- Come to LACERA's **Member Service Center** in the lobby of our Pasadena office to meet one-on-one with a Retirement Benefits Specialist. In your private consultation, you'll work with the specialist to create a Retirement To-Do List, which will include any remaining steps in your path to retirement. You'll fill in your "Important Dates to Remember" list as well.

To be given priority over walk-in appointments, use the Appointment and Workshop Reservation System to schedule a time to visit. The Member Service Center is open from 7:00 a.m. to 5:00 p.m., Monday through Friday.

BY PHONE

Call LACERA's **Call Center at 800-786-6464** to speak with a Retirement Benefits Specialist about retirement. The Call Center is open from 7:00 a.m. to 5:30 p.m., Monday through Friday. If you're calling internationally, dial 1-626-564-6132.

SIX MONTHS AWAY

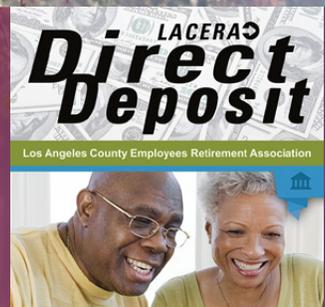
- Call LACERA at 800-786-6464 and request a **Retirement Benefit Estimate and Election Form**. Update your beneficiary information on record.
- If you are divorced, submit a conformed copy (all pages) of your Judgment of Dissolution of Marriage and Domestic Relations Order (DRO).

TWO MONTHS AWAY

Meet with a LACERA Retirement Benefits Specialist, who will assist you in preparing your retirement paperwork and provide enrollment forms for LACERA-

Did You Know?

You can submit your direct deposit information to LACERA at any time in advance of your retirement date for your monthly retirement allowance. That way, your direct deposit is set up when you're ready to retire. To ensure that the deposit arrives to your account on the 30th, submit your direct deposit information no later than the 13th of that month.



administered retiree medical and dental/vision insurance.

When you visit, bring these documents with you:

- Completed **Retirement Benefit Estimate and Election Form**
- **Beneficiary Designation Form** AND your beneficiary's original Certified Birth Certificate or a valid passport or Certificate of Naturalization, in lieu of the birth certificate (for Retirement Options 2, 3, or 4 or Unmodified+Plus)
- Your original Certified Marriage Certificate or Certificate of Registered Domestic Partnership
- Your completed Form **W-4/DE-4P** for federal and California tax withholdings
- Completed **LACERA Direct Deposit Authorization Form** with a voided check from your checking account

Remember to prepare your finances to complete any outstanding service credit contracts, as contracts must be paid within 120 days of your date of retirement. **One last tip:** Make sure to notify your department of your retirement date.

How to Retire In Writing

We encourage members to use the resources outlined in "On the Track to Retirement," and to complete the Retirement Benefit Estimate and Election Form. We also understand that attending a Pre-Retirement Workshop or visiting with a Retirement Benefits Specialist is not possible for everyone.

In order to retire, you may write a letter to LACERA indicating that you're electing to retire and fax it to us at: 626-564-6155. **You must also mail the original paper copy of your letter, indicating that you elect to retire, to LACERA.** The faxed form will be processed once we receive the mailed original document.

The letter stating your election to retire must include your:

- Name
- Employee number
- Date of retirement
- Retirement Option
- Signature



It can be as simple as: "I, Jane Doe, employee number 888888, elect to retire on March 31, 2016, under the unmodified allowance."

Your Options in Retirement

There are six Retirement Options available to LACERA members: Unmodified, Unmodified+Plus, Option 1, Option 2, Option 3, and Option 4. Each customized option addresses the various interests of individuals who are married, in a registered domestic partnership, single, or divorced by distributing a member's monthly retirement allowance to account for those interests. Choose your option carefully, as it cannot be modified once you retire and receive the first payment of your retirement allowance. The option you select affects the dollar amount of your monthly retirement allowance and the amount of the benefits payable to your spouse, domestic partner, minor child, or named beneficiary upon your death.* It also determines whether you may designate a different beneficiary after retirement. You will want to choose the option that best suits your situation. To learn more about the Retirement Options available to you, visit the Service Retirement page, under Benefits, on lacera.com.

No matter where you are on your path to retirement, remember that **we're here to help you take the next steps in readying yourself for a successful retirement.**

**Surviving minor child(ren) are eligible for survivor allowances only when there is no surviving spouse or domestic partner. Survivor allowances to an eligible minor child continue until the child is no longer eligible.*

Pre-Retirement Workshop Schedule

September 2015

| S | M | T | W | T | F | S |
|----|----|---|----|----|----|----|
| | | S | 2 | 3 | 4 | 5 |
| 6 | H | G | 9 | 10 | 11 | G* |
| 13 | 14 | G | 16 | 17 | 18 | 19 |
| 20 | 21 | G | 23 | 24 | 25 | 26 |
| 27 | 28 | G | 30 | | | |

October 2015

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

November 2015

| S | M | T | W | T | F | S |
|----|----|---|----|----|----|----|
| 1 | 2 | S | 4 | 5 | 6 | 7 |
| 8 | 9 | G | H | 12 | 13 | 14 |
| 15 | 16 | G | 18 | 19 | 20 | 21 |
| 22 | 23 | G | 25 | H | H | 28 |
| 29 | 30 | | | | | |

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.

*Saturday workshops are held from 9:00 a.m. - noon at offsite locations and provide general information. They do not include presentations by Great-West or other long-term care providers. No personalized estimates or one-on-one consultations are included.



LACERA ACCOMPLISHMENTS

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

LACERA Congratulates New Board Members

We are pleased to introduce two accomplished professionals who have joined LACERA's Boards.

Kenneth M. Simril was appointed by the County Board of Supervisors to the **Board of Investments**. He has an established record of successful venture development, with a career that spans multinationals, start-ups, and private-equity backed ventures. An alumnus of the University of Southern California, he studied engineering before attending Harvard Business School, where he earned his MBA. We welcome his commitment to safeguarding LACERA's assets for long-term growth, enhancing investments, and steadfast engagement on policy

matters that impact employee pension plans.

Keith Knox joins LACERA as the **alternate ex-officio trustee** of LACERA's Board of Retirement and Board of Investments, an extension of his role as the Chief Deputy Treasurer and Tax Collector for the County of Los Angeles. After studying political science at the University of Colorado, Mr. Knox returned to California to earn his MBA at the University of Southern California, where he currently volunteers in the USC Price Mentor Program. His wealth of experience is a welcome asset to LACERA.

LACERA Recognizes Trustees' Leadership in the State Association of County Retirement Systems (SACRS)

Board of Retirement member Yves Chery will serve a second term as President of the State Association of County Retirement Systems (SACRS) Board of Directors. First voted in as President in 2014, Mr. Chery was re-elected in May 2015 by the SACRS members in the 20 California county retirement systems created and governed by the 1937 Act. His second term on the Board of Directors continues through Spring of 2016. Additionally, Board of Retirement

member Vivian Gray serves as Chair of the SACRS Bylaws Committee.

LACERA commends Mr. Chery and Ms. Gray on their leadership.

SACRS is an association of the 20 California county retirement systems, spanning from San Diego County to Mendocino County. The association, which collectively represents approximately \$115 billion in funds, was enacted under the County Employees Retirement Law of 1937.

3 THINGS

Turkey THANKSGIVING Trivia

It's almost time for turkey, the centerpiece of many Thanksgiving dinners. While the oven heats up, feast your eyes on these three turkey facts:

- The pilgrims and Wamponoag tribe likely ate venison and seafood at the first Thanksgiving. There was no turkey at the table, and cranberry sauce, mashed potatoes, and green bean casserole became staples of the holiday much later.
- Like the octopus, turkeys change color depending on their emotions. A turkey's head can be red, blue, white, gray, or pink.
- Looking forward to the leftovers? In 1953, Swanson overestimated the demand for Thanksgiving turkeys by 260 tons! A salesman at Swanson put them to good use and created the first TV dinner.

Public Service Announcement

Volunteer for the Department of Public Social Services

The Los Angeles County Department of Public Social Services Volunteer Section is seeking volunteers, ages 16 and older, who are interested in dedicating their time for the betterment of Los Angeles-area families and the community. A variety of short-term and long-term assignments are available. For more information, contact Erica Moya, DPSS Volunteer Coordinator, at: (213) 744-4348 or dpssvolunteers@dpss.lacounty.gov.



Excellence in Reporting, 25 Years in a Row



For the 25th consecutive year, LACERA has received the Government Finance Officers Association's (GFOA) Certificate of Achievement for Excellence in Financial Reporting. Our receipt of this accolade comes for LACERA's Comprehensive Annual Financial Report (CAFR) written for the fiscal year ended June 30, 2014. The prestigious GFOA award represents the highest form of recognition in

governmental accounting and financial reporting.

In addition to the CAFR, LACERA publishes a Popular Annual Financial Report (PAFR), which has earned the GFOA Award for Outstanding Achievement now for the 17th consecutive year.

Congratulations to LACERA staff for their contributions to the annual report and for earning this prestigious award!

LACERA's Boards

LACERA has two boards, a Board of Retirement and a Board of Investments. The Board of Retirement is responsible for the administration of the retirement system, the retiree healthcare program, and the review and processing of disability retirement applications. The Board of Investments is responsible for establishing LACERA's investment policy and objectives, as well as exercising authority and control over the investment management of the Fund.

Read more about our boards on lacera.com; each board member has a profile page.

FAQs: Getting Ready for Retirement

1. Q: What is the Retirement Benefit Estimate calculator on My LACERA?

A: The Retirement Benefit Estimate calculator automatically retrieves your personal data on file to calculate an estimate of your monthly retirement allowance. It also allows you to adjust the amount of service credit, pensionable earnings, and other information to see how your monthly retirement allowance and if you have one, your survivor's continuing benefit would be affected under each of the six Retirement Options.

2. Q: Is my last day of work my retirement date or the workday prior to my retirement date?

A: Do not report to work on your retirement date. If your effective retirement date is Wednesday, December 9, 2015, your last day of work is Tuesday, December 8. On December 9, you're retired.

3. Q: If I've already submitted the required forms, can I change or cancel my retirement date?

A: Yes. To change or rescind your retirement date, you must notify LACERA in writing no later than 5:00 p.m. at least one business day prior to your retirement date, and you must notify your employer. The "Request to Rescind or Change Retirement Date" form is available on the Brochures & Forms page on lacera.com.



Upcoming Holiday

LACERA will be closed:

Monday, September 7,
in observance of Labor Day

Monday, October 12,
in observance of Columbus Day

Wednesday, November 11,
in observance of Veterans Day

Thursday-Friday, November 26-27,
for Thanksgiving

Editor's Note:

Editor's Note: PostScript 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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