

P.S.

POST SCRIPT

NEWS FOR ACTIVE MEMBERS

DECEMBER 2018 • VOL. 29, NO. 4

LACERA Welcomes Lou Lazatin as New CEO

LACERA is excited to announce the appointment of Lou Lazatin as Chief Executive Officer.

Lazatin brings to LACERA over 30 years of service-oriented leadership experience in large and complex organizations within the for-profit and nonprofit sectors, and joined the organization as of November 19, 2018. She succeeds Robert Hill, Interim Chief Executive Officer, who served for 14 months and provided excellent leadership based on his 25 years of service



with LACERA. Hill returns to his prior position as Assistant Executive Officer and is assisting in Lazatin's transition.

Lazatin has deep experience in the healthcare industry, which will enhance her efforts of ensuring that LACERA delivers benefits in an effective, member-friendly manner. She joins LACERA following her most recent position as CEO at Shriners Hospitals for Children of Southern California. To improve the quality and expand the availability of pediatric surgical

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Los Angeles County Employees Retirement Association

Board of Retirement:

VIVIAN H. GRAY

Chair
Elected by General Members

HERMAN B. SANTOS

Vice Chair
Elected by General Members

MARVIN ADAMS

Secretary
Appointed by Board of Supervisors

ALAN J. BERNSTEIN

Appointed by Board of Supervisors

JAMES P. HARRIS

Alternate Member
Elected by Retired Members

SHAWN R. KEHOE

Elected by Safety Members

JOSEPH KELLY

County Treasurer and Tax Collector
Ex-Officio Member

KEITH KNOX

Chief Deputy County
Treasurer and Tax Collector
Alternate Ex-Officio Member

WILLIAM R. PRYOR

Alternate Member
Elected by Safety Members

LES ROBBINS

Elected by Retired Members

THOMAS WALSH

Appointed by Board of Supervisors

GINA ZAPANTA-MURPHY

Appointed by Board of Supervisors

Board of Investments:

DAVID GREEN

Chair
Elected by General Members

SHAWN R. KEHOE

Vice Chair
Elected by Safety Members

WAYNE MOORE

Secretary
Appointed by Board of Supervisors

JOSEPH KELLY

County Treasurer and Tax Collector
Ex-Officio Member

KEITH KNOX

Chief Deputy County
Treasurer and Tax Collector
Alternate Ex-Officio Member

DAVID L. MUIR

Elected by Retired Members

RONALD A. OKUM

Appointed by Board of Supervisors

GINA V. SANCHEZ

Appointed by Board of Supervisors

HERMAN B. SANTOS

Elected by General Members

MICHAEL SCHNEIDER

Appointed by Board of Supervisors

Chief Executive Officer

LOU LAZATIN

Assistant Executive Officer

ROBERT R. HILL

Assistant Executive Officer

JJ POPOWICH

LACERA Welcomes Lou Lazatin as New CEO cont'd from page 1

services at Shriners, she established a partnership with Huntington Memorial Hospital, including the construction of a \$100 million medical center in Pasadena.

Lazatin previously served as President and CEO of Saint John's Health Center in Santa Monica, where she ran a \$252 million fundraising campaign and oversaw the improvement of quality and safety measures, resulting in HealthGrades naming Saint John's as one of "America's 50 Best Hospitals." She also led completion of the construction of the replacement campus of Saint John's Health Center after the Northridge earthquake.

Among other community efforts, Lazatin currently serves on the Board of Trustees of the Pasadena Ronald McDonald House.

The national CEO search process was thorough, encompassing the review of over 200 candidates identified by LACERA's executive search firm, Korn Ferry. Vivian Gray, Chair of LACERA's Board of Retirement says, "We wanted to find a professional with the right skills—and, importantly, the right vision—to successfully lead LACERA into the future for the benefit of our 165,000-plus members, including the more than 40,000 retirees and dependents to whom LACERA provides health benefits. Lou brings a fresh and compelling perspective to LACERA, along with a proven track record of taking complex organizations to the next level of success and service."

David Green, Chair of LACERA's Board of Investments, highlighted Lou's member-centric approach, saying, "Lou is the right champion for our members—ensuring they can retire with financial security. Her leadership at some of the nation's most prominent healthcare organizations gives her the necessary expertise and knowledge to understand and address

the various needs of our members. We are excited to bring her energetic focus on service to LACERA."

The national CEO search process was thorough, encompassing the review of over 200 candidates.

Lazatin spent her first few weeks on the job getting to know LACERA's employees and culture, as well as developing an understanding of members' specific needs and how LACERA can serve them better. Emphasizing the bright future that lies ahead of the organization, she says, "LACERA is recognized in California and around the nation as a best-in-class fund in its space, and I'm honored to have the opportunity to lead it through its next stage of development. I look forward to working with the amazing team at LACERA to continue to provide our members with high-quality services, a promise of security and transparency, and a flexible, friendly approach to delivering benefits."

To all of our members

We wish you peace, health, and happiness this holiday season and throughout the year.

—LACERA Boards, Management and Staff

NEW YEAR, NEW HORIZONS



As 2018 draws to a close, so too does my 14-month tenure as LACERA's Interim Chief Executive Officer, a position I was honored to fill from the time of Gregg Rademacher's retirement to the appointment of our newly hired permanent CEO, Lou Lazatin.

Making sure that you can retire with security and confidence after dedicating your career to public service has been one of the most enriching experiences of my own working life, while seeing firsthand the dedication of LACERA's various department employees in serving our membership has been nothing short of inspiring.

I'm truly proud of what we have accomplished at LACERA in the last year: We helped record numbers of active members retire, surpassed our funds' annual policy benchmark returns, and continued to offer a high level of service and benefit programs as part of fulfilling

our mission. As is true of all large endeavors, it has truly been a team effort: I've been ably guided by our Boards; worked closely with an experienced executive team; and enjoyed the support of our skilled staff in achieving these goals.

The depth of talent, commitment, and integrity demonstrated at all levels of our organization leaves no doubt in my mind that LACERA's foundation is strong, and I feel extremely confident that our future is in good hands. I am staying on temporarily as Assistant Executive Officer with plans to retire in the first quarter of 2019, and am working in partnership with incoming CEO Lazatin to assure a seamless transition. Her engaging leadership style, fortitude, and vision will be true assets to LACERA moving forward.

In closing, thank you for the trust you have placed in me and LACERA. I wish you all the happiest of holidays.

'TIS THE CHARITABLE GIVING SEASON

Help those in need for the holidays and throughout the year by taking part in the County's Charitable Giving Program. Your donations support local charities' service programs and make our community a better place by addressing poverty, children's health, youth development, literacy, environmental quality, and much more. You can start making a difference for as little as \$2.50 per paycheck—less than the cost of a latte.

Visit hr.lacounty.gov/subsites/WPP/charitablegivingcampaign.html for more information and to get signed up!





LACERA ACCOMPLISHMENTS

BOARD MEMBERS RECOGNIZED AS NACD FELLOWS



Three members of LACERA's boards were recently recognized by the National Association of Corporate Directors (NACD) as NACD Fellows.



JOSEPH KELLY

Joseph Kelly, County of Los Angeles Treasurer-Tax Collector and the ex-officio member of the Board of Retirement and Board of Investments, and Vivian Gray, Board of Retirement Chair, became Board Leadership Fellows in

August and October, respectively, earning their Gold Standard Director



ALAN J. BERNSTEIN

credentials. The Gold Standard is the highest level of credentialing for directors on governing boards. In October, Board of Retirement member Alan Bernstein was certified as a Governance Fellow.

They join a diverse and distinguished group of credentialed directors who serve on domestic and international corporate, private, and nonprofit boards. Congratulations to all.



VIVIAN GRAY

LACERA CONGRATULATES NEWLY APPOINTED BOARD MEMBERS

LACERA welcomes Mr. Alan Bernstein as the appointed Seventh Member of the Board of Investments, for a three-year term beginning January 1, 2019. Mr. Bernstein is also currently serving his third appointed term on the Board of Retirement, presently as the Sixth Member.



ALAN J. BERNSTEIN

Mr. Bernstein brings considerable experience to the Board of Investments, including serving as Chair of both the West Hollywood Chamber of Commerce and the City of West Hollywood Planning Commission.

LACERA congratulates Mr. Ronald Okum on his appointment as the Fifth Member of the Board of Retirement for a three-year term beginning January 1, 2019. Mr. Okum previously served as the Ninth Member on the Board of Retirement from 2012 through 2017, and currently serves on the Board of Investments.



RONALD OKUM

Mr. Okum's experience includes a long career in the life insurance industry, in which he earned numerous awards and honors, and founded and ran his own firm; as well as investment counseling, real estate packaging, and commercial property development. He is active in several educational, healthcare, and cultural foundations, and serves on multiple associated boards.

BOARD MEMBERS, EXECUTIVES, AND STAFF ATTEND SACRS FALL CONFERENCE

LACERA's board members, executive management, and supervisory staff attended the State Association of County Retirement Systems (SACRS) fall conference November 13 through 16 in Indian Wells. SACRS is an association of 20 California county retirement systems enacted under the County Employees Retirement Law of 1937.

Representatives from LACERA shared their expertise in several capacities:

Vivian Gray, Board of Retirement Chair and SACRS Vice President and Program Committee Chair, and **JJ Popowich**, Assistant Executive Officer, helped kicked things off the first day as part of a panel providing guidance in the New/Advanced Trustee Training, "I Got it! Now, What Is It That I Do as a Pension Fund Trustee?" On November 15, Popowich also moderated the meeting of the SACRS Education Committee, which he chairs.

Senior Staff Counsel **Frank Boyd** was speaker and Disability Retirement Specialist Supervisor **Tamara Caldwell** was moderator for the Disability/Ops presentation, "The Heart, Cancer, Blood-Borne Infectious Diseases, and Biochemical Substances Presumptions Under CERL."

Information Systems Manager **James Brekk** took part as a speaker at the final day's General Session, addressing the topic of "Cyber Security at the Retirement System."

SACRS conferences are held each fall and spring to provide an opportunity for pension system professionals to network, exchange information, and discuss best practices.

TEAM DRS LOSES TO WIN

Congratulations to LACERA's Disability Retirement Services (DRS) staff members for taking one of the top spots in the Countywide Biggest Loser competition as part of the L.A. County Fitness Challenge events that ran from April to November. Team DRS Goes the Distance—made up of Marilu Bretado (captain),



Tamara Caldwell, Amabelle Delin, Melena Sarkisian, and Michelle Yanes—came in second out of all County departments in terms of average percentage of weight lost, helping Los Angeles County place third overall in the Interagency competition. The team was recognized at the Board of Supervisors' Challenge Recognition Ceremony on November 20, and in L.A. County's own version of the Stanley Cup, temporarily took possession of the Fitness Challenge trophy, which has been passed from one department to the next since 2010.

LACERA RECEIVES PPCC AWARD

In November, LACERA received the Public Pension Coordinating Council's (PPCC) Public Pension Standards 2018 Award, in recognition of meeting professional standards for plan funding and administration as set forth in the Public Pension Standards. These standards are intended to reflect minimum expectations for public retirement systems management and administration and serve as a benchmark by which all defined benefit public plans should be measured. LACERA is a 16-time recipient of this important award.



PAFR ENCLOSED: OUR FINANCIAL CONDITION, AT A GLANCE

This year's Popular Annual Financial Report (PAFR), which reports on LACERA's financial condition and accomplishments for fiscal year 2017–2018, is enclosed for your review. We have expanded this year's PAFR to include additional important information and make it more reader friendly. We encourage you to spend some time reading up on the financial status of our pension plan and retiree healthcare program, and see how the trust funds are performing. Our full Comprehensive Annual Financial Report (CAFR) will be available on lacera.com in January 2019.

NEW ON MY LACERA: AUTOMATED AMOUNT IN FUND LETTERS

Are you buying a home, applying for an auto loan, or conducting another transaction that requires your asset information? You can now instantly generate an Amount in Fund letter to provide asset verification by logging in to your My LACERA account. From the landing page, click on the "Create and print an Amount in Fund letter" link under your retirement plan. Then select either All Dates or enter a specific date range to create a customized Amount in Fund letter in PDF format for printing or emailing.

Amount in Fund

Select Time Period

All Dates

Specific Date Range

Options: Time Period

To create an Amount in Fund letter, select one of the two options:

- All Dates will create a letter totaling any contributions you have made to LACERA.
- Specific Date Range allows you to enter a start and end date to specify the time period you would like to include in your letter.

Once you have selected your option, click the **Create PDF** button to open a PDF that you can print or save to your computer or device.



Your Retiree Healthcare Questions

ANSWERED

In order to address frequently asked questions from active members about retiree healthcare, in this and future issues of *PostScript* LACERA's Retiree Healthcare Division will provide information you need to know about your future benefits.

How does the County contribution apply toward my healthcare premium under the LACERA-administered Retiree Healthcare Benefits Program?

The cost for your medical and/or dental/vision coverage depends on the following factors:

- Your completed years of retirement service credits under a LACERA retirement plan (excluding ARC time)
- The LACERA-administered group health plan you select
- The number of eligible dependents you cover, if any

If you have 10 years of service credit, you are eligible for a retiree healthcare premium subsidy. For members with 10 years of retirement service credit (not including ARC time), the County contributes 40 percent of your healthcare plan premium or 40 percent of the benchmark plan rate, whichever is less. For each year of retirement service credit beyond 10 years, the County contributes an additional 4 percent per year of your healthcare plan premium or 4 percent of the benchmark plan rate, up to a maximum of 100 percent for a member with 25 years or more of service credit, whichever is less.* See the chart at right for a breakdown of the premium subsidy percentages.

Retiree Healthcare Premium Subsidy Percentages

Years of County Service (Excluding ARC)	County Monthly Premium Subsidy Percentage of the Benchmark Plan Rate	Member's Portion of the Monthly Premium
10	40%	60%
11	44%	56%
12	48%	52%
13	52%	48%
14	56%	44%
15	60%	40%
16	64%	36%
17	68%	32%
18	72%	28%
19	76%	24%
20	80%	20%
21	84%	16%
22	88%	12%
23	92%	8%
24	96%	4%
25	*100%	*0%

*Important note: *The County's subsidy is up to the benchmark plan rates only.* If the selected group healthcare plan's monthly premium amount exceeds the benchmark rates, the member is responsible for paying the difference above the benchmark amount, even for those with 25 or more years of service.

Benchmark Plans — Medical

Tier 1 (County retirees and members hired prior to July 1, 2014)	Anthem Blue Cross Plans I & II (PPO)
Tier 2 (County employees hired after June 30, 2014; premium subsidy applies to retiree/survivor only)	Anthem Blue Cross I & II (Non-Medicare) (PPO)
	Anthem Blue Cross III (enrolled in Medicare) (PPO)

Benchmark Plans — Dental/Vision

Tier 1 and Tier 2	Cigna Dental/Vision Indemnity
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You can view a copy of the current monthly premium rates by visiting lacera.com and clicking on the Retiree Healthcare tab, then clicking on the Retiree Healthcare Brochures and Forms Page link under "You Might Find This Helpful!" on the right-hand side of the page. If you need more information or have additional questions, please contact LACERA Retiree Healthcare Division by calling 800-786-6464 (press 1) or 626-564-9132, or email us at healthcare@lacera.com.

FRAUD ALERT FROM THE D.A.'S OFFICE

REQUESTS FOR GIFT CARDS AS PAYMENT OFTEN SIGNAL FRAUD

Twice a month, the L.A. County District Attorney's Office releases a public service announcement (PSA) called the Friday Fraud Alert to warn the community about current financial scams (some perennial; some seasonal or tied to current events). One of the newest alerts spells out how some scammers are requesting payment for phony services in the form of gift cards.

In the Gift Card Payment Scam, fraudsters call the victims, usually with a sense of urgency, and offer to resolve a purported debt or other problem. The scammers keep victims on the phone, then tell them to buy a gift card, most commonly an Apple iTunes card, and provide the card's code as payment. Government agencies and most legitimate companies, except for those that issue gift cards for redemption, won't ask for or accept gift cards as a form of payment.

Visit lacera.com/about_lacera/fraud_alerts.html for a video link with more details about how this type of fraud works and tips to avoid getting scammed.

**"Joy is not in things; it is in us."
— Richard Wagner**



CONNECT WITH US!

Visit: 300 N. Lake Ave.
Pasadena, CA 91101

Email: welcome@lacera.com

Call: 800-786-6464

Website: Lacera.com

Pre-Retirement Workshop Schedule

DECEMBER 2018						
S	M	T	W	T	F	S
						G&S*
2	3	S	5	6	7	8
9	10	G	12	13	14	15
16	17	G	19	20	21	22
23	24	H	26	27	28	29
30	31					

JANUARY 2019						
S	M	T	W	T	F	S
		H	2	3	4	G&S*
6	7	S	9	10	11	12
13	14	G	16	17	18	19
20	H	G	23	24	25	26
27	28	G	30	31		

FEBRUARY 2019						
S	M	T	W	T	F	S
					1	G&S*
3	4	S	6	7	8	9
10	11	G	13	14	15	16
17	H	G	20	21	22	23
24	25	G	27	28		

G = General Members
S = Safety Members
H = Holiday

Unless otherwise indicated, workshops are held at LACERA from 8:30 a.m. to noon. Empower Retirement will offer a 45-minute overview of Horizons (457) and Savings (401k) plans; LACERA will provide a 2.5-hour presentation. **Reservations are required; access the Appointment System on lacera.com or call 800-786-6464 to reserve a seat.**

*Held at LACERA from 8:00 a.m. to 11:30 a.m.

3 THINGS MISTLETOE

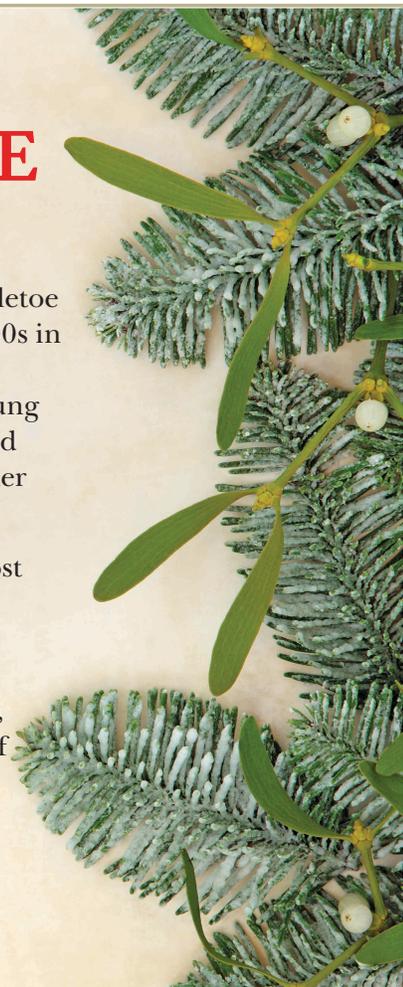
Most people think of mistletoe as the “kissing plant” they hang in their doorways during the holidays. But did you know that it actually has a less innocuous side?

Mistletoe is a parasite that can destroy the hosts it grows on, including traditional Christmas trees such as firs and pines, but it is nonetheless fascinating. Consider these fun facts:

- Mistletoe contains a substance called phoratoxin that is poisonous to humans. However, some ancient cultures considered the plant to have sacred healing properties, and doctors in Europe have recently been using mistletoe extract as a treatment for colon cancer.

- The custom of kissing under mistletoe goes back at least as far as the 1500s in European countries. During the Middle Ages, people there also hung mistletoe in the belief that it would protect them from ghosts and other supernatural mischief-makers.
- Mistletoe shrubs grow on their host plants in strange, basket-like formations popularly known as witches’ brooms. These growths, which can weigh up to 50 pounds, serve as nests for several species of birds and even squirrels.

Sources: *National Wildlife Federation, CBS News, History.com*



Public Service Announcement

Help a Child in Need as a Court-Appointed Special Advocate

You can make a lasting, positive impact on the life of an abused and neglected child in foster care as a Court-Appointed Special Advocate (CASA) volunteer. CASA volunteers are paired with a child one-on-one and work to ensure that they have the services and support needed in the areas important to all kids: stable homes, education, and healthcare. There are 30,000 children in the foster care system in Los Angeles, and many need the support of a CASA volunteer.

Learn more about how you can make a difference in a young person’s life at one of CASA’s information sessions, held in different locations throughout L.A. County. A calendar of upcoming sessions can be found on the CASA website. To learn more or RSVP for an upcoming session, please visit www.casala.org or call (323) 859-2888.

Editor’s Note:

PostScript is published by the staff of LACERA. Consult with professional advisors regarding legal, tax, and/or medical matters; LACERA does not offer legal, tax, or medical advice.

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Upcoming Holidays

LACERA will be closed:

- **Tuesday, December 25** for Christmas
- **Tuesday, January 1** for New Year’s Day
- **Monday, January 21** to observe Martin Luther King Jr.’s Birthday
- **Monday, February 18** to observe Washington’s Birthday