

LACERA

June 2003  
Vol. 14 No. 2

# Spotlight on Retirement

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION • NEWS FOR RETIRED MEMBERS

## Reciprocity and a New Court Decision



**R**eciprocity is the special relationship that exists between certain public retirement systems. It is designed to protect the earned retirement benefits when active members transfer from one public employer to another. First, this article will explain the basic rules of reciprocity, and then tell you about the **opportunities for certain retired teachers and judges** that were established by a new court decision.

**To be eligible for full reciprocity,** active members must terminate

employment and defer their retirement with the first system and enter employment covered by a reciprocal retirement system. The transfer must occur within six months of terminating the first system and have no overlapping membership dates between the two systems. Your transfer must occur after the date reciprocity is established between the two systems.

Establishing reciprocity gives you certain advantages:

1. The rate of contribution will be based on the member's age at his or her birthday nearest

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## Retirees Disappointed Again

**O**n April 10, the Board of Retirement again considered adopting a resolution to implement SB 670, the law that extends benefits to surviving spouses who marry a LACERA member after retirement. Once again, by a vote of 6 to 3, the resolution did not pass.

Currently, members must be married at least one year prior to their retirement date to provide a continuing allowance for their surviving spouse. (Those receiving a service-connected disability retirement must be married prior to retirement, but do not have the one-year requirement.)

### Why Didn't the Board Adopt This Resolution?

The boardroom was filled to capacity. Nearly 20 retirees and spouses urged the Board members to support and approve this valuable benefit. Their testimony was heartfelt and very moving as retirees described their fear of

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## Los Angeles County Employees Retirement Association

### Members of the Board of Retirement

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Appointed by Board of Supervisors

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Appointed by Board of Supervisors

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**MARSHA D. RICHTER**  
Assistant Executive Officer  
**GREGG RADEMACHER**  
Assistant Executive Officer  
**ROBERT HILL**

## From the Executive Office

Marsha D. Richter, Chief Executive Officer



## Message from the CEO

As we get closer to Board election time for active members, I want to take this opportunity to emphasize the importance of all members' participation in the voting process. LACERA is *your* retirement association, and as a retired member you can directly impact the outcome of issues that may affect your retirement when it comes time for you to vote for retiree representatives. By voting, you let us know what types of issues are important to you, and what your retirement priorities are. There are two different ways to get acquainted with the Boards, the issues, and the candidates' platforms. In addition to reading about the candidates in their statements, you can also visit LACERA online at [www.lacera.com](http://www.lacera.com) and read the Board agendas.

The job of the Board of Retirement and the Board of Investments is to protect, invest, and administer the retirement fund. In order to fulfill this duty, consultants are hired to help them determine what health care rates and changes are reasonable (Board of Retirement), as well as how best to invest the fund's resources for the most positive returns (Board of Investments). Working within the scope of Retirement law, the Union negotiates benefits, the Board of Supervisors adopts these negotiated benefits, and LACERA administers them. By lending your voice to the

process, you help to insure that your interests are being addressed.

Looking back over the years, many decisions made by the LACERA Boards have had positive lasting effects. Due to the Board of Retirement's careful consideration of health care plan changes, you now enjoy some of the best health care plans available from any retirement system. Though unavoidable, annual rate increases are consistently offset by the increasing level of care and new technology that plan members enjoy. And it is thanks to forward-thinking Board decisions that LACERA has expanded its customer services to include retirement and health care call centers, and other outreach programs.

While each Board member is either elected or appointed by their constituency, they all must follow their fiduciary responsibilities and make decisions for the good of the whole retirement system. Although this year's election is for active members, the next retiree election is scheduled for Summer 2005, for the 2006 term. When you receive your Board candidate information, take into account the important decisions that the Boards make, all with an eye toward making your retirement as good as it can be. Be an active participant in your membership and future elections. Only *you* know what issues are important to you! I hope you take advantage of this important opportunity.

# Legislative Updates

*June 6 was the last day for bills to be passed out of the Legislative house of origin. Bills that failed to pass out of the house of origin are considered to have “died” and will not be heard unless reintroduced the next legislative session.*

*Below are listed some of the bills LACERA is currently following.*

## **AB 55 County Employees’ Retirement: Additional Retirement Credit (Correa)**

This bill, introduced by SACRS, allows the Board of Supervisors to authorize members to purchase up to five years of additional retirement credit by paying the full actuarial cost of the future retirement benefit and not place any additional financial burden on the retirement system. The additional service shall not be counted to meet the minimum qualifications for retirement, for cancellation of retirement contributions at 30 years of service, additional ad-hoc cost-of-living benefits based on service credit, or health care.

As originally written, the bill required that payment for the additional service must be made within five years. The five-year payment period would have made the monthly payment amount for the additional service prohibitively expensive for all but the most highly paid members. LACERA was successful in its efforts to have the bill amended to allow up to 10 years to complete payment.

*Amended: 6/05/03*

*Sponsor: SACRS*

*Status: Senate PER Committee*

*LACERA position: SUPPORT*

## **AB 80 Firefighters: Public Service Purchase (Bogh)**

This bill allows all 1937 Act county peace officers and specified county firefighters to purchase service credit for law enforcement

or fire fighting service performed for another public agency. It broadens the current purchasable service to include law enforcement or firefighting service with any city, state, county, or governmental “public agency” within the United States. To receive the above service, the member must deposit an amount equal to the contributions they would have made for that service, plus interest.

The Board of Supervisors may vote to pay part of the employee contributions. However, employer’s contributions are not included in the cost for the additional service, which creates an unfunded liability.

*Amended: 6/04/03*

*Sponsor: California Professional Fire Fighters*

*Status: Senate*

*LACERA position: OPPOSE*

*UNLESS*

*AMENDED*

## **AB 285 California Employees Retirement: Reciprocity (Negrete-McLeod)**

This bill eliminates all reference to restrictions on the period of time between a member’s public employment subject to a reciprocal retirement system, and would make those reciprocal benefits available regardless of the length of time between employment.

The SACRS Legislative Committee and LACERA would like to see language in the bill clarifying member redeposit rights and the rate of future member contributions.

*Sponsor: SEIU*

*Status: Did not make it out of the Assembly PER & S Committee and appears to be dead for this session.*

*LACERA position: SUPPORT IF AMENDED*

## **AB 933 Tuition Payment/Survivor Benefits (Reyes)**

Extends the definition of “child” to include a stepchild for purposes of providing tuition and special death benefits in the case of a law enforcement officer killed in the line of duty.

Revises Sec.s 31781.1 and 31787 of the 1937 Act to provide survivor benefits to the stepchild of any member who would have been entitled to retire but dies prior to retirement.

*Amended: 6/02/03*

*Sponsor: Fresno Deputy Sheriffs Association*

*Status: Senate PER Committee*

*LACERA position: SUPPORT IF AMENDED*

## **AB 1585 California Employees Retirement (Assembly PER & S Committee)**

This bill would:

- 1) Authorize the system to obtain a loan against the assets in case of an emergency for purposes of paying retirement benefits;
- 2) Change the time to file financial statements;
- 3) Establish a replacement benefit plan for payment of benefits that

# Health Care Consumerism

**H**ardly a day goes by without a mention in the news of the high cost of health care and its effect on individual patients, providers, the health care system, and the economy. It's a complex and serious issue for which there are no easy solutions. LACERA and its Board of Retirement take every action possible to preserve the high level of benefits provided through LACERA-sponsored health plans, and to keep the cost of the plans as low as possible.

## The Impact on LACERA-Sponsored Health Plans

Starting July 1, 2003, LACERA's overall premiums will increase by 14.9%. Considering that, nationally, premium increases for retiree health plans have ranged between

25% and 60%, LACERA's overall increase is quite reasonable. However, the health care premiums LACERA pays are continuing to rise. In addition to the reasons that health care costs are increasing in general (e.g., new technology, prescription drugs, etc.), the primary reasons LACERA's costs are increasing include:

- CMS (Centers for Medicare & Medicaid Services, responsible for administering the Medicare program) payments to Medicare HMOs are much lower than actual plan costs—meaning LACERA bears a greater portion of the cost each year, and
- LACERA-sponsored health plans offer much more generous benefits than those available in similar plans in the individual market.

While we are faring better than most, LACERA expects to experience double-digit premium increases in the foreseeable future. If that becomes the reality, LACERA will be challenged to find creative ways to continue offering the generous benefit plans our members have come to expect.

## How You Can Help

You can help in this effort by being a more informed health care consumer. When you make thoughtful and educated decisions about your health care, it's possible to not only save on your health care costs but also enhance your quality of life. The chart below shows just a few of the ways you may be able to save on your health care costs.

You can...	You save on health care costs because...
Review your health care needs and whether your current LACERA-sponsored plan is the best available to meet your needs. For the majority of you, LACERA offers several choices.	You ensure that you have the plan that provides maximum value for your situation at the time.
Talk with your physician about changing to generic prescription drugs that have the same active ingredients as brand name drugs.	You and the plan pay less for generic prescription drugs, which are just as effective as more costly brand name drugs—which helps to moderate future cost increases.
When your physician prescribes a course of care, talk with him or her about whether it is the most cost-effective way to achieve the medical results you need.	You are aware of possible alternatives, if any, to expensive methods of treatment for your situation.
If you have a chronic condition, consider enrolling in the disease management programs available through your plan (if applicable) at no cost to you.	Your care is managed in the most efficient way, leading to reduced likelihood of serious complications and the need for costly treatment.

As mentioned above, the benefits offered by LACERA-sponsored health plans are more generous than those offered by similar plans in the individual market. By taking an active role in managing your health care, you can save money and ensure that you are doing your part to preserve the high level of coverage provided by LACERA. 

## Member Q & A

**Q:** *I have submitted my marriage certificate twice, but every year I receive the Beneficiary Statement which says that LACERA does not have my marriage certificate on file. Does LACERA keep losing my records?*

**A:** Although we may have this information in your data file, our

electronic records sometimes do not indicate that the information is current—even though it may be. If you call us and let us know that we already have this information, we will review your member information to confirm that our records are up-to-date, then update your electronic file.

**Q:** *I am a retired member of LACERA and I am going through a divorce. Will my ex-spouse continue to get benefits upon my death?*

**A:** No. An ex-spouse does not qualify as a “surviving spouse” eligible to receive a monthly survivor allowance upon the death

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### Retirees Disappointed Again cont'd from pg. 1

leaving a spouse without income upon their death. Some Board members expressed their concern and support for this benefit. However, the majority of the Board voted against the issue.

Representatives from Local 660 spoke against the issue because of the financial burden it would create for the Plan Sponsor—L.A. County. They suggested that it would not be prudent to pass this additional benefit during this time of economic hardship, cutbacks, and layoffs. Local 1014 opposed it because the benefit was not part of the collective bargaining and did not apply equally to all members in a class.

One Board member expressed opposition because, under SB 670, the authority for approving this benefit enhancement was given to the Board of Retirement, but the financial risk for the benefit lies with the Board of Supervisors. The Board member noted that this is the only law ever passed that allows the Board of Retirement to adopt a benefit increase, then send the bill to the County.

LACERA also received a letter from the law firm Silver, Hadden

& Silver alleging LACERA cannot lawfully implement such benefits unless and until LACERA meets and confers in good faith with the Coalition of County Unions in accordance with Government Code Section 3505.

The retirees were clearly disappointed with the outcome. They have been trying to implement this benefit since 1986 when the legislature amended the retirement law to authorize the Board of Supervisors to approve this additional benefit. However, the Board of Supervisors never acted to approve it. Therefore, a special interest group sponsored legislation to amend the law in 1999 giving authority to the Board of Retirement to implement the benefit. The Board has deliberated this issue at length and in depth over the years. This again, was a very difficult decision for the Board, and a disappointing decision for the retirees.

#### **Proposed Legislation— An Alternative to SB 670**

In the May 7 Board meeting, the Board of Retirement unanimously approved Marsha Richter's recom-

mendation to investigate the feasibility of a legislative proposal allowing retirees to select an option that would provide continuing monthly payments to a spouse who is acquired after retirement.

Under this proposed change, retirees who retired under the unmodified allowance would be able to choose an option to name a new spouse as the beneficiary after retirement. This option would reduce the member's monthly benefit in order to insure a continuing allowance to the new spouse after the retiree's death. This election would happen after retirement, and once made would be irrevocable. Although this election would result in a lesser allowance to the retiree, it would provide the retiree with a mechanism for providing a survivor benefit for a new spouse at a cost that may be far less than the cost of insurance.

LACERA's actuary is investigating the feasibility of administering this proposed payment option. If the results are favorable, the Board of Retirement will be asked to support introduction of enabling legislation in the 2004 legislative session. 

# New Feature on



# The Member Home

**A**re you tired of renting? Forking over thousands of dollars every year just to pay someone else's mortgage? Or maybe you've been thinking about refinancing your home mortgage to take advantage of the current interest rates. Whether you are a first-time

home buyer or you already own a home, LACERA's Member Home Loan Program (MHLP) can help you take advantage of the most favorable interest rates in decades. And now you can read all about the MHLP online at [www.lacera.com](http://www.lacera.com), or call

800-2-LACERA (252-2372) to speak with a GMAC Mortgage representative. This new web site section is complete with a LACERA Mortgage Calculator, FAQs, descriptions of loans, daily mortgage rates, and more. Just go to the "Investments" tab on the

home page and click on "Home Loan Program." Using the Mortgage Calculator, you'll be able to calculate the summary breakdown for a mortgage loan including interest costs, property taxes, principal balance, and more. You can even determine

the impact of any principal prepayments. Program, as well as other general-interest homebuyer questions. The Home Loan Program at LACERA welcomes all members. Come visit us online and check out what's new!

## The Mortgage Calculator

It's easy to use the calculator. Just fill in the variables and click "Calculate" to see how your payments and remaining balance will be affected by filling in different amounts.

You can view what your total mortgage will be (principal plus interest), and also see a payment schedule over the life of your loan, either monthly or yearly: Simply

select either "Report Amortization Schedule by Year" or "Report Amortization Schedule by Month."

By using the "Prepayments" option, you can see how much money you would save over the life of your loan by making extra yearly, monthly, or one-time payments.

Mortgage Summary	
Loan amount	\$100,000.00
Term	30 years
Interest rate	5.000%
Annual home insurance	\$0.00
Annual property taxes	\$0.00
Monthly payment	\$536.82
Monthly payment (PITI)*	\$536.82
Total principal and interest payments	\$193,256.49
Total interest	\$93,256.49

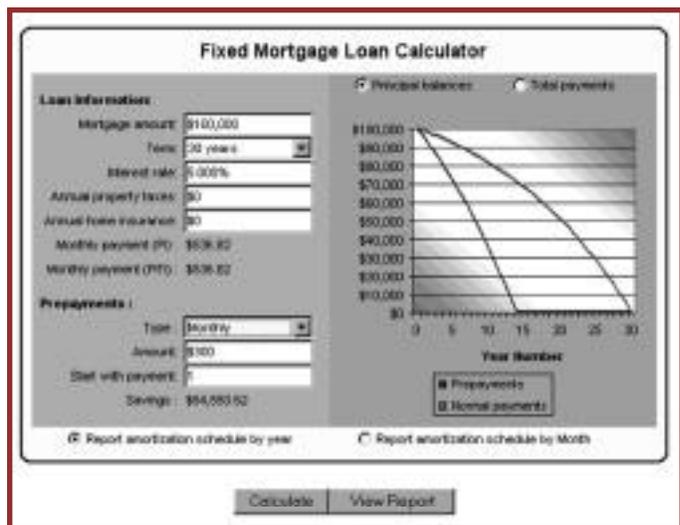
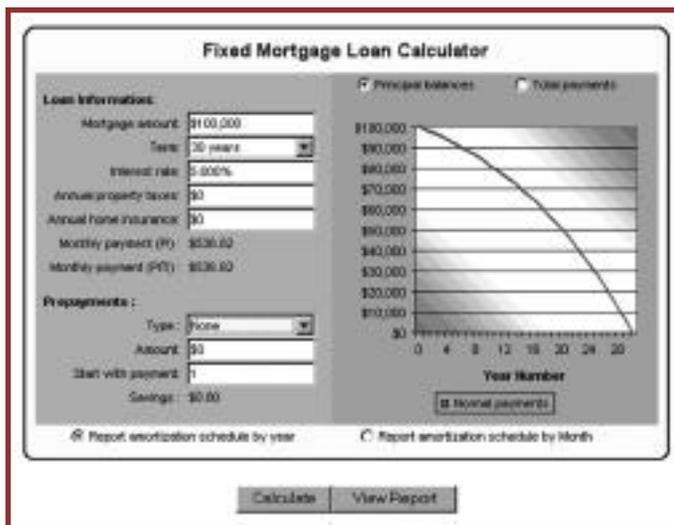
the impact of any principal prepayments.

In addition to the calculator, there is also a Glossary of Terms—useful to know when you're in the buyer's market. You'll also find a helpful list of common questions and answers about the Member Home Loan



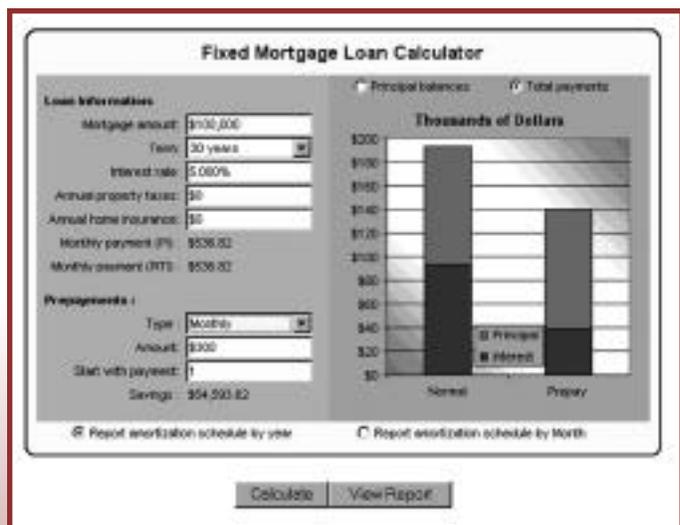
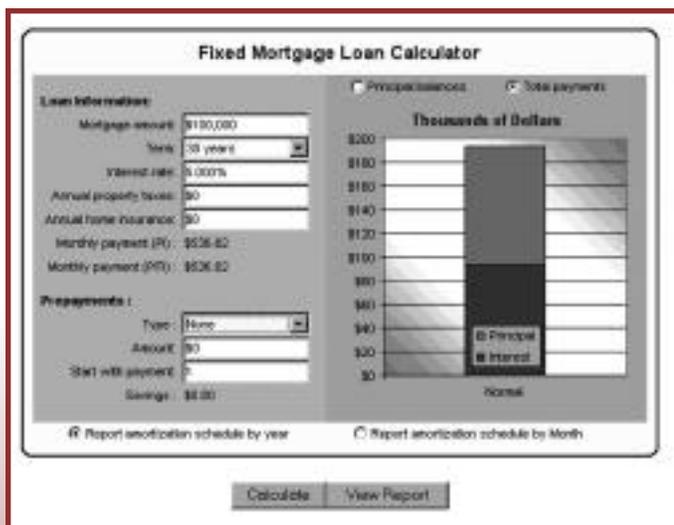
### Principal Balances

If you choose to view the payments by selecting “Principal Balances,” a graph will show a line that indicates how your balance will evolve over the life of your loan. If you fill out the “Prepayments” section, a second line will appear to indicate how much you would save.



### Total Payments

If you choose “Total Payments,” a graph will show the dollar amount of your principal and interest over the life of your loan. If you fill out the "Prepayments" section, a second graph will appear to indicate how much you would save.



**Note:** Information and interactive calculators are made available to you as self-help tools for your independent use. We cannot and do not guarantee their accuracy or their applicability to your circumstances. We encourage you to seek personalized advice from qualified professionals regarding all personal finance issues. 

Do you have questions regarding your retirement benefits?

Visit our website at:  
**www.lacera.com**, or  
email **welcome@lacera.com**

Just call the numbers below and ask to speak to a Retirement Benefits Specialist.  
Telephone LACERA at

**626-564-6132**

**800-786-6464**

**FAX: 626-564-6155**

Your Social Security number is the key to finding your records.

We thank you for your patience and understanding when you call.

## Editor's Note

*Spotlight on Retirement* is published by the staff of LACERA. Signed articles represent the opinion of the writers and not necessarily the opinion of the LACERA Management, Board of Retirement, or Board of Investments.

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Alternative formats are available upon request.

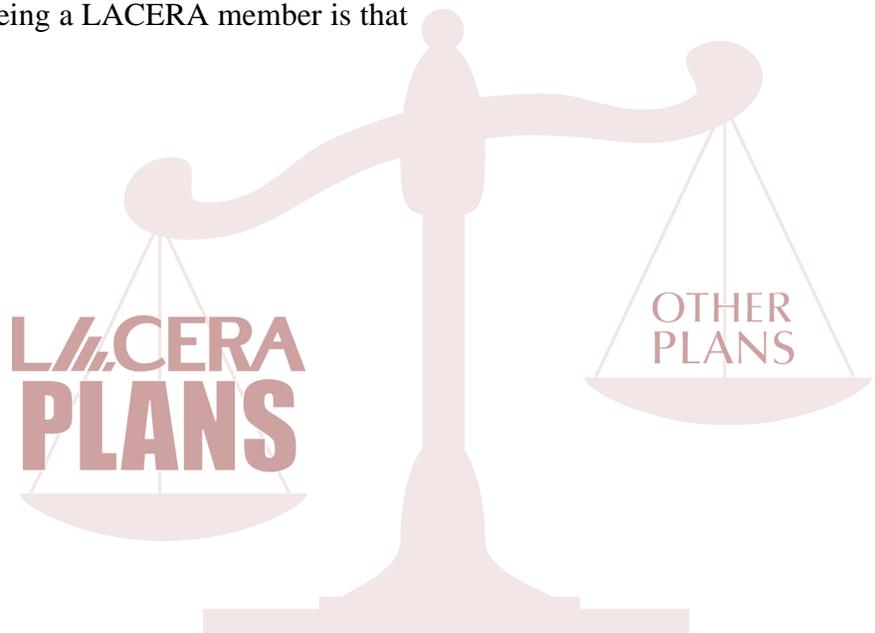
# LACERA Has the Best Health Care Plans

It is not uncommon for health care providers to actively recruit new clients through television ads, magazines, and directmail programs. How do they do make their plans sound so appealing? By making promises of better care for less money, of course. Lower premiums are a great hook and extremely tempting for retirees looking to save some money. After all, who doesn't want to save money? But as with all offers that sound too good to be true, you should take care to thoroughly investigate every offer. Oftentimes, lower premiums reflect plans that seriously compromise on services such as prescription coverage, dental care, or co-payments.

One of the great benefits of being a LACERA member is that

our health care plans are very comprehensive. That's because your health, not our bottom line, is our first priority. Another benefit of being a LACERA member is that you have the freedom to change plans if you wish; just remember to always call LACERA first—*before* taking any action to switch plans. In addition to making sure that you are making the best decision for you and your family, there may be enrollment rules and waiting periods that apply.

Don't make the mistake of enrolling in a non-LACERA plan before speaking to a LACERA health care specialist. You may inadvertently cancel the health care that provides the best benefits, and be subject to late enrollment rules. It's your health, so take care!



Reciprocity cont'd from pg. 1

- entry in the first retirement system.\*
2. Service credit accumulated under each reciprocal retirement system is added together to determine benefit eligibility. The total service credit counts toward meeting the minimum vesting and service credit requirement for retirement.
  3. The member must retire on the same date from each reciprocal agency—unless prohibited from doing so because of different retirement age requirements.
  4. Final compensation, used to calculate the member's monthly retirement allowance, will be determined by using the highest pensionable earnings under all reciprocal systems involved.

Once reciprocity is established, it cannot be waived in order to withdraw contributions, if any, from the member's previous retirement system(s) unless the member terminates employment and withdraws contributions from the current system. By withdrawing current contributions, the member breaks the rules of reciprocity and forfeits his or her right to receive retirement benefits in the future from that system.

### Court Decision Provides Limited Reciprocity

Prior to December 20, 2002, the benefits of reciprocity applied to members only if they *transferred*

between reciprocal retirement systems *after* the date reciprocity was established between the two systems. Therefore, members who transferred *prior* to the statute establishing reciprocity were not eligible for reciprocal benefits.

However, on November 20, 2002, the Court of Appeal in California affirmed a lower court decision in the **Maffei case** that changed the rules of reciprocity. The court decided that even though a member transferred to another system prior to the establishment of reciprocity, he or she is eligible for one of the benefits of reciprocity provided the member retires after the date that the two systems became reciprocal.

### Final Compensation Used by Both Systems

The Maffei decision stated that as long as reciprocity has been established prior to the member's retirement date, the final compensation used in computing a member's retirement allowance will be based on the member's highest salary earned in either retirement system. The court did not address other benefits of reciprocity, such as a member's entry age or contribution rate, so these benefits of full reciprocity are not applicable.

### Who Is Eligible for Limited Reciprocity?

The Maffei decision, effective December 20, 2002, applies to members who terminated service and *transferred within six months*

to LACERA from one of the following agencies, or vice versa, prior to the effective dates of reciprocity indicated below:

- State Teachers Retirement System (STRS), January 1, 1999
- Judges' Retirement System (JRS), January 1, 2002, or
- Judges' Retirement System II (JRS II), January 1, 2002

The decision is applied to anyone in these three systems who retired after reciprocity was established (see dates above). There is a three-year statute of limitations applied retroactively to December 20, 1999. Therefore, a STRS member, for example, who retired between January 1, 1999 and December 20, 1999 is entitled to an adjustment, but it will only apply to his or her allowance earned *on and after* December 20, 1999. LACERA will also recalculate and adjust the retirement allowance for the eligible members who retired after December 20, 1999.

If you transferred to or from LACERA to one of the systems listed above after the dates reciprocal statutes were signed, you are eligible for full reciprocity.

**If you transferred to LACERA from STRS or the Judges Retirement System, or vice versa, and feel you may qualify for partial reciprocity benefits under the Maffei decision, please contact LACERA at 800-786-6464 to speak with a Retirement Benefits Specialist.**

\* **For example:** If you were 29 when you entered your first retirement system in March, and your birthday is in August, your official entry age would be 30. 🏠

# The Member Home Loan Program (MHLP)

**T**ake advantage of the flexible interest rate lock-in option and other discounted fees offered through the LACERA MHLP program. The interest rate lock-in option allows you, the borrower, to receive the lowest prevailing interest rate on one of the following dates:

**1. Your Application Date**

The date on which GMAC Mortgage Corporation receives a signed loan application from you. GMAC will date-stamp the signed loan application on the date it is received.

**2. Your Pre-closing Date**

The date on which all conditions are met and your loan application receives final approval from GMAC.

**3. Your Document Request Date**

The date on which your loan receives signed confirmation from the Underwriter and your documents are requested from the GMAC Closer.

You will receive the lowest interest rate of these three dates and there

is no extra charge for this flexible feature.

The MHLP offers a wide range of fixed and adjustable rate loans, all with competitive rates and low fees. LACERA's active members, retirees, and beneficiaries may participate in our exclusive LACERA Member Home Loan Program. Features of the program include:

- Easy application process
- At no additional cost, you will receive the lowest interest rate applicable from the following three dates—the application date, pre-closing date, or the date the documents are requested
- 0.75% origination fee
- \$350 application fee includes credit report and appraisal report
- \$175 processing fee (other third party fees, escrow, and title insurance may apply)
- Zero point loans available
- A dedicated 800 number (800-2-LACERA)
- Pre-approvals

GMAC Mortgage Corporation provides financing for the LACERA MHLP program, and they will assist you in completing your home loan application. Loan officers are available to visit your residence or job site to take your application. Or you may visit the GMAC offices to apply for a home loan. Also, the entire loan application can be completed by phone, mail or by fax.

LACERA can help you and your family save money with our Member Home Loan Program and interest rate lock-in option. Just call 800-2-LACERA (252-2372) to speak with a GMAC Mortgage representative today.

*GMAC uses reasonable efforts to process all loan applications in the order they are received. However, neither LACERA nor your dedicated GMAC Loan Officer can guarantee that you will receive a particular Pre-Closing Date, or Document Request Date.* 🏠

Legislative update cont'd from pg. 3

may exceed IRC Section 415 annual distribution limits.

*Amended:* 4/28/03

*Sponsor:* Assembly PER & S Committee

*Status:* Senate PER Committee

*LACERA position:* SUPPORT

**SB 270 California Employees Retirement (Soto)**

This bill requires the Board to provide organizations that are recognized by the Board as repre-

senting the retired employees of the county or district with notice and an opportunity to comment on any proposed changes to the system's retirement benefits or the use of excess funds.

*Amended:* 3/24/03

*Sponsor:* CRCEA

*Status:* Assembly PER & S Committee

*LACERA position:* WATCH

**SB 274 County Employees Retirement: DROP (Soto)**

This bill establishes a Deferred Retirement Option Plan (DROP) for law enforcement members. In implementing a DROP program, the bill requires the County to elect a forward, back, or actuarial equivalent DROP.

*Sponsor:* Professional Peace Officers Association

*Introduced:* 2/18/03

*Status:* Assembly PER & S Committee

*LACERA position:* WATCH 🏠

# New Tax Withholding

For the third time in three years, Congress has passed a major tax cut package, *The Jobs and Growth Tax Relief Reconciliation Act of 2003*, designated as the third largest in U.S. history. Effective June 30, retirement benefit checks will reflect your new tax-withholding amount, according to the Internal Revenue Service's new income tax tables. The tables incorporate tax rate changes for most taxpayers and the higher standard deduction for married couples.

The new law extended the 10-percent rate to cover the first \$7,000 of taxable income for

single persons, and \$14,000 for married couples. It also lowered the tax rates above 15 percent to 25, 28, 33, and 35 percent. This is a drop of two percentage points for each rate except the top one, which went down 3.6 points.

The new law also raised the standard deduction for married couples to \$9,500 and extended their 15 percent tax rate to \$56,800 of taxable income. The changes reduce the "marriage penalty"—the difference between the tax couples pay and the amount they would have paid as two single persons.

Below, you will see the revised

income tax table for the percentage method of withholding for the *monthly* payroll period. Compare your current withholding against the amounts on the chart.

If you decide that you would like to change your federal tax withholding, please contact LACERA to request a W-4P form. To change your state withholding, you may also request a DE-4P. Any new withholding information you submit will replace your prior election information, so be sure to consult with your tax advisor before making any changes to your withholding. To find out more about the revised tax law, visit [www.irs.gov](http://www.irs.gov).

**TABLE 4—MONTHLY Payroll Period**

(a) SINGLE person (including head of household)—				(b) MARRIED person—			
If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:		If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:	
Not over \$221 . . . . .		\$0		Not over \$667 . . . . .		\$0	
Over—	But not over—		of excess over—	Over—	But not over—		of excess over—
\$221	—\$808 . . . . .	10%	—\$221	\$667	—\$1,858 . . . . .	10%	—\$667
\$808	—\$2,567 . . . . .	\$58.70 plus 15%	—\$808	\$1,858	—\$5,396 . . . . .	\$119.10 plus 15%	—\$1,858
\$2,567	—\$5,708 . . . . .	\$322.55 plus 25%	—\$2,567	\$5,396	—\$9,838 . . . . .	\$649.80 plus 25%	—\$5,396
\$5,708	—\$12,392 . . . . .	\$1,107.80 plus 28%	—\$5,708	\$9,838	—\$15,463 . . . . .	\$1,760.30 plus 28%	—\$9,838
\$12,392	—\$26,767 . . . . .	\$2,979.32 plus 33%	—\$12,392	\$15,463	—\$27,175 . . . . .	\$3,335.30 plus 33%	—\$15,463
\$26,767	— . . . . .	\$7,723.07 plus 35%	—\$26,767	\$27,175	— . . . . .	\$7,200.26 plus 35%	—\$27,175

Member Q & A cont'd from pg. 5

of the member. At the time of your divorce, the court may order you to divide your retirement allowance with your ex-spouse. If the ex-spouse should die while receiving a portion of your allowance, those payments may continue to the ex-spouse's named

beneficiary. Unless you chose an optional benefit, all payments will terminate upon your death.

Although the retirement benefit option you selected at the time of retirement cannot be changed, you may contact LACERA at 800-786-6464 if you have questions about the benefit option you selected.

LACERA legal counsel is available to review proposed court orders prior to the time they are submitted to the court. If LACERA is unable to comply with the provisions of your order, LACERA may file a motion to set aside the order for modification. 

# Spotlight on Retirement

## Benefit Notes

## New Call Center Hours

**T**he LACERA Call Center is pleased to announce its newly expanded hours: 7:00 a.m. to 5:30 p.m., Monday through Friday. Hours for the Public Counter will remain 7:00 a.m. to 5:00 p.m. Monday through Friday, and general business hours will remain 8:00 a.m. to 5:00 p.m. As always, please feel free to drop in or call 800-786-6464 to speak with a Benefit Specialist. 

## Coming Attractions: The 2003 LACERA Health Fair

**T**his September we're rolling out the red carpet for you—and your health! Mark your calendars for the 2003 LACERA Health Fair: Picture Perfect Health. The fair will take place on Friday, September 12, 2003 at the Pacific Palms Conference Resort in Industry Hills (previously called the Industry Hills Sheraton).

### You'll Be the Star

You're invited to star in a day full of activities and information about staying healthy, managing your health care, and living life to the fullest. Some highlights of this year's health fair include:

- Workshops and seminars covering health and quality of life issues requested by members
- All-star prizes, drawings, and giveaways
- A "Hollywood"-themed grand prize
- The ever-popular box lunch
- And much, much more!

### And the Winner Is...You!

You had something to say. We listened. At LACERA, we value your feedback. If you have attended the health fair in the past, you may remember filling out a survey card at the end of the fair telling us what you liked and didn't like about the event. We take your feedback seriously and

have made improvements to this year's fair based on what you said. By providing feedback, everybody wins—and we'll look for it again this year.

### Don't Miss Out

Mark your calendar now. You don't want to miss this terrific annual event—every year it gets better and better!

Watch for more details about the health fair over the next few months. You will receive your invitation in the mail at your home. The invitation will have more information about the fair, including directions and the hotel's address. Get ready for your close-up, and we'll see you there! 