

Spotlight on retirement

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION • DECEMBER 2017 • VOL. 28, NO.4

Wishing Gregg Rademacher All the Best in His Retirement

LACERA's Chief Executive Officer, Gregg Rademacher, announced his retirement effective October 1, 2017. Mr. Rademacher joined LACERA in 1991, was appointed as the Assistant Executive Officer in 1996, and has served as the Chief Executive Officer since 2006.

It's always hard to say goodbye to someone as highly respected and well-liked as Mr. Rademacher. Throughout his tenure over the last 26 years, he has strengthened and guided LACERA in becoming a premier pension organization. Here are a few highlights of his accomplishments:

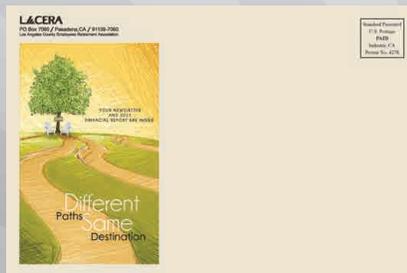


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Read the Enclosed PAFR, Learn About Our Financial Condition

What's a PAFR, you ask? It's short for Popular Annual Financial Report. This year's PAFR, which reports on our financial condition and accomplishments for fiscal year 2016–2017, is enclosed for your review. We encourage you to take a few minutes to look it over. Our full Comprehensive Annual Financial

Report (CAFR) will be available on lacera.com in January 2018.



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Los Angeles County Employees Retirement Association

Board of Retirement:

SHAWN R. KEHOE

Chair
Elected by Safety Members

VIVIAN H. GRAY

Vice Chair
Elected by General Members

WILLIAM DE LA GARZA

Secretary
Elected by Retired Members

MARVIN ADAMS

Appointed by Board of Supervisors

ALAN J. BERNSTEIN

Appointed by Board of Supervisors

ANTHONY BRAVO

Appointed by Board of Supervisors

HERMAN B. SANTOS

Elected by General Members

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

Alternate Retired Member
Elected by Retired Members

RONALD A. OKUM

Appointed by Board of Supervisors

WILLIAM R. PRYOR

Alternate Member
Elected by Safety Members

Board of Investments:

DAVID GREEN

Chair
Elected by General Members

SHAWN R. KEHOE

Vice Chair
Elected by Safety Members

JOSEPH KELLY

Secretary
County Treasurer and Tax Collector
Ex-Officio Member

KEITH KNOX

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

WAYNE MOORE

Appointed by Board of Supervisors

RONALD A. OKUM

Appointed by Board of Supervisors

DIANE A. SANDOVAL

Elected by Retired Members

HERMAN B. SANTOS

Elected by General Members

MICHAEL SCHNEIDER

Appointed by Board of Supervisors

VALERIE ROSE VILLARREAL

Appointed by Board of Supervisors

Interim Chief Executive Officer
ROBERT R. HILL

Interim Deputy Chief Executive Officer
JAMES BREKK

Assistant Executive Officer
JJ POPOWICH

Interim Assistant Executive Officer
BERNIE BUENAFLORES

From the
Executive Desk

Robert Hill – Interim CEO, LACERA



2017: PROFITABLE AND PRODUCTIVE

Greetings, LACERA members. As reported on the first page of this newsletter, LACERA's Chief Executive Officer Gregg Rademacher announced his retirement, effective October 1, so you'll be seeing a new name and face on this article from now on.

Before we get into the recap of 2017, I'd like to express some thoughts about Mr. Rademacher's departure. He will be missed by many people from both inside and outside of the association. As CEO, he was instrumental in leading us through numerous strategic initiatives that modernized all facets of the organization, including the deployment of advanced information technology solutions and the continuous improvement of service delivery and quality. Mr. Rademacher leaves LACERA a premier pension system that is well positioned for future success. His contributions and achievements will not soon be forgotten.

I am humbled and honored that the LACERA boards selected me to serve as the interim CEO. The boards will perform a comprehensive national search process for Mr. Rademacher's long-term replacement. In the meantime, I accept and welcome this opportunity. That's because I believe in the talented, professional, and dedicated employees who work every day to serve you, our members, and fulfill our noble mission to produce, protect, and provide the promised benefits.

Financial Condition

The year is drawing to a close, so it's time to discuss LACERA's financial

condition and service accomplishments. I'm pleased to report that our prudent investments in accordance with the investment policy established by our Board of Investments continue to yield positive results. In the 2016–2017 fiscal year (July 1, 2016 to June 30, 2017), the Pension Plan's investment portfolio realized a 12.7 percent return. Our policy benchmark is 11.2 percent, which means that, in the last fiscal year, the portfolio outperformed its benchmark by 1.5 percent. The best performing sectors of the portfolio were the non-U.S. equity, U.S. equity, and private equity asset classes, which gained 22.7 percent, 18.6 percent, and 12.5 percent, respectively. Finishing the fiscal year with a balance of approximately \$52.5 billion, the Fund remains stable and positioned to finance the promised benefits to current as well as future recipients.

“**The Pension Plan's investment portfolio realized a 12.7 percent return.**”

Service Accomplishments

During the last fiscal year, Member Services answered more than 118,000 phone inquiries. Administrative Services

EXECUTIVE DESK

processed 332,801 pieces of mail and scanned/indexed an impressive 812,900 member documents. Over in Retiree Healthcare, specialists answered more than 54,000 calls and mailed 50,130 insurance packages.

One-on-one counseling was provided to 18,149 members in our offices, and our specialists educated 14,503 attendees at more than 500 workshops and benefit fairs. During the last fiscal year, LACERA expanded services to members by offering neighborhood

workshops and counseling sessions in Rowland Heights and Torrance. Because of the positive response, LACERA plans to increase the frequency of these neighborhood workshops around Los Angeles County in the future.

LACERA's Benefits division put 3,002 new retirees and survivors on the retiree payroll. They also ensured that 63,504 retirement allowances were paid on time each month. Meanwhile, our Benefit Protection

Unit investigated 351 high-risk cases, which included instances of fraud, lost contact, and elder abuse.

If you'd like to read more facts and figures on our financial condition and a breakdown of accomplishments, please take a look at the enclosed LACERA Popular Annual Financial Report (PAFR). The year 2017 has been eventful at LACERA, and I see great things on the horizon for 2018.

Pa D Hill

YOUR SECURITY, OUR CONCERN

STAY SAFE DURING THE HOLIDAYS

To prepare for end-of-the-year holiday celebrations, many Americans spend a great deal of time in the kitchen baking and cooking. Some choose to light candles, decorate a tree, or tack up outdoor lights. While all these activities are meant to be positive endeavors, they're potentially dangerous.

Household fires are reported to occur most often in December and January, and most burns occur inside the home while cooking. We want you to spend your holidays injury-free, so consider these tips to prevent fires and burns this season.



Stove/oven safety

- Keep your stovetop and oven

clean. Grease can ignite easily.

- Don't leave oven mitts or towels near the stove.
- Cook on back burners, and turn pot handles in.



Microwave safety

- Use only containers designed for microwave use.
- Allow food to cool before removing it from the microwave.
- Prevent steam burns by removing lids carefully.

Heating safety

- Space heaters need space—at least three feet away from



anything that can burn.

- Don't leave heaters unattended.
- Don't use throw rugs in front of the stove or fireplace.

During the hustle and bustle of the holidays, you might feel short on time. However, dedicating a few hours to ensure these safety measures are in place can save you trouble in the future. After you've secured your house properly to prevent fires and burns, why not sit back and reward yourself with a warm holiday beverage? Maybe you could make some eggnog... on the back burner with the handles turned in, of course. Happy holidays!



"Every new beginning comes from some other beginning's end."

-Seneca the Younger



800-786-6464



LACERA ACCOMPLISHMENTS

LACERA Congratulates Newly Elected and Reelected Board Members

The results are in from the election held on Tuesday, August 1 to fill three seats on the Board of Retirement (BOR) and two seats on the Board of Investments (BOI). The following members have been elected:

- **Herman Santos,**
Second Member of the BOR
- **Les Robbins,**
Eighth Member of the BOR
- **JP Harris,**
Alternate Retired Member of the BOR
- **David Green,**
Second Member of the BOI

- **David Muir,**
Eighth Member of the BOI

Mr. Herman Santos took office at the October Board of Retirement meeting. The rest of the winners will begin their term on January 1, 2018. Please join us in congratulating these members on their successful LACERA board elections.

Medigap Insurance Policies: No impact on LACERA-administered group health plans

Recently in the news, it was announced that there will be changes to the Medigap insurance policies in 2020. The proposed changes apply to Medigap insurance policies sold by private insurance companies and do *not* impact your LACERA-administered group health plans. Your benefits remain unchanged.

If you have questions about Medigap, please contact:

- Medicare: 1-800-633-4227;
www.medicare.gov
- State Health Insurance Assistance Program: 1-800-434-0222;
www.aging.ca.gov/hicap

If you have questions about your LACERA-administered group health plans, please contact LACERA's Retiree Healthcare Division at 1-800-786-6464 (press 1). You may also log in to your My LACERA account by visiting lacera.com and clicking the logo at the bottom-right of the page.

Your 2017 1099-R Is in the Mail

LACERA will mail a Form 1099-R to all retirees and survivors by the end of January, in compliance with Internal Revenue Service (IRS) regulations. The IRS requires LACERA to file a 1099-R to report retirement fund distributions made to you during the year.

Access Your 1099-R on My LACERA

If you're a registered user of My LACERA, you can view and print your current and prior years' 1099-Rs. The 2017 1099-Rs will be available on My LACERA in February.

Hold on to Your December Check Stub

For ease of recordkeeping, you may find it helpful to keep your December check stub or automatic deposit receipt (ADR). Both the ADR and the check stub show the total amount of your 2017 retirement benefit income. This will be useful if you need that information before your Form 1099-R arrives to you in the mail or is accessible on My LACERA.

2017-18 Payday Calendar

December						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	H	26	27	M	D	30
31						

January						
S	M	T	W	T	F	S
	H	2	3	4	5	6
7	8	9	10	11	12	13
14	H	16	17	18	19	20
21	22	23	24	25	26	27
28	M	30	D			

February						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	H	20	21	22	23	24
25	M	27	D			

M = Check Mailing Date **D** = Direct Deposit Date **H** = Holiday

FAQs

FREQUENTLY ASKED QUESTIONS

Beneficiaries

1. Q: Where can I find my beneficiary information?

A: You can view your beneficiary information on My LACERA, our 24-hour online, interactive web feature that connects you to your personal retirement account. The information also appears on the Annual Benefit Statement (ABS) LACERA mails you each year in the month following your birthday.

2. Q: Do I have to provide the Social Security number of the person I wish to name as beneficiary?

A: Yes. A Social Security number (or Taxpayer Identification Number) is required before any benefits can be paid. If a member doesn't have a number at the time of beneficiary designation, LACERA must receive

this information when the death claim is processed.

3. Q: Does LACERA pay a death/burial benefit to the beneficiary of a retired member?

A: Yes. All LACERA retirement plans include a one-time lump-sum death burial benefit of \$5,000, payable to the beneficiary upon the death of a retired member.

4. Q: Are taxes withheld from the \$5,000 death/burial benefit that is provided for retired members?

A: Yes. LACERA is required to withhold 20 percent in federal income tax.

However, your benefit payment may be eligible for rollover to a traditional IRA or an eligible employer plan, which would allow you to postpone taxation of that benefit until it is paid

to you. You have 60 days after you receive the benefit payment to roll over all or part of it to a traditional IRA or to an eligible employer plan that accepts your rollover.

Note: Your payment cannot be rolled over to: Los Angeles County's 401(k) Savings Plan and Horizons 457 Plan, a Roth IRA, a SIMPLE IRA, or a Coverdell Education Savings Account (formerly known as an education IRA).

More specific information on the tax treatment of payments from qualified employer plans is available in IRS Publication 575, Pension and Annuity Income, and IRS Publication 590, Individual Retirement Arrangements. These publications are available from your local IRS office, online at www.irs.gov, or by calling 800-TAX-FORMS.

3 THINGS

New Year's

The clock strikes 12, and a whole new year begins. Whether 2017 was joyful, trying, or a bit of both, it's time to look forward to the possibilities in the new year. Millions of people do this by popping open a bottle of champagne and forming new resolutions. You're probably familiar with these traditions, but here are three things you might not know about New Year's:

- The first New Year's celebration dates back 4,000 years. Julius Caesar named January after Janus, the Roman god of doors and gates. Janus had two faces, one looking forward and one looking back.
- Americans consume close to 360 million glasses of champagne during this time. The bubbly drink dates back to the 17th century when the cork was invented.
- According to statistics from the National Insurance Crime Bureau, vehicles are stolen on New Year's Day more than any other holiday. Owners of Honda Accords should be extra vigilant.

Source: patch.com

STAYING HEALTHY TOGETHER

Vol. 11, Issue #4 • December 2017

Healthy Holiday Tips for Seniors

Looking forward to the holidays? As the song goes, “It’s the most wonderful time of the year!” But, especially for seniors, the holidays can be particularly challenging to your health and wellbeing. Give yourself and your loved ones a special gift this year by following these tips:

Stay well. It can be easy to forget to take care of yourself when you’re getting ready for holiday activities and visits from family and friends. But it’s important to remember that your health should come first. If you feel yourself getting overly tired, consider taking a “you-day.” Slow down and enjoy a much-needed break! And make sure you get plenty of sleep. In the midst of flu season, your family and friends will understand, and appreciate it, if you take care of yourself. And as always, wash your hands frequently to avoid illness and spreading germs to others.

Keep stress to a minimum. The holidays can be great fun but also overwhelming. If you feel yourself getting stressed, take a few minutes to practice deep breathing. Close your eyes and breathe deeply. Clear your mind as much as possible, and focus on your breath as you inhale and exhale. Even a minute or two of deep breathing can help you settle down and be more focused as you continue with your holiday preparations.

If you drink, be careful. When you’re having fun at a holiday gathering, it’s easy to forget how much you’ve had to drink.

Be aware of your limits. Get up slowly from your chair, and be careful when walking—whether you’re drinking or not. It’s easy to trip over presents left sitting out on the floor, or to slip and fall when you’re outside, especially if you live in an area with icy pathways.

Watch out for hazards. Short-circuiting lights, dried out trees and wreathes, and crowded parties are all potential hazards. Look around for potential issues, and keep your fire extinguisher handy.

Watch what you eat. It’s tempting to overindulge on sweets and unhealthy foods during the holidays, but too much could leave you feeling sick. Stick with healthy foods that are low in fat and sugar. Also, keep up your water intake. Taking steps like these can keep you energized throughout the day.

Take positive steps if you feel lonely. Sometimes holidays can be a hard time, especially if family and friends are out of town or have passed on. Be honest with yourself if you’re feeling sad, but try not to let those feelings overtake you. Often, talking on the phone or getting out of the house can be helpful. Reach out to family or friends, go out for a walk, visit your local senior center or place of worship, or take yourself out for a nice dinner or a movie. And consider volunteering for a charity or homeless center, which not only helps others but can benefit you as well.

Healthy Recipe Hearty Vegetable Beef Stew



With gift shopping and holiday parties, who has time to cook? This stew is perfect for a cooler winter day and, because you make it in a slow cooker, there’s barely any prep time! Just cut everything up in the morning and you’ll have a tasty, filling stew for dinner that night.

Ingredients 6 servings

- 2 pounds boneless beef chuck roast, trimmed and cut into 1-inch cubes
- 12 ounces tiny new potatoes, quartered
- 4 medium carrots, cut into ½-inch pieces
- 1 medium onion, cut into wedges
- 1 (10.75 ounce) can reduced-fat, reduced-sodium cream of mushroom soup
- 1 cup reduced-sodium beef broth
- 1 teaspoon dried marjoram or dried thyme, crushed
- 2 cups frozen cut green beans

Gregg Rademacher cont'd from pg. 1

- Mr. Rademacher was instrumental in overseeing the establishment of the Member Services and Quality Assurance divisions.
- Under his leadership, LACERA moved to the digital age—expanding lacera.com, rolling out the My LACERA portal, and providing online self-service options.
- He expertly guided LACERA through numerous legislative and plan tier changes such as the Public

Employees' Pension Reform Act of 2013 (PEPRA) and Retiree Healthcare Tier II.

Assistant Executive Officer Robert Hill will serve as the interim Chief Executive Officer. Mr. Hill joined LACERA in 1994 and has held various senior roles, with experience spanning virtually all parts of the organization, including serving in the Assistant Executive Officer position since 2001.

Many will feel Mr. Rademacher's loss,

both professionally and personally. Interim CEO Robert Hill says, "I know Gregg to be honorable, professional, and knowledgeable. Like many of you, I think of him as a teacher, storyteller, and a person who always strives to do the right thing."

Please join us in wishing Gregg Rademacher health and happiness in his retirement. For more information about Mr. Rademacher's contributions and LACERA's future leadership plans, see the press release on lacera.com.

Pull Up a Chair with Human Resources



Many of the fifteen divisions at LACERA perform behind-the-scenes work that keeps the association running smoothly and effectively. One such example is Human Resources. In HR, a team of twelve people comprises three units: Employee and Organizational Development, Return-to-Work and Payroll, and Talent Acquisition and Management. Employees within these teams provide a number of different services, including performance management, conflict resolution, and career planning. Those



JOHN NOGAES
Division Manager

interested in pursuing a career at LACERA can visit lacera.com, click on the Careers tab, and conveniently apply online for any open position.

As with every other division, HR's work is always completed with LACERA's overall mission in mind: to produce, protect, and provide the promised benefits. They do this by effectively administering human resource programs and providing quality service to LACERA employees, supervisors, and managers.

Instructions

1. Heat a large skillet over medium-high heat. Coat with cooking spray. Cook the beef cubes until brown (you might need to cook them in batches). Remove them from the skillet and drain off the fat.
2. Place the browned meat in the slow cooker with the potatoes, carrots, onion, cream of mushroom soup, broth, and marjoram.
3. Cover and cook on low for 8 to 9 hours or high for 4 to 4½ hours.
4. Afterwards, add the green beans. Cover and cook an additional 30 minutes.

Fall Workshop Helps Members Take Steps Toward Better Health

There's no doubt about it—our members know what's good for them! Thanks to everyone who attended the fall Staying Healthy Together workshop on September 18. The event was a huge success. Members especially enjoyed the engaging presentation, cooking demonstration, and interactive dancing sponsored by Kaiser, plus activities such as chair massage and tabletop pinball provided by our other health plan partners. LACERA is excited to offer another wellness workshop this spring. Stay tuned for more details on the date, location, and topic. Watch your mailbox for an invitation, and be sure to visit lacera.com for updates. We look forward to seeing you there!

Source: <http://www.eatingwell.com/recipe/259487/hearty-vegetable-beef-stew/>

800-786-6464



LACERA
P.O. BOX 7060
PASADENA, CA 91109-7060

Public Service Announcement Volunteer with the Department of Public Social Services

Your help is needed. The Los Angeles County Department of Public Social Services (DPSS), Volunteer Services Section, is seeking volunteers to provide clerical support on a variety of short- and long-term assignments. Volunteers are also invited to various outreach events countywide, and the time required each week generally ranges from 20 to 40 hours. Volunteers must complete fingerprinting. DPSS serves an ethnically and culturally diverse community through programs designed to alleviate hardship and promote health, personal responsibility, and economic independence. The department provides benefits and services to low-income residents of Los Angeles County, including temporary financial assistance, free and low-cost healthcare insurance, and food benefits for families. For more information, call Anthony Leoni, DPSS Volunteer Coordinator, at 213-744-4590, or email him at DPSSvolunteers@dpss.lacounty.gov.



Holiday Message

LACERA's boards, management, and staff wish you health, love, and lasting happiness this holiday season.

Upcoming Holidays

LACERA will be closed on:

- **Monday, December 25**, for Christmas Day
- **Monday, January 1**, for New Year's Day
- **Monday, January 15**, to observe Martin Luther King, Jr.'s birthday
- **Monday, February 19**, to observe Washington's birthday



Email: welcome@lacera.com

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