

# LACERS NEWS

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ACTIVE MEMBERS  
WINTER 2024







## **Board President Message – Annie Chao**

I am fortunate to engage in what I am passionate about both in my professional and personal life. This past summer, my fellow LACERS Board members granted me the privilege of being elected as the President of the Board. We also embraced the addition of Gaylord “Rusty” Roten to the board, reinforcing our commitment to maintaining a complete and resolute team, ready to safeguard the tomorrows of our Active and Retired Members, along with their beneficiaries.



The year 2023 marked a period of significant change and numerous inaugural experiences. After three years, we restarted in-person LACERS Board meetings and committee meetings, moved into a new LACERS headquarters at 977 N. Broadway, and reassessed board rules and educational training to allow the Board to function transparently and provide the necessary industry insights to help grow the trust fund responsibly. We have also remained watchful about advancing and advising on the issues that are critical to our Members. We support and are paying close attention to the Discretionary Cost-of-Living Adjustment (COLA) for Retired Members and their beneficiaries. Today, every dollar buys fewer goods and services, and the perpetual rise of prices is making it difficult to afford living costs. We believe the COLA is not only the right thing to do but also the smart thing to do. Rest assured that the Board will persist in advocating for and closely monitor the issues that could directly influence its capacity to fulfill its mission and departmental priorities.

As the new year is in full swing, I am grateful to my colleagues, the LACERS staff, and you, our Active and Retired Members, for your trust. I hope that you and your loved ones enjoyed a happy holiday season. Happy New Year from your LACERS Board of Administration!

Sincerely,  
Annie Chao

## A Message From General Manager, Neil Guglielmo



Looking back, I am reminded of how much change LACERS has encountered. Three years of navigating through a global pandemic which upended every aspect of our lives, our families to how we work. There are many vital lessons but one that stands out is the way that LACERS staff

showed kindness and patience toward our Members, colleagues, and others. This past year we had many firsts, we moved to a new headquarters at 977 N. Broadway, we returned to assisting Members in person, we have practiced countless hours of testing and training on the City's new human resources system, and so much more.

As some of you heard during the LACERS Board meetings, we were closely watching the conversation on the Discretionary Cost-of-Living Adjustment (COLA), Council File #23-0418, for Retired Members and their beneficiaries. The Council File and public comments are now closed and the City Council has decided not to take any action at this time. LACERS staff will prepare an updated discretionary COLA request for the Board's consideration this year. In other news, we continue to monitor both situations in Ukraine and Gaza, recognizing the influence of geopolitical conflicts on the economy, financial markets, and, above all, the human cost.

Looking ahead, we remain committed to the well-being of our Members, employees, and protecting the trust fund. To this end, we are launching a Cognitive Issues Project to assess and provide greater behavioral support and services to our Members as they navigate aging successfully with insights from leading experts. In addition, our staff attended a LAPD Security Training that enhanced their understanding of identifying and adopting proper authentication procedures, securing sensitive areas, and adhering to visitor management procedures for the safety of our employees, Members, and guests.

As we start the new year, I remain grateful for the opportunity to lead LACERS through this transformative time. I am honored to serve with an incredible group of professionals who deliver on

our mission of protecting and growing the LACERS trust fund and providing retirement services to our Members in an ethical, dependable, and efficient manner. Thank you for your dedication! I look forward to yet another year of progress.

Wishing you and your loved ones the gift of togetherness, the comfort of cherished moments, and the promise of a bright and prosperous 2024.

Here's to a happy, healthy next chapter.

With appreciation,

Neil Guglielmo



## Top 3 FAQs LACERS Receives from Active Members

At LACERS we strive to provide our Members with the information they need to enjoy the best retirement possible.

Members ask many questions when preparing to retire, but the following three are the most common:

### 1. How much money am I going to get?

Your retirement benefit is determined by your Final Compensation, your Service Credit, your LACERS Retirement Factor, and if you take an Early Retirement, a Reduction Factor. To learn more about the LACERS retirement formula and calculation, review page 10 in the [Tier 1 Summary Plan Description](#) or [Tier 3 Summary Plan Description](#). You can also log into your [MyLACERS](#) account and use the 'Estimate a Benefit' feature to know how much money you can expect to receive.

### 2. Is there a way to reduce the amount of time between my last active check and my first retirement check?

Yes! To ensure the least amount of time between your last active check and your first retirement check, retire at the end of the last full pay period of the month.

### 3. What happens to all my unused sick and vacation time (accrued leave)?

LACERS is not involved with the disbursement

of this benefit. Accrued leave payouts after retirement are paid from the Controller's Office after notification from your employing department. Questions regarding these benefits should be directed to your department's Human Resources or Personnel Section.

Additionally, if you participate in the Personnel Department's [Deferred Compensation Program](#) or are considering becoming a participant, you should consider speaking with them prior to your retirement to determine if you can direct any of your payout directly into a deferred compensation account.

You probably have more questions, and we offer a variety of ways to get the answers 24/7 via our [website](#), our [Official YouTube channel](#), and [MyLACERS](#). Additionally, during normal business hours via email, phone, and in-person visits. Remember, no matter what stage you are at in your city career, LACERS is here to help.

Need to send any Personal Identifiable Information (PII) to us? Avoid email and upload your documents safely and directly on our website via [Secure Document Upload](#).

Ready to retire? You can do so online via our [Retirement Application Portal](#). Call us **90 days before your selected retirement date** to schedule a counseling session and get started!



## Next Stop: The LACERS YouTube Channel



Where is one place LACERS Members can go to access information about their retirement benefits and the retirement process at any time? The Official LACERS YouTube channel! Members can find videos about [planning for retirement](#), [survivor benefits](#), the [retirement application portal](#), and other retirement-related topics. Head to the [Official LACERS YouTube Channel](#) to like and subscribe, and join over 2,000 other Members who are notified when new content is posted!



## 2024 Yearly Check-Up

The start of a new year is a great time to check-up on your LACERS benefits. Here are some things to check off your list:

### **MyLACERS Account**

- ✓ Have you created your profile on the [MyLACERS Member Portal](#)? MyLACERS is your online gateway to real-time details about your retirement account. You can generate a member statement, register for upcoming webinars and events, or create a benefit estimate for a future retirement date. Request a PIN letter today! Don't know how... [watch this two-minute video](#).

### **Beneficiaries**

- ✓ Make it a habit to review your designated beneficiaries on file with LACERS annually so that your benefits are paid out as intended if you pass away before retirement.
- ✓ You can view your current designations via your [MyLACERS account](#). To update them, submit a new [Designation of Beneficiary Form](#). Remember, designated beneficiaries remain in effect until you change them.

### **Attend a Planning for Retirement Seminar**

- ✓ It doesn't matter if you are new to the City, mid-career, or close to retirement, as it's never too early to learn about your retirement. Attend a seminar to understand all the components of your retirement benefits and eligibility. Seminars are held several days a month, including Saturdays,

and both in-person and webinar options are available. View the [schedule on our website](#) and/or register to attend via your [MyLACERS account](#).

### **Service Credit Purchases**

- ✓ Did you work part-time intermittently for the City of Los Angeles before joining the LACERS plan or full-time for another government agency? Have you gone through a divorce or taken a long unpaid leave of absence? If so, you may be eligible to purchase Service Credit, which may count toward your retirement eligibility and increase your retirement allowance and health subsidy.
- ✓ For additional information on making a service purchase for a re-deposit, back contributions, public service buyback, or a government service buyback, please view the [Service Purchase](#) video, [view our website](#), and when contacting LACERS, ask to speak to a Buyback Representative.

### **Supplementing Your Retirement**

- ✓ Your LACERS retirement allowance should be considered the foundation of your retirement financial planning. However, your LACERS benefit alone may or may not cover your expenses in retirement.
- ✓ To supplement your LACERS retirement allowance, you may want to consider the LACERS [Larger Annuity Program](#) and the Personnel Department's [Deferred Compensation Program](#). These are voluntary programs that could help bridge an income gap in retirement.

## A Message From Chief Investment Officer, Rod June



As we reflect back on 2023, the markets saw a stark rebound compared to the previous year. Record highs were achieved across the Dow Jones Industrial Average, S&P 500, and Nasdaq indices. Improved investor sentiment in the economy provided additional support for a soft-landing

scenario, as consumers fueled economic growth with strong discretionary spending coupled with declines in gas prices and mortgage interest rates.

The Fed has indicated possible interest rate cuts in 2024 in hopes of achieving their desired long-term

target of 2% due to a stabilization of inflation. Given record low unemployment and a robust job market, it's no wonder that the investment markets were witness to a much needed year-end rally.

While ongoing concerns over geopolitical events are still present, it is important to acknowledge that LACERS is a long-term strategic investor with a carefully constructed, highly diversified portfolio designed to sustain changing market conditions. Our asset allocation, which includes stocks, bonds, credit opportunities, real estate, and private equity, provides an all-weather approach that can deliver an attractive risk-adjusted rate of return to its beneficiaries.

Rod June

### DIVISION SPOTLIGHT:

#### **Benefits Determination Unit, BDU**

LACERS Members may not interact directly with the Benefit Determination Unit (BDU) but can see their hard work in the benefit calculations of each Member's respective retirement allowance. As part of the Retirement Service Division, the BDU is tasked with the calculation of retirement allowances for Members doing a Service, Vested, or Disability Retirement. In addition, the unit also calculates survivor benefits for beneficiaries.

Calculating each Member's benefit isn't always straightforward. Some calculations require additional attention due to the division of community property or the need to verify benefit garnishments. BDU not only handles these detailed calculations, but they do so with great accuracy. This skill goes hand in hand with their responsibility of setting up and auditing the monthly retiree payroll for any discrepancies. Each Member's retirement allowance is as important and unique as each Member receiving it. So, whether you are receiving your LACERS benefit now or will be in the future, you can count on this unit to make sure it is calculated with care and accuracy.



### **Vesting: What Does it Mean?**

Vesting is a term used in retirement and means ownership or that you've earned some rights to a future retirement benefit. Becoming vested with LACERS happens when you complete five years of Continuous City Service working for the City of Los Angeles in a LACERS covered position and have funds on deposit with the Plan. After becoming vested and satisfying retirement eligibility requirements, you can retire from LACERS and receive a lifetime monthly benefit.

Whether or not you retire as an Active City employee or have separated from City Service, take comfort in knowing that being vested allows you the option of drawing a future Service or Deferred Service Retirement. [Learn more on our website](#) about leaving City Service prior to retiring.

**Note:** Part-Timers follow the same active rules for vesting, however, they vest differently upon separation from the City.



## Simple Recipe: Avocado Toast

### Ingredients

- ½ small avocado
- ½ teaspoon fresh lemon juice
- ⅛ teaspoon Kosher salt
- ⅛ teaspoon freshly ground black pepper
- 1 slice whole grain bread, toasted
- ½ teaspoon extra-virgin olive oil
- Maldon sea salt flakes or red pepper flakes for garnish (optional)

### Directions

1. In a small bowl, combine avocado, lemon juice, salt, and pepper. Gently mash with the back of a fork.
2. Top toasted bread with mashed avocado mixture. Drizzle with olive oil and sprinkle over desired toppings.

### Tips

1. For perfect avocado toast, ingredient quality is key. Use fresh, crusty whole-wheat bread and the best extra-virgin olive oil you can find.
2. Try adding bacon and an egg for the perfect filling breakfast!

### Nutrition Facts

- 200 Calories
- 13g Fat
- 18g Carbs
- 5g Protein

## When and How to Cancel the Family Death Benefit Plan (FDBP)

As LACERS Members near retirement, the [Family Death Benefit Plan \(FDBP\)](#) is one voluntary program they should consider canceling. Oftentimes, employees elect to participate in the FDBP plan early in their City career due to having a young family, or dependent parents and/or not qualifying for other survivorship benefits due to an insufficient amount of service credit. As Members progress in their careers, these criteria may not exist, and canceling the FDBP should be considered.

Furthermore, although Members may be eligible for additional benefits depending on their years of service credit, FDBP cannot be paid in conjunction with a Service Retirement Survivorship or Deferred Service Retirement Survivorship.

### When to Cancel?

Members should cancel FDBP when they:

- No longer have young children and/or dependent parents; and,
- Qualify for either a Service Retirement Survivorship or Deferred Service Retirement Survivorship.

### How to Cancel?

Canceling is easy. Review and complete this [FDBP Cancellation Form](#) and return it to LACERS. If you are unsure if you should consider canceling FDBP, please call (800) 779-8328 and we will assist you.





## LACERS News Staff

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Khia Moore, *Benefits Analyst*

Carlos Jovel Jr., *Benefits Analyst*

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## LACERS Holiday Office Closures



Keep this list handy when planning to contact or visit our LACERS offices throughout 2024.

- **New Year's Day** - January 1st
- **Martin Luther King Jr. Day** - January 15th
- **Presidents' Day** - February 19th
- **Cesar Chavez Day** - March 27th
- **Memorial Day** - May 27th
- **Juneteenth** - June 19th
- **Independence Day** - July 4th
- **Labor Day** - September 2nd
- **Indigenous People's Day** - October 14th
- **Veterans Day** - November 11th
- **Thanksgiving week Dark Hours**  
November 24th - November 29th
- **Christmas week Dark Hours**  
December 23rd - January 1st

# THERE'S MORE THAN ONE WAY TO REACH US!

WEBSITE:

[LACERS.org](https://lacers.org)

SECURE DOCUMENT UPLOAD:

[lacers.org/secure-document-upload](https://lacers.org/secure-document-upload)

EMAIL:

[lacers.services@lacers.org](mailto:lacers.services@lacers.org)

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