LACERA

Annual Report

AND INFORMATION ABOUT
RETIREMENT, DISABILITY AND
DEATH BENEFITS
FOR LACERA MEMBERS

For the Year Ended
June 30, 1987

Members of the Board of Retirement

CHAIRMAN

ROBERT S. KENNARD, Assessor's Department. Elected by general members. Present term expires December 31, 1987. Elected Chairman of the Board, January 7, 1987.

VICE CHAIRMAN

J. CLIFFORD HERDMAN, appointed by the Board of Supervisors. Present term expires December 31, 1987. Elected Vice Chairman of the Board, January 7, 1987.

SECRETARY

ROBERT STOTELMEYER, elected by retired members. Present term expires December 31, 1987. Elected Secretary of the Board, January 7, 1987.

MEMBERS

DAVID COMMONS, appointed by the Board of Supervisors. Present term expires December 31, 1988.

MICHAEL L. FALABRINO, appointed by the Board of Supervisors. Present term expires December 31, 1987.

CODY FERGUSON, Forester and Fire Warden's Department. Elected by safety members. Present term expires December 31, 1989. (Alternate)

ROBERT HERMANN, Sheriff's Department. Elected by safety members. Present term expires December 31, 1989.

SIMON S. RUSSIN, Health Services Department. Elected by general members. Present term expires December 31, 1988.

NORMAN R. SHAFFER, appointed by the Board of Supervisors. Present term expires December 31, 1989.

SANDRA R. TRACEY, County Treasurer and Tax Collector, appointed by the Board of Supervisors. Ex-officio member of the Board of Retirement by law.

Members of the Board of Investments

CHAIRMAN

NORMAN S. JOHNSON, elected by retired members. Present term expires December 31, 1987. Elected Chairman of the Board, January 14, 1987.

VICE CHAIRMAN

BONDIE O. GAMBRELL, appointed by the Board of Supervisors. Present term expires December 31, 1987. Elected Vice Chairman of the Board, January 14, 1987.

SECRETARY

SANDRA R. TRACEY, County Treasurer and Tax Collector, appointed by the Board of Supervisors. Ex-officio member of the Board of Investments by law. Elected Secretary of the Board, March 11, 1987.

MEMBERS

JAMES D. AKINS, appointed by the Board of Supervisors. Present term expires December 31, 1987.

LEO B. BABICH, appointed by the Board of Supervisors. Present term expires December 31, 1988.

ROBERT HERMANN, Sheriff's Department. Elected by safety members. Present term expires December 31, 1989.

ROBERT S. KENNARD, Assessor's Department. Elected by general members. Present term expires December 31, 1988.

JACK M. NAGEL, appointed by the Board of Supervisors. Present term expires December 31, 1989.

SIMON S. RUSSIN, Health Services Department. Elected by general members. Present term expires December 31, 1987.

LOS ANGELES COUNTY
EMPLOYEES RETIREMENT ASSOCIATION

Charles L. Spencer
Retirement Administrator

TO ALL ACTIVE AND RETIRED MEMBERS OF LACERA:

Dear Member:

This booklet is designed to provide you with a "summary plan description" of the retirement, disability and death benefits available to you and your beneficiary through the Los Angeles County Employees Retirement Association for the year ending June 30, 1987. It also contains a financial report of the Association and statistical information.

The County Employees Retirement Law makes all individual records of members confidential. Such records may not be disclosed to anyone other than the member, except in the administration of the law or upon order of a court of competent jurisdiction.

Information in this booklet is intended to be accurate but whenever a statement herein conflicts with the law, the law shall prevail. Official decisions will be made only after reference to the official publication of the statutes and of any regulations which govern the administration of the Retirement Association.

Each member should carefully read the information contained in this booklet to understand the many benefits provided by law. Because the information cannot cover every individual situation, however, you are encouraged to contact retirement staff either by phone or in person if you have any questions pertaining to your individual benefits or if any of the information in this booklet requires further clarification.

BOARD OF RETIREMENT
BOARD OF INVESTMENTS

140 HALL OF ADMINISTRATION • 500 WEST TEMPLE STREET • LOS ANGELES, CALIFORNIA 90012-2719 • (213) 687-8040

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For more information contact LACERA by writing or telephoning as follows:

Hall of Administration, Room 130
500 West Temple Street
Los Angeles, CA 90012

1-213-687-8040
Toll-free in California: 1-800-621-7727

General Information for Active Members

Introduction

The Los Angeles County Employees Retirement Association, hereinafter referred to as LACERA, is an independent entity established pursuant to the County Employees' Retirement Law of 1937 (California Government Code Section 31450 et seq.) which administers a trust fund account designated as the employees retirement fund now totaling over $7 billion. LACERA provides retirement, disability and death benefits to its active general members in Plan A, B, C & D and to its active safety members in Plan A and B. Retirement benefits only are provided to general members in Plan E. Disability and death benefits for active Plan E members are not provided through LACERA but are available through the Long-Term Disability and Survivor Benefit Plan provided by the County of Los Angeles and administered by the Long-Term Disability and Survivor Benefit Plan Section in the Chief Administrative Office. Continuances for eligible survivors of retired members are provided through LACERA for members of **all** retirement plans. The LACERA plans are known as **defined benefit plans** because the retirement allowances provided are based on the member's salary, length of service and age at retirement. While LACERA was established for the benefit of County employees, there are employees of other agencies that are also LACERA members. These agencies include the Little Lake Cemetery District, Local Agency Formation Commission, South Coast Air Quality Management District and the County Superintendent of Schools, although new employees of the latter two agencies now become members of retirement systems other than LACERA.

Management of LACERA

Except as otherwise delegated to the Board of Investments and except for the statutory duties of the County Treasurer, the management of LACERA is vested in the Board of Retirement. The Board of Retirement is composed of nine members and an alternate member as shown on the inside of the front cover of this booklet. The Board of Investments is also composed of nine members, as shown on the same page, and has exclusive control of the investment of the employees retirement fund. LACERA employs technical and clerical staff to handle the day-to-day operations involving the administration of benefits and accounting functions. LACERA is governed by the California Constitution, the County Employees' Retirement Law of 1937, various other statutes, By-laws of the Boards of Retirement and Investments, and procedures and policies adopted by the Boards of Retirement and Investments. Moreover, the County Board of Supervisors may, as authorized by the Government Code, adopt resolutions which affect the benefits of LACERA members.

The expense of administering the retirement systems is charged against the earnings of the retirement fund. LACERA collects, deposits, invests and manages retirement trust funds solely in the interest of, and for the exclusive purposes of providing benefits to, participants and their beneficiaries, minimizing employer contributions thereto, and defraying reasonable expenses of administering the system; acts as fiduciary agent for the control and accounting of member and employer contributions and investment income; acts on the direction of the Boards of Retirement and Investments; and identifies, develops and advances legislation, rules and policies which promote the fiscal integrity of the system.

Types of Membership

There are two types of membership in LACERA: safety and general. Safety membership is applicable to appointees in law enforcement (includes Sheriff, Marshal and District Attorney Investigators), firefighting, forester and ocean and lake lifeguard classifications. General membership is applicable to all other appointees. Note: Safety membership has been available to all members in safety classifications who were not over the age of 35 (under 35½) at the time of entry into LACERA membership or as of the date when they became employed in a position, the principal duties of which consisted of active law enforcement, fire suppression, or ocean and lake lifeguard activities. In addition, those members who were over the age of 35 at the time of entry into LACERA membership, but who were safety members in a reciprocal retirement system and retained membership in that system, are also eligible for safety membership. As of January 1, 1987, the legal age limitation for safety membership was removed and, regardless of age, all persons appointed to three-quarter time or more permanent safety classifications are eligible for safety membership.

Membership Plans and Dates

There are two **safety** member plans. These are:

- **Plan A** for employees who became safety members prior to September 1, 1977.
- **Plan B** for employees who became safety members on or after September 1, 1977.

There are five **general** member plans. These are:

- **Plan A** for employees who became general members prior to September 1, 1977.
- **Plan B** for employees who became general members on or after September 1, 1977 through September 30, 1978.
- **Plan C** for employees who became general members on or after October 1, 1978 through May 31, 1979.
- **Plan D** for employees who became general members on or after June 1, 1979 through December 31, 1981 or were hired on January 1, 2 or 3, 1982; for employees who were hired on or after January 4, 1982 and who elected Plan D as their retirement plan; and for members who elected to transfer to Plan D during a transfer period approved by the Board of Supervisors and have completed the deposit of all required contributions.
- **Plan E** for employees who were hired on or after January 4, 1982 and who elected Plan E as their retirement plan; and for members who transferred to Plan E during a transfer period approved by the Board of Supervisors.

Membership Eligibility

Persons entering the employ of the County, districts or courts on a permanent basis at three-quarter time or more are eligible for membership in LACERA. Item designations which determine membership eligibility are A (monthly permanent, full-time), L (Department Head), N (monthly permanent, full-time; grant funded), Y (monthly permanent time), and Z (monthly permanent, ⅘ time). Employees are excluded from membership in a retirement plan if they are classified as temporary, seasonal, intermittent, part-time or less than three-quarter time permanent.

Effective Date of Membership/Plan Election

Persons entering the employ of the County, districts or courts on a permanent basis of three-quarter time or more become members of LACERA on the following effective dates based on type of membership:

Safety employees:

- On the first day of the calendar month following appointment regardless of the date hired.

General employees:

- On the first day of the calendar month following appointment if hired on or before January 3, 1982.
- On the first day of the calendar month following the election of a retirement plan if hired on or after January 4, 1982.

  Note: **As a condition of employment, general employees must make an election of a retirement plan within 60 days after becoming eligible for membership.** An employee may elect Plan D (a contributory plan) or Plan E (a non-contributory plan). Such election is made by circling 'D' or 'E' and signing your name on a Sworn Statement card made available by your employer.

  Elective Officers become members of LACERA on the first day of the calendar month following the filing of a declaration with the Board of Retirement to become a member.

Highlights of Contributory and Non-Contributory Plans

LACERA offers two types of plans: contributory and non-contributory. Further information on the various benefits of the plans is provided throughout this booklet; plan highlights of the two types, however, are as follows:

Contributory Plans:

- There are six contributory plans: four are general member plans (Plans A, B, C & D) and two are safety member plans (Plans A & B).
- Vesting occurs after a member has accumulated five years of retirement service credit.
- Members may retire at age 50, provided they have at least ten years of retirement service credit, other than public service, or provided they are vested and ten years has passed since their membership entry date.
- Contributions are made by the member and credited to the member's account. Interest is credited to the accounts twice each year. For tax treatment, member contributions are made by the employer, thereby reducing the taxable income of members. Contributions may be withdrawn by the member only upon termination of service.
- Members are eligible to purchase and receive credit for County service prior to membership.
- Members are eligible to purchase and receive credit for public service prior to membership only if they meet the criteria as described under the section on PLAN A CREDIT FOR PREVIOUS PUBLIC OR PRIOR SERVICE, Page 24.

- Members are eligible for disability retirement through LACERA and for benefits under the Long-Term Disability and Survivor Benefit Plan through the County of Los Angeles.
- Cost-of-living increases after retirement are granted effective each April 1 to a maximum of 3% (Plan A) or 2% (Plans B, C or D) based on the Consumer Price Index as of the preceding January 1.
- There are survivor benefits for eligible surviving spouses/children of members who die either before retirement or after retirement.
- Medical and dental/vision insurance benefits are available to retired members/surviving spouses.
- The County provides $2,000 of life insurance.

Non-Contributory Plan:

- There is only one non-contributory plan, Plan E, which is for general members only.
- Vesting occurs after a member has accumulated ten years of retirement service credit.
- Members may retire at age 55 provided they have at least ten years of retirement service credit, other than public service.
- No contributions are made by the member.
- New Plan E members are not eligible to receive credit for County service prior to membership, but members who transferred to Plan E from a contributory plan are eligible to receive credit for County service prior to membership.
- New Plan E members are not eligible to receive credit for public or prior service, prior to membership, but members who transferred to Plan E from a contributory plan are eligible to receive credit for such service which they would have been eligible to purchase had they not elected to transfer to Plan E.
- Members are not eligible for disability retirement through LACERA but only for benefits under the Long-Term Disability and Survivor Benefit Plan through the County of Los Angeles.
- There are no cost-of-living increases after retirement.
- There are survivor benefits for surviving spouses/children of members who die after retirement only.
- Medical and dental/vision insurance benefits are available to retired members/surviving spouses.
- The County provides $10,000 of life insurance.

Consequences of: Plan Election and Transfer/Redeposit of Contributions

There are important consequences involved in the election of a retirement plan, the transfer between plans and the redeposit of contributions. These consequences are detailed below:

Eligible employees in general membership classifications do not become members until the first of the month following the election of a retirement plan. An employee receives no retirement service credit until becoming a member so it is important to make an election of a plan as soon as possible after becoming eligible for membership.

Employees holding positions in County or district service prior to membership which excluded them from membership, as described under the section on MEMBERSHIP ELIGIBILITY, Page 6 and who subsequently become members, may purchase credit for all such service prior to the date of becoming eligible for membership if they elect Plan D (the contributory plan), or if they become safety members. If the excluded but now eligible employees elect Plan E (the non-contributory plan), however, no County or district service credit will be given prior to the effective date of membership.

Members who terminate service and later return to service in general membership classifications may elect either Plan D or Plan E, regardless of the plan they were in prior to the date of termination; for example, members who were previously in Plan D may elect Plan E and vice versa. Members who were previously **vested** under Plan E and elect Plan E again will continue to accrue credit under Plan E.

General members who elected to transfer from a contributory plan to Plan E, who terminate service and later return to service, may elect either Plan D or Plan E, but they cannot redeposit contributions which were refunded when they transferred to Plan E and be reinstated to their previous contributory plan nor may they receive credit for that prior service regardless of the plan they elect, unless as noted above, they were previously vested under Plan E and elect Plan E.

General members who elected to transfer from Plan E to Plan D are eligible to receive credit under Plan D only for that service which they were eligible to receive under Plan E. They may not be reinstated to a contributory plan other than Plan D even though they may have previously been in such a contributory plan, for example, Plan A, B or C, prior to their transfer to Plan E.

Current members of LACERA in contributory plans, who terminated a prior period of membership service other than Plan E and elected to withdraw their accumulated contributions/interest, may now redeposit those contributions, plus accrued interest, and be reinstated to their previous retirement plan. For example, a former Plan A member who terminated service and withdrew his contributions, who returned to service and is now a Plan B, C or D member, may redeposit those withdrawn contributions, plus accrued interest, and be reinstated to Plan A. The reinstated member is also eligible to a refund of any excess contributions made during the time the member was in Plan B, C or D. In addition, if that prior period of membership overlapped a period in which a member would have been eligible to receive credit for public or prior service, the member who redeposits previously withdrawn contributions may now elect to receive credit for such public or prior service as described under the section on PLAN A CREDIT FOR PREVIOUS PUBLIC OR PRIOR SERVICE, Page 24.

There are additional consequences of plan election relating to a member's eligibility for disability retirement and for survivor benefits which are covered in detail in later sections of this booklet.

Member Retirement Contributions

All retirement plans, except Plan E, are contributory plans. Members in all plans, except Plan E, are required to make monthly retirement contributions through payroll deductions which are credited to their individual accounts. Several employers, however, have negotiated with their employees to pay a portion of the employees' contributions. The rate of contribution for members is based on age at the nearest birthday at the time of entrance into LACERA (see Tables 1–6 on Pages 13–18). A retirement contribution is calculated by multiplying the applicable percentage rate times gross salary, excluding shift differentials, overtime and flat rate bonuses. For example, the contribution for a 25-year-old person entering membership in Plan D who is earning a monthly salary of $1,200.00 would be 6.73% (from Table 6, Page 18) times $1,200.00 equals $80.76. (LACERA members who were, or are, covered by Social Security made, or make, reduced retirement contributions. To compute the contribution for periods covered by Social Security for Plan A, B or C members, subtract $116.67 from gross salary before multiplying by the contribution rate; for Plan D members, subtract $350 from gross salary before multiplying by the contribution rate. This formula for Plan D members applies only if monthly salary equals or exceeds $1,400. If less than $1,400, contact LACERA for the appropriate formula.)

While contribution rates may increase or decrease based on actuarial studies, a member's current rate is always based on age at entry. For example, if you are now a 50-year-old who entered LACERA at age 25 in Plan A, your current rate would be 4.14%, based on your entry age of 25 (from Table 3, Page 15). Contributions are discontinued for a person who was a member on March 7, 1973 and remained in membership continuously until credited with 30 years of service. Service credit for eligible County or public service prior to membership and purchased by the member counts towards the 30 years. Persons entering membership in a contributory plan after the above date will make contributions for as long as they are in active service.

Member contributions earn interest which is posted to a member's account on June 30 and December 31. The current annual rate of interest is 8%. A financial statement showing contributions and interest is issued to each LACERA member in a contributory plan approximately three months after the close of the fiscal year ending June 30. These statements show the member's taxable and non-taxable contributions plus the interest which has been credited to the member's account. "Taxable" contributions refers to those contributions on which the member was not taxed at the time the contributions were made and which, therefore, would be taxable upon withdrawal or retirement. "Non-taxable" contributions refers to those contributions on which the member paid taxes at the time the contributions were made and which, therefore, would not be taxable upon withdrawal or retirement. The Auditor-Controller reports the "taxable" contributions made by a member as "deferred retirement contributions" on the annual W-2 issued at year end.

Contributions may not be withdrawn by a member before termination of employment and loans may not be made against the contributions in a member's account.

Employer Retirement Contributions

Employers of LACERA members make contributions for members in all retirement plans as shown on Table 7, Page 19. The employer contribution rate is applied to the member's full base salary. Employer contributions are credited to the County Advance Reserves and are not refundable to either the employee or the employer upon termination of a member.

Taxation of Retirement Contributions

Contributions made before August 1, 1983 were included in a member's gross wages and were, therefore, subject to being taxed. Effective August 1, 1983, the County Board of Supervisors adopted an ordinance implementing the provisions of Section 414 (h) (2) of the Internal Revenue Code concerning the tax treatment of employee contributions paid by the County on behalf of affected employees. Pursuant to this section, contributions to a pension plan, although designated under the plan as employee contributions, when paid by the employer in lieu of contributions by the employee, under circumstances in which the employee does not have the option of choosing to receive the contributed amounts directly instead of having them paid by the employer, may be excluded from the gross income of the employee until these amounts are distributed or made available to the employee.

The effect of the ordinance is to reduce a member's taxable income. The County makes employee contributions on behalf of its employees and reduces their wages by the amount of the employee contributions made by the employer. Such contributions are treated as employer contributions in determining tax treatment under the Internal Revenue Code; for all purposes other than taxation, contributions are treated exactly like they were prior to August 1, 1983. Contributions made through the payroll process on or after August 1, 1983 which may be treated this way include the member's "normal contributions" which are computed as a percentage of gross salary, "other contributions" which are made to receive credit for eligible previous County or public service and "back retirement contributions" which are made to receive credit for a period of service for which contributions were not taken.

All of these contributions are shown as deferred retirement contributions on the employee's W-2 issued by the Auditor-Controller at year end and on the employee's warrant/direct deposit stub. Auditor-Controller codes designating whether retirement contributions are taxed or tax deferred, are shown on Table 8, Page 19. LACERA reports contributions made after August 1, 1983 as "taxable" contributions on the annual financial statement since they would be taxable upon withdrawal or retirement while contributions made before August 1, 1983 are shown as "non-taxable contributions" since they would not be taxable upon withdrawal or retirement. Employee contributions which are deducted from any type of pay which was not taxable are posted to the member's non-taxable contributions and would be shown on the warrant/direct deposit stub under a taxed rather than a tax-deferred code.

Social Security Coverage/Medicare Coverage

Employees who became general members in LACERA **or** became eligible for membership in LACERA on or after June 1, 1964, and all employees who elected Social Security coverage in May 1964 were covered under Social Security. Old age, survivor, and disability insurance benefits provided through the Social Security system are payable to those members when they meet the eligibility requirements for those benefits. Questions concerning eligibility for these benefits should be directed to your nearest Social Security office. The County of Los Angeles withdrew its employees from the Social Security system effective January 1, 1983, but employees of the Little Lake Cemetery District and the South Coast Air Quality Management District are still covered by Social Security.

On April 7, 1986 Congress signed into law an act which mandates that all State and local government employees hired after March 31, 1986 participate in Medicare.

Beneficiary Designation

The name and relationship of a beneficiary is given by each member upon entry into LACERA. A married member normally names the spouse as beneficiary because of the community property laws of California and the survivorship benefits available to a spouse in the event of the member's death. The person named as beneficiary may be changed at any time. However, the rights of a spouse—or minor unmarried child, if the member had no spouse—will supersede the rights of any beneficiary named by the member should the member die before retirement.

Beneficiary statements are sent annually to all active and deferred members in a contributory plan along with the annual financial statement. Beneficiary changes for members in a contributory plan may be made on these beneficiary statements which are sent to the members or on forms which are available at departmental and payroll offices or from LACERA. **Beneficiary designations should be kept current!** Changes in beneficiary designations should also be made with the County Employee Insurance Section and with the appropriate payroll office. A change in one of these does not automatically change the other two. Beneficiary statements are not sent to Plan E members since survivor benefits for them are handled by the Long-Term Disability Office and not LACERA.

At the time of retirement all members will again be asked to designate their beneficiary to insure that it is current.

Reciprocity

Reciprocity is the special relationship that exists between "reciprocal" retirement systems. It is intended to encourage career public service by granting retirement benefits to members which have been derived from service credit earned in two or more reciprocal public retirement systems. Reciprocity provisions also define the financial obligations of each system. Reciprocity applies to persons entering LACERA from a reciprocal retirement system or leaving LACERA to enter a reciprocal retirement system if such entry is made within 180 days after leaving the reciprocal system. Members who withdraw their retirement contributions give up the right to reciprocity but, under some circumstances, are eligible to re-establish reciprocity. Please refer to the section on DEFERRED/VESTED RECIPROCAL RETIREMENT BENEFITS, Page 22 for additional information on reciprocity.

Combined General and Safety Service

Members who have earned service credit as both general and safety members in LACERA will receive one retirement allowance payment after retirement. Service credit in each type of membership will be used in computing the benefits and the benefits will be added together to determine the total retirement allowance payable.

Transfers Between Retirement Plans

Effective upon the adoption of a resolution by the Board of Supervisors, general members in Plan A, B, C or D may elect to transfer to Plan E and Plan E members may elect to transfer to Plan D. Transfer is made by election upon proper application executed by the member and filed with the Board of Retirement on or before the last day of the period specified in the resolution. Such resolutions may be adopted only after there has been agreement between employer and employee representatives and they have ratified the necessary Memorandum of Understanding.

Table 1

SAFETY MEMBERS—PLAN A

MEMBER RATES OF CONTRIBUTION BY PAYROLL DEDUCTION

PERCENTAGE OF BASE SALARY
(Based on Nearest Year of Age at Membership)

Age	Negotiated County Rate Current	Negotiated County Rate 9/1/87	Actuarial Recommended Rate/Current	Actuarial Recommended Rate 9/1/87
21	6.28%	6.25%	8.18%	8.15%
22	6.39	6.37	8.26	8.24
23	6.49	6.46	8.35	8.32
24	6.59	6.56	8.43	8.40
25	6.71	6.68	8.52	8.49
26	6.82	6.79	8.61	8.58
27	6.93	6.90	8.69	8.66
28	7.06	7.03	8.78	8.75
29	7.19	7.16	8.87	8.84
30	7.32	7.29	8.96	8.93
31	7.45	7.41	9.05	9.01
32	7.59	7.56	9.13	9.10
33	7.73	7.69	9.23	9.19
34	7.88	7.84	9.32	9.28
35	8.02	7.99	9.41	9.38
36	9.50	9.47	9.50	9.47
37	9.59	9.56	9.59	9.56
38	9.69	9.65	9.69	9.65
39	9.78	9.75	9.78	9.75
40	9.88	9.84	9.88	9.84
41	9.97	9.94	9.97	9.94
42	10.07	10.03	10.07	10.03
43	10.16	10.13	10.16	10.13
44	10.26	10.23	10.26	10.23
45	10.36	10.32	10.36	10.32
46	10.46	10.42	10.46	10.42
47	10.56	10.52	10.56	10.52
48	10.66	10.62	10.66	10.62
49 & over	10.76	10.72	10.76	10.72

Table 2

SAFETY MEMBERS — PLAN B

MEMBER RATES OF CONTRIBUTION BY PAYROLL DEDUCTION

PERCENTAGE OF BASE SALARY
(Based on Nearest Year of Age at Membership)

Age	Negotiated County Rate Current	Negotiated County Rate 9/1/87	Actuarial Recommended Rate/Current	Actuarial Recommended Rate 9/1/87
21	10.04%	10.02%	10.23%	10.21%
22	10.19	10.17	10.33	10.31
23	10.37	10.35	10.44	10.42
24	10.54	10.52	10.54	10.52
25	10.65	10.63	10.65	10.63
26	10.76	10.74	10.76	10.74
27	10.87	10.85	10.87	10.85
28	10.97	10.96	10.97	10.96
29	11.08	11.07	11.08	11.07
30	11.20	11.18	11.20	11.18
31	11.31	11.29	11.31	11.29
32	11.42	11.40	11.42	11.40
33	11.53	11.51	11.53	11.51
34	11.65	11.63	11.65	11.63
35	11.76	11.74	11.76	11.74
36	11.88	11.86	11.88	11.86
37	11.99	11.97	11.99	11.97
38	12.11	12.09	12.11	12.09
39	12.23	12.21	12.23	12.21
40	12.35	12.33	12.35	12.33
41	12.46	12.44	12.46	12.44
42	12.59	12.56	12.59	12.56
43	12.71	12.69	12.71	12.69
44	12.83	12.81	12.83	12.81
45	12.95	12.93	12.95	12.93
46	13.07	13.05	13.07	13.05
47	13.20	13.18	13.20	13.18
48	13.32	13.30	13.32	13.30
49 & over	13.45	13.43	13.45	13.43

Table 3

GENERAL MEMBERS—PLAN A

MEMBER RATES OF CONTRIBUTION BY PAYROLL DEDUCTION

PERCENTAGE OF BASE SALARY
(Based on Nearest Year of Age at Membership)

Age	Negotiated County Rate Current	Negotiated SCAQMD Rate Current*	Actuarial Recommended Rate (Districts) Current	Actuarial Recommended Rate (Districts) 9/1/87
16	3.67%	0 %	4.90%	4.95%
17	3.73	0	4.95	5.00
18	3.78	0	5.01	5.05
19	3.83	0	5.06	5.10
20	3.87	0	5.11	5.16
21	3.92	0	5.16	5.21
22	3.97	0	5.22	5.27
23	4.02	0	5.27	5.32
24	4.10	0	5.33	5.37
25	4.14	0	5.38	5.43
26	4.22	0	5.44	5.49
27	4.28	0	5.49	5.54
28	4.38	0	5.55	5.60
29	4.43	0	5.60	5.65
30	4.53	0	5.66	5.71
31	4.63	0	5.72	5.77
32	4.71	0	5.78	5.83
33	4.80	0	5.83	5.89
34	4.90	0	5.89	5.95
35	5.01	0	5.95	6.00
36	5.12	.01	6.01	6.06
37	5.23	.07	6.07	6.12
38	5.35	.13	6.13	6.19
39	5.47	.19	6.19	6.25
40	5.59	.25	6.25	6.31
41	5.72	.31	6.31	6.37
42	5.85	.38	6.38	6.43
43	5.99	.44	6.44	6.50
44	6.12	.50	6.50	6.56
45	6.27	.56	6.56	6.62
46	6.42	.63	6.63	6.69
47	6.56	.69	6.69	6.75
48	6.72	.75	6.75	6.82
49	6.82	.82	6.82	6.88
50	6.88	.88	6.88	6.95
51	6.95	.95	6.95	7.01
52	7.02	1.02	7.02	7.08
53	7.08	1.08	7.08	7.15
54 & over	7.15	1.15	7.15	7.21

*Minimum $1.00 per month.

Table 4

GENERAL MEMBERS—PLAN B

MEMBER RATES OF CONTRIBUTION BY PAYROLL DEDUCTION

PERCENTAGE OF BASE SALARY
(Based on Nearest Year of Age at Membership)

Age	Negotiated County Rate Current	Negotiated SCAQMD Rate Current*	Actuarial Recommended Rate (Districts) Current	Actuarial Recommended Rate (Districts) 9/1/87
16	6.30%	.87%	6.87%	6.93%
17	6.41	.95	6.95	7.00
18	6.47	1.02	7.02	7.07
19	6.57	1.09	7.09	7.15
20	6.65	1.17	7.17	7.22
21	6.73	1.24	7.24	7.30
22	6.82	1.32	7.32	7.37
23	6.92	1.39	7.39	7.45
24	7.02	1.47	7.47	7.53
25	7.13	1.54	7.54	7.60
26	7.25	1.62	7.62	7.68
27	7.37	1.70	7.70	7.76
28	7.50	1.78	7.78	7.84
29	7.64	1.86	7.86	7.92
30	7.79	1.94	7.94	8.00
31	7.94	2.02	8.02	8.08
32	8.10	2.10	8.10	8.16
33	8.18	2.18	8.18	8.24
34	8.26	2.26	8.26	8.33
35	8.34	2.34	8.34	8.41
36	8.43	2.43	8.43	8.49
37	8.51	2.51	8.51	8.58
38	8.60	2.60	8.60	8.66
39	8.68	2.68	8.68	8.75
40	8.77	2.77	8.77	8.83
41	8.85	2.85	8.85	8.92
42	8.94	2.94	8.94	9.01
43	9.03	3.03	9.03	9.10
44	9.11	3.11	9.11	9.18
45	9.20	3.20	9.20	9.27
46	9.29	3.29	9.29	9.36
47	9.38	3.38	9.38	9.45
48	9.47	3.47	9.47	9.54
49	9.56	3.56	9.56	9.64
50	9.65	3.65	9.65	9.73
51	9.74	3.74	9.74	9.82
52	9.84	3.84	9.84	9.91
53	9.93	3.93	9.93	10.01
54 & over	10.02	4.02	10.02	10.10

*Minimum $1.00 per month.

Table 5

GENERAL MEMBERS—PLAN C

MEMBER RATES OF CONTRIBUTION BY PAYROLL DEDUCTION

PERCENTAGE OF BASE SALARY
(Based on Nearest Year of Age at Membership)

Age	Actuarial County/ District Recommended Rate Current	Actuarial County/ District Recommended Rate 9/1/87	Negotiated SCAQMD Rate Current*
16	6.14%	6.18%	.14%
17	6.20	6.25	.20
18	6.27	6.31	.27
19	6.34	6.38	.34
20	6.40	6.45	.40
21	6.47	6.52	.47
22	6.54	6.58	.54
23	6.61	6.65	.61
24	6.68	6.72	.68
25	6.75	6.79	.75
26	6.82	6.86	.82
27	6.89	6.93	.89
28	6.96	7.01	.96
29	7.03	7.08	1.03
30	7.10	7.15	1.10
31	7.17	7.22	1.17
32	7.25	7.30	1.25
33	7.32	7.37	1.32
34	7.40	7.45	1.40
35	7.47	7.52	1.47
36	7.55	7.60	1.55
37	7.62	7.68	1.62
38	7.70	7.75	1.70
39	7.78	7.83	1.78
40	7.85	7.91	1.85
41	7.93	7.99	1.93
42	8.01	8.07	2.01
43	8.09	8.15	2.09
44	8.17	8.23	2.17
45	8.25	8.31	2.25
46	8.33	8.39	2.33
47	8.41	8.47	2.41
48	8.50	8.56	2.50
49	8.58	8.64	2.58
50	8.66	8.72	2.66
51	8.75	8.81	2.75
52	8.83	8.89	2.83
53	8.91	8.98	2.91
54	9.00	9.06	3.00
55	9.09	9.15	3.09
56	9.17	9.24	3.17
57	9.26	9.32	3.26
58	9.35	9.41	3.35
59 & over	9.44	9.50	3.44

*Minimum $1.00 per month.

Table 6

GENERAL MEMBERS—PLAN D

MEMBER RATES OF CONTRIBUTION BY PAYROLL DEDUCTION

PERCENTAGE OF BASE SALARY
(Based on Nearest Year of Age at Membership)

Age	Actuarial County/ District Recommended Rate Current	Actuarial County/ District Recommended Rate 9/1/87	Negotiated SCAQMD Rate Current*
16	6.12%	6.18%	.12%
17	6.19	6.24	.19
18	6.25	6.31	.25
19	6.32	6.37	.32
20	6.38	6.44	.38
21	6.45	6.51	.45
22	6.52	6.58	.52
23	6.59	6.65	.59
24	6.66	6.72	.66
25	6.73	6.79	.73
26	6.80	6.86	.80
27	6.87	6.93	.87
28	6.94	7.00	.94
29	7.01	7.07	1.01
30	7.08	7.14	1.08
31	7.15	7.22	1.15
32	7.23	7.29	1.23
33	7.30	7.37	1.30
34	7.37	7.44	1.37
35	7.45	7.52	1.45
36	7.52	7.59	1.52
37	7.60	7.67	1.60
38	7.68	7.75	1.68
39	7.75	7.82	1.75
40	7.83	7.90	1.83
41	7.91	7.98	1.91
42	7.99	8.06	1.99
43	8.07	8.14	2.07
44	8.15	8.22	2.15
45	8.23	8.30	2.23
46	8.31	8.38	2.31
47	8.39	8.46	2.39
48	8.47	8.55	2.47
49	8.55	8.63	2.55
50	8.64	8.71	2.64
51	8.72	8.80	2.72
52	8.80	8.88	2.80
53	8.89	8.97	2.89
54	8.97	9.05	2.97
55	9.06	9.14	3.06
56	9.14	9.23	3.14
57	9.23	9.32	3.23
58	9.32	9.40	3.32
59 & over	9.41	9.49	3.41

*Minimum $1.00 per month.

Table 7

EMPLOYER CONTRIBUTION RATES
(As of September 1, 1987)

MEMBERSHIP TYPE	PLAN A	PLAN B	PLAN C	PLAN D	PLAN E
General Members					
Normal Cost	17.91%	14.89%	14.75%	14.63%	13.28%
Surcharge*	.65	.11	—	—	—
Total	18.56%	15.00%	14.75%	14.63%	13.28%
Safety Members					
Normal Cost	25.52%	19.27%			
Surcharge*	1.53	.04			
Total	27.05%	19.31%			

*Note: L.A. County and employers have negotiated with their employees to pick up a portion of the members' contributions which is called a surcharge. The employer contributes 76.16% for general members and 92.66% for safety members of the amount normally paid by the members. This percentage has been determined by LACERA's actuary. This discount results because the contributions will not be refundable on the death or termination of the member if contributed by the employer. The surcharge percentages shown under the plans above were in effect prior to September 1, 1987. New surcharge percentages had not been finalized as of the printing date of this booklet.

Table 8

AUDITOR-CONTROLLER CODES DESIGNATING WHETHER RETIREMENT CONTRIBUTIONS ARE TAXED OR TAX DEFERRED AS SHOWN ON WARRANT/DIRECT DEPOSIT STUBS

MEMBERSHIP TYPE/PLAN	AUDITOR-CONTROLLER CODES FOR TAXED CONTRIBUTIONS*			AUDITOR-CONTROLLER CODES FOR TAX-DEFERRED CONTRIBUTIONS*		
General Members	Normal Contrib.	Other Contrib.	Back Ret. Contrib.	Normal Contrib.	Other Contrib.	Back Ret. Contrib.
Plan A	102	154	150	170	178	176
Plan B	106	160	158	172	182	180
Plan C	128	162	164	174	184	186
Plan D	129	163	165	175	185	187
Safety Members						
Plan A	103	155	151	171	179	177
Plan B	107	161	159	173	183	181

Note: While Auditor-Controller codes were not changed until November 1, 1983, contributions made on or after August 1, 1983 through the payroll process were not subject to tax (that is, were tax deferred) and were so treated by both the County and LACERA.

TERMINATION OR CHANGE OF EMPLOYMENT STATUS

Introduction

Members who terminate employment or transfer from positions in which membership is compulsory to positions in which membership is not compulsory may be eligible for a refund of contributions, to file for service or disability retirement, or to file for deferred/vested retirement benefits or deferred/vested reciprocal retirement benefits. These options are discussed in the following sections:

Termination of Employment

Time in service will determine the available options members have upon termination of employment. Critical periods of service are as follows:

Less than five years (ten years if Plan E):

- When a member's employment terminates with the County or a special district under LACERA and the member has less than five years (less than ten years if member of Plan E) of County/district service, any rights to service retirement benefits are also terminated. Members must elect one of the following:
  - Withdraw all member contributions and interest credited thereon (Plan A, B, C or D only).
  - Apply for deferred/vested reciprocal retirement benefits if the member is going to a reciprocal retirement system (All Plans).
  - Apply for service-connected disability retirement if the member is permanently disabled due to job-related injury or disease (Plan A, B, C or D only).
- Members who do not withdraw their contributions within five years after termination may lose all rights to withdraw their accumulated contributions/interest.

Five or more years (ten years if Plan E):

- When a member's employment terminates with the County or a special district under LACERA and the member has five or more years (ten or more years if member of Plan E) of County/district service, the member must elect one of the following:
  - Withdraw all member contributions and interest credited thereon (Plan A, B, C or D only).
  - Apply for deferred/vested retirement benefits, **or** deferred/vested reciprocal retirement benefits if the member is going to a reciprocal retirement system (All Plans).
  - Apply for service retirement, if eligible (All Plans).
  - Apply for service-connected or nonservice-connected disability retirement if the member is permanently disabled due to job-related or non-job-related injury or disease (Plan A, B, C or D only) or for benefits under the Long-Term Disability and Survivor Benefit Plan if in service for five years (All Plans).
- Members who do not withdraw their contributions within five years after termination, or, if eligible, do not retire or file a deferred retirement/statement of vesting application within 180 days after termination may lose all rights to withdraw their accumulated contributions/interest.

Withdrawal of Retirement Contributions

Members who terminate employment may withdraw their retirement contributions plus any interest accrued thereon. No interest is credited to a member's retirement account after termination unless the member has been granted a deferred retirement. Deferred retirement applications may be obtained from LACERA. Members may not withdraw retirement contributions made by the employer except those contributions which, for tax treatment, were made by the employer and credited to the member's account.

Members who terminate membership in LACERA by withdrawing their contributions and interest on deposit waive any and all previously vested or accrued rights to retirement, survivor, disability and death benefits. Withdrawing members should carefully read the waiver relating to deferred retirement that is printed on the withdrawal certificate. Withdrawal certificates are initiated by the employing department during the termination process and sent to LACERA for preparation of a refund warrant. It is the terminating member's responsibility to assure timely delivery of the completed certificate to LACERA. Refunds are normally made within two weeks after the withdrawal certificate is received by LACERA.

Members who resign and withdraw contributions and are rehired at a later date, will be covered under the current benefit levels for new employees. Employees eligible for general membership must make an election of either Plan D (contributory plan) or Plan E (non-contributory plan). Members who elect Plan D may redeposit withdrawn contributions plus regular interest. Upon the full redeposit of withdrawn contributions and interest those members will be reinstated to their previous retirement plan and will receive credit for past service covered by those contributions. Members who elect Plan E, however, will receive credit only for service after the first of the calendar month following the date of election and may not, if they previously withdrew their contributions, redeposit those contributions or receive credit for their prior service. For additional information, please refer to the section on CONSEQUENCES OF: PLAN ELECTION AND TRANSFER/REDEPOSIT OF CONTRIBUTIONS, Page 9, and RETIREMENT SERVICE CREDIT, Page 24.

The stub attached to the refund warrant contains important tax information and serves as the withdrawing member's IRS form 1099 and State Franchise Tax form 599. LACERA is required to report all taxable income (retirement contributions made after August 1, 1983 and all interest credited to a member's account) to the IRS and the State Franchise Tax Board when withdrawn. Withdrawing members should keep this tax information for future reference as no other information will be provided.

Contributions withdrawn before age 59½, on which the member has not paid taxes, may be subject to a 10% excise tax, as well as to regular income tax, pursuant to the Tax Reform Act of 1986. Under certain circumstances the refund of contributions may be treated as an "eligible distribution" under the Internal Revenue Code. You should contact your personal tax advisor to determine whether your refund may be rolled over into another qualified employer retirement plan or into an individual retirement arrangement (IRA).

Members who do not withdraw their contributions within five years after termination or, if eligible, do not file a deferred retirement/statement of vesting application within 180 days after termination may lose all rights to withdraw their accumulated contributions/interest.

Deferred/Vested Retirement Benefits

Deferred retirement benefits are available to members in Plan A, B, C, & D who terminate employment with five or more years of retirement service credit, not including any public service which they may have purchased, provided they leave their contributions on deposit, and apply in writing for deferred retirement within 180 days after termination. A member on deferred retirement who is rehired into a permanent position of three-quarter time or more, will be reinstated to the same retirement plan the member was in prior to termination and will continue to earn the same retirement benefits and retain the original entry age for determining the contribution rate. Upon the death of any member before the effective date of the member's deferred retirement allowance, the member's accumulated contributions and interest credited thereon shall be paid to such person as the member has designated as beneficiary with LACERA or to the member's estate.

Vested retirement benefits are available for Plan E members who terminate employment with ten or more years of retirement service credit, not including any public service which they may have received upon transferring to Plan E, provided they apply in writing for vested benefits within 180 days after termination.

Members who meet the above eligibility requirements should contact LACERA to obtain deferred retirement/statement of vesting application forms.

Members who subsequently meet the eligibility requirements described in the section on ELIGIBILITY FOR SERVICE RETIREMENT, Page 27 may retire and receive a retirement allowance.

Deferred/Vested Reciprocal Retirement Benefits

Please refer to the section on RECIPROCITY, Page 12 for more information about reciprocity. Deferred/vested reciprocal retirement benefits are available to **all** LACERA members who terminate County or district employment to accept a position with a public agency in California covered under a reciprocal retirement system within 180 days after termination provided that members in a contributory plan leave their contributions on deposit. Benefits of reciprocity are as follows:

- A reciprocal member's rate of contribution in the new retirement system will be based on the member's entry age in LACERA, with the exception of the Public Employees' Retirement System which has a flat rate percentage, unless the new system has a non-contributory plan which the member elects.
- Service credit under each system will be added together to determine eligibility for benefits under each system. There is no transfer of funds or service credit between systems.
- Upon concurrent retirement for service or disability from both systems, or upon death, the highest earnings under either one of these systems will be used to calculate benefits, except that neither disability retirement nor death benefits will be provided to Plan E members.

After a member has elected deferred retirement, contributions may not be withdrawn unless employment is terminated with the other public agency and contributions are withdrawn from the reciprocal retirement system.

LACERA is reciprocal with the Public Employees' Retirement System which covers State employees, most municipal and special district employees in California, and counties other than the following counties, which like Los Angeles County, are covered under the County Employees Retirement Law:

Alameda	Marin	San Bernardino	Sonoma
Contra Costa	Mendocino	San Diego	Stanislaus
Fresno	Merced	San Joaquin	Tulare
Imperial	Orange	San Mateo	Ventura
Kern	Sacramento	Santa Barbara	

There are several other smaller public retirement systems that are reciprocal with LACERA and members should check with any system they enter to determine whether reciprocity is available.

Members entering employment with another public agency covered by a reciprocal retirement system should contact LACERA to obtain deferred retirement/statement of vesting application forms.

Members who subsequently meet the eligibility requirements described in the section on ELIGIBILITY FOR SERVICE RETIREMENT, Page 27 may retire and receive a retirement allowance.

Withdrawal from Membership

Members of LACERA who, by resignation or transfer, change from a position in which membership is compulsory to a position in which membership is not compulsory, may file within sixty (60) days from their resignation or transfer date a written election to discontinue membership. Such written election shall include an application either to:

- Withdraw the member's accumulated contributions and interest credited thereon, if in Plans A, B, C, or D, or
- If eligible, apply for deferred/vested retirement benefits.

If within such sixty-day period members do not file such an election, they shall continue as active members of LACERA, except that if they were safety members they shall become general members. Such membership shall continue until County or district service is discontinued.

Retirement Service Credit

Introduction

Members' allowances in all retirement plans are based on the number of months and years of retirement service credit accumulated prior to retirement. Members in contributory Plan A, B, C or D receive credit based on the number of months for which they have made appropriate retirement contributions through payroll deductions or, if eligible, through lump sum payment or payroll deductions for additional months of County, district or public service prior to membership. Members in the non-contributory Plan E receive credit based only on the number of months of uninterrupted employment or, **if eligible,** for additional months of County, district or public service prior to membership if they **transferred** to Plan E from a contributory plan during a period authorized in a resolution adopted by the Board of Supervisors.

Plan A, B, C or D Credit for Current or Previous County/District Service

Members in Plan A, B, C & D make monthly retirement contributions computed as a percentage of their gross salary based on their age at entry into LACERA to receive retirement credit for current service. These members may also **purchase** credit for the following previous County or district service:

- Service in a non-permanent position, or permanent position of less than three-quarter time before entering current or previous membership, up to the date of eligibility for membership.
- Service in a permanent position covered by LACERA membership before entering current membership and for which the member withdrew retirement contributions. Members who redeposit withdrawn contributions will be reinstated to their former retirement plan, if other than their current plan. Please refer to the section on CONSEQUENCES OF PLAN ELECTION AND TRANSFER/REDEPOSIT OF CONTRIBUTIONS, Page 9 and WITHDRAWAL OF RETIREMENT CONTRIBUTIONS, Page 21.
- A period up to 12 months for which the member made no contributions because of an uncompensated leave of absence due to illness, if the member has returned to active service.

No service credit is given for other periods of absence, whether approved or not, or if a member works less than 16 days in a month. Members who transferred from Plan E to Plan D may not, however, purchase credit for any of the above service if the member would not have been eligible to receive such credit under Plan E, nor would such members be entitled to be reinstated to any plan other than Plan D even if they purchased credit for previous LACERA membership service covered under Plan A, B or C.

Plan A Credit for Previous Public or Prior Service

Certain members in Plan A, or other members in Plan B, C or D who were previously in Plan A and are reinstated to Plan A upon the redeposit of withdrawn contributions, **may** be eligible to purchase and receive credit for public or prior service with another public agency which was worked prior to the member's first entry into LACERA provided they are not entitled to retirement benefits now or in the future, or eligible to establish reciprocity, with the public agency for that service. To be eligible for such credit, these Plan A members **must** have been LACERA members **during the periods** that were authorized in resolutions adopted by the Board of Supervisors. **Prior to the member's first entry** into LACERA means prior to the member's current entrance into LACERA, or prior to any previous entrance into LACERA if the member withdrew contributions and has now redeposited contributions for that previous service. Public and prior service definitions and key dates are shown in the following sections:

Public Service

- **Public service** means service rendered as an officer or employee of a public agency for which the officer or employee received compensation from the public agency and with respect to which the member is not entitled to receive credit in any retirement system supported wholly or in part by public funds after becoming a member of LACERA. Such public agency service is limited to the following agencies pursuant to resolutions adopted by the Board of Supervisors:
  (a) State of California or in any department thereof (includes all agencies covered under the Public Employees' Retirement System (PERS) if the member cannot establish reciprocity with PERS upon the redeposit of contributions withdrawn from PERS)
  (b) any county in California
  (c) the City and County of San Francisco
  (d) any city or special district in Los Angeles County
  (e) United States government and every department and agency thereof (including military service).
- To be eligible for public service credit under (a), (b), (c) or (d) above, employees must have been **in service and members** of LACERA **anytime** between **on or after** January 1, 1968 and **on or before** November 1, 1974. Employees **hired on or after** November 1, 1974 are not eligible unless, as stated above, they were previously members of LACERA during the period noted in this paragraph and have now redeposited contributions which they withdrew for that period.
- To be eligible for public service credit under (e) above, employees must have been **in service and members** of LACERA **anytime** between **on or after** December 1, 1972 and **on or before** July 1, 1974. Employees **hired on or after** July 1, 1974 are not eligible unless, as stated above, they were previously members of LACERA during the period noted in this paragraph and have now redeposited contributions which they withdrew for that period.

Prior Service:

- **Prior service** means employment of a person by a County, district or court prior to January 1, 1938. It also includes service performed for any public agency located wholly in the County of Los Angeles prior to a member's first entry into LACERA membership for which the member is not eligible to receive a pension or retirement allowance, pursuant to By-laws adopted by the Board of Retirement.
- To be eligible for prior service credit, persons must have been in service and members of LACERA **on or before** December 31, 1975. Persons who **entered LACERA on or after** January 1, 1976 are not eligible unless they were previously members of LACERA **on or before** December 31, 1975 and have now redeposited contributions which they withdrew for that period.

Plan E Credit for Current or Previous County/District Service

Employees who elected Plan E as their retirement plan upon **entry** into County service receive retirement credit for current service based on the number of months of uninterrupted employment after becoming members of LACERA. No service credit is given for any period of time, in excess of 22 consecutive workdays, in which the member is absent from work without pay. These Plan E members are **not** eligible to receive credit for previous County or district service. Members who **transferred** from Plan A, B, C or D to Plan E, however, are eligible to receive service credit, **at no cost to the members,** for all of the following previous County/district service which they would have been eligible to purchase had they not elected to transfer to Plan E:

- Service in a non-permanent position, or position of less than three-quarter time before entering current or previous membership, up to the date of eligibility for membership.
- Service in a permanent position covered by LACERA membership before entering current membership and for which the member withdrew retirement contributions.
- A period up to 12 months for which the member made no contributions because of an uncompensated leave of absence due to illness, if the member has returned to active service.

Again, no service credit will be given for any of the above service, if the member who transferred to Plan E would not have been eligible to purchase such credit as a contributory plan member. In addition, no service credit is given for any period of time, in excess of 22 consecutive workdays, in which the member is absent from work without pay during a period of Plan E membership.

Members may, however, receive service credit for the time in which they are totally disabled and are receiving disability benefits or are eligible to receive disability benefits either during or after any elimination or qualifying period under the Long-Term Disability and Survivor Benefit Plan.

Plan E Credit for Previous Public or Prior Service

Employees who elected Plan E as their retirement plan upon **entry** into County service are **not** eligible to receive credit for previous public or prior service. Members who **transferred** from Plan A, B, C or D to Plan E, however, are eligible to receive service credit, **at no cost to the members,** for all of the previous public or prior service which they would have been eligible to purchase had they not elected to transfer to Plan E. This means that certain members who were previously in Plan A, or other members in Plan B, C or D who were previously in Plan A and would have been eligible to redeposit contributions and be reinstated to Plan A, who now transfer to Plan E, may be eligible to receive credit for public or prior service with another public agency which was worked prior to the member's first entry into LACERA provided they are not entitled to retirement benefits now or in the future, or eligible to establish reciprocity, with the public agency for that service. To be eligible for such credit, these former Plan A members must have been LACERA members **during the periods** that were authorized in resolutions adopted by the Board of Supervisors. Please refer to the section on PLAN A CREDIT FOR PREVIOUS PUBLIC OR PRIOR SERVICE, Page 24 for definitions and key dates related to the service which is creditable if you transferred to Plan E.

YOUR SERVICE RETIREMENT ALLOWANCE AND HOW TO COMPUTE AN ESTIMATE

Introduction

Members who meet the eligibility requirements based on age and years of service may retire for service and receive a service retirement allowance for life. In addition, there are benefits payable to eligible surviving spouses or other beneficiaries of members who have retired depending on the particular retirement settlement chosen at the time of retirement.

Planning for Retirement

Members will usually want to make plans for their retirement well in advance of the date they intend to retire. One consideration for retirement will be the amount of retirement allowance you will receive. You may make an estimate of your allowance by following the instructions on Pages 31–37 depending on your type of membership and plan. If you are within several months of retiring, LACERA staff will provide you with a formal estimate of your retirement allowance options. To obtain a formal estimate, you should contact LACERA to obtain a Request for Estimate form. After returning your estimate request form to LACERA, a Retirement Benefit Estimate and Election form will be prepared and sent to you showing the various retirement allowance options if you are in a contributory plan. Plan E members will receive a Plan E Retirement Benefit Estimate form showing their Plan E allowance estimate. Pre-retirement planning sessions are offered by both the County and LACERA.

Application/Approval for Service Retirement

The Retirement Benefit Estimate and Election form or Plan E Retirement Application form which will be prepared and sent to you after you request an estimate is the document which you must sign when you want to retire. Signing and returning your election/application form constitutes your application to retire. Applications to retire must be received **prior** to the effective date of retirement and must be approved by the Board of Retirement which meets the first business Wednesday of every month. The retirement date chosen by you will be the first day of your retirement. In the event you change your mind about retiring after an application has been signed and returned to LACERA, you must rescind your application to retire **in writing** and such rescission must be received by LACERA **prior** to the effective date of retirement. You will receive a confirming letter from the Board following the Board's approval of your application to retire.

Eligibility for Service Retirement

Members meeting the following eligibility requirements may file an application for a service retirement allowance:

General Members:

Plan A, B, C, or D

- Has retirement credit for 30 years of service under LACERA or combined LACERA and reciprocal agency service, other than public service, regardless of age. (If in deferred retirement status, 30 or more years after membership entry date), or
- Is at least 50 years of age and has retirement credit for 10 or more years of service under LACERA or combined LACERA and reciprocal agency service, other than public service. (If in deferred retirement status, age 50 and 10 or more years after membership entry date), or
- Has attained the age of 70, regardless of years of service credit, or
- Has attained the age of 65 with less than 10 years of service credit and was a member prior to December 31, 1978.

Plan E

- Is at least 55 years of age and has retirement credit for 10 or more years of service under LACERA or combined LACERA and reciprocal agency service, other than public service.
- Has attained the age of 70, regardless of years of service credit, or
- Has attained the age of 65 with less than 10 years of service credit and was a member prior to December 31, 1978.

Safety Members:

Plan A or B

- Has retirement credit for 20 years of service under LACERA or combined LACERA and reciprocal agency service, other than public service, regardless of age. (If in deferred retirement status, 20 or more years after membership entry date), or
- Is at least 50 years of age and has retirement credit for 10 or more years of service under LACERA or combined LACERA and reciprocal agency service, other than public service. (If in deferred retirement status, age 50 and 10 or more years after membership entry date).

  Note: Prior to January 1, 1987, safety members were required, by law, to retire no later than the first day of the calendar month following the month in which the members attained age 60. The law was amended effective January 1, 1987 to provide that the maximum retirement age provisions for safety members contained within the County Employees' Retirement Law of 1937 would remain in effect only if approved by a resolution of the Board of Supervisors. As of the same date, local law enforcement officers and firefighters became exempt from the provisions of the Federal Age Discrimination and Employment Act, and thus, were subject to local age provisions. On December 30, 1987 the Board of Supervisors adopted a resolution making the mandatory retirement age provisions contained within the County Employees' Retirement Law operative and applicable effective January 1, 1987. In Los Angeles County, however, District Attorney investigators and lifeguards may not be mandatorily retired at age 60 pursuant to order of the Federal Court.

Service Retirement Allowances for All Plans

The service retirement allowance which will be received by a retired member and eligible surviving spouse or other beneficiary is dependent on the member's retirement plan, final compensation, age, years of service and the retirement settlement selected by the member upon filing an application to retire. A member may choose either the unmodified settlement, which provides the largest monthly allowance and a 60% continuance to an eligible surviving spouse (50% if member in Plan E), or one of the four optional settlements which provide a smaller retirement allowance for the member. The optional settlements enable a member to provide benefits to any beneficiary that has an **insurable interest** in the life and health of the member.

California Insurance Code Section 10110 defines insurable interest as follows: Insurable Interest: Every person has an insurable interest in the life and health of:

(a) Himself

(b) Any person on whom he depends wholly or in part for an education or support

(c) Any person under a legal obligation to him for the payment of money or respecting property or services, of which death or illness might delay or prevent the performance

(d) Any person upon whose life any estate or interest vested in him depends.

LACERA requires the member to certify that the beneficiary, named at the time of retirement, has an insurable interest in the life of the member.

A description of the unmodified settlement and options #1, #2, #3 and #4 is as follows:

Unmodified Retirement Allowance:

- This option results in the largest monthly allowance possible under the law. It is paid during the lifetime of the retired member. Sixty percent of the member's monthly basic allowance (50% if member in Plan E) at the time of death is payable each month to the surviving spouse for life if the spouse was married to the member at least one year prior to the date of retirement and is the named, sole primary beneficiary. When the member does not have a surviving spouse, the 60% (50% if member in Plan E) allowance may be paid collectively to the member's unmarried children under age 18 (or through the age of 21 if such children remain unmarried and are regularly enrolled as full-time students in an accredited school). The unmodified retirement allowance is normally most advantageous for members who are married and in reasonably good health when they retire. If, at the time of the member's death, there is no surviving spouse or minor children, and the total retirement allowance income received by the member during the member's lifetime did not exceed the member's accumulated contributions, the designated beneficiary shall be paid the balance of unpaid contributions in a lump sum.

Option #1:

- Under this option the member receives a slight reduction in the unmodified service retirement allowance. During retirement, the member's normal contributions and interest are reduced by only the annuity portion of his allowance. If the member dies before receiving the total amount of the accumulated normal contributions at retirement, the member's estate or beneficiary who has an insurable interest in the member's life will receive the balance. The accumulated contributions are, therefore, reduced at a much slower rate than in the unmodified settlement.

  This option is attractive to some retirees who do not have a spouse or minor children eligible for the 60% continuance of the unmodified retirement allowance. (Not applicable to Plan E members since Plan E members do not make retirement contributions.)

Option #2:

- This optional retirement settlement results in the largest reduction of the member's monthly unmodified service retirement allowance. It provides a 100% continuance allowance to a co-annuitant who has an insurable interest in the member's life after the member's death. The amount of the member's retirement allowance under this option is directly affected by the age of the co-annuitant, the reduction being greater if the co-annuitant is younger. All payments cease upon the death of both annuitants. This optional settlement may be of benefit to a prospective retiree who has a dependent who does not qualify for a continuance under the unmodified retirement allowance, or to a member with a short life expectancy.

Option #3:

- This optional retirement settlement is similar in principle to option #2, but the co-annuitant receives only 50% of the member's allowance after the member's death. The co-annuitant must have an insurable interest in the member's life. The member's retirement allowance which this option provides is less than the unmodified or option #1, but is more than that calculated under option #2. As with option #2, the allowance is directly affected by the age of the co-annuitant and all payments cease upon the deaths of both annuitants.

Option #4:

- This option provides for a fixed monthly income in the amount or percentage the member selects to be paid to a co-annuitant after the member's death. As in the other options, the co-annuitant must have an insurable interest in the member's life.

Note: **If a member has elected option #2, option #3 or option #4, no continuance allowance may be paid after the death of the retiree if the member changes beneficiaries after retirement.**

Plan A, B, C or D Retirement Allowances

An unmodified service retirement allowance for Plan A, B, C or D members is computed as a percentage of the member's final compensation. The percentage is based on the member's age and years of service and varies according to the retirement plan of the member. Two other factors may, however, enter into the final allowance computation: (1) whether the member was covered by Social Security under LACERA and (2) whether the member is fully insured under Social Security. If the member was covered by Social Security under LACERA, the member's allowance will be reduced by a fixed dollar amount for each year of LACERA service covered by Social Security. If the member is fully insured under Social Security, the member may be eligible for and may elect the level income option whereby the member's allowance will be increased to age 62 and reduced after age 62. These factors are calculated as follows:

- **Final compensation** is calculated using the member's average monthly salary for the latest or highest paid:

  —one (1) year of service, if the member is in Plan A, or

  —three (3) years of service, if the member is in Plan B, C, or D.

- **Age** is calculated to the nearest completed quarter year of age. Factors for each completed quarter year of age increase for general members to age 62 (Plan A) and age 65 (Plans B, C & D) and for safety members to age 55 (Plans A & B).
- **Service** is calculated to the nearest completed month. The nearest completed month means that if a member retires on or after the 17th of a month (16th if February), the month will be included in both the service total and the final compensation period.
- **Social Security Coverage** refers only to that period of time during which a member paid into Social Security while a member of LACERA.
- **Fully insured** under Social Security means the member will be eligible to receive Social Security retirement benefits at age 62.

Examples of calculating final compensation when salary changed during the final compensation period are as follows:

PLAN A MEMBER

$1,392	x 3 months	=	$ 4,176.00
$1,469	x 9 months	=	$13,221.00
	12 months	=	$17,397.00

Final Compensation
$17,397.00 ÷ 12 = $1,449.75

PLAN B, C & D MEMBERS

$1,250	x 3 months	=	$ 3,750.00
$1,319	x 12 months	=	$15,828.00
$1,392	x 12 months	=	$16,704.00
$1,469	x 9 months	=	$13,221.00
	36 months	=	$49,503.00

Final Compensation
$49,503 ÷ 36 = $1,375.08

How to Compute an Unmodified Service Retirement Allowance Estimate if You Are in Plan A, B, C or D and Were Not Covered by Social Security Under LACERA

LACERA has calculated the percentages applicable to various ages and years of service for each of the retirement plans as shown on Tables 9–12, Pages 38–41. (While the percentages shown are for completed years of age and service at retirement, your actual benefits will be based on completed quarter-year age factors and completed years and months of service at the time of retirement.) For example, if a Plan A general member retires at age 60 with 25 years of service, the percentage of final compensation would be 60.99% (from Table 10, Page 39). An estimate of your unmodified service retirement allowance from LACERA may be computed as follows:

1. Calculate your final compensation following the example above based on your plan.
2. Determine the percentage that applies to your age and years of service at retirement from the appropriate Table.
3. Multiply your percentage times your final compensation to compute your unmodified service retirement allowance (No. 2 times No. 3).

Example: A general or safety member retires at age 60 with 25 years of retirement service credit. The member's unmodified service retirement allowance would be computed as follows:

	PLAN A GENERAL MEMBER	**PLAN B GENERAL MEMBER**	**PLAN A SAFETY MEMBER**
% of final compensation (from appropriate Table)	60.99%	54.55%	65.50%
Times final compensation (from examples above)	$1,449.75	$1,375.08	$1,449.75
Equals unmodified service retirement allowance	$ 884.20	$ 750.11	$ 949.59

How to Compute an Unmodified Service Retirement Allowance Estimate if You Are in Plan A, B, C or D and Were Covered by Social Security Under LACERA

Please refer to the preceding section before reading this section if you have not already done so. Members who were covered by Social Security under LACERA will receive a reduced unmodified service retirement allowance from LACERA. The amount of reduction is dependent on age at retirement, the number of years of Social Security coverage under LACERA, and the retirement plan. (See Table 14, Page 43 for Retirement Allowance Reduction Amounts). These members are eligible to receive Social Security benefits beginning at age 62, in addition to a retirement allowance from LACERA. An estimate of your reduced unmodified service retirement allowance from LACERA may be computed as follows:

1. Compute your unmodified service retirement allowance (See Page 31).
2. Determine the reduction amount based on your plan and age at retirement from Table 14, Page 43.
3. Determine your number of years of service covered by Social Security under LACERA.
4. Multiply the reduction amount times the number of years of service covered by Social Security under LACERA (No. 2 times No. 3) to obtain the total amount of reduction.
5. Subtract the total amount of reduction from the unmodified service retirement allowance to compute your reduced unmodified service retirement allowance (No. 1 minus No. 4).

Example: A general member in Plan A retires at age 60 with 25 years of retirement service credit, 15 of which were covered by Social Security under LACERA. The member's reduced unmodified service retirement allowance would be computed as follows:

Unmodified service retirement allowance (from example on Page 32)	$884.20
Less reduction amount (15 years x $2.85; from Table 14, Page 43)	–42.75
Equals reduced unmodified service retirement allowance	$841.45

Level Income Option

General or safety members who retire from service **prior** to age 62, and who are fully insured under Social Security at the time of retirement, may elect to have their unmodified service or option #1 retirement allowances increased until age 62. Members may satisfy the requirement of being fully insured under Social Security if they paid into Social Security for the required number of quarters, through either County or non-County employment or a combination of both. Members retiring for disability or under Plan E or under option #2, #3 or #4 are **not** eligible to elect this option. Based on the member's attained age in the year of retirement and earnings at retirement, LACERA determines the member's **estimated** Social Security benefit at age 62 from information obtained from LACERA's actuary. (See Table 17, Page 45 for Social Security Benefits for the Level Income Option showing estimated Social Security benefits for members who will attain various ages during the year based on the member's annual earnings.) The member's retirement allowance will be increased until age 62 by a **percentage** of that estimated Social Security benefit. The percentage of the estimated Social Security benefit is a figure also determined by LACERA's actuary and is called the Social Security Adjustment Factor (See Table 15, Page 44). The factors shown are for completed years of age at retirement. (There are additional factors for completed quarter years of age which will be used in computing actual benefits at the time of retirement.)

The member's retirement allowance will be reduced **after** the member reaches age 62 by the **full** amount of the **estimated** Social Security benefit. These figures are determined at the time of retirement and will not be affected by subsequent changes in Social Security. If the member applies for Social Security at age 62, the member's total income from both the retirement allowance and Social Security should be about "level" with the amount received before the reduction, hence, the name "Level Income Option." Because LACERA uses estimates of Social Security benefits, the reduction in the member's allowance at age 62 may be **greater or lesser** than the actual Social Security benefit to which the member may be entitled. Members, therefore, who have information that their Social Security benefits will be greater or lesser than the estimated amount should contact LACERA immediately. Note: Any applicable cost-of-living increases to a member's retirement allowance will also be applied to the increased allowance if a member elects this option.

If a member dies, whether before or after age 62, and leaves a spouse or minor child who is eligible to a continuance allowance, the amount of the survivor's allowance will be based on the basic allowance the member would have received had the member not made the election to receive this option.

Example: Member retires at age 60 and the basic monthly allowance was computed to be $841.45. Based on the Social Security Adjustment Factor of 81.51% for a 60-year-old from Table 15 and an estimated Social Security benefit of $354.00 for a person who attained age 60 in 1986 from Table 17 (based on an annual earnings rate of $17,628), the member's basic allowance would be **increased** by $288.55 (81.51% of $354.00), bringing the member's total allowance to $1,130.00. At age 62 the allowance would be reduced by the full estimated Social Security benefit of $354.00 leaving a retirement allowance of $776.00. If the member was eligible to receive a Social Security benefit of $354.00, the combined total allowance and Social Security benefit after age 62 would again equal $1,130.00 as shown below:

Basic monthly allowance:	$ 841.45
Plus percentage of estimated Social Security benefit (81.51% x 354.00):	288.55
Equals total allowance to age 62 from LACERA:	$1,130.00
Less full estimated Social Security benefit:	−354.00
Equals total allowance after age 62 from LACERA:	$ 776.00
Plus actual Social Security benefit at age 62:	354.00
Equals total allowance after age 62 from LACERA and the Social Security Administration:	$1,130.00

Plan E Retirement Allowances

An unmodified service retirement allowance for Plan E members is computed as a percentage of the member's final compensation. The percentage is based only on the member's years of service. Two other factors may, however, enter into the final allowance computation: (1) whether the member was covered by Social Security under LACERA and (2) the age of the member at the time of retirement. If the member was covered by Social Security, a percentage of the estimated Social Security benefit will be subtracted from the Plan E allowance as an offset. In addition, the age of the member will determine whether the retirement allowance will be calculated as a **normal retirement allowance** (age 65 or over) or an **early retirement allowance** (under age 65) which could further reduce the allowance. Plan E members may also elect one of the optional retirement settlements, with the exception of Option #1, as described on Page 30. The factors used in calculating allowances and definitions of terms are as follows:

- **Final compensation** is calculated using the member's average monthly salary for the latest or highest paid three (3) years of service, whether or not consecutive.
- **Age** is calculated to the nearest birthday immediately preceding the date of retirement.
- **Service** is calculated to the nearest completed month. The nearest completed month means that if a member retires on or after the 17th of a month (16th if February), the month will be included in both the service total and the final compensation period.

- **Social Security coverage** refers only to that period of time during which a member paid into Social Security while a member of LACERA.
- **Social Security benefit** means the monthly retirement benefit payable under the federal Social Security system at the age at which **full** retirement benefits are payable under the system. LACERA's actuary has provided a table of **estimated** Social Security benefits for members who will attain various ages during the year based on the member's annual earnings as shown in Table 18, Page 46. Annual earnings are computed by multiplying the last month's earnings by 12 and rounding to the nearest $500.
- **A normal retirement allowance** is an allowance which equals 2% of the member's final compensation for each year of service for the first 35 years, plus 1% of the member's final compensation for each year of service for the next ten years, to a maximum of 80%, reduced by a fraction of the estimated Social Security benefit, if any. The fraction is equal to the number of years of service under LACERA covered by Social Security divided by 35.
- **An early retirement allowance** is an allowance which is the actuarial equivalent of the normal retirement allowance and is computed by multiplying the normal retirement allowance by the **early retirement adjustment (ERA) factor** based on the member's age as of the birthday immediately preceding the date of retirement. The early retirement adjustment factors are shown in Table 16, Page 44.

An example of calculating final compensation when salary changed during the final compensation period is as follows:

$1,250 x 3 months = $ 3,750.00
$1,319 x 12 months = $15,828.00
$1,392 x 12 months = $16,704.00
$1,469 x 9 months = $13,221.00
36 months = $49,503.00

Final Compensation
$49,503 ÷ 36 = $1,375.08

How to Compute a Normal Retirement Allowance Estimate (65 or Over) if You Are in Plan E and Were Not Covered by Social Security Under LACERA

An estimate of your Plan E normal retirement allowance from LACERA may be computed as follows:

1. Calculate your final compensation following the example above.
2. Calculate the percentage that applies to your completed years (and months) of service at 2% per year. (Or see Table 13, Page 42)
3. Multiply your percentage times your final compensation to compute your normal retirement allowance (No. 2 times No. 1).

Example: A general member in Plan E retires at age 65 with 25 years of retirement service credit. The member's normal retirement allowance would be computed as follows:

2% x 25 years = 50% (See also Table 13, Page 42)
50% x $1,375.08 (final compensation from above)
equals $687.54 (normal retirement allowance)

How to Compute a Normal Retirement Allowance Estimate (65 or Over) if You Are in Plan E and Were Covered by Social Security Under LACERA

An estimate of your Plan E normal retirement allowance from LACERA if you were covered by Social Security under LACERA may be computed as follows:

1. Compute your normal retirement allowance (See example in above section).
2. Calculate your annual earnings rate by multiplying your last month's earnings rate times 12.
3. Determine your estimated Social Security benefit for Plan E offset based on your annual earnings rate and your attained age in 1986 from Table 18, Page 46.
4. Determine the number of years of service under LACERA subject to Social Security coverage.
5. Calculate the Social Security offset by multiplying your estimated Social Security benefit times the number of years of service under LACERA subject to Social Security coverage divided by 35 (No. 3 times No. 4 ÷ 35).
6. Subtract the Social Security offset from your normal retirement allowance to compute your reduced normal retirement allowance (No. 1 minus No. 5).

Example: A general member in Plan E retires at age 65 with 25 years of retirement service credit, 15 of which were covered by Social Security under LACERA. Before computing your normal retirement allowance, reduced by the Social Security offset, you must calculate your Social Security offset as follows:

First, calculate annual earnings rate:

Last month's salary from final compensation calculations above:	$ 1,469
Times 12:	x 12
Equals annual earnings rate:	$17,628

Second, determine estimated Social Security benefit for Plan E offset:

Equals $610 (from Table 18, Page 46, based on nearest annual earnings rate at age 65)

Third, calculate Social Security offset:

Years of Social Security coverage under LACERA: 15 Years divided by 35 times estimated Social Security benefit for Plan E offset:	15 ÷ 35 x $610
Equals Social Security offset	$261.43

Your normal retirement allowance reduced by the Social Security offset would be computed as follows:

Normal retirement allowance: (from example on Page 35)	$687.54
Less Social Security offset (from above calculation)	−261.43
Equals reduced normal retirement allowance:	$426.11

How to Compute an Early Retirement Allowance Estimate (Under 65) if You Are in Plan E and Were Not Covered by Social Security Under LACERA

An estimate of your Plan E early retirement allowance from LACERA if you were not covered by Social Security under LACERA may be computed as follows:

1. Compute your normal retirement allowance (See example on Page 35).
2. Determine the early retirement adjustment factor that applies to your age at retirement from Table 16, Page 44.
3. Multiply the early retirement adjustment factor times your normal retirement allowance to compute your early retirement allowance (No. 2 times No. 1).

Example: A general member in Plan E retires at age 60 with 25 years of retirement service credit. The member's early retirement allowance would be computed as follows:

Early retirement adjustment factor:	
(from Table 16, Page 44)	59.16%
Times normal retirement allowance:	
(from example on Page 35)	$687.56
Equals early retirement allowance:	$406.76

(Also, from Table 13, Page 42, percentage at age 60 with 25 years' service equals 29.58. 29.58% x final compensation of $1,375.08 equals $406.75)

How to Compute an Early Retirement Allowance Estimate (Under 65) if You Are in Plan E and Were Covered by Social Security Under LACERA

An estimate of your Plan E early retirement allowance from LACERA if you were covered by Social Security under LACERA may be computed as follows:

1. Compute your normal retirement allowance (See example on Page 35).
2. Calculate the Social Security offset (See example on Page 36).
3. Determine the early retirement adjustment factor that applies to your age at retirement from Table 16, Page 44.
4. Compute your reduced normal retirement allowance by subtracting the Social Security offset from your normal retirement allowance (No. 1 minus No. 2).
5. Multiply the early retirement adjustment factor times your reduced normal retirement allowance to compute your reduced early retirement allowance (No. 3 times No. 4).

Example: A general member in Plan E retires at age 60 with 25 years of retirement service credit, 15 of which were covered by Social Security under LACERA. The member's early retirement allowance reduced by the Social Security offset would be computed as follows:

Normal retirement allowance:	
(from example on Page 35)	$687.54
Less Social Security offset:	−273.43*
Equals reduced normal retirement allowance:	$414.11
Times early retirement adjustment factor:	
(from Table 16, Page 44)	59.16%
Equals reduced early retirement allowance:	$244.99

*The Social Security offset was calculated as follows:

15 ÷ 35 times $638 (from Table 18, Page 46 based on annual earnings of $17,628 and attained age of 60) equals $273.43.

Table 9

SAFETY MEMBERS—PLAN A & B

Percentage of Final Compensation Used to Compute Retirement Allowance Estimate

Years of service	AGES 44	45	46	47	48	49	50	51	52	53	54	55 & over	Years of service
10							20.00%	21.03%	22.16%	23.38%	24.67%	26.20%	10
11							22.00	23.14	24.37	25.72	27.14	28.82	11
12							24.00	25.24	26.59	28.06	29.61	31.44	12
13							26.00	27.34	28.80	30.40	32.07	34.06	13
14							28.00	29.44	31.02	32.74	34.54	36.68	14
15							30.00	31.55	33.23	35.08	37.01	39.30	15
16							32.00	33.65	35.45	37.41	39.48	41.92	16
17							34.00	35.75	37.67	39.75	41.94	44.54	17
18							36.00	37.86	39.88	42.09	44.41	47.16	18
19							38.00	39.96	42.10	44.43	46.88	49.78	19
20	29.59%	31.22%	32.90%	34.71%	36.34%	38.09%	40.00	42.06	44.31	46.77	49.34	52.40	20
21	31.07	32.78	34.55	36.45	38.16	39.99	42.00	44.17	46.53	49.11	51.81	55.02	21
22	32.55	34.34	36.19	38.18	39.97	41.90	44.00	46.27	48.74	51.44	54.28	57.64	22
23	34.03	35.90	37.84	39.92	41.79	43.80	46.00	48.37	50.96	53.78	56.75	60.26	23
24	35.51	37.46	39.48	41.65	43.61	45.71	48.00	50.48	53.17	56.12	59.21	62.88	24
25		39.03	41.13	43.39	45.43	47.61	50.00	52.58	55.39	58.46	61.68	65.50	25
26			42.78	45.13	47.24	49.51	52.00	54.68	57.61	60.80	64.15	68.11	26
27				46.86	49.06	51.42	54.00	56.79	59.82	63.14	66.61	70.73	27
28					50.88	53.32	56.00	58.89	62.04	65.48	69.08	73.35	28
29						55.23	58.00	60.99	64.25	67.81	71.55	75.97	29
30							60.00	63.10	66.47	70.15	74.02	78.59	30
31							62.00	65.20	68.68	72.49	76.48	81.21	31
32							64.00	67.30	70.90	74.83	78.95	83.83	32
33							66.00	69.41	73.11	77.17	81.42	86.45	33
34							68.00	71.51	75.33	79.51	83.68	89.07	34
35								73.61	77.55	81.84	86.35	91.69	35
36									79.76	84.18	88.82	94.31	36
37										86.52	91.29	96.93	37
38											93.75	99.55	38
39												100.00	39

Table 10

GENERAL MEMBERS—PLAN A

Percentage of Final Compensation Used to Compute Retirement Allowance Estimate
(If Member Not Covered Under Social Security as a County Employee)

Years of service	AGES 50	51	52	53	54	55	56	57	58	59	60	61	62 & over	Years of service
10	14.75%	15.67%	16.67%	17.41%	18.41%	19.48%	20.61%	21.82%	22.68%	23.54%	24.40%	25.26%	26.11%	10
11	16.23	17.23	18.33	19.15	20.25	21.42	22.67	24.00	24.95	25.89	26.84	27.78	28.72	11
12	17.70	18.80	20.00	20.89	22.10	23.37	24.73	26.19	27.22	28.25	29.28	30.31	31.34	12
13	19.18	20.36	21.67	22.64	23.94	25.32	26.79	28.37	29.48	30.60	31.72	32.83	33.95	13
14	20.65	21.93	23.33	24.38	25.78	27.27	28.85	30.55	31.75	32.95	34.16	35.36	36.56	14
15	22.13	23.50	25.00	26.12	27.62	29.22	30.91	32.73	34.02	35.31	36.60	37.88	39.17	15
16	23.60	25.06	26.67	27.86	29.46	31.16	32.97	34.91	36.29	37.66	39.03	40.41	41.78	16
17	25.08	26.63	28.33	29.60	31.30	33.11	35.03	37.10	38.56	40.01	41.47	42.93	44.39	17
18	26.55	28.20	30.00	31.34	33.14	35.06	37.09	39.28	40.82	42.37	43.91	45.46	47.00	18
19	28.03	29.76	31.67	33.08	34.99	37.01	39.16	41.46	43.09	44.72	46.35	47.98	49.62	19
20	29.50	31.33	33.33	34.82	36.83	38.95	41.22	43.64	45.36	47.08	48.79	50.51	52.23	20
21	30.98	32.90	35.00	36.56	38.67	40.90	43.28	45.83	47.63	49.43	51.23	53.04	54.84	21
22	32.45	34.46	36.67	38.31	40.51	42.85	45.34	48.01	49.90	51.78	53.67	55.56	57.45	22
23	33.93	36.03	38.33	40.05	42.35	44.80	47.40	50.19	52.16	54.14	56.11	58.09	60.06	23
24	35.40	37.60	40.00	41.79	44.19	46.74	49.46	52.37	54.43	56.49	58.55	60.61	62.67	24
25	36.88	39.16	41.67	43.53	46.03	48.69	51.52	54.55	56.70	58.85	60.99	63.14	65.28	25
26	38.35	40.73	43.33	45.27	47.87	50.64	53.58	56.74	58.97	61.20	63.43	65.66	67.89	26
27	39.83	42.30	45.00	47.01	49.72	52.59	55.64	58.92	61.24	63.55	65.87	68.19	70.51	27
28	41.30	43.86	46.67	48.75	51.56	54.53	57.70	61.10	63.50	65.91	68.31	70.71	73.12	28
29	42.78	45.43	48.33	50.49	53.40	56.48	59.76	63.28	65.77	68.26	70.75	73.24	75.73	29
30	44.25	47.00	50.00	52.23	55.24	58.43	61.82	65.47	68.04	70.61	73.19	75.77	78.34	30
31	45.73	48.56	51.67	53.98	57.08	60.38	63.89	67.65	70.31	72.97	75.63	78.29	80.95	31
32	47.20	50.13	53.33	55.72	58.92	62.33	65.95	69.83	72.58	75.32	78.07	80.82	83.56	32
33	48.68	51.69	55.00	57.46	60.76	64.27	68.01	72.01	74.84	77.68	80.51	83.34	86.17	33
34	50.15	53.26	56.67	59.20	62.61	66.22	70.07	74.19	77.11	80.03	82.95	85.87	88.79	34
35		54.83	58.33	60.94	64.45	68.17	72.13	76.38	79.38	82.38	85.39	88.39	91.40	35
36			60.00	62.68	66.29	70.12	74.19	78.56	81.65	84.74	87.83	90.92	94.01	36
37				64.42	68.13	72.06	76.25	80.74	83.92	87.09	90.27	93.44	96.62	37
38					69.97	74.01	78.31	82.92	86.18	89.45	92.71	95.97	99.23	38
39						75.96	80.37	85.10	88.45	91.80	95.15	98.49	100.00	39
40							82.43	87.29	90.72	94.15	97.59	100.00		40
41									92.99	96.51	100.00			41

Table 11

GENERAL MEMBERS—PLAN B

Percentage of Final Compensation Used to Compute Retirement Allowance Estimate
(If Member Not Covered Under Social Security as a County Employee)

Years of service	AGES 50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65 & over	Years of service
10	12.42%	13.14%	13.91%	14.75%	15.66%	16.67%	17.41%	18.41%	19.48%	20.61%	21.82%	22.68%	23.54%	24.40%	25.26%	26.11%	10
11	13.67	14.45	15.30	16.23	17.23	18.33	19.15	20.25	21.42	22.67	24.00	24.95	25.89	26.84	27.78	28.72	11
12	14.91	15.76	16.69	17.70	18.80	20.00	20.89	22.10	23.37	24.73	26.19	27.22	28.25	29.28	30.31	31.34	12
13	16.15	17.08	18.08	19.18	20.36	21.67	22.64	23.94	25.32	26.79	28.37	29.48	30.60	31.72	32.83	33.95	13
14	17.39	18.39	19.47	20.65	21.93	23.33	24.38	25.78	27.27	28.85	30.55	31.75	32.95	34.16	35.36	36.56	14
15	18.63	19.70	20.87	22.13	23.50	25.00	26.12	27.62	29.22	30.91	32.73	34.02	35.31	36.60	37.88	39.17	15
16	19.88	21.02	22.26	23.60	25.06	26.67	27.86	29.46	31.16	32.97	34.91	36.29	37.66	39.03	40.41	41.78	16
17	21.12	22.33	23.65	25.08	26.63	28.33	29.60	31.30	33.11	35.03	37.10	38.56	40.02	41.47	42.93	44.39	17
18	22.36	23.65	25.04	26.55	28.20	30.00	31.34	33.14	35.06	37.10	39.28	40.82	42.37	43.91	45.46	47.00	18
19	23.60	24.96	26.43	28.03	29.76	31.67	33.08	34.99	37.01	39.16	41.46	43.09	44.72	46.35	47.98	49.62	19
20	24.85	26.27	27.82	29.50	31.33	33.33	34.82	36.83	38.95	41.22	43.64	45.36	47.08	48.79	50.51	52.23	20
21	26.09	27.59	29.21	30.98	32.90	35.00	36.56	38.67	40.90	43.28	45.83	47.63	49.43	51.23	53.04	54.84	21
22	27.33	28.90	30.60	32.45	34.46	36.67	38.31	40.51	42.85	45.34	48.01	49.90	51.78	53.67	55.56	57.45	22
23	28.57	30.21	31.99	33.92	36.03	38.33	40.05	42.35	44.80	47.40	50.19	52.16	54.14	56.11	58.09	60.06	23
24	29.82	31.53	33.38	35.40	37.60	40.00	41.79	44.19	46.74	49.46	52.37	54.43	56.49	58.55	60.61	62.67	24
25	31.06	32.84	34.78	36.88	39.16	41.67	43.53	46.03	48.69	51.52	54.55	56.70	58.85	60.99	63.14	65.28	25
26	32.30	34.16	36.17	38.35	40.73	43.33	45.27	47.87	50.64	53.58	56.74	58.97	61.20	63.43	65.66	67.89	26
27	33.54	35.47	37.56	39.83	42.30	45.00	47.01	49.72	52.59	55.64	58.92	61.24	63.55	65.87	68.19	70.51	27
28	34.79	36.78	38.95	41.30	43.86	46.67	48.75	51.56	54.53	57.70	61.10	63.50	65.91	68.31	70.71	73.12	28
29	36.03	38.10	40.34	42.78	45.43	48.33	50.49	53.40	56.48	59.76	63.28	65.77	68.26	70.75	73.24	75.73	29
30	37.27	39.41	41.73	44.25	47.00	50.00	52.24	55.24	58.43	61.83	65.46	68.04	70.62	73.19	75.77	78.34	30
31	38.51	40.72	43.12	45.73	48.56	51.67	53.98	57.08	60.38	63.89	67.65	70.31	72.97	75.63	78.29	80.95	31
32	39.75	42.04	44.51	47.20	50.13	53.33	55.72	58.92	62.33	65.95	69.83	72.58	75.32	78.07	80.82	83.56	32
33	41.00	43.35	45.90	48.68	51.69	55.00	57.46	60.76	64.27	68.01	72.01	74.84	77.68	80.51	83.34	86.17	33
34	42.24	44.66	47.29	50.15	53.26	56.67	59.20	62.61	66.22	70.07	74.19	77.11	80.03	82.95	85.87	88.79	34
35		45.98	48.69	51.63	54.83	58.33	60.94	64.45	68.17	72.13	76.38	79.38	82.38	85.39	88.39	91.40	35
36			50.08	53.10	56.39	60.00	62.68	66.29	70.12	74.19	78.56	81.65	84.74	87.83	90.92	94.01	36
37				54.58	57.96	61.67	64.42	68.13	72.06	76.25	80.74	83.92	87.09	90.27	93.44	96.62	37
38					59.53	63.33	66.16	69.97	74.01	78.31	82.92	86.18	89.45	92.71	95.97	99.23	38
39						65.00	67.91	71.81	75.96	80.37	85.10	88.45	91.80	95.15	98.49	100.00	39
40							69.65	73.65	77.91	82.43	87.28	90.72	94.15	97.59	100.00		40
41								75.49	79.85	84.49	89.47	92.99	96.51	100.00			41

Table 12

GENERAL MEMBERS—PLAN C & D

Percentage of Final Compensation Used to Compute Retirement Allowance Estimate
(If Member Not Covered Under Social Security as a County Employee)

Years of service	AGES 50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65 & over	Years of service
10	11.82%	12.43%	13.03%	13.64%	14.26%	14.92%	15.64%	16.41%	17.25%	18.17%	19.17%	19.91%	20.91%	21.98%	23.11%	24.32%	10
11	13.00	13.67	14.33	15.00	15.69	16.42	17.20	18.05	18.98	19.98	21.08	21.90	23.00	24.17	25.42	26.75	11
12	14.18	14.91	15.63	16.36	17.11	17.91	18.76	19.69	20.70	21.80	23.00	23.89	25.10	26.37	27.73	29.19	12
13	15.36	16.16	16.93	17.73	18.54	19.40	20.33	21.33	22.42	23.61	24.92	25.89	27.19	28.57	30.04	31.62	13
14	16.55	17.40	18.24	19.09	19.96	20.89	21.89	22.97	24.15	25.43	26.83	27.88	29.28	30.77	32.35	34.05	14
15	17.73	18.64	19.54	20.45	21.39	22.39	23.46	24.62	25.87	27.25	28.75	29.87	31.37	32.97	34.66	36.48	15
16	18.91	19.89	20.84	21.82	22.82	23.88	25.02	26.26	27.60	29.06	30.67	31.86	33.46	35.16	36.97	38.91	16
17	20.09	21.13	22.15	23.18	24.24	25.37	26.58	27.90	29.33	30.88	32.58	33.85	35.55	37.36	39.28	41.35	17
18	21.27	22.37	23.45	24.54	25.67	26.86	28.15	29.54	31.05	32.70	34.50	35.84	37.64	39.56	41.60	43.78	18
19	22.45	23.61	24.75	25.91	27.09	28.35	29.71	31.18	32.78	34.51	36.42	37.83	39.74	41.76	43.91	46.21	19
20	23.64	24.86	26.05	27.27	28.52	29.85	31.27	32.82	34.50	36.33	38.33	39.82	41.83	43.95	46.22	48.64	20
21	24.82	26.10	27.36	28.63	29.95	31.34	32.84	34.46	36.23	38.15	40.25	41.81	43.92	46.15	48.53	51.08	21
22	26.00	27.34	28.66	30.00	31.37	32.83	34.40	36.10	37.95	39.96	42.17	43.81	46.01	48.35	50.84	53.51	22
23	27.18	28.59	29.96	31.36	32.80	34.32	35.96	37.74	39.67	41.78	44.08	45.80	48.10	50.55	53.15	55.94	23
24	28.36	29.83	31.26	32.72	34.22	35.82	37.53	39.38	41.40	43.60	46.00	47.79	50.19	52.74	55.46	58.37	24
25	29.55	31.07	32.57	34.09	35.65	37.31	39.09	41.03	43.12	45.41	47.92	49.78	52.28	54.94	57.77	60.80	25
26	30.73	32.31	33.87	35.45	37.08	38.80	40.66	42.67	44.85	47.23	49.83	51.77	54.37	57.14	60.08	63.24	26
27	31.91	33.56	35.17	36.81	38.50	40.29	42.22	44.31	46.58	49.05	51.75	53.76	56.47	59.34	62.39	65.67	27
28	33.09	34.80	36.47	38.18	39.93	41.79	43.78	45.95	48.30	50.86	53.67	55.75	58.56	61.53	64.70	68.10	28
29	34.27	36.04	37.78	39.54	41.35	43.28	45.35	47.59	50.02	52.68	55.58	57.74	60.65	63.73	67.01	70.53	29
30	35.46	37.29	39.08	40.91	42.78	44.77	46.91	49.23	51.75	54.50	57.50	59.74	62.74	65.93	69.33	72.97	30
31	36.64	38.53	40.38	42.27	44.21	46.26	48.47	50.87	53.48	56.31	59.42	61.73	64.83	68.13	71.64	75.40	31
32	37.82	39.77	41.69	43.63	45.63	47.75	50.04	52.51	55.20	58.13	61.33	63.72	66.92	70.33	73.95	77.83	32
33	39.00	41.01	42.99	45.00	47.06	49.25	51.60	54.15	56.92	59.94	63.25	65.71	69.01	72.52	76.26	80.26	33
34	40.18	42.26	44.29	46.36	48.48	50.74	53.16	55.79	58.65	61.76	65.17	67.70	71.11	74.72	78.57	82.69	34
35	....	43.50	45.59	47.72	49.91	52.23	54.73	57.43	60.37	63.58	67.08	69.69	73.20	76.92	80.88	85.13	35
36	....	....	46.90	49.09	51.34	53.72	56.29	59.08	62.10	65.39	69.00	71.68	75.29	79.12	83.19	87.56	36
37	....	....	....	50.45	52.76	55.22	57.86	60.72	63.83	67.21	70.92	73.67	77.38	81.31	85.50	89.99	37
38	....	....	....	....	54.19	56.71	59.42	62.36	65.55	69.03	72.83	75.66	79.47	83.51	87.81	92.42	38
39	....	....	....	....	....	58.20	60.98	64.00	67.27	70.84	74.75	77.66	81.56	85.71	90.12	94.85	39
40	....	....	....	....	....	....	62.55	65.64	69.00	72.66	76.67	79.65	83.65	87.91	92.43	97.29	40
41	....	....	....	....	....	....	....	67.28	70.72	74.48	78.58	81.64	85.74	90.10	94.74	99.72	41

Table 13

GENERAL MEMBERS—PLAN E

Percentage of Final Compensation Used to Compute Retirement Allowance Estimate
(If Member Not Covered Under Social Security as a County Employee)

Years of service	AGES 55	56	57	58	59	60	61	62	63	64	65 & over	Years of service
10	7.28%	8.00%	8.81%	9.70%	10.71%	11.83%	13.09%	14.52%	16.12%	17.94%	20.00%	10
11	8.01	8.80	9.69	10.67	11.78	13.02	14.40	15.97	17.73	19.73	22.00	11
12	8.74	9.60	10.57	11.64	12.85	14.20	15.71	17.42	19.34	21.52	24.00	12
13	9.47	10.41	11.45	12.62	13.92	15.38	17.02	18.87	20.96	23.32	26.00	13
14	10.19	11.21	12.33	13.59	14.99	16.56	18.33	20.32	22.57	25.11	28.00	14
15	10.92	12.01	13.21	14.56	16.06	17.75	19.64	21.77	24.18	26.90	30.00	15
16	11.65	12.81	14.09	15.53	17.13	18.93	20.95	23.23	25.79	28.70	32.00	16
17	12.38	13.61	14.97	16.50	18.20	20.11	22.26	24.68	27.40	30.49	34.00	17
18	13.11	14.41	15.85	17.47	19.27	21.30	23.57	26.13	29.02	32.28	36.00	18
19	13.84	15.21	16.74	18.44	20.35	22.48	24.88	27.58	30.63	34.08	38.00	19
20	14.56	16.01	17.62	19.41	21.42	23.66	26.19	29.03	32.24	35.87	40.00	20
21	15.29	16.81	18.50	20.38	22.49	24.85	27.50	30.48	33.85	37.67	42.00	21
22	16.02	17.61	19.38	21.35	23.56	26.03	28.81	31.94	35.46	39.46	44.00	22
23	16.75	18.41	20.26	22.32	24.63	27.21	30.12	33.39	37.08	41.25	46.00	23
24	17.48	19.21	21.14	23.29	25.70	28.40	31.43	34.84	38.69	43.05	48.00	24
25	18.21	20.01	22.02	24.26	26.77	29.58	32.74	36.29	40.30	44.84	50.00	25
26	18.93	20.81	22.90	25.23	27.84	30.76	34.04	37.74	41.91	46.63	52.00	26
27	19.66	21.61	23.78	26.20	28.91	31.95	35.35	39.19	43.52	48.43	54.00	27
28	20.39	22.41	24.66	27.17	29.98	33.13	36.66	40.64	45.14	50.22	56.00	28
29	21.12	23.21	25.54	28.14	31.05	34.31	37.97	42.10	46.75	52.01	58.00	29
30	21.85	24.01	26.42	29.11	32.12	35.50	39.28	43.55	48.36	53.81	60.00	30
31	22.57	24.81	27.30	30.08	33.19	36.68	40.59	45.00	49.97	55.60	62.00	31
32	23.30	25.61	28.19	31.05	34.27	37.86	41.90	46.45	51.58	57.40	64.00	32
33	24.03	26.41	29.07	32.02	35.34	39.05	43.21	47.90	53.20	59.19	66.00	33
34	24.76	27.21	29.95	32.99	36.41	40.23	44.52	49.35	54.81	60.98	68.00	34
35	25.49	28.01	30.83	33.96	37.48	41.41	45.83	50.81	56.42	62.78	70.00	35
36	25.85	28.41	31.27	34.45	38.01	42.00	46.48	51.53	57.23	63.67	71.00	36
37	26.22	28.81	31.71	34.93	38.55	42.60	47.14	52.26	58.03	64.57	72.00	37
38	26.58	29.21	32.15	35.42	39.08	43.19	47.79	52.98	58.84	65.47	73.00	38
39	26.94	29.61	32.59	35.90	39.62	43.78	48.45	53.71	59.64	66.36	74.00	39
40	....	30.02	33.03	36.39	40.16	44.37	49.10	54.44	60.45	67.26	75.00	40
41	....	....	33.47	36.88	40.69	44.96	49.76	55.16	61.26	68.16	76.00	41

Table 14

RETIREMENT ALLOWANCE REDUCTION AMOUNTS FOR MEMBERS IN PLANS A, B, C & D COVERED BY SOCIAL SECURITY

Age at Retirement	PLAN A Reduction per YOS*	PLAN B Reduction per YOS*	PLAN C Reduction per YOS*	PLAN D Reduction per YOS*
50	$1.72	$1.45	$1.38	$4.14
51	1.83	1.53	1.45	4.35
52	1.94	1.62	1.52	4.56
53	2.03	1.72	1.59	4.77
54	2.15	1.83	1.66	4.99
55	2.27	1.94	1.74	5.22
56	2.40	2.03	1.82	5.47
57	2.55	2.15	1.91	5.74
58	2.65	2.27	2.01	6.04
59	2.75	2.40	2.12	6.36
60	2.85	2.55	2.24	6.71
61	2.95	2.65	2.32	6.97
62	3.05	2.75	2.44	7.32
63	3.05	2.85	2.56	7.69
64	3.05	2.95	2.70	8.09
65 and over	3.05	3.05	2.84	8.51

*Note: "YOS" means years of service covered by Social Security under LACERA.

Table 15

PLAN A, B, C OR D

SOCIAL SECURITY ADJUSTMENT FACTORS FOR THE LEVEL INCOME OPTION BY AGE AT RETIREMENT*

Age at Retirement	Social Security Adjustment Factor (expressed in percentages)	Age at Retirement	Social Security Adjustment Factor (expressed in percentages)
50	31.76%	56	55.14
51	34.73	57	60.68
52	38.02	58	66.86
53	41.66	59	73.77
54	45.69	60	81.51
55	50.16	61	90.21

*Note: These factors are subject to change based on recommendations by LACERA's actuary.

Table 16

PLAN E

EARLY RETIREMENT ADJUSTMENT (ERA) FACTORS BY AGE AT RETIREMENT*

Age at Retirement	ERA Factors (expressed in percentages)	Age at Retirement	ERA Factors (expressed in percentages)
55	36.41%	60	59.16
56	40.02	61	65.47
57	44.04	62	72.58
58	48.52	63	80.60
59	53.54	64	89.68

*Note: These factors are subject to change based on recommendations by LACERA's actuary.

ESTIMATED MONTHLY SOCIAL SECURITY BENEFITS PAYABLE AT AGE 62—AS OF JANUARY 1987

1987 ANNUAL EARNINGS RATE	ATTAINED AGE IN 1987: 50	51	52	53	54	55	56	57	58	59	60	61	62
6500	107	111	115	118	122	126	129	133	137	140	144	148	148
7000	114	118	122	126	130	134	138	142	146	149	153	157	157
7500	121	125	129	133	138	142	146	150	155	159	163	167	167
8000	127	132	137	141	146	150	155	159	164	168	172	177	177
8500	134	139	144	149	153	158	163	168	173	177	182	187	187
9000	141	146	151	156	161	166	171	176	182	186	191	197	197
9500	148	153	158	164	169	175	180	185	191	196	201	207	207
10000	154	160	166	171	177	183	188	194	200	205	210	216	216
10500	161	167	173	179	185	191	197	203	209	214	220	226	226
11000	168	174	180	187	193	199	205	211	218	223	230	236	236
11500	175	181	188	194	201	207	214	220	227	233	239	246	246
12000	182	188	195	202	209	215	222	229	236	242	249	256	256
12500	188	195	202	209	216	223	231	238	245	251	258	266	266
13000	195	202	210	217	224	232	239	246	254	260	268	276	276
13500	202	209	217	225	232	240	247	255	263	270	277	285	285
14000	209	216	224	232	240	248	256	264	272	279	287	295	295
14500	215	223	232	240	248	256	264	272	281	288	296	305	305
15000	222	230	239	247	256	264	273	281	290	298	306	315	315
15500	229	238	246	255	264	272	281	290	299	307	316	325	325
16000	236	245	254	263	272	281	290	299	308	316	325	335	335
16500	242	252	261	270	279	289	298	307	317	325	335	344	344
17000	249	259	268	278	287	297	306	316	326	335	344	354	354
17500	256	266	275	285	295	305	315	325	335	344	354	364	364
18000	263	273	283	293	303	313	323	333	344	353	363	374	374
18500	269	280	290	301	311	321	332	342	353	362	373	384	384
19000	276	287	297	308	319	329	340	351	362	372	382	394	394
19500	282	293	304	315	326	337	348	359	370	380	391	403	403
20000	289	300	311	322	334	345	356	367	379	389	400	412	413
20500	294	306	318	329	341	352	364	375	387	398	409	421	422
21000	300	312	324	336	347	359	371	383	395	406	417	430	431
21500	306	317	329	342	354	365	377	389	401	413	425	437	439
22000	311	323	335	347	359	371	383	395	408	419	431	444	446
22500	316	328	340	352	364	376	388	401	413	425	437	450	452
23000	321	332	344	357	369	381	393	406	419	430	443	456	458
23500	324	336	348	360	374	385	397	410	423	435	447	461	463
24000	328	340	352	364	377	389	401	413	427	439	451	465	467
24500	332	343	355	368	381	393	404	417	430	442	455	469	471
25000	335	347	358	371	384	396	407	420	433	445	458	472	475
25500	338	350	362	374	387	399	411	423	436	449	462	475	478
26000	341	353	364	377	390	402	413	426	439	452	465	479	481
26500	343	355	367	379	392	404	416	429	442	454	467	481	484
27000	346	358	370	382	395	407	419	431	444	457	470	484	487
27500	348	360	372	384	398	409	421	434	447	460	473	487	490
28000	351	363	375	387	400	412	424	436	449	462	476	490	493
28500	353	365	377	389	403	414	426	439	452	465	478	493	496
29000	356	368	380	392	405	417	429	441	455	467	481	495	499
29500	359	370	382	395	408	419	431	444	457	470	484	498	501
30000	361	373	385	397	410	422	434	446	460	473	486	501	502
30500	363	375	387	399	412	424	436	448	462	475	488	502	503
31000	365	376	388	401	414	425	437	450	463	476	490	502	504
31500	366	378	389	402	415	427	438	451	464	477	491	503	505
32000	367	379	391	403	416	428	440	452	465	478	492	504	505
32500	368	380	392	404	417	429	441	453	466	480	494	504	506
33000	369	381	393	405	418	430	442	454	468	481	495	505	507
33500	370	382	394	406	419	431	443	455	469	482	496	505	507
34000	371	383	395	407	420	432	444	457	470	483	497	506	508
34500	372	384	396	408	422	433	445	458	471	484	498	506	508
35000	374	385	397	410	423	434	446	459	472	485	500	507	509
35500	375	387	398	411	424	436	447	460	473	487	501	508	510
36000	376	388	400	412	425	437	449	461	474	488	501	508	510
36500	377	389	401	413	426	438	450	462	475	489	502	509	511
37000	378	390	402	414	427	439	451	463	476	490	502	509	511
37500	379	390	402	415	428	440	451	464	477	491	503	510	512
38000	380	391	403	416	429	440	452	465	478	492	503	510	512
38500	380	392	404	416	429	441	453	465	479	492	503	510	512
39000	381	392	404	417	430	442	453	466	479	493	504	511	513
39500	381	393	405	417	430	442	454	466	480	493	504	511	513
40000	382	393	405	418	431	442	454	467	480	494	504	511	513
40500	382	394	406	418	431	443	455	467	480	494	504	511	513
41000	382	394	406	418	431	443	455	467	481	494	504	511	513
41500	382	394	406	418	431	443	455	467	481	494	504	511	513
42000	382	394	406	418	431	443	455	467	481	494	504	511	513
42500	382	394	406	418	431	443	455	467	481	494	504	511	513
43000	382	394	406	418	431	443	455	467	481	494	504	511	513
43500	382	394	406	418	431	443	455	467	481	494	504	511	513
44000	382	394	406	418	431	443	455	467	481	494	504	511	513
44500 AND GREATER	382	394	406	418	431	443	455	467	481	494	504	511	513

EARNINGS PRIOR TO 1982 BASED ON S.S. AVERAGE WAGE LEVELS FROM LATER OF 1951 OR YEAR AGE 22.
EARNINGS AFTER 1982 ARE ASSUMED ZERO.
CPI: INCLUDES 1.3% EFFECTIVE DEC. 1986 AND ZERO THEREAFTER.
WAGE BASE: $43,800 IN 1987 AND THEREAFTER.
NOTE: PIA AMOUNTS HAVE BEEN REDUCED TO REFLECT PERIODS OF NONCOVERED EMPLOYMENT.

Table 18

SOCIAL SECURITY BENEFITS FOR PLAN E OFFSET

ESTIMATED MONTHLY SOCIAL SECURITY BENEFITS PAYABLE AT AGE 65 — AS OF JANUARY 1987

1987 ANNUAL EARNINGS RATE	ATTAINED AGE IN 1987													
	52	53	54	55	56	57	58	59	60	61	62	63	64	65
6500	352	352	352	352	352	352	352	352	352	352	352	343	335	332
7000	366	366	366	366	366	366	366	366	366	366	366	356	348	344
7500	379	379	379	379	379	379	379	379	379	379	379	369	361	357
8000	392	392	392	392	392	392	392	392	392	392	392	382	374	370
8500	406	406	406	406	406	406	406	406	406	406	406	395	387	382
9000	419	419	419	419	419	419	419	419	419	419	419	408	399	395
9500	432	432	432	432	432	432	432	432	432	432	432	422	412	408
10000	446	446	446	446	446	446	446	446	446	446	446	435	425	420
10500	459	459	459	459	459	459	459	459	459	459	459	448	438	433
11000	472	472	472	472	472	472	472	472	472	472	472	461	450	446
11500	486	486	486	486	486	486	486	486	486	486	486	474	463	458
12000	499	499	499	499	499	499	499	499	499	499	499	487	476	471
12500	512	512	512	512	512	512	512	512	512	512	512	500	489	484
13000	526	526	526	526	526	526	526	526	526	526	526	513	502	496
13500	539	539	539	539	539	539	539	539	539	539	539	526	514	509
14000	552	552	552	552	552	552	552	552	552	552	552	539	527	522
14500	566	566	566	566	566	566	566	566	566	566	566	552	540	534
15000	579	579	579	579	579	579	579	579	579	579	579	565	553	547
15500	592	592	592	592	592	592	592	592	592	592	592	578	565	560
16000	606	606	606	606	606	606	606	606	606	606	606	591	578	572
16500	619	619	619	619	619	619	619	619	619	619	619	604	591	585
17000	632	632	632	632	632	632	632	632	632	632	632	617	604	598
17500	646	646	646	646	646	646	646	646	646	646	646	630	617	610
18000	659	659	659	659	659	659	659	659	659	659	659	643	629	623
18500	672	672	672	672	672	672	672	672	672	672	672	656	642	636
19000	686	686	686	686	686	686	686	686	686	686	686	669	655	648
19500	699	699	699	699	699	699	699	699	699	699	699	682	668	661
20000	712	712	712	712	712	712	712	712	712	712	712	695	680	673
20500	726	725	725	725	724	724	724	724	724	724	724	706	691	684
21000	738	738	738	737	736	736	736	735	735	735	735	717	702	695
21500	750	749	749	748	747	746	746	746	746	745	745	727	711	704
22000	762	760	760	758	757	756	755	755	755	754	754	735	720	712
22500	773	771	770	769	766	765	764	764	763	763	762	743	727	720
23000	780	779	778	777	776	774	773	772	771	771	770	751	734	726
23500	785	784	783	782	780	779	778	778	778	777	777	756	738	729
24000	790	788	787	786	784	783	782	782	781	781	780	759	741	732
24500	794	793	792	790	788	787	786	785	785	784	784	762	744	735
25000	799	797	796	794	792	791	789	789	788	788	787	766	747	737
25500	804	802	800	798	796	794	793	792	792	791	790	769	750	740
26000	808	806	804	802	800	798	797	796	795	794	793	772	753	743
26500	813	811	809	806	804	802	800	799	798	798	797	775	756	746
27000	817	815	813	811	808	806	804	803	802	801	800	778	759	749
27500	822	820	817	815	812	809	807	806	805	804	803	781	761	751
28000	826	824	821	818	815	813	810	809	808	807	806	784	764	754
28500	830	827	825	822	819	816	813	812	811	810	808	786	766	756
29000	834	831	828	825	822	819	816	815	813	812	811	788	768	758
29500	838	835	832	828	825	822	819	817	816	814	813	790	770	759
30000	842	838	835	831	828	824	821	820	818	817	815	792	772	761
30500	845	842	838	835	831	827	824	823	821	819	817	794	774	763
31000	849	845	842	838	834	830	827	825	823	821	819	796	776	765
31500	853	849	845	841	837	833	829	828	826	824	822	798	778	767
32000	857	852	849	844	840	836	832	830	828	826	824	800	779	768
32500	860	856	852	848	843	839	835	833	831	828	826	802	781	770
33000	864	860	855	851	846	842	837	835	833	831	828	804	783	772
33500	868	863	859	854	849	844	840	838	836	833	830	806	785	774
34000	871	867	862	857	852	847	843	840	838	835	833	808	787	775
34500	875	870	865	860	855	850	845	843	840	837	835	810	789	777
35000	879	873	868	863	858	852	848	845	842	840	836	812	790	778
35500	882	876	871	866	860	855	850	847	844	841	838	814	792	780
36000	885	880	874	869	863	857	852	849	847	843	840	815	793	781
36500	889	883	877	872	866	860	854	852	849	845	842	817	795	782
37000	892	886	880	874	868	862	857	854	850	847	843	818	796	783
37500	895	889	883	877	871	864	859	856	852	849	845	820	797	784
38000	898	892	886	879	873	867	861	857	854	850	846	821	798	785
38500	901	895	889	882	875	869	863	859	856	852	848	822	800	786
39000	904	897	891	884	878	871	865	861	857	853	849	823	801	787
39500	907	900	894	887	880	873	867	863	859	855	851	825	802	788
40000	910	903	896	889	882	875	868	864	860	856	851	825	802	788
40500	912	905	898	891	883	876	869	866	861	857	852	826	803	789
41000	915	907	900	893	885	878	871	867	863	858	853	827	803	789
41500	917	910	902	895	887	879	872	868	864	859	854	827	803	789
42000	920	912	905	897	889	881	874	869	865	860	855	828	804	789
42500	922	914	907	898	890	882	875	871	866	861	855	828	804	789
43000	924	916	908	900	892	884	876	872	867	861	856	829	804	789
43500	927	918	910	902	894	885	878	873	868	862	857	829	805	789
44000 AND GREATER	928	920	912	903	895	886	878	873	868	863	857	829	805	789

EARNINGS PRIOR TO 1987 BASED ON S.S. AVERAGE WAGE LEVELS FROM LATER OF 1951 OR YEAR AGE 22.
EARNINGS AFTER 1987 ARE ASSUMED LEVEL UP TO AND INCLUDING CALENDAR YEAR OF AGE 64.
CPI: INCLUDES 1.3% EFFECTIVE DEC. 1986 AND ZERO THEREAFTER.

Disability Retirement

Introduction

General and safety members who become permanently disabled and unable to perform the duties of their specific job may, regardless of age, apply for disability retirement. If found disabled by the Board of Retirement, members receive a disability retirement allowance for life. In addition, there are benefits payable to eligible surviving spouses or other beneficiaries of members who have been granted a disability retirement allowance. Members must present proof of disability including a physician's statement showing they are permanently disabled. Moreover, the Board of Retirement may require that they be examined by a Board-appointed physician.

Application/Approval for Disability

An application for disability retirement shall be made while the member is in the service, within four months after his discontinuance of service, or while from the date of discontinuance of service to the time of the application he is continuously physically or mentally incapacitated to perform his duties. Assistance of an attorney is not required to file an application for disability retirement. Retirement staff is available to assist any member, who does not have an attorney, in completing the application form. The decision on whether to hire an attorney is a matter left to the discretion of the member at any stage of the application/appeal process. The processing time for disability retirement takes from three to six months. Staff must obtain Worker's Compensation and other records, schedule a medical examination and obtain the examination results, conduct the necessary investigation and prepare an evaluation report for consideration by the Board of Retirement. The Board of Retirement meets the first business Wednesday of each month to approve or deny applications for disability retirement.

A member may be retired for disability upon the application of the member, the head of the office or department in which the member was last employed, the Board of Retirement or its agents, or any other person on behalf of the member.

Eligibility for Disability Retirement

Only members in a contributory plan (Plans A, B, C or D) are eligible for disability retirement under LACERA. Plan E members are **not** eligible for disability retirement. Members in **all** retirement plans, including Plan E, are eligible, however, for disability benefits under the Long-Term Disability and Survivor Benefit Plan provided by the County of Los Angeles and administered by Long-Term Disability and Survivor Benefit Plan Section in the Chief Administrative Office.

There are two types of disability retirement: service-connected and nonservice-connected. Plan A, B, C or D members **permanently** incapacitated for the performance of duty may be granted a disability retirement by the Board of Retirement if they meet the following eligibility requirements by type of disability:

Service-Connected Disability:

- Incapacity is the result of injury or disease arising out of and in the course of the member's employment, and such employment contributes **substantially** to such incapacity.
- There is no minimum age **or** retirement service credit requirement.

Nonservice-Connected Disability:

- Incapacity is not the result of injury or disease arising out of and in the course of the member's employment, and
- Member has completed a minimum of five (5) years of County/reciprocal retirement service credit.

Disability Retirement Allowance

Members who are found disabled will receive a disability retirement allowance for life by type of disability as follows:

Service-connected disability retirement allowance:

- A minimum of 50% of final compensation, or
- If qualified for a service retirement, the equivalent of a service retirement allowance if it exceeds 50% of final compensation but in no event greater than 100% of final compensation.

Nonservice-connected disability retirement allowance:

- Generally equal to one-third (1/3) of final compensation but could be more, or less, depending on age and years of service at the time of retirement, or
- If qualified for a service retirement, the equivalent of a service retirement allowance if it exceeds one-third (1/3) of final compensation but in no event greater than 100% of final compensation.

Members under the age of 55, who have been granted a disability retirement allowance, may be required to submit to a medical examination at a later date. Failure to do so will result in a discontinuance of the disability retirement allowance and if such refusal continues for one year, the allowance shall be cancelled.

Effective Date of Disability Retirement Allowance

The disability retirement allowance for a member found to be disabled by the Board of Retirement is effective as of the date the application for disability retirement is filed, but not earlier than the day following the last day for which the member received regular compensation. However, the retirement of a member who has been granted or is entitled to sick leave shall not become effective until the expiration of such sick leave with compensation unless the member consents to retirement at an earlier date. Payments under Section 4850 of the Labor Code to safety members will terminate immediately upon the granting of a disability retirement.

Retirement While Disability Application is Pending

If a member filed an application for disability retirement but a final determination is not made within 90 days after filing such application, the member may, if eligible to retire under a regular service retirement, apply for and be granted a service retirement allowance pending the determination of entitlement to disability retirement. Authorization for retirement pending the outcome of a disability application is contained in Section 31725.7 of the California Government Code; this type of retirement is commonly referred to as a ".7" (point 7) retirement. If the member is found disabled, adjustments will be made in the member's allowance retroactive to the effective date of the disability retirement. If the member is not found disabled, the member may not return to his job, but will continue to receive a service retirement allowance.

Continuing to Work After Disability Finding

Members who are found to be disabled, whether for service-connected or nonservice-connected disability, may, if they are capable of performing other duties in a new position, continue in their employment. Such members will receive, in lieu of a service-connected or nonservice-connected disability allowance, a supplemental disability allowance which is equal to the difference between the compensation rate of the position for which the member was incapacitated and the compensation of the new position. Such payments will continue until the member elects to retire and receive the service-connected or nonservice-connected disability allowance.

Appeal Rights

Members who were denied disability retirement or who were found to be disabled for nonservice-connected causes rather than service-connected disability causes may file an appeal after receiving official notification of the findings of the Board of Retirement. A referee will be assigned to hear the case and the member may be represented by an attorney. The County Counsel's office defends the actions of the Retirement Board. Referee findings are not binding on the Board of Retirement and the member may further appeal to the Superior Court.

DEATH AND SURVIVOR BENEFITS

Introduction

Death and survivor benefits are provided by LACERA for eligible spouses or beneficiaries of deceased **active** members of Plan A, B, C & D and for eligible spouses or beneficiaries of deceased **retired** members of Plan A, B, C, D or E. Benefits for survivors of deceased **active** Plan E members are available **only** through the Long-Term Disability and Survivor Benefit Plan (LTD Plan) provided by the County of Los Angeles and administered by the Long-Term Disability and Survivor Benefit Plan Section in the Chief Administrative Office. Survivors of deceased active members in Plan A, B, C or D are also eligible for LTD Plan benefits. Please consult the LTD Section at (213) 744-3080—2615 South Grand Avenue, 5th Floor, Los Angeles, CA 90007 for further details of those benefits. Pre- and post-retirement death/survivor benefits vary to some degree. The benefits also depend on whether the cause of death or disability was nonservice-connected (not the result of injury or disease arising out of and in the course of the member's employment), or service-connected (the result of injury or disease arising out of and in the course of the member's employment).

Pre-Retirement Death/Survivor Benefits

The death benefit payable to the surviving spouse or other beneficiary of a Plan A, B, C or D member who dies in service before retirement depends on whether the death was the result of nonservice-connected or service-connected causes as follows:

Nonservice-connected death:

1. The **basic death benefit** (lump-sum payment) consists of (a) the member's contributions and interest credited to the member's account plus (b) an amount equal to an average month's salary (based on the last 12 months) for each year of retirement credit, but not exceeding six months' salary. In lieu of a lump-sum payment, the beneficiary may elect to receive this benefit in installments over a period of 120 months, or
2. If the deceased member had at least five years' County or combined County and reciprocal agency membership service, a surviving spouse (if none, member's minor children) may elect, in lieu of the basic death benefit, a **monthly allowance** equal to 60% of the monthly retirement allowance to which the deceased member would have been entitled had the member been retired for nonservice-connected disability as of the date of death. This benefit is payable only to a surviving spouse or to minor children under age 18 (or through the age of 21 if they remain unmarried and are regularly enrolled as full-time students in an accredited school).

   Note: This benefit will generally equal approximately 20% of the member's final compensation (average salary over the highest 12 months of service if the member was in Plan A, or 36 months of service if the member was in Plan B, C or D) but could be more, or less, depending on the age and years of service of the member and whether the member was eligible to retire for service.
3. A surviving spouse may elect, in lieu of the basic death benefit, a **combined benefit** consisting of a lump sum payment as in 1(b) above, plus a monthly allowance as in 2 above, reduced by an amount which is the actuarial equivalent of the amount in 1(b) above based on the age of the surviving spouse.

Service-connected death:

1. The basic **death benefit** (lump-sum benefit) consists of (a) the member's contributions and interest credited to the member's account plus (b) an amount equal to an average month's salary (based on the last 12 months) for each completed year of retirement credit, but not exceeding six months' salary. In lieu of a lump-sum payment, the beneficiary may elect to receive this benefit in installments over a period of 120 months, or
2. Regardless of the length of service, a surviving spouse (if none, member's minor children) may elect, in lieu of the basic death benefit, a **monthly allowance** equal to 100% of the monthly retirement allowance to which the deceased member would have been entitled had the member been retired for service-connected disability as of the date of death. This benefit is payable only to a surviving spouse or to minor children under age 18 (or through the age of 21 if they remain unmarried and are regularly enrolled as full-time students in an accredited school).

   Note: This benefit equals a minimum of 50% of the member's final compensation (average salary over the highest 12 months of service if the member was in Plan A, or 36 months of service if the member was in Plan B, C or D) but could be more depending on the age and years of service of the member, if the member was eligible to retire for service.
3. A surviving spouse may elect, in lieu of the basic death benefit, a **combined benefit** consisting of a lump sum payment as in 1(b) above, plus a monthly allowance as in 2 above, reduced by an amount which is the actuarial equivalent of the amount in 1(b) above based on the age of the surviving spouse.
4. In addition to the above benefit, the surviving spouse of a member who is killed in the performance of duty or who dies as the result of an accident or injury caused by external violence or physical force, incurred in the performance of duty, or other person having legal custody of the deceased member's children under age 18 (or through the age of 21 if they remain unmarried and are regularly enrolled as full-time students in an accredited school), shall be paid an **additional allowance** based on the number of children as follows:

1 child	25% of basic allowance (12.5% of final comp.)
2 children	40% of basic allowance (20% of final comp.)
3 or more children	50% of basic allowance (25% of final comp.)
5. In addition to all other benefits, the surviving spouse of a **safety** member who is killed in the performance of duty or who dies as the result of an accident or injury caused by external violence or physical force, incurred in the performance of duty, shall be paid a lump-sum payment equal to 12 months' pay based on the monthly compensation at the time of death in addition to any other benefits described above.

Post-Retirement Death/Survivor Benefits

The death benefit payable to the surviving spouse or other beneficiary of a member who dies after retirement depends on the member's retirement plan, the retirement settlement elected by the member at the time of retirement and whether the member's retirement was for service, nonservice-connected disability or service-connected disability retirement as follows:

Service retirement or nonservice-connected disability retirement:

1. A surviving spouse, or if none, the member's minor children under age 18 (or through the age of 21 if they remain unmarried and are regularly enrolled as full-time students in an accredited school) may receive 60% of the unmodified service retirement allowance or 60% of the nonservice-connected disability retirement allowance the member was receiving prior to death (if the member was in Plan A, B, C or D) or 50% of the unmodified service retirement allowance the member was receiving prior to death (if the member was in Plan E). To be eligible for this monthly allowance, the surviving spouse must have been:

   - Named as the sole primary beneficiary, and
   - Married to the member at least one year prior to the effective date of retirement.

   If an optional settlement was elected by the member at the time of retirement, the survivor's allowance is contingent on the option chosen (See Page 30 for a general description of the optional settlements),

   plus

2. A one-time benefit of $750.00 payable to the named beneficiary or estate of the member (If the member was in Plan A, B, C or D).

Service-connected disability retirement:

1. A surviving spouse, or if none, the member's minor children under age 18 (or through the age of 21 if they remain unmarried and are regularly enrolled as full-time students in an accredited school) may receive 100% of the service-connected disability retirement allowance the member was receiving prior to death (if the member was in Plan A, B, C or D). To be eligible for this monthly allowance, the surviving spouse must have been:

   - Named as the sole primary beneficiary, and
   - Married to the member prior to the effective date of retirement.

   If an optional settlement was elected by the member at the time of retirement, the survivor's allowance is contingent on the option chosen (See Page 30 for a general description of the optional settlements),

   plus

2. A one-time benefit of $750.00 payable to the named beneficiary or estate of the member.

General Information for Retired Members

Introduction

Retired members and eligible survivors of active or retired members receive lifetime retirement or survivor allowances which, with the exception of Plan E members or survivors, are subject to annual cost-of-living increases each April 1. These allowances continue whether or not the member or survivor remarries after the divorce or the death of the member's or survivor's spouse. Employment after retirement with the County or districts is limited. Retirement income is subject to taxation and deductions for taxes, dues, insurance premiums, credit unions, etc., may be authorized from the monthly retirement warrant or direct deposit payment. Retirement warrants are mailed once a month, at the end of the month, or may be personally picked up at the LACERA office after making the necessary arrangements. Direct deposit of the retirement allowance is available and strongly recommended to avoid mail delays and occasional theft from mail boxes. Members are assigned new numbers to replace their employee numbers. Additional information is provided in the following sections.

For New Retirees

After your service or disability retirement has been approved by the Board of Retirement:

- A letter informing you of the official action taken by the Board of Retirement and your effective retirement date will be sent to you.
- You will receive, along with the above letter, important information about your retirement, a retirement identification card, a retiree member number which will replace your employee number and will be typed on the I.D. card, and a direct deposit form. Your member number, along with your Social Security number, should be used when you communicate with LACERA.
- The direct deposit form, authorizing the deposit of your retirement allowance into a checking or savings account, should be returned to LACERA if you elect to have direct deposit. Please allow 60–90 days for the direct deposit to become effective.
- You will begin receiving monthly retirement allowance payments approximately 60 days after Board of Retirement approval of your retirement. Payments are issued the last day of each month for the month just completed.
- You will be sent a medical and dental/vision insurance package regarding the plans offered to retirees approximately three weeks after you retire. Enrollment forms will be included in the package and it is your responsibility to fill out the forms and return them to LACERA within 60 days of your retirement if you plan to enroll in a medical or dental/vision plan.
- A tax information letter will be sent to you providing you with information about your taxed/untaxed contributions and taxable status.
- To continue voluntary deductions, you must contact the appropriate agency (See Page 55).

- If eligible, and if you selected the Unmodified or Option 1 retirement settlement, you also elected to receive your allowance with or without the Level Income Option. The Level Income Option benefit increases your monthly retirement allowance until the earliest month in which you are entitled to receive Social Security Benefits. After reaching age 62, your retirement allowance is decreased. If your 62nd birthday falls on the 1st or 2nd of the month, your allowance will be decreased the month of your birth. If your 62nd birthday falls on the 3rd of the month or later, your allowance will be decreased the month following your birth. You should apply for Social Security approximately three months before your 62nd birthday.
- If you need to contact LACERA about any questions you may have or to make beneficiary or address changes, you may write to LACERA at 500 West Temple Street, Room 130, Los Angeles, CA 90012. You may also reach LACERA by telephoning 1-(213) 687-8040 or toll free 1-(800) 621-7727 (California only).

County Service After Retirement

A retired member may not be paid for service to the County, except as follows:

- For service as a juror, election officer, field deputy for registration of voters or temporarily as a judge when assigned by the Chairman of the Judicial Council.
- For service as a member of the Board of Retirement or Board of Investments.
- For service as an independent contractor with the County.
- For suggestions made for the improvement of County or district activities.
- Retired court commissioners of L.A. County may be assigned by the presiding judge of a court to serve as a court commissioner and receive the amount equal to the difference between the retirement allowance and the full compensation of a court commissioner.
- Retired members may be employed in a position requiring special skills or knowledge for a period not to exceed 90 working days (720 hours) in any one fiscal year.

Beneficiary Designation

Be sure that your beneficiary designation is always up to date. Remember that changes such as birth, death, marriage or divorce may require a change in your beneficiary. If you die without having a named beneficiary, LACERA will pay any eligible benefits to the Executor or Administrator named in a probate proceeding or to the individual or individuals that qualify under Probate Code 630.

Endorsement of Retirement Warrant/Replacement Warrant/Direct Deposit

Personal endorsement of the retirement warrant is required of each retired member. A mark witnessed by two persons who sign their names and give their addresses is acceptable when the member is unable to personally endorse the retirement warrant.

If you do not receive your warrant within **five working days** after the first of the month, you may contact LACERA for a replacement warrant. You will be required to sign an affidavit stating that you have not received or cashed your retirement warrant when you receive your replacement warrant.

You may arrange to have Direct Deposit of your retirement allowance into a checking or savings account of a participating financial institution through the Automated Clearing House (ACH). A direct deposit authorization form will be sent to you after you retire.

Deductions from Retirement Allowances

Deductions from retirement allowances will be taken only if authorized by a retired member or survivor. Deductions may be made for the following:

- Group medical and/or dental/vision insurance premiums for plans administered by the Board of Retirement, for Local 1014 Firefighters Insurance premiums and for ALADS Insurance premiums; deductions are automatic if the member enrolls in a plan.
- Dues—Retired Employees of Los Angeles County (RELAC), Sheriff's Relief Association, Professional Peace Officer's Association (PPOA), Firefighters Local 1014, Los Angeles County Employees Association (SEIU-AFL-CIO Local 660), Acacia Club, Association of Los Angeles Deputy Sheriffs (ALADS); contact the appropriate agency to begin, change or cancel deductions.
- Credit union loan repayments or checking/savings deposits; contact the appropriate credit union to begin, change or cancel deductions.
- Medicare premium payments (Part B only); contact the Social Security Administration to obtain the necessary forms to begin or cancel deductions.
- Federal and State income taxes; members may elect at the time of retirement not to have Federal taxes withheld or to have Federal taxes withheld based on marital status and number of exemptions or a fixed dollar amount; if no election is made, however, Federal taxes will be withheld as if the member was married with three exemptions pursuant to the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA). Mandatory state withholding will also become effective January 1, 1987 unless members elect to have no state taxes withheld.

Taxation of Retirement Benefits

Retirement allowance is taxable. Retirement allowance income of retired members is taxable under both Federal and State of California income tax laws. A statement showing your taxable income status will be mailed to you after you retire. A W-2P is sent annually to each retired member and survivor. Questions concerning the applicability of the income tax laws to your individual situation should be directed to your tax advisor.

Federal withholding is required. The Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) requires LACERA to withhold Federal income tax from your monthly retirement allowance. However, you may elect **not** to have withholding apply to your retirement allowance, or you may elect to have Federal tax withheld at whatever rate you choose, either a specific dollar amount or an amount based on the tax tables. Election forms are available at the time of retirement. If you do not return the election form with your application to retire, federal income tax will be withheld from your retirement allowance, beginning with your first retirement warrant, as if you were a married person claiming three withholding exemptions.

Your election to withhold or not withhold will remain in effect until you revoke it. You may revoke your election or change the amount withheld at any time by notifying LACERA, in writing. You may make and revoke such elections as often as you wish. Penalties may be incurred if withholding taxes are insufficient at the end of the year. Be sure to check with your tax advisor or the Internal Revenue Service if you have any questions.

State withholding is required. Effective January 1, 1987, the State of California also required LACERA to withhold State income tax from your monthly retirement allowance. You may elect the same withholding options for the State tax as you did for the Federal tax. Again, penalties may be incurred if withholding taxes are insufficient at the end of the year.

Tax Reform Act of 1986

The Tax Reform Act of 1986 repealed the three year basis recovery rule (known simply as the "3-Year Rule") for members who retired after July 1, 1986. Retired members should consult a tax advisor to determine the effect of the new Act on the taxation of their retirement benefits. The Act provides a new basis for determining that portion of the member's allowance which will be taxable for those members retiring after July 1, 1986.

Prior to July 2, 1986, if a retired member's projected total benefits during the first three years of retirement were equal to or greater than the member's own contributions (on which the member paid taxes), those retirement benefits were not taxable until the member had recovered his own contributions. After the member recovered his own contributions, all subsequent payments were fully taxable. This was known as the "Special Rule." If, on the other hand, a retired member would not recover all of his contributions during the first three years after retirement, each payment would be treated as partly taxable and partly nontaxable immediately upon retirement for the rest of the member's life. The nontaxable amount would be determined according to the ratio of the member's total contributions (on which the member had paid taxes) to the plan over the total expected lifetime benefits. This was known as the "General Rule."

As noted above, the Act repeals the 3-Year Rule, and new rules apply as to when and how long retirement allowance payments will be taxable. Generally, these will parallel the previous "general rule" provisions whereby each payment will be partly taxable and partly nontaxable immediately upon retirement except that when the taxed contributions have been recovered the entire payment will be taxable. Please consult your tax advisor to determine how the Act will apply to your individual situation.

Service-connected disability. Members granted a service-connected disability retirement allowance may be eligible to exclude a portion of their allowance from being taxed. Additional information will be sent to the member after the granting of a service-connected disability retirement allowance.

Cost-of-Living Adjustments

Under provisions in the California Government Code the Board of Retirement shall, before April 1st of each year, determine whether there has been an increase or decrease in the cost-of-living, as shown by the Bureau of Labor Statistics Consumer Price Index (CPI) for All Urban Consumers for the area in which the county seat is situated, as of the preceding January 1st. Effective April 1st of each year, the Board must increase or decrease retirement and survivor allowances by a percentage of the total allowance to approximate to the nearest one-half of one percent, the percentage of annual increase or decrease in the CPI as of the preceding January 1st, for members and survivors who were retired prior to April 1st. Plan A members may receive a 3% maximum increase while Plan B, C and D members may receive a 2% maximum increase. There are no provisions for a cost-of-living increase for Plan E members.

The difference between the CPI and the maximum cost-of-living increase granted, is retained in a Cost-of-Living Adjustment (COLA) "bank" which can be drawn against in future years should the CPI fall below the maximum allowable cost-of-living increase. For example, if the CPI was 5% and the maximum cost-of-living increase was 3%, the difference, or 2%, would be put in a COLA "bank" and could be used in the following or subsequent years to grant the maximum allowable cost-of-living increase if the CPI in the following or subsequent years fell below the maximum allowable cost-of-living increase.

For example, if the CPI was only 1%, Plan A members who had 2 or more percent in their COLA bank would still receive a 3% cost-of-living increase while Plan B, C or D members who had 1 or more percent in their COLA bank would still receive a 2% cost-of-living increase. The bank, in either case, would be reduced by the amount necessary to equal the 3% or 2% maximum allowable increase.

Death and Survivor Benefits

A death benefit of $750.00 is paid to the named beneficiary or estate of each retired member who dies after retirement if they retired from the County or SCAQMD. Such benefits are paid only for members who retired under Plans A, B, C or D. Please refer to the section on POST-RETIREMENT DEATH/SURVIVOR BENEFITS, Page 52 for a description of additional benefits available for survivors/beneficiaries of members who die after retirement.

HEALTH CARE PLANS

Introduction

Group hospital and medical insurance coverage as well as a dental/vision care plan has been made available to all retirees and their eligible dependents or survivors by the Board of Supervisors for County and district employees for whom the Board of Supervisors is the governing body and by the Board of Directors of the South Coast Air Quality Management District for its employees. To participate in the medical or dental/vision insurance plans, enrollment must be made within 60 days after retirement or, in the case of disability retirees, within 60 days of the Board of Retirement meeting at which a member's application for disability was approved.

Hospital and Medical Insurance Plans/Insurance Carriers

There are two different types of hospital and medical insurance plans administered by the Board of Retirement: An "indemnity" plan whereby the retiree chooses his own doctor or hospital and his bills are paid by the insurance company underwriting the plan; and a "service" plan whereby the retiree must use the doctors and facilities offered by the service plan he chooses. Two of the indemnity plans are underwritten by the Provident Life and Accident Insurance Company and one indemnity plan is underwritten by Blue Cross of California. All three plans are available to retirees or eligible survivors regardless of previous coverage. The service plans are underwritten either by the Ross Loos Medical Group (CIGNA Health Plan) or by Kaiser Permanente of Southern California. Both plans are available to retirees or eligible survivors regardless of previous coverage. A member may transfer from one plan to another plan effective on the first of the month following six (6) months from the date a new enrollment form is received by LACERA.

In addition to the employer sponsored plans, retired firemen may choose to remain covered under the hospital/medical plan offered by the Fire Fighters Union, and Association of Los Angeles Deputy Sheriffs' (ALADS') members may choose to remain covered under the CAPE medical plan offered by ALADS.

Cost of Insurance

The portion of the premium payment paid by the employer is dependent on the number of completed years of retirement service credited to the retiree upon retirement. This ranges from 40% of the premium with ten completed years of service to 100% of the premium with 25 or more completed years of service. In general, each completed year of service after ten years reduces the member's cost by 4%. Service includes all service on which the member's retirement allowance was based. Employer premium payments for the various medical plans are limited, however, to the amounts paid by the employer for the Provident Life and Accident Plans. Therefore, if the premium for any one of the other three plans exceeds that for the Provident Life and Accident Plans, then the retiree must pay the difference, even if the retiree has 25 or more years of service.

Dependent Coverage and Change in Dependent Status

Your spouse and your unmarried children (including legally adopted and stepchildren) under age 19 are also eligible for coverage under the LACERA medical plans. If unmarried children are attending an accredited school full-time, their coverage can be extended to age 23. If children are mentally or physically disabled when they reach the maximum age, coverage may be extended for the term of the disability.

LACERA should be notified of any deletions from the insurance coverage to insure that the costs for both the carrier and member are reduced accordingly. If the change in dependent status results in a reduced contribution, and if you delay notification, not more than twelve (12) months' excess contributions will be made. New dependents may be enrolled without a health statement as long as such enrollment is accomplished within 30 days from birth, marriage to the member, etc.

Dental/Vision Care Plan

The dental/vision care plan which is underwritten by the Provident Life and Accident Insurance Company is separate and distinct from the various hospital and medical insurance plans that are also available to retirees. It is not necessary to enroll in a LACERA medical plan in order to be covered by the dental/vision plan. The plan is of the indemnity type which means that you may choose your own dentist or eye doctor and be reimbursed for the covered portion of the costs of these services. A separate enrollment form is required to enroll you and your eligible dependents in the dental/vision care plan regardless of the medical plan that you may select. To participate in the plan, enrollment must be made within 60 days after retirement or, in the case of disability retirees, within 60 days of the Board of Retirement meeting at which a member's application for disability was approved. You may enroll at a later date but you will not be covered until the first of the month following twelve (12) months from the date the enrollment form was completed and returned to LACERA. The portion of the premium payment paid by the employer for this coverage is dependent on the number of completed years of retirement service credited to the retiree upon retirement. This ranges from 40% of the premium with ten completed years of service to 100% of the premium with 25 or more completed years of service. Service includes all service on which the member's retirement allowance was based.

Contacts With Insurance Carriers

Contacts may be made directly with LACERA's insurance carriers at the mailing addresses and phone numbers shown below:

Medical Plans

- Blue Cross of California (Group #387775-A)
  P.O. Box 70000
  Van Nuys, CA 91470
  Phone No.: 1-(800) 421-5115 (California only)
  or 1-(818) 703-2760

- Kaiser Permanente of Southern California (Group #1002-00)
  Membership Services
  4733 Sunset Blvd.
  Los Angeles, CA 90027
  Phone No.: 1-(213) 667-4102   1-(818) 908-2268
  1-(714) 788-8061   1-(619) 268-5307

- Ross Loos (Group #5-399)
  CIGNA Health Plans of California
  P.O. Box 2125
  Glendale, CA 91203
  Phone No.: 1-(800) 344-0557 (California only)
  or 1-(818) 500-7000

- Provident Life and Accident Insurance Company (Group #11042-C)
  P.O. Box 34010
  Fullerton, CA 92634
  Phone No.: 1-(800) 633-5908 (all 50 states)
  or 1-(714) 524-1224

- L.A. County Firefighters Local 1014
  10824 Saint James Avenue
  South Gate, CA 90280
  Phone No.: 1-(213) 637-3532
  1-(714) 750-3444
  1-(805) 653-6936

- Association of Los Angeles Deputy Sheriffs
  1400 West 12th Street, 2nd Floor
  Los Angeles, CA 90015
  Phone No.: 1-(213) 749-1020

Dental/Vision Plan

- Provident Life and Accident Insurance Company (Group #11042-Y) (same address/ phone number as above)

Be sure to include your group number, retirement member number and Social Security number in any written correspondence.

Other Considerations

Legal Service

Legal service, including summons and complaints, subpoenas and subpoenas duces tecum, etc., will be accepted by the Treasurer and Tax Collector in matters related to LACERA, upon payment of the required fee at the time of service. The fees will be collected as follows:

a. $35 per day plus mileage of 20¢ per mile both ways from the work site to the courthouse for a personal appearance (this fee includes the cost of duplicating documents).

b. $15 if a personal appearance is not required (documents only).

The address for service is: Hall of Administration, Room 100 .
500 West Temple Street
Los Angeles, CA 90012

Division of Community Property

LACERA, a public pension plan, is not subject to the requirements of the Employee Retirement Income Security Act (ERISA), the Retirement Equity Act (REA) or Section 5106 of the Civil Code concerning the payment of benefits to ex-spouses of LACERA members. Under Section 4351 of the Civil Code, however, the Superior Court has jurisdiction to inquire and render such judgments and make such orders as are appropriate concerning the status of the marriage, the custody and support of minor children of the marriage, the support of either party, the settlement of the property rights of the parties and the award of attorney's fees and costs; provided, however, no such order or judgment shall be enforceable against an employee pension benefit plan **unless the plan has been joined as a party to the proceedings.** Joinders may be served on LACERA as described under LEGAL SERVICE, above. If joined and if ordered by the court to divide retirement benefits, LACERA will set up a separate account for the payment to an ex-spouse or children of a retired member. The order should specify a monthly amount or a percentage of the retired member's allowance which is to be paid. All such payments cease upon the death of the retired member unless there are children eligible to a survivor's allowance.

County Blood Bank

The County of Los Angeles has advised LACERA that the "County Blood Bank" no longer exists. In 1977, the credit system was eliminated as a result of California legislation. It was an unfair system that did not guarantee blood when needed. Today, the American Red Cross operates under the philosophy that the community is responsible for meeting patient's needs. In Los Angeles County and Orange County there is no penalty, financial or otherwise, if you use blood and cannot find someone to donate for you. Blood is free; however, the administrative costs incurred by the American Red Cross to collect, process, test, and distribute blood is passed on to the hospital and then to you. These processing fees are usually covered by your health insurance and/or Medicare/Medicaid. For additional information contact your local Red Cross chapter.

Retired Member Statistical Information

The following statistical information was obtained from our payroll vendor concerning LACERA's retired members and survivors as of the following dates:

	JUNE 30, 1986:	JUNE 30, 1987:
Age:		
Over 65	17,571 (56.0%)	18,459 (57.2%)
Under 65	13,803 (44.0%)	13,795 (42.8%)
Type of Membership:		
General	26,772 (85.3%)	27,445 (85.1%)
Safety	4,602 (14.7%)	4,809 (14.9%)
Years of Service:		
Under 10	4,239 (13.5%)	4,311 (13.4%)
10–15	7,407 (23.6%)	7,481 (23.2%)
15–20	5,418 (17.3%)	5,609 (17.4%)
20–25	4,571 (14.6%)	4,673 (14.5%)
25 or more	9,739 (31.0%)	10,180 (31.5%)
Monthly Allowance Distribution:		
$ 0.00–$ 299.99	5,274 (16.8%)	4,984 (15.5%)
300.00– 599.99	8,582 (27.3%)	8,369 (25.9%)
600.00– 899.99	5,671 (18.1%)	5,852 (18.1%)
900.00– 1,199.99	3,974 (12.7%)	4,128 (12.8%)
1,200.00– 1,499.99	2,767 (8.8%)	2,965 (9.2%)
1,500.00– 1,999.99	2,529 (8.1%)	2,836 (8.8%)
2,000.00– 2,499.99	1,259 (4.0%)	1,469 (4.6%)
2,500.00 or more	1,318 (4.2%)	1,651 (5.1%)

MEMBERSHIP STATISTICS

ACTIVE AND DEFERRED MEMBERS

	ACTIVE MEMBERS			DEFERRED MEMBERS		
	General	Safety	Total	General	Safety	Total
As of July 1, 1986	58,148	9,241	67,389	1,813	92	1,905
Additions	8,238	523	8,761	300	1	301
	66,386	9,764	76,150	2,113	93	2,206
Deductions:						
Withdrawals	805	137	942	10	0	10
Retired	1,275	300	1,575	111	4	115
Deferred	300	1	301			
Plan E Terminations	4,103		4,103			
To Unclaimed	122	13	135			
TOTAL Deductions	6,605	451	7,056	121	4	125
As of June 30, 1987	59,781	9,313	69,094	1,992	89	2,081
Unclaimed Accounts	2,733	94	2,827			

RETIRED MEMBERS BY TYPE OF RETIREMENT

	SERVICE	DISABILITY	SURVIVORS	TOTAL
GENERAL				
As of July 1, 1986	19,569	3,503	3,699	26,771
Additions	1,091	255	298*	1,644
	20,660	3,758	3,997	28,415
Deductions	635	161	174	970
TOTAL	20,025	3,597	3,823	27,445
SAFETY				
As of July 1, 1986	1,797	2,074	732	4,603
Additions	110	186	50**	346
	1,907	2,260	782	4,949
Deductions	49	68	23	140
TOTAL	1,858	2,192	759	4,809
TOTAL RETIRED as of June 30, 1987	21,883	5,789	4,582	32,254

*Includes survivors of 40 deceased active general members who receive life payments by election.
**Includes survivors of 8 deceased active safety members who receive life payments by election.

Ernst & Whinney
QUEZADA NAVARRO & CO.

515 S. Flower Street
Los Angeles, California 90071

213/621-1666

Boards of Investments and Retirement
Los Angeles County Employees Retirement
Association
Los Angeles, California

We have examined the balance sheets of the Los Angeles County Employees Retirement Association as of June 30, 1987 and 1986, and the related statements of revenues and expenses and changes in reserves for the years then ended. Our examinations were made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements referred to above present fairly the financial position of the Los Angeles County Employees Retirement Association at June 30, 1987 and 1986, and the results of its operations and changes in its reserves for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

Ernst & Whinney
Quezada Navarro & Co.

Los Angeles, California
October 6, 1987, except for Note K,
as to which the date is October 29, 1987

EXHIBIT A

Page 1 of 2

Los Angeles County Employees Retirement Association
Balance Sheets
For the Years Ended June 30, 1987 and 1986

ASSETS

(Amounts in Thousands)

	1987	1986
Current Assets		
Cash	$ 71,312	$ 42,657
Accounts Receivable		
Member Contributions	7,052	7,015
Employer Contributions	27,489	29,730
Principal and Interest Due—Bonds	66,542	83,273
Principal and Interest Due—Mortgages	4,633	5,106
Dividends on Stocks	6,248	6,195
Proceeds from Sale of Stocks	11,683	9,764
Rental on Real Estate Properties	-0-	65
Interest on Pooled Surplus Investment	1,798	1,642
Interest Due on Retirement Trust Fund Float	265	395
Other Interest Due—SPNB	-0-	560
Interest Due on Equity R. E. Funds	637	-0-
Interest Due on Venture Capital	300	-0-
Miscellaneous	422	538
Total Accounts Receivable	$ 127,069	$ 144,283
Short Term Investments	$1,613,625	$1,083,234
Total Current Assets	$1,812,006	$1,270,174
Long Term Investments		
Bonds		
Publicly Traded	$2,938,401	$2,586,556
Private Placements	142,544	311,335
Total Bonds	$3,080,945	$2,897,891
Stocks		
Common Stocks	$1,667,764	$1,403,001
Preferred & Convertible Stocks	11,648	3,384
Total Stocks	$1,679,412	$1,406,385
Mortgages		
FHA and VA Insured Mortgages (Residential)	$ 138,448	$ 193,799
Conventional Mortgages (Residential)	18,423	42,021
Total Mortgages	$ 156,871	$ 235,820
Equity Real Estate Funds	$ 123,356	$ 107,157
Notes Receivable—Real Estate Equity	-0-	$ 700
Real Estate Properties (Net of Depreciation)	-0-	9,025
Venture Capital Investment Fund	$ 38,407	$ -0-
Total Long-Term Investments	$5,078,991	$4,656,978
Fixed Assets		
Net of Depreciation	$ 1,582	$ 507
Total Assets	$6,892,579	$5,927,659

Los Angeles County Employees Retirement Association
Balance Sheets (Continued)
For the Years Ended June 30, 1987 and 1986

LIABILITIES and RESERVES

(Amounts in Thousands)

	1987	1986
Current Liabilities		
Retiree Net Payroll Payable	$ 16,350	$ 16,632
Funds Due County of Los Angeles	-0-	225
Retiree Payroll Deductions Payable	4,778	4,178
Mortgage Loan Payments Collected in Advance	57	104
Accrued Operating Expenses — Wiegand Plaza	5	30
Accounts Payable — Purchase of Common Stocks	10,305	13,903
Administrative Expenses Payable	756	422
Accrued Vacation & Sick Leave	468	422
Commitment Fees on Deposit	100	100
Investment Expenses Payable	1,762	2,073
Other Warrants Payable	1,194	967
Direct Deposit — Retired Members Payroll	11,128	-0-
Security Deposits — Wiegand Plaza	-0-	33
Contribution Refunds Payable	33	59
Supplemental Benefits Payable	231	76
Miscellaneous Accounts Payable	2,121	344
Total Current Liabilities	$ 49,288	$ 39,568
Members Deposit Reserves		
General Members	$ 579,430	$ 544,557
Safety Members	247,856	224,821
Cost-of-Living	258,417	231,034
Unclaimed Deposits of Former Members	881	970
Total Members Deposit Reserves	$1,086,584	$1,001,382
Employers Reserves		
General Members	$ 79,202	$ 52,151
Safety Members	107,006	98,884
Cost-of-Living	14,873	51,953
Total Employers Reserves	$ 201,081	$ 202,988
Retired Members Reserves		
General Members	$2,030,096	$1,890,079
Safety Members	804,251	730,139
Cost-of-Living	2,652,353	2,004,226
Total Retired Members Reserves	$5,486,700	$4,624,444
Reserve for Earnings' Deficiencies, Investment Losses and Other Contingencies	$ 68,926	$ 59,277
Total Reserves	$6,843,291	$5,888,091
Total Liabilities and Reserves	$6,892,579	$5,927,659

Los Angeles County Employees Retirement Association
Statement of Revenues and Expenses
For the Fiscal Years Ended June 30, 1987 and 1986

(Amounts in Thousands)

	1987	1986
Revenues		
Member Contributions		
Retirement—Active Members	$ 86,790	$ 82,356
Employer Contributions	336,533	335,754
Special County Contribution (Note B)	454,455	-0-
Miscellaneous Additions	25	41
Total Contribution Revenue	$ 877,803	$ 418,151
Investment Income		
Interest Income—Long Term Bonds	$ 284,017	$ 297,756
Interest Income—Short Term Investments	85,744	67,482
Interest Income—Securities on Loan	5,017	3,637
Interest Income on Mortgages	22,868	30,676
Other Interest Income	3,901	6,816
Income—Equity R. E. Funds	7,057	2,424
Income—Venture Capital	570	-0-
Dividend Income	71,580	68,505
Rental Income	785	1,111
Net Gain (Loss)—Sale of Bonds	92,022	200,966
Net Gain (Loss)—Sale of Stocks	321,920	206,624
Net Gain (Loss)—Mortgage Loans	151	60
Net Gain on Disposal of Asset	4,093	-0-
Income—Real Estate Equities	94	84
Other Investment Income	516	194
Total Investment Income	$ 900,335	$ 886,335
Deduct: Investment Expenses		
Investment Counsel Fees	$ 6,304	$ 5,228
Mortgage Loan Service Fees	644	795
Custodial Fees	193	225
Actuarial Fees	75	-0-
Real Estate Equities Expenditures	232	768
Other Investment Expenses	138	277
Total Investment Expenses	$ 7,586	$ 7,293
Net Investment Income	$ 892,749	$ 879,042
Other Revenues	$ 120	$ 269
Total Revenues	$1,770,672	$1,297,462

Los Angeles County Employees Retirement Association
Statement of Revenues and Expenditures
For the Fiscal Years Ended June 30, 1987 and 1986

(Amounts in Thousands)

	1987	1986
Expenses		
Benefits		
Death Benefits — Lump Sum	$ 1,148	$ 1,130
Interest and Payments under Section 31725.5/.6	245	262
Pension and Annuity Payments	334,724	324,794
Total Benefit Payments	$ 336,117	$ 326,186
Other Expenses		
Purchase of Annuity Contract (Note B)	$ 454,455	-0-
Refunds to Terminated Members	18,152	$ 6,700
Administrative Expenses	6,606	6,689
Miscellaneous Deductions	142	298
Total Other Expenses	$ 479,355	$ 13,687
Total Expenses	$ 815,472	$ 339,873
Excess of Revenues over Expenses	$ 955,200	$ 957,589

EXHIBIT C

Los Angeles County Employees Retirement Association
Statement of Changes in Reserves
As of June 30, 1987

(Amounts in Thousands)

	Members Deposit Reserves	Employers Reserves	Retired Members Reserves	Cost-of-Living Reserves			Reserve for Earnings' Deficiencies, Investment Losses and Other Contingencies	Total Reserves
				Members	Employers	Retired		
Balance, July 1, 1986	$770,348	$151,035	$2,620,218	$231,034	$51,953	$2,004,226	$ 59,277	$5,888,091
Additions:								
Contributions — Retirement	$ 62,687	$261,782		$ 24,103	$47,841	$ 26,910		$ 423,323
Special County Contribution (Note B)		454,455						454,455
Net Investment Income							$892,749	892,749
Miscellaneous	6		16	2	—	1	120	145
Total Additions	$ 62,693	$716,237	$ 16	$ 24,105	$47,841	$ 26,911	$892,869	$1,770,672
Deductions:								
Pension & Annuity Benefits			$ 269,903			$ 64,821		$ 334,724
Death Benefits — Lump Sum		1,148						1,148
Interest and Payments under Section 31725.5/.6		245						245
Purchase of Annuity Contract (Note B)		454,455						454,455
Refunds to Terminated Members	14,390			3,762				18,15
Administrative Expenses							6,606	6,60
Miscellaneous	125		14	3	—	—		14
Total Deductions	$ 14,515	$455,848	$ 269,917	$ 3,765	$ —	$ 64,821	$ 6,606	$ 815,47
Transfers:								
Pension and Annuities	($ 49,970)	($232,153)	$ 282,123	($ 11,445)	($85,648)	$ 97,093		-0
Interest Credited	59,868	6,811	201,935	18,357	727	76,649	($364,347)	-0
Cost of Living						512,267	(512,267)	-
Miscellaneous	(257)	126	(28)	131		28		-
Total Transfers	$ 9,641	($225,216)	$ 484,030	$ 7,043	($84,921)	$ 686,037	($876,614)	$ -
Balance — June 30, 1987	$828,167	$186,208	$2,834,347	$258,417	$14,873	$2,652,353	$ 68,926	$6,843,2

EXHIBIT C

Los Angeles County Employees Retirement Association
Statement of Changes in Reserves
As of June 30, 1986

(Amounts in Thousands)

	Members Deposit Reserves	Employers Reserves	Retired Members Reserves	Cost-of-Living Reserves			Reserve for Earnings' Deficiencies, Investment Losses and Other Contingencies	Total Reserves
				Members	Employers	Retired		
Balance, July 1, 1985	$712,967	$136,931	$2,400,056	$203,580	$76,374	$1,351,002	$ 49,592	$4,930,502
Additions:								
Contributions—Retirement	$ 58,677	$249,202		$ 23,679	$61,234	$ 25,318		$ 418,110
Net Investment Income							$879,042	879,042
Other Revenues							269	269
Miscellaneous	24	—	20	(3)	—	—		41
Total Additions	$ 58,701	$249,202	$ 20	$ 23,676	$61,234	$ 25,318	$879,311	$1,297,462
Deductions:								
Pension & Annuity Benefits			$ 262,778			$ 62,016		$ 324,794
Death Benefits—Lump Sum		$ 1,130						1,130
Interest and Payments under Section 31725.5/.6		262						262
Refunds to Terminated Members	$ 5,319			$ 1,381				6,700
Administrative Expenses							6,689	6,689
Miscellaneous	243	24	24	7		—		298
Total Deductions	$ 5,562	$ 1,416	$ 262,802	$ 1,388	$	$ 62,016	$ 6,689	$ 339,873
Transfers:								
Pension and Annuities	($ 50,603)	($237,920)	$ 288,523	($ 11,008)	($88,656)	$ 99,664		-0-
Interest Credited	54,893	3,982	194,607	16,185	2,955	113,080	$385,702	-0-
Cost of Living						477,235	(477,235)	-0-
Miscellaneous	(48)	256	(186)	(11)	46	(57)		-0-
Total Transfers	$ 4,242	($233,682)	$ 482,944	$ 5,166	($85,655)	$ 689,922	($862,937)	$ -0-
Balance—June 30, 1986	$770,348	$151,035	$2,620,218	$231,034	$51,953	$2,004,226	$ 59,277	$5,888,091

Los Angeles County Employees Retirement Association
Notes to Financial Statements
June 30, 1987

(All amounts in thousands of dollars)

Note A — Summary of Significant Accounting Policies

General: The County Employees Retirement Law of 1937, Government Code Sections 31450 through 31898, authorizes the formation and operation of the Los Angeles County Employees Retirement Association (LACERA) and requires that it be accounted for as a trust fund. Accounting records are maintained on the accrual method, and the financial statements reflect the overall operations of the Trust. LACERA follows the accounting principles and reporting guidelines as set forth in Statement 1, Governmental Accounting and Financial Reporting Principles, issued by the National Council on Governmental Accounting.

The County of Los Angeles, other participating agencies, and their employees, the latter on an elective basis beginning in 1982, contribute to LACERA based upon rates recommended by an independent actuary and adopted by the Board of Investments and Board of Supervisors. Employee and employer contributions are invested and resulting earnings are used for monthly payments to retired members.

Actuarial Valuation: The County Employees Retirement Law of 1937 requires an actuarial valuation of the fund triennially. Recently, however, Statement 5 of the Governmental Accounting Standards Board (GASB) has specified two years as the appropriate interval for fund valuation. Towers, Perrin, Forster and Crosby, an actuarial consulting firm, conducted an actuarial valuation as of June 30, 1986. LACERA in policy complies with all GASB requirements and expects, therefore, the next actuarial valuation to be performed as of June 30, 1988.

The June 30, 1986 valuation was made on the basis of an 8% interest earnings assumption specified by the Board of Investments. It also assumed a 6% annual salary increase which is based on factors of 5% for inflation and 1% for merit and productivity increases. Use of an inflation factor complies with recommendations of the American Academy of Actuaries.

Subsequent to the date of these statements, the valuation was adopted by the Board of Supervisors on August 18, 1987, to be effective September 1, 1987. In accordance with the actuary's recommendations, employer contribution rates, as a percent of compensation, to be effective September 1, 1987 are as follows:

As of September 1, 1987	General	Safety
Members prior to 9/1/77	17.91% (Plan A)	25.52% (Plan A)
Members from 9/1/77 to 9/30/78	14.89% (Plan B)	19.27% (Plan B)
Members from 10/1/78 to 5/31/79	14.75% (Plan C)	19.27% (Plan B)
Members from 6/1/79	14.63% (Plan D)	19.27% (Plan B)
Members from 2/1/82 (Optional)	13.28% (Plan E)	N/A

As of January 1, 1987, the employer's Unfunded Actuarial Accrued Liability (UAAL) contribution rate was reduced by 1.20% of pay for General Members and by 2.69% of pay for Safety Members as a direct result of LACERA's purchase of annuities with funds from Pension Obligation Certificates issued by the County (see Note B).

Rates for employer contributions, as a percent of compensation, effective January 1, 1987 through June 30, 1987 are as follows:

As of January 1, 1987	General	Safety
Members prior to 9/1/77	17.36% (Plan A)	27.87% (Plan A)
Members from 9/1/77 to 9/30/78	14.01% (Plan B)	21.58% (Plan B)
Members from 10/1/78 to 5/31/79	13.91% (Plan C)	21.58% (Plan B)
Members from 6/1/79	13.82% (Plan D)	21.58% (Plan B)
Members from 2/1/82 (Optional)	12.48% (Plan E)	N/A

As a result of the actuarial valuation conducted as of June 30, 1983, rates as a percent of compensation effective from September 1984 through December 31, 1986 were as follows:

As of September 1, 1984	General	Safety
Members prior to 9/1/77	18.56% (Plan A)	30.56% (Plan A)
Members from 9/1/77 to 9/30/78	15.21% (Plan B)	24.27% (Plan B)
Members from 10/1/78 to 5/31/79	15.11% (Plan C)	24.27% (Plan B)
Members from 6/1/79	15.02% (Plan D)	24.27% (Plan B)
Members from 2/1/82 (Optional)	13.68% (Plan E)	N/A

In addition, differences between the member contribution rates adopted from the June 30, 1983 actuarial valuation of LACERA and the previously existing contribution rates are paid by the County as a surcharge when applicable in accord with Memorandum of Understanding as a result of collective bargaining. The surcharge rates as a percentage of payroll are as follows:

	General	Safety
Plan A	.65%	1.53%
Plan B	.11%	.04%

Member contribution rates vary depending upon age at entry into the system.

The Unfunded Actuarial Accrued Liability (UAAL) of the Fund as determined by the actuarial valuation at June 30, 1986, was $2,276,789. This amount is composed of $2,210,151 in Basic Benefits and $66,638 in Cost-of-Living Benefits. The total UAAL, including interest, is being directly funded by employer contributions over a period of 30 years which commenced July 1, 1978 and ends June 30, 2008. The contributions are based on rates recommended by the actuary and Board of Investments, and adopted by the Board of Supervisors.

Reserves: The Fund has four major classes of reserves, each of which is credited with interest semiannually:

1. **Members Deposit Reserves** represent the balance of active members' contributions. Additions include members' contributions and earnings thereon; deductions include refunds to terminating members and transfers to Retired Members Reserves.

2. **Employer Reserves** represent the balance of the employers' contributions for future retirement payments to current active members. Additions include contributions from the employers and earnings thereon; deductions include transfers to Retired Members Reserves.

3. **Retired Members Reserves** represent the balance of transfers from Members Deposit Reserves and Employer Reserves, less payments to retired members.

4. **Cost-of-Living Reserves** relate to each of the above reserves. The purpose of these reserves is to provide for anticipated cost-of-living increases in pension allowances.

Reserves are established from employee and employer contributions and appropriations of earnings in excess of current earnings assumpion. Reserves do not represent the present value of assets needed, as determined by actuarial valuation, to satisfy retirements and other benefits as they become due.

Administrative Expenses: Government Code Section 31580.2 allows the entire expense of the administration of the retirement system to be charged against the earnings of the fund. The charge is limited to fifteen-hundredths of one percent of the total assets for general administrative expenses and three-hundredths of one percent of total assets for capital improvements and systems enhancements.

Investments: Bonds and mortgages are carried at cost less net amortized premium or discount. Premium or discount on long-term bonds is amortized using the constant-yield amortization or straight-line method, depending on the nature of the security. Premium or discount on mortgage loans is amortized using the straight-line method over a period of 120 months. Stocks and short-term investments are carried at cost. Market values for investments are derived by various methods as indicated in the following table:

Asset Description	Market Value Derivation
Bonds, Publicly Traded; Stocks, Common & Preferred; Issues of the U.S. Government and its Agencies	Most recent sales price as of statement date
Cash and Cash Equivalents, Equity in Pooled Cash Funds	Cash Value (cost)
Whole Loan Mortgages	Equivalent pricing to comparable GNMA issues
Real Estate, Real Estate Funds and Investment Funds	Market appraisal by qualified market experts
Private Placement Bonds	By definition, not subject to market pricing. Market value is assumed equivalent to amortized cost.

Please refer to Note D, Cash and Investments, for comparative book and market values for fiscal years ending June 30, 1987 and 1986.

In computing gains and losses on sales of stocks and mortgage loans, cost is determined using the weighted-average cost and specific identification methods, respectively. The method of costing bonds is the weighted-average method.

Fixed Assets: Fixed assets are carried at cost less accumulated depreciation. Depreciation is calculated using the straight-line method with five-year useful life for equipment and ten-years for furniture, structures, and improvements. The cost and accumulated depreciation of fixed assets as of June 30, 1987 and 1986, were as follows:

June 30, 1987	Furniture and Equipment	Structures and Improvements
Cost	$972	$1,205
Accumulated Depreciation	(339)	(256)
Fixed Assets — Net of Depreciation	$633	$949

June 30, 1986	Furniture and Equipment	Structures and Improvements
Cost	$457	$ 475
Accumulated Depreciation	(232)	(193)
Fixed Assets — Net of Depreciation	$225	$282

Plan Provisions: LACERA operates as a Defined Benefit Plan. Benefits are based upon twelve or thirty-six month average compensation, depending on plan; age at retirement and length of service as of the retirement date.

Vesting occurs when a member accumulates five years of creditable service under contributory plans A, B, C, or D, or accumulates ten years of creditable service under non-contributory plan E.

Should, for any reason, plan termination occur, the termination shall be conducted in accordance with the County Retirement Law of 1937.

Note B—Partial Annuitization of Benefit Payments

As of January 1, 1987, LACERA purchased two annuity contracts from insurance carriers to provide benefit payments to a portion of its retired members. Funds for the purchase of these contracts were provided by Los Angeles County as a special one-time contribution of $454,455. As a result of this purchase, actuarial liability for benefit payments in the amount of $472,798 was retired. The County of Los Angeles, in return for the advance of one-time funding noted, received a reduction of employer contribution rates (as a percentage of payroll) of 1.20% for General Members and 2.69% for Safety Members, in accordance with the recommendation of LACERA's actuary. These rate decreases represent a reduction of County contributions scheduled to amortize the Unfunded Actuarial Accrued Liability (UAAL).

Under the terms of the annuity contracts, the Association will continue to administer benefit payments to affected members, to be reimbursed monthly by the carriers for the gross amounts of benefits disbursed. LACERA received $22,391,000 in related reimbursements during the year ended June 30, 1987. The effect to covered members is totally transparent, and they retain all benefits accorded other members of the system, including rights to continuance of benefits to survivors, insurance subsidies, and cost-of-living increases.

Note C—Cash

Cash at June 30, 1987 and 1986 is composed of the following (amounts in thousands):

	1987	1986
County Employees Retirement Trust Fund	$ 594	$ 236
County Employees Retirement Administrative Fund	110	22
LACERA Investment Account	55,877	52,382
Security Pacific National Bank Investment Accounts	3,601	(10,125)
LACERA Property Management Account	2	142
Pension Payroll Direct Deposit	11,128	-0-
	$71,312	$42,657

Note D—Cash and Investments (GASB 3)

The following information is presented in accordance with the requirements of Statement No. 3, Deposits With Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements issued by the Governmental Accounting Standards Board (GASB).

LACERA maintains cash balances with the County Treasury which are incorporated into the Treasurer's pooled investments. These funds are included under the heading "Cash" as shown in the Balance Sheet and discussed in Note C.

Deposits—At June 30, 1987 and 1986 deposits consisted primarily of bank deposits and negotiable certificates of deposit:

1987

Deposits	Insured (FDIC)	Uninsured and Uncollateralized
196,976	100	196,876

1986

Deposits	Insured (FDIC)	Uninsured and Uncollateralized
149,300	100	149,200

(GASB Statement No. 3 specifies that Negotiable Certificates of Deposit be classified under this disclosure as "Deposits." Such instruments are not covered under Federal Depository Insurance and this accounts for the low ratio of insured to uninsured deposits.)

Investments—Investment authority is granted to LACERA by the County Employees Retirement Law of 1937. Statutes authorized a "Prudent Expert" guideline as to the form and types of investment vehicles which may be purchased. Investments are categorized as to the level of risk held as of June 30, 1987 as follows:

CATEGORY 1—includes investments which are insured or registered and which may be held by LACERA or its custodian in LACERA's name, or as owned by LACERA in nominee name.

CATEGORY 2—includes investments which are uninsured or unregistered and held by LACERA or its custodian in LACERA's name, or identified as owned by LACERA in nominee name.

CATEGORY 3—includes those investments which are uninsured or unregistered which are held by LACERA's custodian in nominee name.

	1987		1986	
	Carrying Value	Market Value	Carrying Value	Market Value
Category 1				
Bankers Acceptances, Commercial Paper and Discount Note	$1,428,236	$1,428,236	$ 920,301	$ 920,301
Common Stocks	1,667,764	2,753,549	1,403,001	2,322,147
Preferred Stocks	11,648	17,969	3,384	6,514
U.S. Government Securities	1,450,629	1,432,178	759,978	841,430
U.S. Government Agency Bonds	595,734	610,337	843,750	972,949
Corporate Bonds	844,294	849,783	926,695	896,797
Canadian Obligations	47,744	48,039	56,133	63,775
Private Placement Bonds	142,544	142,544	311,335	311,335
Whole Loan Mortgage Portfolio	156,871	170,283	235,820	248,271
Investment in Real Property	-0-	-0-	9,025	12,500
Note Receivable	-0-	-0-	700	700
	6,345,464	7,452,918	5,470,123	6,596,719
Category 2				
Equity in Investment Funds	161,763	165,720	107,157	108,074
Category 3				
Equity in Pooled Cash, Custodial Trust	3,145	3,145	13,634	13,634
TOTAL CATEGORIZED INVESTMENTS	6,510,372	7,621,783	5,590,913	6,718,427
Equity in Treasurer's Pooled Investments	56,580	56,580	52,640	52,640
Cash in Banks and Certificates of Deposits	196,976	196,976	139,316	139,316
	$6,763,928	$7,875,339	$5,782,869	$6,910,383

Note E—Stocks and Bonds on Loan

Under an agreement with Security Pacific National Bank (SPNB), LACERA lends specified stocks and bonds that are being held in trust at SPNB to various banks or brokers in return for a service charge.

SPNB is authorized to handle all LACERA's loan activity and has agreed to "hold [LACERA] harmless" for any losses of securities or income, or from any litigation arising from these loans. Consequently, the securities on loan at June 30, 1987 and 1986 are not shown separately on the balance sheet but are included in their respective accounts on that statement.

According to the agreement with SPNB, the loans must be secured by collateral with a market value of at least 102% of the market value of the securities loaned. At June 30, 1987, the market value of the stocks and bonds on loan through SPNB was $219,035 and $983,144 respectively. At June 30, 1986, the market value of the stocks and bonds on loan through SPNB was $135,164 and $511,077 respectively.

Note F—Real Estate Properties

LACERA sold the real estate property known as Wiegland Plaza Shopping Center on March 26, 1987. Proceeds from sale totaled $13,500 resulting in a net gain of $4,093.

Real Estate Property is carried at cost less accumulated depreciation. Depreciation is calculated using the straight-line method with 50 years current recovery period. Depreciation of the additional improvements is calculated using the straight-line method with seven (7) years current recovery period.

Note G—Sale of Private Placement Bonds
As of December 1, 1986, LACERA sold positions in private placement bonds with a total cost of $90,931. Net proceeds from the sale amounted to $88,978 which resulted in a loss of $1,953. These sales were initiated in consideration of LACERA's overall asset allocation plan as set forth by Callan Associates, investment advisor to the Board of Investments. This plan specifies the elimination of private placement instruments in favor of more liquid investment instruments with higher yield opportunities.

Note H—International Investment Objectives
In accordance with the asset allocation plan as advanced by Callan Associates, the Board of Investments plans to place $900 million under management in the international equity market during fiscal year 1987-88. This decision is based on current and historical favorable rates of return generated by the European and Pacific Basin stock exchanges.

Note I—Custodial Fees
Custodial fees represent charges by Security Pacific National Bank (SPNB), which acts as custodian for securities owned by LACERA. In this capacity, SPNB collects income for the securities and deposits it to LACERA's bank accounts. For the fiscal years ended June 30, 1987 and 1986, custodial fees of $193 and $225 respectively, are shown as a separate expense item on the Statement of Revenues and Expenditures (Exhibit B) in lieu of being included as part of Administration Expenses (Schedule 1). The County Employees Retirement Law as amended effective July 1984 supported this method of presentation.

Note J—Litigation
LACERA is a defendant in various lawsuits and other arising in the ordinary course of their operations. LACERA management and leagal counsel estimate that the potential claims against LACERA resulting from such litigation would not materially affect LACERA's financial statements.

Note K—Subsequent to Balance Sheet Date
At June 30, 1987 had equity investments with market value of $2,771,518 including unrealized gains of $1,092,106. During October 1987, the stock market experienced unprecedented volatility and decline in value. As of October 29, 1987, the market value of equity investments owned by LACERA included unrealized gains of $402,891.

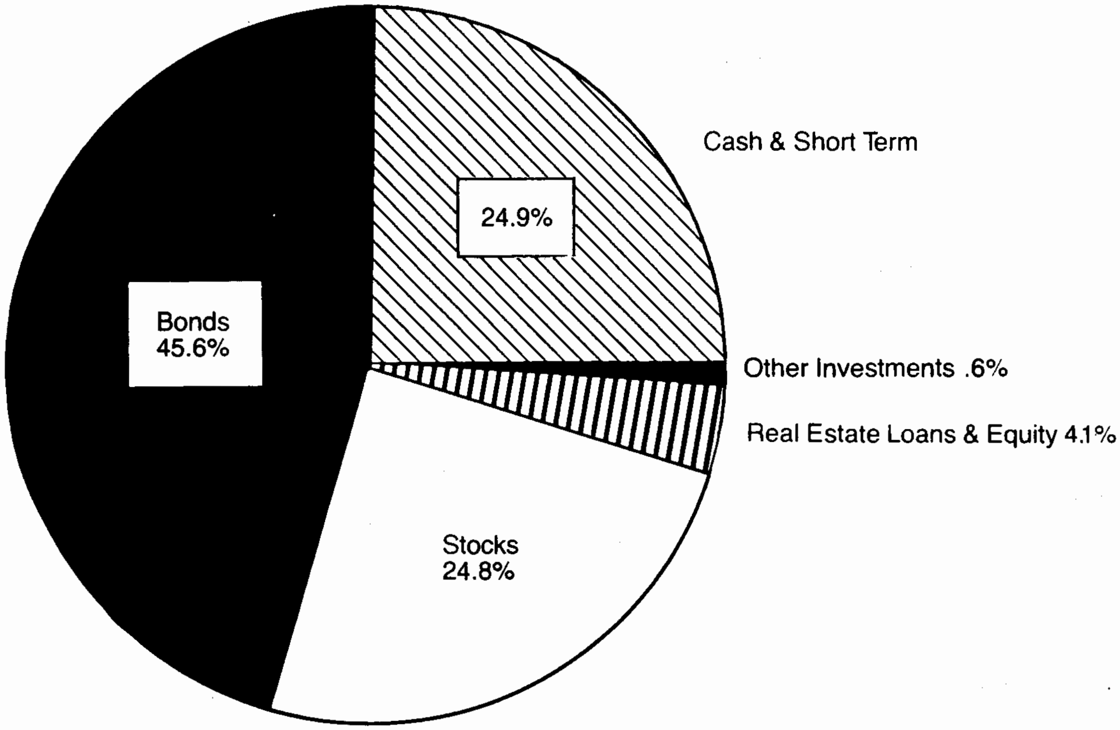
Schedule 1

Los Angeles County Employees Retirement Association
Administrative Expenses
For the Fiscal Years Ended June 30, 1987 and 1986

(Amounts in Thousands)

	1987	1986
Personnel Services		
Salaries and Wages	$2,630	$2,708
Employee Benefits		
Retirement Contributions	$ 380	$ 393
Workers Compensation	28	28
Medical Insurance	182	179
Dental Insurance	11	16
Life Insurance	1	1
Flexible Benefit Plan	58	58
Thrift Plan	2	2
Savings Plan	19	21
Total Employee Benefits	$ 681	$ 698
Total Personnel Services	$3,311	$3,406
Office Expenses		
Postage	$ 100	$ 114
Stationery and Forms	106	65
Other Supplies	53	73
Total Office Expenses	$ 259	$ 252
Other Services and Charges		
Communication	$ 90	$ 76
Maintenance — Office Equipment	64	38
Maintenance — Structures, Improvements and Grounds	20	34
Attorney Fees	64	15
Pension Bond	19	-0-
Data Processing Charges (DDP)	321	401
Other Data Processing Charges	346	381
Hearing Officer Fees	195	180
Medical Fees	294	322
Stenographic Fees	43	30
Other Professional and Specialized Services	673	734
Rent and Leases — Office Equipment	26	74
Centralized Appropriations	-0-	150
Administrative and Systems Support	566	413
Transportation & Travel	25	23
Miscellaneous Expenses	126	45
Total Other Services and Charges	$2,872	$2,916
Depreciation — Fixed Assets	$ 164	$ 115
TOTAL ADMINISTRATIVE EXPENSES	$6,606	$6,689

INVESTED ASSETS (AT BOOK VALUE)
$6,763,928,279



NET INVESTMENT INCOME
as Percentage of TOTAL INCOME
$892,749,475