



# Pension Perspectives

JULY 2006

Newsletter for Los Angeles City Fire & Police Retired Members

## MESSAGE FROM THE GENERAL MANAGER

**M**ember Service is a priority for us. We strive to answer your questions and service needs promptly and efficiently. Just as the public relied on you, we are here to provide the pension based services you have earned and deserve, and to improve on those services in a cost effective and useful manner.

For example, over the next few months, we will be working on changes to our Web site to provide you an easier to use Web site where you will have 24/7 access to a great variety of pension information and links.

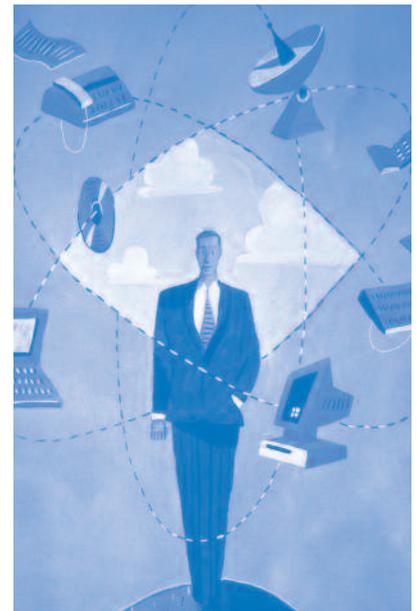
We have also recently activated a toll-free number. You may now call us at (800) 787-CITY or (800) 787-2489, Monday through Friday from 8:00 AM to 5:00 PM.

We are committed to giving you the best service a pension plan can provide. A listing of the variety of services we provide, with contact names and phone numbers, is provided on page 7 of this newsletter. Should you have a concern about a service issue and need to contact me, my email address is **Michael.Perez@lacity.org.** ■

Michael A. Perez  
General Manager  
Department of Fire and Police Pensions

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## NEW HEALTH SUBSIDY ORDINANCE

On June 13, 2006, the City Council approved a new sworn retiree health subsidy ordinance. This ordinance affects subsidies for members who are not eligible for Medicare or who are eligible for Medicare Part B only. The ordinance grants the Board of Fire and Police Pension Commissioners the authority to increase non-Medicare health subsidies annually by the Fire and Police Pension Plan's Actuarial Medical Trend Rate or 7%, whichever is less.

The Actuarial Medical Trend Rate for the fiscal year beginning July 1, 2006 is 6.4%. Therefore, the Board approved an increase of 6.4% for the maximum non-Medicare health subsidy from \$735.38 to \$782.44 per month.

### How We Determine Your Subsidy

You are eligible for a medical subsidy if you meet the following requirements:

- Age 55 or older and retired after June 30, 1998, OR Age 60 or older and retired before July 1, 1998\*;
- Have a minimum of 10 completed years of service;
- Are enrolled in a City-approved health plan; AND
- Are enrolled in Medicare Parts A and B to the extent of your eligibility (you are normally not eligible for Medicare until age 65).

\*Members who are between the ages of 55 and 60 and who retired after July 1, 1988 but before July 1, 1998 may be eligible to receive a flat-rate special MOU health subsidy. Please contact us for details.

**Please be aware that this new ordinance affects non-Medicare subsidies only. If you are enrolled in Medicare Parts A and B, your subsidy will not be affected by the new health subsidy ordinance.**

Subsidies for members enrolled in Medicare Parts A and B are different for each health plan. Medicare subsidy calculations will not change.

For eligible members who are not enrolled in Medicare Parts A and B, or who are enrolled in Medicare Part B only, your new subsidy beginning July 1, 2006 will be based on the maximum of \$782.44. For 10 completed years of service, you receive 40% of the maximum. For each completed year of service after that, you receive an additional 4%, up to 100% of the maximum subsidy for 25 years of service. Note: You do not receive a subsidy credit for partial years of service. For example, if you have 10-1/2 years of service you will get 40%.

### How Does The New Health Subsidy Ordinance Benefit Me?

The new health subsidy ordinance has allowed the Board to raise non-Medicare health subsidies on time by \$47.06 for July 1, 2006.

Under the previous health subsidy ordinance, sworn retiree health subsidies could not be greater than the health subsidies received by active sworn members. The one sworn MOU that has settled so far has an increase in subsidy of \$38.96. This is 17% less than the subsidy increase sworn retirees will receive this year under the new ordinance.

The previous ordinance also required Fire and Police Pensions to wait for all four active sworn MOUs to be settled before granting a sworn retiree subsidy increase. This resulted in delays for health subsidy increases. During the last round of MOU negotiations, the final sworn MOU was settled 15 months late. This meant sworn retirees had to bear the full cost of premium increases without an increase in subsidy for 15 months.

If you have any questions regarding your health subsidy, please contact the Medical and Dental section at (213) 978-4560, (800) 787-2489 ext. 84560#, or e-mail at [Lita.Payne@lacity.org](mailto:Lita.Payne@lacity.org). ■

## YOU CAN NOW REACH US TOLL-FREE: **(800) 787-CITY**

To better serve you, we have activated a toll-free number for our members to reach us. The toll-free number is (800) 787-CITY or (800) 787-2489. All our communications will be updated to include the 800 number and it will be posted on our Web site at [www.lacity.org/pen](http://www.lacity.org/pen).

When you call, you will be greeted by an announcement of our department name. Then you will be given the option of dialing an extension directly using 5-digits and the pound sign or to press "0" (no

pound sign needed) and the call will be forwarded to the 4th floor receptionist.

### **Example:**

You are trying to reach the Communications Section and you have their direct number of (213) 978-4530:

Dial 1-800-787-CITY, then when you hear the announcement dial 84530# and the call will be forwarded.

If you do not know your party's direct number, dial "0" and you will be forwarded to a receptionist. Callers are encouraged to contact us during working hours, which are 8:00 AM to 5:00 PM. (Not all calls are forwarded to voicemail outside of business hours.)

For any questions regarding the toll-free number, please contact the Communications & Special Projects staff at (213) 978-4530 or at 84530# if you call us toll free. ■



## 2006 COST OF LIVING ADJUSTMENTS (COLAs)

The **Cost of Living Adjustment (COLA)** for 2006 is 5.1%.

Eligible pensioners in Tiers 1 and 2 will receive a 5.1% adjustment. Eligible pensioners in Tiers 3, 4, 5, and DROP will receive a capped 3.0% adjustment. In addition, eligible Tier 5 pensioners, including Tier 5 pensioners in DROP, will have 2.1% deposited in the COLA bank. Pensioners in Tiers 3, 4 or 5 (including DROP) with an effective

pension date of July 2, 2005 or later may be subject to a prorated percentage.

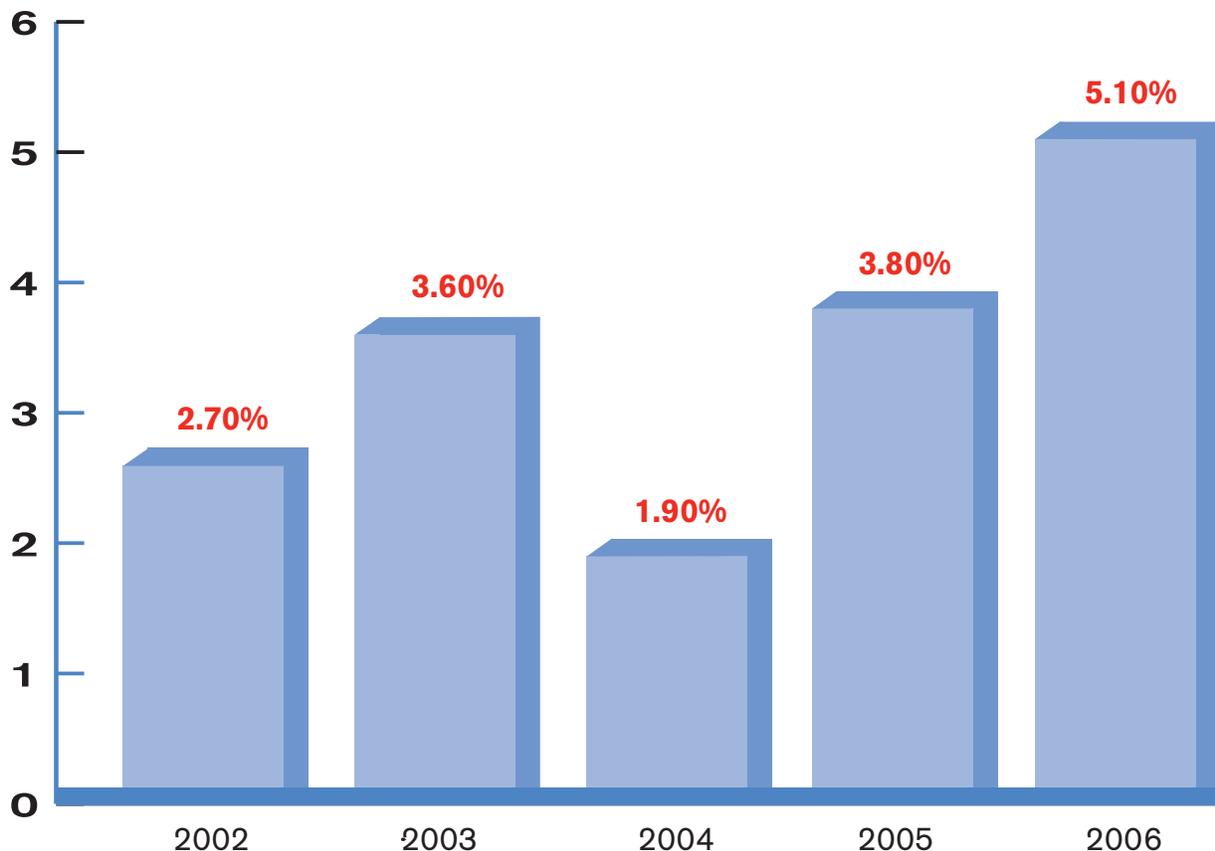
All increases will be reflected in the pension payment dated July 31, 2006, effective July 1, 2006.

COLAs for eligible retirees are based on the movement in the Consumer Price Index (CPI). Per the Charter and the Administrative Code, we use the CPI changes in

the Los Angeles-Riverside-Orange County area for all urban consumers. We look at the change in the CPI for the year ending February. The number we call to obtain that information is (310) 235-6884, the Bureau of Labor Statistics' hot line.

If you have COLA questions, please call Retired Member Services at (213) 978-4495, (800) 787-2489 ext. 84495# or email us at [pensions@lacity.org](mailto:pensions@lacity.org). ■

### History of COLA Percentages



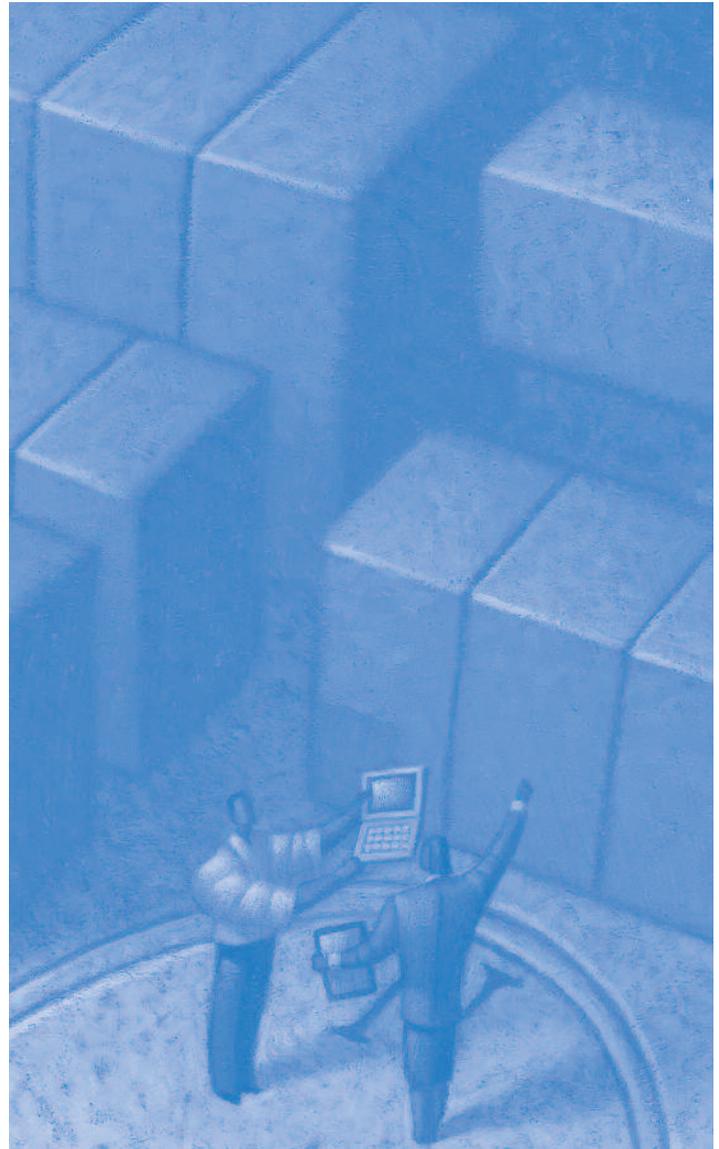
## WHAT TIER AM I IN?

We get many inquiries from members asking about their tier membership. We have members who transferred from one tier to another tier and the name of our pension plans changed. These are just some of the reasons members are unsure of their Tier membership. The following information will help you determine your tier. In the year 2000, the name of our pension plans changed from “Articles” to “Tiers”. Please refer to the information below.

From	To
Article XVII	Tier 1
Article XVIII	Tier 2
Article XXXV, Plan I	Tier 3
Article XXXV, Plan II	Tier 4

You can also determine your tier by checking the fund number on your pension check or direct deposit statement. The fund number can be found beneath the Payee ID number on printed checks or the upper right corner of the direct deposit statements. This fund number identifies your Tier. Using this fund number, you can determine your tier by using the table below.

Please contact the Service Pensions Section at (213) 978-4575 or at (800) 787-2489 ext. 84575# if you need additional information or if you have any questions. ■



Pension Type	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5
Drop	N/A	282	272	262	252
Service	293	283	273	263	253
Disability	295	285	275	265	255
Surviving Spouse	296	286	276	266	256
Surviving Domestic Partner	297	287	277	267	257
Minor/Dependent	298	288	278	268	258

# We've Got a Job for You!

## Full or Part-Time Background Investigator

**Duties**

A Background Investigator is a civilian employee who conducts and compiles personal and professional background investigations for public safety candidates by interviewing employers, co-workers, neighbors, law enforcement officials, military personnel, members of the candidate's family, and personal references; prepares reports on finding; makes recommendations as to background findings; and performs other related duties. Background Investigators in the higher pay grades may supervise or act as a lead worker to staff involved in the above duties.

**Requirements**

1. Two years of full-time paid sworn experiences as a peace officer or firefighter performing background investigations for employment or criminal matters; and
2. Submission of the Background Investigator Supplemental Training and Experience Questionnaire and City application at the time of filing.

**Note**

Background Investigators must possess a valid California driver's license prior to appointment and provide an automobile, properly insured, to conduct field investigations that necessitate travel to locations throughout Southern California. Mileage will be paid per established City of Los Angeles policies.

**Full-Time Annual Salary Range**

**\$51,615 to \$76,775**

**Part-Time Salary Range**

**\$24.72 per hour  
Flexible Work Schedule  
900 hours max. per year**

For **Full-Time positions**, apply online on our website at <http://www.lacity.org/PER/>

For **Part-Time positions**, or for more information call

**213.485.3246**



**City of Los Angeles**  
A great place for a career

## CONTACT INFORMATION **Department of Fire and Police Pensions**

Staff is available Monday through Friday (except Holidays) from 8:00 AM to 5:00 PM to assist you. Please refer to the following directory so that a staff member can address your specific need. Use the extension numbers provided for each section, followed by the pound sign when calling in on the toll free number.

### **Communications and Special Projects** **(213) 978-4530 (or 84530#)**

- Newsletters
- Web Page Updates

### **Medical and Dental Plans** **(213) 978-4560 (or 84560#)**

- Health Insurance Subsidy
- Medicare Part B Reimbursement
- Dental Insurance Subsidy
- Health Insurance Premium Reimbursement Program

### **Disability Pensions** **(213) 978-4500 (or 84500#)**

- Disability Pensions Processing and Inquiries
- Survivor Pensions - Active Members
- Disability Pension Reviews
- Review of dependent children/dependent parent qualifications

### **Service Pensions** **(213) 978-4575 (or 84575#)**

- Service Pensions Processing and Inquiries
- Survivor Pensions - Active Members
- Retired Member Records and Information
- Change of Address (for Pensioners only)
- Discontinuance of Benefits (upon death or other ineligibility)

### **Retired Member Services** **(for Pensioners only)** **(213) 978-4495 (or 84495#)**

- Direct Deposit
- Tax Withholding
- Cost-of-Living Adjustments

### **DROP Administration** **(213) 978-4568 (or 84568#)**

- Information on the Deferred Retirement Option Program

### **Other Ways to Contact Us**

Toll Free: (800) 787-CITY (2489)

Fax: (213) 978-4450

TDD: (213) 978-4455

E-mail: [Pensions@lacity.org](mailto:Pensions@lacity.org)

Web site: [www.lacity.org/pen](http://www.lacity.org/pen)

Address: 360 E. Second Street, Ste. 400  
Los Angeles, CA 90012

**For your convenience, the following forms can be printed from our Web site:**

Beneficiary Form, Change of Address Form for Pensioners, Direct Deposit Form (for pensioners only), Domestic Partnership Declaration Form, Notice of Termination of Domestic Partnership Form, DROP Beneficiary Form, Health Insurance Premium Reimbursement Claim Form and Income Tax Withholding Form. ■

# WE NEED YOUR PHOTOS

The Los Angeles Fire and Police Pensions is currently seeking photographs from you to feature in our newly redesigned communications—including upcoming editions of our Pension Perspectives newsletter and our new Web site which will be launched this fall. We are looking for images that show you—our members—in action on the job. We'd like to see both recent and historical photos.

## Submitting your photos is easy:

1. Email digital photos to us at [Avictoria@open.lacity.org](mailto:Avictoria@open.lacity.org).

Please be sure your image is high resolution quality and falls within our size requirements (minimum size : 2" x 3"; maximum: 8" x 10"). We can accept 600 x 900 (or higher) pixels JPEG, BMP, or TIFF file formats.

If your digital file is too large to be sent via email (if it is bigger than approximately 2MB), you can send it to us on CD to 360 E. Second Street, Suite 400, Attention: Carol Tavares.

2. **Send us your original photos.** Simply stop by or mail us your original photos at 360 E. Second St, Suite 400, Attention: Carol

Tavares – we will scan them to create electronic copies that can be used in our communications. Your originals will be returned to you upon request (please provide return address).

The content of the photos submitted should be appropriate in subject matter. We are looking for current and historical photographs of past or present members of the LAFD and LAPD.

For any questions, please contact the Communications and Special Projects Section at (213) 978-4530 or at (800) 787-2489 ext. 84530#. ■

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