

# LACERS NEWS

RETIRED MEMBERS  
SUMMER 2024



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

In 2016, my peers elected me to the LACERS Board of Administration. I have never wavered in my commitment to the LACERS mission of delivering retirement and healthcare benefits to all Members by securing and growing the trust fund. This has been a resolute goal for me and the rest of the LACERS Board. Today, I am proud to share that I have been re-elected to the LACERS Board by Active Membership and re-elected as its President by peers. I am equally thrilled to share that I will be sharing executive duties with my colleague, Janna Sidley, who was not only reappointed to the Board by Mayor Karen Bass but also elected as Vice President of the LACERS Board. I look forward to leading the Board with courage, passion, and a spirit of unparalleled collaboration.



The Board and I have remained steadfast in administering the cost-of-living adjustment (COLA). We are committed to reinforcing our governing policies and reaffirming transparency and accountability to our Members. We have actively listened to feedback on refining our communication methods with our Members and have supported greater access to language services for our Members and their beneficiaries, among other initiatives.

The Board has prioritized engaging in a full-day discussion with staff about the department's strategic direction. This ensures that LACERS' Mission, Vision, Guiding Principles, Goals, and Objectives are aligned to meet the retirement system's needs and challenges moving forward. This effort marks the beginning of the positive disruption necessary to provide a solid foundation for our mission with renewed vigor.

When I look at the many accomplishments over the past several months, I am proud of the Board and the LACERS staff for keeping the needs of our Members at the center of our goals and objectives for 2024, 2025, and beyond. I could not be more grateful for the opportunity to lead the LACERS Board of Administration through these changing times. Here is to another year of enjoying the rewards of our hard work.

Sincerely,

Annie Chao



## General Manager Message – Neil M. Guglielmo



I am incredibly proud of where we stand today. We have remained unwavering in the delivery of the promised retirement benefits to all Members. I could not be prouder of the work we have collectively accomplished, and I am excited to announce the launch of our new strategic plan, which can be

found on our website at [lacers.org/strategic-plan](https://lacers.org/strategic-plan), setting the course for LACERS' future, reaffirming our existing seven strategic goals and the specific objectives that we will work to accomplish over the next several years. This plan builds on the progress we have made at LACERS. It strengthens our commitment to enhancing the Member experience and providing timely benefits delivery to our Members, investing in staff career and professional development, and ensuring long-term financial sustainability of the Plan in order to deliver the promised benefits to its Members and beneficiaries. Our vision of "a forward-thinking organization and industry leader in financial strength and service excellence to our Members" reflects what LACERS continuously strives for. Our mission, "To provide retirement and healthcare benefits to all Members by securing and growing the trust fund," represents our core focus and purpose.

Our efforts will continue to focus on these goal areas:

- **Customer Service** - Provide outstanding customer service that meets Members' needs.
- **Benefits Delivery** - Deliver accurate and timely Member benefits.
- **Health and Wellness** - Improve value and minimize Members' health and wellness benefits costs.
- **Investments** - Optimize long-term risk-adjusted returns through superior investments.
- **Governance** - Uphold good governance practices which affirm transparency, accountability, and fiduciary duty.

- **Organization** - Increase organizational effectiveness, efficiency, and resiliency.
- **Workforce** - Recruit, retain, mentor, empower, and promote a high-performing workforce.

I want to thank our Board Members, LACERS staff, LACERS Retired and Active Members, consultants, City Officials, and our stakeholders, who have contributed their ideas and insights throughout the planning process. At the heart of this plan and all our work are our Members. With this in mind, we have launched an appointment-based system for our Members to provide them with the convenience of coordinating and getting all their retirement needs addressed on their schedule. In addition, we are implementing state-of-the-art safety enhancements in the LACERS building for our staff, the Board, Members, and stakeholders. After a hiatus due to the COVID-19 pandemic, we also held our first in-person Public Employee Appreciation Week and Guiding Principles Awards to celebrate the staff who power LACERS and make it a great place to do meaningful work. I am proud of the exceptional talent at LACERS, who work with collaboration, creativity, and dedication. They foster a workplace where innovation thrives, and every employee is empowered to contribute and positively impact our people and communities.

Lastly, I extend my warmest congratulations to Board President Annie Chao on her re-election to the LACERS Board by Active Members and her re-election as President. Congratulations to Commissioner Janna Sidley on her reappointment to the LACERS Board by Mayor Karen Bass and her election as Vice President. I look forward to the remarkable work we will achieve together as we secure and grow the LACERS trust fund.

Looking ahead, we have significant momentum and a carefully laid-out plan that offers us the opportunity to make substantial advances. We will stay focused on our goals and continue to bring our passion, vision, and discipline to providing retirement benefits to all Members. I wish you a safe season ahead and look forward to a year of exponential progress and positive change.

Sincerely,

Neil M. Guglielmo

## A, B, Let's C How Much You Know About Medicare

1. Medicare is the federal health insurance for anyone age 65 or older, and for some people under 65 with certain disabilities or conditions. To continue to qualify for a LACERS medical plan premium subsidy and be eligible for coverage in a LACERS-sponsored medical benefit plan, Retired Members, eligible surviving spouses/domestic partners and dependents must, upon turning age 65 or becoming eligible due to a disability, enroll in Medicare.

- A. True
- B. False

2. I do not need to enroll in Medicare if I am still working at age 65 and enrolled in creditable healthcare coverage.

- A. True
- B. False

3. Medicare Part A helps cover costs for:

- A. Dental Insurance
- B. Hospitalization

4. Medicare Part B helps cover costs for:

- A. Hospitalization
- B. Prescription Drugs
- C. Doctor Visits

5. Medicare Advantage plans, also known as Part C, are Medicare-approved health plans that cover most of your Part A and B benefits, like Kaiser, SCAN, and UnitedHealthcare, as opposed to having Medicare independently. LACERS offers Medicare Advantage health plans.

- A. True
- B. False

6. Medicare Part D helps cover costs for:

- A. Dependents
- B. Long-term Care
- C. Prescription Drug Coverage

Answer key on page 7



## Tied the Knot in Retirement? Consider These Two To-Dos

While your new life partner can't receive a lifetime benefit from LACERS upon your passing in retirement, they are eligible for other benefits. Let them take advantage of their new spousal benefits by enrolling them in your health plan and changing your beneficiary designations.

Marriage and starting a domestic partnership are qualifying life events that prompt a special enrollment period to add your new spouse or domestic partner to your health plan. Contact LACERS to add your spouse or registered domestic partner to your health plan within 60 days after your marriage date or your domestic partnership registration. Provide a copy of your marriage certificate or Declaration of Domestic Partnership; Fill out the necessary LACERS health/dental enrollment forms that are found at [lacers.org/forms](https://lacers.org/forms).

You may also want to fill out a designation of beneficiary form found at [lacers.org/forms](https://lacers.org/forms) to have your new spouse/domestic partner listed to receive any [unused/accrued](#) contributions upon your death and/or a [funeral expense benefit](#).





## LACERS' 2025 Open Enrollment is Coming Soon!

LACERS' Open Enrollment period will be held in the fall, and materials will be mailed in October. Materials will also be available online at [lacers.org/health-benefits](https://lacers.org/health-benefits).

- **For Members under age 65 and non-Medicare**, your packet will include a Health Plan Statement, Open Enrollment Overview, and instructions to access the 2025 Health Benefits Guide online.
- **For Members aged 65 and older with Medicare**, your packet will include a Health Plan Statement, Open Enrollment Overview, and 2025 Health Benefits Guide. If you do not receive your packet by the end of October, please visit [LACERS.org](https://LACERS.org) for the Open Enrollment materials.

This year, Open Enrollment meetings will be held both in-person and virtually. Meeting dates and locations will be posted on [LACERS.org](https://LACERS.org) in September. If you are considering changing your medical or dental plan, LACERS encourages you to attend these meetings to learn more about our benefits offerings and ask questions directly to the health plan carrier representatives. These meetings are also great opportunities to become more acquainted with your LACERS' health benefits. Once **registration begins on September 12**, you may register to attend an Open Enrollment meeting through your [MyLACERS](https://mylacers.lacers.org) account at <https://mylacers.lacers.org> or by contacting LACERS at (800) 779-8328. Please visit the LACERS website at [LACERS.org](https://LACERS.org) regularly for upcoming information on Open Enrollment.

### DIVISION SPOTLIGHT:

## Investments Section

With over 50,000 Active and Retired Members and over 23 billion in total assets, the LACERS Investment Division, alongside the Investment Committee of the LACERS Board, oversees the system's diverse portfolio. The combination of employee and employer contributions and the earnings from LACERS investments makes up the LACERS Trust Fund, which allows LACERS to pay retirement allowances, health benefits, and survivor benefits.

The division helps guide the LACERS Board in making investment decisions and keeps a vigilant eye on the investment portfolio through meticulous due diligence. It also helps carry out the daily activities to manage the investments by generating and evaluating reports and considering investment performance and risk. In all, the investment division is tasked with generating a sufficient risk-adjusted return to ensure the economic sustainability of LACERS into the future.

For this new fiscal year, the goals for the division remain the same: achieving a 7% net return, increasing training and educational opportunities to ensure a high-performing and skilled professional staff, and developing a robust risk management program to properly assess investment and operational risks that could impact the division's ability to meet its performance objectives.

Additional information on the investment division, investment updates, and performance reports can be found on the LACERS' website. [lacers.org/investments](https://lacers.org/investments).

## Stay Cool at a Cooling Center Near You

Summer fun often brings summer heat waves. If you need to cool off, the City of Los Angeles offers cooling centers where you can take a break from the sun. These cooling centers are in Los Angeles City facilities where you can enjoy recreational activities, chat with friends, or read a good book while escaping the day's peak heat. Cooling centers are open and available during regular hours of operation unless otherwise noted. You can call 3-1-1 from within Los Angeles City or 2-1-1 within Los Angeles County to learn more about cooling center locations and hours of operation.

If you live in Los Angeles County, their Cooling Center Program lists free places where anyone can go to find relief during hot summer days. For a map and hours of operations of cooling centers in the larger Los Angeles County area, visit <http://lacounty.gov/heat>.

And don't forget about your pets! If it's too hot for you, it's even hotter for your furry friends. Prolonged exposure to high temperatures can be extremely dangerous and even fatal for your pets. Try to keep them as cool as possible; offer them shady areas to rest if it is necessary to keep them outside, and always have plenty of drinking water available.

## Next Stop: The LACERS YouTube Channel



Where is one place LACERS Members can go to access information about their retirement benefits and the retirement process at any time? The Official [LACERS YouTube channel](https://www.youtube.com/@lacersofficial)! Members can find videos about [retirement benefits](#), [survivor benefits](#), the [Retirement Application Portal](#), [LACERS Well](#), and other retirement-related topics. If you are looking for computer tips and advice, check out the [Cybersecurity playlist](#) with recorded videos presented by our vendors.

Head to the [LACERS YouTube channel](https://www.youtube.com/@lacersofficial) at [youtube.com/@lacersofficial](https://youtube.com/@lacersofficial) to subscribe and join over 2,400 other Members who are notified when new content is posted!

## Chief Investment Officer Message – Rod June



With the first half of the year behind us, the U.S. economy continues to fire on all cylinders as stock markets reached all-time highs: the S&P 500 up 14.5%, the Nasdaq up 18.1%, and the Dow Jones Industrial Average up 3.8%. The rally has been fueled, in part, by investments in the Information Technology sector,

which has surged 27.8% in the first six months of the year as interest in artificial intelligence and the capacity it promises for greater efficiencies and streamlining capabilities remains at the forefront of investors' minds.

While the unemployment rate ticked up to 4.1% through mid-year, recent job data shows the job market remains healthy with 206,000 jobs added in June, an increase of 8.4% above the consensus. The Federal Reserve looks to the job market as a key gauge for the overall health of the consumer to absorb higher prices and whether inflation is causing a pullback in spending. Despite sticky inflation, elevated home prices, and record-high retirement savings, consumer spending continues to keep the economy on solid footing. This has kept the Fed on the sidelines from further interest rate hikes as the Core Personal Consumption Expenditures Index (PCE), a measure of prices for goods and services, retreated from 2.8% in early 2024 to 2.6% as of June 30, 2024, supporting its objective of creating a soft landing.

As attention shifts to the upcoming presidential election in the fall, inflationary concerns, geopolitical tensions, and elevated interest rates are topics that remain top of mind for investors. However, LACERS remains a long-term strategic investor with a highly diversified portfolio designed to weather changing market conditions. Our investment approach will continue to support highly selective strategies that provide attractive risk-adjusted returns, regardless of the geopolitical landscape.

Rod June





## SoCal Summer Night Activities

Summer nights are in full swing. It's time to grab those folding chairs and picnic baskets and head to some of Los Angeles' favorite hot spots for some evening summertime fun.

Want to see the stars? Visit the Griffith Park Observatory. The observatory hosts "Star Party" monthly through December. At this outdoor event on the lawn, you can talk to knowledgeable amateur astronomers and test out a variety of telescopes. The event is FREE for all ages. For more information on Star Party, visit [griffithobservatory.org](http://griffithobservatory.org).

Is music more of your thing? Enjoy a variety of musical concerts throughout summer nights at the iconic Hollywood Bowl Amphitheater. Whether you're into blues bands, reggae, or enjoying the sounds of the philharmonic orchestra, the Hollywood Bowl can be your ticket. Go to [hollywoodbowl.com](http://hollywoodbowl.com) for more information.

Feeling adventurous? Take a walk on the wild side through August at L.A. Zoo's "Zoo Friday Nights." See your favorite animals, enjoy musical performances, and learn more about wildlife in the interactive educational stations. There will be a picnic area, food trucks, and fun for the whole family. For more information on Zoo Friday nights, visit [lazoo.org](http://lazoo.org).

Ready to unwind? Check out jazz at the Los Angeles County Museum of Art (LACMA) and hear some of L.A.'s finest jazz musicians performed on Friday evenings through October in a beautiful outdoor setting. For more information, visit [lacma.org](http://lacma.org).

## Cost-of-Living Adjustment (COLA) for 2024

The LACERS Board of Administration has approved the maximum allowable Cost-of-Living Adjustment (COLA) for eligible LACERS Retired Members and Beneficiaries at 3.0% for Tier 1 and Tier 1 Enhanced Members and 2.0% for Tier 3 Members. For more information on the COLA increase and the availability of any banked excess, visit [lacers.org/cost-living-adjustments-cola](http://lacers.org/cost-living-adjustments-cola). The COLA increase has been applied as of the Retirees' and Beneficiaries' July paychecks.

## Large Print is Now Available!

Do you prefer to read the LACERS Newsletter in larger print? Request a large print newsletter be mailed and saved as your preference for future newsletters! Simply email [lacers.services@lacers.org](mailto:lacers.services@lacers.org) or call LACERS at (800) 779-8328 to opt in.

## Join LACERS Well at Upcoming In-Person and Virtual Events

Visit the [LACERS Well Event webpage](http://lacers.org/lacers-well-events) at [lacers.org/lacers-well-events](http://lacers.org/lacers-well-events) for complete details on our upcoming in-person and virtual events. You can register for the events via your MyLACERS account at <https://mylacers.lacers.org>. If you need assistance, call LACERS at (800) 779-8328 or email [lacerswell@lacers.org](mailto:lacerswell@lacers.org).

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## Answer Key

1. A. True
2. A. True
3. B. Hospitalization
4. C. Doctor Visits
5. A. True
6. C. Prescription Drug Coverage



## Watermelon and Mint "Agua Fresca" Recipe

(Serves 8)

### Ingredients

- 4 cups watermelon, seeded and cubed (about 3 pounds)
- 1/2 cup water
- 24 mint leaves, divided
- 8 tablespoons super-fine sugar (use and adjust as needed. If you use a naturally sweeter watermelon, you may not need to add much if any sugar), divided
- 4 lime slices, halved into half-moons, divided
- Ice cubes

### Directions

1. Add the watermelon and the water to a blender and puree until smooth.
2. Divide the mint leaves, sugar, and lime slices among 8 glasses and muddle the ingredients.
3. Add ice to each glass and pour in the Agua Fresca.
4. Stir, serve, and enjoy this refreshing drink with friends and family!





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SUMMER 2024**

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

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**LACERS.org**

Secure Document Upload:  
**lacers.org/secure-document-upload**

Email:  
**LACERS.services@lacers.org**  
**LACERS.health@lacers.org**

Mailing Address:  
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**Los Angeles, CA 90051-0218**

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**Los Angeles, CA 90012**  
**(Appointment Required)**

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