



LACERS

LA CITY EMPLOYEES'
RETIREMENT SYSTEM

2025

TIER 3 PUBLIC SAFETY OFFICER SUMMARY PLAN DESCRIPTION

Revised October 2025





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Retirement is a significant life change and you won't know how it will affect you until you retire. Knowing more about your membership, tier status, and retirement eligibility can help you better prepare for your retirement.

This document is the official guide, known as a Summary Plan Description or "SPD", for Public Safety Officers (PSOs) who **became Members on or after February 16, 2016** are Members of LACERS Tier 3.

These Tier 3 PSOs shall be referred to as "Tier 3 PSO Members," a subset of Tier 3 Members. Tier 3 PSO Members are **not** "Tier 1 Enhanced" (Tier 1E) Members. Tier 1E Members refer to Airport Police Officers (APOs) granted benefits under Ordinance 184853.

Eligible Tier 3 PSO Members include the following sworn Members:

- LAPD Police Officers
- Municipal Police Officers
- Non-Tier 1E Airport Peace Officers (APOs)
- Park Rangers
- Port Police Officers

Enhanced benefits apply to Active Member Tier 3 PSO Members who are either approved for a disability retirement or who have a service-connected death. There are no enhancements added after a PSO's service retirement. Information on retirement benefits under a service retirement can be found in the SPD for LACERS Tier 3. Tier 1E Airport Peace Officers have distinct benefits from PSOs. APOs are referred to the Enhanced Benefits Summary Guide for LACERS Airport Peace Officer Members for more information.

In the event of discrepancies between this Guide and the provisions of the Los Angeles City Charter, Los Angeles Administrative Code (collectively, the Plan provisions), the Plan provisions will govern at all times.





LACERS PLAN DETAILS

Name of Plan:

Los Angeles City Employees' Retirement System (LACERS)

Employer Sponsoring the Plan:

City of Los Angeles

Plan Administrator:

Board of Administration of the Los Angeles City Employees' Retirement System
977 N Broadway
Los Angeles, CA 90012-1728
(800) 779-8328

Agent for Service of Legal Process:

General Manager Los Angeles City Employees' Retirement System
977 N Broadway
Los Angeles, CA 90012-1728
(800) 779-8328

Type of Plan:

Defined Benefit Plan - Defined benefit plans provide a fixed, pre-established benefit for employees at retirement.

ELIGIBLE MEMBERS



An eligible Member is a Member of Tier 3 of the Retirement System who while a City employee and on their retirement date, which shall occur on or after March 25, 2022, was employed by the Police Department, Harbor Department, or Recreation and Parks Department as a peace officer as defined in California Penal Code Section 830.1 or Section 830.31. A PSO Member shall also include an Airport Peace Officer Member who elected not to make a one-time lump sum payment of \$5,700 on or before January 8, 2019.

VESTING

A Member must work continuously for the City of Los Angeles for a certain time period before they gain ownership rights to the City-provided pension benefit. When a Member achieves the continuous period, they are considered “vested.” For the City of Los Angeles’ LACERS Members under age 70, 5 years of continuous City Service is required to vest for a future lifetime benefit and/or service recognized under full reciprocity.

Tier 3 Active Members who are age 70 or older immediately vest, without 5 years of continuous service. Service is considered continuous as long as there is no more than a three-year break in service.

WHAT COUNTS TOWARDS VESTING?



- City Employment as a contributing Member
- Re-deposits
- Back Contributions
- Reciprocity



- Government Service Buybacks
- Worker’s Compensation Unpurchased State Rate Time

PLAN CONTRIBUTIONS

The full cost of the Plan is funded by a combination of Member contributions, City contributions, and investment returns.

MEMBER CONTRIBUTIONS

As a Tier 3 PSO Member, you must contribute a percentage of your salary to the Plan. All LACERS Members will contribute based on the requirements of the Los Angeles Administrative Code and/or the Memorandum of Understanding under which your job classification is covered.

For Tier 3 PSO Members, the contribution rate is 11%. Contributions are deducted from your paycheck on a pre-tax basis (prior to January 1, 1986, contributions were post-tax). As a result, your current taxable income will be lower, and you are not taxed on your retirement contributions until you receive your retirement benefits or receive a refund of your contributions. Part of your contribution pays for a 50% Continuance of your Retirement Allowance to your eligible Survivor.

If you do not have an eligible Survivor when you retire, these contributions may be refunded or used to increase your allowance.

Your contributions are recorded in an individual account and earn interest based on the average rates of a five-year U.S. Treasury Note. Interest will be credited to your account each month. Information on the contributions and interest earned in your account is available through the LACERS website or upon request.

CONTRIBUTION
RATE

11%

IMPORTANT!

If you make contributions to LACERS while you are married or in a State-Registered Domestic Partnership, and you subsequently legally terminate the relationship or legally separate, the court may award a community property interest in your LACERS benefits to your former Spouse/State-Registered Domestic Partner. LACERS may be required to pay this share directly to your former Spouse/State-Registered Domestic Partner. Once a community property claim is filed with the Plan, LACERS is also required to withhold contested benefits until served with a court order disposing of the community interest.



PLAN CONTRIBUTIONS, *Continued*

CITY CONTRIBUTIONS

Each year, the City of Los Angeles also contributes to the Plan at a rate determined by the LACERS Board. As provided by the Los Angeles Administrative Code, this annual contribution is an actuarially determined percentage that, when combined with the Member contribution, is sufficient to fully meet the actuarial funding requirements of the Plan. The City's contributions are not part of your individual account.

INVESTMENTS

LACERS Board of Administration sets the overall investment policy for LACERS with the goal of establishing an optimal investment portfolio from risk and return perspectives. The Board approves LACERS' asset allocation and selects and monitors investment fund managers. LACERS' investment returns are not part of your individual account. For more information regarding LACERS' investments, see www.LACERS.org and/or LACERS' Comprehensive Annual Financial Report.



SERVICE CREDIT

Service Credit refers to the component of your benefit calculation based on your hours worked. **Full-time** employees receive 0.03835 years of Service Credit per pay period. **Part-time** employees will be prorated based on the actual hours worked divided by 80 hours. It is used in the calculation of your Unmodified Retirement Allowance (UA) and is credited for periods you receive compensation such as regular pay, and/or Injury on Duty pay (IOD). You do not earn Service Credit for suspensions or unpaid leaves of absence.

If you are eligible to purchase Service Credit, doing so may count toward your retirement eligibility and may increase your Retirement Allowance and health subsidy. For Retiree Health Insurance eligibility and subsidy requirements and plans' summaries, please refer to the Health Benefits Guide in the "Retirees" section of lacers.org under "Retiree Health Benefits."

Service Purchases can include Redeposits, Back Contributions, and Government Service Buybacks. Service that may be purchased includes:

- Part-time and Full-time non-LACERS membership City employment time
- Workers' Compensation temporary disability time (State Rate)
- Nonservice-Connected Disability Retirement – time spent on this type of disability retirement can be purchased after restoration to active duty, subject to certain restrictions
- Military Service or uncompensated maternity leave
- Other U.S. Government Time
- Recruit training time (if applicable) – time a Member spends in the Fire Department Drill Tower or Academy Training

Note:

Certain Internal Revenue Code (IRC) requirements and limitations apply to Service purchases. To comply with the IRC, LACERS will evaluate requests for Service purchases to determine whether they comply with federal law limits. A Service purchase that does not comply may be disallowed in whole or in part by LACERS.





SERVICE CREDIT, *Continued*

GOVERNMENT SERVICE BUYBACKS (GSB)

If you are a Member, you may be eligible to purchase GSB Service Credit if:

- You are a Tier 3 PSO Member
- You were a full-time employee with a governmental agency within the United States or its territories for at least six months of uninterrupted service, and your time is not eligible for Reciprocity
- You have taken an uncompensated maternity leave of at least one full month and a maximum of twelve months per pregnancy while employed by the City

RE-DEPOSITS

If you withdraw your contributions from LACERS and become a LACERS Member again, you can regain the Service Credit you earned during your prior City employment by re-depositing your contributions plus interest.

BACK CONTRIBUTIONS

Back Contributions allow City employees, who are LACERS Members, to purchase Service Credit for full-time or part-time regular City employment when they were not LACERS Members or not making contributions to LACERS. This may include:

- Periods of full-time, part-time, and temporary City employment
- Workers' Compensation temporary disability time ("State Rate")
- Up to six months of Disability Retirement application processing time (if your application is denied)

For more information on LACERS' Service Credit Purchases, please refer to the "Members" section of lacers.org under "Supplementing Your Retirement."

SERVICE CREDIT, *Continued*

It does not include time spent as a city contractor. For more information, please see LACERS' Back Contribution Information Sheet under "Forms" in the "Forms and Resources" section of lacers.org.

Other requirements may apply to purchases of prior service as a part-time and/or temporary City employee in the Pension Savings Plan.



SERVICE CREDIT PURCHASE PROGRAM TABLE

SERVICE CREDIT PURCHASE TYPE	REQUIREMENT	COUNTS TOWARDS
Government Service Buybacks (GSB)	Members with periods of full-time service with other Government Entities, military service, or uncompensated maternity leave with the City of Los Angeles. • Must have at least 6 months of uninterrupted, full-time service with a single Governmental Entity or on active military duty, or was on uncompensated leave time while employed by the City. • Service purchases for maternity leave can be for a minimum of one whole month and a maximum of twelve months.	Increasing monthly unmodified retirement allowance. Qualifying/enhancing retiree medical/dental insurance premium subsidies.
Re-Deposits	Allows terminated Members who withdrew their LACERS contributions to make a re-deposit and purchase Service Credit for prior membership. Redeposits are also available to active Members who, due to a divorce, had a separate account created with LACERS for their ex-spouse and subsequently withdrew the money from the separate account.	Vesting, increasing monthly unmodified retirement allowance, qualifying/enhancing retiree medical/dental insurance premium subsidies
Back Contributions (BC)	Allows Active Members who were regularly employed by the City on a full/part-time, seasonal, or temporary basis, and participating in the Pension Savings Plan, and have a minimum of five years of City Service and Contributions on deposit with LACERS but were not a LACERS Members or making contributions to LACERS to make the purchase of a BC. Also eligible are Members with Worker's Compensation disability time (State Rate), time worked at DWP before becoming a Member of its plan, and for denied applicants for Disability Retirement (up to 6 months of processing time).	Vesting, increasing monthly unmodified retirement allowance, qualifying/enhancing retiree medical/dental insurance premium subsidies

RECIPROCAL AGREEMENTS

If you have worked for more than one California governmental agency, the reciprocal agreements that LACERS has in place may offer you some portability of your retirement benefits. The advantages of reciprocity vary depending on the type of reciprocity that you qualify for:

- Reciprocity with certain California public retirement systems
- Health reciprocity with the Los Angeles County Employees Retirement Association (LACERA)

In order to qualify for reciprocity, you must:

- Move from one reciprocal government agency to another within a 6-month period;
- Leave your contributions and interest on deposit with each retirement system;
- Apply for reciprocity, and both retirement systems must agree that reciprocity exists; and,
- Retire on the same date from both or all retirement systems.

RECIPROCALITY WITH CERTAIN CALIFORNIA PUBLIC RETIREMENT SYSTEMS

You may have either full or limited reciprocity based on the date that you moved between LACERS and the other qualified California public retirement system. Specific eligibility qualifications apply. If you have worked for another California governmental entity and would like more information on reciprocity, please refer to the “Members” section of lacers.org under “Supplementing Your Retirement.”

IMPORTANT!

You may risk your eligibility for reciprocity if you violate the rules of the retirement systems involved. Reciprocity provisions vary. Make sure you know the advantages, disadvantages, and rules regarding reciprocity for each system involved. Be sure to contact each system **BEFORE** changing employers, and establish reciprocity prior to applying for retirement. Reciprocity may take 6 - 12 months, or longer, to establish.



FULL RECIPROCALITY

You may qualify for full reciprocity if you moved between LACERS and another reciprocal system on or after July 14, 1997. Under full reciprocity, your combined years of Service* may count toward retirement eligibility.

*Your years of Service with a reciprocal system and LACERS.

RECIPROCAL AGREEMENTS, *Continued*

When you retire, you will receive a retirement benefit from each retirement system based on your Service Credit with that system and their benefit formula. Both retirement systems will calculate your benefits based on the highest compensation you received, even if that salary was paid by the other governmental entity.

LIMITED RECIPROCITY

If you do not qualify for full reciprocity, your employment with another reciprocal entity may qualify you for limited reciprocity (sometimes referred to as final compensation reciprocity). Under limited reciprocity, the only benefit you may be eligible to receive is that both retirement systems will calculate your benefits based on the highest compensation you received, even if that salary was paid by the other governmental entity.

For more information on LACERS' Reciprocity, please refer to the "Members" section of lacers.org under "Supplementing Your Retirement."

Typically, health reciprocity is not available between public retirement systems. However, LACERS and LACERA have a special agreement that can be applied to help you qualify for and/or increase your retiree health subsidy.

HEALTH RECIPROCITY BETWEEN LACERS AND THE LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION (LACERA)

Health reciprocity allows you to combine years of Service with LACERS and LACERA to qualify for and/or increase your retiree health subsidy. To qualify, you must have earned a combined total of 10 or more years of Service with both LACERS and LACERA and be eligible for either full or limited reciprocal retirement benefits from both retirement systems (see the discussion of reciprocity above). For more information, please refer to the "Forms and Resources" section of lacers.org under "Reciprocity Information Sheet."



IMPORTANT!

If you have established reciprocity between LACERS and another governmental entity, transferring your funds to WPERP will break your reciprocity between LACERS and the other retirement system.



RETIREMENT TYPES

Service and Service Credit are different terms. You should consult LACERS to find out the amount of Service and Service Credit that you are entitled to, especially if you have any periods of prior City employment, military time, maternity leave, service with other governmental entities, and/or Workers' Compensation "State Rate" time.

The following types of retirement benefits are discussed below for **Tier 3**.
Retirement Factor (RF) varies based on age and years of service:



NORMAL SERVICE RETIREMENT *

- Age 60 with at least 10 years of Service: **RF 1.5%**
- Age 60 with at least 30 years of Service: **RF 2.0%**



ENHANCED RETIREMENT *

- Age 63 with at least 10 years of Service: **RF 2.0%**
- Age 63 with at least 30 years of Service: **RF 2.1%**



EARLY RETIREMENT

Prior to Age 60, with 30 or more years of Service, **RF 2% ***

- **Unreduced Allowance** - If Age 55 or older, with 30 or more years of Service, will not be subject to reduction on account of age
- **Reduced Allowance** - If younger than Age 55, with 30 or more years of Service, a reduction factor will be applied



DEFERRED FULL RETIREMENT, REDUCED AT **RF 1.5% ***

- At Age 60 or older, provided 10 years have elapsed since becoming a member
- At Age 70 or older, regardless of the number of years that have elapsed since becoming a member

DEFERRED FULL RETIREMENT, UNREDUCED **RF 2.0% ***

- At Age 60 with 30 years of continuous service years of Service, provided 10 years have elapsed since the first date of membership
- At age sixty-three (63), with 10 years of service

DEFERRED FULL RETIREMENT, UNREDUCED **RF 2.1% ***

- At Age 63, with 30 years of continuous City service, provided that 10 years have elapsed since the first date of membership

DEFERRED EARLY RETIREMENT, AGE REDUCTION AND **RF 1.5% ***

- If age 55, but less than age 60, provided 10 years have elapsed since becoming, reduction factor applies

CALCULATING RETIREMENT BENEFITS



A Member's Tier, Age, City, and Years of Continuous Service define the Member's Service Retirement Factor. A PSO Member's Monthly Unmodified Retirement Allowance (UA) is paid in monthly installments calculated using a three-component formula including your Final Compensation (FC), your Service Credit (SC), and a Retirement Factor (RF).

Additionally, if you choose an Early Service Retirement, there is an Early Retirement Factor (ERF) that is applied to your standard retirement benefit calculation. The ERF decreases your calculated RA amount to account for the longer period you'll receive payments.

$$\text{FC} \times \text{SC} \times \text{RF}^* \times \left(\text{ERF}^* \right) = \text{UA}$$

FINAL COMPENSATION SERVICE CREDIT RETIREMENT FACTOR IF APPLICABLE, EARLY RETIREMENT REDUCTION FACTOR UNMODIFIED RETIREMENT ALLOWANCE

FC

FINAL COMPENSATION

The **HIGHEST** compensation earned by a Member during any consecutive 36-month period for Tier 3. The compensation amount used is based on the requirements of the Admin Code and or MOU for the job classification.

SC

SERVICE CREDIT

The **HOURS** worked as an Active LACERS Member. Full-time employees receive .03835 years of Service Credit per pay period. Part-time employees will be prorated based on the actual hours worked divided by 80 hours.

RF

RETIREMENT FACTOR*

Retirement Factor is the percentage of pay which a Member is entitled to for each year of Service Credit. For Tier 3, Retirement Factor varies based on age and years of service.

ERF

EARLY RETIREMENT FACTOR*

Early Retirement Reduction Factors only applies when a Member chooses to retire early. They are based on age and calculated in quarter years. Factors are subject to change by ordinance of the City Council.

UA

UNMODIFIED RETIREMENT ALLOWANCE

A monthly payment to Member or their Survivors either for a limited-term or a lifetime. The UA is a Member's monthly retirement allowance **before** taxes.

* A full list of the retirement and reduction factors are located in the Tier's Summary Plan Description.

FINAL COMPENSATION

Final Compensation is the average of your monthly compensation earned during any consecutive **36** consecutive month period prior to your retirement or any other consecutive 36-month period you designate. If you do not make a designation, the 36-month period immediately preceding your retirement, termination or death is used.

Your FC is based on the requirements of the Administrative Code and the regular compensation for your job classification per the MOU including your base pay, regularly assigned bonuses, and/or premium pay.



FC Includes

(only if you are in a permanent rank)

- Assignment Pay
- Hazard Pay
- Length of Service (Longevity) Pay
- Special Pay



FC Does Not Include

- Overtime
- Daily and non-regularly assigned bonuses
- Reimbursements
- Car and Uniform allowances
- Payments in lieu of benefits
- Acting Pay

A photograph of a man in a blue t-shirt and black shorts sitting on a paved surface, holding his right knee with both hands, appearing to be in pain. The background is a blurred outdoor setting with trees and a building.

ENHANCED DISABILITY RETIREMENT BENEFIT

If you become disabled while an active sworn Member, you may be eligible to apply for an Enhanced Disability Retirement. Your disabling condition need not be job-related, but it must prevent you from performing your regular job duties. An Enhanced Disability Retirement will either be categorized as Service-Connected or Nonservice-Connected. When applying for a Service-Connected Disability Retirement, your disabling condition will be evaluated to determine whether the injury or illness can directly be attributed to the performance of your regular job duties. Conversely, a Nonservice-Connected Enhanced Disability Retirement is the result of an injury incurred or illness suffered unrelated to the execution of your job duties.

A Disability Retirement is normally paid for a Member's lifetime. However, the Board has the authority to review your disability status at any time. Based on the Board's review, the benefit percentage awarded may remain the same, be increased, decreased, or be terminated completely.

You may also request a medical review if you feel you have recovered sufficiently to return to full active duty. Requests for re-examination for purposes of returning to active duty must be made within four years of the Board of Administration's approval of your Disability Retirement benefit.

IMPORTANT!

A **Disability Retirement Allowance** is determined by a different formula than a Service Retirement Allowance.



DISABILITY RETIREMENT BENEFIT TYPES TABLE

	SERVICE-CONNECTED 	NONSERVICE-CONNECTED 
DEFINITION	The result of an injury or illness sustained during the execution of your regular job duties.	A result of an injury or illness unrelated to the execution of your job duties.
ELIGIBILITY	Completed Peace Officer Standards and Training and taken the Oath of Office.	Completed Peace Officer Standards and Training and taken the Oath of Office and completed five years of continuous City Service.
ALLOWANCE BASE	30% to 90% of your Final Compensation with a COLA up to a 2% cap. The base allowance will not be less than 2% of your Final Compensation for each year of Service Credit.	30% to 50% of your Final Compensation with a COLA up to a 2% cap.
TAXABILITY	Generally, is not subject to State or Federal income tax. Former spouses' community property interest is subject to Federal and state taxes. However, where the Final Compensation (FC) derived from the disability severity percentage is less than the minimum allowance of 2% of FC per year of Service, you will receive the 2% of FC per year minimum. The difference between the two amounts is subject to taxation.	Is a fully taxed benefit and reported as taxable income as provided under the Internal Revenue Code.
RETURN TO ACTIVE DUTY	Must occur within five years of Board action granting the Disability Retirement benefit.	
FILING PERIOD	You must file your Disability Retirement application with LACERS within twelve months of your last day on active City payroll or within twelve months of the final settlement date for a related Worker's Compensation claim.	
PROCESSING TIME	A Disability Retirement application generally takes six to twelve months to process.	

ENHANCED DISABILITY RETIREMENT BENEFITS, *Continued*



DISABILITY LOAN

You may apply for a loan while your disability application is being processed. The loan amount cannot exceed four times your current bi-weekly salary or one-half the contributions and interest in your LACERS account or \$50,000. Interest will be charged on the loan. Upon approval of your Disability Retirement application, LACERS will deduct the entire loan balance and accrued interest from your retroactive benefit (first retirement allowance payment). If your Disability Retirement application is denied, you may continue your monthly repayment as specified under the terms of the loan agreement.



DISABILITY APPLICATION PROCESSING

Generally, it can take one year or more to complete the Disability Retirement application process due to the time required to schedule medical examinations and compile documentation supporting your application (e.g., medical records, personnel records, and examining physician reports). If you are considering applying for a Disability Retirement, please contact LACERS at (800) 779-8328 and ask to speak with a Disability Retirement Counselor.



DISABILITY APPLICATION PROCESS FOR PUBLIC SAFETY OFFICER FORMER MEMBER

If you are a Public Safety Officer Former Member, who became such due to the termination of your employment for any reason including Service Retirement, and believe that you are eligible for a Disability Retirement, you may file your written application for a Disability Retirement within one year of your Service Retirement effective date; or, within one year of your resignation or termination date; or, one year from your last day on active payroll, whichever occurs first. An open, related, and accepted Workers' Compensation claim may extend the filing period. Continuity of your disabling condition is also required.



APPROVAL OF YOUR ENHANCED DISABILITY RETIREMENT APPLICATION

After you have been examined by physicians selected and paid for by LACERS, the Board will review your medical reports and other evidence to determine whether you have become physically or mentally incapacitated and are incapable of performing your regular (including light or restricted) job duties. If the Board approves your Enhanced Disability Retirement application, your allowance will usually be paid retroactively from the day after your last day on active payroll.

MEDICAL REVIEW

The Enhanced Disability Retirement benefit is payable only while you remain disabled. After your benefit is approved, you may be required to undergo periodic re-examinations to determine whether you remain disabled. You may also request a medical review if you believe your condition has improved enough to allow you to return to active duty. If you are found to no longer be disabled, you may be restored to active duty if you did not resign or have your employment terminated. Your Enhanced Disability Retirement monthly allowance will cease once you return to work. If you are found to no longer be disabled after five years, your retirement allowance is subject to reduction.



RETURN TO ACTIVE DUTY FROM ENHANCED DISABILITY RETIREMENT AND SERVICE CREDIT

If you remain on a Service-Connected Enhanced Disability Retirement for five or more years from the date the Board approves your application, you will be ineligible to return to active duty. However, if you are re-examined and found capable of performing your regular job duties **within** those five years and are restored to active duty, you may earn service toward a Service Retirement for the period you received a disability allowance. Upon completion of one to three years of uninterrupted Service, you can receive credit for the time you were on Enhanced Disability Retirement, to the extent that the length of Service following your return to active duty is equal to the length of time you spent on Enhanced Disability Retirement or at least three years if you were on a Service-Connected Enhanced Disability Retirement for more than three years.



Members receiving a Nonservice-Connected Enhanced Disability Retirement who are restored to active duty may purchase years of Service Credit for the time spent on Enhanced Disability Retirement after completing one year of Service. Please contact the LACERS Service Purchase Unit at (800) 779-8328, if you are interested in purchasing this time as special rules may apply.

PAYMENT OPTIONS FOR YOUR DISABILITY RETIREMENT ALLOWANCE

CASH REFUND ANNUITY

Under this payment option, any unused contributions remaining after your death and the death of your Eligible Survivor (Spouse/Domestic Partner) may be paid to your Designated Beneficiary.

LIFE ANNUITY

If you choose this payment option, you will receive a slightly larger monthly Retirement Allowance; however, you give up the right to have any unused contributions refunded to a beneficiary. No unused contributions will be refunded after you and your Eligible Survivor's death.



TAX TREATMENT OF YOUR MONTHLY ALLOWANCE

The Plan meets Internal Revenue Code requirements (as they apply to government retirement plans). The value of the benefits you earn under the Plan is not taxable to you until you actually receive benefits.

FEDERAL AND STATE INCOME TAXES

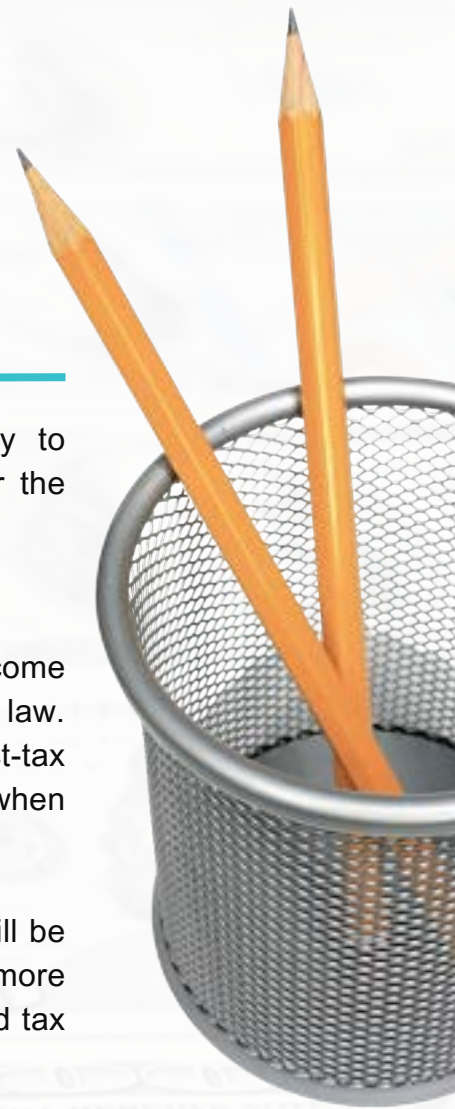
Disability and Service Retirement Allowances are considered taxable income under federal law and, if you reside in California, under California State law. However, if any part of your Retirement Allowance is based on post-tax contributions, that part is not taxable. You will receive specific information when you retire.

Unless you instruct LACERS otherwise, federal and state income taxes will be withheld from your monthly Unmodified Retirement Allowance. For more information, consult your tax advisor (LACERS employees are not qualified tax advisors).

INTERNAL REVENUE SERVICE CODES AFFECTING RETIREMENT BENEFITS

The Plan is considered a qualified plan under federal tax laws, which means that you are not taxed on your retirement benefits until they are paid to you. However, these laws set limits on the amount of benefits you can receive from a qualified plan.

- **Section 401(a)(17):** LACERS applies a maximum limit on the salary used in benefit computations in compliance with Section 401(a)(17) of the Internal Revenue Code. Currently, this limit applies to very few Plan Members (\$280,000+ annual salary in 2019). Legacy provisions apply, as do limitations on the contributions deducted from these Members.
- **Section 415(b):** LACERS Members whose benefits are capped by the limitations contained in Section 415(b) and related sections of the Internal Revenue Code are eligible for the Excess Benefit Plan (\$225,000 annual benefit limit in 2019). This supplemental retirement plan, separate from and funded differently than LACERS defined-benefit plan, pays participants the portion of their LACERS benefit that exceeds the 415(b) limit and would otherwise have been restricted.



PROTECTING YOUR RETIREMENT BENEFITS

All of the Plan's assets, the sole source of all LACERS benefit payments, are held in a trust fund. The Board of Administration controls the trust fund. The trust fund is not controlled by the City of Los Angeles nor can creditors of the City of Los Angeles attach to it. Assets in the fund are held exclusively to pay Plan benefits and expenses.

A Member or beneficiary may not assign his/her Plan benefits to anyone else. Benefits payable to a Member or beneficiary are protected from creditors with the following exceptions:

- The Internal Revenue Service may garnish your allowance/benefit payment for collection of taxes
- A court-ordered wage assignment for spousal, child, or family support
- Some Franchise Tax Board attachments

COST OF LIVING ADJUSTMENT (COLA)

Each year, the Board of Administration reviews the CPI for the Los Angeles area to determine the COLA Tier 3 PSO Member retirees will receive the following July 1. The Administrative Code limits the annual COLA – it may not exceed 2% annually.

If you are retired for a whole year, you will receive the full COLA. If you are retired for less than one year, you will receive one-twelfth of the COLA amount for each whole month of your retirement.

Periodically upon review, the City Council can grant, at their discretion, an additional cost-of-living adjustment pursuant to Los Angeles Administrative Code provisions.



LARGER ANNUITY PROGRAM

If you would like an additional source of income after retirement, you may want to participate in the LACERS Larger Annuity Program. Under this program, you contribute funds during your City employment and may convert these funds into a LACERS annuity when you retire. This annuity is based only on your additional contributions plus interest and/or your investment returns. The City does not contribute to the Larger Annuity Program.

You may also rollover funds from Deferred Compensation and/or other qualified retirement plans (except for Roth IRAs) at the time of your retirement for purposes of funding a larger annuity. For more information on LACERS' Larger Annuity Program, please refer to the "Members" section of lacers.org under "Supplementing Your Retirement."

ENHANCED DEATH & SURVIVORSHIP BENEFITS

In the event of your death, your survivors may be entitled to Enhanced Death Benefits. The types of survivor benefits will vary depending on these factors:

- Whether your death is Service-Connected or Nonservice-Connected
- Whether you die before or after retirement
- Whether you die after you were awarded a Service-Connected or Nonservice Connected Disability Retirement
- Your years of Service
- The survivor's relationship to you
- Your designation of beneficiaries (if any)

Service-Connected Death is defined as the death of a Member due to illness or injury, either of which arose out of the performance of his or her duties as an employee of the City of Los Angeles.

Nonservice-Connected Death means the Member's death occurred as the result of an illness or injury not arising from the performance of his or her duties as an employee of the City of Los Angeles.

A **Survivorship** is a lifetime benefit a Member who was eligible to retire but who dies before retiring may leave to their Eligible Survivor or designated beneficiary. A Survivorship is funded as if the Member retired the day before death and selected a 100% Continuance benefit. If the Member is not eligible to retire at their time of death, the Eligible Survivor can either elect to receive a Lump Sum Refund or wait until the Member would have been eligible to retire and then receive a 100% Continuance.

ENHANCED DEATH & SURVIVORSHIP BENEFITS, *Continued*

A **Continuance** is a lifetime benefit a Member who dies **after** retirement may leave to their Eligible Survivor or designated beneficiary. A Continuance is funded at different rates depending on whether the Member died active, on a disability retirement, or on a normal service retirement. The percentage of the allowance can be increased above the 50% base amount, but will require a lifetime reduction of the Retirement Allowance.

An **Eligible Survivor** is defined as a person who is either an Eligible Surviving Spouse or an Eligible Surviving Domestic Partner. In order to be an Eligible Surviving Spouse, a person must have been married to the Member for at least a year prior to the Member's retirement and at the Member's time of death. In order to be an Eligible Domestic Partner, a person must have had their domestic partnership established with the Member for at least a year prior to the Member's retirement and at the Member's time of death.

SURVIVORSHIP

Active Enhanced Death Survivor Benefits are benefits payable to your beneficiary(-ies) if you pass away while an Active Member of LACERS or if you pass away and you were on a Service or Nonservice-Connected Disability Retirement.

SURVIVORSHIP BENEFIT OPTION BY SERVICE CREDIT TABLE

YEARS OF SERVICE CREDIT	SERVICE/NONSERVICE -CONNECTED DEATH	SURVIVOR BENEFIT OPTIONS
LESS THAN ONE YEAR	NonService	• Refund of Contributions
1-5 YEARS	NonService	• Refund of Contributions and Possible Limited Pension
LESS THAN FIVE YEARS	Service	• Survivorship Allowance (see table on page 25; or, • Refund of Contributions and Possible Limited Pension.
FIVE OR MORE YEARS	NonService & Service	• Deferred Retirement; or, • Service Retirement; or, • Disability Retirement; or, • Refund of Contributions and Possible Limited Pension.

MINOR CHILD

A Minor Child means a person who is the child or adopted child of a deceased Tier 3 PSO Member or Retired Tier 3 PSO Member but such person shall be a Minor Child only until such person shall attain the age of 18 years or until he or she reaches the age of 22 years if such person is enrolled in school on a full-time basis as determined by the Board.

DEPENDENT CHILD DOCUMENTATION

A Dependent Child means a person who is a child of a deceased Tier 3 PSO Member or Retired Tier 3 PSO Member, who, while under the age of 21 years, becomes disabled, either prior to or after the death of such Member, and is unable to earn a livelihood. Such a person shall be a Dependent Child only until he or she ceases to be disabled from earning a livelihood. If you have a Dependent Child, you are encouraged to submit copies of any documentation you may have that substantiates your child's disabling condition.

Eligibility for Dependent Child benefits is determined following a Member's death and relies on qualifying documentation and independent medical evaluations confirming the child's disability occurred prior to the age of 21 and the child's inability to earn a livelihood. To determine eligibility, LACERS will request the following documentation from the guardian or conservator of the dependent child:

- A written request for the child to be granted Dependent Child status
- Child's Birth Certificate
- Medical release form
- Medical records
- School records
- Social Security benefits statement
- Assisted living or institutionalization records (if applicable)
- Guardianship/Conservatorship papers (if applicable)

Other helpful documentation includes:

- Adoption papers (if applicable)
- Marriage Certificate (if applicable)
- Dissolution Decree (if applicable)





DEPENDENT PARENT

In the event an Active Tier 3 PSO Member or Retired Tier 3 PSO Member dies leaving no Eligible Surviving Spouse, Eligible Surviving Domestic Partner, or Eligible Minor/Dependent Child(ren), but has at least one Eligible Dependent Parent, the Dependent Parent may receive the same monthly pension benefit (unmodified by the Optional Survivor Benefit) that the Eligible Surviving Spouse or Eligible Surviving Domestic Partner would have received for as long as the Dependent Parent remains qualified. The parent must have received at least one-half of their necessary living expenses from the Member during the Member's last year of Service. Supporting documentation from both Member records and the parent records will be required to establish eligibility.

A Dependent Parent means a person who is the parent of a deceased Tier 3 PSO Member or Retired Tier 3 PSO Member and to or for whom such deceased Member, during at least one (1) year immediately preceding his or her death, contributed one-half or more of such Dependent Parent's necessary living expenses and who is unable to pay such expenses without the receipt of an allowance. Such person shall be a Dependent Parent only until he or she shall be able to pay his or her necessary living expenses.



SURVIVORSHIP ALLOWANCE PERCENTAGE FOR THOSE ELIGIBLE TO RECEIVE A CONTINUANCE TABLE

REQUIREMENTS	SERVICE-CONNECTED	NONSERVICE-CONNECTED*	MILITARY
ELIGIBLE SURVIVOR	Status as Spouse or Domestic Partner on the Date of Death, or Minor Child, Dependent Child, or Dependent Parent	Status as Spouse or Domestic Partner one year prior to and on the date of death, or Minor Child, Dependent Child, or Dependent Parent	Status as Spouse or Domestic Partner on the date of death, or Minor Child, Dependent Child, or Dependent Parent
ALLOWANCE BASE %	80% of your Final Compensation	50% of your Final Compensation	50% of your Final Compensation
ADDITIONAL ALLOWANCE AMOUNTS FOR MINOR AND DEPENDENT CHILDREN	One child, additional 25%; Two children, additional 40%; and, Three or more children, an additional 50%		

*The Member must have five or more years of Service at the time of death as a Public Safety Officer.



SURVIVORSHIP BENEFITS FOR RETIRED MEMBERS

In the event of your death after your retirement, your beneficiary will be entitled to the following benefits (if applicable):

- One-time \$2,500 Funeral Expense Payment
- Any accrued but unpaid allowance for the month of the Member's death (prorated)
- Any unused contributions (if applicable)
- Continuance allowance (Spouse/Domestic Partner, if applicable)

If you do not designate a beneficiary, these benefits will be paid in the order provided by the Plan. This does not apply to disability retirees.

CONTINUANCE

CONTINUANCE OF RETIREMENT ALLOWANCE

At the time of retirement, you will select the Continuance benefit options that will apply to your survivors upon your death, as outlined in the Payment Options for Your Retirement Allowance section of the Retirement Benefits chapter.

In order for your **Spouse** to be eligible for a Continuance benefit, you must have been:

- Married to your Spouse for at least one year prior to the date of your Service Retirement
- Married to your Spouse on the date of your retirement
- Married to your Spouse on the date of your death

In order for your **Domestic Partner** to be eligible for a Continuance benefit:

- Your domestic partnership must have been registered either with the State of California or the Plan for at least one year prior to the date of your Service Retirement
- Your Domestic Partner must be your Domestic Partner or Spouse on the date of your retirement
- Your Domestic Partner must be your Domestic Partner or Spouse on the date of your death

If you **do not** have an Eligible Spouse/State- or LACERS-Registered Domestic Partner at the time of your retirement, you may leave a Continuance to anyone you select for that person's lifetime. This Continuance is funded solely by a reduction of your monthly allowance. You may also be able to provide a monthly Continuance to your minor children or dependent parent(s). The Plan does not provide any funding for these Continuances. (Internal Revenue Code provisions may limit the percentage of Continuance you may leave to a non-spouse.)





CONTINUANCE BENEFIT TABLE

REQUIREMENTS	SERVICE RETIREMENT	SERVICE-CONNECTED DISABILITY	NONSERVICE-CONNECTED DISABILITY
ELIGIBLE SURVIVOR	Status as Spouse or Domestic Partner one year prior to the date of retirement, on the date of retirement, and the date of death, or Minor Child, Dependent Child, or Dependent Parent	Status as Spouse or Domestic Partner one year on effective date of retirement, and the date of death, or Minor Child, Dependent Child, or Dependent Parent	Status as Spouse or Domestic Partner one year prior to the date of retirement, on the date of retirement, and the date of death, or Minor Child, Dependent Child, or Dependent Parent
ALLOWANCE BASE %	50% of your Retirement Allowance	If Within 3 Years of Retirement 80% of your Final Compensation If After 3 Years of Retirement 80% of your Retirement Allowance	70% of your Retirement Allowance
ADDITIONAL ALLOWANCE AMOUNTS FOR MINOR AND DEPENDENT CHILDREN	One child, additional 25%; Two children, additional 40%; and, Three or more children, an additional 50%		
BURIAL ALLOWANCE	\$2,500		

DESIGNATING A BENEFICIARY AS AN **ACTIVE MEMBER**

As an Active Member of the Plan, you may designate a beneficiary to receive your Member contributions if you die before retiring. You must submit a beneficiary form to LACERS to ensure that your benefits are paid to the individuals you intend in the order in which you designate. Submitting a beneficiary form to Personnel's Employee Benefits is not sufficient to cover your benefits here with LACERS. LACERS and the Personnel's Employee Benefits section are two distinct entities with separate benefit offerings, and a beneficiary form must be on file with each entity.

You can designate any person or legal entity (such as a living trust) as a beneficiary. Your selection of a beneficiary is very important because it affects whether your Spouse/Domestic Partner can qualify for a lifetime monthly survivorship benefit if you die while still employed.

To be eligible for these lifetime benefits, your Spouse/Domestic Partner must be entitled to receive all of your contributions. Your Spouse/Domestic Partner will be entitled to receive all of your contributions if:

- You designate him/her as your sole primary beneficiary; or,
- You do not have a designated beneficiary on file with the Plan and are survived by either a Spouse or State-Registered Domestic Partner (this option is not available to a Plan-Registered Domestic Partner because these partners do not have a right to receive your contributions under the Plan provisions)

If you do not designate a beneficiary, the Plan provides that your contributions will be paid based on LACERS' Order of Succession:

- Spouse or Plan/State-Registered Domestic Partner
- Children
- Parents
- Estate

Your beneficiary designation, once made, remains in effect until you change it (with certain statutory exceptions). Make sure that you keep your beneficiary designation up to date so that, in the event of your death, benefits will be paid as you intend. If anyone other than your Spouse/Domestic Partner receives any of your contributions, your Spouse/Domestic Partner is ineligible to elect to receive a lifetime allowance.



If you choose to designate someone other than your Spouse/State-Registered Domestic Partner as a beneficiary for your LACERS contributions (which disqualifies your Spouse/State-Registered Domestic Partner from receiving a lifetime pension in the event you die before retirement), your designation is only good for your share of contributions unless your Spouse/State-Registered Domestic Partner consents in writing that his/her share is also to be paid to your designated beneficiary.

Your Spouse/State-Registered Domestic Partner does not need to consent to your designation. If your Spouse/State-Registered Domestic Partner does not consent, then your Spouse/State-Registered Domestic Partner will be paid his/her community property share in the event of your death. If your Spouse/State-Registered Domestic Partner signs consenting to your designation of someone else to receive your contributions, this means that if you die your Spouse/State-Registered Domestic Partner will receive no lifetime pension and no contributions. You and your Spouse/State-Registered Domestic Partner both need to be fully aware of the financial benefits that your Spouse/State-Registered Domestic Partner will lose should you die before retirement, if you designate someone other than your Spouse/State-Registered Domestic Partner to get any contributions, and if your Spouse/State-Registered Domestic Partner consents to this designation.

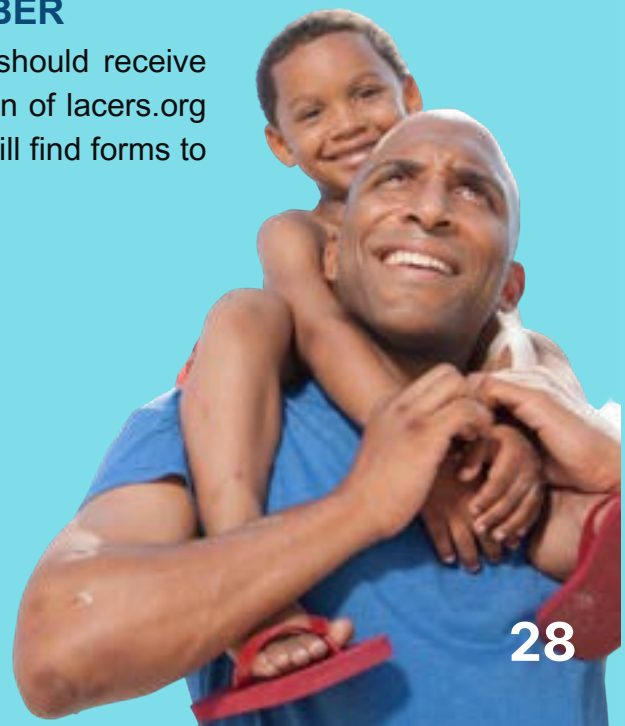
If you designate someone other than your Spouse/State-Registered Domestic Partner as your beneficiary, your designation will not control your Spouse's/State-Registered Domestic Partner's community property portion of the contributions unless your Spouse/State-Registered Domestic Partner consents to this designation.

DESIGNATING A BENEFICIARY AS A **RETIRED MEMBER**

If you are a Retired Member, and would like to designate who should receive your different death benefits, please refer to the "Members" section of lacers.org under the "Forms" section of "Forms and Resources." There you will find forms to designate who you want to receive:

- **The portion of your last monthly allowance**
- **Any unused portion of your retirement contributions**
- **Payment of the Funeral Expense Allowance**

In addition, your Former Spouses/Domestic Partners may also find the forms to designate who they want to receive their community property share of your retirement allowance.





DESIGNATING A BENEFICIARY, *Continued*

IMPORTANT!

If the Beneficiary you designate for a Continuance dies before you do:

- Your Retirement Allowance will not be increased
- You will not be allowed to name another Beneficiary to receive a Continuance
- No Continuance payment will be made upon your death



POWER OF ATTORNEY/CONSERVATORSHIP

Signing a Durable Power of Attorney may allow someone you select to take care of your financial affairs, including retirement benefits and health insurance benefits, in the event that you become incapable of managing your own affairs, either before or after you retire. Unless you make prior provisions, it may be necessary to have the court appoint a conservator of your estate, which may be costly.

SPOUSE/DOMESTIC PARTNER DOCUMENTATION

In order to ensure they receive those benefits, you must report the life event to LACERS to qualify your spouse/domestic partner for the benefits by:

- In addition to submitting your marriage license or Declaration of Domestic Partnership form to the Personnel Department, submit the documents to LACERS or register your domestic partnership with the State of California
- The marriage or registration with the state must have taken place 12 months prior to retirement in order for the Spouse/Domestic Partner to be eligible for a Continuance benefit
- Documentation showing termination of all prior marriages or State-Registered Domestic Partnerships (e.g., a conformed final judgment of dissolution decree or a death certificate)

These must be filed before your retirement in order for your Spouse/Domestic Partner to be eligible to receive benefits from LACERS. As some documents could take longer to acquire, please make sure you plan ahead in order to avoid delays in processing your retirement application.

DISSOLUTION OF MARRIAGE OR DOMESTIC PARTNERSHIP

COMMUNITY PROPERTY LAW

In California, community property laws serve as the method for defining ownership of property acquired during a marriage or State-Registered Domestic Partnership. California law defines community property as all property, real or personal, acquired by a married person or State-Registered Domestic Partner during the marriage or State-Registered Domestic Partnership. Generally, the timeframe for defining which assets may be community property includes the period between the date of marriage or registration of domestic partnership through the date of separation.

If you make contributions to LACERS while you are married or in a State-Registered Domestic Partnership, and you subsequently legally terminate the relationship or legally separate, the court may award a community property interest in your LACERS benefits to your former Spouse/State-Registered Domestic Partner.

If you are divorced at the time of your retirement, or thereafter, and your former Spouse/State-Registered Domestic Partner was awarded a portion of your retirement benefit, half of your monthly allowance may be withheld.

If LACERS receives a Notice of Adverse Interest pursuant to Family Code Section 755, LACERS will begin withholding the community property portion from your monthly allowance. You will continue receiving your separate property portion of the benefits, and LACERS will hold the community portion until we receive a conformed copy of a Domestic Relations Order (DRO).

If you divorce prior to retiring, an important step in the retirement process is gathering all your required documents. The following must be provided to LACERS prior to your retirement:

- Any updates to your designated beneficiaries
- Conformed documents showing the termination of the retiring Member's prior marriages or State-Registered Domestic Partnerships



CALCULATING COMMUNITY PROPERTY AT RETIREMENT

Once the **UA** is calculated, it can be applied to the Time Rule (or Brown) Formula. The Time Rule (or Brown) Formula is commonly used to divide community property benefits in a retirement plan. It is used to calculate the portion of your retirement benefits that your former Spouse/State-Registered Domestic Partner (non-member) is entitled to receive. For this purpose, the court order or DRO should contain the parties' date of marriage or date of registration of domestic partnership, as well as the parties' date of separation. In its division of the assets, the court could decide to award an "in-kind" division of the retirement benefit – usually a 50:50 split of the community property share – assigning each party a percentage interest to be paid upon the member's retirement, termination, or death.



The Community Property Interest Amount would be the quotient of the number of months of LACERS service from the date of marriage or domestic partnership to the date of separation (**MP**) divided by total months of LACERS service accrued at the time of member's retirement (**SC**) multiplied by your **UA**, multiplied by the DRO Community Property Percentage(**%**). The result is the portion of the Member's allowance to which the non-member is entitled (**CP**). To determine the specific amount that the non-member is entitled to receive (the non-member's allocated monthly benefit), the percentage is then multiplied by the Member's monthly unmodified retirement allowance amount.

TIME RULE FORMULA


$$\left(\frac{\text{MP}}{\text{SC}} \right) \times \text{UA} \times \% = \text{CP}$$

LEGEND

- MP** - Service Credit from Date of Marriage to Date of Separation
- SC** - Total Member Service Credit
- UA** - Member's Monthly Unmodified Retirement Allowance
- %** - Domestic Relations Order Community Property Percentage
- CP** - Non-members' Community Property Interest Amount

CALCULATING COMMUNITY PROPERTY AT RETIREMENT, *Continued*

In the example below, the marriage overlapped with 80% of the Service Credit period. The \$1,000 of the Member's monthly unmodified retirement allowance was multiplied by 80% which produced \$800 as the amount of the Member's monthly unmodified retirement allowance that should be considered community property. The DRO designated 50% of the \$800 as the portion that the non-member was entitled to receive. Consequently, 50% of the \$800 equals \$400 that LACERS will issue to the former Spouse/State-Registered Domestic Partner on a monthly basis.



TIME RULE FORMULA

$$\left(\frac{\text{MP}}{\text{SC}} \right) \times \text{UA} \times \% = \text{CP}$$

$$\left(\frac{96 \text{ mos}}{120 \text{ mos}} \right) \times \$1,000 \times 50\% = \$400$$

Portion of the Member's UA to which the non-member is entitled (CP)

Length of Marriage/Domestic Partnership (in months) that overlapped with time Member worked for the City (MP) - 96 months

Member's Service Credit in months (SC) - 120 months

Member's Monthly Unmodified Retirement Allowance (UA) - \$1,000

DRO Percentage (%) - 50%

However, when a Continuance is involved, the CP benefit will be halved. Consequently, the equation is calculated as follows.

$$\left(\frac{96 \text{ mos}}{120 \text{ mos}} \right) \times \$500 \times 50\% = \$200$$

50% of \$1,000 (UA)

Portion of the Member's CA to which the non-member is entitled (CP)

Length of Marriage/Domestic Partnership (in months) that overlapped with time Member worked for the City (MP) - 96 months

Member's Service Credit in months (SC) - 120 months

Default Continuance Amount (CA) - \$500

DRO Percentage (%) - 50%

RETIREMENT BENEFIT CONSIDERATIONS FOR DISSOLUTIONS

If you and your Spouse/State-Registered Domestic Partner decide to legally dissolve your marriage or partnership, there are a few considerations you should keep in mind. For specific advice regarding your particular situation, please consult an attorney.

- **In Process** – If your divorce is not finalized, you will retire married unless the divorce is finalized prior to your retirement date.
- **Retirement Benefit** – Your former Spouse/State-Registered Domestic Partner may be entitled to a portion of your monthly retirement benefit.
- **Community Property** – In California, assets and pensions that former Spouses/State-Registered Domestic Partners acquire during their marriage belong to both of you jointly. In a divorce, Community Property laws may lead to the courts dividing your retirement benefits.
- **Domestic Partnerships** – Only State-Registered Domestic Partners are entitled to community property. Domestic Partners who are solely registered with LACERS are not entitled to community property.
- **Remarry** – If you remarry, your former Spouse/State-Registered Domestic Partner's community property share remains. If your former Spouse/State-Registered predeceases you, their share may be passed on to their beneficiary(ies) or their estate.
- **Survivorship Benefit** – This is a lifetime monthly benefit provided to an Eligible Survivor or Eligible State/LACERS-Registered Domestic Partner as a result of your death **prior** to retiring. If you die leaving an Eligible Surviving Spouse/Eligible Surviving State-Registered Domestic Partner, your former Spouse or former State-Registered Domestic Partner may receive part of the survivorship pension payable to them.



- **Choosing to Continue Working Beyond Retirement Eligibility** – If you are eligible to retire but choose instead to continue working, your former Spouse /State-Registered Domestic Partner can request an immediate distribution of monthly payments of their community property share of your retirement benefits pursuant to Los Angeles Administrative Code (LAAC) 4.1032.
- **Continuance Benefit** – This is a lifetime monthly benefit payable to your Surviving Spouse/State-Registered Domestic Partner, or Designated Beneficiary if you die **after** you retire and is effective on the first day following your date of death. Your former Spouse/State-Registered Domestic Partner may have a community property interest in the Continuance benefit.
- **Beneficiaries** – If you named a former Spouse/State-Registered Domestic Partner as a Designated Beneficiary of your retirement benefits prior to your divorce, then that selection is considered invalid. For specific advice regarding your particular situation, please consult an attorney about when to change your beneficiary.
- **Health Plan Coverage** – Your former Spouses/State-Registered Domestic Partner is not eligible for LACERS health plans and their coverage will be terminated. If you do not notify LACERS, and your former Spouse/State-Registered Domestic Partner utilizes health benefits, you will be charged accordingly.





SURVIVOR BENEFIT PURCHASE PROGRAM

If you marry or enter into a domestic partnership **after** you have retired, you have the option to provide a survivor benefit (Continuance) to your post-retirement spouse or domestic partner. The Survivor Benefit Purchase Program allows you to designate a percentage of your monthly allowance for a Continuance payable to your surviving spouse or domestic partner for their lifetime. To qualify and receive the benefit, the survivor must be your spouse or domestic partner at the time you elect to purchase the benefit and at the time of your death. The following provisions also apply:

- You must pay the **full actuarial cost** of the Survivor Benefit through a reduction in your Monthly Unmodified Retirement Allowance.
- Unless your death is determined by the Board to be an accident, you **must survive at least one year from the date you make your election** for this benefit to vest and provide a Continuance to your spouse or domestic partner. If the right to the Continuance does not vest before you die, payments are refunded as a lump sum to your spouse or domestic partner. If your spouse or domestic partner predeceases you, the lump sum will be paid to your estate.
- This election may only be exercised **once**.
- **Once the election is made, it is irrevocable.** Your monthly allowance will be permanently reduced and will not increase if your spouse or domestic partner predeceases you or if your marriage or domestic partnership is dissolved.

Your survivor is not eligible for the health subsidy benefit.

APPLYING TO RETIRE

LACERS' online Retirement Application Portal (RAP) is the secure and convenient portal where eligible Members (those applying for a Tier 3 Normal Service Retirement or a Tier 3 Early Service Retirement) submit their retirement application.

RETIREMENT TIMELINE

- **90 days** prior to your anticipated retirement date, call LACERS at (800) 779-8328 to notify us of your intent to retire, request an official retirement benefit estimate, and register for Retirement Orientations. Your retirement estimate will provide your estimated retirement allowance and other information that you will need in order to complete your application in the portal.
- Between **60-90 days** before your desired retirement effective date, you should go to lacers.org and:
 - Watch the Planning for Retirement Part 1 and Part 2 videos to understand your eligibility and benefits
 - Watch the Health Benefits Video and/or Medicare Video (if you are 64.75 or older)
 - For Retiree Health Insurance eligibility and subsidy requirements and plans' summaries, please refer to the Health Benefits Guide in the "Retirees" section of lacers.org under "Retiree Health Benefits."
 - Register for upcoming Health and Retirement Counseling Webinars
 - Gather your required documents, scan them, and save them for easy uploading.
 - Use the Decision Sheet found on lacers.org under the Members Tab and then clicking on the Applying for Retirement Online topic.
- Between **30-60 days** before your desired retirement effective date, you must file your application for Service Retirement benefits. The 30- to 60-day filing requirement may be waived during a declared fiscal emergency or whenever a Member has received a layoff notice.
 - When you're ready to file your online application, access the Retirement Application Portal at: **retire.lacers.org**



REQUIRED DOCUMENTS FOR RETIREMENT

An important step in the retirement process is gathering all your required documents. The requested documents are necessary to process your retirement.

The following must be provided to LACERS prior to your retirement:

- State of Federal Issued Photo ID for you and your Spouse/Domestic Partner
- Your and your Spouse's/Domestic Partner's birth certificates, passports, or other acceptable proof of birth dates
- Your marriage certificate, certificate of State-Registered Domestic Partnership, or other proof of marriage, or a legal union equivalent to a domestic partnership
 - Conformed documents showing the termination of the retiring Member's prior marriages or State-Registered Domestic Partnerships (e.g., a final judgment of dissolution decree or a death certificate)
- If enrolled in Medicare, a copy of you and your Spouse/Domestic Partner's Medicare card(s)



IMPORTANT!

- Some of the documents may take time to request duplicates. You should contact the county records office where you were born, or where your marriage or dissolution was filed.
- If your divorce is not finalized, you will retire married unless the divorce is finalized prior to your retirement date.
- If you or your Spouse/Domestic Partner have birth date or name discrepancies, you may be required to provide additional documentation.
- Documents in a foreign language must be translated or transcribed by a certified translator.





GLOSSARY OF TERMS

Actuarial Reduction: A reduction in the benefit, or other figure, which is calculated by an actuary.

Allowance/Retirement Allowance: Your lifetime monthly monetary benefit that is determined by your Final Compensation multiplied by your Service Credit multiplied by the Retirement Factor.

Back Contributions: LACERS Program for purchasing Service Credit. The program provides an active LACERS Member, who was previously employed by a City Department on a full- or part-time basis, but made no contributions to LACERS and was not a LACERS Member, to pay unpaid contributions for their employment period.

Beneficiary: Any person or legal entity entitled to receive a benefit provided by the Plan.

Benefit: Monies and/or subsidies provided pursuant to the Plan provisions.

City Service (or Service): The **years** a Member has been a paid employee of the City of Los Angeles.

Continuance: A lifetime monthly benefit provided to a qualified beneficiary as the result of the death of a Retired Member.

Continuous Service: Continued employment with the City of Los Angeles by a LACERS Member with no more than a three-year break in Service.

Plan: The Los Angeles City Employees' Retirement System (LACERS).

Reciprocity: An agreement among certain California public retirement systems allowing members to move from one public employer to another. The move must be made within six months of leaving one agency to another participating reciprocal agency. This allows for some portability of retirement benefits.

GLOSSARY OF TERMS, *Continued*

Re-deposits: LACERS Program for purchasing Service Credit. The program provides an active LACERS Member, who previously terminated City employment and withdrew their LACERS contributions, to make a re-deposit and purchase Service Credit for their prior membership, subject to certain Internal Revenue Code (IRC) requirements and limitations.

Service Credit: The component of your benefit calculation based on your **hours** worked. Full-time employees receive 0.03835 years of Service Credit per pay period. The Service Credit for part-time employees will be prorated for each pay period based on the actual hours worked divided by 80 hours.

Survivor: Generally, the beneficiary of survivor benefits, such as the spouse or domestic partner of a deceased Member, who may or may not be eligible for benefits upon the death of the Member. Eligibility for survivor benefits depends on the tier of benefits the Member was eligible to receive, decisions made by the Member at the time of retirement, and/or the survivor meeting certain eligibility criteria.

Survivorship: A lifetime monthly benefit provided to a qualified beneficiary as the result of the death of a Member prior to retiring.





LACERS
LA CITY EMPLOYEES'
RETIREMENT SYSTEM

BOARD OF ADMINISTRATION

The Plan is managed by a Board of Administration (Board) composed of seven Commissioners:

- Four are appointed by the Mayor (at least one LACERS retiree)
- Two are elected by active LACERS Members
- One is elected by retired LACERS Members

Board Members serve five-year terms.

The Board determines general policy and adopts rules and regulations necessary to carry out the operations of the Plan. The General Manager is responsible for implementing the Board's policies and administering the Plan on a day-to-day basis.

The Board usually meets on the second and fourth Tuesdays of each month. All Board and Committee meetings are open to the public.





LACERS

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As a covered entity under Title II of the Americans with Disabilities Act, the City of Los Angeles does not discriminate on the basis of disability and upon request will provide reasonable accommodation to ensure equal access to its programs, services, and activities.

Revised October 2025

