



## For Retired Club Members

# The Best Years

## CITY RETIREE ASSOCIATIONS

### Retired Los Angeles City Employees, Inc. (RLACEI)



Ed Harding, *RLACEI President*  
www.rlacei.com  
Contact him: (800) 678-4145 Ext. 703  
E-mail: edwardjharding@rlacei.com

#### Change of Address?

If you change your address, notify Helen Salgado, Membership Chair, at (800) 678-4145 Ext. 713, or write to her at 8372 Arnett Dr., Huntington Beach, CA 92647. Also notify LACERS.

#### Have News About Yourself?

Contact Mary Beetz, call (800) 678-4145 Ext. 711.

#### Retiree Upcoming Events

Call (800) 678-4145 Ext. 701 for reservations.

**Dec. 6:** RLACEI holiday party, noon, Friendship Auditorium

**Dec. 9:** LARFPA holiday party, 11 a.m., Sportsman's Lodge, 12833 Ventura Blvd., Studio City

#### RLACEI Website

Hal Danowitz asks you to visit the RLACEI Website at [www.rlacei.com](http://www.rlacei.com) to find the latest retirement news. If you find it helpful, or have suggestions for improvement, call Hal at (800) 678-4145 Ext. 707.

#### Contact LACERS

The Los Angeles City Employees Retirement System is at 202 W. First Street, Suite 500, (LA Times Building), Los Angeles, CA 90012. Hours: 8AM-5PM. Phone (213) 473-7200 or (800) 779-8328. Contact them to arrange direct deposit of your retirement checks, change your tax withholding or beneficiary, or for questions about your health plans. [www.lacers.org](http://www.lacers.org)

#### DWP Retirees Association



Dolores Foley, *President*  
Phone: (626) 445-7376  
E-mail: [vincedolores@gmail.com](mailto:vincedolores@gmail.com)  
[www.dwpirees.org](http://www.dwpirees.org)

#### Los Angeles Retired Fire and Police Association (LARFPA)



Bill Quinn, *President*  
Phone: (323) 283-4441  
Fax: (626) 285-1461  
9521 Las Tunas Dr. #4,  
Temple City, CA 91780  
[www.larfpa.org](http://www.larfpa.org)

## Pension Concerns Exist, But LA System 'Secure'

2010 Club Excellence Award Recipient



Ed Harding

By Ed Harding,  
RLACEI President

The City of Los Angeles has approved a second reading of a Tier 2 for the LACERS pension plan, which will become law if it is signed by Mayor Antonio Villaraigosa. Our members should be reassured that the changes and benefit reductions in this new tier do not apply to any current retirees or active employees. The new tier will apply only to new employees hired by the City of or after July 1, 2013.

This year is almost over, and it has been six months since RLACEI members have been receiving *Alive!* instead of *El Pueblo*. I want to thank you for your continued loyal support and positive responses to this change.

However, recently RLACEI and LACERS have received numerous calls from confused retirees after receiving a LACERS Payroll

Deduction Card. As your president and having been involved with this change, let me try to clarify your concerns.

The All City Employee Benefit Service Association (ACEBSA) asked to increase our payment for *El Pueblo* for 2012. We were willing to negotiate this increase.

However, after numerous discussions and negotiations, we could not agree on an amount that would allow us to continue with our mission to protect our retirement and health benefits without a significant increase in dues to our members. Therefore, with sadness we had to end our 35-year partnership with ACEBSA.

In summary, the Los Angeles City Employees Association – the Club, with its *Alive!* publication, which you're reading now, keeps active employees and retirees updated on what's happening with City departments as well as informed with current gov-

## RLACEI

ernment issues affecting active and retired people. The Club also offers entertainment discounts.

Most importantly, this change allows RLACEI to continue with its mission – "To Preserve, Improve and to Protect our Retirement and Health Benefits." Our RLACEI members will continue to receive *Alive!* at no cost you!

In conclusion, it is *important* to note that RLACEI is the only organization that represents you, the retiree, and has the resources to successfully continue with their mission.

On a social note, during our holiday party, to be held at noon at the Friendship Auditorium Dec. 6, our newly elected Directors will be taking their oath. Come and enjoy great music, a great lunch of BBQ ribs and chicken with all the fixings (no sandwiches) prepared by Chris & Pitts, and of course plenty of raffle prizes. See you there!

## RLACEI Legislative Update by Ken Spiker



Ken Spiker

The Los Angeles City Council and Mayor Antonio Villaraigosa in recent years have been taking financial actions to reduce the budget deficit and to avoid bankruptcy.

Actions taken include eliminating and consolidating Departments, massive layoffs, hiring freezes, and eliminating more than 5,000 positions. The City has also required active employees to increase their retirement contribution from 6 percent to 11

percent, and sworn employees from 9 percent to 11 percent. Several tax proposals, including a half-cent sales tax increase, are being considered for the March election.

The mayor, with the assistance of the Chief Administrative Officer, is studying ways to reduce the automatic increases in retiree's benefits. Healthcare subsidies and cost of living adjustments are governed by ordinances and thus subject to change. The question remains: Are these benefits vested?

Your RLACEI Association has for many years set aside a portion

of members' dues in a special emergency fund anticipating that this benefit battle would come sooner or later. The fund will help us fight any effort to reduce our benefits by the City or the courts.

We urge those retirees who are not members of RLACEI to join us now to enjoy the many benefits.

We especially need your participation and support more so now, to protect and preserve current retirement benefits. Please contact our membership chair Helen Salgado at (800) 678-4145 x713 to learn how to become a member. The dues are only \$2.

## New Year to Bring Pension Concerns

### RLACEI Legal and Policy Issues by Michael R. Wilkinson



Michael R. Wilkinson

How secure is my pension? This is a question that other RLACEI directors and me get asked regularly, and the answer for LACERS members is that it is very secure. The LACERS investments are strong and the City is legally obligated to make contribution payments to keep it strong in the future.

However, for cities in bankruptcy there has always been a question in the minds of some that bankruptcy might be way for a municipality to shed at least some of its obligations to a public pension plan. When the question has been asked by LACERS to its outside lawyers who are experts in this area, the answer has

always been *no!* The City must make the required contribution payments even if the City is in a Chapter 9 municipal bankruptcy.

There have been no recent examples of cities or counties wanting to test the law in this area, probably viewing it as settled and not worth the fight. The cities of Vallejo and Stockton continued to make their required contributions, as did the Orange County during its bankruptcies. However, the cities of San Bernardino and Compton have stopped making the full contribution payments to CalPERS, which provides pensions to the city employees.

CalPERS has sued, and the courts will now consider whether to follow the case law and constitutional protection for the pension plans or whether a fiscal emergency argument might sway judges to create new case

law. Most pension law experts come down on the side of preserving the obligation of the city to make the required payments, but the *Orange County Register* quoted one lawyer arguing, "... You can't pay if you don't have any money. In theory a judge can order cities to pay. But what happens after that? I don't know."

At least one law professor from the University of Minnesota Law School believes that the current legal protections for pension benefits are not guaranteed lifetime contracts, but those arguments have not been adopted by any court in the United States.

*Note: Mike Wilkinson is an RLACEI Director and a retired Deputy City Attorney who will be writing occasional articles on legal and policy issues for retirees.*



# The Best Years



Hal and Evelyn.

## RETIREMENT HELPLINE

Who to call? Call the Helpline and reach the officers of the Retired Los Angeles City Employees, Inc. If you move or change your address, contact Helen Salgado. Also notify LACERS, ACEBSA and LAFUCU. For information on problems, activities, meetings or membership. Each officer's extension is listed below.

**City Employees Retirement System:** (213) 473-7200

**RLACEI Retirement Counselors and Retiree Helplines** (800) 678-4145

- Mary Beetz Ext. 711
- Cliff Cannon Ext. 715
- Hal Danowitz Ext. 707
- Americo Garza Ext. 710
- Edward Harding Ext. 703
- Michael Karsch Ext. 704
- Gary Mattingly Ext. 702
- Phillip Orland Ext. 709
- Neil Ricci Ext. 714
- Helen Salgado (membership) Ext. 713
- Ken Spiker Ext. 705
- Tom Stemmok Ext. 708
- Michael Wilkinson Ext. 712

Questions: Ext. 0  
RSVP: Ext. 701

**DWP Retirement Plan Office** (213) 367-1722

## RLACEI:

### Officers

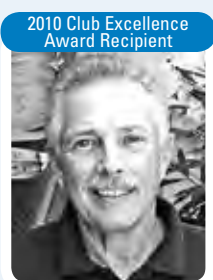
- Edward Harding: President
- Kenneth Spiker: First Vice President
- Tom Stemmok: Second Vice President
- Hal Danowitz: Secretary/Treasurer

### Committee Chairpersons

- Mary Beetz: Publicity
- Hal Danowitz: Finance
- Americo Garza: Picnic, Holiday Party and Installation
- Neil Ricci: Health and Nominating
- Helen Salgado: Membership
- Ken Spiker: Legal and Legislative
- Tom Stemmok: Audit and Golf

### Directors

- Mary Beetz
- Cliff Cannon
- Americo Garza
- Michael Karsch
- Gary Mattingly
- Phillip Orland
- Neil Ricci
- Helen Salgado
- Michael R. Wilkinson



By Hal Danowitz, Secretary, RLACEI

## Jurassic Park Meets the Ritz-Carlton

**PART TWO**

**Hal and Co. enjoy a safari before starting a new cruise.**

When we made the reservations for our Rome to Singapore cruise, detailed over ten issues of *Alive!* earlier this year, we also reserved a cruise to begin six months later. This second cruise sailed from Cape Town, South Africa, to London, up the west coast of Africa, sailing again on the *Ocean Princess*. Because of the uniqueness of this itinerary we were wait-listed for a mini-suite. Don and Myrna, our traveling cousins, traveled with us. We really didn't think about the two cruises being only six months apart, and it felt like we never unpacked.

The itinerary was as follows: Cape Town, South Africa; Lüderitz and Walvis Bay, Namibia; Cotonou, Benin; Lome, Togo; Dakar, Senegal; Mindelo, Cape Verde Islands; Santa Cruz de Tenerife, Canary Islands; Casablanca, Morocco; Cadiz, Spain; Lisbon, Portugal; Le Havre, France; and Dover, England.

As we pick up the story, Evelyn and I are in South Africa at Botlierskop, a safari lodge about 200 miles northeast of Cape Town. It is early May, and we are staying three nights at the lodge prior to boarding the *Ocean Princess* for our 28-day cruise from Cape Town to London.

That morning was our first game drive. We received a 5:30 a.m. wakeup call and were picked up at the boat dock at 6:45 a.m. Chris was our guide and there were three other couples with us. The vehicle was a diesel-powered four-wheel drive Land Rover. It was open with a roll bar and canvas top. The weather was quite cold, and we had hot water bottles and blankets.

At our first stop we saw blue wildebeest and two white rhinoceros. So far the difference from our last safari was the closeness of the animals. We continued our drive with a Cape Mountain zebra sighting and then some impalas and kudu antelopes. We stopped for coffee, where we watched a family of giraffes. The game viewing on this safari was much more intimate. We got closer, and because the animals were used to seeing humans and vehicles, they didn't take much notice. We got back to the lodge around 9:30 a.m. for breakfast. I was impressed with the food, too. Everything was made to order, and they had a full selection of cold meats and cheeses with various fruits, and the coffee was hot.

At 11 a.m. we drove to the area where they kept three lions, a young male and two mature female sisters. Those lions were raised by humans, so they couldn't be reintroduced back into the wild. The reserve won't breed them and will care for them until they die. The current philosophy is that lions that cannot survive in the wild should not be allowed to reproduce. They hope that, over time, this will reduce the number of captive lions. Too many start as pets before the owner discovers the animal is too much to handle or too expensive to raise, and the animal winds up in a reserve. We learned that hand-raised lions are the most dangerous and unpredictable.

Our last activity that morning was a ride on the river. There was not much to see but a few birds. Then later in the afternoon we would go on another game drive.

With all the activities happening and the big breakfast, we skipped lunch.

The afternoon's game drive took a different route than the morning one, and we had a new guide named Richard. We saw black impalas, Cape Mountain zebra, ostrich, eland, and a whole family of giraffes, kudu, nyala antelope,



waterbuck, vervet monkeys and white rhinoceros.

At the end we stopped to have sundowners with the reserve's three elephants. The sundowners were great, but the elephants were shy and would not come very close to us. A sundowner is the tradition of stopping while on a game drive in the late afternoon when the sun is going down and having cocktails and small snacks in the bush with the animals. The guide brings out a picnic basket, and amazing things appear. We enjoyed an adult beverage of our choice and watched the animals as the sun set.

On the way to dinner we saw four rhinos – the two sisters we had seen before, and a mother and child.

At dinner we had warthog steak, ostrich steak and crocodile tail. The tail wasn't great like the alligator we had here before, but the two others were very good. It was an excellent meal. The lodge did everything it could to accommodate our needs and make our experience the best possible.

The weather had been better than we hoped, with no rain and patchy sunshine. It was cold in the morning, but by early afternoon it warmed up enough to wear shirtsleeves. We had the heat on in our tent and it was very comfortable.

The next day was our last full day at the lodge. We had an early wakeup call for the morning game drive, during which we played with three lion cubs. Evelyn then took a two-hour horseback game drive while I relaxed. Our tent had a front patio with chairs and a beautiful view of the small river that ran right in front. It was very peaceful and relaxing.

We left the heater overnight, and we both slept better. We were both asleep when we got the 5:30 a.m. wakeup call. We met Chris, our guide, at 6:45 a.m., and we were the only people on the drive. He took us to an area we had not



Evelyn on horseback.



RETIREES:

For Retired Club Members

# Enjoy These Great Member Benefits

As a member of the City Employees Club of Los Angeles, you'll enjoy these amazing benefits:



**City Employees Club of Los Angeles**

*Celebrating the Lives of City Employees*

**Full Club Membership**

Through May 2013, full Club Membership\*, including:

• **The cheapest tickets in the City—UP TO 70% OFF**

- Great Club apparel and gifts
- Group-rated insurance products for purchase
- Club-exclusive events
- E-mail notices about upcoming events and promotions
- Access to Club Website
- And much more!

\* After May 2013, members must join the Club and pay the regular (reduced) rate for City Retirees to retain Club benefits.

**The *Alive!* Newspaper**

Your own personal edition of *Alive!*, delivered to you each month. (Sent to all RLACEI members in good standing). Stay connected to RLACEI, and to all your Retired City friends, read about exciting City projects, take full advantage of free *Alive!* classifieds, and much more.

**For more information, contact the Club:**

- [talkback@cityemployeesclub.com](mailto:talkback@cityemployeesclub.com)
- [www.cityemployeesclub.com](http://www.cityemployeesclub.com)
- (800) 464-0452

been to before looking for the Cape buffalo, which we never found. We went off the trail to look for the giraffes, and we stopped to have our morning coffee break watching them. Chris was very knowledgeable about the flora and birds as well as the animals. He is the third generation of a family that's been involved in animal conservation and preservation, and his family owned a game preserve nearby. We returned to the lodge in time for breakfast and then went to the lion area again. After lunch played with the lion cubs before Evelyn took another two-hour horseback tour.

There were three lion cubs, a male and two females – three weeks old and one six weeks old. They were part of an attraction called "Walk with the Lions." The lion trainer's family had raised and trained lions for four generations. We were able to "play" with them for an hour. Evelyn became mother to the three-week-old female. They were very cute, but we had to remember that they would grow to 700 pounds and always be dangerous. We learned that the lions that do not remain in the wild for whatever reason and are raised by h and are considered the most dangerous and can never be returned to the wild. The trainer told us how they came to have these three cubs and how they and the other lions they held in captivity would never be allowed to reproduce. The hope is that, in time, there would no longer be any captive or hand-raised lions, only those in the wild.

While waiting for Evelyn to return from her horseback ride, I just relaxed on the porch. I dozed off and awakened to two rhinos just across the river.

*The ride was great. Going along were a young woman from Malaysia, the guide, and me. The horses were very responsive. I have to say the release I had to sign was very lengthy, and the riding helmet wasn't the most attractive, but we had a great time. We saw some small animals including a rock hyrax, a large tortoise and other small*

*mammals that were easily missed from the vehicles. The highlight was tracking an injured blue wildebeest that we tracked into the brush. After finding the wildebeest, our guide called the lodge and a group was sent up to assess the situation. We believed the animal was injured in the flank by another male while sparring in preparation for future fights. After two hours I was covered in trail dust; I still hadn't seen a Cape buffalo, and I was ready for the raft back to our tent.* – Evelyn

Evelyn would like to get me on a horse but it is not my thing.

The lodge was full for the weekend – there were 15 "tents" – and the dining room was full, too. We sampled wildebeest, blesbock, and koroo lamb chops, along with the other courses and accompaniments. We enjoyed tasting the different animals. Prices here were very reasonable; my Jack Daniel's on the rocks was 20 rand, about \$2.50, and Evelyn had a local liquor called Amarula for 10 rand, about \$1.25. Amarula is like the national liquor of South Africa. It is made from the fruit of the amarula tree and is a little like a cross between Harvey's Bristol Cream and a chocolate liquor. We first had the drink on our previous African trip, and now Amarula is available in the United States.

The next day we drive to Cape Town. We got up at 6:30 a.m. After breakfast we met our driver, Basil. Cape Town is 240 miles southwest of George, and the drive can take about five hours, depending on the amount of roadwork going on. The road started out like a freeway that was divided in the middle with two lanes on each side; then it became a three-lane road, and then two lanes until we reached Cape Town.

Before we left, Evelyn stopped at the gift shop. In general the prices in South Africa were a little better than in the United States, especially the products made in South Africa because the exchange rate was still favorable.



Evelyn with a lion cub.



V & A Harbor Waterfront opened in 1999.

We checked in and then cleaned up from the ride. Myrna and Don arrived in the early morning, and we had agreed to meet for dinner. We called them about 4 p.m., and we took the hotel shuttle to the Victoria and Alfred Harbor Waterfront for dinner. We shopped a couple of restaurants and picked one that featured South African food. I had had so much meat over the past three days that I chose chicken, and so did Evelyn. With wine, beer and tip, the check totaled 900 rand, about \$115 for the four of us. One of the new sights at the V&A is a "flyer," a large Ferris wheel that takes you up for a view of the harbor, like the ones in London and Singapore.

Don and Myrna were still suffering from jet lag, so we returned to the hotel with a plan to meet in the morning for breakfast and then to visit Table Mountain before boarding the ship. The hotel gave us a late checkout until 2 p.m., which allowed us to leave our bags in our room until we left for the ship.

Next month we will complete our stay in Cape Town and begin our cruise.

Overall I would say our experience at Botlierskop was quite positive. We could have paid less if we had spent more time booking on the Internet. We booked though Africa Travel (an American travel company), and we met a couple at the lodge that told us that we could have booked using a South African travel agent and saved a lot of money. She gave us a name and promised to send us additional information. The experience, though not entirely a "safari" experience, was more like Jurassic Park meets the Ritz-Carlton. The animals were free to roam, except for the predators.

We then hit the road. We made one bathroom stop and arrived at the Westin Hotel in Cape Town at about 1:30 p.m. The ride took just under five hours. The Westin is near the V&A harbor in the Convention Center area. When we were here in 2001, only some of this area was developed. The



A zebra.



A rhino up close.



A family of giraffe.



## For Retired Club Members

### LACERS Update



By Mary Beetz, RLACEI Publicity Chair

#### ERRP Defrayals of Monthly Medical Premium Deductions End January 2013

If you currently receive a defrayal of your monthly medical premium deduction as a result of LACERS' participation in the Early Retiree Reinsurance Program (ERRP), your defrayal ends January 2013. Beginning February 2013, the full amount of your monthly medical premium deduction will be subtracted from your monthly retirement allowance. To find the full amount of your monthly medical

premium deduction, visit the Retired Members homepage at [www.lacers.org/retired](http://www.lacers.org/retired) and calculate your monthly deduction by clicking the *I Want to Calculate My 2013 Medical Subsidy* link or view the 2013 Health Benefits Guide. If you have further questions, contact LACERS at 800-779-8328.

#### Open Enrollment Ends and Retiree Health Plan Changes Become Effective January 1, 2013

LACERS' Open Enrollment period ended November 15 and health plan changes can no longer be made for the 2013 calendar year. Unless there is a qualifying event, the next

opportunity to make changes to your LACERS health plan will be during the next Open Enrollment period, which begins October 15, 2013. For more information about qualifying events, contact LACERS or visit [www.lacers.org/retired](http://www.lacers.org/retired) and view the 2013 Health Benefits Guide (pages 5-6).

**Remember:** Any health plan changes you made during the Open Enrollment period become effective January 1, 2013 and your first monthly health plan premium deduction for 2013 will begin with your December 2012 LACERS retirement allowance.

### RLACEI

### LIFE AFTER RETIREMENT

If you have:

- News about yourself, family or other retirees that you would like to share with our readers, send it and we will publish it.
- If you would like to contact a former city employee that you met or worked with, send your contact information and we will publish it so they can contact you.
- Note: Due to our Confidential Policy, we do not give out any information without authorization.
- Mail information to Mary Beetz at 137 Westmont Drive, Alhambra, CA 91801 or Email [mbeetz4841@aol.com](mailto:mbeetz4841@aol.com)

### PENSION ISSUES

## Riordan Pension Proposal Has 'Flaws,' Wasn't Studied



By Michael Perez, Retired General Manager, Fire and Police Pensions

"Who pushed me?"

If you are an active or retired City employee of any of the three retirement systems, LACERS, LARFPA or the DWP Retirees Association, you are getting pushed, and pushed hard, by former mayor Richard Riordan.

He has developed a pension initiative that targets new employees and all current employees. He wants to get rid of pensions for new employees and force current employees, all of them, to make significant additional pension contributions, over and above what you now make or recently had increased. If he is successful getting this initiative passed, my fellow retirees, do you think he will look at us next?

The petition title and language necessary to put this initiative on the May 2013 ballot have been approved by the City Attorney, and Riordan plans to get the necessary signatures for the May ballot.

However, Riordan's plan has many flaws that could obliterate "claimed" savings and actually increase costs to the City, create another layer of bureaucracy, and embroil the City in lawsuits trying to implement changes. An example of one of its flaws is making current employees pay more into the pension system – decades of case law do not support this happening. But get this – he hasn't had his plan studied by pension professionals to determine what the savings will be. *What?*

This last point is hard to believe but consistent with Riordan's term as mayor. As

he left office he pushed for pension changes that enhanced the fire and police pension plan, and at the same time used pension surpluses to create a pension holiday so that the City didn't pay normal pension contributions for several years. The additional cost of the pension changes, as well as underfunding the plans for years all supported by Riordan (in the June 2001 Amendment A to the City Charter), helped put us in the situation the City finds itself in. Looking at his activity back then, Riordan didn't properly study the long-term impact of his plan. In 2001, the Fire and Police System was *overfunded!* His actions helped change that system to its current underfunded status.

It's happening again – he has an idea to help, but has not properly studied the impact of his pension initiative. If he did, he would have had a certified actuary and legal counsel with public pension experience study the proposal to ensure it does what he says it will do – save money. He now argues, don't look at what Dick Riordan did in 2001, look at the current situation and the need to address it. Who is he kidding? He screwed up in the past by not properly studying major pension changes and is doing it again.

I encourage you to become familiar with these issues. When asked to sign the petition, don't sign it, and communicate with L.A. City voters on what is really going on with this issue. The Police Protective League has more information at [http://lapd.com/blog/dine\\_and\\_dash/](http://lapd.com/blog/dine_and_dash/)

I intend to update you on this topic in future issues of *Alive!* Please let me know what you think at [Smartpensionreform@google.com](mailto:Smartpensionreform@google.com)

## RETIREES HOLIDAY PARTIES IN DECEMBER

Don't forget to attend a retiree party this holiday season!

**RLACEI:** The RLACEI's annual Christmas Party and Installation of Officers event is scheduled for noon Thursday, Dec. 6 at the Friendship Auditorium, 3201

Riverside Dr., Los Angeles. There will be a light lunch (sandwiches, salad and drinks), entertainment and valuable door prizes. You must make reservations at least a week ahead: (800) 678-4145, x701. Guests welcome. Call one of the officers on the Retirees Helplines. Free taxi service can take you from the parking lot to the lodge.

**LARFPA:** For Retired Fire and Police, your Christmas party is scheduled for 11 a.m. to 4 p.m. Dec. 9, at 12833 Ventura Blvd., Studio City. Contact LARFPA for more information.

And...

**Fire Relief Association Open House:**

Dec. 1, 11 a.m. – 4 p.m.,  
815 Colorado Blvd., Los Angeles, 90004

**Police Relief Association and Police Protective League:**

Dec. 5, 11 a.m. - 4 p.m.,  
1308 W. Eighth St., Los Angeles, 90017

**United Firefighters of L.A. Open House:**

Dec. 7, 4 – 9 p.m.,  
1571 Beverly Blvd. Los Angeles, 90026

**Police Protective League Open House:**

Dec. 4, 4 – 9 p.m.,  
Union Depot, 800 Alameda St., Los Angeles, 90012

## Retirements

Here's a listing of all those who retired from the City this month. To all we say, welcome to the Best Years!

NAME	TITLE	DEPT	YEARS	NAME	TITLE	DEPT	YEARS	NAME	TITLE	DEPT	YEARS
Aceves, Paul	-	DWP	-	Hengen, Judith A.	Airport Guide II	Airports	4	Reina, Phillip	-	DWP	-
Baron, Milus	-	DWP	-	Hooper, Lloyd	-	DWP	-	Robeniol, Rafael B.	Sr. Detention Officer	LAPD	22
Bell, William L.	Was. Treat. Mch. II	PW/Sanitation	28	Jazyk, Marie	-	DWP	-	Rodgers, John S.	Painter II	Airports	25
Booker, Samuel	Security Officer	LAPD	23	Jimenez, Benjamin	-	DWP	-	Rumsey, Steven	Clerk Typist	Finance	20
Brown, Charles	Council Aide III	City Council	7	Joe, Richard Dee	Elec. Engr. Ass. IV	Harbor	37	Salcido, Ralph	-	DWP	-
Castillo, Gilbert	-	DWP	-	Jones, Vanessa	-	DWP	-	Serwaa, Yendi	Trans. Pla. Assoc. II	Transportation	21
Caulfield, Monica	Librarian III	Library	15	Lee Ray, Gloria	-	DWP	-	Shea, Kevin	Fing. Iden. Exp. III	LAPD	21
Caverhill, Kenneth	-	DWP	-	Ling, Dolly	Secretary	Airports	10	Sioson, Redentor	Sr. Detention Officer	LAPD	22
Corley, Shirley J.	Sr. Comm. Opr. II	Transportation	26	Macias, Katherine	-	DWP	-	Stith, Thomas A.	Clerk Typist	Transportation	20
Crawford, David	-	DWP	-	Masters, Lee C.	Sr. Pol. Serv. Rep. II	LAPD	23	Strayhand, Deborah	Sr. Clerk Typist	LAPD	20
Crompton, Thomas	Back. Inve. III	Personnel	7	Medellin, Mary E.	Sr. Clerk Typist	Airports	23	Thompkins, Curtis A.	Gardener Caretaker	Rec and Parks	28
Cruz, Melita	-	DWP	-	Mohammad, Farooq	-	DWP	-	Tolliffe, Claire I.	Mana. Analyst II	Public Works	27
Eskridge, Patricia A.	Sr. Detention Officer	LAPD	34	Nerlinger, Jonathan	Back. Invest. Mgr.	Personnel	10	Toundsler, Lillian V.	Sr. Custodian II	Airports	22
Gilson, Charles	Crossing Guard	Transportation	3	Olsen, Kristine M.	Traffic Officer II	Transportation	25	Tran, Chat	-	DWP	-
Gipson, Johnny	Cement Fin. Worker	Public Works	17	Pleasant, Dvosha G.	Cust. Supervisor	Airports	22	Wallace, Joy	-	DWP	-
Gnanapragasam, W.	Delivery Driver II	Rec and Parks	1	Potts, Ernest	-	DWP	-	Welshans, Richard L.	Hvy Duty Truck Op.	Public Works	29
Goss, Donna L.	Traffic Officer II	Transportation	23	Rhynes, Larry W.	Wast. Coll. Wor. II	Public Works	23	Williams, Isaac L.	Gardener Caretaker	Rec and Parks	20
Hanson, Arthur	Sr. Mech. Rep. II	General Services	35	Ramirez, George	-	DWP	-	Williams, Jimmy R.	Rec. Facility Director	Rec and Parks	35





Michael Karsch

**RLACEI  
Legislative Report  
by Michael Karsch**

**Ratings of Pension Funds**

In early October, Moody's Investors Service (Moody's) reported in its review of 32 California cities a downgrade of nine pension bonds. While the City of Los Angeles came out in pretty good shape in contrast to other, much smaller cities, it is worth a closer look at the problems in California for a better understanding of where all of us stand. In fact, as noted by the City Administrative Officer in a mid-October report to the Mayor and Council, other cities are facing a downgrade in ratings by Moody's, but LA's general obligation bonds (GO), which are tied to the City's property tax, are likely to be upgraded by Moody's. On the negative side, the City also has Judgment Obligation bonds (JO), which have been downgraded by Moody's. A GO bond is secured by the property tax, but a JO bond (and other debt instruments) is secured by the general fund, which means that, of all of

the City's revenue sources, JO bonds are a slightly less reliable revenue source since the property tax secures the GO bonds first.

What are the problems affecting the other California cities? For starters, the general impact of the recession on local taxes, such as the sales tax, hotel tax, and business tax, have impacted many city treasuries adversely. Some areas of the state have suffered more than others from foreclosures, which mean falling property tax revenue. Moody's also points out that California has constitutional restraints on tax-raising abilities: Prop. 13 limits property taxes to no more than 1 percent of full assessed value, and Prop. 218 forces a city to get voter approval of any increase in any tax, fee or charge for general operating purposes. In addition, some cities, Stockton being one, have exposed themselves to failing enterprises, including a convention center, sports arena or other special project. Some cities have bonded their pension obligations over and over again, thus building up an insurmountable deficit.

The Reuters news service reported in mid-October that the nation's 100 largest

public pension funds have about \$1.2 trillion of unfunded liabilities and a median funding level of 75.1 percent. (The City of LA's pension funds reportedly have a funding level of 73 percent, according to City Watch.) The actuarial firm that Reuters reviewed, Milliman, concluded that this reporting was "good news." This meant that pension funds are accurately reporting funding shortfalls, and that the conclusions are not significantly different from other, earlier surveys of public pension debts.

Bloomberg news reported on a Boston College professor's book on *State and Local Pensions: What Now?* The book reviews the funding levels of most public pensions, some (40 percent) of which are in good shape (80 percent funding ratio of assets to liabilities and higher), and some (12 percent) of which are have severe funding problems, with assets of less than 60 percent of projected liabilities. The writer argues that the worst-funded plans are not being overly generous in their benefits, but they are using a funding method that is "less stringent than those used by other plans."

**For Retired Club Members**

**Thought  
For the Day**

*December  
Birthday Wish*

This brings  
a wish for all  
The best  
that can bring  
Today, tomorrow and  
Throughout the year

When you blow the  
Glowing candles  
On your cake  
The wish you make  
Will soon be come true



Lee Kebler

**New Year to Bring  
Pension Concerns**

**By Lee Kebler,  
LARFPA Director**

We've weathered the national election and hoped to relax a little while looking forward to the New Year, but there are two large pitfalls waiting for us. First, there is former mayor Richard Riordan's pension proposal to change the pensions for all newly hired City employees from a defined benefit pension to a defined contribution pension (401k). Just a few of the changes his plan would bring are: require all employees (civilians, sworn personnel and Water and Power) to contribute one half of pension costs; provide health subsidies for members only (no spouses or family members); increased retirement ages; and COLA increases tied to investments, not salary increases.

Next, current Mayor Antonio Villaraigosa sent a letter on the fiscal

status of the City to the Council and all City Department heads, reporting on how well the City has done in overcoming the deficit but stating there was still a shortfall and that more reductions in budgets were needed. He recommended 13 areas for the City Administrative Officer to work on reducing to costs to bring the deficit down. I'm only going to mention one - the recommendation to reduce retiree benefits. This would affect our COLA and our health subsidies. This is what we are looking at to start the New Year.

I'm hoping to see you at our general meeting Dec. 5 at Grace E. Simons Lodge and/or at our Christmas party at the Sportsman's Lodge Dec. 9. For more information, call our office at (888) 288-5073.


**Christmas Party Schedule**

The Christmas season is here, and

**LARFPA**


there will be celebrations sponsored by our employee organizations. They are listed below for your information.

- Fire Relief Association Open House: Dec. 1, 11 a.m. - 4 p.m., 815 Colorado Blvd., Los Angeles, 90004.
- Police Relief Association and Police Protective League: Dec. 5, 11 a.m. - 4 p.m., 1308 W. Eighth St., Los Angeles 90017.
- United Firefighters of L.A. Open House: Dec. 7, 4 - 9 p.m., 1571 Beverly Blvd. Los Angeles, 90026.
- Retired Fire and Police Assn. Christmas Luncheon: Dec. 9, 11 a.m. - 4 p.m., Sportsman's Lodge, 12833 Ventura Blvd., Studio City, 91604.
- Police Protective League Open House: Dec. 4, 4 - 9 p.m., Union Depot, 800 Alameda St., Los Angeles, 90012.



# CLUB CRUISE

## AUGUST 17, 2013



### 14-DAY CRUISE

#### FJORDS, HIGHLANDS AND IRELAND

The City Employees Club brings you another Member Exclusive event. Set sail aboard Holland America's *ms Rotterdam* as it embarks off Rotterdam, Netherlands on a 14-day cruise across Northern Europe. Enjoy some of the most beautiful and breathtaking landscapes on this amazing Club cruise special.



Room (Categories)	Price Per Person	
	Reg Rates from	Club Rates from
Inside Room (L)	\$2,579	\$2,399
Ocean View (FF)	\$2,899	\$2,499
Lanai Stateroom (CA)	\$3,799	\$3,699
Verandah Suite (BB)	\$4,999	\$4,999

3rd /4th guest sharing a cabin pay \$499  
Government Fees are from \$254.27 per person  
Air Transportation is additional

**Club Members  
Get \$500  
Shipboard Credit  
by Booking Early!**

(Must make a deposit before December 31, 2012 to get your \$500 credit)

**Payroll deduction for this cruise is now available to all active City and DWP employees. Contact Kristy Adler at (888) 652-6400 x 101 for more information.**

**For more information on this cruise, please contact our Club Travel Expert**

Kristy Adler  
Club Travel Expert  
CRUISE and RESORT, Inc.  
kadler@cruiseandresort.com  
Tel. - (888) 652-6400, ext. 101



**For Retired Club Members**

**Retirees AROUND THE WORLD**



**1 Panama Canal**



"We traveled through the Panama Canal Oct. 19 aboard the *Coral Princess*. In the photo are Donna Heinz and I. It was our first time through, and we had a great time... especially with the *Alive!* along."  
 - Fred Alcantar Jr., Airports, Retired

**2 Hawaii**



Retiree Paul Hernandez celebrates his birthday on the Prince Course at Princeville, Kauai, Hawaii.



Paul celebrates his birthday with his lovely wife, Lydia.

**Take the Club with you, wherever you go!**

Club members are a well-traveled bunch. Bring your recent copy of *Alive!* with you. Snap a high resolution photo with you holding a copy, send it in, and we'll publish it. Send to: talk-back@cityemployeesclub.com

**Sending Digital Photos:**

When you send digital photos through the Internet, please send the full, original digital file yourself, rather than using digital photo software like Kodak EasyShare, Kodak Gallery, Flickr, etc. These programs send very low-resolution images, and they don't look good in print. We want you to look your best, so send us the original digital file, please! Thanks!

**3 Mediterranean Sea**

"Well I finally did it. I took the missus for a Mediterranean cruise and remembered, most of the time, to have a copy of *Alive!* with me. I love being retired!

Here's a photograph of my wife trying to hold a copy of *Alive!* in the normally dry but now flooded Piazza San Marco (St. Mark's Square, Venice), with pigeons giving her a bad time."  
 - George Cormany



**4 Panama Canal Cruise**

Letty Yapana, Retired, DWP, recently returned from a 10-day Panama Canal cruise. "It was indeed a marvelous wonder of the modern world," she reports.



"In Aruba, taken showing a natural bridge that collapsed in 2005. Natural rocks and coral."