



The City placed a Charter Amendment on the ballot that would fold in Los Angeles World Airport (LAWA) peace officers into our retirement plan. The League has voiced many questions with regard to the potential negative impact of this decision, and we are working diligently to have our questions answered and protect our members' interests. The text of the ballot measure is at the bottom of this article.

I want to make clear that we support other unions in their quest to improve working conditions, increase pay and benefits and secure a competitive pension. However, the Board of Directors has serious concerns with the way this measure got to the ballot. The City failed to meet and confer in good faith with the League as it is required to do pursuant to state law, thus potentially making the measure illegal.

There may be some unintended negative consequences of this measure to our members that might have been addressed had the City first discharged its obligation to meet and confer in good faith. The Board of Directors submitted letters to all City councilmembers and the Mayor documenting our concerns regarding the City's failure to meet and confer in good faith with the League over these potential impacts to the beneficiaries of the fire and police pension plan.

This entire process to place this measure on the ballot flies in the face of creating good public policy. This measure is intended to amend our City Charter, the governing document for Los Angeles. Yet there has not been a public vetting of this measure, and there has not been the type of detailed financial analysis necessary for the Mayor and City Council to make an informed decision. It's a rush job.

Because the City has refused to meet and confer with us in good faith, the following issues have not been addressed:

- No in-depth actuarial analysis on the cost of expanding the fire and police pension plan to new classifications of employees and the impact on contribution rates of the City and the Plan participants that this may have.
- City staff cannot accurately state what the long-term costs are to the City, beneficiaries or to the administration of the pension plan.

- The cursory actuarial data shows that the City's normal cost will increase from 14 percent of pensionable income for existing employees to 17.75 percent of pensionable income for new employees.

Where will the funds come from to cover this cost increase? The General Fund and potentially the pockets of our members. There has been no discussion on the financial impact on the overall City budget. As the Charter Amendment is currently written, the City's General Fund is responsible for any unfunded liabilities caused by errors resulting from any flawed actuarial analysis or other wrong assumptions. There are a number of other issues that need to be addressed and vetted out that could have unintended negative consequences to the taxpayers, the City, the members of LAFPP and to the tax status of the LAFPP fund.

Wouldn't the prudent step be to have our pension fund conduct a full analysis, understand the costs and other potential impacts and implications of this proposed measure before taking a half-baked idea to the voters? The League will continue advocating on this issue, and if our issues are not addressed, we may move to oppose this measure.

The ballot measure to allow airport police into Los Angeles Fire and Police Pensions is below.

Summary of proposed charter amendment

Currently, City employees who are sworn peace officers, as provided by California Penal Code Section 830.1, and who perform police or firefighting duties for the Airport Department (hereinafter, "Airport Peace Officers"), are members of the Los Angeles City Employees' Retirement System (LACERS). In a tentative agreement reached on April 14, 2016, between the City and the Los Angeles Airport Peace Officers Association, the City agreed to place on the November 8, 2016, State General Election ballot a proposed Charter amendment that would provide this group of employees with certain retirement benefit changes, including, if certain requirements are satisfied, membership in Tier 6 of the Los Angeles Fire and Police Pension plan (LAFPP) in lieu of membership in LACERS. This measure would implement in part that tentative agreement.

If you have any questions, please call me at (213) 792-1089 or email me at CorinaLee@lappl.org. Be safe.