

**CITY OF LOS ANGELES**  
INTER-DEPARTMENTAL CORRESPONDENCE

Date: March 29, 2024

To: Kenneth Mejia, Controller  
Attn: James Robinson, Principal Deputy Controller

From:   
Matthew W. Szabo, City Administrative Officer

Subject: **TECHNICAL CORRECTIONS FOR THE 2022-2026 MEMORANDUM OF UNDERSTANDING FOR THE LOS ANGELES MUNICIPAL POLICE OFFICERS REPRESENTATION UNIT (MOU 28) (C.F. NO. [24-0345](#))**

On March 22, 2024, the City Council adopted the 2022-2026 Memorandum of Understanding for the Los Angeles Municipal Police Officers Representation Unit (MOU 28), negotiated between the Los Angeles Airport Peace Officers Association (LAAPOA) and the City. The new MOU contains a Letter of Agreement on Retirement Benefits Enhancement (LOA). Subsequent to the adoption of the new MOU 28, LAAPOA and City representatives discovered that an outdated version of the LOA was attached to the MOU. The parties are in agreement that a technical correction is necessary to update the MOU with the correct version of the LOA, which is attached hereto.

Please direct inquiries on this topic to Paul Weber at [paul.weber@lacity.org](mailto:paul.weber@lacity.org).

MWS:MCB:PAG:PMW:0724168

Attachment

c: Stephen Leonesio, LAAPOA  
Daniel Quach, Controller's Office  
Sunny Lee, Controller's Office

**LETTER OF AGREEMENT**  
**RETIREMENT BENEFITS ENHANCEMENT**

The City and the Association have an interest in ensuring an appropriate level of retirement benefit for bargaining Unit members. In that regard, the City commissioned an actuarial evaluation of transferring all eligible bargaining Unit members who are currently enrolled in the Los Angeles City Employees Retirement System (LACERS) into Tier 6 of the Los Angeles Fire and Police Pension System (LAFPP). The LACERS members who would be eligible to transfer are those actively employed as of January 12, 2025, as sworn peace officers in the Los Angeles Police Department, Airport Department, and Harbor Department, following certification of final election results if the proposed November 2024 ballot measure is approved by a majority vote of the electorate, and based on the subsequent decision to transfer by each eligible member, as discussed herein and as shall be set forth in an implementing ordinance of the Los Angeles City Council (Council) after certification of the approval of the ballot measure.

The Council may consider the additional inclusion of Park Rangers employed by the Department of Recreation and Parks at a later date following approval of this LOA and before the last date for Council to act to place the ballot measure on the November 2024 election ballot. As these employees are not employed by the Police Department or Fire Department, their benefits under LAFPP shall be subject to any tax compliance requirements, including, but not limited to, the actuarial reduction for retirement prior to age 62 under Internal Revenue Code section 415(b).

The transfer would require an amendment to the Los Angeles City Charter (Charter) and therefore must be approved by a vote of the City electorate in order to take effect. Upon such approval, and subject to the process set forth in an implementing ordinance of the Council, each eligible bargaining Unit member will be provided the opportunity to make an informed individual decision whether to transfer into Tier 6 of LAFPP or remain in their current tier of LACERS.

If a ballot measure (projected for the November 2024 election) is approved by a majority vote of the City electorate, the Charter would be amended, and an implementing ordinance would be presented to the Council to allow eligible members to make an informed and irrevocable decision to terminate their LACERS membership and to transfer into LAFPP Tier 6. Those who elect to transfer would be awarded years of service for retirement benefits purposes as if they had been members of LAFPP Tier 6 on the first date they commenced membership in LACERS and employment as a sworn peace officer with the Los Angeles Police Department, Airport Department, Harbor Department, or as a Park Ranger with the Department of Recreation and Parks (subject to the inclusion of the Park Ranger members by action of the Council), thereby providing all commensurate benefits for Tier 6 members, including, but not limited to, access to the Deferred Retirement Option Plan (DROP) and LAFPP Retiree Health Subsidy. Eligibility for enrollment in group health plans administered by third parties including the Los Angeles

Police Protective League, United Firefighters of Los Angeles City, Los Angeles Police Relief Association, and Los Angeles Fire Relief Association, shall be subject to the enrollment criteria determined by those third parties and shall not be the responsibility of the City or LAFPP.

The intent is for the City to pay all costs associated with the transfer of employees, including, but not limited to, the cost of all actuarial studies, the full cost of transferring each eligible employee into LAFPP Tier 6 who opts to make that transfer, and the costs associated with the ballot measure election.

If the ballot measure is approved by the voters:

- A. The bonus amounts illustrated in Appendix C of this MOU would be codified as base wage adjustments effective January 12, 2025.
- B. Bonus amounts and compensation adjustments illustrated in Appendices D and E of this MOU will be nullified in lieu of the Tier 6 pension enhancement.
- C. Notwithstanding Article 6.1 (Salaries) G. through I. (inclusive), the provisions of RIP will terminate at the end of January 11, 2025.
- D. Any bargaining Unit member who: (i) previously opted to remain in LACERS rather than transfer to LAFPP, and who paid to receive enhanced benefits in LACERS as Airport Peace Officer Members, pursuant to Los Angeles Administrative Code Section 4.1002(e)(2); or (ii) elected to terminate their LACERS membership and transfer into LAFPP Tier 6, and to purchase their prior service at full actuarial cost pursuant to Los Angeles Charter Section 1704(b)(1), will receive a full reimbursement by the City for out-of-pocket costs incurred, in a method compliant with federal tax law requirements, and consistent with level contribution rates. However, all personal tax consequences under either option remain the sole responsibility of the individual employee. Moreover, the City shall not pay any interest on reimbursed amounts.

If the ballot measure is rejected by the voters:

- A. The bonus amounts and compensation adjustments as illustrated in Appendices A through E and as outlined in Article 6.1 (Salaries), C. through F. (inclusive) will not terminate on January 11, 2025 and shall remain in effect.
- B. The Association may request to meet and confer over another form of enhanced retirement benefit.


**LETTER OF AGREEMENT  
RETIREMENT BENEFITS ENHANCEMENT**

**FOR LAAPOA:**

*Stephen Leonesio*  
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Stephen Leonesio  
Labor Relations Consultant

03/19/2024  
Date

**FOR THE CITY:**

  
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Matthew W. Szabo  
City Administrative Officer

3/20/2024  
Date