August 18, 1992

Honorable Deane Dana
Chairman, Board of Supervisors
County of Los Angeles
869 Hall of Administration

Dear Supervisor Dana:

During the Commission’s August 5, 1992 meeting, the Commissioners discussed the status of the Los Angeles Retirement system in detail. In light of the County Counsel and independent counsel’s opinion, the Commission unanimously adopted (with one abstaining vote) to,

recommend:

That your Board take interim action to avoid incurring additional liability and consider giving notice to new employees, and to the extent legally permissible, current employees, regarding potential changes in the pension system.

Additionally, it is recommended:

That your Board request County Counsel provide appropriate legal advice to implement those changes, as needed, in the information provided to new employees.

Continued
Without having concluded our study on these issues, the Commission hesitates to make any additional recommendations. However, there is a strong consensus within the Commission that there is an immediate need for the County to take action. This action should prevent the County from incurring any additional pension liabilities until the entire issue is reviewed. We also felt it important to support your Board in exercising control over the type of retirement information given to employees that could result in any potential future liability for the County.

Sincerely,

Gunther W. Buerk
Chairperson

C: Each Supervisor
   Each Commissioner
   Richard B. Dixon, CAO
   De Witt W. Clinton, County Counsel
   Bruce J. Staniforth