

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: April 10, 2025

To: The City Council

From: Matthew W. Szabo, City Administrative Officer



Subject: **IMPLEMENTATION OF CITY CHARTER AMENDMENT FF**

RECOMMENDATION

The Office of the City Administrative Officer (CAO) recommends that the City Council instruct the City Attorney to prepare and present all ordinances necessary to implement the provisions of City Charter ballot Measure FF, which was approved by the voters in the November 2024 election.

BACKGROUND

In November 2024, voters of the City of Los Angeles approved ballot Measure FF, which amended the City Charter and authorized City Council to provide a process whereby certain sworn peace officers, who are actively employed on and as of January 12, 2025 by the Los Angeles Police Department (LAPD), the Department of Airports (DOA), the Los Angeles Harbor Department (LAHD), and the Department of Recreation and Parks (RAP), may make a one-time irrevocable election to transfer from the Los Angeles City Employees' Retirement System (LACERS) to Tier 6 of the Los Angeles Fire and Police Pensions (LAFPP). This election includes certain sworn peace officers who declined to transfer membership or years of service pursuant to prior City Charter amendments, as well as certain sworn peace officers from the Department of RAP who can elect to transfer for the first time. Additionally, ballot Measure FF provided for tax compliant, interest-free refunds to Tier 6 LAFPP Members, who previously purchased years of service pursuant to prior City Charter amendments. Finally, consistent with the MOUs that effectuated the addition of Measure FF to the November 2024 ballot, the City also agreed to provide tax compliant, interest-free refunds to LACERS Members who expended personal funds to receive enhanced LACERS benefits and who elect to transfer to LAFPP Tier 6. Measure FF is cost-neutral for LAFPP and LACERS, with all costs associated with the transfer and refunds to be covered by the City's General Fund and special funds.

In order to implement the provisions of Measure FF, the City Council must instruct the City Attorney to prepare enabling ordinances that would allow for the transfer of membership and years of service for eligible sworn peace officers from LACERS to LAFPP Tier 6, to authorize a tax-compliant refund process for LAFPP Tier 6 Members who purchased service or enhanced benefits, and to ensure cost-neutrality for LACERS and LAFPP. Completed ordinances will be presented to the City Council to be considered first by appropriate Council committees, and will

then be forwarded to the full City Council along with actuarial evaluations as required by law and the City Charter.

FISCAL IMPACT

The implementation of the Measure FF will have a General Fund impact relative to LACERS Members employed by the LAPD and RAP who elect to transfer to LAFPP Tier 6. The majority of the fiscal impact will be paid by DOA and LAHD, which will pay all costs for respective affected members. An updated actuarial report will accompany the implementing ordinances. The CAO previously estimated that Measure FF would cost \$109,500,000 million if all eligible LACERS Members elected to transfer to LAFPP Tier 6, including \$106,000,000 for transfer costs and \$3,500,000 for refunds. The estimated additional annual cost is \$6,300,000, adjusted annually proportional to payroll changes.

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