

PERSONNEL AND HIRING COMMITTEE REPORT relative to implementing Charter Amendment FF.

Recommendation for Council action:

REQUEST 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.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that the implementation of the Measure FF will have a General Fund impact relative to the Los Angeles City Employees Retirement System (LACERS) members employed by the Los Angeles Police Department and the Department of Recreation and Parks who elect to transfer to LAFPP Tier 6. The majority of the fiscal impact will be paid by Department of Airports and Los Angeles Housing Department, 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 Los Angeles Fire and Police Pensions 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.

Community Impact Statement: None submitted.

Summary:

On May 9, 2025, your Committee considered an April 10, 2025 CAO report relative to implementing Charter Amendment FF. According to the CAO, 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 LACERS to Tier 6 of the 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, Council must request 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 Council along with actuarial evaluations as required by law and the City Charter. After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the recommendation contained in the CAO report. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

Personnel and Hiring Committee

COUNCILMEMBER:	VOTE:
McOSKER:	YES
RODRIGUEZ:	YES
HUTT:	YES

ARL

5/9/25

-NOT OFFICIAL UNTIL COUNCIL ACTS-