

March 20, 2020

COVID-19 AND ESTATE PLANNING: THE LACERA SPECIAL DURABLE POWER OF ATTORNEY

Dear Members:

These are unprecedented and unsettling times for us all. Thank you for all that you are doing to help our community in this time of crisis.

I want you to know that LACERA is committed to your and your family's wellbeing now and into the future. That includes keeping you informed and urging you to take action when circumstances warrant.

The sobering statistics and uncertain outcomes of the COVID-19 pandemic mean that in addition to your other preparations, it's a good idea to make sure that you have the right estate planning documents in place.

- First, log in to your My LACERA account via lacera.com to check that your retirement account beneficiary(ies) are up to date.
- If you want to check your Horizons 401(k) and 457(b) accounts, log in to your account via mylacountybenefits.com or contact Empower Retirement at 800-947-0845.
- If you have enough service credit to retire, you may also want to consider filing the LACERA Special Durable Power of Attorney form with us. This document allows your designated attorney-in-fact to make LACERA-specific retirement benefit decisions on your behalf should you become incapacitated.

More About the Special Durable Power of Attorney

You are likely familiar with the general power of attorney, which is a legal instrument used to delegate legal authority from one person (the principal) to another (the attorney-in-fact) to make property, financial, and other legal decisions on the principal's behalf.

The LACERA Special Durable Power of Attorney is different from a regular power of attorney. First, it is **special** because it is limited to your LACERA retirement and healthcare benefits **only**. Second, because it contains a **durable** clause, it ensures that if you become incapacitated, your designated attorney-in-fact retains decision-making authority. This is different from a general power of attorney, which **terminates** when the principal becomes incapacitated.

Why Would You Consider It?

If an active member in contributory plans A, B, C, D, or G passes away, their eligible survivor will receive the default benefit. However, it may be that the member was eligible for retirement benefits that would have been more advantageous for the family. With a LACERA Special Durable Power of Attorney in place, the attorney-in-fact can apply for retirement on the member's behalf while they are still alive and eligible.

This is something you may want to discuss with your spouse, partner, or other person you trust to take on this responsibility. An attorney-in-fact can be any person over the age of 18, including a relative, who is willing and able to act in your best interest. Unless you specify otherwise, your power of attorney will go into effect immediately upon your completion of the paperwork, but you can still handle your own affairs.

You may grant to your attorney-in-fact the authority to take the same actions as you would, including, but not limited to, the following:

- Elect any retirement option on your behalf and file applications to retire
- Designate or change any beneficiary(ies) on your behalf, including your attorney-in-fact and/or minor child(ren)
- Submit a change of address or make tax withholding elections
- Access information regarding your benefit payments
- Endorse checks
- Designate a bank account to receive an electronic transfer of your retirement benefit
- Elect healthcare insurance plans and designate healthcare dependents under those plans
- Withdraw your contributions and interest

You can terminate the Power of Attorney as long as you are competent and have submitted written notification to LACERA. If you do not revoke the document, it will terminate upon your death.

Download the Guide and Form

For more information, you can access our Special Durable Power of Attorney guide and instructions and form online. Visit lacera.com and click on the Brochures & Forms tab at the top right of the homepage. Then click on Change Your Personal Information and scroll down to select the Special Durable Power of Attorney package in the dropdown menu. You can download it to print yourself or order it by mail.

Contact Us With Questions

Although our Call Center is currently closed, you can still contact us via email at welcome@lacera.com or the Secure Message Center on My LACERA, or you can leave a message at 800-786-6464. We will respond as quickly as possible.

Remember that LACERA cannot offer legal advice. If you have legal questions about whom to appoint as attorney-in-fact or which powers to grant them, or if your questions are regarding a non-LACERA power of attorney, you will need to consult an attorney.

We Are in This Together

LACERA will continue to be here for you and keep you informed while we weather the COVID-19 crisis. Be safe, and thank you for your strength, bravery, and compassionate efforts at this time.

Best regards,

Santos H. Kreimann
Chief Executive Officer