



# DIGEST

## COUNTY TO WITHDRAW FROM SOCIAL SECURITY AT YEAR'S END

*The County of Los Angeles is scheduled to withdraw from the Social Security System on December 31, 1982. In view of the high level of employee interest in this matter, this issue of the Digest will give the answers to some of the questions most often asked about Social Security withdrawal.*

**Question:** Why is the County withdrawing from Social Security?

**Answer:** There are basically two reasons why withdrawal from Social Security makes a great deal of sense for Los Angeles County. First, Social Security has become a program that neither the County nor its employees can afford. In 1964, when the County joined the Social Security System, the combined maximum employer/employee tax liability was \$348 per annum. At that time, the County and its employees each paid contributions equal to 3.625 per cent of the first \$4,800 of annual salary. In 1982, the same liability is \$4,341 based on a tax rate of 6.7 per cent on the first \$32,400 of annual salary. This represents an increase of 1,147 percent in 18 years, or an average increase of 64 percent per year.

Second, the County's retirement program provides excellent benefits independent of Social Security. These in-

clude (in addition to retirement benefits) survivor benefits, disability benefits, and individual and family health, dental, and vision care benefits. Given the extent of this coverage, Social Security is difficult to justify.

**Question:** What is the benefit of withdrawal from the employee's standpoint?

**Answer:** The benefit to the employees may be best summarized as follows:

—Take-home pay will increase. Social Security contributions (i.e., FICA payroll deductions) will no longer be required once the County has withdrawn from the Social Security System. This will produce an immediate increase in take-home pay equal to 6.7 percent of salary (up to \$32,400). For most employees, this amount will first be reflected in paychecks issued in January 1983.

—County retirement benefits will increase. Under existing state law, benefits under General Retirement Plans A, B, C, D, and E must be reduced (i.e., integrated) for employees covered by Social Security. The integrated retirement formulas were placed into the law as a means of minimizing the redundancy in benefits that typically occurs when an employee is covered by Social Security plus a retirement program like the County's. As a consequence of withdrawal, however, the integrated formulas will be limited to benefits earned on service prior to December 31, 1982. Benefits earned after December 31, 1982 will be calculated on a strictly non-integrated basis, thus producing higher benefit levels under Plans A through E.

—There will be more opportunity for individual retirement planning. Previous issues of the Digest have addressed the 1981 Economic Recovery Act and the significance of the

Individual Retirement Account (IRA) concept. With the availability of IRA's, deferred compensation, and other tax-favored retirement programs, County employees may become more personally involved in their own retirement planning. Once out of Social Security, each employee will have access to the money that would have been consumed by future FICA deductions. With these funds, each person may set up an individual retirement plan (or supplement an existing plan) in whatever way best meets his individual and family needs.

—Social Security benefits will continue for many employees. Withdrawal from Social Security does *not* mean that all Social Security benefits will be eliminated for future County retirees. Under current federal law, County employees who are "fully insured" will continue to be entitled to the following:

—Social Security Retirement and Survivors Benefits based on earnings under Social Security covered employment.

—Social Security Disability Benefits for disabilities occurring within five years after withdrawal.

—Full coverage under Medicare. (NOTE: "Fully Insured" generally refers to employees with at least 40 quarters of credit under Social Security.) On this point, it should be noted that the Social Security System is designed to give workers maximum opportunity to earn 40 quarters of credit. In effect, a person has his entire working life in which to do this. This fact is especially important for those County employees who (a) are not now fully insured, and (b) do not plan to stay

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# Ambassador of Japan Honored by Board of Supervisors

For the second time in the County's history the Japanese flag was flown side-by-side with Old Glory over the Hall of Administration. On August 13 the Board of Supervisors hosted a luncheon and community reception for His Excellency, Yoshio Okawara, Ambassador Extraordinary and Plenipotentiary of Japan to the United States.

Okawara received the Key to the County, the third such Key ever presented to a visiting dignitary. The first two were presented to American Presidents. Each board member expressed his personal greetings to the Ambassador in recognition of the importance of leading government officials to publicly recognize the value of good relations between the United States and Japan.

Ambassador Okawara was the keynote speaker at the Sayonara Banquet of the Japanese American Citizens League's 27th Biennial National Convention held that evening. Supervisor Kenneth Hahn presented His Excellency with a resolution signed by each Supervisor acknowledging Ambassador Okawara's contributions to the strengthening of United States-Japan relations.



*His Excellency Yoshio Okawara, Ambassador of Japan to the United States, receives the Key to the County from the Board of Supervisors. The Ambassador's visit was made possible through the assistance of the local Consul General, Tsuneo Tanaka.*

County of Los Angeles

## DIGEST

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In his keynote speech the Ambassador said that the Japanese "are making strenuous efforts to promote expanded U.S. exports to Japan. We are providing advice and marketing assistance to U.S. manufacturers interested in selling to Japan.

"In a different context, Japanese industries are providing technical assistance to help modernize U.S. steel, automobile, machine tool and other industries. Japanese investment in U.S. plants, now in excess of \$10 billion, is creating American jobs and adding to the U.S. Gross National Product. A growing number of Japanese plants in the United States are also now exporting U.S.-made goods to Japan and the world, and the seven largest Japanese trading companies operating in the United States now account for about 10 percent of U.S. exports to the world.

"All these measures together are strengthening Japanese-American economic interdependence by helping to strengthen the competitiveness of American products, at home and in world trade.

"It is not just our economic relations that are involved in the Japanese American partnership. Our two nations

are also political allies, sharing the same commitments to democracy and the peaceful preservation of an open world society. As you are all aware, Japan has been the most faithful member of the U.S. allies in supporting the U.S. in Iranian hostages, Afghanistan and Poland.

"The closest friendly relations with the U.S. being the pivotal importance for Japan, the Japanese Government is committed to play a role conducive to the status which Japan has attained. Not only do we cooperate as partners, exchange goods, influence each other artistically, and join each other in common adventures of science, scholarship and the frontiers of the human mind and spirit. We also share values which give meaning to our lives.

"We need each other because we have so much to offer each other."

Born in Gunma, Japan, in 1919, Yoshio Okawara entered the diplomatic service in 1942 after graduating from Tokyo University. He has had a long and distinguished career in the Japanese Ministry of Foreign Affairs, and became Ambassador Extraordinary and Plenipotentiary of Japan to the United States of America on April 24, 1980. The Ambassador is married and the father of three sons.

# Social Security

(Continued from page 1)

with the County to become County retirees.

**Question:** Will the financial soundness of the Social Security System be jeopardized by the County's withdrawal?

**Answer:** No. Even the strongest proponents of Social Security agree that the County's withdrawal will have no negative effect on the Social Security System.

**Question:** Are the effects of Social Security withdrawal the proper subject of negotiations with employee representatives?

**Answer:** Yes. The current Memoranda of Understanding with the Coalition of County Unions, AFL-CIO, and the League of Safety Employees require the County to meet and confer regarding the "impact" of Social Security withdrawal. At such time as agreements are reached, the resultant Memoranda of Understanding will be submitted to the Board of Supervisors for approval.



SECURITY PACIFIC BANK'S automatic teller is installed in the Civic Center Mall. The teller will be ready for use in November.

# Seventeen County Departments Receive National Awards

Supervisor Michael Antonovich went to Baltimore, Maryland recently to accept 31 awards for the County from the National Association of Counties (NACo). The awards were for outstanding programs conducted by 17 County departments. Awards are given annually by NACo "in recognition of

distinguished and continuing contributions to the course of strong, efficient, modern County Government in America." The 31 awards are the largest number received by the County to date, up from 20 received last year.

The programs awarded and the departments responsible for them are:

Department	Award
Adoptions	—Adoption for Developmentally Disabled
Arboreta and Botanic Gardens	—"Baldwin Bonanza" Fund Raising
Beaches and Harbors	—Department of Beaches Enterprise Concept
	—Harbor Patrol Cadet Training
Building Services	—Building Services Absenteeism Program
	—Preventive Maintenance Program
Community Development	—Deferred Home Loan Program
	—Employer Services Project
	—Targeted General Relief Program (with DPSS)
Data Processing	—Clinical Laboratory Program System (with Health Services)
District Attorney	—Victim/Witness Assistance Program
Flood Control District	—Property Use Planning Program
Forester and Fire Warden	—Air Ambulance Program
	—Automatic Aid for Fire Agreement
	—CPR Public Education
	—Return to Work Program
	—Staffed Fire Suppression Camp
Health Services	—Clinical Laboratory Information System (with Data Processing)
	—Noise Control Program
	—Toxic Substances Control
Mechanical	—Energy Conservation & Management
Mental Health	—Skid Row Mental Health Project
	—Mobile After-Hours Crisis Intervention
Parks and Recreation	—Contract Services for Public Parks and Recreation Agencies
Public Social Services	—Employment Service Section of Welfare
	—Intake Operations & Eligibility Guide
	—Targeted General Relief Program (with Community Development)
Regional Planning	—Economic Development Corporation
Road	—Asphalt Concrete Recycling Program
	—Transporting System Management (TSM)
	—Street Lighting Conversion Program
Senior Citizens Affairs	—Affiliated Committees on Aging Network
Treasurer and Tax Collector	—Public Health License Fee Improvements

## Hispanic Managers Association Elects New Officers

The Los Angeles County Hispanic Managers Association has elected its officers and Board of Directors for 1982-83. Newly-elected President Ed Martinez is Chief of the Special Operations Division in the Department of Community Development.

Starting as a Student Worker for the County in 1970, Martinez went on to become a Personnel Analyst in the Department of Personnel after completing his graduate work. He holds a Bachelor of Arts degree in Philosophy and Spanish, and earned his Master of Science in Public Administration from California State University at Los Angeles.

Prior to his promotion to Division Chief in DCD Martinez served as Personnel Officer, first for the Probation Department, then for LAC/USC Medical Center.

Other newly-elected officers are:

*First Vice President* Connie Diaz, Special Assistant to the Executive Director, LAC/USC Medical Center;

*Second Vice President* Lt. Ernie Maldonado, Program Manager in Justice Data Systems Bureau, Sheriff's Department;

*Secretary* Maria Huerta, Project Director, Department of Public Social Services; and

*Treasurer* Evelyn Gutierrez, Chief of Fiscal Management Services, Department of Personnel.

The Association was formed in January, 1980, and currently has some fifty to sixty active members occupying management positions in the County.

The primary purpose of the organization is to enhance County government through the development and advancement of Hispanic managers. Various means are used to meet this end, including the holding of management development workshops, which participants attend on their own time. Managers from other local, State and Federal agencies have participated in these workshops.

Other activities are aimed at promoting the development and implementation of County programs and/or operational procedures to improve the delivery of County services to the Hispanic community. The Association reviews the Affirmative Action impact of layoffs with the Department of Personnel, the Office of Affirmative Action Compliance and the Chief Administrative Office.



*President Harry S. Truman is shown joining members of the 442nd Regimental Combat Team on their visit to the White House.*

## "GO FOR BROKE!"

### Exhibit At Natural History Museum

"GO FOR BROKE!"—the cry has come to symbolize the heroic efforts of U.S. soldiers of Japanese-American ancestry who fought in World War II. The 100th Infantry Battalion, the 442nd Regimental Combat Team and the Military Intelligence Service are among the units whose gallant efforts and sacrifices are being commemorated in a special exhibit at the Natural History Museum of Los Angeles County.

The exhibit, which will remain in Los Angeles for approximately one year, was originally compiled by the U.S. Army and portions were recently displayed at the Presidio Army Museum in San Francisco. The exhibit includes photographs, dioramas, maps, artifacts and other wartime memorabilia. A representative portion of the exhibit documents the courageous and determined drive of the 442nd Regimental Combat Team to rescue their Texas-born compatriots—the "Lost Battalion" of the 141st Regiment.

Low on food and ammunition, the 141st Regiment had been isolated for almost a week, surrounded by a tightening German noose. The 442nd was ordered to reach them at any cost.

Against seemingly insurmountable odds, the 442nd fought from tree to tree, against hidden machine-gun nests and tank-supported infantry. They crossed minefields and drove through shrapnel-filled barrages of mortar and artillery fire, never wavering in their ef-

fort to reach the entrapped battalion. At the end of the action, the total number of casualties exceeded the number of men saved—but the 442nd had rescued the "Lost Battalion." Meanwhile, on the home front, the families of many of these Japanese-American fighting soldiers were being held in internment centers behind barbed wire fences.

Also detailed in the exhibit are the role and accomplishments of the 6,000 Japanese-Americans who served in the Military Intelligence Service. Known as "America's superb secret human weapon," their role was truly indispensable and unique, for they employed a devastatingly effective weapon: their knowledge of the enemy's complex and difficult language which very few others on the Allied side could understand or use. These resourceful, courageous and loyal soldiers served on all fronts of the far-flung war throughout the Pacific where they secretly intercepted the enemy's diplomatic communications.

GO FOR BROKE! may be viewed on the main floor of the Natural History Museum. The Museum, located in Exposition Park, is open Tuesday through Sunday, 10 a.m. to 5 p.m. Closed Monday. Adults \$1.50; students and senior citizens over 62 (with ID) and children 5-17, 75¢. Free admission the first Tuesday of each month. Parking available.