



DIGEST

Some Questions and Answers About Bonds

WHAT IS A U.S. SAVINGS BOND?

A Series EE Savings Bond is a contract showing that money has been loaned to the United States, which promises to repay it, with accrued interest, when the bond is redeemed. Bonds are safe and secure because they are direct obligations of the United States.

HOW DOES INTEREST ACCUMULATE ON SERIES EE BONDS?

Interest on EE Bonds is compounded semiannually and is paid as part of the redemption value when the bonds are redeemed—anytime after six months from the date of issue. Interest is on a fixed, increasing scale until a bond is held five years. Then interest is paid at 85 percent of the average yield on five-year Treasury marketable securities during the life of the bond, but no less than 7.5 percent per annum, compounded semiannually.

WHERE CAN EE BONDS BE REDEEMED?

Most commercial banks and many other financial institutions will redeem bonds on presentation of proper identification. Bonds may be redeemed any time after six months from issue date.

Board Proclaims January 23-February 15 as County's 1984 U.S. Savings Bond Drive

The Board of Supervisors has adopted a resolution establishing January 23 through February 15, 1984, as the County's 1984 U.S. Savings Bond Campaign.

County employees are urged to take part in this payroll savings plan for U.S. Savings Bonds. Employees who join the program can earn near-market interest, reap numerous tax advantages and build a more secure financial future.

Board of Supervisors Chairman Deane Dana will serve as Chairman of the 1984 Los Angeles County U.S. Savings Bond Campaign.

Los Angeles County has been designated as a model for the 1984

National Savings Bond Campaign for County governments by Donald T. Regan, Secretary of the U.S. Treasury.

The Co-chairman of the County's 1984 U.S. Savings Bond Program is Joe Wetzler, Chairman of the Coalition of County Unions. H.B. Alvord, Treasurer-Tax Collector, will act as Countywide Coordinator for departmental participation in the program.

"The Savings Bond Program enables all citizens to take stock in America and concurrently provides a convenient savings plan for future education, home purchases, tax planning, travel and other long term investment requirements. Bonds are a viable investment choice," Supervisor Dana said.

WHAT IS A PAYROLL SAVINGS PLAN?

Payroll Savings is an automatic system for installment purchases of Series EE Savings Bonds through regular deductions set aside from each paycheck. It's one of the easiest methods of saving ever devised.

An employee may enroll by authorizing his or her employer to deduct a specific amount each month from his or her paycheck for the purchase of bonds, which are mailed when the purchase price has been received.

Once the authorization form has been signed, it remains in effect until canceled. Changes can be made at any time regarding the amount of the monthly payroll deduction, the owner/co-owner, the beneficiary, and/or denomination of the bond simply by filling out a "Change Authorization" form.

ARE SAVINGS BONDS REGISTERED?

Yes. Ownership records are maintained by the U.S. Treasury Department.

IN WHAT WAYS CAN A BOND BE REGISTERED?

- One owner only. Upon death, the bond becomes part of the owner's estate.
- Two persons as co-owners. Either may cash the bond without the signature of the other. On the death of one owner, the other becomes sole owner of the bond.
- One owner and one beneficiary. The beneficiary, if he or she survives, automatically becomes owner of the bond when the original owner dies.

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Bonds Questions

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Examples of How Dollars for Education Can Grow

IF A WOMAN BOUGHT BONDS IN HER MAIDEN NAME AND LATER MARRIES, MUST THE BONDS BE REISSUED IN HER MARRIED NAME?

No. When she cashes her bonds, she need only sign her maiden and married names on the bond; for example, "Mary L. Smith, changed by marriage to Mary L. Jones."

IF BONDS ARE LOST, STOLEN, OR OTHERWISE DESTROYED, WHAT SHOULD BE DONE?

The bonds will be replaced without cost, with the same original issue date, upon the filing of an application establishing the loss. It will be helpful if you have kept a record of the bonds, with their issue dates and serial numbers, in a safe place separate from the bonds. Details of the loss, along with partially destroyed bonds if burned or mutilated, should be sent to the Bureau of the Public Debt, 200 Third Street, Parkersburg, WV 26101. Telephone (304) 422-8551, ext. 274. Filling out a Form PD 1048, in the case of lost or stolen bonds, or a Form PD 1934, in the case of mutilated or partially destroyed bonds, will help speed replacement.

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Value of EE Bonds when child reaches Age 18 through Monthly Savings of:*

Child's Age Now	\$25.00	\$37.50	\$50.00	\$100.00
Birth	\$11,092.22	\$16,638.33	\$22,184.44	\$44,368.88
1	10,016.82	15,025.23	20,033.64	40,067.28
2	9,017.74	13,526.61	18,035.48	36,070.96
4	7,227.38	10,841.07	14,454.76	28,909.52
6	5,682.14	8,523.21	11,364.28	22,728.56
8	4,348.46	6,522.69	8,696.92	17,393.84
10	3,197.46	4,796.19	6,394.92	12,789.84
12	2,203.94	3,305.91	4,407.88	8,815.76

*7.5% Rate

These amounts indicate the savings that could be accrued by age 18 if a person's Savings Bonds allotments at the listed purchase price begin at the various ages shown.

Values are based on the guaranteed minimum rate of 7.5 percent for all EE Bonds issued on and after November 1, 1982, and held at least five years.

If you begin saving \$25 a month at your child's birth, and the market-based rate averages 10 percent over the life of the bonds, they will have the following values at the following intervals: \$306.60 at one year, \$1,763.94 at five years, \$4,863.34 at 10 years, \$9,911.58 at 15 years, and \$14,358.32 at 18 years, when your child is ready for college.

The following chart illustrates redemption values for a \$50 Series EE Bond (issue price \$25) at the 7.5% guaranteed minimum rate and at a potentially higher rate of 10.0% (depending upon prevailing market based rates):

Rate of Interest	Length of Time the Bond is Held		
	5 years	10 years	10 years
7.5%	\$36.14	\$52.22	\$66.38
10.0%			

If a \$50 bond is purchased for \$25 and held five years, its value when redeemed would be \$36.14. If the same bond were held ten years, and the minimum rate of 7.5% applied, the bond's redemption value would be \$52.22. If market rates were higher, the interest paid on the bond would correspondingly increase. It would be possible for the rate for the bond to rise to 10.0% or higher. A \$50 bond held ten years, earning interest at 10.0%, would have a redemption value of \$66.38.

Series EE Bonds are available in a variety of denominations:

Bond Face Amount	\$50	75	100	200	500	1,000	5,000	10,000
Purchase Price	\$25	37.50	50	100	250	500	2,500	5,000

County of Los Angeles

DIGEST

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Employee Gives Double Service

Serving the public often is a gratifying and enjoyable experience, says Reserve Sheriff's Deputy William H. Calicchia, San Dimas Sheriff's Station, who said his work with people is what motivates him to volunteer a great percentage of his own time to activities and programs for others.

Besides his duties as a Reserve Sheriff's Deputy, Calicchia is employed full-time with the County as a Deputy Agricultural Commissioner.

Working two jobs, but getting paid for only one, doesn't bother Calicchia. He said he likes keeping busy, doing things in the best interest of the public.

As a Reserve Sheriff's Deputy, Calicchia receives one dollar a year. However, if he serves on a special detail, such as crowd control at a high school football game, he would receive a wage for that particular assignment.

Reserve Deputy Calicchia was graduated from the Sheriff's Academy in 1981. His responsibilities are the same as a regular Sheriff's Deputy, but not as extensive. During his 4 p.m. to 12 Midnight shift on Sundays and Mondays, he rides in a patrol car in the San Dimas area where he protects and serves the community.

On Saturdays he divides his 12-hour work day teaching arrest laws, Police Science and First Aid to Explorer Scouts at the Sheriff's Academy and teaching Cardiopulmonary Resuscitation (CPR) at Citrus College.

"I volunteer my time because I enjoy working with young people and community residents and meeting new friends. As a Reserve Sheriff's Deputy, I'm also better able to assist in bringing about peace and justice for some of the wrongs occurring in the community," Calicchia explained.

When he's not keeping the peace, Deputy Calicchia performs his duties to

the County in the Weed Abatement Program. He inspects unimproved areas of East San Gabriel Valley, making sure the properties are free of fire hazards.

"Crews from my Department are assigned to cut fire breaks in areas with thick brush. We have people working practically all year to help eliminate weeds or brush that are potential fire hazards," Calicchia pointed out.

Much of Calicchia's work day is spent inspecting potential problem areas and advising property owners and residents on what fire retardant shrubs and ground covers to use and how to prevent hazards.

Recently, Calicchia assisted in the County's Mexican Fruit Fly eradication program and has helped in the spraying and baiting of previous fruit fly eradication projects.

The work doesn't end here for Calicchia. His additional responsibility is to oversee the Court Referral/Litigant Program which enables judges to order persons without the necessary finances, who are convinced of minor infractions, to perform a number of hours of Community work in lieu of court imposed fines.

Calicchia is in charge of three to four such persons who are mostly young people. He assigns them to the task of picking up litter in parks and other places for the benefit of the public.

"The Court Referrals work an average of five hours a week. Their average sentence is 25 hours of Community work," Calicchia said.

Calicchia was graduated from California State Polytechnic University, Pomona where he majored in Agriculture. He has worked in the County Agricultural Department since 1969. He is married, has one child, and enjoys hunting and fishing during his leisure time.

Foster Parent Program Highlighted

The Board of Supervisors has recently recognized the outstanding efforts of Foster parents to let the Community know that Los Angeles County appreciates its foster parents and recognizes the value of the service they provide.

According to David L. Fox, Chief, Services Support Division, Department of Public Social Services, "There are currently more than 3,000 licensed foster parents in the County. However, a constant need exists for more foster homes, particularly for infants and teenagers."

Foster parents take children into their homes who have been abused, abandoned, and seriously traumatized. Foster children's needs include not only loving attention, but also a skilled response to difficult emotional and behavioral problems.

Placement of children with foster parents in a family setting is less expensive and assures more personal care than placement of children in institutions.

Foster Parents not only care for and respond to children's needs while permanent plans are being made for the children; foster parents often become a vital part of the plans. Permanent plans include placement with relatives, adoption, legal guardianship or long term placement. Often, foster parents have adopted or assumed legal guardianship of the children in their care as well as provided foster care placement.

Parents considering foster care frequently ask the following:

WHAT CHILDREN NEED FOSTER PARENTS?

- Children who are victims of child abuse or neglect need to be with a family that will provide the loving care that all children require. These are children that are in the temporary custody of the Department of Public Social Services.

CHARITABLE GIVING AIDS COUNTY EMPLOYEE

Help arrives after apartment is gutted by fire.

A few weeks ago when a fire broke out in the apartment of Los Angeles County employee Eleanor Gipson, Intermediate Clerk Typist, Bureau of Assistance Payments, Department of Public Social Services, aid provided to her by her colleagues and one of the agents of the County's Charitable Giving Program helped her and her family get readjusted.

Damage from the early morning fire destroyed Miss Gipson's apartment and all its contents. Fortunately no one was hurt. She was at work and her four children had gone to school. "Shortly after the disaster, the manager of the apartment complex where I lived, allowed me and my children to move into one of the other two bedroom apartments that luckily for me, had only recently become vacant," Gipson said.

"Having no money to provide for my children, two girls ages 16 and 13 and two boys ages 15 and 11, I felt hopeless. However, my hopes were brightened when initial help came from my colleagues in the Department of Public Social Services Bureau of Assistance Payments Office. They took up a \$121.00 donation for me. This gift of caring was coordinated by Connie Johnson, Adelia Sullivan and Darnetta Goodman to whom I'm very grateful," Gipson said. To the surprise of Miss Gipson, help didn't stop there; additional assistance was given to her during a brief ceremony held at the office where she works.

During the ceremony, The Avalon-Carver Community Center, which is one of the member agencies of the Brotherhood Crusade, presented to her a check for \$400.00 to pay the first month's rent for her apartment. Gipson was also given a \$250.00 certificate for

the purchase of household goods and a \$25.00 certificate for food purchases.

"The Charitable Giving Program is certainly a plus in my life. I don't know what I would have done without the help of so many caring and concerned people. I'm so thankful to all who assisted me," said Gipson, who has been a County employee for six years.

Others attending the ceremony for Gipson were Brenda Marsh, representative, Brotherhood Crusade, Mary Henry, director, Avalon-Carver Community Center, Annie Stevenson, Chief Administrative Office Charitable Giving Coordinator, and Department of Public Social Services Bureau of Assistance Payments executives, Robert Chaffee, Director, Charles Stewart, Deputy District Director, and Annette Davis, Division Chief.

Responding to the aid provided to Gipson, Chaffee said, "I am very proud of this positive response and concern for a person in need."

Stewart said, "We are in business to help people. It's particularly rewarding to be able to help a fellow employee in such a personal and expressive manner."

Davis said, "The spirit of giving and helping people in need, exists year round. This is what the County's Charitable Giving Program is all about."

Giving generously is commonplace with the Department of Public Social Services. Last year, during the Third Annual Los Angeles County Charitable Giving Award Program, the Department of Public Social Services, Eddy S. Tanaka, Director, received the coveted Department of Distinction Award for best exemplifying the objectives of the Charitable Giving Campaign.

Foster Parents

(Continued from page 3)

WHAT DO FOSTER PARENTS PROVIDE?

- Foster parents provide love, security, companionship and supervision as well as food, clothing and shelter. They are reimbursed for clothing, shelter and food and incidentals based on the age and any special problems of the child. Medical and dental care is available for the child through the Medi-Cal program. Foster parents provide temporary care for children as DPSS social workers work to reunite the children with their natural parents or develop some other appropriate placement.

WHAT DOES IT TAKE TO BE A FOSTER PARENT?

- It takes a willingness on the part of every family member to share his or her home with a foster child. Both one and two parent homes are eligible. Additionally, working parents may be licensed for foster care; however, they are only utilized for school-age children. Also, one must complete an application for a Foster Home License that is approved by the Department of Public Social Services. The primary requirements include meeting the health and safety standards set by the state, and having adequate bed space for all family members and foster children.

WHAT IS THE FIRST STEP IN BECOMING A FOSTER PARENT?

- If you care for children and would like to become a foster parent, contact the Department of Public Social Services Homefinders staff at 418-2032. The staff will answer any questions you may have about the program and will send you an application for foster parenting.

Bonds Questions

(Continued from page 2)

These forms are often available from local banks, or from the nearest Federal Reserve Bank or Branch, or the Bureau of the Public Debt. Official Savings Bond account records will be available for employee personal use from County Departmental Savings Bond Campaign Coordinators.

CAN SAVINGS BONDS BE USED AS COLLATERAL?

No. Savings Bonds are registered securities that cannot be transferred, negotiated, or pledged as collateral.

HOW LONG MUST BONDS BE HELD BEFORE REDEMPTION?

Six months from issue date.

CAN A PARENT REDEEM A BOND ON BEHALF OF A MINOR?

Only under certain conditions. If the bond does not show the name of a guardian or other representative, or if the young child (the owner) is not competent to sign his or her name and understand the nature of the transaction, the bond can be cashed by either parent with whom the minor resides, or by the person having legal custody. If the child does not live with a parent, payment may be made to the person furnishing the child's chief support.

WHAT TAXES MUST BE PAID ON SAVINGS BONDS INTEREST?

Federal income, gift, and estate taxes. Savings Bonds and the interest accrued on them are exempt from all state and local taxes, except estate or inheritance taxes.

WHEN SHOULD INTEREST BE REPORTED FOR FEDERAL INCOME TAX PURPOSES?

For EE bondholders, this is a matter of individual preference. Some owners report their interest every year. Others prefer to report it at the time of redemption. You may choose to report interest income and to pay it in a lump sum when you redeem the bonds (or at maturity) if you are presently in a higher tax bracket than you might be at some time in the future.

If you buy bonds in the name of a young child (with yourself as

**Money
doesn't pay.**

No use hiding money in a trunk. It's not working for you. And that doesn't pay.

But you can get a nice payoff through the Payroll Savings Plan. A little is set aside from each paycheck to buy Bonds. And that little soon grows substantially.

So stuff your trunk with variable rate Savings Bonds. Put your money where it pays.

beneficiary, not co-owner), it may be better to report the interest yearly. A child's income will probably be very low and he or she will not have any taxes to pay on the bond interest. To do this, file a federal income tax return in the child's name the first (or any subsequent) year, reporting the accrued interest and any other income. This establishes "intent" and no further returns need be filed until the child's income exceeds his or her exemptions.

HOW SOON CAN A BOND BE RECEIVED?

The tremendous success of the County's 1983 Savings Bond Campaign overwhelmed systems for preparing and mailing Savings Bond certificates. Through the cooperative effort of the Chief Administrative Office, Auditor-Controller, U.S. Treasury, and the Federal Reserve Bank, computer systems were established and existing systems improved to accelerate the process.

Bonds should be received by the purchaser by the end of the month following the month in which the bond is purchased. For example, if a \$25 deduction for a \$50 bond is made in February, the bond should be received by the end of March. Persons with a \$6.25 deduction for a \$50 bond should receive certificates every four months.

Unions Support Bond Plan

The Co-Chairman of the County's 1984 U.S. Savings Bond Program, Joe Wetzler, Chairman of the Coalition of County Unions, announces that, "Labor encourages all County employees to look into how becoming a part of the Payroll Savings Plan for U.S. Savings Bonds can fit into their saving future."

"Last year's changes in U.S. Savings Bond provisions, allowing a variable interest rate, enables employees to share in the interest rates offered in today's securities market," Wetzler said.

"This will give millions of Americans an opportunity to develop saving habits that will build financial security," he said.

Keep Records of Bonds

Owners of savings bonds should maintain records of the bonds they purchase, and the information should be kept separate from the bonds. If the bonds are lost or destroyed, the information will be helpful to obtain replacements from the federal government. The information that should be recorded includes: the serial numbers (including prefix and suffix letters), the month and year the bond was issued, names and addresses on the bonds, and the Social Security (or employer identification) numbers. A form for maintaining a record of bonds will be available through your departmental U.S. Savings Bond Campaign Coordinator. Claims regarding lost bond certificates filed more than six years after final maturity will not be processed unless the bond serial numbers are furnished.

What's the Major Improvement in U.S. Savings Bonds?

Bonds now offer a variable interest rate. Series EE Bonds earn 85 percent of market rates, when held at least five years. Few, if any, other savings opportunities can offer this high interest rate for a minimum savings of \$6.25 a month through the convenient payroll deduction savings plan. If market rates rise, Savings Bonds interest keeps pace. If market rates drop sharply, bonds have the added protection of a guaranteed minimum return of 7.5 percent, when held at least five years.

Many people know the importance of saving but for some reason, never get around to doing it.

One of the easiest, most dependable ways to save regularly is through the County's Payroll Savings Plan for U.S. Savings Bonds. Under this plan, the amount an employee specifies is automatically set aside from each paycheck toward the purchase of bonds. Money accumulates steadily, providing a nest egg for future needs.

Getting into the habit of saving money isn't easy, no matter how hard one may try. However, once an employee signs up for the County's Payroll Savings Plan for U.S. Savings Bonds, the rest is automatic. Savings accumulate payday after payday, without interruption.

Other attractive benefits about savings bonds are that they are exempt from state and local income taxes, federal income tax can be deferred until bonds are cashed or reach maturity and there is free replacement of bonds that are lost, stolen or destroyed.

Savings Bonds build financial security and for years, have been a favorite way of saving for many Americans.

County Treasurer-Tax Collector Acclaims Savings Bond Benefits

The Coordinator of the County's 1984 U.S. Savings Bond Campaign, Howard B. Alvord, Treasurer-Tax Collector, reports that the recent changes in U.S. Savings Bond regulations by the Federal Treasury, link the interest rate paid for U.S. Savings Bonds to market-based rates, making bonds a viable investment for all County employees.

"You can't spend tomorrow what you've not saved today. And tomorrow's spending can be a lot more pleasant for those smart savers who join the payroll deduction savings plan for U.S. Savings Bonds, now," Alvord said. He said he invests a portion of his personal savings into U.S. Savings Bonds.

"The U.S. Savings Bond Program is a good deal and a sure way to save. It also is ideally suited for the small to medium fund saver," Alvord emphasized.

"I don't know of any other program that offers such a high guaranteed minimum interest rate on such a small investment as well as provides such ideal tax saving features."

"By starting a payroll deduction for U.S. Savings Bonds today, employees will be able to spend tomorrow what they've saved today," Alvord said.

Bond Program Praised

The County of Los Angeles has been commended for its outstanding achievements in the 1983 National Savings Bond Campaign for County governments.

"During the 1983 National Savings Bond Program, the goal for all counties nationwide was 8,000 new and increased allotments. However, the County of Los Angeles alone, exceeded the National goal by obtaining a total of 8,104 new or increased allotments," said Myron Schy, Area Manager for the Savings Bonds Division of the United States Treasury.

"The U.S. Treasury is extremely grateful to the County of Los Angeles for its role in helping citizens take stock in America and get into the saving habit. I'm confident that the County of Los Angeles will again lead the nation in new or increased payroll savings deductions during the 1984 U.S. Savings Bond Campaign," Schy said.

The tax advantages and safety features make investing in bonds a sound way of saving.

"Savings Bonds have helped millions of Americans purchase homes, finance college educations, guarantee secure retirements and weather financial emergencies," Schy said.

SERIES EE MONTHLY SAVINGS

Monthly Savings	AT 7.5%	(1)	AT 10%	(2)
	5 years	10 years	10 years	
\$ 6.25	\$ 434.70	\$ 1,074.00	\$ 1,196.90	
12.50	\$ 874.52	2,161.04	2,411.42	
25.00	\$1,759.34	4,348.46	4,863.34	
37.50	\$2,639.01	6,522.69	7,295.01	
50.00	\$3,518.68	8,696.92	9,726.68	
100.00	\$7,037.36	17,393.84	19,453.36	

(1) Guaranteed minimum rate

(2) Previous six months average interest rate - 9.4%