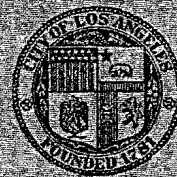


ANNUAL REPORT

BOARD of PENSION COMMISSIONERS

**CITY OF LOS ANGELES
CALIFORNIA**



FOR THE FISCAL YEAR ENDED JUNE 30, 1952

With

**CHARTER AND ORDINANCE PROVISIONS
GOVERNING PENSION SYSTEM**

October 21, 1952

To the Mayor and the City Council
of the City of Los Angeles

Gentlemen:

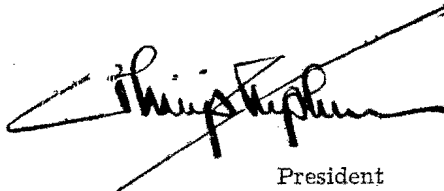
Pursuant to the provisions of Section 64 of the City Charter, there is presented herewith the annual report on the affairs and operations of the Department of Pensions for the fiscal year ended June 30, 1952. The operations of the department are changing in character through the almost completed conversion of street improvement bond obligations into securities purchased with the approval of investment counsel.

We are gradually developing statistical data that will afford useful information to the operating departments and that will allow at the same time a substantial base upon which trends can be calculated. At the beginning of the year there were 3223 pensions being paid. During the course of the year under review 166 new pensions were granted, 1 member was restored to active duty, 1 pension was reinstated, 86 pensions were terminated by death, 12 pensions were terminated by remarriage, 4 pensions were discontinued by reason of age, leaving a net increase of 64 for the year. This increase indicated that there were 3287 pensions in force as of the end of the fiscal period.

The members of the Board sincerely appreciate the cooperation given them by members of the staff and the officers of other departments.

Respectfully submitted,

BOARD OF PENSION COMMISSIONERS



President

PS:GW

Personnel of the
BOARD OF PENSION COMMISSIONERS

Philip Stephens, M.D., President
(Term Expires July 1, 1953)

L. W. Van Aken, Vice-President
(Term Expires July 1, 1957)

Leo V. Butler
(Term Expires July 1, 1954)

George W. Jones, M.D.
(Term Expires July 1, 1955)

Ora C. Matthes
(Term Expires July 1, 1956)

October 21, 1952

Board of Pension Commissioners
of the City of Los Angeles

Honorable Members:

Herewith is presented a summary report upon operations of the Department of Pensions for the fiscal year ended June 30, 1952. The statements of assets, liabilities, operations and fund capital as contained herein are taken from the report of Peat, Marwick, Mitchell & Company who was employed by the Board by contract to audit such operations. The full report of the auditors is included herewith and made a part of this report.

It will be noted that the character of operations of the department have been changed during the last few years by the gradual elimination of street bond operations through the completion of the legal process of acquiring a merchantable title and the sale of such properties. Operations of the department are now assuming to a much greater degree the characteristics of a pension system. Included in this report are data that accurately reflect operations of the pension system.

On July 1, 1951, twelve pension applications were pending. During the course of the fiscal year 178 additional petitions were received. Of the total of 190 petitions 166 were granted, 1 pension was reinstated, 2 denied, 2 withdrawn and 19 pending as of June 30, 1952. The details of the pensions granted and terminated during the course of the fiscal year period are as follows:

	20 Yr. Serv.	20-25 Years Serv.	Serv. Disa.	Non- Serv. Disa.	Serv. Widows	Non- Serv. Widows	Serv. Dept.	Non- Serv. Depts.	Total
Balance 7-1-51.....	2163	140	229	29	624	11	25	2	3223
Granted.....	37	34	26	6	53	5	5	....	166
Reinstated.....	....	....	....	....	1	....	....	....	1
Redetermined.....	....	....	1*	-1*	....	....	....	....	....
Restored to Duty.....	....	....	1	....	....	....	....	....	1-
Deaths.....	59	....	10	1	16	....	....	....	86-
Withdrawn.....	....	1*	....	1*	....	....	....	....	2*
Decreased.....	....	....	6*	....	11*	....	....	....	17*
Increased.....	....	....	2*	....	1*	....	....	....	3*
Remarried.....	....	....	....	....	12	....	....	....	12-
Denied.....	....	....	....	....	2*	....	....	....	2*
Discontinued.....	....	....	....	....	....	....	4	....	4
	2141	174	245	33	650	16	26	2	3287

* Statistical—these figures do not affect pension roll.

MEMBERSHIP

As of June 30, 1952, there were 2,569 firemen and 4,320 policemen as members of the system including members on leave of absence without pay, members on military leave and members on suspension. The following statement presents an analysis of the length of service of such members:

	Fire	Police	Total
25 Year Members			
Men with less than 5 years	877	1,698	2,575
With less than 10 years	625	1,389	2,014
With less than 20 years	680	751	1,431
With 20 years service and over	187	195	382
On Military Leave (Eligibility dates not counted) ..	37	166	203
20 Year Members			
Men eligible to retire	163	121	284
TOTAL	2,569	4,320	6,889

ANALYSIS OF MEMBERSHIP

The following schedule presents an analysis of the changes in membership of both the Fire and Police Departments during the last two fiscal years:

	1950-51	1951-52
Membership—July 1st	6,933	6,816
On Leave	16	19
On Military Leave	14	303
Active Membership—June 30th	6,903	6,494
Additions:		
New Appointments	147	308
Restorations	1	1
Returned from leave	127	150
Returned from Military leave	51	155
Discontinued on Military leave .....	...	2
	7,229	7,110
Withdrawals:		
Service retirements	108	71
Disability retirements	27	33*
Resigned	71	104**
Discharged	40	10
Deaths	19	18**
Leaves granted	130	165
Military leaves granted	340	57
Active Membership—June 30th	6,494	6,652
On Leave	19	34
On Military Leave	303	203
Total Membership—June 30th	6,816	6,889

* granted 1950-51

** included 1 on military leave

SERVICE PENSIONS

The total number of members retiring upon service pension is represented by departments for the last twelve fiscal years in the following statement:

	Fire	Police	Total
June 30, 1941	76	45	121
June 30, 1942	79	185	264
June 30, 1943	74	203	277
June 30, 1944	151	194	345
June 30, 1945	106	215	321
June 30, 1946	86	176	262
June 30, 1947	36	62	98
June 30, 1948	38	59	97
June 30, 1949	25	40	65
June 30, 1950	35	65	100
June 30, 1951	51	57	108
June 30, 1952	28	43	71

In accordance with the Charter amendment of June 16, 1947, 174 members have retired upon service pension who entered the service of the City subsequent to January 16, 1927. These retirements are included in the totals shown above and are analyzed by departments and years as follows:

	Fire	Police	Total
June 30, 1948	5	16	21
June 30, 1949	9	16	25
June 30, 1950	12	30	42
June 30, 1951	27	27	54
June 30, 1952	11	23	34

DISABILITY PENSIONS

There are 245 service connected disability pensions and 33 non-service connected disability pensions classified by rates in the following schedule as of June 30, 1952:

Rate	Fire	Police	Total
40%	10	25	35
50%	26	45	71
52½%	---	1	1
55%	7	2	9
60%	21	33	54
65%	19	37	56
66⅔%	1	---	1
70%	1	4	5
75%	9	18	27
80%	---	3	3
85%	3	5	8
90%	2	6	8
	99	179	278

The following is a classification of disability pensions by age:

Age	Fire	Police	Total
20-25	---	1	1
25-30	2	5	7
30-35	4	15	19
35-40	4	7	11
40-45	9	14	23
45-50	13	11	24
50-55	28	59	87
55-60	15	39	54
60-65	12	12	24
65-70	7	9	16
70-75	4	4	8
75-80	1	2	3
80-85	---	1	1
	99	179	278
Average age			53

ELIGIBILITY

All twenty-year members have become eligible. The following schedule indicates the changes in eligibility since June 30, 1951:

	Fire	Police	Total
Eligible June 30, 1951	353	341	694
Disability granted 1950-51 while on leave	-1	---	-1
Became eligible during 1951-52	33	30	63
	385	371	756
Deduct 1951-1952:			
Service retirements	28	43	71
Disability retirements	4	8	12
Deaths in active service	3	4	7
Total eligible as of June 30, 1952.....	350	316	666

There were as of June 30, 1952, 666 members eligible to retire. One hundred eighty-four of these members were 20-year men and 382 were 25-year men. The following schedule shows the number of men eligible to retire at the end of each fiscal year as indicated:

	Fire	Police	Total
June 30, 1941	165	128	293
June 30, 1942	116	88	204
June 30, 1943	76	85	161
June 30, 1944	218	138	356
June 30, 1945	312	340	652
June 30, 1946	310	312	622
June 30, 1947	290	270	560
June 30, 1948	256	234	490
June 30, 1949	240	215	455
June 30, 1950	392	367	759
June 30, 1951	353	341	694
June 30, 1952	350	316	666

During the fiscal year 1952-53 one hundred four, twenty-five year members will become eligible if their service is continuous. Thirty of these members are policemen and seventy-four are firemen.

YEARS OF SERVICE—20-Year Men

The number of years of active service of all twenty-year members who are now eligible to retire is as follows:

Years of Service	Fire	Police	Total
23	---	2	2
24	---	---	---
25	10	2	12
26	21	22	43
27	42	53	95
28	58	17	75
29	7	15	22
30	3	5	8
31	4	1	5
32	1	1	2
33	1	1	2
34	3	1	4
35	2	---	2
36	2	1	3
37	3	---	3
38	3	---	3
39	1	---	1
40	1	---	1
41	---	---	---
42	1	---	1
TOTAL	163	121	284

YEARS OF SERVICE—25-Year Men

The number of years of service of 25-year members is as follows:

Years of Service	Fire	Police	Total
20	31	22	53
21	14	29	43
22	48	36	84
23	72	45	117
24	13	48	61
25	9	15	24
TOTAL	187	195	382

CLASSIFICATION OF PENSION AMOUNTS

The following schedule shows the classification of pensions paid by the number of pensioners in \$10.00 brackets up to the monthly amount of \$250.00, and also indicates the average pension being paid in each classification.

Amounts	Service	Disability	Widows	Minors	Dependents	Total
50- 59	----	----	1	----	----	1
60- 69	----	----	7	----	----	7
70- 79	----	----	6	----	----	6
80- 89	----	2	16	1	2	21
90- 99	----	1	16	1	3	21
100-109	757	25	234	7	1	1,024
110-119	382	4	101	2	1	490
120-129	349	29	105	4	15	487
130-139	173	52	19	4	----	248
140-149	130	8	17	1	----	156
150-159	131	21	43	----	----	195
160-169	75	11	13	----	----	99
170-179	46	19	9	----	----	74
180-189	35	23	25	1	----	84
190-199	42	6	9	----	----	57
200-209	51	21	15	----	----	87
210-219	29	4	5	----	----	38
220-229	20	10	3	----	----	33
230-239	30	6	9	----	----	45
240-249	16	3	1	----	----	20
250 or over.....	49	33	12	----	----	94
	<u>2,315</u>	<u>278</u>	<u>666</u>	<u>21</u>	<u>7</u>	<u>3,287</u>
Average Pension	133.53	170.34	126.42	112.24	97.64	134.99

AGE OF PENSIONERS

The following is an analysis of the ages of all pensioners at the close of June 30, 1952:

Ages	Service	Disability	Widows	Dependents	Minors	Total
0-18.....	----	----	----	----	21	21
20-25.....	----	1	2	----	----	3
25-30.....	----	7	6	----	----	13
30-35.....	----	19	10	----	----	29
35-40.....	----	11	16	----	----	27
40-45.....	----	23	34	----	----	57
45-50.....	126	24	86	----	----	236
50-55.....	769	87	120	----	----	976
55-60.....	666	54	132	----	----	852
60-65.....	452	24	101	----	----	577
65-70.....	188	16	80	2	----	286
70-75.....	78	8	45	1	----	132
75-80.....	32	3	20	1	----	56
80-85.....	2	1	11	1	----	15
85-90.....	2	----	2	2	----	6
90-95.....	----	----	1	----	----	1
	<u>2,315</u>	<u>278</u>	<u>666</u>	<u>7</u>	<u>21</u>	<u>3,287</u>
Average age.....	58	53	57	78	11	

MILITARY LEAVES

Section 17 of the City Charter was amended effective April 21, 1951 to provide credit toward retirement for periods of military service subsequent to June 25, 1950, with this amendment providing certain limits upon the duration of such authority.

On June 30, 1951, there were 303 members on military leave. The following schedule shows the operation of military leave authorization for the fiscal year 1951-1952:

Month	Granted	Restored	Resigned on M-L	Died on M-L
July	6	9	---	---
August	8	14	---	---
September	6	11	---	---
October	9	21	---	---
November	1	11	---	---
December	4	8	1	---
January	2	16	---	1
February	7	7	---	---
March	6	5	---	---
April	4	14	---	---
May	2	14	---	---
June	2	25	---	---
	<u>57</u>	<u>155</u>	<u>1</u>	<u>1</u>

On Leave June 30, 1951.....303
 Granted during 1951-52 57

Restored—Now Active360
 Restored—Now Active155
 Resigned on Military Leave 1
 Died on Military Leave 1

On Leave June 30, 1952203

All of the 203 members on military leave are twenty-five year men. There are two men eligible to retire, one policeman and one fireman. The fireman was eligible to retire prior to entering military service. One hundred and two of these members have five or more years of service. All of the 14 members on military leave on June 30, 1950 are still on leave and one of these members is now eligible to retire.

LITIGATION**Quinn v. City, etc., et al**

As of the beginning of the fiscal year, this mandamus proceeding in which petitioner prayed for judgment and a peremptory writ of mandate commanding and ordering the Board to pay her a pension as the widow of Frank I. Quinn and in which we prepared, served and filed our return alleging that Mrs. Quinn had been previously married, that such marriage had not been dissolved, that the marriage of the Quinns was illegal and void, that they had never been husband and wife and that petitioner was not the widow of Frank I. Quinn and, as such, entitled to a widow's pension, was set for trial on July 13, 1951. The same was tried on said date but respondents were unable to sustain the burden of overcoming the presumption of the validity of said marriage for the reason that there was no evidence available to prove that her former husband, Mr. Henson, had not obtained a valid and final decree of divorce or annulment from petitioner prior to the date of her marriage to Mr. Quinn. Judgment was rendered on July 13, 1951 in favor of petitioner and entered on August 7, 1951.

Howard v. City, etc., et al

In this mandamus proceeding, petitioner sought judgment and a peremptory writ of mandate commanding and ordering the Board to pay a pension to her as the widow of Frank Orlo Howard. We prepared, served and filed our return alleging that Mrs. Howard had previously been married, that such marriage had not been dissolved prior to June 9, 1911, the date alleged by her to be the date of her marriage to Frank Orlo Howard and that she is not the widow of Frank Orlo Howard and, as such, entitled to a pension. The matter was tried on June 13, 1952 and, respondents having failed to prove the invalidity of said marriage for the reason that there was no evidence available to prove that her first marriage to one Mr. McMillen had not been dissolved by his having obtained a valid and final decree of divorce or annulment from Mrs. Howard prior to the date of her marriage to Mr. Howard, judgment was rendered on said date in favor of petitioner and entered on June 24, 1952.

People v. Rouse, et al

As of the beginning of the fiscal year this condemnation proceeding, brought by the State of California against a parcel of land upon which a street improvement bond, owned by the Department, was a lien and in which the parties had stipulated that judgment in the sum of \$46.93, the amount necessary to prepay said bond in full, was to be entered in favor of the Department and was to be paid out of any award made to the owner of the property, was still pending. Judgment was rendered in favor of the State and on August 21, 1951 copies of findings of fact, conclusions of law and judgment were served upon the Department and on October 8, 1951 we received a warrant from the State in the sum of \$46.93, the amount necessary to pay our bond in full.

People v. Ross, et al

As of the beginning of the fiscal year, this condemnation proceeding, commenced in May of 1947 by the State of California against four parcels of land owned by the Department and covered by our R. E. Nos. 651 to 654 inclusive, had not been brought to trial due to the fact that we had not

made the titles thereto marketable and insurable and had agreed to sell the same to the State when we became vested with such titles. Said proceeding was dismissed when the Department's interests in said properties were sold to the State by deed, dated June 30, 1952, for a consideration of \$3,150.

Skaggs v. City, etc., et al

Plaintiff in this proceeding, which was commenced before the beginning of this fiscal year, seeks both a declaration of his pension rights and a peremptory writ of mandate commanding and ordering the Board to grant to him a service pension on the ground that, having served the number of years required for such retirement he has a vested right thereto even though, effective prior to the date he made application therefor, he was discharged from the Police Department after a trial before the Board of Rights. A jury trial of said proceeding was set for September 27, 1951 but, before said date, plaintiff served and filed a notice of waiver of jury trial. After several continuances of the trial had been granted to plaintiff, the proceeding was marked off calendar on October 30, 1951.

Bowen v. City, etc., et al

This declaratory relief proceeding, commenced prior to the beginning of the fiscal year by 96 plaintiffs appointed to the Fire and Police Departments subsequent to January 17, 1927 from eligibility lists established prior thereto, prays that the court decree that after 20 years of service, instead of 25 years of service, plaintiffs are entitled to a 50% service pension, and that the charter amendment effective on said date, providing that the members of said departments appointed thereafter would be required to serve 25 years for a 50% pension but preserving the right to those appointed prior thereto to retire upon a 50% pension after only 20 years, is unconstitutional as to plaintiffs. The matter was tried on December 20, 1951 and counsel stipulated that the same be submitted after the filing of an amended answer and trial briefs. Defendants prepared, served and filed such amended answer on January 3, 1952. Plaintiffs' opening brief was served upon defendants on February 6, 1952, defendants' brief was prepared, served and filed on February 1, 1952 and plaintiff's closing brief was served on defendants on March 7, 1952. The court took the matter under submission on March 14, 1952. Judgment was rendered for plaintiffs on April 8, 1952 and, thereafter, defendants were served with proposed findings of fact, conclusions of law and judgment. Defendants prepared, served and filed counter-proposed findings of fact and conclusions of law on April 14, 1952, which the court rejected. Judgment was entered on April 18, 1952 in favor of plaintiffs. On May 26, 1952 we prepared, served and filed our notice of appeal and, on June 6, 1952, we prepared, served and filed our notice of request for Clerk's and Reporter's transcripts. As of the close of the fiscal year, the Clerk and Reporter were in the process of preparing the same.

Opinions and Reports

Both formal and informal opinions and reports, too numerous to mention herein, were received from the City Attorney and representative assigned to the Department, on various pension questions. However, his May 13, 1952 opinion to the Board is of such significance that we feel compelled to make it a part of this report.

In said opinion, the City Attorney ruled: that the Board, not having been expressly granted the power and authority to expend money from the Fire and Police Pension Fund in order to obtain an actuarial study of the Fire and Police Pension System, could legally expend money therefor only if it had the implied power and authority to do so; that said System's funding procedure is not upon an actuarial basis and, therefore, any conclusions reached in or as a result of such an actuarial study could not, in view of the fact that the charter provisions are mandatory and the Board has no power or authority to deviate therefrom, change or affect the Board's duty to strictly comply therewith; that, consequently, such a study is not necessary to the exercise of any of the powers or authority expressly granted to the Board and, therefore, said Board would not have the implied power or authority to expend money therefor; that the Council could, however, by ordinance, grant the power to or impose the duty upon the Board to obtain such a study but that the Board could expend only such money therefor as the Council would appropriate to it for such purpose.

Guardianships

Five orders and 28 accounts were received and examined. Five minor guardianships were added and four were discontinued on account of three minors reaching majority and one minor marrying. Four incompetent guardianships were added, one discontinued on account of the death of the incompetent and one discontinued on account of restoration to capacity. Seven requests for special notice were prepared, served and filed. Considerable research was done, conferences had with the Manager and others and advice given in connection with the question of whether pension payments should be made to one Ernest L. Branham upon his return to California and his demand for its payment after escaping from an Indiana State Institution for the insane after commitment thereto by the Indiana court.

As of the close of the year, there were 34 guardianship proceedings, 21 covering 26 minors and 13 covering incompetents. Much correspondence and many telephone conversations were had with those guardians and their attorneys who were delinquent in making and filing accounts and, in a few such cases, we recommended that payment of the pension be discontinued until such time as the guardian complied with our demands to make and file the same.

Real Property

Seven properties upon which we had previously obtained Treasurer's Deeds were made marketable and insurable and converted into RE's. Five escrows were opened and instructions drawn by us for the sale of 5 parcels of property and deeds therefor prepared for execution. Four parcels were sold to the State without an escrow. Fourteen requests for reconveyances were prepared and presented to the Department for execution.

Miscellaneous

Prior to the middle of the year 1948 the City Attorney, in formal written opinions to the Board, ruled that it should deny certain applications for widows' pensions on the grounds that the applicants therefor had not been legally and validly married. It was obvious from the facts and circumstances in some of said cases that the parties, had they been given proper and timely legal advice, could have cleared their marital records so that said applications, on the basis of legal and valid marriages, would have been granted rather than denied.

As a result of said opinions, we decided to check the marital history of each retired member in order to determine whether his last marriage, if more than one, was legal and valid and whether his wife, upon his death, would be entitled to a widow's pension. In checking the same, we required certified copies: of all marriage certificates of the pensioner and his wife; of all death certificates of the deceased spouses of either of them; and of all decrees of divorce or annulment obtained by or against either of them.

Upon the receipt of such certified documents each completed file was submitted to the City Attorney's representative assigned to the Department for his opinion as to the legality and validity of the last marriage of the pensioner.

By this procedure, it was definitely determined that many pensioners' marriages were, beyond question, legal and valid and their files were marked to so indicate such fact. However, it was also found that many last marriages appeared to be illegal and invalid and the legality and validity of many others appeared to be questionable.

Many of said latter marriages were, by court decree in declaratory relief proceedings, brought against the Department, declared to be legal and valid. Others were made legal and valid by the use of legal procedures enacted for such purposes.

Voluminous correspondence was had in connection with these matters and a great deal of time consumed by the City Attorney's representative assigned to the Department in examining the marital histories of such pensioners and their wives and the certified copies of all such documents and in making informal reports thereon.

Our policy has, without a doubt, caused many pensioners and their wives to make legal and valid marriages which they did not realize were technically illegal and invalid and which, if they had remained so until the deaths of the pensioners, would have precluded the wives from being eligible to pensions.

O P E R A T I O N S

Investments in bonds have been increased \$1,175,000.00 this year. This increase is due to the excess of revenues over disbursements for the prior year and the conversion of other obligations into bonds. The par value of the portfolio at the end of the year was \$19,668,000.00 and the book value thereof was \$552,134.00 over the appraised value of these bonds as of June 30, 1952.

Street Improvement Bonds

At the end of the year the remaining investment in street improvement bonds, and in deeds and properties acquired in connection therewith, amounted to the sum of \$107,790.00. Included in this amount is \$40,516.00 for street improvement bonds bearing 7% interest, on which both principal and interest are paid to date, and \$32,935.00 in notes secured by trust deeds acquired as the result of the sale of properties. The various pieces of real estate remaining are generally of such nature as to make it inadvisable to attempt a forced sale under present conditions. Most of these properties lie in an area that is undeveloped either with streets or utilities. The total amount of our investment in such properties amounts to \$31,895.00 and such properties will be sold when the demand therefor occurs.

Surplus

The amount of surplus reserves increased in the approximate sum of \$518,000.00 during the year, and the reserve for investment losses was increased by the approximate sum of \$4,700.00.

Real Property

There were ninety-seven properties unsold at the beginning of the year. During the year seven properties were placed into a marketable position by policy of title insurance. Six properties were sold and escrows closed during the year, leaving a balance of ninety-eight properties unsold at the end of the year. Completed sales of the six properties involved a total consideration of \$9,350 and a net profit of \$3,253. Fourteen reconveyances were prepared and executed after the notes which were secured by deeds of trust were fully paid. Profits and losses resulting from the sale of properties are closed into the reserve for investment losses.

Surety Bonds

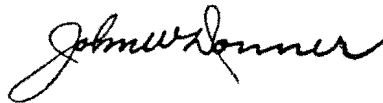
Six of the ten employees were under bond as follows:

Position	Amount of Bond
Manager-Secretary	\$150,000
Chief Accountant	25,000
Senior Clerk Stenographer	25,000
Principal Clerk Stenographer	5,000
Senior Clerk	5,000
Intermediate Clerk Typist	5,000

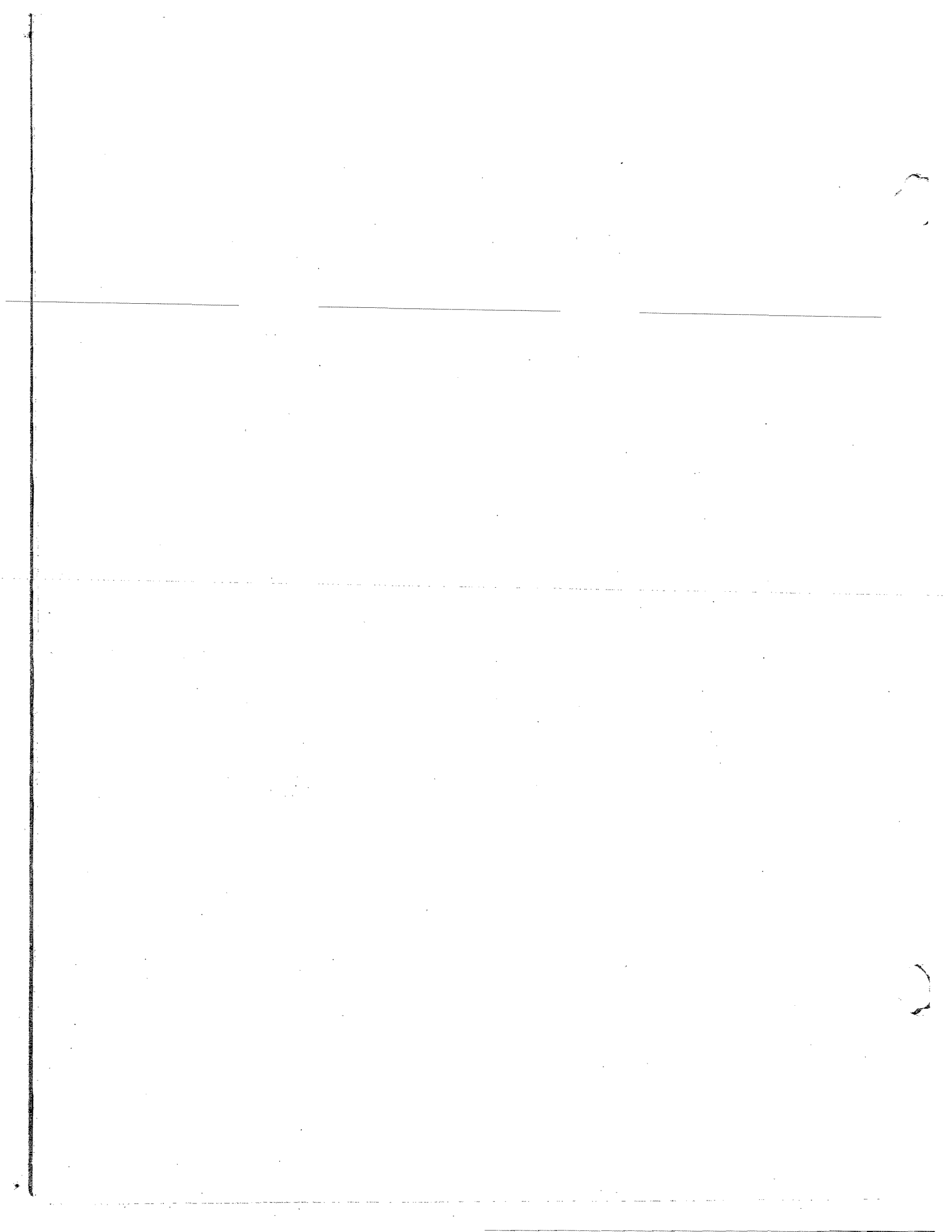
Personnel

Ten individuals were employed in the Department including one Assistant City Attorney. The employees are within the same classification and are paid the same salary range in effect throughout the general government.

Respectfully submitted,



Manager-Secretary



PEAT, MARWICK, MITCHELL & CO.

CERTIFIED PUBLIC ACCOUNTANTS

(INCORPORATING BARROW, WADE, GUTHRIE & CO.)

618 SOUTH SPRING STREET

LOS ANGELES 14, CALIF.

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 MINNEAPOLIS
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ACCOUNTANTS' REPORT

To the Board of Pension Commissioners of the
 City of Los Angeles:

We have examined the balance sheets of the City of Los Angeles Fire and Police Pension Fund as of June 30, 1952 and June 30, 1951, and the related statements of operations and fund capital for the fiscal years then ended. Our examinations were made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we consider necessary in the circumstances.

The administration of the Fire and Police Pension Fund is governed by the general provisions of the Charter of the City of Los Angeles, as amended, and more particularly by Article XVII thereof. Section 186 of Article XVII of the Charter specifies, among other things, that taxes shall be levied annually to provide funds estimated to be necessary for the payment of pensions and expenses of the Department of Pensions, and for reimbursement of the excess, if any, of the expenditure of the Department over its revenues. In view of this, specific reserves have not been established to provide for the payment of current or future pensions.

In our opinion, the accompanying balance sheets and statements of operations and fund capital present fairly the financial position of the City of Los Angeles Fire and Police Pension Fund at June 30, 1952 and June 30, 1951, and the results of its operations for the fiscal years then ended, in conformity with generally accepted accounting principles maintained pursuant to the applicable provisions of the Charter of the City of Los Angeles applied on a consistent basis throughout the period under review.

PEAT, MARWICK, MITCHELL & CO.

Los Angeles, California
 October 3, 1952

**CITY OF LOS ANGELES
FIRE AND POLICE PENSION FUND**

**BALANCE SHEETS
June 30, 1952 and 1951**

EXHIBIT I

ASSETS

	June 30, 1952	June 30, 1951
Cash:		
Deposits with Treasurer of the City of Los Angeles	\$ 831,347	\$ 1,432,526
Cash revolving funds	325	325
Cash in suspense	71	71
	\$ 831,743	\$ 1,432,922
Account Receivable		42
Investments:		
Bond investments, general— at par (value based on market quotations \$19,301,675 and \$18,022,778 respectively)	\$19,668,000	18,493,000
Street improvement Bonds— at par	40,516	47,295
Treasurer's deeds—at cost	2,444	3,661
Trust deeds receivable—at cost ..	32,935	59,745
Real property—at cost	31,895	36,006
	\$19,775,790	\$18,639,707
Bond premiums, less discounts of \$40,310 and \$21,357 respectively	155,809	174,904
Accrued interest	19,931,599	18,814,611
	144,577	137,237
	\$20,907,919	\$20,384,812

**CITY OF LOS ANGELES
FIRE AND POLICE PENSION FUND**

BALANCE SHEETS

June 30, 1952 and 1951

EXHIBIT I

LIABILITIES

	June 30, 1952	June 30, 1951
Accounts payable	\$ 457	\$ 122
Deferred Credits:		
Prepaid payments—street bonds..\$ 1,361		\$ 1,311
Deposits on real property		
sales and leases	350 1,711	1,250 2,561
	20,905,751	20,382,129
Fund Capital:		
Accumulated surplus	18,466,422	17,947,553
Reserve for investment losses	2,439,329	2,434,576
	\$20,907,919	\$20,384,812

**CITY OF LOS ANGELES
FIRE AND POLICE PENSION FUND**

STATEMENT OF OPERATIONS
Fiscal Years ended June 30, 1952 and 1951

EXHIBIT II

	Fiscal Year Ended June 30, 1952	Fiscal Year Ended June 30, 1951
Revenues:		
Taxes	\$ 3,504,635	\$ 3,266,233
Interest	510,300	492,563
Rental of property	165	81
Members' contributions	1,803,395	1,668,861
Sales of unclaimed property	17,534	14,362
Bonus	56	86
Donations	1,100	311
Miscellaneous	1,106	1,640
Revenues available for current year's expenditures	\$ 5,838,291	\$ 5,444,137
Expenditures:		
Pensions paid:		
Service	\$ 3,673,892	\$ 3,544,662
Disability	486,343	433,147
Widows	967,331	907,165
Minors	31,946	32,405
Dependents	8,202	9,523
Non-service:		
Disability	50,986	43,699
Widows	31,043	20,790
Minors	3,264	2,856
Administrative Expenses	\$ 5,253,007 66,415	\$ 4,994,247 64,027
Excess of Revenues over Expenditures	\$ 518,869	\$ 385,863

**CITY OF LOS ANGELES
FIRE AND POLICE PENSION FUND**

**STATEMENT OF FUND CAPITAL
Fiscal Years ended June 30, 1952 and 1951**

EXHIBIT III

	Fiscal Year Ended June 30, 1952			Fiscal Year Ended June 30, 1951		
	Accumulated Surplus	Reserve for Investment Losses	Total	Accumulated Surplus	Reserve for Investment Losses	Total
Balance as of beginning of period.....	\$17,947,553	\$2,434,576	\$20,382,129	\$17,562,393	\$2,405,977	\$19,968,370
Add:						
Net gain on disposition of investments.....	.....	4,753	4,753	.....	28,599	28,599
Excess of revenues over expenditures.....	518,869	.....	518,869	385,863	.....	385,863
	<u>\$18,466,422</u>	<u>\$2,439,329</u>	<u>\$20,905,751</u>	<u>\$17,948,256</u>	<u>\$2,434,576</u>	<u>\$20,382,832</u>
Deduct:						
Return of revenues received in prior period .....	.....	.....	.....	703	.....	703
Balance as of close of period.....	<u>\$18,466,422</u>	<u>\$2,439,329</u>	<u>\$20,905,751</u>	<u>\$17,947,553</u>	<u>\$2,434,576</u>	<u>\$20,382,129</u>

Note:

The reserve for investment losses at June 30, 1952 is comprised of the net gains realized from investment transactions consummated after June 30, 1940, \$2,541,470, less the excess of expenditures made over revenues received during the fiscal year ended June 30, 1941, amounting to \$102,140, which was not reimbursed by subsequent tax revenues.

**FIRE AND POLICE PENSION FUND
ADMINISTRATIVE EXPENSE COMPARED**

SCHEDULE 1

OPERATING EXPENSE	1951-52	1950-51
Salaries	\$51,297	\$49,015
Communications	568	530
Insurance and Bond Premiums	1,813	396
Office Equipment	102	150
Office Supplies	776	959
Printing and Binding	965	805
Traveling	889	405
Investment	3,000	3,000
Field Equipment	215	170
Maintenance and Repairs	12	.....
Petroleum Products .....	.....	.....
Transportation	2	30
Annual Audit	684	610
Litigation	7	101
Mailing Service	171	144
Medical Service	5,491	5,263
Miscellaneous	18	60
Equipment, Furniture and Fixtures	405	2,389
TOTAL EXPENSE	<u>\$66,415</u>	<u>\$64,027</u>

STATEMENT OF CASH RECEIPTS AND SOURCES THEREOF
Fiscal Years 1945-46 to 1951-52 Compared

SCHEDULE 2

	1951-52	1950-51	1949-50	1948-49	1947-48	1946-47	1945-46
Total Receipts and Revenue	\$6,986,392	\$7,418,315	\$8,128,116	\$8,451,077	\$8,537,031	\$6,976,213	\$9,380,227
Deduct:							
Revenue (Schedule 1)	\$5,838,291	\$5,444,137	\$5,259,087	\$4,721,413	\$4,079,429	\$2,926,973	\$2,426,641
Adjustments:							
Accrued Interest	7,340*	24,653*	11,159*	39,905*	13,404*	8,563	27,543
Prepaid Interest	9,602	17,814	8,311	17,725	15,060	5,738	.....
Bond Premiums Amortized	5,246	7,677	7,703	9,109	6,800	5,360	4,741
Taxes Receivable .....	.....	.....	.....	287,128	1,265,966	1,455,802	1,190,426
Miscellaneous	124	247	19,334*	19,932	3,037	32,332*	1,141
TOTAL REVENUE RECEIPTS	\$5,845,923	\$5,445,222	\$5,244,608	\$5,015,402	\$5,356,888	\$4,370,104	\$3,650,462
CAPITAL RECEIPTS	\$1,140,469	\$1,973,093	\$2,883,508	\$3,435,675	\$3,180,143	\$2,606,109	\$5,729,765
Analysis—Capital Receipts							
Bond Investments—Par Value	\$1,100,000	\$1,879,000	\$2,686,000	\$3,252,000	\$2,800,000	\$2,290,000	\$4,854,000
Bond Investments—Premiums	2,529*	7,472	2,940*	47,727	1,190	5,525	71,808
Street Improvement Bonds—Par Value	6,779	8,523	23,719	16,451	34,244	53,925	79,928
Certificates of Sale .....	.....	.....	55	256	229	10,516	7,356
Treasurer's Deeds .....	.....	248	180	318	6,750	19,461	5,736
Real Property Sales	6,117	9,419	47,991	58,892	145,638	114,160	391,631
Trust Deeds, Installments	28,110	31,998	63,011	45,126	79,477	80,246	148,602
Miscellaneous Collections	92	113	3,396	137	88,484	11,985	8,235
Reserve for Investment Losses	1,500	27,255	59,246	11,863	1,349	815*	128,160
Deposits on Real Property Sales	400	9,065	2,850	2,905	22,782	21,106	34,309
TOTALS	\$1,140,469	\$1,973,093	\$2,883,508	\$3,435,675	\$3,180,143	\$2,606,109	\$5,729,765

*Deductions

STATEMENT OF CASH DISBURSEMENTS AND OBJECTIVES THEREOF

Fiscal Years 1945-46 to 1951-52 Compared

SCHEDULE 3

	1951-52	1950-51	1949-50	1948-49	1947-48	1946-47	1945-46
Total Disbursements	\$7,587,571	\$7,883,056	\$6,973,514	\$10,520,475	\$7,463,457	\$6,855,131	\$8,614,656
Deduct:							
Expenditures (Schedule 1)	\$5,319,422	\$5,058,274	\$4,756,024	\$ 4,536,632	\$4,366,557	\$4,192,939	\$3,882,443
Adjustments:							
Prepaid Interest	9,602	17,814	8,311	17,725	15,060	5,738	7,592
Expense Abatements	30	195	.....	.....	929	777	1,119
Refund, Deposits on Sales .....	.....	50	.....	250	150	3,008	850
Encumbrance Adjustments	335*	47*	57	133*	1,682	1,365*	41
Miscellaneous	2,465*	444	513	1,909	2,454	284	3,600
TOTAL OPERATING DEDUCTIONS	\$5,326,254	\$5,076,730	\$4,764,905	\$ 4,556,383	\$4,386,832	\$4,201,381	\$3,895,645
CAPITAL OPERATIONS	\$2,261,317	\$2,806,326	\$2,208,609	\$ 5,964,092	\$3,076,625	\$2,653,750	\$4,719,011
Analysis—Capital Operations							
Bond Investments—Par Value	\$2,275,000	\$2,782,000	\$2,160,000	\$ 5,900,000	\$3,044,000	\$2,600,000	\$4,675,000
Bond Investments—Premiums	13,913*	17,806	43,417	61,530	17,091	19,008	18,528
Appraisals .....	.....	120	45	85	320	1,035	960
Miscellaneous Costs—Real Property .....	.....	425	.....	2	.....	3,177	540
Quiet Title Costs .....	.....	2,018	139	527	54	250	248
Escrow Charges—Real Property	18	228	43	50	280	27	1,567
Other Bonds	50	3,040	893	640	4,307	1,537	4,622
Quit Claim Deeds .....	.....	.....	.....	545	959	9,390	2,910
Street Lighting Assessments	68	62	225	364	256	1,604	2,009
Taxes .....	.....	237	119	17	9,051	16,202	12,627
Title Searches .....	.....	.....	.....	240	278	991	.....
Unapplied Charges—Investments	94	390	3,728	92	29	529	.....
TOTALS	\$2,261,317	\$2,806,326	\$2,208,609	\$ 5,964,092	\$3,076,625	\$2,653,750	\$4,719,011

*Deductions

BOND DISTRIBUTION

June 30, 1952

SCHEDULE 4

	Rate	Maturity Date	Par Value
UNITED STATES GOVERNMENT			
U. S. Savings "G"	2½	1953/62	\$1,750,000
U. S. Treasury	2¼	1959/62	2,450,000
U. S. Treasury	2½	1965	250,000
U. S. Treasury	2½	1967/62	500,000
U. S. Treasury	2½	1968/63	400,000
U. S. Treasury	2½	1969/64	500,000
U. S. Treasury	2¾	1980/75	3,600,000
TOTAL GOVERNMENTS			\$ 9,450,000
CORPORATES			
American Tel. & Tel.	2¾	1961	\$ 200,000
American Tel. & Tel.	2¾	1975	300,000
American Tel. & Tel.	2¾	1980	200,000
Bethlehem Steel Corp.	2¾	1970	150,000
Bethlehem Steel Corp.	3	1979	98,000
Boston Edison	2¾	1970	200,000
California Oregon Power	3⅞	1974	100,000
Canadian National Ry.	4½	1956	100,000
Central Illinois Light	2⅝	1979	100,000
Central Maine Power	3½	1970	141,000
Cleveland Elec. Illuminating	3	1970	150,000
Commonwealth Edison	2¾	1999	200,000
Commonwealth Edison	3	1999	246,000
Consolidated Edison N. Y.	3	1979	150,000
Consolidated Gas Baltimore	2⅞	1988	150,000
Dallas Power Light	2⅞	1979	200,000
Deere & Co.	2¾	1965	25,000
Delaware Power & Light	2⅞	1979	150,000
Detroit Edison	2¾	1985	200,000
Detroit Edison	3	1970	150,000
Duke Power Co.	2⅞	1979	250,000
Firestone Tire & Rubber	3¼	1977	250,000
Illinois Bell Tel.	2¾	1981	150,000
Illinois Bell Tel.	3	1978	200,000
Illinois Power Co.	2⅞	1979	100,000
Long Island Lighting	3	1958	100,000
Louisville & Nashville	4	1955	75,000
Metropolitan Edison	2¾	1980	200,000
Michigan Bell Tel.	3⅞	1988	200,000
Mt. States Tel.	2⅝	1986	100,000
National Steel	3⅞	1982	150,000
New England Tel.	3	1974	200,000
New Jersey Bell Tel.	3⅞	1988	250,000
New York Tel.	3	1981	100,000
No. Indiana Pub. Serv.	3⅞	1973	150,000
No. States Power (Minn.)	2¾	1975	200,000
No. States Power (Wisc.)	3	1979	199,000
Ohio Edison	2⅞	1980	200,000
Pacific Gas & Elec.	3	1979	200,000
Pacific Gas & Elec.	3	1983	30,000
Pacific Tel. & Tel.	3⅞	1983	150,000

BOND DISTRIBUTION

June 30, 1952

SCHEDULE 4—(Continued)

	Rate	Maturity Date	Par Value
CORPORATES—(Continued)			
Pennsylvania Power & Light	3	1975	\$ 200,000
Potomac Electric Power	2 ⁷ / ₈	1984	200,000
Potomac Electric Power	2 ³ / ₄	1985	100,000
Public Service N. H.	3 ¹ / ₄	1973	195,000
Public Service Elec. & Gas	3	1972	75,000
Public Service Elec. & Gas	2 ⁷ / ₈	1979	197,000
Public Service Elec. & Gas	2 ³ / ₄	1980	100,000
Public Service Indiana	3	1979	100,000
Shell Union Oil	2 ¹ / ₂	1971	250,000
Southern Bell Tel.	3	1979	150,000
So. Calif. Edison	3 ¹ / ₈	1973	100,000
So. Bell Telephone	3 ¹ / ₈	1983	100,000
Standard Oil N. J.	2 ³ / ₄	1974	500,000
Swift & Co.	2 ⁷ / ₈	1973	48,000
Swift & Co.	2 ⁵ / ₈	1972	152,000
Union Oil of Calif.	2 ³ / ₄	1970	249,000
Union Pacific Ry.	2 ⁷ / ₈	1976	200,000
Virginia Electric Power	3	1978	100,000
Wisconsin Power & Light	3 ¹ / ₄	1971	144,000
Wisconsin Public Service	3 ¹ / ₄	1971	134,000
TOTAL CORPORATES			\$ 9,958,000
MISCELLANEOUS			
International Bank	3	1972	\$ 50,000
International Bank	3	1976	110,000
International Bank	3 ³ / ₈	1975	100,000
TOTAL MISCELLANEOUS			\$ 260,000
TOTAL PAR VALUE			<u>\$19,668,000</u>
<hr/>			
Appraised Value	\$19,301,675		
Book Value	19,823,809		

CHARTER AND ORDINANCE PROVISIONS GOVERNING PENSION SYSTEM

ARTICLE XVII DEPARTMENT OF PENSIONS

Sec. 180. The Board of Pension Commissioners shall administer the fire and police pension system of the city, and have exclusive control of the administration and investment of the fire and police pension fund which may be established as hereinafter provided; provided, however, that any money in such fund shall be kept on deposit in the City Treasury or be invested in bonds and securities authorized by law as legal investment for savings banks. Such bonds or other securities purchased as aforesaid shall be placed in the custody of the Treasurer, who is hereby directed to act as a depository for such bonds or securities. All interest and earnings from such investments shall accrue and be deposited to the credit of the fire and police pension fund.

Sec. 181. Any member of the Fire or Police Department who shall have served in such department for twenty years or more in the aggregate in any capacity or rank whatever, on his request, or by order of the board, if it be deemed for the good of the department, shall be retired from further service in such department, and such member shall thereafter, during his lifetime, be paid in equal monthly installments from said fund a pension as follows: for twenty years' aggregate service, forty per cent (40%) of the average monthly rate of salary assigned to the ranks or positions held by such member during the three years immediately preceding the date of his retirement; and an additional two per cent (2%) of such average rate of salary for each year over twenty and less than twenty-five years in the aggregate served by such member before retirement; for twenty-five years' aggregate service, fifty per cent (50%) of the average monthly rate of salary assigned to the ranks or positions held by such member during the three years immediately preceding the date of his retirement; and an additional one and two-thirds per cent ($1\frac{2}{3}\%$) of such average rate of salary for each year over twenty-five and less than thirty-five years in the aggregate served by such member before retirement; for thirty-five years or more aggregate service, two-thirds ($\frac{2}{3}$) of the average monthly rate of salary assigned to the ranks or positions held by such member during the three years immediately preceding the date of his retirement. Provided, further, however, that any such member of the Fire or Police Department who shall have become a member of such department prior to January 17, 1927, who shall have served in such department for thirty years in the aggregate in any capacity or rank whatever, shall, on his request, or by order of the board, if it be deemed for the good of the department, be retired from further service in such department, and he shall thereafter, during his lifetime, be paid in equal monthly installments from said fund a pension equal to two-thirds ($\frac{2}{3}$) of the average monthly rate of salary assigned to the ranks or positions held by such member during the three years immediately preceding the date of his retirement. Provided, that after twenty years' aggregate service, on request of such member who shall have become a member of such department prior to January 17, 1927, or by the board for the good of the department, such member shall be retired and paid in equal monthly installments from said fund a limited pension as follows: For twenty years'

aggregate service, fifty per cent (50%) of the average monthly rate of salary assigned to the ranks or positions held by such member during the three years immediately preceding the date of his retirement; and an additional one and two-thirds per cent (1 2/3%) of such average rate of salary for each year over twenty years and less than thirty years in the aggregate served by such member before retirement.

In computing the aggregate period of service of a member of the Fire or Police Department for the purposes of this section, there shall be included the period or periods of time, if any, while such member was on disability retirement pursuant to the provisions of Sections 182 or 182¼ of this charter.

The provisions of this section are subject to the further conditions set forth in Section 181½ of this charter.

Sec. 181½. No member of said departments entering said departments on or subsequent to January 17, 1927, shall receive a pension from said fire and police pension fund, pursuant to the provisions of Section 181 of this article, in an amount greater than the maximum pension payable pursuant to the provisions of Section 181 of this article to one entering such department subsequent to January 17, 1927, and having like years of service occupying the position of Battalion Chief of the Fire Department or Captain of the Police Department (or if there be then no positions so designated, the positions the duties of which most nearly correspond to those now attached to the position of Battalion Chief of the Fire Department or Captain of the Police Department) at the time of the retirement of such member.

Sec. 182. Whenever any member of the Fire or Police Department shall become so physically or mentally disabled by reason of bodily injuries received in, or by reason of sickness caused by the discharge of the duties of such person in such department as to render necessary his retirement from active service, the board shall order and direct that such member be retired from further service in such department; and thereafter such member so retired shall, during his lifetime, be paid from said pension fund a pension in an amount to be determined by the said board, but which pension shall be equal to not less than fifty per cent (50%), nor more than ninety per cent (90%), of the salary attached to the rank or position held by him in such department at the date of such retirement order. Such pension shall be paid in equal monthly installments. Provided, however, that any pension granted to any member of the Fire or Police Department for disability or sickness, as provided for in this section, shall cease when the disability or sickness ceases and such member shall, subject to civil service and other provisions of this charter governing the appointment of city employees, have been restored to active duty in such department of which such person was a member at the time of retirement to the same rank or position which such person held at said time. Provided, further, that the Board of Pension Commissioners shall have the power to hear and determine all matters pertaining to the granting and termination of any pension award as provided for in this section. Said board shall make its findings in writing, based upon the report of at least three regularly licensed, practicing physicians, and such other evidence concerning such disability as it may have before it. Said board shall determine the degree of disability and such determination shall govern the amount of pension to be awarded to such disabled member as hereinabove provided; and provided, further, that upon the written request of any such retired member, or upon its own motion, said board shall have the power, at any time prior to the restoration of such retired member to active service, to

consider new evidence pertaining to the case of any such retired member, and to increase or decrease the amount of such pension award to be thereafter paid.

Sec. 182 $\frac{1}{4}$. Any member of the Fire or Police Department who shall have served in such department for five years or more in the aggregate from the date of his last appointment to such department and who has become physically or mentally incapacitated by reason of injuries or sickness other than injuries received or sickness caused by the discharge of the duties of such person in such department, and who is incapable as a result thereof from performing his duties, shall be retired upon written application of such person or of any person acting in his behalf or of the head of the department in which such member is employed.

The board shall cause such member to be examined by and a written report thereon rendered by three regularly licensed, practicing physicians selected by said board, and shall hear such other evidence relating to such disability of such member as may be presented to said board. If, upon considering the report of such physicians and such other evidence as shall have been presented to it, said board finds that said member has become physically or mentally incapacitated by reason of the injuries or sickness other than injuries received or sickness caused by the discharge of the duties of such member in such department, and he is incapable as a result thereof of performing his duties, and if said board finds that such disability was not due to or caused by the moral turpitude of such member, he shall be retired from further service in such department, and thereafter such member so retired shall, during his lifetime, be paid from said pension fund a pension in an amount equal to forty per cent (40%) of the highest salary (exclusive of any amount payable by reason of assignment to special duty) attached to the rank of policeman or fireman at the date of such retirement order. Such pension shall be paid in equal monthly installments. Provided, however, that any pension granted to any member of the Fire or Police Department for disability or sickness as provided in this section shall cease when the disability or sickness ceases, and such member shall, subject to civil service and other provisions of this charter governing the appointment of city employees, have been restored to active duty in such department of which such person was a member at the time of retirement to the same rank or position which such person held at said time. Provided, further, that the Board of Pension Commissioners shall have the power to hear and determine all matters pertaining to the granting and termination of any pension award as provided for in this section.

This section shall be applicable only where a member is not entitled to a disability pension under the provisions of Section 182.

Sec. 182 $\frac{1}{2}$. If at any time any member of the Fire or of the Police Department or the widow, child or children, or dependent parent or parents of any such member, or any other person hereafter entitled under the provisions of this article to pension benefits, shall be granted, because of the sickness, injury or death of such member, any compensation or award, under any general law providing for compensation or indemnity in case of the sickness, injury or death arising out of the performance of duty of such member, then and in that event any payments made pursuant to the provisions of this article to such member or to such widow, child or children, dependent parent or parents or other person, shall be construed to be and shall be payments of such compensation or award under such general law, and any payments made under the provisions of this article shall be first applied to payment of such compensation or award and any balance of such payments made pursuant to the provisions of this

article shall be deemed to be pension payments; and it is hereby provided that the pension provided for in this article for such member or such widow, child or children, dependent parent or parents, or such other person in case of any such award under such general law, shall be reduced in amount to the difference between the amount of pension provided for in this article, and the total amount of such compensation or award granted and paid under such general law until the total amount awarded under such general law shall have been fully paid.

After payment of the total amount of such compensation or award granted under such general law the payments herein provided for shall continue as pension benefits subject to the provision of this article.

Sec. 183. Whenever any member of the Fire or Police Department shall die as a result of any injury received during the performance of his duty, or from sickness caused by the discharge of such duty, or after retirement, or while eligible to retirement from such department on account of years of service, then an annual pension shall be paid in equal monthly installments to his widow, or child or children, or dependent parent or parents, in an amount equal to one-half ($\frac{1}{2}$) of the average monthly rate of salary assigned to the ranks or positions held by such member during the three years immediately preceding the time of his death or the date of his retirement from active duty in such department. Said pension shall be paid to the widow during her lifetime or until she remarries, and thereafter a pension shall be paid in equal monthly installments, in an amount equal to one-half ($\frac{1}{2}$) of the average monthly rate of salary assigned to the ranks or positions held by such member during the three years immediately preceding the time of his death or the date of his retirement from active duty in such department to the legally appointed guardian of the child or children of such deceased member until such child or children shall have attained the age of eighteen years, or to his child or children should there be no widow until such child or children shall have attained the age of eighteen years, or to his dependent parent or parents during their lifetime or during such dependence, should there be no widow or child. Provided, however, that during the lifetime of such widow or until she shall remarry, an additional amount shall be paid to such widow for each child during the lifetime of such child, or until such child shall have married or reached the age of eighteen years, as follows: For one child, twenty-five per cent (25%) of the pension allowed as hereinabove set forth; for two children, forty per cent (40%) of such pension; and for three or more children, fifty per cent (50%) of such pension. Provided, further, however, that no widow of a pensioner shall be entitled to a pension unless she shall have been married to such deceased pensioner at least one year prior to the date of his retirement; and provided, further, that no widow of a member of the Fire or Police Department eligible for retirement from such department, who dies from causes other than those arising out of or from the performance of his duties, shall be entitled to a pension unless she shall have been married to such deceased member for at least one year prior to the date of his death, and provided, further, that if such widow, child or children shall marry, then the pension paid to the person so marrying shall cease, and provided, further, that should the dependency of such parent or parents terminate, then the pension paid to such dependent parent or parents shall cease. Provided, however, that the pension payable hereunder to the widow, child or children or dependent parent or parents of a member of the Fire or Police Department who became a member of such department on or subsequent to January 17, 1927, who, after retirement on account of years of service, but having served

less than twenty-five years in the aggregate prior to the time of such retirement, or who, while eligible to retirement from such department on account of years of service, but prior to having served twenty-five years in the aggregate shall die from causes other than those arising out of or from the performance of his duties, shall not exceed the amount of the pension which such retired member was receiving at the time of his death or which such member eligible for retirement would have been eligible to receive at the date of his death under the provisions of Section 181 and 181½ of this charter, and the additional amount payable to such widow on account of children pursuant to the provisions of this section shall be the applicable percentage hereinabove set forth of a pension in such maximum amount.

Sec. 183½. Whenever any member of the Fire or Police Department (other than a member retired on account of years of service or a member eligible to retirement on account of years of service, but including a member retired on account of disability pursuant to the provisions of Section 182¼ of this charter) who shall have served in such department for five years or more in the aggregate from the date of his last appointment to such department, shall die from causes other than those arising out of or from the performance of his duties, then an annual pension shall be paid in equal monthly installments to his widow, or child or children, or dependent parent or parents, in an amount equal to forty per cent (40%) of the highest salary (exclusive of any amount payable by reason of assignment to special duty) attached to the rank of policeman or fireman at the date of such member's death. Said pension shall be paid to the widow during her lifetime or until she remarries, and thereafter a pension in the same amount shall be paid in equal monthly installments to the legally appointed guardian of the child or children of such deceased member until such child or children shall have attained the age of eighteen years, or to his child or children should there be no widow until such child or children shall have attained the age of eighteen years, or to his dependent parent or parents during their lifetime or during such dependence, should there be no widow or child, provided, however, that during the lifetime of such widow or until she shall remarry, an additional amount shall be paid to such widow for each child during the lifetime of such child, or until such child shall have married or reached the age of eighteen years, as follows: for one child, twenty-five per cent (25%) of the pension allowed as hereinabove set forth; for two children, forty per cent (40%) of such pension; and for three or more children, fifty per cent (50%) of such pension. Provided, further, however, that no widow shall be entitled to a pension pursuant to the provisions of this section unless she shall have been married to such deceased member for at least one year prior to the date of his death.

And provided further, that no widow of a member who shall die while on disability retirement pursuant to the provisions of Section 182¼ of this charter shall be entitled to a pension pursuant to the provisions of this section unless she shall have been married to such deceased member for at least one year prior to the date of his retirement.

Sec. 184. That all pensions granted in accordance with the provisions of section 181, 182, 182¼, 183 and 183½ hereof shall remain in full force and effect for the period granted, and any increase or decrease of salaries of active members of the Fire and Police Department shall not in anywise affect the amount of the pensions to be paid to retired members of such departments, or to any other person pensioned pursuant to the provisions of this article, nor shall the amount of such pensions be changed for any other reason, except as otherwise specifically provided in this article.

Sec. 185. For the purpose of the provisions contained herein, the Fire Department shall consist of all persons duly and regularly appointed in the Fire Department under civil service rules and regulations to perform the duties of a regular fireman in the City of Los Angeles, under whatever designation they may be described in any salary or departmental ordinance providing compensation for said Fire Department; and the Police Department shall consist of all members of such Police Department appointed under civil service rules and regulations and sworn in, as provided by law, to perform the duties of a regular police officer of the City of Los Angeles, under whatever designation that they may be described in any salary or departmental ordinance providing compensation for the members of said Police Department. The provisions as herein in this charter contained shall apply to all members of the Fire and Police Departments as in this section defined, and to all members of said departments who have been heretofore granted pensions.

Sec. 186. For the purpose of providing for the payment of pensions, the expense of said Department of Pensions, and maintaining a reserve for said purposes henceforth, a fund is hereby created, to be known as the fire and police pension fund, which shall consist of all moneys heretofore paid into and all moneys, property and investments now in the fire and police pension fund, and all moneys hereafter paid into said fund in accordance with the provisions of this charter and of this section.

In order that the Council may be advised as to the amount of tax levy required to be made by the provisions of this section, the Board of Pension Commissioners shall annually and not later than the first day of June of each year prepare and transmit to the Council a statement consisting of and including only the following items:

(1) The estimated requirements for the next succeeding fiscal year to pay and discharge (a) disability pensions, (b) widows' pensions, (c) minors' pensions, (d) dependents' pensions, and (e) the expense of said Department of Pensions; and

(2) A sum equal to six per centum of the estimated total payrolls of the Fire and Police Departments for those members of said departments included within the pension provisions of this article for the next succeeding fiscal year.

In addition to the foregoing, in the event that all payments made and to be made from said fire and police pension fund during any current fiscal year shall exceed the total amount paid into said fund from all sources, then there shall be included in such statement a sum equal to the difference between the amount of moneys paid and estimated to be paid from said fire and police pension fund during the current fiscal year and all moneys received and anticipated to be received into said fund during said fiscal year.

The Council shall annually levy a tax clearly sufficient to produce a sum in the total amount of all the items set forth in the statement required to be prepared by the Board of Pension Commissioners as hereinabove provided.

In addition to the receipts from taxes levied pursuant to the provisions of this section and the deductions from the salaries of the members of the Fire and Police Departments as provided for in Section 186½ hereof, there shall be paid into said fire and police pension fund the following moneys, to-wit:

- (a) All interest and earnings from the investment of said funds;
- (b) All contributions and donations to the Fire and Police Departments for services by any member or members thereof, except amounts

of money donated to provide for any medal or permanent competitive award;

(c) All fines imposed upon members of the Fire and Police Departments for violations of rules and regulations of said departments;

(d) All proceeds from the sale of unclaimed property.

All moneys paid into said fund during any fiscal year and not expended during said fiscal year for the payment of pensions or the expense of the Department of Pensions shall become a part of and be added to said reserve in said fund.

Sec. 186½. Each member of the Fire and Police Department included within the pension provisions of this article shall contribute to said fire and police pension fund in the manner as hereinafter in this section provided.

The administrative head of each such department shall cause to be shown on each and every payroll of said department a deduction of six per cent (6%) of the amount of salary, as shown on each such payroll, of each such member whose name appears thereon, and shall certify to the Controller on each such payroll the amount to be deducted from the compensation of each such member whose name appears thereon, and shall cause to be drawn a payroll check in favor of the Board of Pension Commissioners for the total amount of deduction shown on each payroll of such department, and said board shall deposit said payroll check to the credit of the fire and police pension fund. It shall be the duty of the administrative head of each department to cause to be furnished a copy of each and every such payroll hereinbefore mentioned to the said Board of Pension Commissioners.

Each member shall be deemed to consent and agree to each deduction made as provided for herein, and the payment of each payroll check to such member shall be a full and complete discharge and acquittance of all claims and demands whatsoever for the services rendered by such member during the period covered by such payroll, except such claims as such member may have to the benefits provided for in this article.

Sec. 188. The positions of general manager of the department and of secretary to the board may be consolidated, in the discretion of the board.

Sec. 189. In computing the time of service for retirement the amount of time served in the United States Army, Navy, Marine Corps, or any division thereof, in time of war, by any member of the Fire or Police Department, who shall have left such department to enter the United States Army, Navy, Marine Corps, or any division thereof, and who shall have returned to such department within a period of one year after having been honorably discharged from such service, shall be counted as a part of the aggregate service required for a retirement pension.

ORDINANCE No. 95,021

An ordinance amending Ordinance No. 67,778 by amending Sections 1 and 2 thereof.

The People of the City of Los Angeles do ordain as follows:

Section 1. Sections 1 and 2 of Ordinance No. 67,778 entitled "An ordinance providing for the issuance of a certificate of service to members

of the Fire Department and Police Department who have conformed with the pension provisions of the Charter of the City of Los Angeles," approved September 20, 1930, are amended to read as follows:

Section 1. Definition "Member." The term "member" of the Fire Department as used herein shall refer to, mean and include all persons duly and regularly appointed in the Fire Department under civil service rules and regulations to perform the duties of a regular fireman of the City of Los Angeles and all persons, other than regular firemen, who were so appointed in said Department under such rules and regulations and who became members of the Fire and Police Pension System of the City of Los Angeles prior to June 16, 1947, whose duty it is to prevent or extinguish fires in the City of Los Angeles, under whatever designation they may be described in any salary or departmental ordinance providing compensation for said Fire Department; and the term "member" of the Police Department as used herein shall refer to, mean and include all persons duly and regularly appointed in the Police Department under civil service rules and regulations and sworn in, as provided by law, to perform the duties of a regular police officer of the City of Los Angeles, under whatever designation they may be described in any salary or departmental ordinance providing compensation for said Police Department.

The provisions herein in this ordinance contained shall apply to all members of the Fire Department or Police Department as in this section defined.

Section 2. As soon as possible, and in any event within five (5) days after a member of the Fire Department or Police Department shall have served in such department the aggregate number of years entitling him to retirement as provided in Section 181 of the charter of the City of Los Angeles, regardless of whether such aggregate number of years of service shall have been completed prior or shall be completed subsequent to the effective date of this ordinance, there shall be issued to each such member a certificate showing the total number of years served by such member in such department, which certificate shall be irrevocable and shall serve as evidence of such service; provided, however, that if such member shall continue in the service of such department thereafter, such certificate shall be continuing in effect, and each year, and/or portion or portions of a year, thereafter served by such member in such department shall be added to such certificate and made part thereof the same and as fully as if said additional period or periods of service were actually entered thereon.

It shall be, and is hereby made the duty of the Board of Pension Commissioners to sign and issue such certificate to such member affected by the provisions of this section.

Section 3. The City Clerk shall certify to the passage of this ordinance and cause the same to be published in some daily newspaper printed and published in the City of Los Angeles.

I hereby certify that the foregoing ordinance was passed by the Council of the City of Los Angeles, at its meeting of June 9, 1949.

WALTER C. PETERSON,
City Clerk.

By A. M. Morris, Deputy.

Approved this 15th day of June, 1949.

FLETCHER BOWRON,
Mayor.