

ANNUAL REPORT

BOARD of PENSION COMMISSIONERS

CITY OF LOS ANGELES
CALIFORNIA



FOR THE FISCAL YEAR ENDED JUNE 30, 1953

With

CHARTER AND ORDINANCE PROVISIONS
GOVERNING PENSION SYSTEM

October 27, 1953

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

Gentlemen:

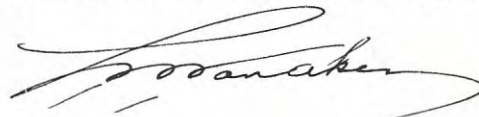
We present herewith our annual report of operations of the Department of Pensions for the fiscal year ended June 30, 1953. This annual report is required under the provisions of Section 64 of the City Charter and we have adopted the report of the Manager-Secretary as the annual report of the Board and believe that it is a complete and comprehensive presentation of the affairs of the Department.

During the course of the year 161 pensions were granted and 97 pensions were discontinued. Discontinuances included 75 deaths, 2 restorations to active duty, 16 remarriages on the part of widows, 3 minors who became eighteen years of age and 1 dependent parent whose dependency ceased. It is noted that total membership of the fire and police pension system was slightly smaller on June 30, 1953 than on July 1, 1950. The principal contributing factors to this trend were the influence of the Korean episode on military leaves and the difficulty of obtaining satisfactory applicants for replacements.

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



Vice President

LWV: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. Matthess
(Term Expires July 1, 1956)

October 27, 1953

Board of Pension Commissioners
of the City of Los Angeles

Honorable Members:

There is presented herewith a summary of operations of the Department of Pensions for the fiscal year ended June 30, 1953. The statements of assets, liabilities, operations and fund capital as contained herein are taken from the report of Peat, Marwick, Mitchell and 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 hereof. This report contains statements showing financial operations of the fire and police pension fund and also statistics concerning such operations which should serve to present a clear understanding of such operations.

On July 1, 1952, nineteen pension applications were pending. During the course of the fiscal year 158 additional petitions were received. Of the total of 177 petitions 161 were granted, 1 withdrawn, 2 denied, and thirteen pending as of June 30, 1953. 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. Depts.	Non- Serv. Depts.	Total
Balance 7-1-52.....	2141	174	245	33	650	16	26	2	3287
Granted	18	43	32	5	54	....	4	5	161
Deaths	62	1	6	....	6	....	....	....	75
Restored to Duty.....	....	....	2	....	....	....	....	....	2
Withdrawn .....	....	....	....	1*	....	....	....	....	1*
Denied .....	....	....	....	1*	1*	....	....	....	2*
Remarriage .....	....	....	....	....	11	5	....	....	16
Increased .....	....	....	3*	....	1*	....	....	....	4*
Decreased .....	....	....	9*	....	15*	....	....	....	24*
Discontinued .....	....	....	....	....	....	....	3	1	4
	2097	216	269	38	687	11	27	6	3351

* Statistical—these figures do not affect pension roll.

MEMBERSHIP

As of June 30, 1953, there were 2,573 firemen and 4,322 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.....	539	970	1,509
With less than 10 years.....	927	2,085	3,012
With less than 20 years.....	693	860	1,553
With 20 years service and over	237	193	430
On Military Leave (Eligibility dates not counted)	24	107	131
20 Year Members			
Men eligible to retire	153	107	260
TOTAL	2,573	4,322	6,895

ANALYSIS OF MEMBERSHIP

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

	1950-51	1951-52	1952-53
Membership—July 1st	6,933	6,816	6,889
On Leave	16	19	34
On Military Leave	14	303	203
Active Membership—June 30th	6,903	6,494	6,652
Additions:			
New Appointments	147	308	204
Restorations	1	1	1
Returned from leave	127	150	140
Returned from military leave	51	155	93
Discontinued on military leave	---	2	2
	7,229	7,110	7,092
Withdrawals:			
Service retirements	108	71	61
Disability retirements	27	33*	37
Resigned	71	104**	75***
Discharged	40	10	17
Deaths	19	18**	9
Leaves granted	130	165	121
Military leaves granted	340	57	23
Active Membership—June 30th	6,494	6,652	6,749
On Leave	19	34	15
On Military Leave	303	203	131
Total Membership—June 30th	6,816	6,889	6,895

* Including 1 granted in 1950-51

** Including 1 on military leave

*** Including 2 on military leave

PENSIONS CLASSIFIED BY 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 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	17	1	3	22
100-109.....	739	23	245	8	1	1,016
110-119.....	369	5	109	1	1	485
120-129.....	342	32	113	3	---	490
130-139.....	169	52	16	9	---	246
140-149.....	132	7	19	1	---	159
150-159.....	128	24	40	---	---	192
160-169.....	79	10	15	---	---	104
170-179.....	50	20	10	1	---	81
180-189.....	43	20	5	1	---	69
190-199.....	44	8	8	---	---	60
200-209.....	54	29	32	---	---	115
210-219.....	38	5	7	---	---	50
220-229.....	24	10	5	---	---	39
230-239.....	23	7	7	---	---	37
240-249.....	15	4	1	---	---	20
250 or over.....	64	48	19	---	---	131
	2,313	307	698	26	7	3,351
Average Pension.....	135.57	178.94	127.65	123.01	97.64	137.74

AGE OF PENSIONERS

The following is an analysis of the ages of all pensioners at the close of June 30, 1953:

Ages	Service	Disability	Widows	Minors	Dependents	Total
0-18.....	----	----	----	26	----	26
20-25.....	----	----	1	----	----	1
25-30.....	----	11	7	----	----	18
30-35.....	----	21	7	----	----	28
35-40.....	----	17	15	----	----	32
40-45.....	----	19	28	----	----	47
45-50.....	83	33	80	----	----	196
50-55.....	687	81	132	----	----	900
55-60.....	683	66	121	----	----	870
60-65.....	534	30	124	----	----	688
65-70.....	195	17	81	----	1	294
70-75.....	91	8	59	----	2	160
75-80.....	35	3	27	----	1	66
80-85.....	3	1	11	----	1	16
85-90.....	2	----	4	----	2	8
90-100.....	----	----	1	----	----	1
	<u>2,313</u>	<u>307</u>	<u>698</u>	<u>26</u>	<u>7</u>	<u>3,351</u>
Average Age.....	59	53	58	10	79	

SERVICE PENSIONS

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

	Fire	Police	Total
1940-1941.....	76	45	121
1941-1942.....	79	185	264
1942-1943.....	74	203	277
1943-1944.....	151	194	345
1944-1945.....	106	215	321
1945-1946.....	86	176	262
1946-1947.....	36	62	98
1947-1948.....	38	59	97
1948-1949.....	25	40	65
1949-1950.....	35	65	100
1950-1951.....	51	57	108
1951-1952.....	28	43	71
1952-1953.....	24	37	61

In accordance with the Charter amendment of June 16, 1947, 219 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
1947-1948.....	5	16	21
1948-1949.....	9	16	25
1949-1950.....	12	30	42
1950-1951.....	27	27	54
1951-1952.....	11	23	34
1952-1953.....	15	28	43

ELIGIBILITY

All twenty-year members have become eligible. The following schedule indicates the changes in eligibility since June 30, 1952:

	Fire	Police	Total
Eligible June 30, 1952.....	350	316	666
Returned from military leave.....	1	.....	1
Became eligible during 1952-53.....	71	29	100
	<u>422</u>	<u>345</u>	<u>767</u>
Deduct 1952-1953:			
Service retirements	24	37	61
Disability retirements	5	7	12
Deaths in active service	3	1	4
Total eligible as of June 30, 1953.....	<u>390</u>	<u>300</u>	<u>690</u>

There were as of June 30, 1953, 690 members eligible to retire. Two hundred sixty of these members were 20-year men and 430 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
1940-1941.....	165	128	293
1941-1942.....	116	88	204
1942-1943.....	76	85	161
1943-1944.....	218	138	356
1944-1945.....	312	340	652
1945-1946.....	310	312	622
1946-1947.....	290	270	560
1947-1948.....	256	234	490
1948-1949.....	240	215	455
1949-1950.....	392	367	759
1950-1951.....	353	341	694
1951-1952.....	350	316	666
1952-1953.....	390	300	690

During the fiscal year 1953-54, 14 twenty-five-year members will become eligible if their service is continuous. Nine of those members are firemen and five are policemen.

YEARS OF SERVICE—20-Year Men

Years of Service	Fire	Police	Total
24 .....	.....	1	1
25 .....	.....	.....	.....
26	9	2	11
27	18	19	37
28	37	47	84
29	57	16	73
30	8	14	22
31	2	3	5
32	3	1	4
33	2	1	3
34 .....	.....	1	1
35	3	1	4
36	2	.....	2
37	4	1	5
38	3	.....	3
39	2	.....	2
40	1	.....	1
41	1	.....	1
42 .....	.....	.....	.....
43	1	.....	1
TOTAL	<u>153</u>	<u>107</u>	<u>260</u>

YEARS OF SERVICE—25-Year Men

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

Years of Service	Fire	Police	Total
20	65	26	91
21	28	18	46
22	13	25	38
23	44	32	76
24	68	42	110
25	11	37	48
26	8	13	21
TOTAL	237	193	430

DISABILITY PENSIONS

The total number of members retiring upon disability pension is represented by departments for the last six fiscal years in the following statements:

	Fire		Police		Total
	Service	Non-Service	Service	Non-Service	
1947-1948.....	3	4	8	6	21
1948-1949.....	3	5	4	6	18
1949-1950.....	13	0	14	9	36
1950-1951.....	8	1	17	2	28
1951-1952.....	11	1	16	4	32
1952-1953.....	15	3	17	2	37

ANALYSIS OF RATES

There are 269 service connected disability pensions and 38 non-service connected disability pensions classified by rates in the following schedule as of June 30, 1953:

Rate	Fire	Police	Total
40%	13	27	40
50%	32	51	83
52½%	---	1	1
55%	9	7	16
57½%	1	---	1
60%	26	33	59
65%	19	40	59
66⅔%	1	---	1
70%	2	4	6
75%	9	17	26
80%	---	1	1
85%	3	3	6
90%	2	6	8
	117	190	307

ANALYSIS BY AGE

Age	Fire	Police	Total
25-30	1	10	11
30-35	5	16	21
35-40	7	10	17
40-45	11	8	19
45-50	17	16	33
50-55	29	52	81
55-60	19	47	66
60-65	14	16	30
65-70	8	9	17
70-75	4	4	8
75-80	2	1	3
80-85	---	1	1
	117	190	307
Average Age			53

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, 1952, there were 203 members on military leave. The following schedule shows the operation of military leave authorization for the fiscal year 1952-1953:

Month	Granted	Restored	Resigned On M-L
July	1	14	....
August	2	17	....
September	1	7	1
October	7	7	....
November	1	9	....
December	1	7	....
January	2	11	....
February	3	6	....
March	1	7	....
April	2	6	....
May	1	1	....
June	1	1	1
	<u>23</u>	<u>93</u>	<u>2</u>

On Leave June 30, 1952.....203
 Granted during 1952-53..... 23

226

Restored—Now active 93
 Resigned on military leave 2

2

On Leave June 30, 1953.....131

All of the 131 members on military leave are twenty-five-year men. Ninety-three of these members have five years or more service, and one of these members is eligible to retire.

L I T I G A T I O N

Skaggs v. City of Los Angeles, etc., et al

In this proceeding, commenced before this fiscal year, plaintiff prayed for both a declaration of his pension rights and a peremptory writ of mandate commanding and ordering the Board to grant him a service pension upon the ground that, having served twenty years in the aggregate as of April 1, 1945, he had obtained a vested right to such pension and could not be divested thereof even though he, effective prior to the date upon which he made application for such pension, had been discharged from the Police Department after a trial before a Board of Rights. The case was tried and submitted on December 2, 1952 and judgment rendered in favor of the defendants and entered on December 26, 1952. Thereafter, plaintiff's motion for a new trial, opposed the City Attorney, was granted. The case was retried on February 10, 1953 and judgment rendered in favor of plaintiff and entered on May 1, 1953. The Board, in view of the fact that the case involves an important question of law as to the vestment of pension rights, instructed the City Attorney to appeal from such judgment and, as of the close of the fiscal year, such appeal was pending.

Bowen, et al., v. City of Los Angeles, etc., et al.

In this proceeding, commenced before this fiscal year, 96 plaintiffs who were appointed to the Fire or Police Department subsequent to January 17, 1927 from eligible lists established prior thereto, prayed the court to decree that they are entitled to the same pension benefits as are those members who were appointed from the same eligible lists prior to said date or, to be more specific, that they are entitled to a 50% service pension after twenty years instead of twenty-five years of service and that the charter amendments, providing that they must serve twenty-five years in order to receive such 50% pension but that those appointed prior thereto may retire upon such a pension after only twenty years of service, are ineffective, invalid and unconstitutional as to plaintiffs. As of the beginning of the fiscal year, the City Attorney was perfecting the Board's appeal from the judgment rendered in favor of plaintiffs by the trial court on April 8, 1952. On May 20, 1953, said appeal was argued before the District Court of Appeal which, on June 2, 1953, reversed the judgment of the trial court with instructions to amend the Conclusions of Law and to enter judgment in accordance with the views expressed in said court's opinion to the effect that said amendments were not discriminatory and void but were effective, valid and constitutional as to plaintiffs. Plaintiffs' petition for a rehearing by the District Court of Appeal was denied by said court on June 19, 1953 and such was the status of the case as of the close of the fiscal year.

Healy v. City of Los Angeles, etc., et al.

This is another interesting case which, partly handled by the Assistant City Attorney assigned to this Department, involves the question as to whether a member who has been granted a service connected disability pension is also entitled, for the same injuries, to compensation awarded by the Industrial Accident Commission. Subsequent to the time that Mr. Healy was granted such pension, he applied to the Commission for com-

pensation and was awarded \$7200 for permanent disability and \$18.46 a week for life. At the time said award was made, this Department had already paid Mr. Healy considerably more than the amount of the award. Thereafter, the City Attorney succeeded in having the Commission modify its award by determining that the City had already paid the same pursuant to the provisions of Section 182½ of the City Charter. Healy petitioned the Supreme Court for a hearing, contending that the Commission erred in modifying its award for the reason that Healy had contributed to the Pension Fund in violation of the provisions of the Labor Code forbidding an employer from exacting or permitting an employee to contribute toward compensation and that, therefore, the provisions of said charter section are invalid and unconstitutional. The City, in opposing his petition for hearing, contended that all disability pensions are payable exclusively out of taxes and that Healy had not contributed to the benefits which he had received from the Pension Department. The Supreme Court granted Healy's petition and, in a written opinion, stated that the record of the Commission did not disclose the practice followed by the City in operating the Pension System and that factual questions may be involved with respect to the making and allocation of employees' contributions and the manner in which the Pension Fund was administered and that, in the absence of evidence and findings on such matters, it would not attempt to pass upon the City's claim that Healy did not contribute to the benefits which he received. The Court then affirmed the award except to the extent that it allowed the City credit for the payments made by the Pension Department and remanded the proceeding to the Commission to take evidence upon these matters upon which it had not done so. Thereafter and in further proceedings before the Commission, the City presented its evidence in connection with said matters and, as of the close of the fiscal year, the Commission had made no further determination in the case.

Guardianships

Twenty-five accounts, 8 petitions, one return of sale of real property and 5 court orders were received and examined; 8 minor guardianships were added and 3 were discontinued on account of the minors reaching majority; 2 incompetency proceedings were discontinued on account of death, 1 incompetent was restored to capacity and 5 were added; 9 Requests for Special Notice of Steps and Proceedings were served and filed. As of this date there are 42 guardianship proceedings, 26 covering 34 minors and 16 covering incompetents.

Marriage Records

During this fiscal year attempts were continued to have each retired member complete fully the marriage record maintained by this office. During said year, the marital histories of 2280 retired members and their wives were examined or re-examined. We found that, upon the information contained in our files, 1605 members' marriages were unquestionably valid, 348 members were single or unmarried, 225 members had given us no information whatever and 102 members had not furnished us with complete information. The procedure of opening our records to members in active service for the submission of a full and complete record of their marital affairs was also established during this year. Quite a few members took advantage of this privilege but publicity attendant to this procedure has not as yet been widespread.

During the course of the year the recognized policy of requiring widows to go into court on mandamus proceedings in cases where their marriages appeared to be void or questionable was changed particularly with regard to the element of cost to such widows. Case law is very clear and certain as to the evidence which is required to sustain the burden of controverting the presumption of validity which attaches to subsequent ceremonial marriages. The numerous decisions rendered against us in mandamus and declaratory relief cases establish fairly definite rules of procedure. It was decided that a widow's pension could be granted without making her go to court in any case in which the validity of her marriage to the deceased member was in question and under conditions where it was believed that the burden of proving the invalidity of such marriage could not be sustained.

This modification of policy does not extend, however, to any case in which the validity of marriage of a still living member and his wife is in question for, in such case, there is nothing before us for our determination.

During the fiscal year, one mandamus proceeding was brought by the widow of a deceased member and one declaratory relief proceeding was brought by a retired member and his wife. In each case, the court held the marriage of the member to have been legal and valid.

ACTUARIAL SURVEY

Upon the request of the Chamber of Commerce, and in conformity with the opinion of the City Attorney that moneys in the Fire and Police Pension Fund could not be used for such purpose, the City Council, on January 14, 1953, appropriated the sum of \$7,100.00 to cover the cost of an actuarial study of the Fire and Police Pension System with provision that said study be made under the supervision of the Board of Pension Commissioners. This investigation and evaluation will include but not necessarily be limited to the following:

- (a) An investigation of the rates of mortality, withdrawal, service and disability retirements and of the compensation experience of the members and beneficiaries under the System.
- (b) An actuarial valuation, including a valuation of future income and disbursements, calculated with due regard to the experience under the System.
- (c) A discussion and calculation of various alternative funding methods, including a calculation of the amounts which may be required to liquidate the unfunded liabilities of the System over amortization periods of twenty, thirty and forty years, respectively, expressed as percentages of pay roll.
- (d) A projection of the annual pension payments over a period of not less than twenty years.

It is noted that the last actuarial evaluation officially made of this fund was in 1932, immediately prior to the charter amendment which changed the actuarial reserve basis of operation of the fund to the existing modified cash disbursement basis. Necessary statistical data has been given to the actuary and the results of his investigation will be presented late this calendar year.

PENSION INCREASES

During the course of the fiscal year various proposals of pensioners of the system were submitted to the City Council under which provision was made for the increase of most of the low pensions now being paid by this department. These proposals were submitted to the department for the calculation of cost upon a cash basis and a detailed calculation of each individual case was required due to variations of the base upon which the amount of each pension was calculated.

These proposals resulted in the adoption by the City Council of a proposed charter amendment which was submitted to the people at the primary election on April 6, 1953. This proposition failed of adoption by a narrow margin.

It is observed that the expanded economy we now have prevents many of our pensioners from living at ease and in comparative comfort on their present pensions as doubtless was contemplated when the member retired. This problem is one of pension policy and not one of administration and consequently it is not considered within either the duties or prerogatives of the Board to formulate a solution for such.

O P E R A T I O N S

The cash balance on June 30, 1953 was \$1,740,681. The disposition of this cash contemplated the permanent investment of \$100,000 in corporate bonds, \$650,000 U. S. Government Bills maturing in September, and \$250,000 U. S. Government notes maturing in December. The remaining \$750,681 will be required to finance pension rolls for July and August. The large cash balance reflects the surplus of \$866,697 resulting from the excess of revenues over expenditures. In addition to the above, a profit of \$8,686 was realized from the sale of corporate bonds and real property.

Lighting Assessments

Current lighting assessments on properties in which we had a real or statutory title were paid on seven parcels of property in the amount of \$70.00.

Real Property

There were ninety-eight properties unsold at the beginning of the fiscal year. During the year one property was made salable by guarantee of tax title. Six properties were sold and two escrows closed during the year. Three properties were reinstated. At the end of the year there were ninety-six properties unsold. Completed sales of the six properties involved a total consideration of \$5,050.00 and net loss of \$836.00. Profits and losses resulting from the sale of property are closed into the reserve for investment losses.

Surety Bonds

Six of the twelve employees were under bond as follows:

Position	Amount of Bond
Manager-Secretary	\$100,000
Chief Accountant	25,000
Senior Clerk Stenographer	25,000
Principal Clerk Stenographer	5,000
Senior Clerk	5,000
Intermediate Clerk Typist	5,000

Personnel

Twelve individuals were employed in the Department including one Assistant City Attorney. All rates of compensation paid were within the general range of salaries for similar positions in the city government.

Respectfully submitted,



Manager-Secretary

STATE OF TEXAS

County of _____

PEAT, MARWICK, MITCHELL & CO.

CERTIFIED PUBLIC ACCOUNTANTS

618 SOUTH SPRING STREET

LOS ANGELES 14, CALIF.

NEW YORK
 ATLANTA
 BALTIMORE
 BILLINGS
 BOSTON
 BUFFALO
 CHARLOTTE
 CHICAGO
 CINCINNATI
 CLEVELAND
 COLUMBUS
 DALLAS
 DENVER
 DETROIT
 GREENSBORO
 HOUSTON
 INDIANAPOLIS
 KANSAS CITY
 LINCOLN
 LOS ANGELES

MEMPHIS
 MILWAUKEE
 MINNEAPOLIS
 NEWARK
 NEW ORLEANS
 OKLAHOMA CITY
 OMAHA
 PHILADELPHIA
 PITTSBURGH
 PORTLAND
 ST. LOUIS
 SAN FRANCISCO
 SAN JOSE
 SEATTLE
 SHREVEPORT
 TERRE HAUTE
 TULSA
 WASHINGTON
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AFRICA
 AUSTRALIA
 CANADA
 CONTINENTAL EUROPE
 CUBA
 GREAT BRITAIN
 HONG KONG
 INDIA
 JAPAN
 MEXICO
 SOUTH AMERICA

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, 1953 and June 30, 1952, 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 considered 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 expenditures 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, 1953 and June 30, 1952 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 16, 1953

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

**BALANCE SHEETS
June 30, 1953 and 1952**

EXHIBIT I

ASSETS

	June 30, 1953	June 30, 1952
Cash:		
Deposits with Treasurer of the City of Los Angeles.....	\$ 1,740,356	\$ 831,347
Cash revolving funds	325	325
Cash in suspense	71	71
	1,740,752	831,743
Investments:		
Bond investments, general— at par (value based on mar- ket quotations, \$18,313,179 and \$19,301,675, respectively).....	\$19,668,000	\$19,668,000
Street improvement bonds— at par	30,569	40,516
Treasurer's deeds—at cost.....	2,274	2,444
Trust deeds receivable—at cost....	20,680	32,935
Real property—at cost.....	26,376	31,895
	\$19,747,899	\$19,775,790
Bond premiums, less discounts of \$28,652 and \$40,310 respectively	152,719	155,809
Accrued interest	146,236	144,577
	\$21,787,606	\$20,907,919

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

**BALANCE SHEETS
June 30, 1953 and 1952**

EXHIBIT I

LIABILITIES

	June 30, 1953	June 30, 1952
Accounts payable	\$ 4,811	457
Deferred credits:		
Prepaid payments—street bonds..\$ 1,361		1,361
Deposits on real property		
sales and leases	300	350
	1,661	1,711
Fund capital:		
Accumulated surplus	19,333,119	18,466,422
Reserve for investment losses.....	2,448,015	2,439,329
	21,781,134	20,905,751
	\$21,787,606	\$20,907,919

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

STATEMENT OF OPERATIONS
Fiscal Years ended June 30, 1953 and 1952

EXHIBIT II

	Fiscal Year Ended June 30, 1953	Fiscal Year Ended June 30, 1952
Revenues:		
Taxes	\$ 3,832,736	\$ 3,504,635
Interest	531,973	510,300
Rental of property	180	165
Members' contributions	2,004,618	1,803,395
Sales of unclaimed property	9,557	17,534
Bonus	174	56
Donations	40	1,100
Miscellaneous	7,712	1,106
	\$ 6,386,990	\$ 5,838,291
Revenues available for current year's expenditures		
	\$ 6,386,990	\$ 5,838,291
Expenditures:		
Pensions paid:		
Service	\$ 3,736,833	\$ 3,673,892
Disability	547,713	486,343
Widows	1,013,865	967,331
Minors	27,706	31,946
Dependents	10,528	8,202
Non-service:		
Disability	60,887	50,986
Widows	29,536	31,043
Minors	9,838	3,264
	\$ 5,436,906	\$ 5,253,007
Administrative expenses	83,387	66,415
	5,520,293	5,319,422
Excess of revenues over expenditures	\$ 866,697	\$ 518,869

CITY OF LOS ANGELES
FIRE AND POLICE PENSION FUND

STATEMENT OF FUND CAPITAL
Fiscal Years ended June 30, 1953 and 1952

EXHIBIT III

	Fiscal Year Ended June 30, 1953			Fiscal Year Ended June 30, 1952		
	Accumulated Surplus	Reserve for Investment Losses	Total	Accumulated Surplus	Reserve for Investment Losses	Total
Balance at beginning of period	\$18,466,422	\$ 2,439,329	\$20,905,751	\$17,947,553	\$ 2,434,576	\$20,382,129
Add:						
Net gain on disposition of investments.....		8,686	8,686		4,753	4,753
Excess of revenues over expenditures.....	866,697		866,697	518,869		518,869
Balance at end of period	<u>\$19,333,119</u>	<u>\$ 2,448,015</u>	<u>\$21,781,134</u>	<u>\$18,466,422</u>	<u>\$ 2,439,329</u>	<u>\$20,905,751</u>

Note:

The reserve for investment losses at June 30, 1953 is comprised of the net gains realized from investment transactions consummated after June 30, 1940, \$2,550,155, 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	1952-53	1951-52
Salaries	\$60,100	\$51,297
Communications	597	568
Insurance and Bond Premiums	366	1,813
Office Equipment	294	102
Office Supplies	763	776
Printing and Binding	863	965
Traveling	665	889
Investments	3,000	3,000
Field Equipment	313	215
Maintenance and Repairs .....	.....	12
Petroleum Products .....	.....	.....
Transportation	1	2
Annual Audit	937	684
Litigation	148	7
Mailing Service	184	171
Medical Service	7,147	5,491
Miscellaneous	197	18
Actuarial Investigation	7,050	.....
Equipment, Furniture and Fixtures	765	405
TOTAL EXPENSE	<u>\$83,387</u>	<u>\$66,415</u>

STATEMENT OF CASH RECEIPTS AND SOURCES THEREOF
Fiscal Years 1946-47 to 1952-53 Compared

SCHEDULE 2

	1952-53	1951-52	1950-51	1949-50	1948-49	1947-48	1946-47
Total Receipts and Revenue	\$7,182,667	\$6,986,392	\$7,418,315	\$8,128,116	\$8,451,077	\$8,537,031	\$6,976,213
Deduct:							
Revenue (Exhibit II)	\$6,386,990	\$5,838,291	\$5,444,137	\$5,259,087	\$4,721,413	\$4,079,429	\$2,926,973
Adjustments:							
Accrued Interest	1,659*	7,340*	24,653*	11,159*	39,905*	13,404*	8,563
Prepaid Interest	3,263	9,602	17,814	8,311	17,725	15,060	5,738
Bond Premiums Amortized	7,595	5,246	7,677	7,703	9,109	6,800	5,360
Taxes Receivable .....	.....	.....	.....	.....	287,128	1,265,966	1,455,802
Miscellaneous	116	124	247	19,334*	19,932	3,037	32,332*
TOTAL REVENUE RECEIPTS	\$6,396,305	\$5,845,923	\$5,445,222	\$5,244,608	\$5,015,402	\$5,356,888	\$4,370,104
CAPITAL RECEIPTS	\$ 786,362	\$1,140,469	\$1,973,093	\$2,883,508	\$3,435,675	\$3,180,143	\$2,606,109
Analysis—Capital Receipts							
Bond Investments	\$ 759,288	\$1,098,971	\$1,913,727	\$2,742,306	\$3,311,590	\$2,802,539	\$2,294,710
Street Improvement Bonds	9,946	6,779	8,523	23,719	16,451	34,244	53,925
Real Property	4,873	6,517	18,732	51,076	62,371	175,399	165,243
Trust Deeds—Installments	12,255	28,110	31,998	63,011	45,126	79,477	80,246
Miscellaneous Collections .....	.....	92	113	3,396	137	88,484	11,985
TOTALS	\$ 786,362	\$1,140,469	\$1,973,093	\$2,883,508	\$3,435,675	\$3,180,143	\$2,606,109

* Deductions

STATEMENT OF CASH DISBURSEMENTS AND OBJECTIVES THEREOF

Fiscal Years 1946-47 to 1952-53 Compared

SCHEDULE 3

	1952-53	1951-52	1950-51	1949-50	1948-49	1947-48	1946-47
Total Disbursements	\$6,273,659	\$7,587,571	\$7,883,056	\$6,973,514	\$10,520,475	\$7,463,457	\$6,855,131
Deduct:							
Expenditures (Exhibit II)	\$5,520,293	\$5,319,422	\$5,058,274	\$4,756,024	\$ 4,536,632	\$4,366,557	\$4,192,939
Adjustments:							
Prepaid Interest	3,263	9,602	17,814	8,311	17,725	15,060	5,738
Expense Abatements	52	30	195	-----	-----	929	777
Refund, Deposits on Sales	-----	-----	50	-----	250	150	3,008
Accounts Payable	4,811*	335*	47*	57	133*	1,682	1,365*
Miscellaneous	43*	2,465*	444	513	1,909	2,454	284
TOTAL OPERATING DEDUCTIONS..	\$5,518,754	\$5,326,254	\$5,076,730	\$4,764,905	\$ 4,556,383	\$4,386,832	\$4,201,381
CAPITAL OPERATIONS	\$ 754,905	\$2,261,317	\$2,806,326	\$2,208,609	\$ 5,964,092	\$3,076,625	\$2,653,750
Analysis—Capital Operations							
Bond Investments	\$ 754,770	\$2,261,087	\$2,799,806	\$2,203,417	\$ 5,961,530	\$3,061,091	\$2,619,008
Real Property	70	136	6,130	1,464	2,470	15,505	34,213
Unapplied Charges—Investments	65	94	390	3,728	92	29	529
TOTALS	\$ 754,905	\$2,261,317	\$2,806,326	\$2,208,609	\$ 5,964,092	\$3,076,625	\$2,653,750

* Deductions

BOND DISTRIBUTION

June 30, 1953

SCHEDULE 4

	Rate	Maturity Date	Par Value
UNITED STATES GOVERNMENT			
U. S. Savings "G"	2½	1954/62	\$1,700,000
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	50,000
U. S. Treasury	2¾	1980/75	3,600,000
U. S. Treasury	3¼	1983/78	300,000
TOTAL GOVERNMENTS			\$ 9,250,000
CORPORATES			
Allied Chemical	3½	1978	300,000
American Tel. & Tel.	2¾	1975	300,000
American Tel. & Tel.	2¾	1980	200,000
Bethlehem Steel	2¾	1970	150,000
Bethlehem Steel	3	1979	98,000
Boston Edison	2¾	1970	200,000
California Oregon Power ..	3⅛	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 Electric 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	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	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.	3⅛	1988	200,000
Mt. States Tel.	2⅞	1986	100,000
National Steel	3⅛	1982	150,000
New England Tel.	3	1974	200,000
New Jersey Bell Tel.	3⅛	1988	250,000
New York Tel.	3	1981	100,000
No. Indiana Public Service ..	3⅛	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 & Electric	3	1979	200,000
Pacific Gas & Electric	3	1983	30,000
Pacific Tel. & Tel.	3⅛	1983	150,000

BOND DISTRIBUTION

June 30, 1953

SCHEDULE 4—(Continued)

	Rate	Maturity Date	Par Value
CORPORATES—(Continued)			
Pennsylvania Power & Light	3	1975	\$ 200,000
Phillips Petroleum	3.70	1983	100,000
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. California Edison	3 ¹ / ₈	1973	100,000
So. Western Bell Tel.	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			\$10,158,000
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			\$19,668,000
<hr/>			
Appraised Value	\$18,313,179		
Book Value	19,820,719		

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 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. 182¼. 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. 182½. 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.