

# **ANNUAL REPORT**

## **BOARD of PENSION COMMISSIONERS**

**CITY OF LOS ANGELES**

**CALIFORNIA**



**FOR THE FISCAL YEAR ENDED JUNE 30, 1954**

**With**

**CHARTER AND ORDINANCE PROVISIONS  
GOVERNING PENSION SYSTEM**

Personnel of the  
BOARD OF PENSION COMMISSIONERS

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

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

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

J. Herman, Jr.  
(Term Expires July 1, 1956)

C. A. Owen  
(Term Expires July 1, 1958)

September 22, 1954

Board of Pension Commissioners  
of the City of Los Angeles

## Honorable Members:

In accordance with the provisions of Section 64 of the City Charter, I have prepared and present herewith for your consideration a statement covering the operations of the fire and police pension system for the fiscal year ended June 30, 1954. This report is accompanied by a statement of assets and liabilities and comments and statistical data which it is hoped will serve to present a clear picture of such operations.

On July 1, 1953, thirteen pension applications were pending. During the course of the fiscal year 168 additional petitions were received. Of the total of 181 petitions 149 were granted, 5 filed, 2 denied and 25 pending as of June 30, 1954. 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 7-1-53 .....	2097	216	269	38	687	11	27	6	3351
Granted .....	22	35	20	4	58	8	2	....	149
Deaths .....	66	2	10	1	17	....	1	....	97
Remarriages .....	....	....	....	....	8	1	....	....	9
Discontinued .....	....	....	....	....	....	....	2	1	3
Filed .....	....	....	4*	....	1*	....	....	....	5*
Denied .....	....	....	....	....	2*	....	....	....	2*
Increased .....	....	....	6*	....	....	....	....	....	6*
Decreased .....	....	....	1*	....	12*	....	....	....	13*
	<u>2053</u>	<u>249</u>	<u>279</u>	<u>41</u>	<u>720</u>	<u>18</u>	<u>26</u>	<u>5</u>	<u>3391</u>

\*Statistical—these figures do not affect pension roll.

**MEMBERSHIP**

As of June 30, 1954, there were 2,580 firemen and 4,375 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
<b>25-Year Members</b>			
Men with less than 5 years .....	463	684	1,147
With less than 10 years .....	983	2,406	3,389
With less than 20 years .....	752	950	1,702
With 20 years service and over .....	229	171	400
On Military Leave (Eligibility dates not counted)	17	69	86
<b>20 Year Members</b>			
Men eligible to retire .....	136	95	231
<b>TOTAL</b> .....	<u>2,580</u>	<u>4,375</u>	<u>6,955</u>

**ANALYSIS OF MEMBERSHIP**

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

	1950-51	1951-52	1952-53	1953-54
Membership—July 1st .....	6,933	6,816	6,889	6,895
On Leave .....	16	19	34	15
On Military Leave .....	14	303	203	131
Active Membership—June 30th .....	6,903	6,494	6,652	6,749
Additions:				
New Appointments .....	147	308	204	272
Restorations .....	1	1	1	1
Returned from leave .....	127	150	140	111
Returned from military leave .....	51	155	93	50
Discontinued on military leave .....	....	2	2	....
	7,229	7,110	7,092	7,183
Withdrawals:				
Service retirements .....	108	71	61	57
Disability retirements .....	27	33*	37	24
Resigned .....	71	104**	75***	81****
Discharged .....	40	10	17	33
Deaths .....	19	18**	9	18****
Leaves granted .....	130	165	121	108
Military leaves granted .....	340	57	23	5
Active Membership—June 30th .....	6,494	6,652	6,749	6,857
On Leave .....	19	34	15	12
On Military Leave .....	303	203	131	86
Total Membership—June 30th .....	6,816	6,889	6,895	6,955

\* Including 1 granted in 1950-51

\*\* Including 1 on military leave

\*\*\* Including 2 on military leave

\*\*\*\* Including 4 on military leave in each category.

**APPOINTED FISCAL YEAR 1953-54**

During the course of the year 272 members were appointed and became members of the system. One hundred ninety-five or 72% of such members were married at the date of entrance. Seven of such members were re-appointees and were of an age above age thirty-one. Of the 265 original appointees the median age was 24, the mode 23 and the average was 25.

**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.....	....	....	2	....	....	2
60- 69.....	....	....	6	....	....	6
70- 79.....	....	....	6	....	....	6
80- 89.....	....	2	14	1	2	19
90- 99.....	....	1	16	1	2	20
100-109.....	717	22	259	6	1	1,005
110-119.....	364	5	117	2	1	489
120-129.....	328	31	117	3	....	479
130-139.....	164	50	17	8	....	239
140-149.....	129	7	19	1	....	156
150-159.....	125	24	40	....	....	189
160-169.....	77	14	20	....	....	111
170-179.....	49	15	13	2	....	79
180-189.....	45	21	8	1	....	75
190-199.....	47	9	9	....	....	65
200-209.....	56	30	33	....	....	119
210-219.....	45	5	6	....	....	56
220-229.....	28	12	5	....	....	45
230-239.....	28	7	6	....	....	39
240-249.....	21	3	1	....	....	25
250 or over.....	81	62	24	....	....	167
	<u>2,302</u>	<u>320</u>	<u>738</u>	<u>25</u>	<u>6</u>	<u>3,391</u>
Average Pension.....	138.00	185.51	128.63	125.82	97.36	140.29

**AGE OF PENSIONERS**

The following is an analysis of the ages of all pensioners at the close of June 30, 1954:

Ages	Service	Disability	Widows	Minors	Dependents	Total
0-18.....	....	....	....	25	....	25
20-25.....	....	....	2	....	....	2
25-30.....	....	8	5	....	....	13
30-35.....	....	28	7	....	....	35
35-40.....	....	22	11	....	....	33
40-45.....	....	16	29	....	....	45
45-50.....	61	35	74	....	....	170
50-55.....	574	72	136	....	....	782
55-60.....	731	71	121	....	....	923
60-65.....	532	36	145	....	....	713
65-70.....	255	20	91	....	1	367
70-75.....	110	6	73	....	2	191
75-80.....	32	4	28	....	1	65
80-85.....	6	1	10	....	1	18
85-90.....	1	....	5	....	1	7
90-100.....	....	1	1	....	....	2
	<u>2,302</u>	<u>320</u>	<u>738</u>	<u>25</u>	<u>6</u>	<u>3,391</u>
Average Age.....	60	53	60	9	78	

**SERVICE PENSIONS**

The total number of members upon service pension is presented by departments for the last fourteen 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
1953-1954.....	27	30	57

In accordance with the Charter amendment of June 16, 1947, 254 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
1953-1954.....	14	21	35

**ELIGIBILITY**

The following schedule indicates the changes in eligibility since June 30, 1953:

	Fire	Police	Total
Eligible June 30, 1953 .....	390	300	690
Became eligible during 1953-54 .....	8	5	13
	<u>398</u>	<u>305</u>	<u>703</u>
Deduct 1953-1954:			
Service retirements .....	27	30	57
Disability retirements .....	3	5	8
Deaths in active service .....	3	4	7
	<u>365</u>	<u>266</u>	<u>631</u>
Total eligible as of June 30, 1954 .....	365	266	631

There were as of June 30, 1954, 631 members eligible to retire. Two hundred thirty-one of these members were 20-year men and 400 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
1953-1954 .....	365	266	631

During the fiscal year 1954-1955, 35 twenty-five year members will become eligible if their service is continuous. Thirty-two of these members are firemen and three are policemen.

#### YEARS OF SERVICE—20-Year Men

Years of Service	Fire	Police	Total
25 .....	.....	1	1
27 .....	7	2	9
28 .....	15	18	33
29 .....	36	44	80
30 .....	49	10	59
31 .....	8	13	21
32 .....	2	2	4
33 .....	3	1	4
34 .....	2	1	3
35 .....	.....	1	1
36 .....	2	1	3
37 .....	2	.....	2
38 .....	4	1	5
39 .....	2	.....	2
40 .....	2	.....	2
41 .....	1	.....	1
44 .....	1	.....	1
TOTAL .....	136	95	231

#### YEARS OF SERVICE—25 Year Men

Years of Service	Fire	Police	Total
20 .....	8	5	13
21 .....	59	24	83
22 .....	27	17	44
23 .....	12	23	35
24 .....	43	28	71
25 .....	62	32	94
26 .....	11	31	42
27 .....	7	11	18
TOTAL .....	229	171	400

**DISABILITY PENSIONS**

The total number of members retiring upon disability pension is represented by departments for the last seven 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	...	14	9	36
1950-1951 .....	8	1	17	2	28
1951-1952 .....	11	1	16	4	32
1952-1953 .....	15	3	17	2	37
1953-1954 .....	7	1	13	3	24

**ANALYSIS OF RATES**

There are 279 service connected disability pensions and 41 non-service connected disability pensions classified by rates in the following schedule as of June 30, 1954:

Rate	Fire	Police	Total
40% .....	14	29	43
50% .....	35	51	86
55% .....	9	7	16
57½% .....	1	...	1
60% .....	28	32	60
65% .....	18	48	66
66¾% .....	1	...	1
70% .....	2	4	6
75% .....	9	18	27
80% .....	...	2	2
85% .....	2	1	3
90% .....	2	7	9
TOTAL .....	121	199	320

**ANALYSIS OF DISABILITY PENSIONERS BY AGE**

Age	Fire	Police	Total
25-30 .....	1	3	4
30-35 .....	1	23	24
35-40 .....	11	14	25
40-45 .....	8	8	16
45-50 .....	20	17	37
50-55 .....	25	23	48
55-60 .....	21	64	85
60-65 .....	15	26	41
65-70 .....	13	13	26
70-75 .....	3	3	6
75-80 .....	2	4	6
80-85 .....	1	...	1
85-90 .....	...	...	...
90-95 .....	...	1	1
TOTAL .....	121	199	320
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, 1953, there were 131 members on military leave. The following schedule shows the operation of military leave authorization for the fiscal year 1953-1954:

Month	Granted	Restored	Resigned On M-L	Died On M-L
July .....	2	2	....	....
August .....	.....	1	....	....
September .....	.....	7	....	....
October .....	.....	7	....	1
November .....	.....	5	....	....
December .....	2	3	3	1
January .....	.....	4	1	....
February .....	.....	2	1	2
March .....	.....	4	....	....
April .....	.....	4	....	....
May .....	1	1	....	....
June .....	.....	1	....	....
	<u>5</u>	<u>41</u>	<u>5</u>	<u>4</u>

On Leave June 30, 1953 .....	131
Granted during 1953-54 .....	5
	<u>136</u>
Restored—Now active .....	41
Resigned on military leave .....	5
Died on military leave .....	4
	<u>86</u>
On Leave June 30, 1954 .....	86

All of the 86 men on military leave are twenty-five year men. Thirteen of these members have less than five years service. Seventy-two have more than five years service, and one member has more than twenty years service.

### LITIGATION

#### **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 by 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. Upon instructions from the Board, the City Attorney appealed from said judgment to the District Court of Appeal which, on April 22, 1954, reversed the judgment of the trial court and ruled that the plaintiff was entitled to nothing. Plaintiff petitioned said court for a rehearing, which was denied on May 10, 1954. Plaintiff thereafter petitioned the Supreme Court for a hearing therein, which said court granted on June 16, 1954 and, as of the close of the fiscal year, such hearing had not been had.

#### **Bowen 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. Judgment had been rendered in favor of plaintiffs, by the trial court, on April 8, 1952, and defendants appealed therefrom to 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 on June 19, 1953. Plaintiffs' petition for a hearing in the Supreme Court was denied on July 28, 1953. Thereafter, the remittitur from the District Court of Appeal was received by the Superior Court and filed on August 5, 1953. Judgment was signed and filed on October 8, 1953 in accordance with the opinion of the District Court of Appeal and, thereafter, entered on October 14, 1953. Said judgment is final and this proceeding is fully concluded.

#### **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 compensation 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 allow 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, on January 20, 1954, the Commission affirmed its June 18, 1952 Decision after Reconsideration, which had been partly reversed by the Supreme Court. Mr. Healy again petitioned the Supreme Court for a hearing, mainly upon the same ground set forth in his first petition thereto, but this time said court denied the hearing. The Commission's Decision after Reconsideration has become final and conclusive. The effect of said decision is that payments made under Article XVII of the City Charter are, pursuant to the provisions of Section 182½ thereof, payments of Workmen's Compensation to the extent of the City's liability therefor in conformity with its duties and obligations under the provisions of the Labor Code and that such payments, to the extent that they are greater than the Workmen's Compensation payments, are pension benefits and that the Charter provisions to such effect are valid and constitutional and not in conflict with the provisions of said Labor Code.

#### **Malone v. City of Los Angeles, etc., et al.**

In this proceeding, commenced during this fiscal year, Kathryn Malone, as the guardian of Joseph William Kael II, the minor son of a deceased fireman, petitioned the court for a writ of mandate to compel the Board to resume the pension payments on behalf of said minor which it had discontinued effective November 28, 1952 upon learning that said minor had been adopted by his stepfather, Gerald Malone. The Department had also made demand upon Kathryn Malone for a refund of pension payments made subsequent to the date of the adoption of said minor on November 20, 1946 and prior to the discontinuance thereof. We prepared, served and filed our return to the petition and alternative writ of mandate and the

trial was had on September 5, 1953, at which time the court took the matter under submission upon briefs to be thereafter filed. We prepared, served and filed our trial brief and the court, on October 23, 1953, rendered judgment in favor of petitioner. Thereafter, a peremptory writ of mandate was issued and served upon the Board and, prior to the return date thereof, we served and filed our notice of appeal from said judgment to the District Court of Appeal. Our opening brief on appeal was served and filed on April 6, 1954 and our closing brief on appeal was served and filed on May 21, 1954. The appeal was argued before the District Court of Appeal on June 24, 1954, at which time the court took the matter under submission and the case so remained as of the close of the fiscal year.

### **Guardianships**

Thirty-four accounts, 5 petitions, 3 returns of sale and 2 court orders, one approving the guardian's account, restoring the incompetent to capacity and discharging the guardian and the other authorizing the guardian to expend money for orthodontia work, were received and examined; 5 requests for special notice of steps and proceedings were served and filed; 3 minor guardianships were discontinued on account of majority and 4 were added; 6 incompetency proceedings were discontinued on account of death and 3 because of restoration to capacity; 7 incompetency proceedings were added; correspondence was had with guardians and their attorneys with reference to accountings; 25 covering 34 minors and 14 covering incompetents.

### **Opinions and Reports**

A formal opinion was written to the Board to the effect that the widow of a member, not eligible to service retirement but with more than five years of service in the Police Department, who died while on military leave, is entitled to a pension under the provisions of Section 183½ of the Charter.

A formal opinion was written to the Board to the effect that the widow of a member, with less than five years of actual service but over five years aggregate service with credit for military leave, who died while in the armed forces, is entitled to a pension under the provisions of Section 183½ of the Charter.

A report was written upon the conclusion of the case of *Bowen v. City, etc., et al.*, to the effect that the judgment of the trial court in favor of plaintiffs had been reversed on appeal and that plaintiff's petition for rehearing in the District Court of Appeal and their petition for hearing in the Supreme Court had both been denied.

### **OPERATIONS**

As of June 30, 1954 there was a cash balance of \$921,194.00. During the year the bond portfolio increased \$1,955,000 with a total par value of \$21,623,000 and an appraised value of \$21,591,758.00. The increase was attributable largely to the surplus of \$1,166,031.00 resulting from operations. Early in July U. S. Government bonds in the amount of \$2,450,000.00 were sold and \$1,678,000.00 invested in corporate bonds. The remaining \$800,000.00 was invested in short term government bonds maturing \$300,000.00 in September and \$500,000.00 in October.

### Real Property

There were three properties sold during the year for a total consideration of \$2,500.00 and a net profit of \$2,436.00. At the beginning of the year there were ninety-six properties. During the year six properties were made salable by guarantee of tax title and three were sold leaving ninety-nine properties unsold at the end of the year.

### Surety Bonds

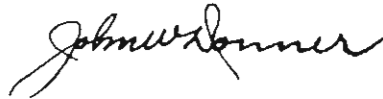
Six of the eleven employees were under bond as follows:

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

### Personnel

Eleven individuals were employed in the Department including one Assistant City Attorney. All rates of compensation paid were within the general salary range in effect throughout the general government.

Respectfully submitted,



Manager-Secretary

JWD:GW  
Encs.



## PEAT, MARWICK, MITCHELL &amp; CO.

CERTIFIED PUBLIC ACCOUNTANTS

618 SOUTH SPRING STREET

LOS ANGELES 14, CALIF.

ATLANTA	NEW YORK	MEMPHIS
BALTIMORE		MILWAUKEE
BILLINGS		MINNEAPOLIS
BOSTON		NEWARK
BUFFALO		NEW ORLEANS
CHARLOTTE		OKLAHOMA CITY
CHICAGO		OMAHA
CINCINNATI		PHILADELPHIA
CLEVELAND		PITTSBURGH
COLUMBUS		PORTLAND
DALLAS		ST. LOUIS
DENVER		SAN FRANCISCO
DETROIT		SAN JOSE
GREENSBORO		SEATTLE
HOUSTON		SHREVEPORT
INDIANAPOLIS		TERRE HAUTE
KANSAS CITY		TULSA
LINCOLN		WASHINGTON
LOS ANGELES		WATERBURY

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, 1954 and June 30, 1953, 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, 1954 and June 30, 1953 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 &amp; CO.

Los Angeles, California  
 September 24, 1954

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

**BALANCE SHEETS  
June 30, 1954 and 1953**

**EXHIBIT I**

**ASSETS**

	June 30, 1954	June 30, 1953
<b>Cash:</b>		
Deposit with Treasurer of the City of Los Angeles .....	\$ 921,194	\$ 1,740,356
Cash revolving funds .....	325	325
Cash in suspense .....	71	71
	921,590	1,740,752
<b>Investments:</b>		
Bond investments, general—at par (value based on market quotations, \$21,591,758 and \$18,313,179 respectively) .....	\$21,623,000	\$19,668,000
Street improvement bonds— at par .....	22,068	30,569
Treasurer's deeds—at cost .....	1,257	2,274
Trust deeds receivable—at cost....	11,045	20,680
Real property—at cost .....	27,258	26,376
	\$21,684,628	\$19,747,899
Bond premiums, less discounts of \$27,623 and \$28,652, respectively .....	181,931	152,719
Accrued interest .....	164,350	146,236
	\$22,952,499	\$21,787,606



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

**BALANCE SHEETS  
June 30, 1954 and 1953**

**EXHIBIT I**

**LIABILITIES**

	June 30, 1954	June 30, 1953
Accounts payable .....	\$ 327	\$ 4,811
<b>Deferred credits:</b>		
Prepaid payments—street bonds .....	\$ 1,361	\$ 1,361
Deposits on real property sales and leases .....	300           1,661	300           1,661
	2,952,499	2,448,015
<b>Fund capital:</b>		
Accumulated surplus .....	\$20,499,150	\$19,333,119
Reserve for investment losses .....	2,451,361	2,448,015
	\$22,952,499	\$21,787,606

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

**STATEMENTS OF OPERATIONS**  
Fiscal Years ended June 30, 1954 and 1953

**EXHIBIT II**

	Fiscal Year ended June 30, 1954	Fiscal Year ended June 30, 1953
<b>Revenues:</b>		
Taxes .....	\$ 4,184,617	\$ 3,832,736
Interest .....	563,509	531,973
Rental of property .....	150	180
Members' contributions .....	2,100,587	2,004,618
Sales of unclaimed property .....	16,793	9,557
Bonus .....	161	174
Donations .....	101	40
Miscellaneous .....	437	7,712
	\$ 6,866,355	\$ 6,386,990
<b>Expenditures:</b>		
Pensions paid:		
Service .....	\$ 3,787,430	\$ 3,736,833
Disability .....	612,099	547,713
Widows .....	1,062,308	1,013,865
Minors .....	31,310	27,706
Dependents .....	8,025	10,528
Non-service:		
Disability .....	67,867	60,887
Widows .....	43,089	29,536
Minors .....	8,230	9,838
	\$ 5,620,358	\$ 5,436,906
Administrative expenses .....	79,966	83,387
	5,700,324	5,520,293
Excess of revenues over expenditures .....	\$ 1,166,031	\$ 866,697

CITY OF LOS ANGELES  
FIRE AND POLICE PENSION FUND

STATEMENTS OF FUND CAPITAL  
Fiscal Years ended June 30, 1954 and 1953

EXHIBIT III

	Fiscal Year ended June 30, 1954			Fiscal Year ended June 30, 1953		
	Accumulated Surplus	Reserve for Investment Losses	Total	Accumulated Surplus	Reserve for Investment Losses	Total
Balance at beginning of period .....	\$19,333,119	\$ 2,448,015	\$21,781,134	\$18,466,422	\$ 2,439,329	\$20,905,751
<b>Add:</b>						
Net gain on disposition of investments .....		3,346	3,346		8,686	8,686
Excess of revenues over expenditures .....	1,166,031		1,166,031	866,697		866,697
Balance at end of period .....	<u>\$20,499,150</u>	<u>\$ 2,451,361</u>	<u>\$22,950,511</u>	<u>\$19,333,119</u>	<u>\$ 2,448,015</u>	<u>\$21,781,134</u>

**Note:**

The reserve for investment losses at June 30, 1954 is comprised of the net gains realized from investment transactions consummated after June 30, 1940, \$2,553,501, 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	1953-54	1952-53	1951-52	1950-51	1949-50	1948-49	1947-48
Salaries .....	\$ 62,152	\$ 60,100	\$ 51,297	\$ 49,015	\$ 46,691	\$ 44,533	\$ 44,277
Communications .....	550	597	568	530	509	460	374
Insurance and Bond Premiums .....	1,302	366	1,813	396	1,774	403	1,869
Office Equipment .....	555	294	102	.....	.....	.....	.....
Office Supplies .....	467	763	776	1,109	875	739	1,236
Printing and Binding .....	1,052	863	965	805	1,204	789	732
Traveling .....	269	665	889	405	875	837	681
Investment .....	3,000	3,000	3,000	3,000	3,000	3,000	2,500
Field Equipment .....	185	313	215	170	336	180	154
Maintenance and Repairs .....	20	.....	12	.....	.....	11	259
Petroleum Products .....	.....	.....	.....	.....	.....	.....	.....
Transportation .....	85	1	2	30	4	.....	17
Annual Audit .....	766	937	684	610	747	1,218	.....
Litigation .....	481	148	7	101	16	135	614
Mailing Service .....	229	184	171	144	184	240	143
Medical Service .....	6,966	7,147	5,491	5,263	3,737	3,238	3,109
Miscellaneous .....	310	194	18	60	87	646	15
Actuarial Investigation .....	.....	7,050	.....	.....	.....	.....	.....
Equipment, Furniture and Fixtures .....	1,576	765	405	2,389	377	375	2,888
<b>TOTAL EXPENSE .....</b>	<b>\$ 79,965</b>	<b>\$ 83,387</b>	<b>\$ 66,415</b>	<b>\$ 64,027</b>	<b>\$ 60,416</b>	<b>\$ 56,804</b>	<b>\$ 58,868</b>

**STATEMENT OF CASH RECEIPTS AND SOURCES THEREOF**  
**Fiscal Years 1947-48 to 1953-54 Compared**

**SCHEDULE 2**

	1953-54	1952-53	1951-52	1950-51	1949-50	1948-49	1947-48
Total Receipts and Revenue .....	\$8,036,760	\$7,182,667	\$6,986,392	\$7,418,315	\$8,128,116	\$8,451,077	\$8,537,031
<b>Deduct:</b>							
Revenue (Exhibit II) .....	\$6,866,355	\$6,386,990	\$5,838,291	\$5,444,137	\$5,259,087	\$4,721,413	\$4,079,429
<b>Adjustments:</b>							
Accrued Interest .....	18,114*	1,659*	7,340*	24,653*	11,159*	39,905*	13,404*
Prepaid Interest .....	9,028	3,263	9,602	17,814	8,311	17,725	15,060
Bond Premiums Amortized .....	5,554	7,595	5,246	7,677	7,703	9,109	6,800
Taxes Receivable .....						287,128	1,265,966
Miscellaneous .....	2,226	116	124	247	19,334*	19,932	3,037
<b>TOTAL REVENUE RECEIPTS .....</b>	<b>\$6,865,049</b>	<b>\$6,396,305</b>	<b>\$5,845,923</b>	<b>\$5,445,222</b>	<b>\$5,244,608</b>	<b>\$5,015,402</b>	<b>\$5,356,888</b>
<b>CAPITAL RECEIPTS .....</b>	<b>\$1,171,711</b>	<b>\$ 786,362</b>	<b>\$1,140,469</b>	<b>\$1,973,093</b>	<b>\$2,883,508</b>	<b>\$3,435,675</b>	<b>\$3,180,143</b>
<b>Analysis—Capital Receipts</b>							
Bond Investments .....	\$1,150,859	\$ 759,288	\$1,098,971	\$1,913,727	\$2,742,306	\$3,311,590	\$2,802,539
Street Improvement Bonds .....	8,501	9,946	6,779	8,523	23,719	16,451	34,244
Real Property .....	2,715	4,873	6,517	18,732	51,076	62,371	175,399
Trust Deeds—Installments .....	9,636	12,255	28,110	31,998	63,011	45,126	79,477
Miscellaneous Collections .....			92	113	3,396	137	88,484
<b>TOTALS .....</b>	<b>\$1,171,711</b>	<b>\$ 786,362</b>	<b>\$1,140,469</b>	<b>\$1,973,093</b>	<b>\$2,883,508</b>	<b>\$3,435,675</b>	<b>\$3,180,143</b>

\* Deductions

**STATEMENT OF CASH DISBURSEMENTS AND OBJECTIVES THEREOF**  
**Fiscal Years 1947-48 to 1953-54 Compared**

22

**SCHEDULE 3**

	1953-54	1952-53	1951-52	1950-51	1949-50	1948-49	1947-48
Total Disbursements .....	\$8,855,922	\$6,273,659	\$7,587,571	\$7,883,056	\$6,973,514	\$10,520,475	\$7,463,457
<b>Deduct:</b>							
Expenditures (Exhibit II) .....	\$5,700,324	\$5,520,293	\$5,319,422	\$5,058,274	\$4,756,024	\$ 4,536,632	\$4,366,557
<b>Adjustments:</b>							
Prepaid Interest .....	9,028	3,263	9,602	17,814	8,311	17,725	15,060
Expense Abatements .....	2,248	52	30	195	.....	.....	929
Accounts Payable .....	327*	4,811*	335*	47*	57	133*	1,682
Miscellaneous .....	2,570	43*	2,465*	494	513	2,159	2,604
<b>TOTAL OPERATING DEDUCTIONS</b> .....	<b>\$5,713,843</b>	<b>\$5,518,754</b>	<b>\$5,326,254</b>	<b>\$5,076,730</b>	<b>\$4,764,905</b>	<b>\$ 4,556,383</b>	<b>\$4,386,832</b>
<b>CAPITAL OPERATIONS</b> .....	<b>\$3,142,079</b>	<b>\$ 754,905</b>	<b>\$2,261,317</b>	<b>\$2,806,326</b>	<b>\$2,208,609</b>	<b>\$ 5,964,092</b>	<b>\$3,076,625</b>
<b>Analysis—Capital Operations</b>							
Bond Investments .....	\$3,141,885	\$ 754,770	\$2,261,087	\$2,799,806	\$2,203,417	\$ 5,961,530	\$3,061,091
Real Property .....	94	70	136	6,130	1,464	2,470	15,505
Unapplied Charges—Investments .....	100	65	94	390	3,728	92	29
<b>TOTALS</b> .....	<b>\$3,142,079</b>	<b>\$ 754,905</b>	<b>\$2,261,317</b>	<b>\$2,806,326</b>	<b>\$2,208,609</b>	<b>\$ 5,964,092</b>	<b>\$3,076,625</b>

\* Deductions

BOARD OF PENSION COMMISSIONERS

## BOND DISTRIBUTION

June 30, 1954

## SCHEDULE 4

	Rate	Maturity Date	Par Value
<b>UNITED STATES GOVERNMENT</b>			
U. S. Savings "G" .....	2½	1954/62	\$1,650,000
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	500,000
<b>TOTAL GOVERNMENTS .....</b>			<b>\$ 9,400,000</b>
<b>CORPORATES</b>			
Allied Chemical .....	3½	1978	\$ 300,000
Aluminum Co. of America .....	3½	1964	100,000
Aluminum Co. of America .....	3	1979	200,000
American Tel. & Tel. ....	2¾	1975	300,000
American Tel. & Tel. ....	2¾	1980	200,000
Atlantic Refining .....	3¼	1979	100,000
Bethlehem Steel .....	2¾	1970	150,000
Bethlehem Steel .....	3	1979	98,000
Boston Edison .....	2¾	1970	200,000
California Oregon Power .....	3½	1974	100,000
Canadian National Ry .....	4½	1956	100,000
Central Illinois Light .....	2½	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
Commonwealth Edison .....	3	1979	150,000
Consolidated Gas Baltimore .....	2⅞	1981	150,000
Dallas Power & Light .....	2⅞	1979	200,000
Deere & Company .....	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 .....	3¼	1977	250,000
General Motors .....	3¼	1979	355,000
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
Long Island Lighting .....	3¼	1972	100,000
Louisville & Nashville .....	4	1955	75,000
Metropolitan Edison .....	2¾	1980	200,000
Michigan Bell Tel. ....	3½	1988	200,000
Mt. States Tel. & Tel. ....	2⅞	1986	100,000
National Steel .....	3½	1982	150,000
New England Tel. & Tel. ....	3	1974	200,000
New Jersey Bell Tel. ....	3½	1988	250,000
N. Y. State Elec. & Gas .....	3¼	1984	200,000
N. Y. Telephone .....	3	1981	100,000
No. Indiana Public Service .....	3½	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

## BOND DISTRIBUTION

June 30, 1954

## SCHEDULE 4—(Continued)

	Rate	Maturity Date		Par Value
<b>CORPORATES—(Continued)</b>				
Pacific Tel. & Tel. ....	3½	1983	\$	150,000
Pennsylvania Power & Light .....	3	1975		200,000
Phillips Petroleum .....	3.70	1983		100,000
Potomac Electric Power .....	2⅞	1984		200,000
Potomac Electric Power .....	2¾	1985		100,000
Public Service N. H. ....	3¼	1973		195,000
Public Service Elec. & Gas .....	3	1972		75,000
Public Service Elec. & Gas .....	2⅞	1979		197,000
Public Service Elec. & Gas .....	2¾	1980		100,000
Public Service Indiana .....	3	1979		100,000
Shell Union Oil .....	2½	1971		250,000
Southern Bell Tel. ....	3	1979		150,000
Southern Calif. Edison .....	3⅞	1973		100,000
Southern Counties Gas .....	3¼	1984		200,000
South Western Bell Tel. ....	3⅞	1983		100,000
Standard Oil N. J. ....	2¾	1974		500,000
Swift & Company .....	2⅞	1973		48,000
Swift & Company .....	2⅞	1972		152,000
Union Oil Company .....	2¾	1970		249,000
Union Pacific .....	2⅞	1976		500,000
Virginia Electric Power .....	3	1978		100,000
Wisconsin Electric Power .....	3⅞	1984		150,000
Wisconsin Power & Light .....	3¼	1971		144,000
Wisconsin Public Service .....	3¼	1971		134,000
<b>TOTAL CORPORATES</b> .....				<b>\$11,863,000</b>
<b>MISCELLANEOUS</b>				
International Bank .....	3	1972	\$	50,000
International Bank .....	3	1976		110,000
International Bank .....	3⅞	1975		100,000
International Bank .....	3½	1969		100,000
<b>TOTAL MISCELLANEOUS</b> .....				<b>360,000</b>
<b>TOTAL PAR VALUE</b> .....				<b>\$21,623,000</b>
Appraised Value	\$21,591,758			
Book Value	\$21,804,931			



## 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 182 1/4 of this charter.

The provisions of this section are subject to the further conditions set forth in Section 181 1/2 of this charter.

Sec. 181 1/2. 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 employment 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 provisions 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.

An 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.