

ANNUAL REPORT

of the

**Los Angeles County
Employees Retirement
Association**

FOR THE YEAR

ENDING DECEMBER 31, 1949

TO THE MEMBERS:

Pursuant to instructions of the Retirement Board, I am submitting herewith a financial and statistical report of the Los Angeles County Employees Retirement Association for the year ending December 31, 1949.

Members of the Retirement Association may call upon us at any time regarding their retirement problems or for information concerning the operation of the system.

Very sincerely yours,

A handwritten signature in cursive script, appearing to read "Carl Bevan". The signature is written in black ink and is positioned above a horizontal line that serves as a separator between the signature and the printed title below it.

Chairman

BOARD OF RETIREMENT.

GENERAL INFORMATION

Service Retirement

Members with ten years of service, who have attained the age of fifty-five, are eligible to retire. Retirement is compulsory for all members on the first of the month following that in which a member attains the age of seventy.

Amount of Retirement Allowance

An approximate amount of your retirement allowance may be calculated by using the tables printed in the annual report. The figure shown is the amount per month based on an average salary for the last 3 years of service of \$100.00 per month.

In the case of a woman who has 22 years of service at age 63, and whose average salary for the last three years is \$245.56, read down the column for age 63 to 22 years of service, and multiply that figure by 245.56, placing the decimal point six places from the right.

Example: $\$42.85 \times 245.56 = \105.22 .

In no event can the monthly amount be more than 50% of the average salary for the last 3 years. We would suggest that each member keep a record of his salary changes, so that he can estimate at any time what the average is for the last 3 years.

The example shown above gives the unmodified or maximum amount of retirement allowance. Under this plan all payments stop at death and there is no residue to a beneficiary. However, a member upon retiring may select one of the options if he so wishes. The calculation of the options is extremely complicated and special annuity tables must be used. This information may be obtained from the retirement division of the Treasurer's department.

Deferred Retirement

Members with five years of service who leave County employment, may elect to leave their deposits with the Association and take a deferred retirement, to become effective either:

- (a) Upon the option of the member, at any time 10 years or more after first becoming a member and after he attains age 55, or
- (b) Not later than the first day of the month following that in which he attains age 70.

Disability Retirement

Members with ten years of service, regardless of age, are eligible for a disability retirement provided that the member is permanently incapacitated, physically or mentally, for the performance of his duties.

Withdrawal Charges

When a member leaves County service and withdraws his accumulated contributions, a withdrawal charge is made of one-half the interest credited to his account after June 30, 1943.

Reinstatement

Should a member leave County service and be reemployed, prior to age 55, he may receive credit for the service he had at the time of his resignation, provided he redeposits within one year after his reemployment, the money he withdrew from the retirement fund at the time of leaving County service.

Death Benefit

Upon the death of a member before retirement, a death benefit is payable to his beneficiary. This benefit consists of his accumulated contributions, plus an amount equal to one month's salary for each year of service, but not to exceed six months' salary.

Beneficiary

When a member enters the Retirement System, he signs a card naming a beneficiary. Should he desire to change his beneficiary, he may do so by advising the Retirement Division, Treasurer's Department in writing.

STATEMENT
OF
RECEIPTS AND DISBURSEMENTS
For year ending December 31, 1949

RECEIPTS

Balance December 31, 1948	\$ 341,883.88
Deductions from Members' Salaries	3,653,552.47
Redeposits, and in lieu of Salary Deductions	33,177.19
Deposits by Members of Additional Contributions	157,073.87
Contributions by County	3,519,738.43
Interest on Securities	843,398.83
Securities Sold	605,320.00
	<u>\$9,154,144.67</u>

DISBURSEMENTS

Refunds of Additional Contributions	\$ 329,306.33
Refunds to Members Leaving Service	568,074.57
Refunds of Military Service Deposits	480.09
Members' Money transferred to other Counties	\$ 781.19
County Contributions " " " "	795.96 1,577.15
Death Benefits Paid (75 Members)	115,109.34
Retirement Allowance—Service	646,265.19
Retirement Allowance—Disability	161,535.04 807,800.23
Securities Purchased	6,985,053.15
Balance December 31, 1949	346,743.81
	<u>\$9,154,144.67</u>

STATEMENT
OF
ASSETS AND LIABILITIES
As of December 31, 1949

ASSETS

Cash on Hand		\$ 346,743.81
Securities—Par Value		30,555,000.00*
Premium on Purchases		1,044,227.14*
Accounts Receivable		
Salary Deductions (Normal)	\$329,429.08	
Salary Deductions (Additional)	200.76	
County Contributions	311,826.97	641,456.81
County Contributions Receivable for Military Service ..		186,556.26
Accrued Interest		236,658.89
		<u>\$33,010,642.91</u>

LIABILITIES

Members Deposit Reserve (Salary		\$
Deductions and Interest)	\$15,415,624.19	
(a) Additional Contributions	534,296.47	
Unclaimed Money of Former Members	11,730.08	15,961,650.74
Members Reserve for Military		
Service, not refundable		186,556.26
(b) County Advance Reserve		7,702,792.51
(c) Annuity Reserve	1,644,103.97	
(d) Pension Reserve, Current Service	1,805,644.11	
(e) Pension Reserve, Prior Service	4,866,620.38	8,316,368.46
Discount on Purchases		66,874.55
Surplus (Analysis on following page)		776,400.39
		<u>\$33,010,642.91</u>

- (a) Salary Deductions prior to January 1, 1938, plus extra deposits and interest.
(b) Money advanced by County, not yet transferred to Pension Reserves, (d) and (e).
(c) Money transferred from Retired Members' Account, plus interest, less annuities paid.
(d) } Money transferred from (b) at time members retire, plus interest,
(e) } less pensions paid.

* Securities: Book Value \$31,532,352.59
Appraised Value 32,812,736.49

ANALYSIS OF SURPLUS

SURPLUS as of December 31, 1948

\$758,236.97

ADDITIONS

Interest—Received during 1949	\$804,180.79	
Less: accrued as of December 31, 1948	187,661.08	
	616,519.71	
Interest—Accrued as of December 31, 1949	236,658.89	
Withdrawal Charges	7,601.27	
Amortization of Bond Discount	2,341.89	
Premium on Sales	11,995.00	
Outlawed Warrants Cancelled	147.85	
	875,264.61	\$1,633,501.58

DEDUCTIONS

Interest—Credited to Members	\$394,296.05	
Interest—Credited to Reserves	398,800.08	
Amortization of Bond Premium	64,005.06	
	857,101.19	\$ 776,400.39

GENERAL STATISTICS

Number of Members as of December 31, 1949	16,275
Number Retired during 1949 for Service	140
Number Retired during 1949 for Disability	26
Number Retired Members Deceased during 1949	33
Number Retired Members on Roll December 31, 1949 (Service)	809
Number Retired Members on Roll December 31, 1949 (Disability)	219

STATEMENT OF BONDS

As of December 31, 1949

Name	Par Value	Maturity Date	Appraised Value
UNITED STATES GOVERNMENT			
United States Treasury Savings Series G	1,300,000	1954/61	\$1,257,350.00
United States Treasury	8,500,000	1972/67	8,826,400.00
DISTRICT			
Castro Valley County Water	18,000	1965/70	23,416.20
Downey County Water District	5,000	1962	6,497.00
East Bay Municipal Utility	100,000	1961/76	143,860.00
Golden Gate Bridge & Highway	120,000	1966/71	162,624.00
L. A. County Flood Control District	741,000	1950/64	937,659.50
L. A. County Sanitation Dist. No. 1	107,000	1952/65	137,360.40
L. A. County Sanitation Dist. No. 2	270,000	1950/65	337,348.50
L. A. County Sanitation Dist. No. 4	6,000	1954	6,999.60
L. A. County Sanitation Dist. No. 5	60,000	1952/65	75,733.20
L. A. County Sanitation Dist. No. 8	12,000	1954/59	15,100.80
L. A. County South Bay Cities Sanitation District	10,000	1956/58	11,974.00
L. A. County Water Works Dist. No. 10	7,500	1958/67	7,500.00
L. A. County Water Works Dist. No. 18	500	1950	500.00
L. A. County Water Works Dist. No. 21	3,000	1963/65	3,000.00
L. A. County Water Works Dist. No. 22	1,000	1960	1,000.00
Metropolitan Water District	676,000	1967/88	910,737.90
Pico County Water District	10,000	1959/60	12,232.00
MUNICIPAL			
Alhambra	15,000	1957/59	18,900.00
Anaheim	3,000	1950/60	3,624.30
Avalon	1,125	1951/53	1,245.94
Brea	6,375	1950/59	7,573.40
Compton	4,500	1950/55	5,014.80
Corona	2,000	1962	2,620.20
Hermosa Beach	18,000	1955/60	21,421.80
Huntington Park	1,000	1958	1,242.00
Lindsay	5,000	1951/54	5,514.50
Long Beach	105,500	1950/65	127,926.00
Los Angeles	1,221,000	1950/75	1,534,183.30
Monterey Park	32,000	1951/66	37,090.70
Newport Beach	12,000	1950/55	12,806.80
New York City Housing	750,000	1990/99	759,375.00
Redondo Beach	17,000	1950/68	19,344.50
San Francisco	60,000	1964/66	81,622.00
San Gabriel	25,000	1964/68	29,197.50
Santa Monica	1,000	1953	1,118.50
South Gate	25,000	1957/65	32,607.50
South Pasadena	5,000	1953/55	5,951.00
Vernon	118,000	1951/1963	148,740.00

Name	Par Value	Maturity Date	Value Appraised
SCHOOLS			
Artesia	1,000	1953	\$ 1,120.00
Bell	8,000	1960/64	10,097.60
Beverly Hills	15,000	1962/66	20,400.00
Burbank	5,000	1960	6,315.50
Compton	15,000	1961/66	19,125.00
Crescenta	9,000	1962/65	12,106.80
Glendale	15,000	1963/64	20,178.00
Huntington Park	52,000	1957/64	66,132.70
Las Virgenes	30,000	1962/68	30,459.00
Long Beach	30,000	1951/1959	34,280.50
Los Angeles	639,000	1950/64	798,248.70
Lynwood	6,000	1951/52	6,385.80
Monte Vista	3,500	1951/55	3,922.45
Redondo Beach	6,000	1952/55	6,875.30
Santa Monica	5,000	1954	5,688.00
Sanger	5,000	1958	6,226.00
Topanga	21,000	1950/67	21,578.70
Tujunga	8,000	1954/61	9,863.20
Venice	14,000	1951/57	15,128.00
UTILITIES			
American Tel. & Tel. Co.	1,600,000	1973/87	1,608,530.00
Commonwealth Edison Co.	700,000	1999	733,250.00
Consolidated Edison Co. of N. Y.	500,000	1979	527,500.00
Consolidated Gas, Elec. L. & P. Co.	450,000	1981	478,125.00
Dayton Power & Light Co.	250,000	1978	260,625.00
Detroit Edison Co.	250,000	1982	258,125.00
Duke Power Co.	250,000	1979	263,125.00
Illinois Power Co.	500,000	1979	512,500.00
Indianapolis Power & Light Co.	500,000	1979	520,000.00
Kansas City Power & Light Co.	150,000	1978	156,750.00
Kansas Power & Light Co.	300,000	1979	314,250.00
Michigan Bell Tel. Co.	250,000	1988	268,750.00
Mountain States Tel. & Tel. Co.	200,000	1986	197,000.00
New Jersey Bell Telephone Co.	250,000	1988	269,050.00
Northern Indiana Pub. Serv. Co.	250,000	1973	264,375.00
Northern States Power (Minn.)	350,000	1975/79	358,125.00
Pacific Gas & Elec. Co.	1,350,000	1974/82	1,425,375.00
Pacific Tel. & Tel. Co.	800,000	1978/85	833,375.00
Public Service Elec. & Gas Co.	500,000	1979	523,750.00
Southern Calif. Edison Co.	525,000	1964/73	560,517.50
Southern Calif. Gas Co.	350,000	1977	360,500.00
Southern Counties Gas Co.	748,000	1971/78	772,210.00
Wisconsin Electric Power Co.	500,000	1979	506,850.00
RAILROADS			
Atchison, Topeka & Santa Fe Ry.	500,000	1995	647,500.00
Chesapeake & Ohio Rwy.	125,000	1992	161,875.00
Pere Marquette Railway Co.	100,000	1980	102,620.00
Pittsburgh, Bessemer & Lake Erie	200,000	1996	201,000.00
Terminal RR Assn. of St. Louis	400,000	1985	418,000.00
Union Pacific Railroad Co.	300,000	1976/91	305,750.00
Union Terminal Co. of Dallas	100,000	1978	103,000.00
Virginian Railway Co.	257,000	1973/95	259,422.50
MISCELLANEOUS			
American Tobacco Company	146,000	1969	153,840.20
Atlantic Refining Co.	200,000	1966	204,740.00
Bethlehem Steel Corp.	496,000	1970/76	499,317.20
National Dairy Products Corp.	96,000	1970	99,120.00
Shell Union Oil Company	500,000	1971	496,850.00
Union Oil Co. of Calif.	250,000	1970	256,250.00
Westinghouse Elec. Co.	100,000	1971	102,250.00

Total Par Value

\$30,555,000

Total Appraised Value

\$32,812,736.49

MEMBERS
of the
BOARD OF RETIREMENT

H. L. Byram, Chairman

Walter G. Gastil

J. W. Hariman

James K. Ingham

O. E. Jones