

LABORERS' AND RETIREMENT BOARD
EMPLOYEES' ANNUITY AND
BENEFIT FUND

ANNUAL STATEMENT
AS OF
DECEMBER 31, 1940.

DONALD F. CAMPBELL
AND
DONALD F. CAMPBELL, JR.
CONSULTING ACTUARIES
160 NO. LA SALLE ST.
CHICAGO, ILL.

TELEPHONE STATE 1336

July 18, 1941.

The Retirement Board of the Laborers'
and Retirement Board Employees'
Annuity and Benefit Fund,
Chicago, Illinois.

Gentlemen:

This is to certify that the annual statement of the
Laborers' and Retirement Board Employees' Annuity and Benefit
Fund as of December 31, 1940, appended hereto, consisting of
five exhibits, as follows:

Exhibit	Title	Page
A	Assets and Liabilities	1-2
B	Income and Expenditures	3-4
C	Gain and Loss	5-6
D	Comparative Analysis--Assets and Liabilities	7-8
E	Cash Reconciliation	9

is to the best of my knowledge and belief a true and correct
statement of the affairs and conditions of said Fund for the
year 1940.

This statement has been prepared from the books of
the Fund as substantiated by our letters of recommendation to
the Retirement Board.

Respectfully submitted,



ACTUARY.

DFC*LH

LABORERS' AND RETIREMENT BOARD

EMPLOYEES' ANNUITY AND

BENEFIT FUND

BALANCE SHEET

AS OF

DECEMBER 31, 1940

ASSETS

AND

LIABILITIES

LABORERS' AND RETIREMENT BOARD EMPLOYEES' ANNUITY AND BENEFIT FUND.

ASSETS

AS OF DECEMBER 31, 1940

CASH ON DEPOSIT					\$ 119,971.92 .
ACCOUNTS RECEIVABLE:					
Salary Deductions Accrued			\$ 6,671.53		
Miscellaneous from Employees			930.68		
Total Accounts Receivable					7,602.21
INTEREST RECEIVABLE:					
Accrued Interest on Bonds			\$ 8,539.57		
Accrued Interest on Tax					
Anticipation Warrants			925.00		
Total Interest Receivable					9,464.57
INVESTMENTS:					
Tax Anticipation Warrants			\$100,000.00		
Bonds - Par Value			493,000.00		
Bond Premiums and Discounts			20,170.87		
Total Investments					613,170.87
TAXES RECEIVABLE:					
Year	Reserve for	Percent	Net		
of Uncollected	Loss and Cost	of Tax	Taxes Re-		
Levy Taxes	of Collection	Extension	ceivable		
1935 \$ 32,476.45	\$ 22,437.06	17	\$ 10,039.39		
1936 36,482.38	33,267.79	17	3,214.59		
1937 45,366.43	35,257.59	17	10,108.84		
1938 39,864.66	29,222.70	15	10,641.96		
1939 52,158.47	30,650.32	15	21,508.15		
1940 399,165.50	59,874.83	15	339,290.67		
<u>\$605,513.89</u>	<u>\$210,710.29</u>		<u>\$394,803.60</u>		
Net Taxes Receivable					394,803.60
GROSS LEDGER ASSETS					\$1,145,013.17
LESS:					
ACCOUNTS PAYABLE:					
Miscellaneous to Employees					6,564.40
NET LEDGER ASSETS DECEMBER 31, 1940					\$1,138,448.77
DEFERRED ASSETS (Subject to Future Gains and Losses):					
Obligations of City because of					
Prior Service Credits Granted			\$6,855,854.19		
Obligations of City because of					
Age and Service Credits Granted			477,633.84		
Total Deferred Assets					7,333,488.03
TOTAL NET LEDGER AND DEFERRED ASSETS DECEMBER 31, 1940					\$8,471,936.80
DEDUCT (Per Contra) LIABILITIES:					
Obligations of City because of Prior Ser-					
vice and Age and Service Credits Granted					7,333,488.03
NET LEDGER ASSETS DECEMBER 31, 1940					\$1,138,448.77

LABORERS' AND RETIREMENT BOARD EMPLOYEES' ANNUITY AND BENEFIT FUND.

LIABILITIES AND FUND BALANCES

AS OF DECEMBER 31, 1940

FOR SERVICE AFTER JULY 1, 1935:

LIABILITY RESERVES:

ANNUITY PAYMENT FUND ACCOUNT:

Employee Annuitants	\$ 47,341.77
Employees' Annuities Fixed	17,047.48
Widow Annuitants	51,266.59
Wives' Annuities Fixed	19,512.91

\$ 135,168.75

SALARY DEDUCTION FUND ACCOUNT:

Employees	\$ 560,825.90
Wives of Employees	148,494.94

709,320.84

CITY CONTRIBUTION FUND ACCOUNT:

Employees	\$ 966,653.53
Wives of Employees	259,874.24
Supplemental Annuities	3,172.12

1,229,699.89

SURPLUS RESERVES:

Annuity Payment Fund Account	\$ 20,275.31
Children's Annuity Payment Fund Account	0
Duty Disability Fund Account	0
Expense of Administration Fund Account	8,272.30
Gift Fund Account	0
Investment and Interest Fund Account	0
Ordinary Disability Fund Account	58,643.01

Total Surplus Reserves

70,646.02

TOTAL LIABILITY AND SURPLUS RESERVES

FOR SERVICE AFTER JULY 1, 1935

\$2,144,835.50

Deduct Per Contra (Obligations of City because of Age and Service Credits Granted)

477,633.84

NET LIABILITIES AND FUND BALANCES

SERVICE AFTER JULY 1, 1935

\$1,667,201.66

FOR SERVICE PRIOR TO JULY 1, 1935:

PRIOR SERVICE FUND ACCOUNT:

Employee Annuitants	\$ 651,840.23
Employees' Annuities Fixed	204,092.56
Widow Annuitants	424,748.08
Wives' Annuities Fixed	267,315.27
Contributions for Employees	3,425,829.51
Contributions for Wives	1,353,275.65

Total Prior Service Fund Account

\$6,327,101.30

DEDUCT (Per Contra):

Obligations of City because of Prior Service Credits Granted

6,855,854.19

NET LIABILITIES SERVICE PRIOR TO JULY 1, 1935

528,752.89

NET LIABILITIES AND FUND BALANCES DECEMBER 31, 1940

\$1,138,448.77

LABORERS' AND RETIREMENT BOARD

EMPLOYEES' ANNUITY AND

BENEFIT FUND

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INCOME

YEAR 1940

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EXPENDITURES

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LABORERS' AND RETIREMENT BOARD EMPLOYEES' ANNUITY AND BENEFIT FUND.

INCOME

YEAR 1940

SALARY DEDUCTIONS:

Employees	\$103,997.94	
Wives of Employees	25,959.22	
Ordinary Disability	13,278.97	
Expense of Administration	<u>7,736.41</u>	
Total Salary Deductions		\$150,972.54

CITY CONTRIBUTIONS:

Employee's Annuity	\$161,570.75	
Wives Annuity	45,428.64	
Children's Annuity	8,511.33	
Duty Disability	21,639.25	
Ordinary Disability	13,278.97	
Expense of Administration	7,736.41	
Interest on Income	4,394.68	
Deficiency in Investment and Interest Fund	10,093.47	
Age and Service Credits Granted Prior Years	<u>66,637.17</u>	
Total City Contributions		339,290.67

Tax Extension 1940	\$399,165.50	
Less Reserve for Loss and Cost of Collection	<u>59,874.83</u>	
Net Tax Extension	<u>\$339,290.67</u>	

INCOME ON INVESTMENTS:

Tax Anticipation Warrant Interest	\$ 925.00	
Bond Interest	<u>15,102.75</u>	
Total Income on Investments		<u>16,027.75</u>

TOTAL INCOME YEAR 1940		\$506,290.96
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TOTAL EXPENDITURES YEAR 1940		<u>248,069.71</u>
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EXCESS INCOME OVER EXPENDITURES		\$258,221.25
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DEDUCT:

Increase in Loss and Cost of Collection for Taxes Receivable for Years 1935, 1936, 1937 and 1939		<u>20,918.24</u>
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NET EXCESS INCOME OVER EXPENDITURES		<u>\$237,303.01</u>
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LABORERS' AND RETIREMENT BOARD EMPLOYEES' ANNUITY AND BENEFIT FUND.

EXPENDITURES

YEAR 1940

BENEFITS PAID:

Prior Service Annuities, Employees	\$109,645.54	
Age and Service Annuities, Employees	5,127.94	
Prior Service Widow Annuities	39,097.24	
Age and Service Widow Annuities	3,582.09	
Compensation Widow Annuities \$	4,522.83	
Less Workmen's Compensation Benefits	<u>2,298.82</u>	2,224.01
Children's Annuities		8,511.33
Duty Disability Benefits	\$31,298.26	
Less Workmen's Compensation Benefits	<u>12,735.14</u>	18,563.12
Ordinary Disability Benefits		<u>32,559.03</u>
Total Benefits Paid		\$219,310.30

EXPENSE OF ADMINISTRATION:

Salaries	\$ 11,076.25	
Legal Fees	2,700.00	
Actuarial Fees	2,806.62	
Medical Fees	1,650.00	
Medical Expense	45.00	
Printing	411.87	
Telephone	222.73	
Rent	808.30	
Premiums on Surety Bonds	181.30	
Machine Repairs	14.36	
Petty Cash	<u>200.00</u>	
Total Expense of Administration		20,116.43

REFUNDS:

8,642.98

TOTAL EXPENDITURES YEAR 1940

\$248,069.71

LABORERS' AND RETIREMENT BOARD
EMPLOYEES' ANNUITY AND
BENEFIT FUND

GAIN AND LOSS

YEAR 1940

GAINS

AND

LOSSES

LABORERS' AND RETIREMENT BOARD EMPLOYEES' ANNUITY AND BENEFIT FUND.

GAIN AND LOSS

YEAR 1940

SURPLUS BALANCES DECEMBER 31, 1940:

Annuity Payment Fund	\$	20,275.31	
Expense Fund		8,272.30	
Investment and Interest Fund		0	
Ordinary Disability Fund		58,643.01	
Prior Service Fund		6,855,854.19	
Obligations of City because of Age and Service Credits Granted		<u>477,633.84</u>	
Total			\$7,262,842.01

SURPLUS BALANCES JANUARY 1, 1940:

Annuity Payment Fund	\$	12,656.22	
Expense Fund		11,615.97	
Investment and Interest Fund		0	
Ordinary Disability Fund		62,290.68	
Prior Service Fund		6,755,972.60	
Obligations of City because of Age and Service Credits Granted		<u>496,139.35</u>	
Total			<u>7,188,781.02</u>

NET LOSS YEAR 1940

\$74,060.99

LABORERS' AND RETIREMENT BOARD EMPLOYEES' ANNUITY AND BENEFIT FUND.
ANALYSIS OF GAIN AND LOSS

YEAR 1940

	Prior Ser- vice Annu- ity Fund	Annuity Payment Fund	
GAIN BECAUSE OF ANNUITY AND BENEFIT PURPOSES:			
Mortality, Employee Annuitants	\$ 21,915.85	\$ 1,125.45	
Mortality, Employees' Annuities Fixed	32,687.93	1,408.32	
Mortality, Widow Annuitants	3,104.65	81.31	
Mortality, Wives' Annuities Fixed	6,050.14	1,270.78	
Excess Contributions on Refunds, Prior Service	54,746.04		
Excess Contributions on Refunds, Age and Service	11,066.84		
Excess Contributions, No Wife, Prior Service	19,643.13		
Excess Contributions, No Wife, Age and Service	1,499.54		
Excess Contributions, Employee's Annuity Fixed	669.95	1,121.89	
Excess Contributions When Wives Annuities are Fixed	8,113.10	4,027.69	
Excess Contributions When Widows Annuities are Fixed	24,300.32	6,654.08	
Refunds after Fixed		1,218.34	
Salary Deductions after Fixed		6,162.78	
Totals	<u>\$170,357.31</u>	<u>\$15,686.00</u>	\$186,043.31
GAIN BECAUSE OF:			
SURPLUS RESERVE PURPOSES:			
Excess Receipts Over Benefits Paid:			
Transferred from Annuity Payment Fund to Expense of Administration Fund	\$ 8,573.16		
Excess Payments Over Receipts, Ex- pense of Administration Fund	\$ 4,764.85		
Ordinary Disability Fund	6,139.30		
Total Gain		\$ 10,904.15	
Interest Earned on Balances of January 1, 1940:			
Annuity Payment Fund Account	\$ 506.25		
Ordinary Disability Fund Account	2,491.63		
Expense of Administration Fund Account	464.64		
Total Interest Earned		2,533.24	
Total Gain because of Surplus Reserve Purposes			8,370.91
TAX REQUIREMENT PURPOSES:			
Interest on Deferred Obligations	\$290,921.20		
Interest on Taxes Receivable	7,195.81	\$298,117.01	
City Contributions for Age and Service Credits Granted Prior Years		66,637.17	231,479.84
Prior Years Adjustments			664.69
Increase in Estimate for Loss and Cost of Collection in Taxes			20,918.24
NET LOSS FOR YEAR 1940			<u>\$ 74,060.99</u>

LABORERS' AND RETIREMENT BOARD

EMPLOYEES' ANNUITY AND

BENEFIT FUND

COMPARATIVE ANALYSIS

YEAR 1940

ASSETS

AND

LIABILITIES

LABORERS' AND RETIREMENT BOARD EMPLOYEES' ANNUITY AND BENEFIT FUND.

COMPARATIVE ANALYSIS

ASSETS

	Jan. 1, 1940	Dec. 31, 1940	Increase
CASH ON DEPOSIT	\$ 145,165.14	\$ 119,971.92	\$ 25,193.22
ACCOUNTS RECEIVABLE:			
Salary Deductions Accrued	\$ 6,773.75	\$ 6,671.53	\$ 102.22
Miscellaneous from Employees	878.88	930.68	51.80
Total Accounts Receivable	\$ 7,652.63	\$ 7,602.21	\$ 50.42
INTEREST RECEIVABLE:			
Accrued Interest on Bonds	\$ 8,539.57	\$ 8,539.57	\$ 0
Accrued Interest on Tax			
Anticipation Warrants	0	925.00	925.00
Total Interest Receivable	\$ 8,539.57	\$ 9,464.57	\$ 925.00
INVESTMENTS:			
Tax Anticipation Warrants	\$ 0	\$ 100,000.00	\$100,000.00
Bonds - Par Value	485,500.00	493,000.00	7,500.00
Bond Premiums	23,380.62	20,170.87	3,209.75
Total Investments	\$ 508,880.62	\$ 613,170.87	\$104,290.25
TAXES RECEIVABLE (After Deduction for Loss and Cost of Collection):			
1935	\$ 14,012.12	\$ 10,039.39	\$ 3,972.73
1936	7,665.30	3,214.59	4,450.71
1937	15,904.48	10,108.84	5,795.64
1938	14,873.19	10,641.96	4,231.23
1939	183,901.90	21,508.15	162,393.75
1940	0	339,290.67	339,290.67
Net Taxes Receivable	\$ 236,356.99	\$ 394,803.60	\$158,446.61
GROSS LEDGER ASSETS	\$ 906,594.95	\$1,145,013.17	\$238,418.22
LESS:			
ACCOUNTS PAYABLE:			
Miscellaneous to Employees	\$ 5,396.71	\$ 6,564.40	\$ 1,167.69
Comptroller and Municipal Em- ployees' Annuity and Benefit Fund	52.48	0	52.48
Total Accounts Payable	\$ 5,449.19	\$ 6,564.40	\$ 1,115.21
NET LEDGER ASSETS DECEMBER 31, 1940	\$ 901,145.76	\$1,138,448.77	\$237,303.01
DEFERRED ASSETS:			
Obligations of City because of Prior Service Credits Granted	\$6,754,948.83	\$6,855,854.19	\$100,905.36
Obligations of City because of Age and Service Credits Granted	496,139.35	477,633.84	18,505.51
Total Deferred Assets	\$7,251,088.18	\$7,333,488.03	\$ 82,399.85
TOTAL NET LEDGER AND DEFERRED ASSETS	\$8,152,233.94	\$8,471,936.80	\$319,702.86
DEDUCT (Per Contra) LIABILITIES:			
Obligations of City because of Prior Service and Age and Service Credits Granted	7,251,088.18	7,333,488.03	82,399.85
NET LEDGER ASSETS DECEMBER 31, 1940	\$ 901,145.76	\$1,138,448.77	\$237,303.01

LABORERS' AND RETIREMENT BOARD EMPLOYEES' ANNUITY AND BENEFIT FUND.

COMPARATIVE ANALYSIS

LIABILITIES AND FUND BALANCES

	Jan. 1, 1940	Dec. 31, 1940	Increase
FOR SERVICES AFTER JULY 1, 1935:			
LIABILITY RESERVES:			
ANNUITY PAYMENT FUND ACCOUNT:			
Employee Annuitants	\$ 25,790.93	\$ 47,341.77	\$ 21,550.84
Employees' Annuities Fixed	13,763.07	17,047.48	3,284.41
Widow Annuitants	31,500.69	51,266.59	19,765.90
Wives' Annuities Fixed	13,320.10	19,512.91	6,192.81
Total Annuity Payment Fund	<u>\$ 84,374.79</u>	<u>\$ 135,168.75</u>	<u>\$ 50,793.96</u>
SALARY DEDUCTION FUND ACCOUNT:			
Employees	\$ 471,460.91	\$ 560,825.90	\$ 89,364.99
Wives of Employees	124,672.21	148,494.94	23,822.73
Total Salary Deduction Fund	<u>\$ 596,133.12</u>	<u>\$ 709,320.84</u>	<u>\$113,187.72</u>
CITY CONTRIBUTION FUND ACCOUNT:			
Employees	\$ 807,971.83	\$ 966,653.53	\$158,681.70
Wives of Employees	218,182.33	259,874.24	41,691.91
Supplemental Annuities	2,230.77	3,172.12	941.35
Total City Contribution Fund	<u>\$1,028,384.93</u>	<u>\$1,229,699.89</u>	<u>\$201,314.96</u>
SURPLUS RESERVES:			
Annuity Payment Fund Account	\$ 12,656.22	\$ 20,275.31	\$ 7,619.09
Children's Annuity Payment Fund Account	0	0	0
Duty Disability Fund Account	0	0	0
Expense of Administration Fund Account	11,615.97	8,272.30	3,343.67
Investment and Interest Fund Account	0	0	0
Ordinary Disability Fund Account	62,290.68	58,643.01	3,647.67
Total Surplus Reserves	<u>\$ 63,330.93</u>	<u>\$ 70,646.02</u>	<u>\$ 7,315.09</u>
TOTAL LIABILITY AND SURPLUS RESERVES FOR SERVICE AFTER JULY 1, 1935	<u>\$1,772,223.77</u>	<u>\$2,144,835.50</u>	<u>\$372,611.73</u>
DEDUCT (Per Contra)(Obligations of City for Age and Service Credits Granted)	<u>496,139.35</u>	<u>477,633.84</u>	<u>18,505.51</u>
NET LIABILITY FOR SERVICE AFTER JULY 1, 1935	<u>\$1,276,084.42</u>	<u>\$1,667,201.66</u>	<u>\$391,117.24</u>
FOR SERVICE PRIOR TO JULY 1, 1935:			
PRIOR SERVICE FUND ACCOUNT:			
Employee Annuitants	\$ 595,725.23	\$ 651,840.23	\$ 56,115.00
Employees' Annuities Fixed	229,200.63	204,092.56	25,108.07
Widow Annuitants	344,678.19	424,748.08	80,069.89
Wives' Annuities Fixed	276,463.66	267,315.27	9,148.39
Contributions for Employees	3,545,791.35	3,425,829.51	119,961.84
Contributions for Wives	1,389,174.88	1,353,275.65	35,899.23
Total Prior Service Fund	<u>\$6,381,033.94</u>	<u>\$6,327,101.30</u>	<u>\$ 53,932.64</u>
DEDUCT (Per Contra):			
Obligations of City for Prior Service Credits Granted	<u>6,755,972.60</u>	<u>6,855,854.19</u>	<u>99,881.59</u>
NET LIABILITIES SERVICE PRIOR TO JULY 1, 1935	<u>\$ 374,938.66</u>	<u>\$ 528,752.89</u>	<u>\$153,814.23</u>
TOTAL NET LIABILITIES AND FUND BALANCES DECEMBER 31, 1940	<u>\$ 901,145.76</u>	<u>\$1,138,448.77</u>	<u>\$237,303.01</u>

LABORERS' AND RETIREMENT BOARD EMPLOYEES' ANNUITY AND BENEFIT FUND.

CASH RECONCILIATIONRECEIPTS AND DISBURSEMENTS

YEAR 1940

BALANCE JANUARY 1, 1940

\$145,165.14

RECEIPTS:

Salary Deductions	\$147,586.87	
Bond Interest	18,312.50	
Installment of 1935 Taxes	1,333.07	
Installment of 1936 Taxes	536.85	
Installment of 1937 Taxes	1,647.70	
Installment of 1938 Taxes	4,231.23	
Installment of 1939 Taxes	152,176.97	
Miscellaneous Receipts	<u>103.33</u>	
Total Receipts		\$325,928.52

DISBURSEMENTS:

Annuities - Employees	\$114,773.48	
Annuities - Widows	44,903.34	
Annuities - Children	8,511.33	
Ordinary Disability Benefits	29,918.30	
Duty Disability Benefits	<u>16,927.84</u>	
		\$215,034.29

Refunds:

Separation from Service	\$ 6,680.64	
Adjustments - New Annuitants	1,266.69	
Errors in Deductions	57.15	
Errors Dep. by City Comptroller	<u>466.54</u>	
Total Refunds		8,471.02

Operating Expenses		20,116.43
Securities Purchased	\$ 7,500.00	
Tax Warrants - Par Value	<u>100,000.00</u>	
		<u>107,500.00</u>

Total Disbursements

351,121.74

EXCESS DISBURSEMENTS OVER RECEIPTS

25,193.22

BALANCE DECEMBER 31, 1940 PER BOOKS

\$119,971.92

OUTSTANDING CHECKS DECEMBER 31, 1940

6,274.80

BALANCE PER TREASURER

\$126,246.72