12-9-1932

City Club of Portland Bulletin vol. 13, no. 32 (1932-12-9)

City Club of Portland (Portland, Or.)

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FRIDAY, DECEMBER 9
HOTEL BENSON; 12:10

AMERICA vs. EUROPE

SPEAKER
DR. ERNEST O. HOLLAND
President, Washington State College
Member, Advisory Board, Reconstruction Educational Alliance

SUBJECT
"American Versus European Education"

"To ignore what has been done in other parts of the world would be unwise, whether in the field of education or any other field, and to follow slavishly what has been found acceptable and profitable in England, Germany, Italy or Russia would be the height of folly," stated President Holland in a recent letter to the City Club.

The power of education as a factor in the making of citizens is axiomatic; witness A New Russia's Primer, the Duce's educational program which gives 'the march on Rome' a hallowed place in the hearts of Italian school boys, and Turkey's budding nationalism attempting to wrest the teaching of Turkish history and ideals from the hands of foreign educators.

Can America's system which has evolved in the light of American economic needs and large political and social ideals be defended? Dr. Holland will answer this question and his address promises a real treat to all who hear him. Dr. Holland is not only a lecturer of note and an outstanding educator but also a student of European social and economic conditions. Don't miss this address. Tell your wives, your neighbors, bring a guest.

Tell Your Friends Bring A Guest

PENSION SYSTEMS OF PORTLAND POLICE AND FIREMEN

A Report by the Government Organization and Public Finance Section

NOTE:—In last week's issue of the Bulletin the committee on Pension Systems of Portland Police and Firemen pointed out that the firemen's pension system is again headed for disaster. Although increased contributions by the city and the firemen pulled the fund out of the red in 1929 following a three year period of deficit, the 1931 net income decreased nearly 30%. The committee indicated that at this rate it would only be a few years until expenditures again exceeded income and another adjustment would be necessary. This week's installment of the report includes a survey of the Police Bureau's pension system and the conclusions and recommendations of the committee will be presented the week following. The members of the committee presenting this report are Guy E. Jaques, chairman, I. E. Hervin, Wm. L. Brewer, Rupert R. Bullivant, Fred Doulier, M. R. O'Brien, Wm. G. Dunlap and Paul Newman.

THE POLICEMEN'S PENSION

The Charter of the City of Portland contains provisions regulating the source, control and administration of the "Police Pension Fund." In a general way the Fund corresponds to the Firemen's Pension Fund.

Income is Low

The main difference is that each member of the Police Bureau has deducted from his monthly salary 1 1/2% of the amount paid a "Class C" patrolman. The annual tax levy paid into the Fund is 1/10 of a mill on the total assessed

Continued on Page 3

Tune in KEX at 4:15 P. M. Sunday
PORTLAND CITY CLUB
BULLETIN

Published Weekly by
THE CITY CLUB
OF PORTLAND
Office of the Club ........ 606 Oregon Building
Telephone ATwater 6591

Subscription Price ........ $1.00 per year

Entered as Second Class Matter, October 29, 1920, at the
postoffice at Portland, Oregon, under act of March 3, 1879.

City Club dues are $1.00 per month, payable semi-
annually on May 1st, and November 1st. There is no
initiation fee.

The regular Friday luncheon meetings are held in the
Crystal Room of the Benson Hotel.

CITY CLUB PURPOSE

"To inform its members and the community in
public matters and to arouse them to a realization
of the obligations of citizenship."

THE CITY CLUB BOARD OF GOVERNORS

RICHARD W. MONTAGUE ........ President
WILLIAM C. MCCULLOCH ....... First Vice-President
M. D. WELLS ........ Second Vice-President
THORNTON T. MUNGER ........ Secretary
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STUART R. STRONG
W. S. UREY
JAMES A. MCKINNON
WILLIS K. CLARK

RUSSELL W. BARTHELL ........ Executive Secretary

APPLICATION FOR MEMBERSHIP

The following application for membership, having been approved by the Board
of Governors, is hereby recommended to the Club.

If no objections are filed with the Board
of Governors or the Executive Secretary
prior to December 9, 1932, this applicant
will, under the Constitution, stand elected.

TOYOICHI NAKAMURA
Japanese Consul
814 Board of Trade Building
Recommended by Hirosi Acino

CITY CLUB NOTES

If you are interested in what should be done
about the Police and Firemen's pension systems
don't fail to read the recommendations and
conclusions of the committee which will be pub-
lished in next week's Bulletin.

Watch for the committee report on the
Juvenile Court of Multnomah County which
will appear in an early issue of the Bulletin.
The report is the most exhaustive study of the
Juvenile Court since the 1930 survey by Marjorie
Bell, Field Secretary of the National Probation
Association.

Doc. Dad and the Judge extend everyone a
personal invitation to join them in their tour of
Portland this coming Sunday when they will
investigate the proposed street changes outlined
in the Bartholomew report. Dial station KEX
at 4:15 p.m. and ride with them.

But is there no relief for the breaking backs
of the taxpayers? We think there is, but the
route is not through indiscriminate slashing of
expenses without regard to the consequence.
Such tactics are more likely to shift the expense
from the tax dollar to the private dollar with a
consequent increase in infant mortality rates; the
failure to keep pavements in repair with an ex-
ceeding high maintenance cost the next year or
perhaps even a new pavement; and the laying
off of firemen with an increase in fire insurance
premiums. Thus cheap government is not al-
ways good government. It is essential that cuts be
made only after proper study and careful
analysis of the facts—

CLARENCE E. RIDLEY,
ORIN F. NOLTING.
POWNTD CITY CLUB BULLETIN

POLICE PENSION SYSTEM

Continued from Page 1

valuation of the City of Portland. Approximately
3/5 of the Fund represents taxes; 1/5 dues
of members of the Police Bureau; and 1/5
interest earned on the investment reserve.

Board Administers the Fund

The administration of the Fund is in the
“Board of Trustees of the Policemen’s Relief
and Pension Fund.” The city officials, who are
also trustees of the Firemen’s Fund, the Chief
of Police, who is substituted for the Chief
Engineer of the Fire Bureau, and five additional
members of the Bureau of Police are members
of the Board. Three of these five are above the
rank of patrolmen and two members are elected
by the policemen themselves.

Chief Receives Same Pension As Patrolman

The benefits payable conform to those set
forth for the firemen, except no allowance is
made for burial expense. Retiremens and per-
dmanent disability benefits are the same as for
firemen except the amount payable is one-half
the salary of “Class C” Patrolmen, irrespective
of the beneficiary’s rank in the Police Bureau.
The Chief of Police thus receives no greater
pension or sick benefit than a patrolman.

Temporary Disability Benefits

The amount of benefit payable on temporary
disability depends upon whether the injury or
sickness is incurred in line of duty or not. The
full salary of a “Class C” patrolman is paid for
a year if necessary, when the sickness or injury
is incurred in line of duty, and one-half the salary
when it is not incurred in line of duty with a
limitation of payment to three months under
the latter condition.

Dependents Receive Benefits

Benefits to widows, children and other de-
dpendents of deceased policemen are similar to
the benefits for the firemen except the amount
payable is one-half the salary of a “Class C”
patrolman, with the further provision that de-
ceased must have served fifteen years in the
department if death can not be traced to
accident or illness incurred in line of duty.

The widow of a retired policeman to receive a pension
must have been his wife prior to his retirement. Pension benefits to the widow, minor
children or dependent parents are payable
whether or not the deceased had been pre-
viously retired. These pension benefits are also
payable in the case of a temporary policeman
killed by an injury received in line of duty.

Load of Pension Fund Is Very Heavy

The “Police Fund” has now arrived at the
same point the “Firemen’s Relief and Pension
Fund” was in 1925, namely, where disbursements
exceed receipts and it is necessary to dip into
reserves. A loss of approximately $3000 in
taxes, plus a gain of $6000 in amounts paid
pensioners accounted for the operating deficit.

While the amount of taxes received by the
Police Fund in 1931 ($31,124.32) was, as stated,
less than 1930, it still was only $1000 less than
the average annual amount of taxes received
for the thirteen years (1919 to 1931, inclusive).

We thus readily reach the conclusion that the
yearly variation in tax receipts is a very minor
factor in determining the future solvency of
the Fund.

Other Factors Are Negligible

Likewise, sickness disbursements (averaging
roughly $1600 per year for the 13 year period
1919 to 1931, inclusive) are a minor factor. Sick-
ess disbursements in 1931 were only $646.20.

Disability benefits paid for injuries also
averaged but $1800 per year for the same 13
year period and actually for the year 1931 were
only $1039.13.

Interest money received on the reserve in-
vested has been a constantly increasing amount
with the exception of 1931, but the decline in
this latter year was less than $400, so this
factor is also negligible.

Pension Payments Increase 750%

With the single exception of the year 1922
the total amount of payments to pensioners, in-
cluding widows and dependents, has constantly
increased from $7450 in 1919 to $55,866 in 1931,
or approximately 750%. The amount actually
paid pensioners for 1931 slightly exceeded the
income to the Fund and represented 96% of the
expenditures for that year; 93% in the year
1930, 89% in 1929 and 87% in 1928.

It is thus obvious that unless the income of
the Fund is materially increased, the benefits
payable in the form of pensions must be greatly
reduced, or the number of pensioners curtailed,
in order that the Fund continue solvent.

Dependents Receive Large Portion

While the City Auditor’s records show the
total payments each year to pensioners, the
segregation is not made between payments to
employees and payments to surviving de-
dpendents of deceased members of the Police
Bureau. For that purpose the vouchers for three
arbitrarily assumed years (1920, 1925 and 1930)
were checked over as per the following table:

<table>
<thead>
<tr>
<th>Year</th>
<th>1920</th>
<th>1925</th>
<th>1930</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pensions to Employees</td>
<td>$9,132.66</td>
<td>$16,715.80</td>
<td>$27,763.00</td>
</tr>
<tr>
<td>Pensions to Dependents</td>
<td>$5,613.96</td>
<td>$12,371.08</td>
<td>$23,311.90</td>
</tr>
<tr>
<td>Total Permanent Pensions</td>
<td>$12,746.62</td>
<td>$29,086.88</td>
<td>$51,074.90</td>
</tr>
</tbody>
</table>

Note: The total figures vary slightly from the Auditor’s report and are probably due to our error in compilation.

It will be seen that whereas the pensions to
employees have increased three times in the
decade, 1920 to 1930, the pensions to surviving
dependents have increased over six times, and
amount to 43% of the disbursements.

Income and Expenditures of the Fund

Chart G and Table No. 10 give by years the
amount of revenue received by the Policemen’s
Fund, the sources from which the revenue was

TUNE IN
DOC, DAD AND THE JUDGE
Next Sunday Evening at 4:15 p. m.
STATION KEK
A MAJOR STREET PLAN FOR PORTLAND
Based on the Bartholomew Report
Total Income, 1919 to 1931, inclusive

<table>
<thead>
<tr>
<th>Year</th>
<th>Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>1919</td>
<td>$36,069</td>
</tr>
<tr>
<td>1920</td>
<td>42,621</td>
</tr>
<tr>
<td>1921</td>
<td>45,006</td>
</tr>
<tr>
<td>1922</td>
<td>42,799</td>
</tr>
<tr>
<td>1923</td>
<td>44,991</td>
</tr>
<tr>
<td>1924</td>
<td>45,833</td>
</tr>
<tr>
<td>1925</td>
<td>47,695</td>
</tr>
<tr>
<td>1926</td>
<td>49,869</td>
</tr>
<tr>
<td>1927</td>
<td>57,202</td>
</tr>
<tr>
<td>1928</td>
<td>50,742</td>
</tr>
<tr>
<td>1929</td>
<td>60,574</td>
</tr>
<tr>
<td>1930</td>
<td>58,871</td>
</tr>
<tr>
<td>1931</td>
<td>55,475</td>
</tr>
</tbody>
</table>

Income sources:

<table>
<thead>
<tr>
<th>Year</th>
<th>Taxes</th>
<th>Dues</th>
<th>Interest</th>
<th>Miscel.</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1919</td>
<td>27,430</td>
<td>7,611</td>
<td>686</td>
<td>340</td>
<td>36,069</td>
</tr>
<tr>
<td>1920</td>
<td>30,424</td>
<td>9,759</td>
<td>2,407</td>
<td>30</td>
<td>42,621</td>
</tr>
<tr>
<td>1921</td>
<td>31,315</td>
<td>10,031</td>
<td>3,603</td>
<td>56</td>
<td>45,006</td>
</tr>
<tr>
<td>1922</td>
<td>29,110</td>
<td>8,650</td>
<td>4,964</td>
<td>75</td>
<td>42,799</td>
</tr>
<tr>
<td>1923</td>
<td>29,371</td>
<td>8,885</td>
<td>6,671</td>
<td>63</td>
<td>44,991</td>
</tr>
<tr>
<td>1924</td>
<td>29,939</td>
<td>9,015</td>
<td>6,778</td>
<td>100</td>
<td>45,833</td>
</tr>
<tr>
<td>1925</td>
<td>30,667</td>
<td>9,736</td>
<td>7,292</td>
<td>47</td>
<td>47,695</td>
</tr>
<tr>
<td>1926</td>
<td>30,693</td>
<td>9,863</td>
<td>9,305</td>
<td>7</td>
<td>49,869</td>
</tr>
<tr>
<td>1927</td>
<td>33,965</td>
<td>11,999</td>
<td>9,161</td>
<td>2,075</td>
<td>57,202</td>
</tr>
<tr>
<td>1928</td>
<td>28,559</td>
<td>12,351</td>
<td>9,828</td>
<td>2</td>
<td>50,742</td>
</tr>
<tr>
<td>1929</td>
<td>37,549</td>
<td>12,415</td>
<td>10,778</td>
<td>112</td>
<td>60,754</td>
</tr>
<tr>
<td>1930</td>
<td>34,466</td>
<td>13,083</td>
<td>11,127</td>
<td>142</td>
<td>55,475</td>
</tr>
</tbody>
</table>

Net Income, 1919 to 1931, inclusive

<table>
<thead>
<tr>
<th>Year</th>
<th>Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>1919</td>
<td>$27,128</td>
</tr>
<tr>
<td>1920</td>
<td>24,875</td>
</tr>
<tr>
<td>1921</td>
<td>21,685</td>
</tr>
<tr>
<td>1922</td>
<td>20,754</td>
</tr>
<tr>
<td>1923</td>
<td>21,683</td>
</tr>
<tr>
<td>1924</td>
<td>23,307</td>
</tr>
<tr>
<td>1925</td>
<td>27,445</td>
</tr>
<tr>
<td>1926</td>
<td>37,542</td>
</tr>
<tr>
<td>1927</td>
<td>42,313</td>
</tr>
<tr>
<td>1928</td>
<td>45,255</td>
</tr>
<tr>
<td>1929</td>
<td>53,040</td>
</tr>
<tr>
<td>1930</td>
<td>57,769</td>
</tr>
</tbody>
</table>

Total Expenditures, 1919 to 1931, inclusive

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1919</td>
<td>$36,069</td>
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<td>1920</td>
<td>42,621</td>
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</tr>
<tr>
<td>1931</td>
<td>55,475</td>
</tr>
</tbody>
</table>

Note: The * indicates a deficit. Also the Net Income per year does not exactly agree with the increase (or decrease) in total resources per year because all transactions pertaining to securities, for instance premiums and discounts, have been omitted in the preparation of statements of Income and Expense.