

ANNUITY AND PENSION BOARD

Minutes of the Regular Meeting held February 20, 1964.

The meeting was called to order at 2:10 p.m. by Vice-Chairman Alfred C. Hass.

PRESENT: Messrs. Alvin F. Fischer, Charles G. Gumm, Alfred C. Hass, and Bernard B. Kroenke; also Harry G. Slater, Legal Adviser, and Miss Ruth A. Poehlmann, Secretary.

LATER: Messrs. Stephen A. Galligan, O. N. Strobel for John E. Kalupa, and William J. O'Malley.

ALSO PRESENT: Mr. Robert M. Krauskopf of Newton and Company, Investment Counselors.

Investment Proposal

Mr. Krauskopf presented a proposal for the Board to purchase as a private placement \$300,000 Conditional Sales Contract Notes guaranteed by Chesapeake and Ohio Railroad, for an average yield of 4.55%, notes to mature each year for 15 years.

It was moved by Mr. Gumm and seconded by Mr. Kroenke that a commitment be made for \$300,000 of the Conditional Sales Contract Notes guaranteed by Chesapeake and Ohio Railroad, subject to final approval of the terms and documents. The motion prevailed by the following vote:

AYES: Messrs. Fischer, Gumm, Hass, and Kroenke.

NOES: None.

Mr. Galligan arrived.

NOTE: This purchase was increased later in the meeting to \$350,000 on the following motion.

Mr. Krauskopf telephoned that only \$350,000 of the notes remained and recommended taking the entire block.

It was moved by Mr. Kroenke, seconded by Mr. Fischer and unanimously carried, that the motion made previously in the meeting to make a commitment for \$300,000 of the Conditional Sales Contract Notes of the Chesapeake and Ohio Railroad be rescinded.

It was then moved by Mr. Gumm and seconded by Mr. Galligan that the following commitment be made for \$350,000 of the Conditional Sales Contract Notes guaranteed by Chesapeake and Ohio Railroad, subject to final approval of the terms and documents:

\$250,000 due 6th through 10th year at 4.55%
100,000 due 11th through 15th year at 4.60%

\$350,000 Total

The motion prevailed by the following vote:

AYES: Messrs. Fischer, Galligan, Gumm, Hass, Strobel, Kroenke, and O'Malley.

NOES: None.

The Secretary presented a proposed Investment Policy Declaration for 1964, reviewing the changes made in a discussion with the Investment Counselor.

It was moved by Mr. Galligan, seconded by Mr. Gumm and unanimously carried, that the Annuity and Pension Board Investment Policy Declaration for 1964 be adopted as submitted. (Copy attached becomes part of these minutes.)

The matter of investing under Section 25.17 (Wisconsin Statutes) was discussed. Mr. Slater stated that this section must be interpreted in the light of Section 206.34 of the Statutes, which is the section under which we make our investments. The Board directed that an amendment be submitted to the next Legislature to clarify the matter.

Mr. Strobel arrived.

Mr. Krauskopf left the meeting at 2:30 p.m.

Minutes

It was moved by Mr. Fischer, seconded by Mr. Gumm, and unanimously carried, that the minutes of the Regular Meeting held January 16, 1964, and the Special Meeting on Investments held January 23, 1964, be approved as submitted.

National Conference Attendance

The Secretary reported that in accordance with the Board's direction at the January 16, 1964, meeting, a letter was forwarded to the Committee on Finance-Printing reporting all members of the Board have been authorized to attend the National Conference on Public Employee Retirement Systems to be held March 15 - 18, 1964, at Las Vegas, Nevada.

At the request of the Finance Committee, the Board was polled to determine the actual members who would attend the convention, and the names of Messrs. Fischer, Gumm, Kroenke and O'Malley, and the Secretary, were submitted, together with that of the Legal Adviser who indicated he wished to attend. The Common Council (File No. 63-3550) on February 18, 1964, approved attendance of four Board members and appropriated \$375 for each from the Contingent Fund to cover expenses. The Secretary was also authorized to attend with expenses to be paid out of the department Travel Account.

It was moved by Mr. Galligan, seconded by Mr. Kroenke and unanimously carried, that the Board designate Messrs. Alvin F. Fischer, Charles G. Gumm, Bernard B. Kroenke, William J. O'Malley, and the Secretary, Miss Ruth A. Pochlmann, as delegates to the National Conference on Public Employee Retirement Systems, and that \$375 be appropriated from the Travel Account for expenses for the Secretary.

Mr. O'Malley arrived at 2:35 p.m.

Money and Securities Insurance

The Secretary reported that Money and Securities Broad Form Policy, American Casualty Company #MAS 55484, received from Wiviott-Bamberger Inc. on February 7, 1964, was referred to the Legal Adviser (see minutes of January 16, 1964, page 9); that at a conference of Mr. Slater, Mr. Wiviott, Miss Poehlmann, and Mr. Fede, minor changes were suggested which were incorporated in the policy, and it has now been approved by the Legal Adviser.

It was moved by Mr. Gumm, seconded by Mr. Fischer and unanimously carried, that the policy be accepted and the bill in the amount of \$1,836.23 be paid.

#F-10358 - Oscar W. Pollnow

The Secretary reported that a communication was sent to the City Personnel Director inquiring whether Mr. Pollnow, a firefighter on Duty Disability Retirement, could be transferred to city employment other than in the Fire Department in a position at a salary equal to his salary at the time of retirement, since he apparently is able to engage in non-firefighting work and there is no vacancy in the Fire Department (see minutes of January 16, 1964, page 8). A reply from the City Service Commission, dated February 19, 1964, reads in part as follows:

"As a member of the Fire Department, Mr. Pollnow was under the jurisdiction of the Fire and Police Commission. Since he was not hired through an examination conducted by this department, he has no rights to transfer from the Fire Department to any other city department. I would suggest that Mr. Pollnow report to this department to discuss the employment possibilities available to him and register for examinations in those categories when they are scheduled."

After discussion, the Board accepted the recommendation of the Fire Department Medical Panel that Mr. Pollnow be continued on Duty Disability Retirement since he is unfit for duty in the Fire Department.

Disability Earnings Limit

The Secretary reported that the Special Pension Study Committee, at a meeting held February 3, 1964, requested that a case analysis of duty disability retirements be sent to the Committee on Finance-Printing. A report on Duty Disability Retirements was presented.

It was moved by Mr. Fischer, seconded by Mr. Galligan and unanimously carried, that the report be approved, and a copy forwarded to the Committee on Finance-Printing of the Common Council.

Financial Statements

The Financial Statements for the months of December, 1963, and January, 1964, were approved and ordered placed on file. (Copies to be attached to and become part of these minutes.)

Appropriations to the Pension Accumulation Fund

The Secretary reported receipt of the following appropriations to the Pension Accumulation Fund for the year 1964:

General City		\$ 2,347,428
Water Department		142,122
School Board		
General Education Fund	\$ 207,744	
Repair Fund	78,341	
School Extension	25,004	
School Construction	5,624	316,713
Teachers' Annuity and Retirement Fund		1,081
Vocational School		44,562
Auditorium Board		8,408
Employees' Retirement System (Pension Office)		3,094
Agent for Social Security		218
Sewerage Commission		124,071
Policemen's Annuity and Benefit Fund		270
Total		\$ 2,987,967

Appropriation for payment to the
Firemen and Policemen's Survivorship Fund
received was \$ 74,199

Grand Total \$ 3,062,166

The report was accepted and placed on file.

Bills

The Secretary presented the following bills:

The Secretary read a letter dated January 29, 1964, from Richard G. Jacobus, Treasurer of Newton and Company, stating that the market value of our fund was \$101,443,526 on December 31, 1963, and that while the fee for 1964, figured on the market value, would exceed the budget estimate, the company agrees to the fee of \$18,750 for the year 1964 which is the amount in the budget.

<u>Voucher No.</u>	<u>Vendor</u>	<u>Amount</u>
<u>Expense Fund:</u>		
E-3499	Thermo-Fax Sales Inc.	\$ 26.50
E-3500	Wiviott Agency, Inc.	1,836.23
E-3501	Protectu Bank-Note Corp.	345.64
E-3502	Railway Express Agency, Inc.	3.50
E-3503	The Boehm Bindery Co.	28.75
E-3504	Addressograph-Multigraph Corp.	8.75
E-3505	Peter A. Altenhofen Typographers Inc.	5.70
E-3506	The Schwaab Stamp & Seal Co.	2.75
E-3507	Newton & Company	4,687.50
E-3508	Frederick C. T. John, Postmaster, Milwaukee	504.00
E-3509	George B. Buck	750.00
E-3510	J. J. Krueger, City Treasurer	134.16
Total Expense Fund		\$ 8,333.48

It was moved by Mr. Gumm and seconded by Mr. Strobel that the bills be approved and ordered paid. The motion prevailed by the following vote:

AYES: Messrs. Fischer, Galligan, Gumm, Hass, Strobel, Kroenke, and O'Malley.

NOES: None.

Report of Investment Committee

The Secretary reported the following investment transactions since the last meeting:

The Secretary reported receipt of 30 shares of Eastman Kodak Company Common Stock as a stock dividend.

The Secretary also reported receipt of 47 and a fraction shares of Seattle First National Bank Common Stock as a stock dividend.

Upon recommendation of the Investment Counselor, it was moved by Mr. Kroenke and seconded by Mr. Gumm, that the additional fractional share of Seattle First National Bank stock be purchased to round out our holdings to 48 shares. The motion prevailed by the following vote:

AYES: Messrs. Fischer, Galligan, Gumm, Hass, Strobel, Kroenke, and O'Malley.

NOES: None.

<u>REDEMPTIONS</u>	<u>Securities</u>	<u>Yield</u>	<u>Rate</u>	<u>Maturity</u>
\$ 4,000.00	Otter Tail Power Co.	4.70 %	4 3/4 %	8- 1-88
4,000.00	Household Finance Corp.	4.75	4 5/8	1-15-84
7,000.00	General American Transportation Corp. Eq. Tr.	4.30	4.30	1-15-83
3,000.00	San Diego Gas & Electric Co. S. F. Deb.	4 5/8	4 5/8	1-15-84
8,000.00	Inland Steel Co. 1st Mtge.	4 1/2	4 1/2	2- 1-89
3,000.00	Southwestern Public Service Co.	4 1/2	4 1/2	2- 1-91
8,000.00	Province of New Brunswick S. F. Deb.	3 7/8	3 7/8	2- 1-76
3,000.00	Province of New Brunswick	5.40	5 3/8	2- 1-85
2,000.00	Montreal Metropolitan Corp. S. F. Deb.	5.70	5 5/8	2- 1-85
452.44	Grafton State Bank Mtges.	-	-	-
20,000.00	Thorp Finance Corp.	4.23	4	2- 1-66
2,190.74	Butler Warehouse Lease Rental	-	4 1/8	-
50,000.00	U. S. Treasury 91 Day Bills	3.51	3.51	2- 6-64
1,266.56	Howard Avenue Shopping Center, Inc.	5 3/4	5 3/4	3- 1-70
500,000.00	U. S. Treasury Bills	3 1/2	3 1/2	11-30-64

SALE

\$ 15,856.25 Grayhound Corp. Common Stock 625 shares
(authorized at Board meeting 1/23/64)

PURCHASES

\$ 500,000.00	First National Bank in Dallas	4 1/2	4 1/2	1-31-89
200,000.00	Clinchfield R. R. Equipment Trust	4.35	4 1/4	2- 1-77
100,000.00	U. S. Treasury Bills	3 1/2	3 1/2	12-31-64
100,000.00	Ekco Products Co.	4.55	4.60	8- 1-87

<u>PURCHASES (Cont'd.)</u>	<u>Securities</u>	<u>Yield</u>	<u>Rate</u>	<u>Maturity</u>
\$ 25,720.66	Pepsi Cola Co. Common Stock 500 shares *	-	-	-
52,859.10	Montgomery Ward & Co. Common Stock 1500 shares *	-	-	-
5,060.31	Colgate Palmolive Co. Common Stock 125 shares *	-	-	-
54,862.50	General Motors Corp. Common Stock 700 shares *	-	-	-
21,074.70	Goodyear Tire & Rubber Co. 500 shares *	-	-	-

* Authorized at Board Meeting 1/23/64.

It was moved by Mr. Fischer and seconded by Mr. Kroenke that the action of the Investment Committee be ratified. The motion prevailed by the following vote:

AYES: Messrs. Fischer, Galligan, Gumm, Hass, Strobel, Kroenke, and O'Malley.

NOES: None.

Report of Medical Council

The Secretary reported that the Medical Council reviewed the disability retirements of #A-4458, George A. Werra, #C-14495, Charles M. Barth, and #C-1574, Walter Polaczyk, on February 6, 1964, and certifies that they are unable to return to work and recommends that they be continued on ordinary disability retirement.

It was moved by Mr. O'Malley and seconded by Mr. Kroenke that the Board concur in the recommendation of the Medical Council and that Messrs. Werra, Barth, and Polaczyk be continued on ordinary disability retirement. The motion prevailed by the following vote:

AYES: Messrs. Fischer, Galligan, Gumm, Hass, Strobel, Kroenke, and O'Malley.

NOES: None.

Ordinary Disability Retirement

The Secretary reported receipt of application for Ordinary Disability Retirement from #C-14255, Joseph E. Puechner, Jr., City Laborer, Garbage Department, and presented the Medical Council certification that Mr. Puechner is incapacitated for the further performance of duty and such incapacity is likely to be permanent and that he should be retired.

The Ordinary Disability Retirement Resolution was presented.

It was moved by Mr. Gumm and seconded by Mr. Fischer that the Board concur in the recommendation of the Medical Council to retire Joseph E. Puechner, Jr., and that the Ordinary Disability Retirement Resolution be adopted. The motion prevailed by the following vote:

AYES: Messrs. Fischer, Galligan, Gumm, Hass, Strobel, Kroenke, and O'Malley.

NOES: None.

Retirements

The Secretary presented the following resolutions:

The Service Retirement Resolution for February, 1964, listing:

C-12355	Dr. John P. Fetherston	February 6, 1964
C-18497	Clifford D. McArthur	February 10, 1964
C- 5172	C. Walter Tesch	February 15, 1964
C-13284	Earl James Curran	February 19, 1964

The Service Retirement Resolution for March 1, 1964, retirements, listing:

C- 313	Ludwig Berling	C- 5159	Alfred E. Boppel
A- 1857	Le Roy J. Morrice	C- 5729	Oscar Schramm
C- 1940	Roland E. Pfoartsch	C- 8008	Barbara L. Mueller
C- 2109	William A. Rutzinski	A- 9527	Margaret Schultz
C- 3417	Loyal W. Marek	C-12706	Jeannette H. Dorr

It was moved by Mr. Fischer and seconded by Mr. Gumm that the resolutions be adopted. The motion prevailed by the following vote:

AYES: Messrs. Fischer, Galligan, Gumm, Hass, Strobel, Kroenke, and O'Malley.

NOES: None.

Retirements Granted: 3,200

Terminated: 1,507

Balance: 1,693

Recertified Retirement Allowances

The Secretary reported that the Service Retirement Allowance of #C-5995, George W. Foley (see minutes of December 19, 1963, page 171), and the Ordinary Disability Retirement Allowances of #C-7123, John C. Rogers (see minutes of May 24, 1963, page 62), #C-9639, Myrtle Stehle (see minutes of October 17, 1963, page 143), and #C-12630, Edmund H. Maziarczyk (see minutes of December 19, 1963, page 170), were revised and recertified by the Actuary based on the Social Security awards to the members, and presented the Service Retirement Resolution and the Ordinary Disability Retirement Resolution showing the revised retirement allowances.

It was moved by Mr. Strobel and seconded by Mr. Galligan that the revised allowances for George W. Foley, John C. Rogers, Myrtle Stehle, and Edmund H. Maziarczyk be approved and the resolutions adopted and that the revisions be noted in the minutes of May 24, 1963, October 17, 1963, and December 19, 1963. The motion prevailed by the following vote:

AYES: Messrs. Fischer, Galligan, Gumm, Hass, Strobel, Kroenke, and O'Malley.

NOES: None.

Death Claims

The Secretary presented the following resolutions:

The Ordinary Death Benefit Resolution listing the following deceased members:

SP-22628 William A. Hoyt	C- 6408 Thomas A. Byrne
C - 8204 Francis W. Kerscher	C-21185 Chester E. Venne

the total amount to be paid being \$40,889.57.

The Secretary called attention to the payment of the accumulated contributions of William Hoyt in the amount of \$1,176.03 to Dona Hoyt, the designated beneficiary, in accordance with the opinion of the Legal Adviser dated December 13, 1963, and reported that the Death Benefit had been paid to the Guardian of Russell Hoyt, minor son of William Hoyt (see minutes of May 24, 1963, page 57). A release to be signed by Mrs. Dona Hoyt was submitted and approved by the Legal Adviser.

The Fractional Installment Retirement Allowance Resolution listing the following deceased members:

R - 246 Elizabeth Schmidt	R- 1016 Anna May Wegner (Option #2
R - 717 Anna M. Williams	beneficiary of
	Edward G. Wegner)

the total amount to be paid being \$79.93.

The Option Number One Resolution listing the following deceased members:

R - 1422 Jane M. Murphy	R- 822 Anton H. Fix
R - 2883 August A. Kosiboski	R-1148 Alfred G. Nicoud
R - 702 George F. Zerbel	R-1782 Joseph Kosebucki

the total amount to be paid being \$8,539.94.

It was moved by Mr. Galligan and seconded by Mr. Gumm that the resolutions be adopted and the claims be paid. The motion prevailed by the following vote:

AYES: Messrs. Fischer, Galligan, Gumm, Hass, Strobel, Kroenke, and O'Malley.

NOES: None.

Annuity

The Secretary presented the Annuity in Lieu of Ordinary Death Benefit Resolution listing the following deceased member and his beneficiary:

AR-3185 Leo S. Trempala	Clara Trempala, Wife
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It was moved by Mr. Kroenke and seconded by Mr. Fischer that the resolution be adopted. The motion prevailed by the following vote:

AYES: Messrs. Fischer, Galligan, Gumm, Hass, Strobel, Kroenke, and O'Malley.

NOES: None.

Return of Contributions

The Secretary presented Resignation Resolutions listing 23 withdrawals, paid January 17, 1964, in the amount of \$19,697.02; 11 withdrawals, paid January 31, 1964, in the amount of \$14,164.76; and 24 withdrawals, paid February 14, 1964, in the amount of \$14,919.53.

It was moved by Mr. Strobel and seconded by Mr. Fischer that the payments be ratified and the resolutions be adopted. The motion prevailed by the following vote:

AYES: Messrs. Fischer, Galligan, Gumm, Hass, Strobel, Kroenke, and O'Malley.

NOES: None.

Return of Contributions - Section 36.03 (6)

The Secretary presented the Resolution for the Return of Contributions - Section 36.03 (6) listing returns to 4 members, the total amount to be paid being \$70.82.

It was moved by Mr. Strobel and seconded by Mr. Fischer that the resolution be adopted. The motion prevailed by the following vote:

AYES: Messrs. Fischer, Galligan, Gumm, Hass, Strobel, Kroenke, and O'Malley.

NOES: None.

Report of Police Department Medical Panel

The Secretary presented a report from the Police Department Medical Panel dated February 2, 1964, with respect to the re-examination of #P-18636, Donald E. Luedtke, retired on accidental duty disability allowance, certifying that Mr. Luedtke is unfit for active Police duty, and recommending that he be continued on retirement.

It was moved by Mr. Gumm and seconded by Mr. Kroenke, that the Board concur in the recommendation of the Police Department Medical Panel and that Donald E. Luedtke be continued on duty disability retirement. The motion prevailed by the following vote:

AYES: Messrs. Fischer, Galligan, Gumm, Hass, Strobel, Kroenke, and O'Malley.

NOES: None.

Duty Disability Application - Chester S. Witkowski

The Secretary reported receipt of a new application for duty disability retirement from #P-17276, Chester S. Witkowski, and further reported that a previous application for duty disability retirement was denied by the Board on August 15, 1963, on report of the Medical Panel that he should not be retired; that Mr. Witkowski was returned to work in the Police Department office and left after four hours, claiming he was unable to continue, and then filed this application for retirement. A report was presented from the Police Department Medical Panel, dated February 2, 1964, certifying that Chester S. Witkowski is totally and permanently disabled and should be retired on duty disability retirement. It was noted that the Medical Panel's Report of Examination states that Mr. Witkowski is "not fit for regular duty, but restricted to inside work" and the Secretary reported that the department stated they have no position that Mr. Witkowski could fill.

After discussion, it was moved by Mr. Gumm and seconded by Mr. Kroenke, that the Board concur in the recommendation of the Police Department Medical Panel and that Mr. Chester S. Witkowski be retired on Duty Disability Retirement. The motion prevailed by the following vote:

AYES: Messrs. Fischer, Galligan, Gumm, Hass, Strobel, Kroenke, and O'Malley.

NOES: None.

Group Life Insurance Statistical Report

The Secretary submitted the Group Life Insurance Statistical Report for the period February 1, 1961, through December 31, 1963. (Copy to be attached to and become part of these minutes.)

It was moved by Mr. Kroenke, seconded by Mr. Fischer and unanimously carried, that the report be sent to the Common Council.

#A-2546 - John C. Kraatz

The Secretary reported that John C. Kraatz, a pensioner since 1938, celebrated his 100th birthday.

It was moved by Mr. Fischer, seconded by Mr. Galligan and unanimously carried, that Mr. Kraatz be sent a letter of good wishes from the Board.

Conference on Disability Retirement

The Secretary reported that a conference was held at Police Department headquarters the evening of February 19, 1964, which was attended by Mr. Gumm, Miss Poehlmann, and Mr. Fede.

Five physicians of the Police Department Medical Panel were present; also Inspector Raymond A. Dahl, Captain Charles L. Kuhn, and other members of the Police Department; and Cornelius J. Marten, Assistant City Attorney.

The meeting was called by the Police Department to discuss Police Department injuries and duty disability retirement.

Provisions of the Employees' Retirement System law relating to disability retirement were discussed.

The meeting developed a better understanding of the problems and procedures incident to disability retirement.

The report was accepted.

March Meeting

Since the National Conference will be held the week of our regular meeting, the next regular meeting of the Board was scheduled for 9:30 a.m. on March 13, 1964.

The meeting adjourned at 3:10 p.m.

Ruth A. Poehlmann

Secretary

ANNUITY AND PENSION BOARD
INVESTMENT POLICY DECLARATION

1964

The Annuity and Pension Board of the City of Milwaukee hereby declares that the policies governing the actions of its Investment Committee during the current year shall be consistent with the policies and program of the past several years. Its Investments shall conform to the provisions of Section 36.09 (1) of the Employees' Retirement System Act and they shall be limited by the following restrictions:

- A. Investments in any one corporation or municipality (domestic or Canadian) if rated AA or higher (or the equivalent if non-rated) shall be limited to two per cent of the total fund.
- B. Investments in any one corporation or municipality (domestic or Canadian) if rated A or the equivalent shall be limited to one and one-half per cent of the total fund.
- C. Investments in any one corporation or municipality (domestic or Canadian) if rated lower than A shall be limited to one per cent of the total fund. However, investments rated lower than BA shall not be purchased.
- D. Preferred stock investments shall be limited in any one situation to one-half of one per cent and any such investment shall be included in the aggregate total of Paragraph A, B or C when bonds as well as preferred stocks are held in the same companies.
- E. Total amount to be invested in institutional bonds shall not exceed five per cent of the total fund.
- F. An amount up to five per cent of the total fund may be invested in the obligations of any of the Federal Agencies, but not more than ten per cent may be invested in the combined obligations of all Federal Agencies. Bonds or notes fully guaranteed by the U. S. Government shall be exempt from the above limitation.
- G. Private placement loans or commitments in real estate mortgages or leasebacks shall be subject to special review; and a determination as to the size of any such investment shall be subject to the limitations imposed by the Board at the time of investment.
- H. Any other investments not covered by the above limitations (except government bonds which may be held without limit) shall be submitted to the entire Annuity and Pension Board for its approval before a final determination is made by the Investment Committee.
- I. To purchase additional bonds of issues presently held in our portfolio, whenever available at a price to yield 4% or better.
- J. To continue purchase of common stock on a dollar averaging basis.

Since money rates change with the varying tempo of the national economy, the Board recognizes that the Investment Committee cannot establish predetermined price or yield limitation on its investments. However, it shall be the efforts of the Committee, at all times, to maintain a four per cent or better return on its investments, but it is the intention of the Board that this objective shall in no way replace the following important goals of this Fund:

1. Building up and maintaining a portfolio of high grade investments with quality having precedent over yield.
2. It shall be a part of the basic policy to build a spaced maturity program insofar as possible, without sacrificing too heavily to yield.
3. Purchases shall be aimed at maintenance of a diversified portfolio as to type of issuing corporations.
4. It shall be a continued objective to increase investments in government bonds to where they represent ten per cent of the portfolio.

Since it is the desire of the Board to acquire the investments of its selection at the best possible price, purchase shall not be limited to any one dealer or broker but insofar as it is consistent with availability and price, local investment dealers and brokers shall be given preference. This provision is in no way meant to limit the placing of orders with any legitimate investment dealer, wherever located, if it is clearly to the interest of the Annuity and Pension Board to trade with dealers outside of Milwaukee.

February 20, 1964

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EMPLOYEES' RETIREMENT SYSTEM - Retirement Fund

Statement of Receipts and Disbursements

for January, 1964

Cash Balance, December 31, 1963

\$ 52,219.33

Add: January Receipts

Redemptions:

Southern Natural Gas Co. 4 $\frac{3}{4}$ %	\$ 4,000.00	
Standard Oil Co. of Ohio 4 $\frac{1}{2}$ %	10,000.00	
Household Finance Corp. 4 5/8%	4,000.00	
General American Trans. Corp. 4.30%	7,000.00	
Tidewater Oil Co. \$1.20 Pfd. Stk. (100 shares)	2,500.00	
Grayhound Corp., Com. Stk. (625 sh.)	27,381.68	
Union Carbide 4 $\frac{1}{2}$ % Notes	5,479.45	
U. S. Treasury Bills due 12/31/64	350,000.00	
U. S. Treasury Bills due 11/30/64	500,000.00	
Butler Warehouse Lease Rental	2,183.24	
Howard Ave. Shopping Center, Inc.	1,260.26	
Grafton State Bank Mtges.	215.60	\$ 914,020.23

Interest Income 470,529.35

Members' Contributions - Regular 247,451.15

Fire and Police Survivorship Contributions 6,428.18

1963 Tax Levy to Pension Accumulation Fund:

General City	\$2,347,428.00	
Boards and Commissions	640,269.00	2,987,697.00

1963 Tax Levy from General City to

Fire and Police Survivorship Fund	74,199.00	
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Total Receipts

4,700,324.91

Total Receipts and Balance

\$ 4,752,544.24

Deduct: January Disbursements

Investments:

U. S. Treasury Bills due 4/2/64	\$ 991,615.00	
U. S. Treasury Bills due 6/4/64	886,627.25	
U. S. Treasury Bills due 11/30/64	500,000.00	
U. S. Treasury Bills due 12/31/64	350,000.00	
New York Telephone Co. 4 5/8% due 1/1/2004	509,649.30	
U. S. Treasury Bonds 4 1/8% due 5/15/94-89	297,028.85	
U. S. Treasury Bonds 4% due 8/15/73	199,730.98	
Ekco Products Co. 4.60% due 8/1/87	103,024.44	
Montgomery Ward & Co. Common Stk. (1500 shares)	52,859.10	
Goodyear Tire & Rubber Co. Common Stock (500 shares)	21,074.70	
Pepsi Cola Co. Com. Stk. (500 sh.)	25,720.66	
Colgate Palmolive Co. Common Stock (125 shares)	5,060.31	
First National Bank in Dallas 4 $\frac{1}{2}$ % Notes due 1/31/89	500,000.00	\$4,442,390.59

Members' Contributions Refunded - Regular 49,494.23

Members' Contributions Refunded - Excess 1,384.24

Active Death Claims 1,999.89

Retired Death Claims 9,987.60

Fire and Police Survivorship Payroll 1,275.00

Pension Payroll 245,591.70

Total Disbursements

\$ 4,752,123.25

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EMPLOYEES' RETIREMENT SYSTEM - Expense Fund

Statement of Receipts and Disbursements

for January, 1964

Cash Balance December 31, 1963

\$ 18,581.00

Deduct: January Disbursements

Salaries and Wages	\$ 6,376.55
Employer Social Security Taxes	134.40
Employees' Insurance - Blue Cross	103.04
Employer Group Life Insurance Premiums	20.75
Employer Pension Contributions	3,094.00
Membership Dues	100.00
Repair and Maintenance of Equipment	8.00
Miscellaneous Expense	8.00
Actuarial Fees	750.00
Election Expense	484.75
Newspapers and Periodicals	<u>15.00</u>

Total Disbursements

11,094.49

Cash Balance January 31, 1964

\$ 7,486.51

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**CITY OF MILWAUKEE
GROUP LIFE INSURANCE**

STATISTICAL REPORT FEBRUARY 1, 1961 THRU DECEMBER 31, 1963

	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>Total for 3 Years</u>
<u>Gross Premiums:</u>				
City's Share	\$144,453.06	\$160,857.97	\$168,646.91	\$473,957.94
Employes' Share	<u>119,771.42</u>	<u>135,382.50</u>	<u>143,499.81</u>	<u>398,653.73</u>
Total	\$264,224.48	\$296,240.47	\$312,146.72	\$872,611.67

Death Claims Paid:

Number of Deaths	36	38	39	113
Amount Paid	\$226,500.00	\$265,500.00	\$262,750.00	\$754,750.00

Disability Premium Waivers

Number	2	4	5	11
Amount of Insurance	\$ 13,000.00	\$ 26,000.00	\$ 32,000.00	\$ 71,000.00

Dividend Received by City

<u>\$ 8,515.37</u>	<u>\$ 000.00</u>	<u>\$ 25,242.80</u>	<u>\$ 33,758.17</u>
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No. of Members Insured December 31

Active Group - Under 65	7,860	7,894	7,845
Over 65 Group	209	274	352
Inactive Group - On Leave or Retired	<u>87</u>	<u>130</u>	<u>200</u>
Total Number Insured	8,156	8,298	8,397

Amount of Insurance in Force December 31

Active Group - Under 65	\$51,791,000	\$53,287,000	\$54,688,000
Over 65 Group	739,000	956,000	1,083,000
Inactive Group - On Leave or Retired	<u>559,000</u>	<u>920,000</u>	<u>1,505,000</u>
Total Insurance in Force	\$53,089,000	\$55,163,000	\$57,276,000