

## PROCEEDINGS OF ANNUITY AND PENSION BOARD

Minutes of the Regular Meeting held March 20, 1975.

The meeting was called to order at 2:07 P. M. by Chairman Robert W. Walker.

PRESENT: Messrs. Kenneth H. Mandt, James A. McCann, Clarence M. Miller, Miss Ruth A. Poehlmann, Robert W. Walker, and Edmund M. Wisniewski; also Harry G. Slater, Legal Adviser, Rudolph E. Pede, Secretary, Donald R. Zwickey, Assistant Secretary, and Roger J. Gorski, Accountant.

ALSO PRESENT: Messrs. Jack Windsor and Richard Farren, Investment Counselors, Newton and Company; and Ms. Marie Nash representing the Inter Group Counsel of Milwaukee.

EXCUSED: Messrs. Edward Griffin and Carl E. Hanneman.

Minutes

Miss Poehlmann pointed out that when there was no quorum at the last Board meeting that all motions should have been indicated as "unanimously carried" by the Committee. It was moved by Miss Poehlmann, seconded by Mr. Miller and unanimously carried, that the Committee action taken at the February 20, 1975 Board meeting be ratified and that the minutes of the Regular Meeting held February 20, 1975 be approved as corrected.

Rules and Regulations Amendments

The Secretary presented the following amendment, copy sent to Board members with meeting notice:

Create Rule XII. Miscellaneous. 4. Subpoena Fees - Sec. 36.05 (4) (h) :

4. Subpoena Fees - Sec. 36.05 (4) (h)

The Board will pay subpoena fees, both travel and witness costs, in line with whatever is the prevailing basis in the Circuit Court of Milwaukee County with respect to any witness subpoenaed by the member with acquiescence by the Board. The witness will be paid by the Board only in the event that the member prevails relative to his petition. If he prevails the Board will pay for witness and travel expense at the prevailing rates applicable in the Circuit Court of Milwaukee County; however, as to the amount of miles that the Board will pay in the event the member prevails there will be a limitation of 100 miles measured from the center of the City of Milwaukee as allowed by the City of Milwaukee in Section 2-249 of the City of Milwaukee Code relating to reimbursement for use of private automobiles. The Board reserves the right to consider a special schedule of rules but only in the event it is warranted in the Board's judgment and in its discretion.

It was moved by Mr. Wisniewski, seconded by Mr. Miller and unanimously carried, that the rule be adopted.

The Secretary presented the following rule amendment relative to increasing the medical fee for out of state examinations, copy sent with meeting notice:

Amend Rule I. 5. e.

e. A member retired on account of duty disability retirement who is authorized by the Board to live outside of the City of Milwaukee shall be required to return to Milwaukee to report to the Medical Council or Medical Panel for medical re-examination once each year for the first three years after retirement and once in every three-year period thereafter. However, the Annuity and Pension Board may authorize such examination to be made by a physician selected by the Board and the fee for such examination shall be as determined by the Medical Council and shall be paid by the Employees' Retirement System upon receipt of a report from the physician.

It was moved by Miss Poehlmann, seconded by Mr. Wisniewski and unanimously carried, that the rule be adopted.

#### Convention Attendance

The Secretary reported that the Common Council on February 28, 1975 authorized only one Board member to attend each of the conventions requested by the Board on November 21, 1974. After discussion, it was moved by Mr. McCann, seconded by Miss Poehlmann and unanimously carried, that Mr. Wisniewski be authorized to attend the International Foundation Conference in Honolulu, Hawaii, November 16-19, 1975 and Mr. Walker be authorized to attend the MFOA Conference in Montreal, Canada, April 27 - May 1, 1975.

The Secretary was directed to include a Contingent Fund in its future budgets as provided in Chapter 65.03 (2) of the Wisconsin Statutes to assure convention attendance as requested by the Board.

#### Dr. Maurice Harris Death Claim Case Report

The Secretary presented a list of bills incurred related to the Harris case hearing as follows, copy sent to Board members with meeting notice:

Dr. Roland C. Brown (our retained pathologist)	\$3,350.00
Dr. Irving Sunshine (our toxicologist witness)	\$ 926.32
Dr. Charles S. Petty (our pathologist witness)	\$ 625.38
Court Reporter Transcript and Attendance Fees	\$2,244.75

It was moved by Miss Poehlmann, seconded by Mr. Wisniewski and unanimously carried, that the bills be approved and paid.

The Chairman instructed the Secretary to set up a meeting of the Board on the Harris case as soon as possible after Board members have indicated that they have completed their review of the transcripts of the hearing.

Messrs. Windsor and Farren arrived.

#### Investment Report

Mr. Windsor presented the Investment Counsel Agenda and list of investment transactions committed since February 20, 1975 (copy to be attached to these minutes) and reviewed the transactions made in the fixed income portfolio and discussed that portion of the agenda. Mr. Farren reviewed the transactions in the equity portfolio and discussed that portion of the agenda.

Mr. Mandt arrived.

Mr. Windsor presented a proposal for bond portfolio improvement for review by the Board members. Board members requested time to study the matter so that a decision can be made at a future Board meeting and also that the Investment Counselors provide samples of the types of transactions contemplated.

The Secretary reported that request for consent to amendments of bond indenture was received from Arizona Public Service Company whose bonds we hold in the amount of \$400,000; that the request was reviewed by Newton and Company Investment Counselor Richard W. Stanley, who recommended that the Board consent to the amendments as per their letter of March 10, 1975; and also that the Legal Adviser upon his review of the request and investment counsel's letter recommends that the Board approve the request as per his letter of March 13, 1975.

It was moved by Mr. McCann, seconded by Mr. Miller and unanimously carried, that the request be approved and that the related proxy be executed accordingly.

Messrs. Windsor and Farren left the meeting.

#### Investment Transactions

The Secretary presented a list of investment transactions settled during the month of February, copy sent with meeting notice to be attached to these minutes. It was moved by Miss Poehlmann, seconded by Mr. Miller and unanimously carried, that the investment transactions be ratified.

#### Bills

The Secretary presented a list of bills for February in the amount of \$13,426.81, copy sent with meeting notice to be attached to these minutes. It was moved by Mr. McCann, seconded by Mr. Miller and unanimously carried, that the bills be approved and payments ratified.

Retirements, Death Claims and Refunds

The Secretary presented lists of activity since the last Board meeting, copies of which were sent with meeting notice to be attached to these minutes as follows:

Retirements for the month of March

Ordinary Death Benefits paid through March 14, 1975	\$72,647.12*
*Correction from \$72,646.85 previously reported	

Retired Deaths paid through March 14, 1975	\$12,189.13
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Refund of Member Contributions paid through February 28, 1975	\$31,017.78
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It was moved by Mr. McCann, seconded by Mr. Wisniewski and unanimously carried, that the above indicated retirements, death claims, and refunds be approved.

The Secretary reported the death of Patrolman Michael Draeger who was critically burned December 28, 1974 when the gasoline tank of his ambulance caught fire after it was struck from the rear by a police squad car; that the widow has been awarded a death benefit under the provisions of the Workmen's Compensation Act relating to a death while in the performance of duty and that the Chief of Police advises that the death was caused by injuries received while on duty. It was moved by Mr. Miller, seconded by Mr. Wisniewski and unanimously carried, approving the 60% accidental death pension of \$650.84 monthly to the surviving widow.

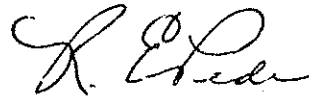
Medical Council Report

The Secretary presented application for Ordinary Disability Retirement from #C-12682 Glen H. Crum, effective March 14, 1975, #C-16942 Henry A. Deer, effective November 22, 1974, and #F-29085 Robert A. Mlynczak, effective March 14, 1975, and submitted report of the Medical Council certifying that they are incapacitated for the performance of duty, that such incapacity is likely to be permanent and that they be retired. It was moved by Miss Poehlmann, seconded by Mr. Miller and unanimously carried, to accept the certifications of the Medical Council and that Messrs. Crum, Deer and Mlynczak be placed on Ordinary Disability Retirement.

The Secretary also presented report of the Medical Council relative to re-examinations, certifying that #C-16948 Richard F. Kierzek, #C-14255 Joseph E. Puechner, Jr., #C-6225 Erwin F. Kuligowski, #F-24871 Lawrence H. Kubiak, #A-10523 Norbert N. Meyer, #C-6166 Marie Mastaglio, #A-18908 Norbert J. Roszak, and #C-14574 Chester LeRoy be continued on Ordinary Disability Retirement. It was moved by Mr. Wisniewski, seconded by Mr. Miller and unanimously carried, to accept the certifications of the Medical Council and that Messrs. Kierzek, Puechner, Kuligowski, Kubiak, Meyer, Miss Mastaglio, Roszak and LeRoy be continued on Ordinary Disability Retirement.

Since Mr. Mandt was not present when the conventions were discussed the matter was brought up again. After some discussion, the Chairman directed the Secretary to find out what types of educational institutes and seminars were available, since there is a Common Council Seminar Fund which could be used for that purpose.

The meeting adjourned at 3:25 P. M.



Secretary

EXPENSE FUND BILLS - FEBRUARY 1975

<u>Vendor</u>	<u>Amount</u>
For ratification at Board Meeting March 20, 1975 -	
Mr. R. E. Pede - Lunch expense during Harris Case hearings for Board Members & Secretary, etc. on Feb. 12, 13, 14, 17 and 18, 1975	\$ 153.68
Charles S. Petty, M. D. (Travel expense and fee re Harris Case testimony)	625.38
City Treasurer, City of Milwaukee (Postage, printing, office supplies, tabulating & clerical pool services)	1,140.94
Singer Business Machines (repair to Friden calculator)	30.33
First Wisconsin Trust Company (coupon collection and sundry shipping expense)	282.91
Newton and Company (1st quarter investment counselors fee)	10,692.50
Forbes (3-year subscription - approved by Board 2/20/75)	30.00
Western States Envelope Company (retiree envelopes)	396.37
A to Z Printing Company (withdrawn member envelopes)	<u>74.70</u>
Total Expenses	\$13,426.81

## INVESTMENT TRANSACTIONS

Settled Month of February

<u>REDEMPTIONS</u>	<u>Securities</u>	<u>Yield</u>	<u>Rate</u>	<u>Maturity</u>
\$ 50,000.00	Seaboard Air Line RR Equipment Trust Certificate	4.10 %	3-7/8%	2- 1-75
746.66	Gov't. Nat'l. Mtge. Assn. Bond Pool 3447	9.29	7-3/4	5-15-04
707.10	Gov't. Nat'l. Mtge. Assn. Bond Pool 1975	8.18	8	11-15-03
723.95	Gov't. Nat'l. Mtge. Assn. Bond Pool 3645	9.50	8	5-15-03
755.48	Gov't. Nat'l. Mtge. Assn. Bond Pool 3370	9.77	8	6-15-04
24,397.06	Gov't. Nat'l. Mtge. Assn. Bond Pool 2991	9.39	8	1-15-04
 <u>SALES</u>				
\$ 300,000.00	Marathon Oil Company Deb.	4.36	4-3/8	4- 1-87
200,000.00	Quebec Hydro Electric Comm. Deb.	3.53	3-1/2	1- 1-81
300,000.00	Quebec Hydro Electric Comm. Deb.	3.83	3-3/4	2- 1-83
 <u>PURCHASES</u>				
\$1,000,000.00	Kansas Power & Light First Mtge. Bd.	8.67	8-5/8	2- 1-2005
1,000,000.00	Marine Equipment Suppliers U. S. Gov't. Guaranteed Bond	8.35	8.35	2- 1-96
1,000,000.00	Gov't. Nat'l. Mtge. Assn. Bonds Pool 5156	8.48	7-1/4	11-15-2004
1,000,000.00	Gov't. Nat'l. Mtge. Assn. Bonds Pool 4894	8.67	8-1/2	2-15-05
 <u>Common Stock</u>				
\$ 240,000.00	Central & Southwest - 15,000 shares	7.25	7.25	-
126,701.40	Sunbeam Corp. - 9,100 shares	7.18	7.18	-

SERVICE RETIREMENTS - MONTH OF MARCH 1975

<u>Active Service No.</u>	<u>Name and Department</u>	<u>Date of Retirement</u>
C- 7272	Harry Barwick - Water Department	3- 1-75
C- 8465	Felix Tassi - Street & Sewer Maintenance	3- 1-75
C-10040	Joseph F. Kowalski - Bureau of Forestry	3- 1-75
C-15662	Edward M. Werra - School Board	3- 1-75
C-16748	Edward T. Pollak - Bureau of Sanitation	3- 1-75
A-17436	Alva M. Wirth - School Board	3- 1-75
C-20974	Herman R. Stoltz - M. A. T. C.	3- 1-75
C-22189	Isaiah Johnson - Bureau of Sanitation	3- 1-75
C-22942	Blanche Wojciechowski - Public Library	3- 1-75
C-27019	Alexander A. Stefanski - School Board	3- 1-75
C-27280	George B. Cummings - Building Inspection	3- 1-75
C-36902	Myrtle E. Gintoft - Treasurer	3- 1-75
C-40533	Louis Sowards - B. T. E. & E. S.	3- 1-75
A-16929	Chester P. Wilinski - Bureau of Sanitation	3-11-75
A-16178	Olive D. Quick - Health Department	3-12-75



DEATH CLAIMSDuty Death Benefit paid March 3, 1975

<u>Active No.</u>	<u>Name</u>	<u>Date of Death</u>	<u>Amount</u>
SP-35538	Michael L. Draeger*	12-28-74	\$ 4,139.95

\*Fire and Police Survivorship benefit will be paid in addition to the lump sum benefit.

Ordinary Death Benefit paid March 3, 1975 (Approved 2/20/75)

<u>Active No.</u>	<u>Name</u>	<u>Date of Death</u>	<u>Amount</u>
SP-33594	Robert D. Riley	7-10-74	\$ 6,368.98

Ordinary Death Benefits paid March 3, 1975

<u>Active No.</u>	<u>Name</u>	<u>Date of Death</u>	<u>Amount</u>
34288	Joseph J. Jasinski	12- 1-74	\$ 7,696.00
10006	Casimir Skirko	1- 1-75	16,574.83
37728	Walter V. Scott	1- 7-75	8,328.03
16490	Richard C. Dulka	1-27-75	14,342.32
SP-38278	Gary C. Beyersdorf	1-27-75	4,809.39

paid March 14, 1975

23534	Robert J. Jendusa, Sr.	1-24-75	20,816.32
40717	Leona R. Ransom	2-14-75	79.96

Total \$72,646.85

Retired Deaths paid February 28, 1975

<u>Retired No.</u>	<u>Active No.</u>	<u>Name</u>	<u>Date of Death</u>	<u>Amount</u>
2338	3031	Clara Marie Johnston	7-23-74	\$ 76.61
2149	3191	Emma Luedke	12-24-74	85.56
2207	4415	Francis J. Poncheck	1- 9-75	33.52
3699	6998	John L. Albertano	1-19-75	2,801.65
3750	8452	Stanley Walloch	2- 5-75	28.12
1795	3464	John Henevadl	2-16-75	57.49

paid March 14, 1975

1828	3632	Martha Schiffer	1-25-75	56.90
2822	316	Edward R. Buck	2- 3-75	20.63
2387	6723	James Roth	2-11-75	30.69
5141	7000	Edward Jendrzejewski	2-19-75	8,997.96

Total \$12,189.13

## Return of Contributions listed on Voucher No. R-7161, paid on February 14, 1975

<u>Active No.</u>	<u>Name</u>
C-13256	Donald C. Drengenberg (Excess contributions)
C-27742	Lawrence Williams
C-30254	Deborah M. Scardino
C-31396	Margaret Emerson
C-32929	Ruth M. Schram
C-33398	Judith M. Quincey
C-33563	Stanley Pucher
C-35880	Ellis Beason
C-36268	Daniel V. Melcher
SP-40268	Eugene Girley, Jr.

Total \$24,445.09

## Return of Contributions listed on Voucher No. R-7164, paid on February 28, 1975

<u>Active No.</u>	<u>Name</u>
18987	Theodore R. Smith (Retro. Adj.)
C-27939	Dorothy A. Senn (Add'l. Contri. taken)
C-29521	William H. Koesterling (Retro. Adj.)
C-31528	Mrs. Rosemary C. Morrison (Add'l. Contri. taken)
C-31897	Thomas H. Tank (Add'l. Contri. taken)
C-32187	Nick R. Mollgaard (Add'l. Contri. taken)
C-32540	Alan R. Decker (Retro. Adj.)
C-32646	Norbert E. Reindl, Jr. (Add'l. Contri. taken)
C-32798	Daniel H. Ragsdale (Retro. Adj.)
C-33204	Lee T. Harmon (Add'l. Contri. taken)
C-33579	Lois M. Becker (Add'l. Contri. taken)
C-33720	Kenneth A. Bowen (Retro. Adj.)
C-34118	Evelyn D. Schroeder (Add'l. Contri. taken)
C-34308	James Brandis (Retro. Adj.)
C-34332	Kenneth J. Komar (Retro. Adj.)
C-34693	Henry Montgomery (Retro. Adj.)
C-34849	Roy Hopgood, Jr. (Retro. Adj.)
C-34918	Rauni Nurmi (Retro. Adj.)
C-35020	Howard W. Russell (Retro. Adj.)
C-35219	Irene Scasny (Add'l. Contri. taken)
C-35847	Donald J. Stanford (Retro. Adj.)
C-35908	Rufino Cruz (Retro. Adj.)
C-36155	Danny A. Serdynski (Add'l. Contri. taken)
C-36468	Christopher W. Manske (Retro. Adj.)
C-36537	J. C. Washington (Retro. Adj.)
C-36570	John L. Perry (Retro. Adj.)
C-33957	Richard S. Terrill
C-34521	Barbara J. Hamann

Total \$ 6,572.69

GRAND TOTAL \$31,017.78