

October 27, 1971

A regular meeting of the Employees Retirement System was held on Wednesday, October 27, 1971, at the City Hall. The meeting was called to order at 8:15 a.m.

Present: Carlos W. Lynch, Chairman
Kenneth Courtney
John Donovan
Frank Gerstenecker
Robert Inch

Minutes, July 28, 1971

The minutes of the regular meeting of July 28, 1971 were approved and placed on file.

Financial Report

The financial report was accepted and placed on file.

Ordinance Revision

Resolution: #71-14
Moved by Donovan
Supported by Gerstenecker

RESOLVED, That the Board recommend that the City Commission adopt the attached ordinance which gives full service credit for all prior service.

Yeas: All-5

Number of Board Members

The Board discussed the possibility of changing the number of members on the Board.

Resolution: #71-15
Moved by Gerstenecker
Supported by Inch

RESOLVED, That the item be tabled until the next meeting.

Yeas: Gerstenecker, Inch, Lynch
Nays: Courtney, Donovan

Retirement #8 - Merritt Hill

Resolution: #71-16

Moved by Gerstenecker

Supported by Donovan

RESOLVED, That the retirement of Merritt C. Hill shall be effective November 1, 1971, and the monthly allowance shall be paid on the last day of the month.

Yeas: All-5

The meeting was adjourned at 8:50 a.m.

An Ordinance to amend Chapter 10, Title I, of the Code of the City of Troy.

The City of Troy ordains:

Section 1: Short Title

This Ordinance shall be known and may be cited as the _____ amendment to Chapter 10, Title I, of the Code of the City of Troy.

Section 2.

Section 1(j) is hereby repealed.

Section 3.

Section 1(k) is hereby repealed.

Section 4.

Section 1(l) is hereby amended to read as follows:

1.(1) "Credited service" means the total of a member's service, to the extent such service is credited him by the Board of Trustees in accordance with the provisions of this Chapter.

Section 5.

This Ordinance shall become effective ten (10) days from the date hereof or upon publication, whichever shall later occur.

This Ordinance is enacted by the Commission of the City of Troy, Oakland County, Michigan, at a regular meeting of the City Commission held at City Hall, 500 West Big Beaver, Troy, Michigan, on the _____ day of _____ 1971.

Jule R. Famularo, Mayor

Kenneth L. Courtney, Clerk

CITY OF TROY

EMPLOYEES RETIREMENT SYSTEM

BALANCE SHEET as of September 30, 1971

Assets

Cash Troy National Bank	\$ 25,491.04
Cash - Brokers Account	1,568.94
Corporate Bonds	860,637.43
Value Line Special Situation Fund	4,000.00
Investors Diversified Services Fund	1,600.00
Common Stock	170,109.25
Preferred Stock	75,788.55
Purchased Interest Receivable	535.58
Total Assets	<u>\$1,139,730.79</u>

Liabilities & Reserves

Pension Reserve Fund	\$ 609,864.20
Members Deposit Fund	373,504.13
Retirement Reserve Fund	156,362.46
Total Liabilities & Reserves	<u>\$1,139,730.79</u>

COMMON STOCK

INVESTMENT LIMIT

5% of total assets	\$56,986.54
Add: 1970-71 Balance	3,418.66
	<u>\$60,405.20</u>
Less: 1971-72 Purchases	54,781.29
Available	<u>\$ 5,623.91</u>

CITY OF TROY
EMPLOYEES RETIREMENT SYSTEM
FUND ACTIVITY

July thru September, 1971

	<u>Deposit</u>	<u>Withdrawal</u>	<u>Balance</u>
Balance 7/ 1/71			\$ 50,015.12
Employees contributions	\$ 9,840.46		
City's contribution	11,000.00		
Interest and dividends received	1,672.45		
Purchase of investments		\$ 200.00	
Members terminated (3)		3,296.40	
Retirement allowance (7)		860.39	
Balance 7/31/71			68,171.24
Employees contributions	9,756.62		
City's contribution	13,704.68		
Interest and dividends received	3,187.52		
Purchase of investments		54,381.29	
Members terminated (3)		1,932.16	
Retirement allowance (7)		860.39	
Balance 8/31/71			37,646.22
Employees contributions	10,434.33		
City's contribution	16,549.07		
Interest and dividends received	3,490.75		
Purchase of investments		40,200.00	
Retirement allowance (7)		860.39	
Balance 9/30/71			\$ 27,059.98

SUMMARY OF FUND ACTIVITY

January thru September, 1971

	<u>Deposit</u>	<u>Withdrawal</u>	<u>Balance</u>
Balance 1/ 1/71			\$ 14,485.46
Employees contributions	\$ 92,808.77		
City's contribution	130,957.24		
Interest and dividends received	41,388.54		
Investments sold	100,096.91		
Purchase of investments		\$325,602.29	
Purchased interest		535.58	
Actuarial services		640.00	
Employees terminated (24)		18,155.56	
Retirement allowance (7)		7,743.51	
Balance 9/30/71			\$ 27,059.98

CITY OF TROY
EMPLOYEES RETIREMENT SYSTEM
INVESTMENTS

October 6, 1971

Common Stock

<u>Qty.</u>		<u>Last Purchase</u>	<u>Yield</u>	<u>Book Value</u>
202	American Cyanamid	7/28/71	3.11%	\$ 8,106.26
330	American Telephone & Telegraph	7/28/71	5.38	15,940.52
100	Campbell Soup Co.	4/23/68	3.62	3,034.00
160	Commonwealth Edison	7/28/71	5.34	6,588.71
656	Detroit Edison Co.	7/28/71	6.66	13,772.44
50	Eastman Kodak	10/22/69	1.67	3,936.50
300	Hammermill Paper Co.	8/19/70	4.72	6,348.04
53	International Business Machines	7/28/71	.90	17,262.25
270	Kraftco Co.	8/19/70	4.36	10,506.93
700	Mid-Continental Telephone	10/30/70	5.36	11,488.72
200	Nabisco	8/19/70	4.54	9,675.88
200	Pfizer	8/19/70	2.17	5,982.50
100	Reynolds Industries	8/19/70	5.77	4,154.50
200	Sears Roebuck & Co.	7/28/71	1.80	15,521.06
200	Sherwin Williams	8/19/70	4.37	9,145.85
62	Xerox	3/20/70	.78	5,933.01
100	Central Illinois Public Service	7/28/71	6.27	1,913.63
100	Central Maine Power	7/28/71	6.31	1,900.95
100	ExCell-o	7/28/71	6.48	1,926.32
100	Kresge	7/28/71	.05	9,037.98
300	Niagara Mohawk Power	7/28/71	6.60	4,921.89
100	U.S. Steel	7/28/71	7.96	3,011.31
				<u>\$170,109.25</u>

Preferred Stock

191	Consolidated Edison - 6.00	3/20/70	6.34	\$ 18,057.17
42	Gulf & Western - 3.87 1/2	3/ 3/69	4.90	3,256.62
50	International Tel & Tel-Series J	5/ 1/68	3.96	5,042.00
50	Standard Oil of Ohio - 4	7/25/68	3.90	5,117.23
100	Stauffer Chemical - 1.80	7/25/68	4.17	4,315.53
400	Central Illinois Public Service	9/17/71	8.08	40,000.00
				<u>\$ 75,788.55</u>

CITY OF TROY
EMPLOYEES RETIREMENT SYSTEM INVESTMENTS
CORPORATE BONDS

October 6, 1971

<u>QTY.</u>		<u>PURCHASE</u> <u>DATE</u>	<u>YIELD</u>	<u>BOOK VALUE</u>	<u>MATURITY</u> <u>DATE</u>
5	Raybestos-Manhattan Inc.	7/ 6/70	10.87%	\$ 5,000.00	6/15/75
5	Michigan Consolidated Gas Co.	8/ 1/67	6.32	4,428.03	8/ 1/76
10	Beneficial Corp.	11/11/70	8.50	10,000.00	11/15/76
50	Avco Financial Ser. Inc.	5/ 6/71	9.00	49,715.00	4/15/77
4	Motorola, Inc. 4 3/4% Debentures	11/ 2/65	4.71	4,015.83	4/ 1/86
10	Michigan Wisconsin Pipe Line Co.	5/ 6/66	5.65	10,091.79	4/15/86
15	Natural Gas Pipeline Co.	9/ 7/66	6.34	14,872.96	9/ 1/86
25	Pan American World Airways	11/ 2/70	11.25	25,000.00	10/29/86
10	Natural Gas Pipeline Co.	1/ 2/68	6.84	9,908.39	8/ 1/87
10	Montgomery Ward	9/25/67	6.50	10,000.00	9/15/87
15	Trunkline Gas Co.	1/30/68	6.75	15,000.00	10/ 1/87
20	Montgomery Ward Credit Corp.	7/ 2/68	7.37	20,000.00	6/15/88
20	American Airlines	9/28/70	10.87	20,000.00	12/ 1/88
10	Arkansas Louisiana Gas	7/30/69	8.07	10,000.00	7/ 1/89
10	Michigan Wisconsin Pipe Line Co.	7/ 8/69	8.12	10,000.00	7/ 1/89
10	Tenneco	9/22/69	8.75	10,000.00	9/ 1/89
10	Panhandle Eastern Pipeline	9/29/69	8.65	9,975.72	10/ 1/89
10	May Dept. Store Credit Corp.	12/ 1/69	9.00	10,000.00	11/15/89
10	Michigan Wisconsin Pipeline	3/16/70	9.25	10,000.00	3/15/90
20	Kohler Co.	6/15/70	10.50	20,000.00	6/ 1/90
20	Avco Delta Corp.	7/13/70	11.00	20,000.00	6/15/90
50	Midland Enterprises	5/12/71	8.93	49,750.00	5/ 1/91
25	Grolier Incorporated	5/26/71	9.50	25,000.00	6/ 1/91
10	Michigan Consolidated Gas	12/ 5/68	7.25	10,275.38	6/ 1/93
10	Columbia Gas System	10/18/68	7.10	9,878.68	10/ 1/93
5	Columbia Gas System	10/ 8/69	8.95	5,024.44	10/ 1/94
15	North Shores Gas Co.	2/11/70	9.50	15,000.00	2/ 1/95
10	General Telephone of California	4/30/65	4.50	10,000.00	3/ 1/95
50	Jones & Laughlin Steel Co.	6/ 4/70	11.18	44,730.29	4/ 1/95
15	S. S. Kresge Co.	4/10/70	5.00	15,000.00	4/15/95
25	Elizabethtown Gas Co.	11/ 9/70	9.50	25,000.00	10/ 1/95
16	Ohio Power Co. Debentures	2/21/66	5.11	16,007.73	1/ 1/96
50	National Can Corp.	5/12/71	8.42	49,750.00	5/ 1/96
10	Metropolitan Edison Co.	7/28/66	5.70	10,071.02	6/ 1/96
10	Jersey Central Power & Light Co.	8/18/66	5.98	10,154.40	8/ 1/96
14	Alabama Power Co. 1st Mtg.	10/31/66	6.20	14,068.72	10/ 1/96
10	Detroit Edison Co.	1/30/67	5.59	10,547.35	12/ 1/96
10	New England Power Co.	12/20/66	6.07	10,376.88	12/ 1/96
10	Louisiana Power & Light Co.	2/27/67	5.60	10,008.65	2/ 1/97
10	Arkansas Power & Light Co.	5/ 1/67	5.73	10,185.29	3/ 1/97
10	Blackstone Valley Electric Co.	6/22/67	6.35	10,187.65	6/ 1/97
15	Ohio Power Co.	8/21/67	6.45	15,306.84	8/ 1/97
10	Alabama Power Co.	10/11/67	6.50	10,000.00	10/ 1/97
10	West Penn. Power Co.	10/20/67	6.90	10,120.80	11/ 1/97
10	Potomac Edison Co.	4/26/68	7.00	10,000.00	4/ 1/98
10	Atlantic City Electric	5/21/68	7.12	10,148.99	5/ 1/98

EMPLOYEES RETIREMENT SYSTEM INVESTMENTS cont'd

<u>QTY.</u>		<u>PURCHASE DATE</u>	<u>YIELD</u>	<u>BOOK VALUE</u>	<u>MATURITY DATE</u>
10	American Telephone & Telegraph	9/13/65	4.62%	\$ 10,205.58	6/ 1/98
10	Consolidated Edison of New York	10/14/68	6.85	10,000.00	10/ 1/98
10	Alabama Power Co.	11/ 4/68	7.00	10,000.00	11/ 1/98
20	General Telephone Co. of Calif.	3/ 3/69	7.23	19,757.87	12/ 1/98
10	Western Mass. Electric Co.	1/ 6/69	7.34	10,035.77	12/ 1/98
20	Ohio Power Co. Debentures	4/28/69	7.61	20,583.58	3/ 1/99
10	Consolidated Edison of New York	3/24/69	7.90	10,000.00	4/ 1/99
10	Interstate Power Co.	5/26/69	7.65	10,107.55	5/ 1/99
10	Metropolitan Edison Co.	9/ 2/69	8.17	9,933.59	8/ 1/99
10	Wisconsin Michigan Power Co.	9/29/69	8.45	10,013.03	9/15/99
10	Central Louisiana Electric	2/ 2/70	9.00	10,128.08	1/ 1/00
10	Empire District Electric Co.	5/12/70	9.50	10,000.00	5/ 1/00
.3	American Telephone & Telegraph	5/15/70	8.75	300.00	5/15/00
5	Bell Telephone Co. of Penn.	4/25/68	6.75	5,000.00	5/ 1/08

Total

\$860,665.88

Average Yield

Common Stock 3.85%

Preferred Stock 6.74

Bonds 8.09
7.35%