

600
0 Budget
& Finance

38 2



REPORT OF

Oakland County Employees'

Retirement System

for

Years 1965 and 1966

Estimate Your Retirement Allowance —

See Page 5

R-OCDOC
HQ
1064
.02
1965-66

HQ
1064
.02
1965466

COUNTY OF OAKLAND
EMPLOYEES' RETIREMENT SYSTEM

RETIREMENT COMMISSION

1965 - 1966

EMPLOYEE MEMBERS (3 members):

Howard V. Rummell
Drain Commissioner's Office
(Term expires December 31, 1967)

Donald K. Kratt
Sheriff's Department
(Term expires December 31, 1968)

James W. Hunt
Probate - Juvenile Division
(Term expires December 31, 1970)

MEMBERS BY VIRTUE OF THEIR OFFICE:

Delos Hamlin
Chairman -- Board of Supervisors

David Levinson
Chairman -- Ways and Means Committee

Daniel T. Murphy
Chairman -- Board of Auditors

CITIZEN MEMBER: Appointed by Board of Supervisors

Lyle Baker, Clawson, Michigan -- Commission Chairman 1965-66
(Term expires December 31, 1969)

EXECUTIVE SECRETARY

Robert E. Lilly

Secretary Member -- Board of Auditors

ATTORNEY

Robert P. Allen
Corporation Counsel

TREASURER

James E. Seeterlin
County Treasurer

REFERENCE BOOK
For Room Use Only

RETIREMENT ROLL

Oakland County Roll of Retirants and Beneficiaries

Active

S. Lee Pack	1946	Lloyd L. Olmsted	1958
Emma Shortway	1949	Grace M. Hulet	"
Ida Wendt	1950	Frank L. Vierk	"
Susie Hoyt	1951	Florence J. Allen	"
E. K. Thomas	1952	Georgiena Murtha	"
Edward Aaron	"	Henrietta Fairchild	"
James Harkless	"	Ethel U. Taylor	"
Ann Partridge	"	Blossom Merritt	"
Mable Tuck	"	Annie Balmforth	"
Bernice Siple	"	Lillie L. Stevenson	1959
Clyde Underwood	1953	Mae F. Burt	"
Lula McClellan	"	Madeleine Goodrich	"
Fern Griffeth	"	Ward J. Heath	"
Rosena Hummel	"	Eva C. Lick	"
Alma Hogle	"	Ruth E. Harboldt	"
Lola Parkins	"	Loura L. Leudenburg	"
Clara Kleinschmidt	"	Mary B. Bergin	"
Goldie Masters	"	Mabel Spence	"
Olive Russel	"	Martha Johnson	"
Mable Aikens Stinson	"	Milton Hill	"
Donald Johnston	"	Mayme Stearns	"
Olive Summers	"	Florence Himes	"
Myrtle Wertz	"	Doratheia Daniell	1960
Blanche Collins	1955	Fred S. Galloway	"
Sarah Close	"	Lee O. Brooks	"
Roena R. Morrison	"	Alice Looney	"
Ruth Windiate Underwood	"	Tressa Slagle	"
Ethel Anderson	"	John Stan	"
Martha McLarty	1956	Meta McClroy	"
Gertrude F. Arthur	"	Wesley Collison	"
Pearl F. Dahon	"	Marjorie Rebtoy	"
Leon F. Hill	"	Florence Doty	"
Florence E. Cobb	"	Martha M. Covert	"
Nettie Buss	"	Stonney T. Clasman	"
Hazel Cambrey	"	Alice L. Wuelfing	"
Bessie Lamson	"	Lena E. Fawcett	"
Albert Whatson	1957	Wellington D. Aikens	"
Mildred E. Salaske	"	Alma Goll	"
Linda Sutton	"	Gladys E. LaBair	"
Edna Vierk	"	Goldye Peck	"
Helen Christy	"	Julia Walker	1961
Emma T. Mazingo	"	Mary Turton	"
Elva A. Pierson	"	Helen C. Fallon	"
Clara Smith Haywood	"	Bonnie McMeans	"
Sara M. Redman	"	William H. Carsen	"
Maude A. Keller	"	Elsie V. Scott	"
Goldie Earle	1958	Evelyn Sawyer	"
Arthur Turton	"	Helen V. Smith	"

Ione B. Doig	1961	Jabez M. Richens	1965
Caroline G. Miller	"	Eva M. Wright	"
Wilma E. McLaughlin	"	Ivy M. Dedlie	"
John Slankard	"	Regina A. Bradford	"
Eugene W. Barber	"	William H. Scott	"
Ann M. Rust	"	Helen M. Strehle	"
Donald C. Noggle	"	Valarie L. Coxen	"
Lynn F. Webber	"	Irene R. Wagner	"
Florence E. Cooney	"	Hobert F. Denton	"
Harold Ballard	"	Anna L. Glency	"
Floyd Fawcett	"	Margery Frye	"
Aura Tabor	"	John T. Foran	"
Leah Martin	"	Eula K. Gibson	"
L. Harvey Lodge	"	Pauline Harding	"
Maude Foss	"	James T. Cheng, M.D.	"
Clare L. Hubbell	"	Violet Hallett	"
Mae Hamlett	1963	Magdalene Schwalm	"
Blanche Beaman	"	Dorothy H. Lowe	"
Helen K. Topp	"	Harvey J. Toles	"
Wilma Burbridge	"	Edith Bandeen	"
Flora A. Ardelan	"	Frances Capucille	"
Signe Magnusson	"	Marion Powers	"
William B. Grabendike	"	Clarissa M. Lyle	"
Thomas D. Sawyer	"	John A. White	"
Ida M. Mouser	"	Wanda Hartwick	"
Everett S. Capron	"	Beatrice I. Sparks	"
William E. Forbis	"	Anyce D. Gillette	"
Mary O'Leary	"	Francella Hightower	"
Zaron D. Hargraves	"	Emma Schnell	"
Norma R. Clasman	"	Thomas J. Leonard	"
Herbert C. Huebner	"	Hazel F. Barr	"
Anne B. McCleary	"	Ella M. Loseman	"
Mary A. Monroe	"	Jessie R. Knowles	"
Nellie Sheffield	"	John C. Austin	1966
Emma Rathbun	1964	Hazel G. Ward	"
James T. Eatmon	"	Lucile M. Kline	"
Beatrice Pearson	"	Isaure M. Mitchell	"
John S. Lambie	"	Ellen B. Rees	"
George F. Taylor	"	Edwin C. Sage, Jr.	"
Lillie A. Nelson	"	Ethel B. Koch	"
Arthur Loth	"	Roxie M. Merritt	"
Mary N. Rood	"	Eugene A. Gump	"
Onalee E. Whipple	"	Ethel L. Smith	"
Edna Cooper	"	Richard J. Betzing	"
Evelyn M. Riesing	"	Robert J. Evans	"
Gertrude A. Blonde	"	Walter C. Tanner	"
Mae E. Larsen	"	Rose Boyd	"
Evelyn E. Joyner	"	Erma MacDonald	"
Herby F. Boice	"	Ruby E. Hopewell	"
Gladys J. Hains	"	Derwin Heller	"
Rosie F. Gray	"	Ida Heacock	"
Nellie H. Sheffield	"	Grace Shelton	"
Mazie F. Burt	"	Mildred Bartkowiak	"
Lillian Moore	"	Myrtle I. Nutt	"

Jacob R. Crabtree	1966
Mildred L. Nelson	"
Rachel Phillips	"
Chris D. Christie, D.D.S.	"

In Memoriam

Olive B. Rauch	2-4-65
Elmo McKinley	3-28-65
Jessie Brann	5-16-65
Elmer McQuern	7-10-65
Horace Rofe	10-16-65
Mayme L. Cornell	11-5-65
Leonard Schnell	11-8-65
Alfred J. Ryder	11-30-65
Augusta C. Conine	11-30-65

G. Edson Hallock	1-14-66
Pierre T. Halfpenny	1-25-66
Laura H. Brown	2-18-66
Mary L. Inman	4-27-66
Leah Loew	5-27-66
Beatrice G. Heller	6-13-66
James C. O'Connor	8-13-66
Luther Heacock	8-31-66
Carl A. Maynard	11-25-66
Marguerite Mellem	11-27-66
Francella Hightower	12-31-66

YOUR RETIREMENT ALLOWANCE

The County Retirement Plan provides for monthly allowances upon retirement from County Service for Life of the Retirant, based on years of service and final average compensation. Minimum qualifications are age 60 with ten years of service. Eight years will qualify for a deferred pension. Service time beyond age 70.

The Plan provides, at the option of the retirant, for proportionately reduced allowances to cover his selected beneficiary for the life of the beneficiary in addition to his own.

Federal Social Security benefits are over and in addition to the County retirement allowance.

Examples of coordinated County and Social Security benefits can be found on the adjacent table. For those who wish to more accurately estimate their future benefits the outline below can be utilized.

Step 1. AGE OF RETIREMENT:

Set down the age at which you expect to retire bearing in mind benefits cannot be paid before age 60.

Your Answer

(B) Multiply your estimated FAC (Step 3) in excess of \$4200 by .015.

Your Answer

(C) Add (A) and (B).

Your Answer

Step 2. SERVICE TIME:

Set down the total number of years you expect to have worked for the County by the time you have set for retirement. *

Your Answer

(D) Multiply (C) by your estimated service time (Step 2). This is your annual Service Retirement Allowance.

Your Answer

Step 3. FINAL AVERAGE COMPENSATION:

Estimate your average annual compensation for the highest consecutive five years of your last ten years of service. If you are close to retirement age this will not be too difficult. If you are younger you can use your present annual salary allowing for such future increases as you feel can be reasonably expected by the time you have set for retirement.

Your Answer

(E) For your monthly retirement allowance divide (D) by 12.

Your Answer

Step 5. MONTHLY RETIREMENT ALLOWANCE UNDER OASI:

Consult your Social Security Booklet available at your local Social Security Office. These contain simplified charts for estimating your current OASI benefits.

Your Answer

Step 4. COMPUTATION OF REGULAR SERVICE RETIREMENT ALLOWANCE:

(A) Multiply your estimated FAC (Step 3) up to \$4200 by .01.

Your Answer

Step 6. OVERALL MONTHLY RETIREMENT ALLOWANCE:

Add answers under Step 4 (E) and Step 5 above.

Your Answer

* No years counted after age 70.

ANNUAL COORDINATED BENEFIT TABLE

F.A.C.*		10 Years	15 Years	20 years	25 Years	30 Years
A.E. **						
\$ 4,000	C.P.	\$ 400	\$ 600	\$ 800	\$ 1,000	\$ 1,200
	S.S.***	1,440	1,440	1,440	1,440	1,440
	Total	1,840	2,040	2,240	2,440	2,640
5,000	C.P.	540	810	1,080	1,350	1,620
	S.S.	1,704	1,704	1,704	1,704	1,704
	Total	2,244	2,514	2,784	3,054	3,324
6,000	C.P.	690	1,035	1,380	1,725	2,070
	S.S.	1,884	1,884	1,884	1,884	1,884
	Total	2,574	2,919	3,264	3,609	3,954
7,000	C.P.	840	1,260	1,680	2,100	2,520
	S.S.	2,016	2,016	2,016	2,016	2,016
	Total	2,856	3,276	3,696	4,116	4,536
8,000	C.P.	990	1,485	1,980	2,475	2,970
	S.S.	2,016	2,016	2,016	2,016	2,016
	Total	3,006	3,501	3,996	4,491	4,986
9,000	C.P.	1,140	1,710	2,280	2,850	3,420
	S.S.	2,016	2,016	2,016	2,016	2,016
	Total	3,156	3,726	4,296	4,866	5,436
10,000	C.P.	1,290	1,935	2,580	3,225	3,870
	S.S.	2,016	2,016	2,016	2,016	2,016
	Total	3,306	3,951	4,596	5,241	5,886
12,000	C.P.	1,590	2,385	3,180	3,975	4,770
	S.S.	2,016	2,016	2,016	2,016	2,016
	Total	3,606	4,401	5,196	5,991	6,786
14,000	C.P.	1,890	2,835	3,780	4,725	5,670
	S.S.	2,016	2,016	2,016	2,016	2,016
	Total	3,906	4,851	5,796	6,741	7,686
16,000	C.P.	2,190	3,285	4,380	5,475	6,570
	S.S.	2,016	2,016	2,016	2,016	2,016
	Total	4,206	5,301	6,396	7,491	8,586
20,000	C.P.	2,790	4,185	5,580	6,976	8,370
	S.S.	2,016	2,016	2,016	2,016	2,016
	Total	4,806	6,201	7,596	8,991	10,386
25,000	C.P.	3,540	5,310	7,080	8,850	10,620
	S.S.	2,016	2,016	2,016	2,016	2,016
	Total	5,556	7,326	9,096	10,866	12,636
30,000	C.P.	4,290	6,435	8,580	10,725	12,870
	S.S.	2,016	2,016	2,016	2,016	2,016
	Total	6,306	8,451	10,596	12,741	14,886

*F.A.C.-Final Average Compensation. Average of highest 5 consecutive years in last 10 years of service.

*A.E. -Average of salaries since 1950 not to exceed applicable Social Security maximum with provision for dropping out 5 years of low or no salaries.

*C.P. -County pension for monthly retirement allowance divided by 12.

*S.S. -Social Security benefit-Additional benefit for wife of 50% of his benefit not included in benefit shown.

FOREWARD

The following report covering the operations of the Oakland County Employees Retirement System for the two year period of 1965 and 1966 is submitted pursuant to Section 14 of the Retirement Plan. Complete financial reports are detailed in the 1965 and 1966 Financial Reports of the County of Oakland prepared by the County Board of Auditors.

The Annual Reports of the Actuary through June 30, 1965 are on file with the State of Michigan and with the Secretary of the County Retirement System. All reports required by the State Pension Committee for these periods have been filed with that Body.

ACTIVITY REVIEW

Mr. Lyle Baker served as Chairman and Mr. Delos Hamlin as Vice Chairman of the Retirement Commission for both 1965 and 1966. Mr. Donald Kratt was elected December, 1964 as Employee Commissioner for a four year term effective January 1, 1965. In December, 1966 Mr. James W. Hunt was re-elected Employee Commissioner to a new four year term effective January 1, 1966.

The Annual Retirement, Service Award, and Credit Union Banquet for 1965 was held at Pine Knob, March 31st. 23 Retirants were presented Certificates of Retirement at the affair. At the 1966 Banquet held March 7th at the Pontiac Elks Lodge an additional 32 Retirants were similarly honored.

In addition to regular business and consideration of Investment of Retirement Funds, principal activities of your Commission during 1965 were as follows:

1. A recommendation for a study to provide a suitable merit system for County Employees. Such a plan placed on the ballot by the Board of Supervisors was adopted in 1966.
2. A review of the election procedures for employee commissioners was undertaken. The period for casting ballots was liberalized; and, by an advisory vote of the members, 332 to 142, the idea of a primary vote was rejected in favor of the present method of election.
3. Adoption of new policies resolving conflicts between the language of the Retirement Act and the State Veterans Act regarding crediting of service time for members returning from the Armed Service.
4. Preliminary studies were initiated toward facilitating procedures for the handling of stocks and bonds purchases and for the better investment of retirement funds on a temporary basis pending purchase of such securities.
5. During 1965 the Commission approved 35 Retirement Applications, extended 31 members over age 65 in service for periods up to one year and approved one application for prior service.

RETIRANTS AND BENEFICIARIES

Thirty-two (32) members and three (3) beneficiaries with annual benefits of \$35,936.88 were added to the Retirement rolls during 1965. Twenty-one (21) members and four (4) beneficiaries were added in 1966. All but one of these qualified under Social Security in addition to their County benefits. One was retired under the old benefit formula in effect prior to the adoption of Social Security and two (2) were retired with disability pension benefits.

During the two year period nineteen (19) retirants were dropped from the rolls on account of death, leaving 208 retirants and beneficiaries on the rolls as of December 31, 1966. Of these, 143 were drawing regular service allowances, thirty-five (35) Option A (Full Survivorship), eighteen (18) Option B (Modified Survivorship) and twelve (12) ordinary death benefits. Benefits paid for 1965 totaled \$179,141.90; for 1966, \$211,006.73.

SOCIAL SECURITY

Employee Social Security (F.I.C.A.) taxes paid for 1965 were \$241,038.81; for 1966, \$331,510.94. This amount was matched by the County through employer Social Security Taxes. In addition the County paid the State of Michigan \$500 each year for their costs in administering this program.

GROUP LIFE INSURANCE

As of December 31, 1966, 1,519 members and retirants were covered under the Group Life Insurance Plan, underwritten by the Aetna Life Insurance Co..

A Summary of the Maximum Benefits payable under this plan is shown below.

For Employees Under Age 70

<u>Classification Rate of Annual Earnings</u>	<u>Amount of Insurance</u>	<u>Employee's Monthly Contribution</u>
Less than \$4,000	\$2,500	\$3.25
\$4,000 to \$7,500	3,500	4.55
\$7,500 to \$10,000	4,500	5.85
\$10,000 and over	6,000	7.80

Increases in insurance will become effective on the July 1 coinciding with or next following an increase in earnings which results in a change of classification.

For Employees Age 70 and Over

<u>Years of Service</u>	<u>Amount of Insurance</u>	<u>Employee's Monthly Contribution</u>
Less than 10 years	\$1,000	\$1.30
10 but less than 20 years	25% of amount insured just prior to age 70 but not less than \$1,500	for each \$1,000 of Life Insurance
20 years and over	50% of amount insured just prior to age 70 but not less than \$1,500	

1966 Activities included:

1. A series of evaluation studies of Retirement and Benefit provisions of the present Retirement Plan for possible improvements, costs involved and comparisons with other public employee plans.
2. Guide lines were established and policy recommended that the County pay for Federal Medicare coverage for eligible members and spouses and that such coverage be supplemented by modified Blue Cross coverage. This policy was adopted by the Board of Supervisors at the time of adoption of the 1967 Final Budget.
3. Approval of a new servicing agreement with Detroit Bank & Trust, Investment Councilors for the Retirement System, providing for better procedures in the handling of investment transactions. This agreement provides for the day to day investment of retirement funds pending purchase of regular investment securities, for the safekeeping of securities and new procedures for the purchase of stocks on a practical basis. These procedures have been reviewed and approved by the County Treasurer, County Corporation Counsel, the Accounting Department of the Board of Auditors and the Auditor General's Office of the State of Michigan.
4. Approval in June of our first purchase of Common Stocks. These are restricted by State Law as to quality and amount not to exceed a total of 10% of total investment portfolio, nor more than 3% a year. Approximately \$164,000 of Common Stocks were purchased during 1966.
5. A proposal for the purchase of conventional real estate mortgages on a service basis with a local bank was studied but rejected on advice of Corporation Counsel and Investment Counsel.
6. Review and approval in principal of the recommendations of investment counsel for 1967 investment, including consideration of purchase of not to exceed \$250,000 of F.H.A. mortgages with expected yields of 6.4%; bringing common stock purchases to statutory limits of 6% for the two year period; the sale of certain F.H.A. housing securities and investment of the balance of funds in high grade bonds. Immediate effect was given to the purchase of \$150,000 of high grade bonds and the purchase of approximately \$60,000 of Common Stocks.
7. During the year the Commission approved 25 Retirement Applications; extended 27 members over age 65 in service for periods up to one year and approved one application for prior service.

MEMBERSHIP

Total membership as of December 31, 1966 was 1,693, an increase of 40 members for the two year period. These were classified as follows:

	<u>1964</u>	<u>1965</u>	<u>1966</u>
Active	1,440	1,379	1,412
Inactive	46	78	73
Retirants and Beneficiaries	<u>167</u>	<u>193</u>	<u>208</u>
	1,653	1,650	1,693

Policy coverage as of December 31, 1966:

<u>Members</u>	<u>No. on Non-Pay Status</u>	<u>Retirants</u>
108 @ \$6,000 each	4 @ \$3,500 each	5 @ \$6,000 each
162 @ 4,500 each	1 @ 2,500 each	5 @ 4,500 each
966 @ 3,500 each	1 @ 1,000 each	39 @ 3,500 each
104 @ 2,500 each	6	3 @ 3,000 each
3 @ 1,500 each		23 @ 2,500 each
<u>30 @ 1,000 each</u>		1 @ 2,250 each
1,373		4 @ 1,750 each
		11 @ 1,500 each
		24 @ 1,000 each
		<u>25 @ 500 each</u>
		140

Nineteen (19) death claims totaling \$62,000 were paid during 1965. During 1966, sixteen (16) claims totaling \$41,500 were paid.

Employee premiums for 1965 were \$75,501.46; for 1966, \$76,703.61. These premiums went to the purchase of paid-up insurance coverage for the respective members. For the same two year period the County paid \$88,408.13 for the term insurance necessary to bring the total coverage up to the full face value of the respective individual policies.

HOSPITALIZATION

Membership in the County Hospitalization Plan written by Blue Cross - Blue Shield on December 31, 1966 totaled 1,234 members. This membership included 175 retirants of the County Retirement System and 1,059 Active Members. Of the active membership 628 were in a family or two person contract and 399 on a single person contract.

Total premiums for 1965 were \$286,653.57; for 1966, \$288,568.65. Of these total premiums employees and retirants paid \$116,052.04 in 1965 and \$116,504.91 in 1966; the County cost for the two years was \$170,601.49 and \$172,063.74.

During 1965 and 1966 the County participated in the Group Hospitalization Plan for employees and retirants on the following basis. One cent (1¢) less than the single person rate or one-half (1/2) of the total family premium, whichever was greater.

MEDICARE: In addition to participation in the Blue Cross - Blue Shield plan, the County effective July 1, 1966 instituted a policy of reimbursement for all eligible employees, retirants and their spouses for Medicare premiums upon proof of coverage and payment.

FINANCIAL STATUS

A complete financial report is published in the Auditors 1965 and 1966 Annual Financial Report on file in that office and therefore only those statements of general interest are herein set forth.

ASSETS AND LIABILITIES: (Schedule A) - The assets of the system on

December 31, 1966 were \$6,687,774.10. These included investments of \$6,599,966.07 and cash on hand of \$35,444.77.

SOURCE AND APPLICATION OF FUNDS: (Schedule B) - The Commission, during 1965, had total receipts of \$1,144,044.97, disbursed \$1,007,850.16 and had a cash balance on hand December 31, 1965 of \$192,720.47. For 1966 total receipts were \$2,128,296.47; disbursements \$2,285,572.17 and cash on hand as of December 31, 1966, \$35,444.77. Receipts were from three (3) general sources: employer contributions (General County, County Road Commission and Southeastern), contributions of employee members and earnings on investments. Additional sources of revenue were the gradual repayment of principal on F.H.A. mortgages and the liquidation of matured investments.

Disbursements are accounted for in the payment of retirement allowances, refunds, and the purchase of new investments for the Retirement System.

INVESTMENT OF FUNDS: (Schedule C, C-1, D, D-1) - During 1965 the Commission made new investments of \$756,138.62 and \$267,552.66 of the investment portfolio was liquidated. During 1966 new investments purchased were \$1,946,297.77; investments liquidated were \$1,117,704.68. Schedule C indicates the type, and percentage by type, of investments held by the fund.

Net earnings on investments for 1965 were \$257,971.01; for 1966 \$288,844.92, (Schedule D).

EMPLOYEE SAVINGS: (Schedule E) - Employee contributions to the Retirement Plan are 3% on the first \$4,200 of salary and 5% on that portion of their salary over \$4,200. During 1965 employee members contributed \$321,899.54; for 1966 \$339,156.22. Regular interest earnings of \$45,496.99 were credited to the respective employees savings funds for 1965 and \$49,820.00 for 1966. The total balance in the members savings accounts as of December 31, 1966 was \$2,020,908.52. During 1965 members leaving County service withdrew \$153,259.87 of accumulated contributions; during 1966, \$111,703.71.

COUNTY CONTRIBUTIONS: (Schedule F) - The combined employer contributions are presented in Schedule F. These totaled \$378,229.50 for 1965 and \$404,126.52 for 1966. After adjustments, the County Pension Reserve Fund at the end of the year was \$2,053,516.32.

As computed by the Actuary, the percentage payroll costs of employer contributions for 1965 and 1966 were:

	<u>1965</u>		
	<u>General County</u>	<u>S.O.C.S.D.S.</u>	<u>Road Commission</u>
*1st \$4,200	4.82 %	3.66 %	4.58 %
*Over \$4,200	7.24	5.50	6.88
Weighted Average	5.37	4.25	5.91
	<u>1966</u>		
*1st \$4,200	4.83	3.09	4.70
*Over \$4,200	7.25	4.64	7.06
Weighted Average	5.46	3.57	6.11

*The County pays the regular Social Security taxes on the 1st \$4,800 of County salaries in addition to the percentages here shown.

The Actuary's report if for the periods ending June, 1965 and June, 1966 state that the financing of the Retirement System complies with the provisions of Act. No. 280 of the Public Acts of 1957.

SCHEDULE A

Oakland County Employees' Retirement System
 Comparative Balance Sheet
 December 31, 1966 and 1965

<u>ASSETS</u>	December <u>31, 1966</u>	December <u>31, 1965</u>	Increase or <u>Decrease*</u>
Cash in Depository	\$ 35,444.77	\$ 192,720.47	\$ 157,275.70*
Accounts Receivable	\$ 395.94	\$ 1.14	\$ 394.80
Investments	\$6,599,966.07	\$5,771,372.98	\$ 828,593.09
Unamortized Premiums	24,052.78	21,188.80	2,863.98
	<u>\$6,624,018.85</u>	<u>\$5,792,561.78</u>	<u>\$ 831,457.07</u>
Less: Unamortized Discounts	37,881.69	47,338.53	9,456.84*
Total Investments	\$6,586,137.16	\$5,745,223.25	\$ 840,913.91
Accrued Interest on Investments	65,796.23	51,416.17	14,380.06
	<u>\$6,687,774.10</u>	<u>\$5,989,361.03</u>	<u>\$ 698,413.07</u>
 <u>LIABILITIES, RESERVES AND</u>			
<u>FUND BALANCES</u>			
 Pension Liabilities - June 30			
Accrued active member pension liabilities	\$2,907,708.00	\$2,927,151.00	\$ 19,443.00*
Less: Unfunded Accrued Liabilities	<u>1,056,708.68</u>	<u>1,248,539.57</u>	<u>191,830.89*</u>
Funded Accrued Active Member Liabilities	\$1,850,999.32	\$1,678,611.43	\$ 172,387.89
Funded Inactive Member Pension Liabilities	202,517.00	129,724.00	72,793.00
Accumulative Contributions of Members	2,020,908.52	1,819,045.05	201,863.47
Liabilities for retirement allowances being paid retirants and beneficiaries on rolls	2,613,349.26	2,350,976.40	262,372.86
Vouchers Payable	<u>-0-</u>	<u>11,004.15</u>	<u>11,004.15</u>
 TOTAL LIABILITIES	 <u>\$6,687,774.10</u>	 <u>\$5,989,361.03</u>	 <u>\$ 698,413.07</u>

SCHEDULE B

Oakland County Employees' Retirement System
 Comparative Statement
 Source and Application of Funds

	<u>1966</u>	<u>1965</u>	Increase or <u>Decrease*</u>
Cash Balance - January 1	\$ 192,720.47	\$ 56,525.66	\$ 136,194.81
Funds Provided:			
Appropriations			
County General	\$ 399,347.00	\$ 347,000.00	\$ 52,347.00
County Road	1,926.00	1,774.00	152.00
Southeastern Oakland			
County Sewage Disposal System	2,247.00	3,195.00	948.00*
Royal Oak Market		276.50	276.50*
Drainage Districts		25,984.00	25,984.00*
Employees' Contributions			
General	335,410.41	309,692.63	25,717.78
Road Commission	848.08	1,373.00	524.92*
Southeastern Oakland County			
Sewage Disposal System	2,559.57	2,579.84	20.27*
Principal Payments on Investments			
U.S. Government Bonds	75,000.00		75,000.00
Municipal Bonds	20,000.00	20,000.00	-0-
Federal Securities		27,050.00	27,050.00*
F.H.A. Mortgages	84,921.35	130,051.17	45,129.82*
Public Utility Bonds		1,000.00	1,000.00*
Industrial Bonds	3,671.51	8,000.00	4,328.49*
Notes Receivable	867,624.00		867,624.00
Oakland County Lake			
Level Orders	66,487.82	26,301.49	40,186.33
Dividends From Stocks	993.50		993.50
Interest Received	266,605.98	237,273.72	29,332.26
Payments on Accrued			
Interest Purchased	154.17	1,410.95	1,256.78*
Amortization of Premiums			
on Investments	500.08	1,082.67	582.59*
TOTAL RECEIPTS	<u>\$2,128,296.47</u>	<u>\$1,144,044.97</u>	<u>\$ 984,251.50</u>
Total Cash to be Accounted For	<u>\$2,321,016.94</u>	<u>\$1,200,570.63</u>	<u>\$1,120,446.31</u>
Funds Applied			
Retirement Allowances			
Paid	\$ 211,006.73	\$ 179,918.37	\$ 31,088.36
Employees' Contributions			
Refunded	<u>122,157.98</u>	<u>144,134.51</u>	<u>21,976.53*</u>
TOTAL PAYMENTS TO MEMBERS AND BENEFICIARIES	<u>\$ 333,164.71</u>	<u>\$ 324,052.88</u>	<u>\$ 9,111.83</u>

SCHEDULE B (continued)

Oakland County Employees' Retirement System
 Comparative Statement
 Source and Application of Funds

	<u>1966</u>	<u>1965</u>	Increase or <u>Decrease*</u>
Investments Purchased: (Net)			
F.H.A. Mortgages		\$ 713.28	\$ 713.28*
Industrial Bonds	\$ 229,956.25	550,000.00	320,043.75*
Public Utility Bonds	650,562.50		650,562.50
Oakland County Lake Level Orders	32,913.02	150,275.34	117,362.32*
Corporate Stocks	165,242.00		165,242.00
Notes Receivable	867,624.00		867,624.00
	<hr/>	<hr/>	<hr/>
TOTAL INVESTMENTS PURCHASED	\$1,946,297.77	\$ 700,988.62	\$1,245,309.15
Premiums Paid on Investments	4,250.00	125.00	4,125.00
	<hr/>	<hr/>	<hr/>
	\$1,950,547.77	\$ 701,113.62	\$1,249,434.15
Less: Discount on Investments	2,992.41	22,679.72	19,687.31*
	<hr/>	<hr/>	<hr/>
	\$1,947,555.36	\$ 678,433.90	\$1,269,121.46
Other Disbursements:			
Accrued Interest			
Purchased	\$ 1,941.48	\$ 1,929.52	\$ 11.96
Mortgage Service Charges	2,853.61	3,433.86	580.25*
Postage	47.01		47.01
Bond Registration Fees	10.00		10.00
	<hr/>	<hr/>	<hr/>
TOTAL OTHER DISBURSEMENTS	\$ 4,852.10	\$ 5,363.38	\$ 511.28*
	<hr/>	<hr/>	<hr/>
TOTAL DISBURSEMENTS	\$2,285,572.17	\$1,007,850.16	\$1,277,722.01
	<hr/>	<hr/>	<hr/>
Cash Balance - December 31	\$ 35,444.77	\$ 192,720.47	\$ 157,275.70*
	<hr/>	<hr/>	<hr/>

SCHEDULE C

Oakland County Employees' Retirement System
Investment of Funds
For the Year Ended December 31, 1965

	<u>Balance</u> 1-1-65	<u>Purchased</u> During 1965	<u>Investments</u> <u>Liquidated</u>	<u>Balance</u> 12-31-65	<u>Percentage</u> <u>to Total</u>
U. S. Government and International Bonds	\$ 733,000.00	\$ 40,000.00	\$ 40,000.00	\$ 733,000.00	12.70%
F.H.A. Mortgages	787,365.00	713.28	145,201.17	642,877.11	11.14
Industrial Bonds	1,386,000.00	550,000.00	8,000.00	1,928,000.00	33.41
Public Utility Bonds	1,892,000.00		1,000.00	1,891,000.00	32.76
Municipal Bonds	335,000.00		20,000.00	315,000.00	5.46
Federal Securities	93,100.00	15,150.00	27,050.00	81,200.00	1.41
Oakland County Drain Orders	-0-				
Oakland County Lake Level Orders	56,322.02	150,275.34	26,301.49	180,295.87	3.12
	<u>\$5,282,787.02</u>	<u>\$ 756,138.62</u>	<u>\$ 267,552.66</u>	<u>\$5,771,372.98</u>	<u>100.00%</u>

SCHEDULE C-1

Oakland County Employees' Retirement System
Investment of Funds
For the Year Ended December 31, 1966

	<u>Balance</u> <u>1-1-66</u>	<u>Purchased</u> <u>During</u> <u>1966</u>	<u>Investments</u> <u>Liquidated</u>	<u>Balance</u> <u>12-31-66</u>	<u>Percentage</u> <u>to Total</u>
Corporate Stocks	\$ -0-	\$ 165,242.00	\$ -0-	\$ 165,242.00	2.50%
U. S. Government Bonds	608,000.00	-0-	75,000.00	533,000.00	8.08
F. H. A. Mortgages	642,877.11	-0-	84,921.35	557,955.76	8.45
Federal Securities	81,200.00	-0-	-0-	81,200.00	1.23
Industrial Bonds	2,053,000.00	229,956.25	3,671.51	2,279,284.74	34.54
Municipal Bonds	315,000.00	-0-	20,000.00	295,000.00	4.47
Public Utility Bonds	1,891,000.00	650,562.50	-0-	2,541,562.50	38.51
Oakland County Lake Level Orders	180,295.87	32,913.02	66,487.82	146,721.07	2.22
Notes Receivable	-0-	867,624.00	867,624.00	-0-	
	<u>\$5,771,372.98</u>	<u>\$1,946,297.77</u>	<u>\$1,117,704.68</u>	<u>\$6,599,966.07</u>	<u>100.00%</u>

- 17 -

SCHEDULE D

Oakland County Employees' Retirement System
Earnings on Investments
For the Year Ended December 31, 1965

Income from Investments		
F.H.A. Mortgages -		
Interest	\$ 36,468.95	
Amortization of Discount	<u>4,366.99</u>	
		\$ 40,835.94
United States Government		
Bonds		21,320.00
United States Treasury		
Notes		643.14
Federal Securities		8,317.78
Industrial Bonds		80,572.04
Public Utility Bonds		85,166.85
Oakland County Lake Level		
Orders		8,141.49
Municipal Bonds		15,851.13
Sundry Interest Received		<u>556.50</u>
Total Income		\$ 261,404.87
Deduct: Expenses -		
Mortgage Service Charges	\$ 3,433.86	
		<u>3,433.86</u>
Total Expenses		\$ 3,433.86
Net Income		<u><u>\$ 257,971.01</u></u>

SCHEDULE D-1

Oakland County Employees' Retirement System
 Earnings on Investments
 For the Year Ended December 31, 1966

Income from Investments			
F.H.A. Mortgages -			
Interest	\$ 30,603.53		
Amortization of Discount	<u>1,506.81</u>		
		\$	32,110.34
United States Government			
Bonds			21,712.43
Federal Securities			9,164.05
Industrial Bonds			85,770.41
Public Utility Bonds			113,602.73
Oakland County Lake Level			
Orders			10,352.97
Municipal Bonds			14,918.10
Notes Receivable			2,391.34
Corporate Stocks			993.50
Sundry Interest			<u>739.67</u>
Total Income			\$291,755.54
Deduct: Expenses -			
Mortgage Service Charges		\$	2,853.61
Postage			47.01
Bond Registration Fees			<u>10.00</u>
Total Expenses			<u>2,910.62</u>
Net Income			<u>\$288,844.92</u>

SCHEDULE E

County of Oakland Employees' Retirement System
 Combined Statement of Members' Annuity Savings Fund

Period Ended December 31	Members' Contributions Credited	Regular Interest Credited	Members' Contributions Withdrawn	Transfers to Annuity Reserve Fund	Transfers to Retirement Reserve	Balance In Fund End of Year
1960 - 1961	\$2,045,700.90	\$ 197,033.56	\$ 738,198.17	\$ 55,292.96	\$ 179,608.12	\$1,269,635.21
1962	272,347.60	35,063.26	86,144.39	-0-	42,788.62	1,448,113.06
1963	274,397.62	39,171.48	105,671.78	-0-	71,777.62	1,584,232.76
1964	294,452.28	42,963.56	133,757.61	-0-	58,116.42	1,729,774.57
1965	321,899.54	45,496.99	153,259.87	-0-	124,866.18	1,819,045.05
1966	339,156.22	49,820.00	111,703.71	-0-	75,409.04	2,010,908.52
	<u>\$3,547,954.16</u>	<u>\$ 409,548.85</u>	<u>\$1,328,735.53</u>	<u>\$ 55,292.96</u>	<u>\$ 552,566.00</u>	<u>\$2,010,908.52</u>

SCHEDULE F

County of Oakland Employees' Retirement System
 Combined Statement of Pension Reserve Funds

Period Ended December 31	County Contributions	Income Credited	County Share of F.I.C.A. Payments	Transfers to Retirement Reserve Fund	Pensions Paid	Balance In Fund End of Year
1960 - 1961	\$2,278,299.33	\$ 387,656.52	\$ 115,895.93	\$1,203,336.62	\$ 154,390.06	\$1,192,333.24
1962	305,644.00	75,911.29	-0-	209,621.00	-0-	1,364,267.53
1963	341,682.00	82,885.37	-0-	296,246.00	-0-	1,492,588.90
1964	362,075.00	88,323.12	-0-	184,291.00	-0-	1,758,696.02
1965	378,229.50	108,332.91	-0-	436,923.00	-0-	1,808,335.43
1966	404,126.52	111,445.37	-0-	270,391.00	-0-	2,053,516.32
	<u>\$4,070,056.35</u>	<u>\$ 854,554.58</u>	<u>\$ 115,895.93</u>	<u>\$2,600,808.62</u>	<u>\$ 154,390.06</u>	<u>\$2,053,516.32</u>

3 9082 05469101 2

RECEIVED
 COUNTY OF OAKLAND
 JAN 10 1967