

COPY

REPORT ON

Board of Administration
police & fire department retirement plan

JULY 1, 1976 TO JUNE 30, 1977

CITY OF SAN JOSE, SAN JOSE, CALIFORNIA



CITY OF SAN JOSE

801 NORTH FIRST STREET
SAN JOSE, CALIFORNIA 95110

September 30, 1977

Board Members:

J.A. Colla
D.E. Ewing
R.E. Jones
D. Runyon
F.P. Nicoletti

BOARD OF ADMINISTRATION
POLICE AND FIRE DEPARTMENT
RETIREMENT PLAN

(408) 277-5137

OFFICIAL COPY

The Honorable Mayor and City Council
City of San Jose
San Jose, California

Dear Mayor and Council Members:

The Board of Administration of the Police and Fire Department Retirement Plan is pleased to present its annual report for the period July 1, 1976 to June 30, 1977. Some of the significant events worthy of note were:

- (1) Publication of this report at the same time as the Federated annual report, with audited financial data in each report, will permit meaningful comparisons. This report has been designed to be more useful to the reader by including the portfolio of investments and the report of the outside auditor.
- (2) The matter of the number of disability retirements continues to be a matter absorbing much staff effort. A proposal to revise the present method for the review of medical evidence is under study.
- (3) An actuarial review was begun this year with delivery of the report expected in December, 1977.

The Board believes that the professional services rendered by the actuary, investment counsel, auditor, and evaluator of funds have produced a sound financial fund capable of continued growth. The Board of Administration and its staff welcome the opportunity to provide additional information when requested.

Sincerely,

Donald E. Ewing
Chairman
Board of Administration

POLICE AND FIRE DEPARTMENT RETIREMENT PLAN

BOARD OF ADMINISTRATION

The Retirement Plan is administered by a five member Board of Administration composed of two representatives from the City Council, a representative from the Civil Service Commission and two representatives who are City employees, one from the Police Department and one from the Fire Department, in accordance with Section 2222.1 of the San Jose Municipal Code.

As of June 30, 1977, the members of the Board were as follows:

- | | |
|--------------------|--|
| JOSEPH A. COLLA | - He is a member of the City Council and is one of its official representatives on the Board. He became a member of the Board on July 10, 1967. |
| DONALD E. EWING | - Police Lieutenant, elected in February, 1974 as a representative of the Police Department to fill the term of Barton L. Collins, Retired; term to expire on November 30, 1980. |
| RAYMOND E. JONES | - First elected as a representative of the employees of the Fire Department on October 11, 1962. His present term expires on November 30, 1978. |
| ROY B. NAYLOR | - Member of the City Council and Board Member from January 7, 1975 to November, 1976. |
| DAVID RUNYON | - Member of the City Council and appointed to the Board January 15, 1977. |
| FRANK P. NICOLETTI | - He is a member of the Civil Service Commission and serves on the Board at the pleasure of that body. He was selected by the members of the Commission on February 6, 1975 to serve on the Board. |

The Board of Administration engages the following Consultants to assist in making investments and in developing a sound retirement plan:

- | | |
|--------------------|--|
| ACTUARY | - Lawrence Mitchell and Associates, Inc. |
| INVESTMENT COUNSEL | - Scudder, Stevens and Clark, Inc. |
| AUDITOR | - Arthur Young and Company |

The Board meets on the second Tuesday of each month and holds special meetings as the occasion demands. The meetings are currently held in the Council Chambers, Second Floor, City Hall, at 10:00 A.M. Members of the Retirement Plan may attend any of the meetings.

ANNUAL REPORT

1961 POLICE AND FIRE DEPARTMENT RETIREMENT PLAN

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BOARD OF ADMINISTRATION
1961 POLICE AND FIRE DEPARTMENT RETIREMENT PLAN
INVESTMENT POLICY STATEMENT

Resolution No. 768 adopted on July 8, 1974 includes:

INVESTMENT GUIDELINES

General

The Board shall:

- (1) require that the Retirement Plan be fully funded to assure that all disbursement obligations will be met.
- (2) attempt to insure that investment earnings be sufficiently high to provide a funding source, along with contributions from City employees and the City, in order to offset liabilities in perpetuity.
- (3) strive for the highest total return on invested funds consistent with safety in accordance with accepted investment practices.

Fixed Income

The Board shall require that the majority of the portfolio be invested in high quality, marketable bonds as provided in Section 2904.58. Specifically, retirement funds may be invested only in bonds that meet one or more of the following criteria:

- (1) Securities which are legal investment for Savings Banks in California or Massachusetts or New York.
- (2) Bonds which are direct obligations of, or secured by the full faith and credit of, the Dominion of Canada or any of its provinces, cities or municipal corporations.
- (3) Bonds guaranteed by any solvent corporation which are not in default either as to principal and interest provided:
 - (a) In the case of public utilities, net earnings available for fixed charges for the previous five fiscal years have averaged not less than two times average fixed charges after depreciation and taxes, and net earnings during either of the last two years have been not less than two times fixed charges.
 - (b) In the case of finance companies, net earnings in the last five fiscal years have averaged one and one-half times average fixed charges, and during either of the last two years net earnings have not been less than one and one-half times fixed charges.
- (4) Public Improvements Bonds of San Jose.

Active bond management, including the use of bond swaps to improve total yield, is encouraged. In pursuing this objective, it is possible that certain transactions will temporarily lower the return or change the maturity of the portfolio. Transactions of this type are allowed as long as an optimum balance is achieved between yield to maturity, quality and marketability based on expected market changes.

Short-Term Investments

The Board of Administration will designate a member of the City's staff to make short-term investments of the Fund after consulting investment counsel to determine appropriate maturity.

Common Stocks

The primary emphasis of the common stock portfolio will be on high quality, readily marketable securities offering potential for above average growth as protection against inflation. The maximum amount of common stock to be held is 25% of the Fund's assets valued at cost. Common stock investments are limited to those meeting all of the following criteria as set forth in Section 2904.58 (5):

- (1) Stocks must be registered on a national exchange, although this is not required with banks and insurance companies which have a net worth of at least \$50 million.
- (2) A cash dividend has been paid on 8 out of the 10 years next preceding the date of purchase, and the earnings available for dividends for 10 years have been equal to the amount of dividends paid and the company has earned the dividend paid in each of the last 3 years.
- (3) Not more than 2% of the total fund at cost shall be invested in the common stock of any corporation.
- (4) Investment in any corporation shall not exceed 5% of the outstanding shares of the corporation.
- (5) The bonds of the corporation shall qualify for purchase in order to qualify the common stock of the corporation for purchase.
- (6) Not more than 5% of the total assets at cost may be invested in preferred stocks.
- (7) Each common and preferred stock purchase must be approved by independent investment counsel.
- (8) No such investment may be made except upon the affirmative vote of at least 3 members of the Retirement Board.

Supervision

The investment counsel shall continually supervise the investment securities in the Fund, and shall initiate such recommendations for purchase, sale, substitution, redemption or conversion of securities as it should deem advisable.

Performance Goals

Investment performance will be measured quarterly, but it is not expected that the performance goals identified below will be satisfied in any single quarter or year. It is, however, expected that these goals will be satisfied over a full market cycle, or if shorter, a five-year period.

Common stocks will outperform the following three measures:

- (1) Standard and Poor's 500 Index
- (2) New York Stock Exchange Index
- (3) A. G. Beckers' Median (300 institutional funds)

Fixed income investments will outperform the following two measures:

- (1) Salomon Brothers High Grade Corporate Bond Index
- (2) Moody's AA Utility Index

Investment Reports

The investment counsel will meet quarterly with the Board to discuss the economy and the security markets to assist the Board in determining and re-examining basic investment policies.

The investment counsel shall review the policies between meetings in light of changing market conditions or changes in the requirements of the Fund and recommend the appropriate action to the Board.

The investment counsel shall prepare quarterly appraisals giving a listing of securities held and showing the composition, average cost, and market values of the assets under supervision.

SUMMARY OF THE PRINCIPAL PROVISIONS OF
THE POLICE & FIRE DEPARTMENT RETIREMENT PLAN
San Jose, California

MEMBERSHIP Mandatory for all full-time employees.

MEMBER CONTRIBUTIONS All members contribute 6.59% of base salary.

CITY'S CONTRIBUTIONS The City contributes 23.28% of base salary.

INTEREST Two percent annual interest is calculated each bi-weekly pay period and added to your contributions. This interest is derived from investments.

TERMINATION BENEFITS Upon termination, the member shall be paid all of his accumulated contributions and interest in full satisfaction of all rights and benefits under this retirement system. The City's contributions will not be refunded to the employee.

MILITARY LEAVE If during your employment with the City of San Jose, you have military service, the City will pay your contributions and the City's contributions into the retirement system for that period of time. This is not refundable to an employee who resigns and requests refund of his contributions.

VESTING OF PENSION CREDIT After 10 years of service you may resign your position with the Police or Fire Department and leave your contributions in the retirement system.

VESTED RETIREMENT Member can collect retirement benefits at age 55 with 10 years of service and 20 years having elapsed from date of membership.

SERVICE RETIREMENT Retirement at age 55 with at least 20 years service.

SERVICE-CONNECTED DISABILITY Retirement resulting from the result of an injury or disease arising out of and in the course of such member's employment with the City (No minimum period of service required).

NON-SERVICE-CONNECTED-DISABILITY Retirement resulting from other than a service-connected disability with at least 2 years service.

MANDATORY RETIREMENT Age 65

EARLY SERVICE RETIREMENT Retirement at age 50 with at least 20 years service. Member's retirement allowance shall be reduced by that amount which the value of such allowance as deferred to age 55 will purchase at the actual age of retirement.

CALCULATIONS FOR RETIREMENT ALLOWANCE

- For
1. A Vested Retirement
 2. A Service Retirement
 3. A Service-Connected Disability with 20 years service
 4. A Non-Service-Connected Disability with 20 years service.

is: $2\frac{1}{2}\%$ x years of service x final compensation = monthly retirement allowance.
There is a maximum of 75% (30 years of service equals 75%).

CALCULATIONS FOR RETIREMENT ALLOWANCE (Cont.)

for: 4. Service connected disability with less than 20 years service, any age.
50% x final compensation = monthly retirement allowance.

5. Non-service-connected disability from 2 through 19 years of service, any age. There is no Non-service-connected disability retirement under 2 years service. 32% for first 2 years plus 1% for each year thereafter.

FINAL COMPENSATION The meaning of "Final Compensation" is: The average monthly compensation during the highest 12 consecutive months of service; (usually the last 12 months) limited to 108% of the 12 months immediately preceding the last 12 months of service.

SURVIVORSHIP ALLOWANCE

Death after retirement -- If you 1. had been retired for service, or
2. had retired for service connected disability.

Death before retirement - If you 3. die at age 55 or older with 20 years service due to a non-service connected injury or illness, or
4. you die at any age due to a service connected injury or illness.

The Spouse	will receive $37\frac{1}{2}\%$ x final compensation
1 Child	will receive 25 % x final compensation
2 Children	will receive 50 % x final compensation
3 or more children	will receive 75 % x final compensation

The maximum family benefit is 75% of your final compensation.

SURVIVORSHIP ALLOWANCE

Death after retirement -- if you 1. had been retired for non-service connected disability.

Death before retirement - if you 2. die before age 55 due to a non-service connected injury or illness with 2 or more years service.

Your Spouse	will receive 24% of final compensation for 2 years of service and 0.75% for each year thereafter. (Maximum $37\frac{1}{2}\%$).
1 Child	will receive 25 % x final compensation
2 Children	will receive $37\frac{1}{2}\%$ x final compensation
3 or more Children	will receive 50 % x final compensation

The maximum family benefit is 75% of your final compensation.

Dependent children are paid to age 18 or to age 22 if full time student.

MANAGEMENT The System is under the management of a Board of Administration of 5 members consisting of 2 City Councilpersons, a Civil Service Commissioner, and 2 elected employees who are members of the retirement system.

The Board of Administration is a policy making body and responsible for the proper operation of the System. The System operates as an independent trust, separate and distinct from the City and other entities. The administration of the System is under its guidance and direction and is subject to such rules, regulations and directives as it may adopt from time to time. Members serve without compensation. The City Attorney provides legal advice and counsel.

ADMINISTRATION A full-time Retirement and Benefits Administrator is employed. He heads the Employee Services Division of the City Personnel Department and serves as Secretary and Executive Officer to the Board of Administration.

The City provides office space, administrative and clerical services of the Personnel Department and fiscal services of the Finance Department without any direct charge.

The Trust Department of Wells Fargo Bank is employed as custodian of fund assets and collector of investment income.

ACTUARIAL SOUNDNESS Mitchell & Kadoyama, Inc. is retained for regular, continuing actuarial services. Plan and benefit provisions are periodically reviewed to assure continuing soundness.

INVESTMENT AUTHORITY AND POLICY The investment authority is broad and flexible, allowing maximum utilization of the System's resources. Scudder, Stevens & Clark, a nationally known investment advisory service, is retained for full-time investment counsel.

1961 POLICE AND FIRE DEPARTMENT RETIREMENT PLAN
(Includes four members of the 1946 Plan)

HIGHLIGHTS

1. Membership in the Plan was 1,351 as of June 30, 1977.
2. Two members retired for service and thirteen members retired because of disabilities during the period June 30, 1976 through June 30, 1977.
3. There are 218 members and 37 survivors receiving benefits from the Plan as of June 30, 1977.
4. During the reporting period, two Fire members and twenty-seven Police members left the membership of the Retirement Plan and had their contributions refunded.
5. The Retirement Fund balance as of June 30, 1977 was \$53,270,000 in the Regular Fund and \$1,300,000 in the Cost of Living Fund.
6. Payment of pensions or survivors benefits increased from about \$177,000 per month to about \$186,000 per month during the reporting period.
7. The annual time-weighted return for the entire portfolio was 6.87% as of June 30, 1977.
8. Interest and dividends on investments for the period were \$3,199,000 and averaged about \$267,000 per month.

1961 POLICE AND FIRE DEPARTMENT RETIREMENT PLAN

The following persons were granted a monthly retirement allowance during the period of July 1, 1976 to June 30, 1977:

SERVICE RETIREMENTS

POLICE DEPARTMENT

William Maddox
Janet Hickey

FIRE DEPARTMENT

SERVICE CONNECTED DISABILITY RETIREMENTS

POLICE DEPARTMENT

Ralph Brune
William Campbell
Robert Cleary
George Dwyer
Gregory Sekany

Paul Elorreaga
Robert Kasich
Raymond Lee
Arthur Mogilefsky

FIRE DEPARTMENT

Lee Devens
Orville Keyser
Theodore Klein

NON-SERVICE CONNECTED DISABILITY RETIREMENT

POLICE DEPARTMENT

FIRE DEPARTMENT

James Stegemiller

DEATHS

POLICE DEPARTMENT

Joseph Conversa
August 29, 1976

Thomas Scribner
November 14, 1976

Donald DeMers
February 27, 1977

FIRE DEPARTMENT

Robert Heeren
February 21, 1977

John Malvini
July 15, 1976

Henry Anderson
October 16, 1976

STATEMENT OF THE ACTUARY

This will summarize the basis of the assumptions and methods of funding used in determining the contributions to the Plan.

The assumptions are based upon the experience of the Retirement Plan. This experience is periodically reviewed and assumptions as to future experience are adjusted when deemed advisable. The last such review was made as of June 1974. The significant items investigated were the rates by which members leave the active service because of death, disability, retirement or other withdrawals, the rate of salary increases, the investment yield of the fund's assets, the consumer price index for the San Jose area, the age and marital status of the members and the post-retirement mortality rate.

The two plans--basic retirement and cost-of-living--are funded by slightly different methods.

The basic retirement benefits are funded by first determining the total value as of the valuation date (June 30, 1974 was the last such date) of the benefits expected to be paid in the future to current retirees, current surviving dependents, and current active members. From this total is subtracted the value of the assets in the fund. The remaining balance is then split into two parts which have been named "current service" and "prior service." The names do not accurately reflect the method of valuing these future benefits.

The "current service" portion is determined by taking the estimated percentage of employees' future salaries that would be required from persons who had just entered the system and multiplying that percentage by the present value of future salaries from all current members. This current service cost is then shared by the City and members in the ratio of 8 to 3.

"Prior service" then becomes the value of future benefits left after subtracting both the fund's assets and the current service costs. The prior service cost is paid by the City and the 1974 valuation's suggested level of contribution implied an amortization over 23 years.

The cost-of-living benefits are being funded in a different manner. The value of future benefits takes into account the cost-of-living benefits already granted and projects these until all survivors are assumed to be deceased. Future increases in cost-of-living benefits are valued only for those payments assumed to be made during the ten years following the date of valuation. The total value of these benefits are then divided by the estimated value of current members' salaries to be paid over the next ten years to get a ratio of contribution to be shared by City and member.

A more complete discussion of the cost-of-living funding can be found in Section I pages 6 and 7 and Section II page 6 of our report dated 23 June 1975.

Please bear in mind that changes in assumptions or methods of funding do not change the benefits to be paid, they only change the incidence of contributions to the fund.

MITCHELL & KADOYAMA, INC.
CONSULTING ACTUARIES

ARTHUR YOUNG & COMPANY

101 PARK CENTER PLAZA
SAN JOSE, CALIFORNIA 95113

Honorable City Council
City of San Jose

We have examined the accompanying combining balance sheet of the City of San Jose Police and Fire Department Retirement System at June 30, 1977 and the related combining statements of changes in reserve balances and of cash receipts and disbursements for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

The security investments of the Police and Fire Department Retirement System are held by the Wells Fargo Bank, N.A. Accordingly, such security investments owned by the Retirement System at June 30, 1977 were confirmed to us by the Wells Fargo Bank, N.A.

In our opinion, the statements mentioned above present fairly the combined financial position of the City of San Jose Police and Fire Department Retirement System at June 30, 1977 and the combined changes in reserve balances and cash receipts and disbursements for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Arthur Young & Company

September 2, 1977

CITY OF SAN JOSE
POLICE AND FIRE DEPARTMENT RETIREMENT SYSTEM
COMBINING BALANCE SHEET
June 30, 1977

	<u>Combined Retirement System</u>	<u>Retirement Fund</u>	<u>Cost of Living Fund</u>
<u>ASSETS</u>			
Cash in bank	\$ 123,526	\$ 59,557	\$ 63,969
Receivable from the City of San Jose General Fund:			
Employee contributions	26,762	24,933	1,829
Employer contributions	94,545	89,628	4,917
Accrued interest receivable	747,681	728,312	19,369
Investments (Notes 1 and 2)	<u>53,591,908</u>	<u>52,380,623</u>	<u>1,211,285</u>
	<u>\$54,584,422</u>	<u>\$53,283,053</u>	<u>\$1,301,369</u>
<u>LIABILITIES AND RESERVES</u>			
Payable to terminated employees	\$ 13,747	\$ 12,942	\$ 805
Reserves (Notes 1 and 3):			
Employee contribution	8,729,457	8,288,638	440,819
General	<u>45,841,218</u>	<u>44,981,473</u>	<u>859,745</u>
Total reserves	<u>54,570,675</u>	<u>53,270,111</u>	<u>1,300,564</u>
	<u>\$54,584,422</u>	<u>\$53,283,053</u>	<u>\$1,301,369</u>

See accompanying notes.

CITY OF SAN JOSE
POLICE AND FIRE DEPARTMENT RETIREMENT SYSTEM
COMBINING STATEMENT OF CHANGES IN RESERVE BALANCES
Year ended June 30, 1977

	Combined Retirement System		Retirement Fund		Cost of Living Fund	
	Employee Contribution Reserve	General Reserve	Employee Contribution Reserve	General Reserve	Employee Contribution Reserve	General Reserve
Balance at June 30, 1976	\$7,080,640	\$38,627,570	\$6,755,881	\$37,947,946	\$324,759	\$679,624
Employee contributions:						
Cash received	1,826,733	-	1,701,841	-	124,892	-
Receivable at June 30, 1977	26,762	-	24,933	-	1,829	-
Receivable at June 30, 1976	(118,278)	-	(110,114)	-	(8,164)	-
	<u>1,735,217</u>	<u>-</u>	<u>1,616,660</u>	<u>-</u>	<u>118,557</u>	<u>-</u>
Employer contributions:						
Cash received, net of refunds due to employee terminations of \$120,585	-	6,377,867	-	6,050,446	-	327,421
Receivable at June 30, 1977	-	94,545	-	89,628	-	4,917
Receivable at June 30, 1976	-	(422,589)	-	(400,841)	-	(21,748)
	<u>-</u>	<u>6,049,823</u>	<u>-</u>	<u>5,739,233</u>	<u>-</u>	<u>310,590</u>
Interest income:						
Cash received	-	2,871,736	-	2,798,343	-	73,393
Receivable at June 30, 1977	-	747,681	-	728,312	-	19,369
Receivable at June 30, 1976	-	(690,884)	-	(676,557)	-	(14,327)
Interest allocations	155,813	(155,813)	148,295	(148,295)	7,518	(7,518)
	<u>155,813</u>	<u>2,772,720</u>	<u>148,295</u>	<u>2,701,803</u>	<u>7,518</u>	<u>70,917</u>
Refunds to terminated employees:						
Returned to terminated employees	(53,738)	-	(50,515)	-	(3,223)	-
Payable at June 30, 1977	(13,747)	-	(12,942)	-	(805)	-
Payable at June 30, 1976	3,949	-	3,684	-	265	-
	<u>(63,536)</u>	<u>-</u>	<u>(59,773)</u>	<u>-</u>	<u>(3,763)</u>	<u>-</u>
Refunds to City of San Jose General Fund:						
Payable at June 30, 1977	-	-	-	-	-	-
Payable at June 30, 1976	-	11,717	-	10,814	-	903
	<u>-</u>	<u>11,717</u>	<u>-</u>	<u>10,814</u>	<u>-</u>	<u>903</u>
Dividend income received	-	327,250	-	324,590	-	2,660
Gain on sale of investments	-	605,200	-	605,200	-	-
Loss on sale of investments	-	(505,708)	-	(505,708)	-	-
Retirement benefits paid	-	(2,032,054)	-	(1,820,853)	-	(211,201)
Death benefits paid	-	(193,977)	-	(193,977)	-	-
Transfer to general reserve upon retirement of employees	(178,677)	178,677	(172,425)	172,425	(6,252)	6,252
Balance at June 30, 1977	<u>\$8,729,457</u>	<u>\$45,841,218</u>	<u>\$8,288,638</u>	<u>\$44,981,473</u>	<u>\$440,819</u>	<u>\$859,745</u>

See accompanying notes.

CITY OF SAN JOSE
POLICE AND FIRE DEPARTMENT RETIREMENT SYSTEM
COMBINING STATEMENT OF CHANGES IN RESERVE BALANCES
Year ended June 30, 1977

	Combined Retirement Employee Contribution Reserve
Balance at June 30, 1976	\$7,080,640
Employee contributions:	
Cash received	1,826,733
Receivable at June 30, 1977	26,762
Receivable at June 30, 1976	(118,278)
	<u>1,735,217</u>
Employer contributions:	
Cash received, net of refunds due to employee terminations of \$120,585	-
Receivable at June 30, 1977	-
Receivable at June 30, 1976	-
	<u>-</u>
Interest income:	
Cash received	-
Receivable at June 30, 1977	-
Receivable at June 30, 1976	155,813
Interest allocations	<u>155,813</u>
Refunds to terminated employees:	
Returned to terminated employees	(53,738)
Payable at June 30, 1977	(13,747)
Payable at June 30, 1976	3,949
	<u>(63,536)</u>
Refunds to City of San Jose General Fund:	
Payable at June 30, 1977	-
Payable at June 30, 1976	-
	<u>-</u>
Dividend income received	
Gain on sale of investments	
Loss on sale of investments	
Retirement benefits paid	
Death benefits paid	
Transfer to general reserve upon retirement of employees	<u>(178,677)</u>
Balance at June 30, 1977	<u>\$8,729,455</u>

See accompanying

ement SystemRetirement FundCost of Living Fund

<u>General Reserve</u>	<u>Employee Contribution Reserve</u>	<u>General Reserve</u>	<u>Employee Contribution Reserve</u>	<u>General Reserve</u>
\$38,627,570	\$6,755,881	\$37,947,946	\$324,759	\$679,624
-	1,701,841	-	124,892	-
-	24,933	-	1,829	-
-	(110,114)	-	(8,164)	-
-	1,616,660	-	118,557	-
6,377,867	-	6,050,446	-	327,421
94,545	-	89,628	-	4,917
(422,589)	-	(400,841)	-	(21,748)
6,049,823	-	5,739,233	-	310,590
2,871,736	-	2,798,343	-	73,393
747,681	-	728,312	-	19,369
(690,884)	-	(676,557)	-	(14,327)
(155,813)	148,295	(148,295)	7,518	(7,518)
2,772,720	148,295	2,701,803	7,518	70,917
-	(50,515)	-	(3,223)	-
-	(12,942)	-	(805)	-
-	3,684	-	265	-
-	(59,773)	-	(3,763)	-
-	-	-	-	-
11,717	-	10,814	-	903
11,717	-	10,814	-	903
327,250	-	324,590	-	2,660
605,200	-	605,200	-	-
(505,708)	-	(505,708)	-	-
(2,032,054)	-	(1,820,853)	-	(211,201)
(193,977)	-	(193,977)	-	-
178,677	(172,425)	172,425	(6,252)	6,252
<u>\$45,841,218</u>	<u>\$8,288,638</u>	<u>\$44,981,473</u>	<u>\$440,819</u>	<u>\$859,745</u>

notes.

CITY OF SAN JOSE
POLICE AND FIRE DEPARTMENT RETIREMENT SYSTEM
COMBINING STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
Year ended June 30, 1977

	Combined Retirement System	Retirement Fund	Cost of Living Fund
Receipts:			
Employee contributions	\$ 1,826,733	\$ 1,701,841	\$ 124,892
Employer contributions, net of refunds due to employee terminations of \$120,585	6,377,867	6,050,446	327,421
Interest income	2,871,736	2,798,343	73,393
Dividend income	327,250	324,590	2,660
Sales and maturing of investments:			
Time deposits	12,464,792	11,874,286	590,506
Bankers' acceptances and commercial paper	8,203,032	7,852,234	350,798
U.S. Government securities	805,343	805,343	-
U.S. Government sponsored securities	243,762	243,762	-
Corporate bonds	4,246,079	4,196,079	50,000
Corporate stocks	2,755,990	2,755,990	-
Total receipts	<u>40,122,584</u>	<u>38,602,914</u>	<u>1,519,670</u>
Disbursements:			
Refunds to terminated employees	53,738	50,515	3,223
Death benefits paid	193,977	193,977	-
Retirement benefits paid	2,032,054	1,820,853	211,201
Investment purchases:			
Time deposits	12,859,653	12,183,852	675,801
Bankers' acceptances and commercial paper	7,410,521	7,097,461	313,060
U.S. Government securities	6,593,981	6,389,910	204,071
U.S. Government sponsored securities	4,351,049	4,351,049	-
Corporate bonds	1,693,651	1,643,427	50,224
Corporate stocks	5,126,478	5,126,478	-
Total disbursements	<u>40,315,102</u>	<u>38,857,522</u>	<u>1,457,580</u>
(Deficiency) excess of receipts over disbursements	(192,518)	(254,608)	62,090
Cash balances at June 30, 1976	316,044	314,165	1,879
Cash balances at June 30, 1977	<u>\$ 123,526</u>	<u>\$ 59,557</u>	<u>\$ 63,969</u>

See accompanying notes.

CITY OF SAN JOSE
POLICE AND FIRE DEPARTMENT RETIREMENT SYSTEM
NOTES TO COMBINING FINANCIAL STATEMENTS
June 30, 1977

1. Accounting policies

Basis of presentation

The City of San Jose Police and Fire Department Retirement System (the "Retirement System") was established to provide retirement benefits for employees of the Police and Fire Departments of the City of San Jose (the "City") pursuant to various retirement plans adopted by the City. The retirement plans require the City to account for Retirement System transactions in two funds: (1) the Retirement Fund and (2) the Cost of Living Fund. The accompanying financial statements are prepared on the accrual basis.

Administrative costs of the Retirement System are paid by the General Fund of the City and are not included in the accompanying financial statements.

Description of the Retirement System

The Retirement System is administered by the Retirement and Benefits Administrator under the direction of the Board of Administration.

All sworn officers of the City's Police and Fire Departments are required to be members of the Retirement System.

The Retirement System is financed by employee payroll deductions and by City contributions. Prior service costs (which relate to employee services performed prior to the date of an actuarial valuation)

CITY OF SAN JOSE
POLICE AND FIRE DEPARTMENT RETIREMENT SYSTEM
NOTES TO COMBINING FINANCIAL STATEMENTS
June 30, 1977

1. Accounting policies (continued)

Description of the Retirement System (continued)

(Note 3) are financed entirely by City contributions. Current service costs are shared by the City and member employees in the ratio of \$8 from the City for each \$3 from the employees. Contribution rates (expressed as a percentage of salaries) are set by the Board of Administration and adjusted periodically (not less than once each five years) based on studies by consulting actuaries. Contributions made by employees, together with interest earned thereon, are refundable upon termination of employment.

Retirement benefits are payable upon disability, death, or normal retirement of the employee. The benefit amount is based upon a formula arising from the employee's highest annual rate of pay while employed, adjusted for changes in the cost of living subsequent to retirement up to a maximum of 3% per year (cumulative changes in excess of 3% per year are offset against years in which the change is less than 3%), as evidenced by changes in the Consumer Price Index published by the United States Department of Labor's Bureau of Labor Statistics.

Investments

Investments are stated at cost. Gains or losses on each investment are recognized only upon sale of the investment. Generally, government obligations and corporate bonds are held until they mature.

CITY OF SAN JOSE
POLICE AND FIRE DEPARTMENT RETIREMENT SYSTEM
NOTES TO COMBINING FINANCIAL STATEMENTS
June 30, 1977

1. Accounting policies (continued)

Investments (continued)

Premiums and discounts (differences between purchase cost and maturity value) are included in gains or losses on sale or maturity of investments. They are not amortized as an element of interest income as is required by generally accepted accounting principles. However, at June 30, 1977 this departure from generally accepted accounting principles did not have a material effect upon the financial statements.

Reserve for future benefits

The Retirement System does not provide a reserve in the balance sheet for the unfunded portion of the present value of future benefits (Note 3).

2. Investments

Investments in the accompanying balance sheet are stated at cost. The following table summarizes the investments held at June 30, 1977 at cost and at the lower of cost or market (applied on an individual investment basis) for purposes of comparison.

CITY OF SAN JOSE
POLICE AND FIRE DEPARTMENT RETIREMENT SYSTEM
NOTES TO COMBINING FINANCIAL STATEMENTS
June 30, 1977

2. Investments (continued)

	At the Lower of Cost or Market	At Cost		
		Combined Retirement System	Retirement Fund	Cost of Living Fund
Time deposits	\$ 321,593	\$ 321,593	\$ 321,432	\$ 161
U.S. Treasury securities	8,994,484	8,994,584	8,590,106	404,478
U.S. Government sponsored securities	4,954,321	5,046,781	5,023,594	23,187
International agency securities	636,000	757,708	757,708	-
Canadian Government securities	2,121,435	2,173,511	2,123,761	49,750
	<u>16,706,240</u>	<u>16,972,584</u>	<u>16,495,169</u>	<u>477,415</u>
Corporate bonds	24,618,908	26,163,557	25,502,354	661,203
Corporate stock	<u>8,657,174</u>	<u>10,134,174</u>	<u>10,061,668</u>	<u>72,506</u>
	<u>\$50,303,915</u>	<u>\$53,591,908</u>	<u>\$52,380,623</u>	<u>\$1,211,285</u>

Gross unrealized gains representing the excess of market value over cost for all investments at June 30, 1977 aggregate approximately \$1,288,000 comprised of: government obligations and corporate bonds - \$1,052,000 and corporate stocks - \$236,000. These unrealized gains, when offset against the unrealized losses in the "Lower of Cost or Market" column of the above table, produce an aggregate market value for all investments of approximately \$51,591,915 at June 30, 1977.

CITY OF SAN JOSE
POLICE AND FIRE DEPARTMENT RETIREMENT SYSTEM
NOTES TO COMBINING FINANCIAL STATEMENTS
June 30, 1977

2. Investments (continued)

Investments in government obligations and corporate bonds having an aggregate principal (maturity value) of \$43,305,365 are included in the table above at an aggregate cost of \$43,136,141. This \$169,224 difference represents the net of unamortized discounts and premiums at June 30, 1977.

3. Present value of future benefits

The present value of future benefits is the amount of assets which would, if owned at a given date and invested at the assumed yield rate, provide sufficient funds, without further contributions, to pay all members at that date amounts of retirement benefits to which they are expected to become entitled. It is an estimate computed by a consulting actuary using data and assumptions provided by the Retirement System. The most recent computation for the purpose of estimating Retirement System funding requirements was prepared by the Retirement System's actuary as of June 30, 1974. The actuary used "a combination of aggregate cost with a split between prior and current service" method in preparing the computation. Certain of the more significant assumptions entering into that computation are as follows:

- (a) Salary increases will average 3% per year compounded annually.
- (b) Yield on Retirement System assets will average 6% per year compounded annually.
- (c) Cost of living increases to retired members monthly benefits will average 3% per year compounded annually.

CITY OF SAN JOSE
POLICE AND FIRE DEPARTMENT RETIREMENT SYSTEM
NOTES TO COMBINING FINANCIAL STATEMENTS
June 30, 1977

3. Present value of future benefits (continued)

- (d) Rate of termination will be slightly less than half that which would normally be expected from a group of safety employees and is based upon the City's experience with related terminations.
- (e) Rate of disability retirements will be less than half that which the City has experienced during the 4-year period ended June 30, 1974 and is based on Management's opinion that the stated 4-year period is not representative of the City's longer term expectations.
- (f) Rate of post retirement mortality was based upon the 1971 group annuity mortality table for retired lives and their survivors.
- (g) "Permanent cost of living" benefit grants, including any cost of living increases attributable to them, are not included in the valuation.
- (h) Refunds of contributions to the City due to terminations of employment are not included in the valuation as their effect on the contribution rates was considered to be immaterial.

At June 30, 1974, the date of the most recent actuarial valuation, the present value of the current vested benefits for services already rendered had not been separately identified. However, the excess of the present value of future benefits, to which members are expected to become entitled, over Retirement System assets (approximately \$33,600,000 at June 30, 1974) amounted to \$115,800,000. Level contribution rates for the City and employees of 31.35% and 9.63%, respectively, expressed as a percentage of future salaries, would be necessary to produce a corresponding present value of future contributions of \$115,800,000 during the expected remaining City employment period of present employees. Other combinations

CITY OF SAN JOSE
POLICE AND FIRE DEPARTMENT RETIREMENT SYSTEM
NOTES TO COMBINING FINANCIAL STATEMENTS
June 30, 1977

3. Present value of future benefits (continued)

of rates, however, could produce the same present value but to do so would involve either different time periods or contribution rates which would not be level.

The Board of Administration has adopted contribution rates, which assume a ten year funding basis for the Cost of Living Fund, computed in accordance with provisions in Chapter 9 of the San Jose Municipal Code, effective July 11, 1976. These rates aggregate 29.87% of future salaries comprised of: City - 23.28% and employee - 6.59%.

Contribution rates are estimates based on assumptions about the future and they produce the expected results only when actual events closely match assumed events.

A comparison of actual events with assumed events by an actuary has not been performed subsequent to June 30, 1974 and contribution rates have not been revised to compensate for any differences.

POLICE AND FIRE DEPARTMENT

PORTFOLIO - RETIREMENT FUND

June 30, 1977

CASH AND SHORT TERM BONDS

<u>Maturity</u> <u>Value</u>	<u>Security</u>		<u>Maturing</u>	<u>Total</u> <u>Cost</u>	<u>Market</u> <u>Value</u>
321,432	Cash in Savings Account	5.000		321,432.	321,432.
1,000,000	United States Treas Nts	5.875	4/30/79	1,000,090.	1,000,000.
1,250,000	United States Treas Nts	6.125	5/31/79	1,243,945.	1,250,000.
30,000	Detroit Edison Gen & Ref	3.250	5/15/80	30,000.	26,400.
500,000	United States Treas Nts 2/18/75	7.375	2/15/81	499,609.	515,000.
2,000,000	United States Treas Nts	6.875	3/31/81	2,008,125.	2,020,000.
200,000	Govt Natl Mtg Assn Part CF NC	5.250	4/01/81	203,500.	189,000.
500,000	J C Penny Finl Deb FR NC80	9.450	10/15/81	500,000.	535,000.
150,000	Export Import Bk Wash P/C	5.100	2/20/82	150,000.	140,250.
500,000	Pacific Gas & Elec 1st FR NC81	9.850	6/01/82	500,000.	540,000.
				<u>6,456,701.</u>	<u>6,537,082.</u>

MEDIUM TERM BONDS

1,000,000	United States Treas Nts	8.000	2/15/83	1,030,875.	1,055,000.
40,000	Prov of Ontario USP NC68	4.000	5/01/83	39,224.	33,900.
1,000,000	United States Treas Nts	7.250	2/15/84	1,006,875.	1,015,000.
50,000	Quebec Hydro-El S-X USP NC69	5.000	7/15/84	50,000.	41,250.
42,000	Alberta Mun Fin USP NC 70	5.000	12/15/84	41,412.	35,910.
45,000	Milwaukee Gas Light Co	5.625	5/15/85	46,068.	39,600.
100,000	Minneapolis Honeywell Regulator	5.500	4/15/86	100,500.	89,500.
1,500,000	United States Treas Nts	7.875	5/15/86	1,500,586.	1,567,500.
100,000	Consumers Power 1st	4.000	8/01/86	95,909.	72,500.
300,000	United States Treas Nts	8.000	8/15/86	300,000.	316,500.
200,000	C I T Finl OB F/R NC10/1/77	6.375	10/01/86	199,000.	181,000.
75,000	Natl Biscuit Sub Deb NR 72	4.750	4/01/87	78,938.	61,500.
				<u>4,489,387.</u>	<u>4,509,160.</u>

LONG TERM BONDS

99,000	Columbus & So Ohio Elec	4.125	1/01/88	94,298.	68,805.
100,000	Pennsylvania Electric Co	4.000	3/01/88	93,500.	70,000.
150,000	Pacific Tel & Tel Co Deb	4.375	8/15/88	140,526.	113,250.
100,000	Wells Fargo Bk Cap Nts F/R	4.500	9/15/89	100,000.	72,000.
250,000	Intl Bk Recon & Dev SF Bd NC75	4.500	2/01/90	251,125.	182,500.
50,000	Youngstown Sheet & Tube 1st Mt	4.500	10/01/90	49,187.	35,000.
200,000	Beneficial Finance RG NR73	5.000	11/01/90	200,000.	153,000.
100,000	Wisconsin Elec Pwr Reg	5.000	11/15/90	106,000.	76,000.
150,000	So Cal Edison 1st NR 5/71	5.250	5/15/91	143,625.	115,500.
200,000	Intl Bk Recon & Dev SF Bd NC77	5.375	4/01/92	159,208.	156,000.
500,000	Caterpill Tractr SF Db FR NR82	6.875	6/01/92	495,000.	482,500.
500,000	GMAC Deb F/R NC 82	7.125	9/01/92	448,125.	470,000.
150,000	Southwestern Bell Tel Deb	4.750	10/01/92	131,438.	111,000.
40,000	Cleve Elec Illum 1st C	3.875	3/01/93	40,776.	25,600.
100,000	Container Corp AM SF D FR NR78	6.625	3/15/93	100,000.	89,000.
125,000	Beneficial Finance Reg NC73	4.750	5/15/93	125,000.	90,000.
300,000	Allied Chemical Deb F/R NR78	6.600	8/01/93	300,000.	274,500.
200,000	Household Finance Reg C73	4.875	9/15/93	199,000.	145,000.
100,000	Union Electric 1st F/R	4.500	11/01/93	100,750.	67,000.

<u>Maturity</u> <u>Value</u>	<u>Security</u>	<u>Maturing</u>	<u>Total</u> <u>Cost</u>	<u>Market</u> <u>Value</u>	
		6.625	11/15/93	199,000.	180,000.
200,000	Anaconda Co Deb	7.650	7/15/94	200,000.	200,000.
200,000	Weyerhaeuser Co SF Deb FR NR79	6.375	10/01/94	347,375.	297,500.
350,000	Intl Bk Recon & Dev SF Bd NC	9.500	1/15/95	496,250.	545,000.
500,000	Ford Motor Credit Debs FR NC85	8.850	3/15/95	200,000.	213,000.
200,000	Intl Paper S/F Deb F/R	9.000	5/15/95	198,000.	212,000.
200,000	Alum Co of Amer SF Deb FR NR80	3.250	7/15/95	50,499.	29,250.
50,000	Illinois Bell Telephone	7.500	8/01/95	500,000.	477,500.
500,000	Household Finance Deb F/R	4.625	8/01/95	75,980.	52,875.
75,000	Southwestern Bell Tel Deb	7.450	11/15/96	400,000.	384,000.
400,000	Alum Co of Amer Deb F/R NR81	5.900	12/15/96	170,000.	125,800.
170,000	Con Edison 1st NR71 F/R	4.625	6/01/97	99,875.	67,000.
100,000	Pacific G & E NR 70 CPN	7.350	9/15/97	300,000.	282,000.
300,000	Goodyear Tire & Rub SF F/R NR82	4.625	10/01/97	101,750.	68,500.
100,000	New York Telephone Co Ref Mtge	6.125	11/01/97	192,500.	172,000.
200,000	Cities Service Deb F/R NR77	5.000	12/01/97	76,925.	54,375.
75,000	Southern Bell/So Cent Bell Deb	6.000	1/15/98	247,500.	213,750.
250,000	Std Oil Ind SF Deb F/R NR78	6.250	3/01/98	200,000.	160,000.
200,000	Intl Harvester SF Deb F/R NR78	6.500	7/15/98	350,000.	315,000.
350,000	Exxon Deb F/R NR/78	7.000	2/01/99	198,500.	175,000.
200,000	Duke Power 1st & Ref Mtg F/R	6.875	3/01/99	198,750.	189,000.
200,000	Beth Steel SF Deb FR	4.375	5/01/99	125,125.	82,500.
125,000	American Tel & Tel Debs	7.750	7/15/99	300,000.	297,000.
300,000	Dow Chem Deb F/R NR7/79	8.750	2/01/00	995,000.	1,055,000.
1,000,000	Gen Mtrs Acc Corp Deb FR NC86	5.000	4/01/00	51,139.	35,500.
50,000	Mt States Tel & Tel Deb	4.625	5/01/00	201,250.	131,000.
200,000	Pacific Tel & Tel Reg NR70	8.500	6/15/00	497,500.	527,500.
500,000	Monsanto Co SF Deb FR NC85	9.200	7/15/00	500,000.	540,000.
500,000	Armco Steel Corp Deb FR NR85	9.700	7/15/00	498,750.	550,000.
500,000	Ford Motor Cred SF Deb FR NC85	9.500	9/01/00	497,500.	550,000.
500,000	Inland Steel Co 1st Mtg Ser Q	7.375	4/15/01	495,000.	485,000.
500,000	Amer Cyanamid Co SF Deb F/R	4.750	5/01/01	106,500.	68,000.
100,000	Bell Tel Penna Deb NR66	9.125	6/01/01	997,500.	1,070,000.
1,000,000	Ford Motor Cred SF Deb FR NC86	7.750	6/01/01	500,000.	492,500.
500,000	Texaco SF Deb F/R NR81	7.375	10/01/01	500,000.	477,500.
500,000	Mobil Oil Co Deb F/R NR81	7.300	10/15/01	300,000.	282,000.
300,000	Firestone Tire SF Deb F/R NR81	7.250	2/15/02	500,000.	480,000.
500,000	Shell Oil Deb F/R NR82	7.125	5/01/02	495,000.	467,500.
500,000	Sun Inc Deb F/R	7.700	5/15/02	498,750.	466,250.
500,000	Prov of Ontario Deb USP NC87	7.000	5/15/02	495,000.	475,000.
500,000	Procter & Gamble SF Db FR MR82	6.500	6/15/03	336,977.	350,533.
387,330	GNMA Pass/Thru P2733 F/R	8.625	8/01/03	506,745.	495,000.
500,000	Consumers Pwr 1st Mtg F/R NR78	9.150	11/01/04	500,000.	537,500.
500,000	Cincinnati G&E 1st FR NR84	8.000	12/10/04	992,500.	1,005,000.
1,000,000	Illinois Bell Tel Deb F/R NC78	8.500	2/01/05	500,000.	525,000.
500,000	Dow Chemical SF Deb FR NR85	8.875	3/01/05	996,875.	1,040,000.
1,000,000	Prov of Ontario Deb FR NC 90	8.450	3/01/05	500,000.	520,000.
500,000	Bethlehem Steel SF Deb FR NR85	8.250	3/01/05	495,625.	522,500.
500,000	Procter & Gamb Debs SF NR85 FR	9.125	6/15/05	497,500.	527,500.
500,000	Prov of Ontario Deb FR NC90	4.875	1/01/06	100,000.	67,000.
100,000	N Y Telephone Ref F/R NC71	8.000	4/01/06	757,553.	761,250.
750,000	Sears Roebuck SF Deb FR NR86				

<u>Maturity Value</u>	<u>Security</u>		<u>Maturing</u>	<u>Total Cost</u>	<u>Market Value</u>
200,000	Southwest Bell Tel Deb FR C	5.375	6/01/06	200,000.	146,000.
500,000	Pacific Gas & Elec 1st FR NR79	9.625	12/01/06	498,750.	545,000.
1,020,024	GNMA Pass/Thru #14197 F/R	8.000	12/15/06	1,045,524.	1,022,574.
995,311	GNMA Pass/Thru #12752 R/R	8.000	12/15/06	1,020,194.	997,799.
1,004,321	GNMA Pass/Thru #15117	8.000	12/15/06	998,358.	1,006,832.
1,002,379	GNMA Pass/Thru #14264	8.000	1/15/07	1,027,438.	1,004,884.
250,000	GNMA Pass/Thru #16970M F/R	7.500	5/15/07	241,602.	242,187.
200,000	New York Tel Ref Mtge F/R NC74	7.500	3/01/09	197,500.	188,000.
500,000	Pacific Tel & Tel Debs F/R NC79	9.500	6/15/11	500,000.	550,000.
500,000	New York Tel 1 Ref Ser W FR	8.300	8/15/12	505,800.	510,000.
500,000	So Cent Bell Tel FR NR78	8.250	8/01/13	497,700.	502,500.
500,000	Southwstn Bell Tel Deb FR NC80	9.250	1/15/15	497,500.	552,500.
				<u>30,048,617.</u>	<u>29,362,014.</u>

CONVERTS - BONDS & PREFERRED

400,000	Chase Manhattan Corp CV S/D FR	6.500	7/01/96	404,000.	328,000.
350,000	US Steel Corp CV Sub Deb FR	5.750	7/01/01	342,875.	304,500.
				<u>746,875.</u>	<u>632,500.</u>

STOCK EQUIVALENT CONVERTIBLES

1,600	Comm Edison 1.425 CV Pref	1.43		41,610.	35,000.
300,000	McDonnell Douglas CV F/R	4.750	7/01/91	277,375.	274,500.
300,000	Dart Ind Sub Deb FR Exch MMM	4.250	7/15/97	300,000.	222,000.
				<u>618,985.</u>	<u>531,500.</u>

COMMON STOCKS

8,000	Chesbrough-Ponds			296,368.	181,000.
8,000	Gillette			330,561.	227,000.
8,000	American Home Products			242,302.	230,000.
3,000	Eli Lilly			186,569.	117,375.
5,000	Merck			340,953.	278,750.
7,000	Coca-Cola			297,424.	260,750.
18,000	Ralston Purina			291,680.	276,750.
5,000	R. J. Reynolds Industries Co.			328,400.	333,125.
6,000	Federated Dept Stores			289,880.	222,000.
2,000	J C Penney			164,876.	69,750.
3,000	C B S Inc			178,010.	176,625.
2,000	Eastman Kodak			222,520.	119,000.
8,000	Continental Ill Corp			223,510.	214,000.
10,000	Household Finance			244,598.	198,750.
3,000	Continental Corp			178,290.	169,500.
5,000	United Technologies Corp			198,650.	200,000.
12,000	Firestone Tire & Rubber			294,865.	237,000.
5,000	T R W			197,650.	195,000.
2,600	Intl Business Machines			688,085.	686,400.
3,000	Xerox			315,825.	146,250.
3,000	General Electric			180,776.	169,500.
2,500	R C A Corp			104,960.	78,437.
4,700	McGraw-Hill			84,913.	89,300.
5,000	Union Carbide			365,955.	244,373.
5,000	International Paper			358,920.	257,500.
6,000	Bethlehem Steel			246,623.	185,250.

<u>Maturity Value</u>	<u>Security</u>	<u>Maturing</u>	<u>Total Cost</u>	<u>Market Value</u>
7,000	Freeport Minerals Co.		218,340.	168,875.
7,000	Kennecott Copper		246,068.	210,000.
4,000	Atlantic Richfield		200,840.	242,000.
10,000	Exxon Corp		425,050.	535,000.
10,000	Gulf Oil		283,180.	280,000.
6,000	Standard Oil of California		239,132.	250,500.
5,000	American Tel & Tel		319,450.	317,500.
10,000	Allegheny Power System		213,000.	215,000.
12,000	Gulf States Utilities		178,960.	163,500.
3,000	Houston Inds Inc		156,333.	101,625.
10,000	Tampa Electric		196,750.	197,500.
7,000	Panhandle Eastern Pipe Line		288,942.	342,125.
6,000	Tenneco		200,850.	204,750.
			<u>10,020,058.</u>	<u>8,791,760.</u>

COST-OF-LIVING FUND
CASH AND SHORT TERM BONDS

160	Cash in Savings Account	5.000		160.	160.
100,000	United States Treas Nts	5.875	4/30/79	100,009.	100,000.
100,000	United States Treas Nts	6.875	3/31/81	100,406.	101,000.
50,000	J C Penny Finl Debs FR NC80	9.450	10/15/81	50,000.	53,500.
				<u>250,575.</u>	<u>254,660.</u>

MEDIUM TERM BONDS

100,000	United States Treas Nts	8.000	2/15/83	104,062.	105,500.
100,000	United States Treas Nts	7.875	5/15/86	100,000.	104,500.
				<u>204,062.</u>	<u>210,000.</u>

LONG TERM BONDS

15,000	Bristol Myers SF Deb F/R NR80	8.625	11/01/95	14,962.	15,675.
25,000	Alum Co of Amer Deb F/R NR81	7.450	11/15/96	25,000.	24,000.
25,000	Goodyear Tire & Rub SF F/R NR82	7.350	9/15/97	25,000.	23,500.
50,000	Monsanto Co SF Deb FR NC85	8.500	6/15/00	49,750.	52,750.
50,000	Ford Motor Cred SF Deb FR NC85	9.700	7/15/00	49,700.	55,000.
25,000	Amer Cyanamid Co SF Deb F/R	7.375	4/15/01	24,750.	24,250.
25,000	Texaco SF Deb F/R NR81	7.750	6/01/01	25,000.	24,625.
25,000	Mobil Oil Co Deb F/R NR81	7.375	10/01/01	25,000.	23,875.
25,000	Firestone Tire SF Deb F/R NR81	7.300	10/15/01	25,000.	23,500.
25,000	Shell Oil Deb F/R NR82	7.250	2/15/02	25,000.	24,000.
50,000	Sun Inc Deb F/R	7.125	5/01/02	49,500.	46,750.
50,000	Pacific Gas & El 1st F/R NR76	8.000	6/01/03	39,940.	48,000.
25,000	Consumers Pwr 1st Mtg F/R NR78	8.625	8/01/03	25,337.	24,750.
50,000	Cincinnati G & E st FR NR84	9.150	11/01/04	50,000.	53,750.
50,000	Prov of Ontario Deb FR NC90	9.125	6/15/05	49,750.	52,750.
50,000	Sears Roebuck SF Deb FR NR86	8.000	4/01/06	50,224.	50,750.
25,000	Pacific Tel & Tel Debs F/R NC79	9.500	6/15/11	25,000.	27,500.
25,000	New York Tel 1 Ref Ser W FR NR788	8.300	8/15/12	25,290.	25,500.
				<u>604,203.</u>	<u>620,925.</u>

STOCK EQUIVALENT CONVERTIBLES

<u>No. of Shares</u>	<u>Security</u>		<u>Total Cost</u>	<u>Market Value</u>
25,000	McDonnell Douglas CV F/R	4.750 7/01/91	23,188.	22,875.
25,000	Fedl Natl Mtg Ass CV Cap Deb C	4.375 10/01/96	16,750.	21,000.
15,000	Pfizer Inc CV S/D F/R	4.000 2/15/97	15,000.	11,475.
25,000	Dart Ind Sub Deb FR Exch MMM	4.250 7/15/97	25,000.	18,500.
			<u>79,938.</u>	<u>73,850.</u>

COMMON STOCKS

200	American Home Products	6,606.	5,750.
100	Eastman Kodak	11,336.	5,950.
100	Intl Business Machines	24,423.	26,400.
100	Union Carbide	6,986.	4,887.
100	International Paper	6,659.	5,150.
150	U.S. Steel	7,386.	5,962.
200	Exxon Corp	9,111.	10,700.
		<u>72,507.</u>	<u>64,799.</u>

<u>Retirement Fund</u>	<u>Total Cost</u>	<u>Market Value</u>
Cash and Short Term Bonds	6,456,701.	6,537,082.
Medium Term Bonds	4,489,387.	4,509,160.
Long Term Bonds	30,048,617.	29,362,014.
Converts - Bonds & Preferred	746,875.	632,500.
Stock Equivalent Convs.	618,985.	531,500.
Common Stocks	10,020,058.	8,791,760.
TOTAL	<u><u>52,380,623.</u></u>	<u><u>50,364,016.</u></u>

<u>Cost-of-Living Fund</u>		
Cash and Short Term Bonds	250,575.	254,660.
Medium Term Bonds	204,062.	210,000.
Long Term Bonds	604,203.	620,925.
Stock Equivalent Convs.	79,938.	73,850.
Common Stocks	<u>72,507.</u>	<u>64,799.</u>
TOTAL	<u><u>1,211,285.</u></u>	<u><u>1,224,234.</u></u>

PLAN REVENUES

The Plan's Retirement Fund has three principal sources of income. One is the payments made by the employer (City Government). Another is the payments made by City employee members of the Plan. The third is the interest earnings from the monies invested in bonds and other securities.

The pattern of revenues for the last decade is shown in the following table:

Fiscal Year Ending In June	Employer	Employee	Interest	Total
1977	\$ 6,047,000	\$ 1,738,000	\$ 3,199,000	\$10,984,000
1976	4,751,000	1,246,000	2,621,000	8,618,000
1975	3,781,000	889,000	2,277,000	6,947,000
1974	3,577,000	798,000	1,769,000	6,144,000
1973	2,992,000	704,000	1,431,000	5,127,000
1972	2,732,000	645,000	1,268,000	4,645,000
1971	2,704,000	617,000	983,000	4,304,000
1970	2,264,000	502,000	739,000	3,505,000
1969	1,802,000	413,000	572,000	2,787,000
1968	1,351,000	346,000	483,000	2,180,000
10 Year Total	\$32,001,000	\$ 7,898,000	\$15,342,000	\$55,241,000

SIZE OF SYSTEM

	1967	1968	1969	1970	1971	1972	1973	1974	6/76	6/77
Active	827	938	992		1067	1128	1225	1260	1360	1351
Retired	66	75	82		110	138	161	175	208	218
Survivors	7	7	10		19	20	22	27	31	37
Total	900	1020	1084		1196	1286	1408	1462	1599	1606

POLICE AND FIRE DEPARTMENT RETIREMENT PLAN

CONTRIBUTIONS AND REVENUES

Each member of the Retirement Plan contributes the following percentage of pay:

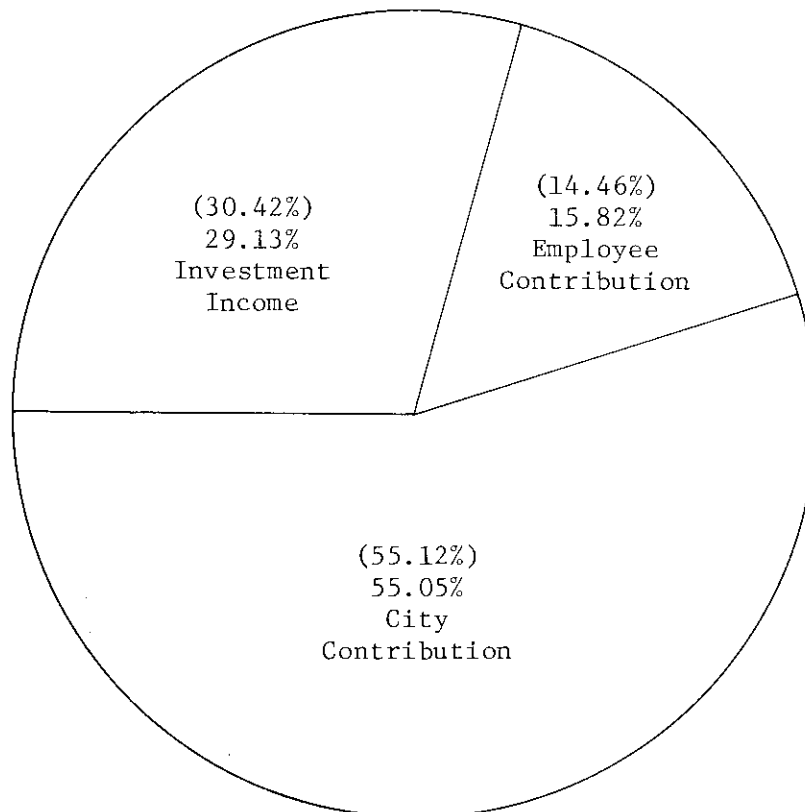
	<u>Prior to 7/1/76</u>	<u>Effective 7/1/76</u>
Current Service	5.98%	6.14%
Cost of Living	<u>0.44%</u>	<u>0.45%</u>
Total	6.42%	6.59%

The City contributes to the Retirement Plan the following percentage of payroll:

	<u>Prior to 7/1/76</u>	<u>Effective 7/1/76</u>
Current Service	15.93%	16.37%
Prior Service	5.70%	5.70%
Cost of Living	<u>1.18%</u>	<u>1.21%</u>
Total	22.81%	23.28%

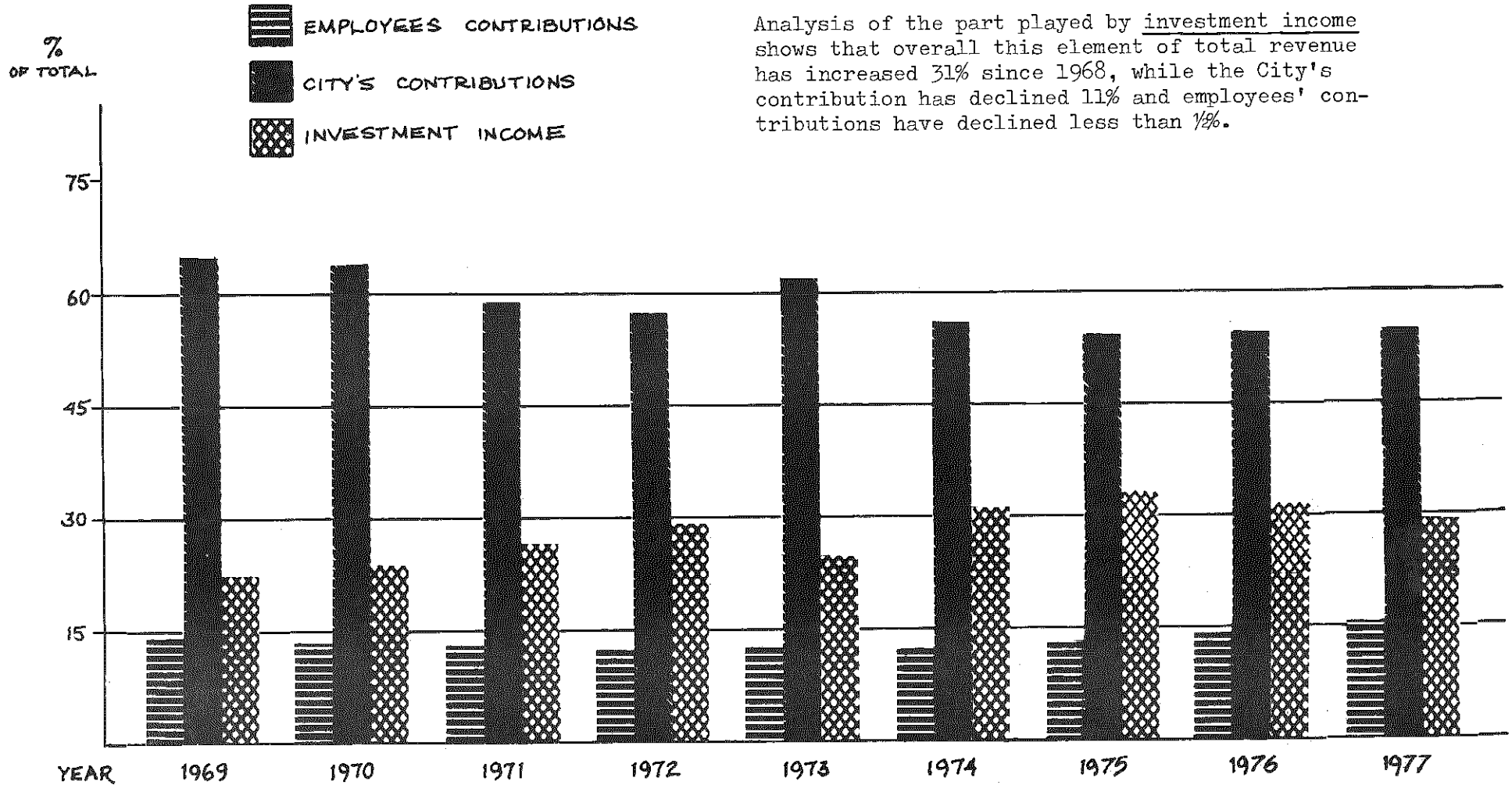
The following sources contributed their share of the revenues received by the Retirement Fund in 1976/77 (1976 shown in parentheses):

Employee Contribution	(15.82%)	\$ 1,738,000
City Contribution	(55.05%)	6,047,000
Investment Income	<u>(29.13%)</u>	<u>3,199,000</u>
Total Revenues	(100.00%)	\$10,984,000



(1976) Ratio
1977

RELATIONSHIP OF CONTRIBUTIONS



POLICE AND FIRE DEPARTMENT RETIREMENT PLAN

INVESTMENT REPORT

of

SCUDDER, STEVENS & CLARK, INCORPORATED
INVESTMENT COUNSEL

June 30, 1977

During this fiscal year, the rate of return on the funds of the Police and Fire Department Retirement System increased to 6.87% from 6.58%, or slightly less than three-tenths of one percent. During the same time span, the investments at cost rose to \$53.7 million from \$44.5 million, or \$9.2 million. The year-end annual rate of income advanced some \$762,000 from \$2,928,000 to \$3,690,000. Looking back five years, it is encouraging to see the growth that has occurred. At that time (1972) the Fund had a value of \$26 million, produced \$1.5 million in income and provided a rate of return of 5.74%.

Some of the more significant programs put into effect this year in the fixed income area involved the swapping of many of the low coupon bonds, accumulated by the Fund in the late '50s and early '60s, for higher coupon issues, providing greater marketability, quality, yield and current return. The new money from contributions and income went mainly into short and intermediate range U.S. Government issues and Government National Mortgage Association securities (Ginnie Maes), which have a twelve year average life and are guaranteed by the U.S. Government.

In the common stock area, we emphasized high yielding issues and moved to a more defensive posture. In line with this conservative stance for this portion of the Fund, we continue to carry heavy positions in the oils, utilities and food and beverage industry. During the year, the common stocks purchased yielded a 5.10% current return.

While the current economic recovery continues apace, we feel that there are some significant questions regarding the durability of the expansion in terms of increases in capital spending, corporate profits, consumer spending, residential construction, and the increasing balance of payments deficit. The issues raised by these concerns suggest obstacles to further strong growth and a move toward a more defensive investment posture in the Equity portion (as we have done) pending some further indication of direction of these important elements seems warranted.

PERFORMANCE PORTFOLIO REPORT

A. By Investment Counsel 1972-77

<u>Bond Investments</u>			
<u>Period Ending</u>	<u>Gross Purchases</u>	<u>Gross Sales</u>	<u>Current Rate of Return</u>
6/30/77	\$ 12,986,000	\$ 4,432,000	7.38%
6/30/76	9,921,000	2,044,000	8.73
12/31/74	4,526,000	290,000	8.93
12/31/73	2,103,000	996,000	8.04
12/29/72	3,284,000	1,419,000	7.22

<u>Common Stock Investments (including Convertibles)</u>			
6/30/77	\$ 4,316,000	\$ 3,203,000	5.10%
6/30/76	4,877,000	839,000	3.17
12/31/74	523,000	867,000	5.40
12/31/73	2,540,616	471,000	3.37
12/29/72	2,104,720	371,617	2.20

<u>Total Investments</u>			
<u>Period Ending</u>	<u>Investments at Cost</u>	<u>Year-end Annual Rate of Income</u>	<u>Rate of Return</u>
6/30/77	\$ 53,688,000	\$ 3,690,000	6.87%
6/30/76	44,476,000	2,928,000	6.58
12/31/74	35,279,000	2,426,000	6.88
12/31/73	28,907,000	1,692,000	5.85
12/29/72	25,965,000	1,491,000	5.74

The Cost-of-Living Fund, which is included in the above figures, amounts to approximately \$1,211,000 invested in high coupon bonds, convertibles and common stocks providing an estimated annual income of \$91,000 for a current yield of 7.50%.

B. By City Staff

<u>Regular</u>				<u>Cost of Living</u>		
<u>Calendar Year</u>	<u>Investments at Cost (1)</u>	<u>Interest and Dividends (2)</u>	<u>Actual Rate (3)</u>	<u>Investments at Cost (1)</u>	<u>Interest and Dividends (2)</u>	<u>Actual Rate (3)</u>
6/30/77	\$52,476,000	\$ 3,122,933	5.95%	\$ 1,211,000	\$ 76,053	6.28%
6/30/76	43,517,000	2,525,072	5.80	959,000	96,117	6.68
1974	34,604,000	1,923,285	5.56	675,000	46,739	6.92
1973	28,523,000	1,326,580	4.65	384,000	36,655	9.55
1972	25,630,000	1,369,819	5.34	335,000	22,031	6.58

- (1) Appraisal of Security Holdings, quarterly; Scudder, Stevens & Clark, as of June 30.
- (2) Annual Financial Reports, Director of Finance, City of San Jose. (Less Cash in Bank and Interest Receivable, but includes Gain/Loss from sale of securities).
- (3) Based upon cost (Annual income divided by total investments at cost).

POLICE AND FIRE DEPARTMENT RETIREMENT PLAN

Retirees and Beneficiaries as of June 30, 1977

	NAME	DATE RETIRED/DEATH	MONTHLY BASE	COL	TOTAL	YEARS OF SERVICE
D	Mauldin, William	9/26/44	193.04	51.48	2,870.16	17
D	Volonte, Louis	5/02/49	172.17	45.92	2,559.93	29
	Murphy, Patrick	4/19/50	213.53	56.97	3,175.08	27
D	Basile, Frank	1/14/52	249.07	66.45	3,703.53	28
	Morton, James	1/14/52	216.69	57.82	3,222.12	25
	Matranga, John	2/01/53	227.48	60.68	3,382.41	22
	Humburg, Walter	3/04/53	230.86	61.58	3,432.60	30
	Adams, Harley	7/14/53	263.52	70.29	3,918.24	27
	Higgins, Thomas	8/01/53	278.53	74.30	4,141.44	33
	Guptill, Lovell	7/01/54	290.15	77.40	4,314.21	24
	Anderson, Ernest	8/01/55	301.98	80.55	4,490.10	26
D	Anderson, Henry	11/01/55	303.46	69.76	1,312.29	34
	Malpass, William	10/07/56	306.71	81.83	4,560.60	26
	Schwandt, Herman	1/01/57	259.25	69.16	3,854.79	34
	Jones, Ivor	8/21/57	270.96	72.27	4,028.76	34
	Morss, Kenneth	9/21/57	272.07	72.59	4,045.56	30
D	MacLean, Arthur	11/27/57	314.08	83.80	4,670.25	16
	Powers, Edward	6/01/59	332.66	88.74	4,946.37	39
	Miller, Emmett	11/01/59	341.30	91.04	5,074.77	30
	Emery, Walter	5/26/60	296.27	79.01	4,404.99	29
	Jennings, Ralph	9/05/60	343.27	91.58	5,104.17	32
	Garcia, Simon	2/27/62	318.05	84.84	4,729.11	30
	Murray, Charles	3/12/62	365.82	97.57	5,439.18	32
	Holden, Gertrude (S)	** 8/18/75	180.47	48.13	2,683.26	16
	Ogden, Anna (S)	**12/15/63	266.74	71.16	3,966.24	40
	Kirby, Henri	7/01/62	436.82	116.53	6,495.12	29
	Edes, Hugh	7/01/62	372.37	99.34	5,536.86	36
	Conyers, Francis Sr.	10/26/62	377.30	100.65	5,610.12	32
	Campbell, Lawrence	2/01/63	470.20	125.42	6,991.29	31
	Quain, Ralph	4/01/63	378.83	101.07	5,632.98	22
	Flesner, Frederick	7/28/63	385.63	102.86	5,733.81	25
	Gadsby, Walter	9/01/63	387.03	103.25	5,754.84	22
	Pracna, Edward	9/13/63	485.61	129.56	7,220.76	36
	Bruegmann, Mary (S)	**10/13/63	483.50	128.99	7,189.32	5
	Sawyer, Barbara (S)	**12/12/60	263.11	70.18	3,912.09	18
	Parker, Harold	5/01/64	487.62	130.07	7,250.37	22
	Batti, George	5/11/64	390.33	104.11	5,803.68	34
D	Emery, Louis	8/20/64	313.50	83.64	4,661.55	15
	Browder, Samuel	4/01/65	397.70	106.10	5,913.57	22
	Gray, Raymond	4/01/65	356.19	95.03	5,296.38	37
	Murtha, Vincent	4/01/65	364.64	97.26	5,421.75	27
	Lunsford, Phyllis (S)	** 6/25/65	376.46	100.42	5,597.55	37
	Rebhan, Ethel (S)	** 4/22/74	229.51	61.22	3,412.53	21
	Davis, Harvey	9/01/65	404.74	107.98	6,018.27	23
D	Hoffman, Veron	12/06/65	371.78	99.18	5,528.04	20

POLICE AND FIRE DEPARTMENT RETIREMENT PLAN

Retirees and Beneficiaries as of June 30, 1977

NAME	DATE RETIRED/DEATH	MONTHLY BASE	COL	TOTAL	YEARS OF SERVICE
Alvares, Artie	2/01/66	357.52	95.37	5,315.97	23
Acquistapace, Joseph	2/01/66	357.52	95.37	5,315.97	22
Guerin, Peter	2/15/66	376.33	100.40	5,595.75	22
Pinkston, Lena (S)	** 9/07/74	386.96	103.19	5,753.28	29
Bosque, Charles	5/03/66	323.12	86.18	4,804.32	20
D Haas, Carl	6/07/66	362.22	96.62	5,385.84	21
Cecil, Georgia (S)	** 1/26/72	341.57	90.68	5,073.69	18
D Mattern, John	7/16/66	419.75	111.98	6,241.35	16
Kidder, Donald	9/01/66	427.21	113.95	6,352.08	29
D Atwell, Harold	12/19/66	370.17	98.74	5,503.98	20
Pierce, Dolores (S)	**12/25/66	481.95	128.55	7,165.98	9
Russo, Josephine (S)	** 2/09/67	182.91	48.79	2,719.65	39
Vitek, Hilvie (S)	** 2/11/67	281.81	75.19	4,190.40	42
D Creamer, William	4/15/67	368.40	98.27	5,477.73	23
D Fusco, George	6/10/67	352.07	93.92	5,234.97	22
Wakeman, Lela (S)	** 9/07/67	225.79	60.23	3,357.27	32
Phipps, Ruth (S)	**10/05/67	184.49		2,213.88	7
D Anderson, William	11/14/67	377.00	100.57	5,605.65	9
Stanley, Jack	1/14/68	362.86	96.80	5,395.41	23
Gomes, Anthony	1/15/68	426.86	113.87	6,347.01	22
D Turnage, Gordon	3/08/68	365.59	97.52	5,435.91	8
D Lorenz, Herman	3/15/68	384.74	102.64	5,720.76	25
D Urzi, Robert	3/18/68	366.08	97.65	5,443.17	21
D Bartolini, Herbert	4/01/68	366.77	97.83	5,453.43	8
Hauser, Irene (S)	** 3/24/72	182.92	48.80	3,394.83	6
D Crawford, Andrew	4/05/68	386.35	103.09	5,744.94	10
D Poelle, William	9/11/68	416.43	111.08	6,191.88	17
D Fisher, Raymond	1/01/69	382.48	102.02	5,687.01	22
D Brewer, Glenn	2/10/69	385.15	102.74	5,726.79	10
Bone, Nadalie (S)	** 3/10/69	344.39	91.88	5,120.85	37
Chew, Arnold	4/21/69	373.41	85.84	5,390.58	1
D Sims, Robert	4/27/69	459.60	105.65	6,634.86	23
Collins, Doris (S)	** 5/17/69	387.21	89.00	5,589.69	39
D Ostermeier, Clifford	5/20/69	384.77	88.44	5,554.50	5
D Barr, Jack	7/14/69	394.05	90.59	5,688.60	21
Murphy, Gerald	10/28/69	814.23	187.17	11,754.27	42
D Hart, James	12/03/69	383.42	88.13	5,535.03	1
Fernandez, Beverly (S)	** 3/12/73	610.52	140.34	8,813.49	23
McCay, E	2/01/70	999.77	229.81	14,432.67	27
Erlandson, John	7/01/70	595.43	114.16	8,329.05	25
Ankenbauer, Frank	7/05/70	576.31	110.50	8,061.72	24
D Stenzel, Eugene	8/01/70	461.00	88.39	6,448.68	8
Huerta, Marie (S)	** 8/06/70	479.54	91.95	6,708.03	6
D Davis, Dale	9/01/70	461.00	88.39	6,448.68	8
D Slout, Bernard	9/01/70	569.48	109.19	7,966.11	24
Wilson, Jack	9/01/70	955.53	183.20	13,366.23	34
D LeBeau, Ronald	10/01/70	1,782.81	341.82	24,938.64	31
Connett, Theron	10/01/70	835.79	160.26	11,691.51	31

POLICE AND FIRE DEPARTMENT RETIREMENT PLAN

Retirees and Beneficiaries as of June 30, 1977

NAME	DATE RETIRED/DEATH	MONTHLY BASE	COL	TOTAL	YEARS OF SERVICE
D Burgstrom, Carl	11/01/70	563.04	107.95	7,876.02	16
D Anderson, Clarence	12/21/70	545.36	104.56	7,628.67	23
Fisher, Vern	1/03/71	599.87	115.03	8,391.42	25
D Canuel, John	1/05/71	766.40	146.96	10,720.92	25
D True, Robert	1/11/71	1,147.89	220.08	16,057.08	31
D Crosby, James	1/14/71	839.24	160.91	11,739.63	29
Cannell, George	1/16/71	1,486.60	285.03	20,795.16	33
Gibson, Henrietta (S)	** 2/04/71	345.75	66.28	4,836.36	25
D Coomer, Sam	2/09/71	376.90	72.25	5,272.08	9
D Batten, Russel	3/01/71	1,105.24	211.92	15,460.68	28
D Tanner, Francis	5/01/71	546.62	87.07	7,438.14	20
Blackmore, John	5/17/71	1,953.51	311.14	26,582.16	42
D Mason, Roland	6/22/71	511.45	81.46	6,959.49	7
D Rolston, Chad	7/01/71	680.42	108.37	9,258.75	26
Petersen, Shirley (S)	**11/05/74	549.38	87.49	7,475.49	29
Anderson, Irene (S)	** 6/12/63	156.44	24.91	2,128.68	18
D Knapp, John	7/15/71	1,484.00	263.37	20,193.45	30
D Lowe, William	7/15/71	662.48	105.51	9,014.55	22
D Evans, Carl	8/01/71	655.23	104.36	8,916.00	26
D Place, Robert	8/01/71	413.82	65.91	5,631.03	11
D Kennedy, Edwin	8/01/71	744.57	118.60	10,131.78	24
Thaysen, Dorothy (S)	** 5/16/73	387.31	61.70	5,270.40	24
D Ricketts, Edward	9/01/71	583.10	92.88	7,934.55	21
D Warrick, Robert	10/05/71	814.32	129.70	11,080.74	27
D Flair, Gary	10/12/71	506.35	80.66	6,890.22	9
D Houlihan, Earl	11/11/71	510.71	81.33	6,949.32	8
D Manthey, James	12/01/71	648.63	103.30	8,826.06	19
D Bibby, Richard	12/01/71	508.13	79.23	6,894.33	15
D Miller, Herbert	1/03/72	973.81	155.09	13,250.88	35
D Curtiss, Marvin	1/04/72	766.04	122.01	10,423.77	27
D Green, Leon	2/01/72	1,319.49	210.16	17,954.85	35
D Fries, Joseph	2/01/72	691.49	110.14	9,409.41	22
D Higgins, Thomas Jr.	3/01/72	1,040.20	165.68	14,154.48	24
D Westerhouse, James	3/01/72	857.69	136.61	11,670.96	27
Maral, Manuel	3/01/72	769.75	122.60	10,474.29	40
D Leslie, Sean	3/01/72	530.28	84.47	7,215.81	8
D Tollenaar, Corneal	4/01/72	647.13	103.07	8,805.75	20
D Hardman, Stanley	4/01/72	939.61	149.65	12,785.55	24
Heeren, Mildred (S)	**2-21-77	385.78	61.45	8,164.55	22
D Scarpace, Sam	4/01/72	771.56	122.89	10,498.95	30
D Jones, Arthur	4/01/72	937.50	149.33	12,757.02	35
D O'Brien, John	4/17/72	827.56	103.87	10,932.99	26
Luchessi, Jessie (S)	** 4/22/72	641.65	80.53	8,476.89	31
D Bishop, Curtis	5/01/72	962.43	120.79	12,714.69	28
D Miller, Arthur	5/01/72	815.35	102.33	10,771.59	24
D McCargar, John	6/06/72	308.10	38.67	4,070.34	2
D Miller, David	7/02/72	944.25	118.51	12,474.57	31
Cardona, Velma (S-2)	** 7/08/75	899.61	94.95	11,673.99	20

POLICE AND FIRE DEPARTMENT RETIREMENT PLAN

Retirees and Beneficiaries as of June 30, 1977

NAME	DATE RETIRED/DEATH	MONTHLY BASE	COL	TOTAL	YEARS OF SERVICE
D Anderson, William	8/01/72	849.42	106.61	11,221.71	26
Shannon, Marjorie (S)	** 1/26/73	651.44	81.76	8,606.16	35
D Bernando, Charles	8/01/72	753.53	94.57	9,954.90	27
D Petersen, Gunner	8/01/72	845.49	106.12	11,169.84	26
D Toussaint, Harold	8/01/72	1,013.45	127.20	13,388.82	29
Demers, Alice(S)	**2-27-77	801.16	100.55	17,587.78	35
Barozzi, Ernest	9/01/72	796.40	99.96	10,521.33	26
Haller, Jean (S)	** 9/06/72	544.62	68.35	7,194.99	25
D Lamb, William	9/15/72	637.31	79.98	8,419.47	19
North, Antoinette (S)	**11/19/72	449.36	56.40	5,936.55	27
D Miller, Jesse	12/01/72	884.28	110.98	11,682.21	25
Klein, Elmer	1/03/73	1,643.50	206.28	21,712.44	30
D Larsen, James	1/15/73	605.17	75.96	7,995.00	13
D Schaefer, Charles	2/14/73	904.83	113.56	11,953.74	29
D Sadler, Bernice	2/15/73	546.03	68.53	7,213.62	24
D Brenneman, Virgil Jr.	2/15/73	535.00	67.15	7,067.94	6
D Donohue, James	3/04/73	387.73	48.66	5,122.29	6
D Gilbert, George	3/15/73	731.12	91.76	9,658.83	27
D Lennon, John	4/01/73	590.70	74.13	7,803.72	20
D Moody, Wiley	4/01/73	987.00	123.88	13,039.32	30
D Tuma, Frank	4/01/73	776.12	97.40	10,253.28	27
D Sanchez, Joseph	4/01/73	658.00	82.58	8,692.83	14
D Jones, John	4/01/73	2,164.79	271.70	28,599.15	34
D Howard, Orrin	4/01/73	575.00	72.17	7,596.39	20
D Walton, J	4/01/73	527.18	66.17	6,964.68	4
D Gray, Loren	4/01/73	853.13	107.07	11,270.67	30
D Hoffman, Fred	6/01/73	1,031.78	95.67	13,233.84	29
LaCour, Joyce (S)	** 6/14/73	656.92	60.92	8,425.89	13
D Bruce, Gordon	7/01/73	601.42	55.76	7,713.90	5
D Evans, David	8/01/73	955.34	88.59	12,253.47	26
D Harris, Coy	9/12/73	810.23	75.14	10,392.33	27
Vasquez, Lupe (S)	** 9/25/73	940.63	87.22	13,062.64	24
D Silva, Edward	10/01/73	870.38	80.70	11,163.66	25
Malvini, Barbara(S)	**7-15-76	582.34	53.99	7,469.19	13
D Marks, Leonard Jr	10/01/73	1,062.50	98.53	13,627.98	18
D Satariano, Anthony	11/14/73	807.78	74.90	10,360.77	27
D Cordoni, Julius	12/01/73	664.20	61.59	8,519.22	11
D Torguson, Donald	1/02/74	558.96	51.83	7,169.37	11
D Gould, Michael	1/02/74	649.49	60.22	8,330.49	9
D Nufer, Joseph	1/02/74	688.00	63.80	8,824.50	14
D Crawford, James	1/02/74	688.00	63.80	8,824.50	14
D Bias, James	1/02/74	594.64	55.14	7,626.99	13
Conrow, Dan	1/05/74	974.21	90.34	12,495.51	28
Hornbeck, Melvin	1/06/74	1,462.97	135.66	18,764.52	36
D Heaney, William	1/09/74	821.86	76.22	10,541.52	27
D Willis, Ronald	1/15/74	478.61	44.38	6,138.81	10
D Perry, Lucille (S)	** 8/25/75	518.46	48.07	6,649.86	27

POLICE AND FIRE DEPARTMENT RETIREMENT PLAN

Retirees and Beneficiaries as of June 30, 1977

NAME	DATE RETIRED/DEATH	MONTHLY BASE	COL	TOTAL	YEARS OF SERVICE
D Silfvast, Robert	2/01/74	703.59	65.24	9,024.45	17
D Martinelli, Walter	2/01/74	843.22	78.20	10,815.48	28
D Choyce, James	3/01/74	603.25	55.94	7,737.48	14
D Garringer, Estiel	3/01/74	965.43	89.52	12,382.83	26
Provasi, Dante	3/01/74	868.46	80.53	11,139.12	27
D Collins, Barton	3/01/74	1,709.63	158.53	21,928.23	38
MacKenzie, William	4/01/74	1,549.13	143.64	19,869.54	29
D Stefanini, Mario	4/01/74	939.06	87.08	12,044.67	29
Garcia, Jennie (S)	** 5/07/74	535.99	32.64	6,674.52	27
Buck, Lillian (S)	** 5/14/74	929.83	56.62	11,578.83	24
Baker, Bernice	6/01/74	392.86	23.93	4,892.22	25
Favorite, Lawrence	6/12/74	1,074.00	65.41	13,374.21	35
D Coburn, Jimmie	6/15/74	619.86	37.75	7,718.97	18
D Bernardo, Ralph	7/10/74	873.24	53.18	10,874.22	30
Scribner, Betty	**11-14-76	747.77	45.54	12,427.00	28
D Nurisio, Louis	12/01/74	663.37	40.40	8,260.74	14
D Cissell, David	1/02/75	669.06	40.74	8,331.57	15
D Lima, Sam	1/02/75	846.83	51.57	10,545.27	28
D Devitt, Francis	2/01/75	1,051.73	64.05	13,096.86	28
D Sapena, Tony	3/01/75	1,509.82	91.94	18,801.27	29
D Kincaid, Richard	3/27/75	984.49	59.95	12,259.50	32
D Kinney, Thomas	4/01/75	1,161.73	70.75	14,466.66	29
D Angelo, Anthony	4/01/75	801.11	48.78	9,975.93	24
D Donald, Peggy (S-2)	** 5/15/75	1,545.80	62.92	17,383.42	24
Fonseca, Charles	4/01/75	1,140.75	69.47	14,205.39	30
D Sawyer, Howard	4/01/75	657.32	40.03	8,185.41	13
Silva, Raymond	4/01/75	774.72	47.18	9,647.34	23
Rasmussen, Pauline	4/01/75	376.47	22.92	4,688.01	23
D Sinnott, Glenn	4/01/75	869.53	52.96	10,828.05	28
D Richards, John	5/01/75	796.34	23.89	9,627.75	14
D Azzarello, Joseph	5/01/75	1,600.25	48.01	19,347.03	33
D Ramboer, Leo	6/01/75	883.98	26.52	10,687.32	28
D Jacobson, George	6/01/75	771.48	23.14	9,327.18	15
D Cuffaro, Marco	6/10/75	1,040.01	31.20	12,573.72	26
D Robertson, Harry	9/06/75	708.69	21.26	8,568.06	6
D Keith, Gary	10/18/75	700.91	21.03	8,474.01	13
D Hall, Stanley	11/01/75	828.99	24.87	10,022.49	15
D Donald, Howard	1/01/76	1,740.78	52.22	21,046.02	28
Keiser, Betty	1/02/76	390.67	11.72	4,723.20	20
D Kosik, Victor	1/03/76	1,039.81	31.19	12,571.29	28
Hilscher, Arthur	1/03/76	1,433.45	43.00	17,330.40	29
D Fernandez, Gabriel	1/06/76	948.11	28.44	11,462.64	29
D Bloomfield, Harold	1/25/76	800.38	24.01	9,676.59	24
Haller, Lewis	2/07/76	1,706.66	51.20	20,633.52	34
Kuehnis, Floyd	2/07/76	1,475.52	44.27	17,839.05	34
D Sullivan, Maris	3/20/76	1,026.50	30.80	12,410.40	24
Conversa, Jessie(S)	**8-29-76	637.37	19.12	8,980.54	30

POLICE AND FIRE DEPARTMENT RETIREMENT PLAN

Retirees and Beneficiaries as of June 30, 1977

NAME	DATE RETIRED/DEATH	MONTHLY BASE	COL	TOTAL	YEARS OF SERVICE
D Nelson, Robert	3/21/76	993.62	29.81	12,012.87	30
D Seibert, Sam	3/28/76	1,216.75	36.50	14,710.50	29
D Murtha, William	4/01/76	663.30	19.90	8,019.30	9
D Ricceri, Frank	4/01/76	940.03	28.20	11,364.96	28
D Cole, Vernon	6/13/76	1,033.41		13,020.97	24
D Mogilefsky, Arthur	7/04/76	755.16		8,988.84	9
Maddox, William	8/14/76	1,239.51		13,114.82	28
D Keyser, Orville	9/19/76	1,222.16		11,488.30	28
D Stegemiller, James	10/18/76	1,242.97		10,616.97	22
D Sekany, Gregory	1/03/77	765.70		4,544.80	6
D Elorreaga, Paul	1/12/77	792.82		4,475.60	14
D Lee, Raymond	3/14/77	1,376.86		4,707.97	29
D Klein, Theodore	3/19/77	1,881.55		6,433.69	31
D Dwyer, George	3/20/77	1,264.22		4,282.04	27
D Cleary, Robert	3/20/77	1,676.11		5,677.15	28
D Campbell, William	3/20/77	1,182.62		3,967.50	25
D Kasich, Robert	4/11/77	790.82		2,108.85	9
D Devens, Lee	4/17/77	1,671.95		4,124.14	28
Hickey, Janet	4/23/77	1,213.72		2,751.10	31
D Brune, Ralph	6/01/77	1,390.32		1,390.32	29

TOTAL \$21,818.87

TOTAL \$2,227,293.33

(S) Survivor
(S-2) Own retirement and survivor
D Disability