

Retirement Board Financial Statement

STATE OF OREGON
PUBLIC EMPLOYEES RETIREMENT SYSTEM
Portland, Oregon
Accounting Balance Sheet as of June 30, 1949

ASSETS	LIABILITIES
Cash and Investments.....\$18,785,040.68	Reserves for Employers' Accumulated Contribution Credits\$ 6,850,803.32
Accounts Receivable:	Reserves for Employes' Accumulated Contribution Credits 9,629,238.02
Current Contributions in Transit 576,770.93	Reserves for Disability Benefits Granted 229,350.07
Amortized Amounts Due from Employers for pensions granted 3,671,287.42	Reserves for Service Retirement Benefits Granted 6,425,841.98
Accrued Interest Receivable 54,810.16	Suspense Fund—Held Pending Final Disposition 4,932.95
Other Assets:	
Equipment, supplies and deferred Organization expense 52,257.15	
Total Assets\$23,140,166.34	Total Liabilities\$23,140,166.34

By JERRY S. SAYLER
Executive Secretary

In submitting the Account Balance Sheet as of June 30, 1949, certain comments would seem to be pertinent.

Quite a few members wonder why these statements appear to be approximately one year late. Employers deduct retirement contributions from salaries of employes throughout the fiscal year and remit the amount so deducted to the Retirement Board each month, together with the employer's matching contributions and the contributions from the employers in liquidation of prior service liabilities. However, only once each year is the employer required to submit a detailed report covering these remittances. These reports are due in the retirement office on July 15th following the end of the preceding fiscal year. Not always are these annual reports on time, and especially is this true in case of some of the larger employers for whom this annual report is a project of some considerable magnitude. There are almost 1,200 reporting employers and these detailed annual reports represent thousands of small items totaling

upwards of ten million dollars for any one year.

Ordinarily, it requires about six months for the retirement system staff to audit, adjust, bring into balance, and post all of these multitudinous items to the individual credit of some 35,000 accounts. After this has been done, interest earnings and expense deductions for the fiscal year in question must be prorated and again posted to these thousands of individual accounts. This process requires from 30 to 40 days in the retirement office, with all of the staff and all of the mechanical equipment working at top speed. After this specific task is completed, then the entire operation must be reconciled and brought into perfect balance to the last cent. If we arrive at this point in the year's operation any time during the month of March, we are well satisfied. At this point the state auditors from the Secretary of State's office move in and take over. At the best they can do, it takes from two to three months to conduct the audit and verify the work done by the retirement staff. The state auditing department then makes up its report to