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UNIVERSITY OF ILLINOIS

THIRTEENTH ANNUAL REPORT
of the
BOARD OF TRUSTEES
of the
TEACHERS' RETIREMENT SYSTEM
OF THE STATE OF ILLINOIS
Successor to the
ILLINOIS STATE TEACHERS' PENSION
AND RETIREMENT FUND



to the
SUPERINTENDENT OF PUBLIC INSTRUCTION

for the
YEAR ENDING JUNE 30, 1952

AUBREY J. HOLMES, Secretary
Pension Document Number Thirty-Seven

**TEACHERS' RETIREMENT SYSTEM
OF THE
STATE OF ILLINOIS**

SPRINGFIELD, ILLINOIS, November 1, 1952

HON. VERNON L. NICKELL,
*Superintendent of Public Instruction,
State of Illinois:*

Dear Sir:

In compliance with Section 25-29 of the Teachers' Retirement System Act, we have the honor to submit to you the Thirteenth Annual Report of the Board of Trustees, Teachers' Retirement System of Illinois, successor to the Board of Trustees, Teachers' Pension and Retirement Fund, State of Illinois, for the year ending June 30, 1952.

Very respectfully,

AUBREY J. HOLMES,

Secretary, Board of Trustees,
Teachers' Retirement System
of the State of Illinois.

(60521)



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BOARD OF TRUSTEES

VERNON L. NICKELL, *President*
Superintendent of Public Instruction

FRED L. BIESTER,
Principal, Glenbard Township High School
Glen Ellyn, Illinois.

JOHN W. GRAHAM,
Member, Faculty, LaSalle-Peru Township
High School,
LaSalle, Illinois.

J. E. ETHEERTON
Banker
Carbondale, Ill.

PAUL A. WILSON,
Insurance
Springfield, Illinois.

WILLIAM G. STRATTON, *Treasurer*,
State Treasurer.

IVAN A. ELLIOTT, *Attorney General*,
Attorney.

AUBREY J. HOLMES, *Secretary*,
Board of Trustees.

A. S. HANSEN, *Actuary*.

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PART ONE

TEACHERS' RETIREMENT SYSTEM

STATEMENT OF ASSETS AND LIABILITIES

JUNE 30, 1952

ASSETS

CURRENT ASSETS:

Cash on Deposit with State Treasurer.....	\$	2,853,907.35
Petty Cash Fund		25.00
Accounts Receivable—		
Members—applicable to actuarial dollar		
(\$) credits as of June 30, 1952.....	\$	1,381,120.44
Contributions (1951-52 fiscal year) esti-		
mated	3,391,516.75	
State of Illinois—Pursuant to the Act...	1,175,000.00	
Return Checks	26,725.18	
		5,974,362.37
Accrued Interest—		
Bonds	181,989.94	
F.H.A. Mortgage Loans.....	68,390.40	
Contracts	17.53	
		250,397.87
Rentals in Trust.....		14.25
Deferred Charges—Office Supplies.....		1,074.33
		\$ 9,079,781.17

INVESTMENTS AT COST, LESS ACCRUED AMORTIZATION
(MARKET VALUE, \$40,554,431.76):

Bonds—		
U. S. Government.....	\$	16,754,230.81
Public Utilities	10,522,939.57	
Railroad	591,485.13	
Industrial	431,034.24	
		\$ 28,299,689.75
Savings and Loan Shares insured by Fed-		
eral Savings Loan Insurance Company..	175,000.00	
F. H. A. Mortgage Loans, Less Accrued		
Amortization	13,206,205.71	
		41,680,895.46
REAL ESTATE SOLD ON CONTRACT.....		5,992.66
FURNITURE AND FIXTURES—AT COST.....		64,051.43
		\$ 50,830,720.72

LIABILITIES**CURRENT LIABILITIES:**

Annuities Payable—Accrued	\$	37,329.32
Refunds Payable—Estimated		150,000.00
		<hr/>
	\$	187,329.32

PENSION PAYMENT FUND:

Balance as of June 30, 1951.....	\$	45,364,553.87
Add:		
Excess of income over expenses for the year ended June 30, 1952.....		5,466,289.13
Death benefits donated to Fund.....		72.28
Temporary Disability Adjustment.....		128.93
		<hr/>
	\$	50,831,044.21

Deduct:

Reduction in members ac- counts receivable for year..	\$	45,645.86
New law disability payment..		1,594.76
Current service adjustment...		92.48
Notes receivable adjustment.		1.72
Salary deductions for the year 1950-51 short of esti- mate at June 30, 1951.....		140,317.99
		<hr/>
		187,652.81

Balance as of June 30, 1952 (See Note).....		50,643,391.40
		<hr/>
TOTAL.....	\$	50,830,720.72

NOTE: This balance sheet does not reflect actuarial reserves.

TEACHERS' RETIREMENT SYSTEM
STATEMENT OF INCOME AND EXPENSES

For the Year Ending June 30, 1952

INCOME:

Teachers' Contributions—		
Salary Deductions 1951-52.....	\$	6,050,550.02
Prior Service		170,355.05
Military Service		13,642.96
Current Service		56,879.37
Added Assessments		29,156.24
Refunds Repaid		45,322.94
Reciprocity Collections		195.12
		<hr/>
	\$	6,366,101.70

STATE OF ILLINOIS:

Common School Fund.....	\$	4,700,000.00
Appropriation		7,500.00
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		4,707,500.00

Original from

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URBANA-CHAMPAIGN

OTHER INCOME:

Interest—

Bonds (Less amortization of bond premiums)	\$754,962.91	
F. H. A. Mortgage Loans (Less amortization of premiums)	383,934.04	
Real Estate Contracts.....	158.79	
Real Estate Loans.....	67.79	
Notes Receivable98	
Added Assessments	3,978.75	
Refunds Repaid	9,393.67	
		\$ 1,152,496.93
Dividends on Savings and Loan Shares..	5,181.25	
Royalties on Gas and Oil Rights.....	3,861.77	
		1,161,539.95
TOTAL INCOME.....		\$ 12,235,141.65

EXPENSES:

Benefits—

Age Retirement	\$ 3,632,631.83	
Old Law	1,603,851.86	
Disability	223,759.73	
Death Benefits—Senate Bill 623	95,337.49	
	\$5,555,580.91	
Less: Benefits Returned.....	24,599.72	
		\$ 5,530,981.19
REFUNDS:		
Members, Including Death Benefits	\$ 1,097,571.20	
Reciprocity Payments	1,365.26	
		\$ 1,098,936.46

GENERAL AND ADMINISTRATIVE:

Payroll	\$ 103,078.05	
Extra Help	15.00	
Professional Service—		
Actuarial Services \$	312.50	
Legal Services	1,509.35	
Investment Services	9,524.36	
	11,346.21	
Printing, Paper Expense.....	9,915.59	
Office Expense	3,830.92	
Postage and Express.....	2,319.33	
Travel	4,435.56	
Repair and Rental of Machines	1,545.25	
Telephone and Telegraph....	1,077.95	
Investment Expense	205.55	
Miscellaneous	16.50	
		137,785.91
CAPITAL LOSSES:		
Sale or Exchange of Equipment	321.77	
Securities Sold	827.19	1,148.96

TOTAL EXPENSES..... 6,768,852.52

EXCESS OF INCOME OVER EXPENSES..... \$ 5,466,289.13

NOTE—The foregoing amounts have been certified to by Bert H. Allison & Co., Certified Public Accountants.

Original from

UNIVERSITY OF ILLINOIS AT
URBANA-CHAMPAIGN

STATEMENT OF BONDS AND STOCK OWNED

JUNE 30, 1952

Description			
GOVERNMENT BONDS			
U. S. Defense Bonds, Series G. 2½%	8/1/53	\$	50,000.00
U. S. Defense Bonds, Series G. 2½%	3/1/54		50,000.00
U. S. Defense Bonds, Series G. 2½%	9/1/54		50,000.00
U. S. Defense Bonds, Series G. 2½%	3/1/55		100,000.00
U. S. Savings Bonds, Series G. 2½%	2/1/56		100,000.00
U. S. Savings Bonds, Series G. 2½%	3/1/57		100,000.00
U. S. Savings Bonds, Series G. 2½%	1/1/58		100,000.00
U. S. Savings Bonds, Series G. 2½%	1/1/59		100,000.00
U. S. Savings Bonds, Series G. 2½%	1/1/60		100,000.00
U. S. Savings Bonds, Series G. 2½%	7/1/60		900,000.00
U. S. Savings Bonds, Series G. 2½%	2/1/61		100,000.00
U. S. Savings Bonds, Series G. 2½%	1/1/62		100,000.00
U. S. Savings Bonds, Series G. 2½%	11/1/62		660,000.00
U. S. Treasury.....2½%	3/15/56/58		110,000.00
U. S. Treasury.....2¼%	6/15/59/62		815,000.00
U. S. Treasury.....2½%	12/15/63/68		2,706,000.00
U. S. Treasury.....2½%	6/15/64/69		820,000.00
U. S. Treasury.....2½%	12/15/64/69		1,300,000.00
U. S. Treasury, Investment Series A.....2½%	10/1/65		600,000.00
U. S. Treasury, Investment Series B.....2¾%	4/1/75/80		7,815,000.00
			\$16,676,000.00
RAILROAD BONDS			
Chicago Union Station, Series G.....2⅞%	7/1/63	\$	50,000.00
Cincinnati Union Terminal Co., Series G.....2¾%	8/1/74		129,000.00
Elgin, Joliet and Eastern Ry., Series A.....3¼%	3/1/70		116,000.00
Great Northern Ry. Co., Series R.....2¼%	1/1/61		140,000.00
Kansas City Terminal Ry. Co..2¾%	10/1/74		150,000.00
			\$ 585,000.00
INDUSTRIAL BONDS			
B. F. Goodrich Co.....2¾%	5/1/65	\$	179,000.00
Koppers Co.3%	10/1/64		248,000.00
			\$ 427,000.00
PUBLIC UTILITIES			
Appalachian Electric Power Co.3¼%	12/1/70	\$	200,000.00
Blackstone Valley Gas and Electric Co.3%	11/1/73		156,000.00
Boston Edison Co.....2¾%	12/1/70		50,000.00
Buffalo Niagara Electric Corp. 2¾%	11/1/75		250,000.00
Central Illinois Public Service Co.3⅜%	10/1/71		200,000.00
Central Illinois Public Service Co.3⅛%	1/1/79		50,000.00
Cleveland Electric Illuminating Co.3%	7/1/70		25,000.00
Columbus & Southern Ohio Electric Co.3¼%	9/1/70		95,000.00

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Commonwealth Edison Co.....	3%	2/1/77	400,000.00
Consumer Power Co.....	2 $\frac{7}{8}$ %	9/1/75	400,000.00
Dayton Power and Light Co... 2 $\frac{3}{4}$ %		10/1/75	400,000.00
Delaware Power and Light Co..	3%	10/1/73	245,000.00
Detroit Edison Co.....	3%	12/1/70	300,000.00
Hackensack Water Co.....	2 $\frac{5}{8}$ %	3/1/76	250,000.00
Houston Lighting and Power Co.	2 $\frac{7}{8}$ %	11/1/74	250,000.00
Illinois Bell Telephone Co....	2 $\frac{3}{4}$ %	1/15/81	400,000.00
Illinois Power Co.....	2 $\frac{7}{8}$ %	3/1/76	235,000.00
Iowa Power and Light Co....	3 $\frac{1}{4}$ %	8/1/73	100,000.00
Louisiana Power and Light Co..	3%	4/1/74	191,000.00
Michigan Consolidated Gas Co.	3 $\frac{1}{2}$ %	3/1/69	96,000.00
Narragansett Electric Co.....	3%	9/1/74	220,000.00
New England Telephone & Telegraph	4 $\frac{1}{2}$ %	5/1/61	50,000.00
New Jersey Power & Light Co..	3%	3/1/74	250,000.00
New York Power and Light Corp	2 $\frac{3}{4}$ %	3/1/75	250,000.00
New York Steam Corp.....	3 $\frac{1}{2}$ %	7/1/63	300,000.00
New York Telephone Co....	2 $\frac{3}{4}$ %	7/15/82	250,000.00
Northern States Power Co....	2 $\frac{3}{4}$ %	10/1/75	400,000.00
Ohio Edison Co.....	3%	9/1/74	25,000.00
Ohio Power Co.....	3 $\frac{1}{4}$ %	10/1/68	100,000.00
Ohio Power Co.....	3%	4/1/78	150,000.00
Oklahoma Gas and Electric Co.	2 $\frac{3}{4}$ %	2/1/75	210,000.00
Pacific Gas and Electric Co.	3%	12/1/79	400,000.00
Pennsylvania Electric Co....	3 $\frac{1}{8}$ %	9/1/73	100,000.00
Philadelphia Electric Co....	2 $\frac{3}{4}$ %	11/1/67	400,000.00
Public Service Co. of Oklahoma	2 $\frac{3}{4}$ %	7/1/75	250,000.00
Rochester Telephone Corp....	2 $\frac{1}{2}$ %	4/1/81	250,000.00
Southern California Edison Co.	3%	9/1/65	250,000.00
Tampa Electric Co.....	2 $\frac{5}{8}$ %	8/1/76	250,000.00
Tennessee Gas & Transmission Co.	2 $\frac{3}{4}$ %	4/1/66	185,000.00
Tennessee Gas & Transmission Co.	3%	10/1/67	48,000.00
Texas Electric Co.....	2 $\frac{3}{4}$ %	3/1/75	250,000.00
Texas Power and Light Co..	2 $\frac{3}{4}$ %	5/1/75	244,000.00
Union Electric Co. of Missouri.	3 $\frac{3}{8}$ %	5/1/71	400,000.00
Virginia Electric Co.....	2 $\frac{3}{4}$ %	3/1/75	250,000.00
West Penn Power Co.....	3%	5/1/74	250,000.00
Wisconsin Electric Power Co..	2 $\frac{5}{8}$ %	6/1/76	190,000.00
Wisconsin Power and Light Co.	3 $\frac{1}{4}$ %	8/1/71	100,000.00
			<hr/>
			\$10,315,000.00

STOCK CERTIFICATES

Guaranty Savings & Loan, Birmingham, Ala....	\$	5,000.00
United Building & Loan, Fort Smith, Ark.....		5,000.00
First Federal Savings & Loan, Atlanta, Ga.....		5,000.00
Aurora Savings & Loan, Aurora, Ill.....		5,000.00
Olympic Savings & Loan, Berwyn, Ill.....		5,000.00
Bloomington Federal Savings & Loan, Bloomington, Ill.		5,000.00
Chicago Federal Savings & Loan, Chicago, Ill....		5,000.00
Lawn Savings & Loan, Chicago, Ill.....		5,000.00
Peoples Federal Savings & Loan, Chicago, Ill....		5,000.00

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Citizens Federal Savings & Loan, Chicago Heights, Ill.....	5,000.00
Oak Park Federal Savings & Loan, Oak Park, Ill.	5,000.00
First Federal Savings & Loan, Gary, Ind.....	5,000.00
Central Savings & Loan, Chariton, Iowa.....	5,000.00
Insurance Plan Savings & Loan, Des Moines, Iowa	5,000.00
Polk County Federal Savings & Loan, Des Moines, Iowa.....	5,000.00
United Federal Savings & Loan, Des Moines, Iowa	5,000.00
Wichita Federal Savings & Loan, Wichita, Kans.	5,000.00
First Federal Savings & Loan, Covington, Ky...	5,000.00
Twin City Federal Savings & Loan, Minneapolis, Minn.	5,000.00
St. Paul Federal Savings & Loan, St. Paul, Minn.	5,000.00
Farm and Home Savings & Loan, Nevada, Mo...	5,000.00
Community Federal Savings & Loan, Overland, Mo.	5,000.00
Cass Federal Savings & Loan, St. Louis, Mo....	5,000.00
Piedmont Federal Savings & Loan, Winston Salem, N. C.	5,000.00
State Federal Savings & Loan, Tulsa, Okla....	5,000.00
Colonial Federal Savings & Loan, Philadelphia, Pa.	5,000.00
East Girard Savings & Loan, Philadelphia, Pa.	5,000.00
North Philadelphia Federal Savings & Loan, Philadelphia, Pa.	5,000.00
Penn. Federal Savings & Loan, Philadelphia, Pa.	5,000.00
Philadelphia Suburban Federal Savings & Loan, Philadelphia, Pa.	5,000.00
Fort Pitt Federal Savings & Loan, Pittsburgh, Pa.	5,000.00
First Federal Savings & Loan, Sharon, Pa.....	5,000.00
Abilene Savings & Loan, Abilene, Texas.....	5,000.00
Beacon Federal Savings & Loan, Milwaukee, Wis.	5,000.00
Empire Federal Savings & Loan, Milwaukee, Wis.	5,000.00
	\$ 175,000.00

STATEMENT OF F.H.A. MORTGAGE LOANS

JUNE 30, 1952

Park View Homes, Inc....	3 15/16%	1/1/83	\$ 494,963.42
Stephen Homes, Inc.....	3 15/16%	5/1/82	1,304,638.31
Sheldon Mannors, Inc....	3 15/16%	5/1/82	1,300,493.76
Iowa East Corp.	3 7/8%	8/1/82	106,782.70
LaPaloma Apts., Inc.....	3 7/8%	6/1/83	467,275.87
East Navy Homes, Inc.....	3 7/8%	5/1/83	1,388,223.97
Greenlawn Apts., Inc.....	3 7/8%	5/1/83	477,354.28
Navy Road Apts., Inc.....	3 7/8%	1/1/83	136,119.35
Commander Apts., Inc.....	3 7/8%	7/1/83	1,006,156.44
Gelmarc Towers, Inc.....	3 7/8%	7/1/83	1,376,312.26
Rock Creek Plaza, Inc.....	3 7/8%	9/1/83	4,958,020.35
			\$13,016,340.71

Original from

UNIVERSITY OF ILLINOIS AT
URBANA-CHAMPAIGN

PART TWO

STATEMENT OF STATISTICAL FACTS

There are 38,572 current contributors to the fund covering all public schools outside the city of Chicago.

On June 30, 1952 there were 5,851 drawing a pension, 565 having retired the current year.

During the year 203 annuitants have died.

Retired under the Old Law.....	0
Retired under the New Law.....	475
Retired under Disability.....	90
Total Retired 1951-52.....	565

SUMMARY OF RETIREMENT JULY 1, 1915 TO JUNE 30, 1952

Year	Men	Women	Total
1915-1916.....	84	227	311
1916-1917.....	73	139	212
1917-1918.....	48	127	175
1918-1919.....	50	84	134
1919-1920.....	53	95	148
1920-1921.....	31	78	109
1921-1922.....	32	84	116
1922-1923.....	30	78	108
1923-1924.....	39	74	113
1924-1925.....	29	78	107
1925-1926.....	45	84	129
1926-1927.....	31	103	134
1927-1928.....	45	88	133
1928-1929.....	37	112	149
1929-1930.....	49	95	144
1930-1931.....	53	119	172
1931-1932.....	54	131	185
1932-1933.....	61	140	201
1933-1934.....	62	156	218
1934-1935.....	57	128	185
1935-1936.....	74	131	205
1936-1937.....	37	144	181
1937-1938.....	55	228	283
1938-1939.....	50	167	127
1939-1940.....	113	385	498
1940-1941.....	97	272	368
1941-1942.....	121	324	445
1942-1943.....	94	286	380
1943-1944.....	143	298	441
1944-1945.....	141	313	454
1945-1946.....	112	271	383
1946-1947.....	145	474	619
1947-1948.....	134	290	424
1948-1949.....	154	419	573
1949-1950.....	115	441	556
1950-1951.....	102	384	486
1951-1952.....	128	437	565

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UNIVERSITY OF ILLINOIS AT
URBANA-CHAMPAIGN

ANNUITIES PAID BENEFICIARIES OF THE FUND, 1915-1952

1915-1916	\$ 8,528.08
1916-1917	130,049.32
1917-1918	224,395.18
1918-1919	289,650.29
1919-1920	342,045.78
1920-1921	384,459.97
1921-1922	424,528.33
1922-1923	466,823.46
1923-1924	502,143.22
1924-1925	534,874.26
1925-1926	566,349.73
1926-1927	596,153.67
1927-1928	639,622.91
1928-1929	671,712.24
1929-1930	708,327.03
1930-1931	750,217.33
1931-1932	790,368.54
1932-1933	835,434.55
1933-1934	896,525.96
1934-1935	949,822.68
1935-1936	1,004,371.42
1936-1937	1,061,288.48
1937-1938	1,260,506.61
1938-1939	1,355,549.53
1939-1940	1,423,590.90
1940-1941	1,566,593.29
1941-1942	1,895,248.51
1942-1943	1,947,127.37
1943-1944	2,091,276.49
1944-1945	2,166,132.00
1945-1946	2,683,043.97
1946-1947	2,684,865.55
1947-1948	3,729,060.54
1948-1949	4,234,447.77
1949-1950	4,559,566.71
1950-1951	4,996,393.00
1951-1952	5,435,643.70

