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THE COMMONWEALTH OF MASSACHUSETTS, Dept. of Education:

THIRTY-FOURTH ANNUAL REPORT OF THE TEACHERS' RETIREMENT BOARD

For the period January 1, 1947 to December 31, 1947

Chapter 388 of the Acts of 1947 amended the retirement law so that the date for voluntary membership in the Teachers' Retirement System expires January 1, 1949. Teachers who served in Massachusetts prior to July 1, 1914 who have not joined the Retirement System, may, if they are employed in the same city or town where they were employed on December 31, 1945 without any break in service since that date, apply for voluntary membership in the Teachers' Retirement System, not later than January 1, 1949, provided the application is received by the Teachers' Retirement Board before the end of the month in which age 70 is attained. Application for membership must be made on a form furnished by the Teachers' Retirement Board. To receive credit for all service in the public schools of Massachusetts prior to the date of membership, the deductions with accumulated interest for all service since July 1, 1914, must be paid in one sum or in equal monthly instalments within five years from the date of membership, and prior to the date of retirement.

The retirement law was further amended by Chapter 416 of the Acts of 1947 so that in addition to credit for service in the public day schools of other states, a teacher may now receive credit for service in a state normal school, state teachers' college, or like institution, or college under state supervision of any other state. Credit can only be allowed for the most recent service, and the total of such service cannot exceed ten years. Claim for credit for such service and the payment of the required deductions with accumulated interest must be made before January 1, 1951, or within five years after becoming a member or being reinstated as such.

Under Chapter 667 of the Acts of 1947, any member of the Teachers' Retirement System who had rendered service as an employee, other than as a teacher, in any governmental unit for any previous period during which the governmental unit where he was employed had no contributory retirement system, or during which he had inchoate rights to a non-contributory pension, or in a position which was not subject to a retirement system, or which was specifically excluded therefrom but which would be covered by the law now in effect, or any member of the Teachers' Retirement System, who, during any period of service as a teacher, had such inchoate rights or was so excluded from membership, or any member of the Teachers' Retirement System who had a right to become a member of any other retirement system and did not exercise such right, and who had such optional right of membership when he left the service covered by such other retirement system, may, either before January 1, 1951 or within five years after becoming a member of the Teachers' Retirement System, or being reinstated as such, pay the deductions and accumulated interest for not more than the last 20 years of such other service.

Under the provisions of Chapter 615 of the Acts of 1947, teachers who retired prior to January 1, 1946, are to receive for a period of one year, from September 1, 1947, an increase in retirement allowance of 20% of the

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retirement allowance which they were receiving on January 1, 1946, except that in the case of the retirement allowance which includes additional annuity purchased at the time of retirement, the 20% increase is to be computed on the retirement allowance excluding such additional annuity. Teachers who, under either Chapter 418 or Chapter 559 of the Acts of 1946, received an increase which was less than 20% of the retirement allowance that they were receiving on January 1, 1946, are to receive the increase now provided in lieu of the increase received in 1946. The law provides that the retirement allowance so increased, excluding additional annuity which was purchased at the time of retirement, shall not exceed \$1200. The increases under this act took effect September 1, 1947, and there were 1260 teachers affected, their annual retirement allowances being increased \$127,414.16. Of these, 644 were teachers who had previously received increases under Chapters 418 and 559, and the additional increases for these teachers amounted to \$62,579.24.

There were 329 members who retired during the year. The annual retirement allowances for these members amounted to \$476,220.96, and of this amount, \$125,709.00 was annuity derived from the deductions and interest to the credit of the member at retirement, and the balance, \$350,511.96, was pension payable from state appropriations.

On December 31, 1947, there were 3484 retired members living, and their retirement allowances amounted to \$4,097,575.80, of which \$1,163,336.44 was annuity derived from the deductions and interest to the credit of the members at retirement, and \$2,934,239.36 was pension payable from state appropriations.

Under the retirement law which took effect on January 1, 1946, a member retiring now has the choice of an option designated as Option (c), which is payable as a joint and last survivor allowance for a reduced amount, with the provisions that two-thirds of this reduced allowance shall, after the death of the member, be paid for life to the beneficiary nominated at the time of the election of this option. On December 31, 1947, there were two beneficiaries receiving retirement allowance payments under this option at the rate of \$1428.00 annually, and of this amount \$375.36 was annuity, and \$1052.64 was pension.

Respectfully submitted,

John J. Desmond, Jr., Commissioner
Harry Smalley
Mildred B. Jenks

STATEMENT FOR THE YEAR ENDING DECEMBER 31, 1947, MADE TO THE
COMMISSIONER OF INSURANCE BY THE SECRETARY OF THE
TEACHERS' RETIREMENT BOARD

Income

Members' deposits		\$ 3,683,264.47
Deposits transferred from other Retirement Systems in the Commonwealth		23,672.07
Deposits transferred from Military Service Fund for members who retired		1,023.94
Members' accumulated total deductions and military service deductions used to purchase annuities		1,656,807.22
Interest received on investments (less \$35,254.09 accrued interest paid on securities purchased during the year)		1,507,320.02
Received from the Commonwealth:		
For payment of pensions to retired members	\$ 2,751,871.90	
For reimbursement of cities and towns	531,425.21	
For administration expenses	52,026.70	
For deficits as provided by Section 22 of Chapter 32 of the General Laws	<u>388,043.75</u>	
		<u>3,723,367.56</u>
Total income		\$10,595,455.28

Disbursements

Deposits refunded, including interest, to members withdrawing from teaching service		\$ 679,865.58
Deposits refunded, including interest, to estates of members who died before retirement		219,532.00
Balance of deposits and interest refunded to estates of deceased annuitants who elected a refund annuity		126,361.64
Transferred to other Retirement Systems in the Commonwealth		84,254.61
Members' accumulated total deductions and military service deductions used to purchase annuities		1,656,807.22
Investment expenses		121.01
Net decrease in book value of securities		143,174.02
Payments to retired members:		
Pensions paid from funds appropriated by the Commonwealth	\$ 2,751,871.90	
Annuities paid from funds to the credit of retired members at the time of their retirement	<u>1,127,233.98</u>	
		3,879,105.88
Reimbursement of cities and towns on account of pensions paid to teachers retired subsequent to July 1, 1914:		
Boston	\$ 523,689.27	
Brookline	1,622.24	
Cambridge	1,500.00	
Milton	2,447.72	
Wellesley	<u>2,165.98</u>	
		531,425.21
Administration expenses for calendar year:		
Salaries of employees	\$ 40,626.00	
Sundry contingent expenses	<u>11,400.70</u>	
		<u>52,026.70</u>
Total payments		\$ 7,372,673.87
Income over disbursements		\$ 3,222,781.41

Assets

Investments, par value (Schedule A)	\$51,595,175.00	
amortized value		\$ 52,513,363.51
Cash		1,095,928.67
Accrued interest on investments		338,529.84
Due from Commonwealth as provided by Section 22 of Chapter 32 of the General Laws		430,849.52
Gross Assets		\$ 54,378,671.54

Liabilities

Deposits of members in active service	\$29,606,454.07	
Regular interest credited to same	<u>11,983,339.48</u>	41,589,793.55
Deposits of members who have withdrawn from the service of the public schools without requesting a refund of the amount to their credit	\$ 832,864.78	
Regular interest credited to same	<u>255,839.18</u>	1,088,703.96
Due representatives of deceased members		28,211.59
Annuity reserve and amount due estates of deceased annuitants		11,671,962.44
Total liabilities		\$ 54,378,671.54

Membership Exhibit

Membership December 31, 1946		23,624
Voluntary members admitted to Retirement System during 1947		125
Teachers required by law to become members		1,550
Reinstated		<u>659</u>
		25,958
Number deceased during the year	238	
Number left service	1,459	
Transferred to other Retirement Systems in the Commonwealth	<u>42</u>	
		<u>1,739</u>
Membership December 31, 1947		24,219

I hereby certify that the above statement is a complete and correct exhibit of the financial condition of the Teachers' Retirement System of the Commonwealth of Massachusetts on the thirty-first day of December, 1947.

A true statement, made under the penalties of perjury.

/s/ Clayton L. Lent

Secretary, Teachers' Retirement Board.

STATEMENT FOR THE YEAR ENDING DECEMBER 31, 1947, MADE TO THE

COMMISSIONER OF INSURANCE BY THE SECRETARY OF THE

TEACHERS' RETIREMENT BOARD

TEACHERS' RETIREMENT MILITARY SERVICE FUND

Income

Received from cities and towns as provided by Chapter 708, Acts of 1941, and Chapter 619, Acts of 1945	\$73,501.08
Received from the Commonwealth as provided by Section 22 of Chapter 32 of the General Laws	1,471.24
Received from the Commonwealth as provided by Chapter 699, Acts of 1945	4,689.41
Interest received on investments (less \$672.71 accrued interest paid on securities purchased)	7,002.29
Total	<u>\$86,664.02</u>

Disbursements

Transferred to Annuity Reserve Fund for members retired	1,023.94
Net decrease in book value of securities	161.84
Total payments	<u>1,185.78</u>
Income over disbursements	\$85,478.24

Assets

Investments, par value \$336,000.00	
Amortized value	\$341,189.85
Cash	22,033.09
Accrued interest on investments	435.35
Due from the Commonwealth as provided by Section 22 of Chapter 32 of the General Laws	1,436.27
Gross Assets	<u>\$365,092.54</u>

Liabilities

Deposits and interest to credit of cities and towns for payment of assessments of members who return from military service	59,242.28
Assessments and interest of members who have returned from military service	<u>305,850.26</u>
Total Liabilities	\$365,092.54

I hereby certify that the above statement is a complete and correct exhibit of the financial condition of the Teachers' Retirement Military Service Fund of the Teachers' Retirement Board on the thirty-first day of December, 1947.

A true statement, made under the penalties of perjury.

/s/ Clayton L. Lent
Secretary, Teachers' Retirement Board

Securities (Bonds and Notes)

Description	Rate (Per Cent)	Par Value	Amortized Value Dec. 31, 1947	Accrued Int. Dec. 31, 1947.
Akron, Ohio	4½	10,000.00	10,104.50	106.25
Akron, Ohio	5	15,000.00	15,683.50	187.50
Akron, Ohio	5½	30,000.00	30,917.97	825.00
Alabama, State of	4	40,000.00	39,339.44	533.33
Alabama, State of	4½	75,000.00	74,986.59	265.62
Alabama, State of	4½	110,000.00	113,060.74	412.50
Alabama, State of	4 ¾	45,000.00	46,533.80	712.50
Baltimore, Md.	4	149,000.00	148,344.33	1,823.33
Baltimore, Md.	5	450,000.00	468,949.66	5,625.00
Barre, Vt.	4	30,000.00	29,954.43	300.00
Barrington, R. I.	4	7,000.00	7,048.51	58.33
Bayonne, N. J.	4½	100,000.00	100,454.79	1,687.50
Bayonne, N. J.	5	5,000.00	5,072.60	114.58
Boston, Mass.	1 ¾	186,900.00	186,827.20	1,256.93
Boston, Mass.	2 ¾	120,000.00	121,068.60	412.50
Boston, Mass.	3½	11,000.00	11,264.32	96.25
Boston, Mass.	4	476,900.00	483,090.63	5,705.67
Boston, Mass.	4½	238,000.00	253,247.87	3,655.00
Boston, Mass.	4½	112,000.00	122,137.09	1,586.25
Boston, Mass.	4 ¾	1,315,000.00	1,473,339.23	18,050.00
Boston, Mass.	5	33,000.00	33,393.02	275.00

Securities (Bonds and Notes)

Braintree, Mass.	3½	49,000.00	49,413.94	530.81
Bristol, Ct. (Reg.)	5	40,000.00	40,859.91	333.33
Brockton, Mass.	4	25,000.00	26,204.11	333.33
California, State of	4	71,000.00	71,376.55	1,412.11
California, State of	4½	160,000.00	161,469.36	3,196.94
California, State of	5	50,000.00	50,146.73	1,236.11
Cambridge, Mass.	4½	3,000.00	3,063.10	33.74
Camden, N. J.	4½	10,000.00	10,018.93	212.50
Canton, Ohio	4½	50,000.00	50,671.04	750.00
Canton, Ohio	5	30,000.00	30,589.91	125.00
Canton, Ohio	5½	10,000.00	10,124.66	45.83
Chelsea, Mass.	3½	44,000.00	45,848.23	641.66
Chelsea, Mass.	4	44,000.00	48,092.62	636.66
Chicopee, Mass.	4	30,000.00	30,434.02	600.00
Cincinnati, Ohio	4½	125,000.00	128,383.47	468.75
Cleveland, Ohio	4½	82,000.00	83,154.44	1,053.75
Cleveland, Ohio	4 3/4	45,000.00	45,459.26	633.32
Cleveland, Ohio	5	80,000.00	85,903.42	1,583.33
Cleveland, Ohio	5½	12,000.00	12,916.70	220.00
Columbus, Ohio	4	43,000.00	44,182.75	716.67
Dallas, Texas	4½	40,000.00	39,977.64	425.00
Dallas, Texas	4½	190,000.00	190,689.91	3,000.00
Dayton, Ohio	4 3/4	17,000.00	17,473.92	201.87
Dayton, Ohio	5½	45,000.00	46,514.41	1,031.25

Securities (Bonds and Notes)

Denver, Colo.	4½	40,000.00	42,027.67	141.67
Des Moines, Iowa	5	25,000.00	27,869.75	104.17
Detroit, Mich.	4½	150,000.00	150,236.24	1,546.87
Detroit, Mich.	5	25,000.00	25,000.00	104.17
Detroit, Mich.	5½	286,000.00	286,277.10	3,675.83
E. Chelmsford, Mass.	4	26,000.00	26,379.69	346.71
Elizabeth, N. J.	4½	36,000.00	36,206.83	325.84
Everett, Mass.	4	18,000.00	17,858.34	180.00
Fall River, Mass.	3½	34,000.00	32,886.72	317.92
Fitchburg, Mass.	2	55,000.00	54,532.57	550.00
Flint, Mich.	4½	30,000.00	30,000.00	----.---
Flint, Mich.	4½	55,000.00	55,097.84	206.25
Fort Worth, Texas	4½	55,000.00	55,613.97	973.96
Fort Worth, Texas	4 3/4	35,000.00	35,681.24	831.25
Fresno, Calif.	4½	120,000.00	133,750.93	2,685.00
Grand Rapids, Mich.	4	150,000.00	150,866.35	2,499.99
Hartford, Conn.	3½	9,000.00	8,744.63	157.50
Haverhill, Mass.	2 3/4	5,000.00	5,012.35	68.75
Holyoke, Mass.	4	85,000.00	86,334.50	750.00
Huntington, W. Va.	4½	68,000.00	68,711.98	----.---
Jersey City, N. J.	5	25,000.00	26,161.65	312.50
Jersey City, N. J.	5½	80,000.00	84,954.26	1,604.17

Securities (Bonds and Notes)

Lawrence, Mass.	2½	11,000.00	11,181.05	45.83
Lawrence, Mass.	2 3/4	44,000.00	44,325.16	100.84
Lawrence, Mass.	3½	19,000.00	19,807.08	221.66
Lawrence, Mass.	4	15,000.00	15,189.18	100.00
Leominster, Mass.	5	44,000.00	44,787.87	366.63
Lewiston, Me.	4½	50,000.00	50,325.86	1,062.50
Long Beach, Calif.	4	95,000.00	107,595.62	316.67
Long Beach, Calif.	4½	70,000.00	71,865.78	1,239.58
Long Beach, Calif.	5	110,000.00	126,992.99	458.33
Los Angeles, Calif.	3 3/4	50,000.00	52,928.87	468.75
Los Angeles, Calif.	4½	45,000.00	45,569.07	318.75
Los Angeles, Calif.	4½	330,000.00	350,248.78	3,131.25
Los Angeles, Calif.	4 3/4	222,000.00	226,646.10	3,388.31
Los Angeles, Calif.	5	46,000.00	48,988.73	958.33
Louisiana Port Commission	5	10,000.00	10,154.00	250.00
Louisiana, State of	5	25,000.00	25,689.52	508.34
Lowell, Mass.	2 3/4	80,000.00	80,550.17	183.34
Lowell, Mass.	3	25,000.00	25,250.31	187.50
Lowell, Mass.	4	10,000.00	10,167.12	200.00
Lynchburg, Va.	5	75,000.00	79,302.23	1,875.00
Lynn, Mass.	3 3/4	8,000.00	8,292.55	50.00
Lynn, Mass.	4	2,000.00	2,044.68	13.33
Madison, Wis.	4½	50,000.00	50,168.77	1,125.00
Malden, Mass.	2½	14,000.00	14,005.64	26.25
Malden, Mass.	3 3/4	10,000.00	10,269.35	187.50
Maryland, State of	4	75,000.00	76,237.67	1,125.00
Medford, Mass.	2½	8,000.00	7,992.00	83.32

Securities (Bonds and Notes)

Met Water	4	135,000.00	149,028.26	2,700.00
Milwaukee, Wis.	4 $\frac{1}{2}$	10,000.00	10,387.80	225.00
Milwaukee, Wis.	5	25,000.00	25,914.57	625.00
Minneapolis, Minn.	4	90,000.00	89,448.47	1,500.00
Minnesota, State of	4 $\frac{1}{4}$	97,000.00	100,861.87	343.54
Minnesota, State of	4 $\frac{3}{4}$	150,000.00	153,078.79	593.75
Missouri, State of	4	10,000.00	10,421.80	66.67
Montgomery, Ala.	5	35,000.00	36,993.00	875.00
Nashville, Tenn.	4 $\frac{1}{2}$	40,000.00	40,201.84	425.00
Nashville, Tenn.	4 $\frac{1}{2}$	50,000.00	50,987.15	1,125.00
New Bedford, Mass.	3 $\frac{1}{2}$	2,000.00	1,942.19	35.00
New Bedford, Mass.	4	73,000.00	78,133.06	1,460.00
New Jersey, State of	4	100,000.00	103,613.37	2,000.00
New Jersey, State of	4 $\frac{1}{2}$	20,000.00	20,225.76	450.00
New York, State of	4 $\frac{1}{2}$	600.00	610.10	9.00
Newark, N. J.	5 $\frac{1}{2}$	30,000.00	33,281.18	481.25
Newport, R. I.	4	41,000.00	41,000.00	683.34
Newport News, Va.	4 $\frac{3}{4}$	50,000.00	51,354.11	1,187.50
No. Carolina, State of	4 $\frac{1}{2}$	80,000.00	82,040.31	1,700.00
No. Carolina, State of	4 $\frac{1}{2}$	55,000.00	56,546.73	1,181.25
No. Carolina, State of	4 $\frac{3}{4}$	24,000.00	25,196.41	570.00
Norwalk, Ct.	3 $\frac{3}{4}$	20,000.00	18,239.18	156.24
Norwalk, Ct.	4	32,000.00	30,350.03	373.33
Oak Bluffs, Mass.	2 $\frac{3}{4}$	6,000.00	6,005.95	13.74
Pasadena, Calif.	4 $\frac{1}{2}$	25,000.00	25,616.48	468.75
Pasadena, Calif.	4 $\frac{3}{4}$	65,000.00	75,700.90	1,385.41
Pasadena, Calif.	5	5,000.00	6,327.52	41.67

Securities (Bonds and Notes)

Paterson, N. J.	4½	100,000.00	100,848.34	2,125.00
Paxton, Mass.	4	43,000.00	44,423.34	716.65
Peabody, Mass.	2½	8,000.00	8,009.88	---
Pennsylvania, State of	5	65,000.00	68,844.99	1,625.00
Peoria, Ill.	4½	25,000.00	25,044.07	187.50
Pittsburg, Pa.	4½	15,000.00	16,177.03	318.75
Portland, Oregon	4½	6,000.00	6,175.29	67.50
Providence, R. I.	4	211,000.00	205,958.70	2,197.78
Providence, R. I.	4½	180,000.00	180,586.05	2,904.17
Providence, R. I.	4½	125,000.00	129,739.62	2,343.75
Racine, Wis.	4½	20,000.00	20,043.15	300.00
Revere, Mass.	1 3/4	15,000.00	15,011.17	131.25
Revere, Mass.	2 3/4	15,000.00	5,032.81	22.92
Richmond, Va.	4	25,000.00	24,999.98	500.00
Richmond, Va.	4½	155,000.00	159,153.45	3,293.75
Richmond, Va.	4½	290,000.00	302,038.51	6,525.00
Roanoke, Va.	4½	20,000.00	20,163.82	450.00
Rochester, N. Y.	4½	50,000.00	50,469.33	1,125.00
Rochester, N. Y.	5	27,000.00	27,682.67	562.49
St. Louis, Mo.	4	30,000.00	30,000.00	200.00
St. Paul, Minn.	4½	129,000.00	130,280.83	2,330.42
St. Paul, Minn.	4½	145,000.00	146,016.37	1,826.25
St. Paul, Minn.	5½	112,000.00	114,473.70	2,163.34
San Bernardino, Calif.	4½	86,000.00	88,845.86	1,066.04

Securities (Bonds and Notes)

San Diego, Calif.	4	109,000.00	115,896.61	2,180.00
San Diego, Calif.	4½	75,000.00	80,067.67	281.25
San Diego, Calif.	5	126,000.00	138,714.35	2,733.33
San Francisco, Calif.	4	50,000.00	51,299.35	166.67
San Francisco, Calif.	4½	677,000.00	700,501.47	15,232.50
San Francisco, Calif.	5	216,000.00	228,603.34	4,691.67
San Francisco, Calif.	5 3/4	130,000.00	138,525.19	622.91
Santa Monica, Calif.	4½	25,000.00	25,226.68	534.37
Santa Monica, Calif.	4 3/4	10,000.00	11,486.53	39.58
Santa Monica, Calif.	5	272,000.00	286,226.76	4,991.66
Saugus, Mass.	2 3/4	12,000.00	12,059.11	110.00
Saugus, Mass.	3½	3,000.00	3,005.29	8.12
Scituate, Mass.	3 3/4	75,000.00	72,003.62	1,289.06
Seattle, Wash.	4½	50,000.00	54,126.85	177.08
Seattle, Wash.	4½	35,000.00	36,767.96	731.25
Somerville, Mass.	3½	20,000.00	20,244.16	348.05
Somerville, Mass.	4	25,000.00	25,397.92	500.00
Southwick, Mass.	4½	6,000.00	6,049.88	82.50
Springfield, Mass.	3 3/4	65,000.00	67,358.65	203.12
Tampa, Fla.	4	50,000.00	49,299.40	333.33
Tennessee, State of	3½	127,000.00	127,372.21	343.96
Tennessee, State of	3½	50,000.00	50,110.66	145.83
Tennessee, State of	5½	25,000.00	30,684.57	687.50
Toledo, Ohio	4½	46,000.00	46,118.90	345.00

Securities (Bonds and Notes)

U.S. Savings Bonds (Series G)	2½	650,000.00	650,000.00	6,458.33
U.S. Treasury Bonds	1 3/4	400,000.00	400,000.00	291.67
U.S. Treasury	2	7,505,000.00	7,505,210.50	39,806.63
U.S. Treasury	2½	2,166,375.00	2,169,647.57	9,737.43
U.S. Treasury	2½	21,687,000.00	21,994,251.38	59,634.37
U.S. Treasury	2 3/4	2,800,000.00	2,834,309.49	6,989.51
U.S. Treasury Bonds	2 7/8	329,400.00	330,559.54	2,762.15
U.S. Treasury	3	1,300,000.00	1,335,120.56	11,375.00
U.S. Treasury	3 1/8	600,000.00	606,366.93	781.24
U.S. Treasury Notes	2	300,000.00	300,412.76	263.73
Walpole, Mass.	3½	10,000.00	8,792.14	145.84
Waterbury, Ct.	4½	51,000.00	50,918.01	1,048.53
W. Newbury, Mass.	2 3/4	24,000.00	24,349.00	192.48
W. Springfield, Mass.	4½	20,000.00	20,296.68	70.63
W. Virginia, State of	4	25,000.00	25,535.79	500.00
W. Virginia, State of	4½	190,000.00	190,888.00	4,057.50
W. Virginia, State of	4½	290,000.00	291,483.23	5,512.50
<u>GRAND TOTALS</u>		51,595,175.00	52,513,363.51	338,527.84

Military Service Fund Securities

<u>Description</u>	<u>Rate (Per Cent)</u>	<u>Par Value</u>	<u>Amortized Value Dec. 31. 1947</u>	<u>Accrued Int. Dec. 31. 1947.</u>
U. S. Treasury	2	50,000.00	50,000.00	41.67
U. S. Treasury	2 $\frac{1}{2}$	286,000.00	291,189.85	391.66
	Totals	336,000.00	341,189.85	433.33