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THE COMMONWEALTH OF MASSACHUSETTS: Dept.  
of Education:

Thirty-sixth Annual Report of the Teachers' Retirement Board  
for the period January 1, 1949, to December 31, 1949

The Legislature in 1949 made the following important amendments to the retirement law:

1. Chapter 578 reopens the right to voluntarily join the Retirement System for teachers who served in Massachusetts prior to July 1, 1914, who never joined the System. These teachers if under age 70 may, at any time not later than January 1, 1951, apply for membership, provided that at the time of application they are employed in the same city or town where they were employed on December 31, 1945, with no break in service since that date. Teachers who had the right to become members of some other contributory retirement system in the Commonwealth and who failed to become or elected not to become members may also, if under age 70, apply for and be admitted to membership not later than January 1, 1951. In all cases application for membership must be made on a form furnished by the Teachers' Retirement Board, and to receive credit for service prior to membership, the deductions which would have been paid to the Retirement Fund with accumulated interest must be paid in one sum or in instalments within five years from date of membership and prior to the date of retirement.
2. Under the provisions of Chapter 618 and Chapter 808, a member may appoint an Option (d) Member Survivor Allowance beneficiary who, if such member dies before attaining age 55 and before being retired, shall receive for life two-thirds of the yearly amount of the Option (c) form of retirement allowance to which such member would have been entitled had he attained age 55 at the time of his death and he had then retired, or if such member dies after attaining age 55 and before being retired, the eligible beneficiary shall receive for life two-thirds of the said Option (c) retirement allowance to which such member would have been entitled had his retirement taken place on the date of his death. The payments which are made under this option terminate on the death of the beneficiary, with no further payments from the funds of the system. Such a beneficiary may only be the spouse, child, father, mother, or unmarried, widowed, or divorced sister of the member. If a member appoints a sister, the appointment is terminated in case of her marriage prior to his death. An appointment can only be made or changed on a blank furnished by the Teachers' Retirement Board and filed in the office of the Retirement Board prior to the death of the member. In writing for a blank for the appointment under this option, a member should request the blank for the Option (d) Member Survivor Allowance beneficiary. This form of beneficiary should not be confused with the regular beneficiary which may be appointed under Section 11(2)(c) to receive in one sum all amounts which would otherwise be payable to the member's estate as a cash refund, and in writing to the Retirement Board for a blank on which to make an appointment, full information should be given in order that the proper form may be issued.
3. Chapters 656 and 671 made changes in the factors for computing the normal superannuation retirement allowance. The reduction factor for persons retiring before age 65 has been changed from 3% a year to 1% a year, with no reduction for persons retiring between age 60 and 65 if the member has 40 or more years of service. The factor of 1% of the first \$15,000 of salary has been changed



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to 1% of the first \$40,000 of salary on which retirement deductions were based. A member age 65 or over who has 30 years of creditable service is guaranteed a minimum normal yearly superannuation retirement allowance of one-half his average annual rate of compensation for his last five years of service plus 1% of said average annual rate of salary for each year of service in excess of the first 30. No member is entitled to such guaranteed minimum, however, unless he has paid the deductions permitted on all salary in excess of \$2600, if any, for the period from July 1, 1937 to January 1, 1946, with accumulated interest.

4. Chapter 657, which applies to persons other than veterans, reduces from 20 years to 15 years the service required for ordinary disability retirement.

After December 31, 1950, teachers who were members of the Retirement System on December 31, 1945, and who have been continuously employed since that date cannot establish credit for prior service rendered in other states, nor can they return to the Retirement Fund with interest any amount previously withdrawn from the Retirement System, to receive credit for prior service in Massachusetts.

There were 269 members who retired during the year. The annual retirement allowances of these members amounted to \$404,317.68, and of this amount \$107,638.08 was annuity derived from the deductions and interest to their credit at retirement and the balance, \$296,679.60, was pension payable from state appropriations. There were also 6 persons who became entitled to the Option (c) Member Survivor allowance payments, their retirement allowances amounting to \$5,506.56, and of this amount \$2,609.04 was annuity and \$2,897.52 was pension.

On December 31, 1949, there were 3,694 retired members living and their retirement allowances amounted to \$4,781,264.44, of which \$1,292,197.40 was annuity derived from the deductions and interest to their credit at retirement, and \$3,489,067.04 was pension payable from state appropriations. On December 31, 1949, there were also 11 persons receiving Option (c) Member Survivor allowance payments, their retirement allowances amounting to \$9,031.68, of which \$3,646.56 was annuity and \$5,385.12 was pension.



STATEMENT FOR THE YEAR ENDING DECEMBER 31, 1949, MADE TO THE

COMMISSIONER OF INSURANCE BY THE SECRETARY OF THE

TEACHERS' RETIREMENT BOARD

Income

Members' deposits		\$ 3,972,723.38
Deposits transferred from other Retirement Systems in the Commonwealth		25,123.57
Deposits transferred from Military Service Fund for members who retired		941.98
Members' accumulated total deductions and military service deductions used to purchase annuities		1,404,661.09
Interest received on investments (less \$35,729.93 accrued interest paid on securities purchased during the year)		1,621,350.38
Profit from sale of securities during the year		3,626.49
Received from the Commonwealth:		
For payment of pensions to retired members	\$ 3,444,402.91	
For reimbursement of cities and towns	620,518.72	
For administration expenses	70,516.55	
For deficits as provided by Section 22 of Chapter 32 of the General Laws	<u>221,429.66</u>	
		<u>4,356,867.84</u>
<b>Total income</b>		<b>\$ 11,385,294.73</b>

Disbursements

Deposits refunded, including interest, to members withdrawing from teaching service		\$ 531,745.84
Deposits refunded, including interest, to estates of members who died before retirement		209,679.62
Balance of deposits and interest refunded to estates of deceased annuitants who elected a refund annuity		135,105.01
Transferred to other Retirement Systems in the Commonwealth		27,586.79
Members' accumulated total deductions and military service deductions used to purchase annuities		1,404,661.09
Investment expenses		152.36
Transferred to Pension Fund as provided by Section 22 of Chapter 32 of the General Laws		4,292.65
Net decrease in book value of securities		132,710.47
Payments to retired members:		
Pensions paid from funds appropriated by the Commonwealth	\$ 3,444,402.91	
Annuities paid from funds to the credit of retired members at the time of their retirement	<u>1,276,533.70</u>	
		4,720,936.61
Reimbursement of cities and towns on account of Pensions paid to teachers retired subsequent to July 1, 1914:		
Boston	\$ 609,003.64	
Brookline	1,420.29	
Cambridge	3,379.43	
Milton	3,610.31	
Wellesley	<u>3,105.05</u>	
		620,518.72
Administration expenses for calendar year:		
Salaries of employees	\$ 58,511.62	
Sundry contingent expenses	<u>12,004.93</u>	
		<u>70,516.55</u>
<b>Total payments</b>		<b>\$ 7,857,905.71</b>
<b>Income over disbursements</b>		<b>\$ 3,527,389.02</b>



Assets

Investments, par value (Schedule A)	\$58,398,275.00	
amortized value		\$ 59,330,376.99
Cash		1,518,563.92
Accrued interest on investments		345,142.87
Due from the Commonwealth as provided by Section 22 of Chapter 32 of the General Laws		<u>275,324.32</u>
Gross assets		\$ 61,469,408.10

Liabilities

Deposits of members in active service	\$ 34,387,360.47	
Regular interest credited to same	<u>13,310,233.81</u>	\$ 47,697,594.28
Deposits of members who have withdrawn from the service of the public schools without requesting a refund of the amount to their credit	\$ 748,090.91	
Regular interest credited to same	<u>208,052.41</u>	956,143.32
Due representatives of deceased members		41,074.80
Annuity reserve and amount due estates of deceased annuitants		<u>12,774,595.70</u>
Total liabilities		\$ 61,469,408.10

Membership Exhibit

Membership December 31, 1948		25,078
Voluntary members admitted to Retirement System during 1949		1
Teachers required by law to become members		1,673
Reinstated		<u>520</u>
		27,322
Number deceased during the year	258	
Number left service	1,211	
Transferred to other Retirement Systems in the Commonwealth	<u>23</u>	
		<u>1,492</u>
Membership December 31, 1949		25,830

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, 1949.

A true statement, made under the penalties of perjury.

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Secretary, Teachers' Retirement Board



STATEMENT FOR THE YEAR ENDING DECEMBER 31, 1949, 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 70B, Acts of 1941, and Chapter 419, Acts of 1943	\$ 14,684.87
Received from the Commonwealth as provided by Section 22 of Chapter 32 of the General Laws	1,591.23
Received from the Commonwealth as provided by Chapter 699, Acts of 1945	2,694.07
Interest received on investments	<u>9,555.00</u>
Total income	\$ 28,525.17

Disbursements

Transferred to Annuity Reserve Fund for members retired	\$ 941.98
Net decrease in book value of securities	248.56
Military assessments returned to cities and towns on account of members who have withdrawn their funds or died	38,692.18
Military assessments credited to Pension Fund on account of members who have withdrawn their funds or died	<u>526.02</u>
Total payments	\$ 40,408.74
Disbursements in excess of income	\$ 11,883.57

Assets

Investments, par value \$400,000.00	\$ 404,880.52
Amortized value	5,013.48
Cash	491.87
Accrued interest on investments	<u>1,741.87</u>
Due from the Commonwealth as provided by Section 22 of Chapter 32 of the General Laws	\$ 412,127.74
Gross Assets	\$ 412,127.74

Liabilities

Deposits and interest to credit of cities and towns for payment of assessments of members who return from military service	\$ 29,611.19
Assessments and interest of members who have returned from military service	<u>382,516.55</u>
Total Liabilities	\$ 412,127.74

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, 1949.

A true statement, made under the penalties of perjury.

Secretary, Teachers' Retirement Board



SCHEDULE A - ANNUITY SAVINGS FUND

UNITED STATES GOVERNMENT, STATE AND MUNICIPAL BONDS

Description	Rate (Per Cent)	Par Value	Amortized Value Dec. 31, 1949	Accrued Int. Dec. 31, 1949
Akron, Ohio	4½	10,000.00	10,076.16	106.25
Akron, Ohio	5	15,000.00	15,462.88	187.50
Akron, Ohio	5½	30,000.00	30,319.36	825.00
Alabama, State of	4	40,000.00	39,447.30	533.33
Alabama, State of	4½	25,000.00	24,830.87	88.54
Alabama, State of	4½	110,000.00	112,538.67	412.50
Alabama, State of	4-3/4	45,000.00	46,203.84	712.50
Baltimore, Md.	4	50,000.00	49,807.13	833.33
Baltimore, Md.	5	425,000.00	436,635.97	5,312.50
Barre, Vt.	4	10,000.00	9,996.11	100.00
Bayonne, N. J.	4½	50,000.00	50,319.13	562.50
Bayonne, N. J.	5	5,000.00	5,001.54	114.58
Boston, Mass.	2-3/4	35,000.00	35,161.39	217.71
Boston, Mass.	3	420,000.00	477,928.98	1,050.00
Boston, Mass.	4	438,900.00	439,817.00	5,579.00
Boston, Mass.	4½	238,000.00	246,409.86	3,655.00
Boston, Mass.	4½	112,000.00	117,800.40	1,586.25
Boston, Mass.	4-3/4	1,315,000.00	1,410,351.35	18,050.00
Braintree, Mass.	3½	35,000.00	35,218.77	379.15
Bristol, Ct. (Reg.)	5	40,000.00	40,526.25	333.33
Brockton, Mass.	4	24,000.00	24,775.07	320.00

California, State of	4	71,000.00	71,260.57	1,412.11
California, State of	4½	110,000.00	111,036.76	2,311.52
Canton, Ohio	4½	50,000.00	50,487.51	750.00
Canton, Ohio	5	20,000.00	20,142.31	83.33
Canton, Ohio	5½	10,000.00	10,086.27	45.83
Chelsea, Mass.	3½	44,000.00	45,558.59	641.66
Chelsea, Mass.	4	44,000.00	47,449.47	636.66
Chicopee, Mass.	4	10,000.00	10,049.26	200.00
Cincinnati, Ohio	4½	125,000.00	127,267.80	468.75
Cleveland, Ohio	4½	17,000.00	17,755.66	153.75
Cleveland, Ohio	4-3/4	15,000.00	15,271.28	178.12
Cleveland, Ohio	5	80,000.00	85,230.27	1,583.33
Cleveland, Ohio	5½	12,000.00	12,687.44	220.00
Columbus, Ohio	4	43,000.00	43,600.64	716.67
Dallas, Texas	4½	40,000.00	39,988.06	425.00
Dallas, Texas	4½	90,000.00	90,104.79	1,500.00
Dayton, Ohio	4-3/4	17,000.00	17,401.25	201.87
Dayton, Ohio	5½	45,000.00	45,554.73	1,031.25
Denver, Colo.	4½	40,000.00	41,785.62	141.67
Des Moines, Iowa	5	25,000.00	27,677.05	104.17
Detroit, Mich.	4½	100,000.00	100,118.62	1,359.37
E. Chelmsford, Mass.	4	22,000.00	22,263.83	293.37
Elizabeth, N. J.	4½	32,000.00	32,078.65	311.67
Everett, Mass.	4	12,000.00	11,938.15	120.00
Fall River, Mass.	3½	34,000.00	33,349.63	317.92
Fitchburg, Mass.	2	55,000.00	54,754.39	550.00
Flint, Mich.	4½	50,000.00	50,015.26	187.50



Fort Worth, Texas	4½	55,000.00	55,495.75	973.96
Fort Worth, Texas	4-3/4	35,000.00	35,416.44	831.25
Fresno, Calif.	4½	120,000.00	130,912.93	2,685.00
Grand Rapids, Mich.	4	150,000.00	150,502.87	2,499.99
Hartford, Ct.	3½	9,000.00	8,816.32	157.50
Holyoke, Mass.	4	45,000.00	45,206.99	383.33
Huntington, W. Va.	4½	68,000.00	68,531.50	-- --
Jersey City, N. J.	5	25,000.00	25,849.57	312.50
Jersey City, N. J.	5½	80,000.00	83,751.27	1,604.17
Lawrence, Mass.	2½	11,000.00	11,054.13	45.83
Lawrence, Mass.	2-3/4	32,000.00	32,164.83	73.34
Lawrence, Mass.	3½	19,000.00	19,501.15	221.66
Leominster, Mass.	5	36,000.00	36,537.66	299.97
Lewiston, Me.	4½	40,000.00	40,213.95	850.00
Long Beach, Calif.	4	95,000.00	106,508.08	316.67
Long Beach, Calif.	4½	30,000.00	30,348.56	531.25
Long Beach, Calif.	5	110,000.00	124,655.04	458.33
Los Angeles, Calif.	3-3/4	50,000.00	51,857.97	468.75
Los Angeles, Calif.	4½	280,000.00	294,721.03	2,756.25
Los Angeles, Calif.	4-3/4	122,000.00	124,370.96	2,200.81
Los Angeles, Calif.	5	46,000.00	48,439.65	958.33
Louisiana Port Commission	5	10,000.00	10,069.10	250.00
Louisiana, State of	5	19,000.00	19,515.97	387.50
Lowell, Mass.	2-3/4	35,000.00	35,050.00	80.21
Lynchburg, Va.	5	75,000.00	78,355.35	1,875.00
Lynn, Mass.	3-3/4	8,000.00	8,213.14	50.00
Lynn, Mass.	4	2,000.00	2,006.51	13.33



Malden, Mass.	3-3/4	10,000.00	10,184.83	187.50
Medford, Mass.	2 1/2	4,000.00	3,997.69	41.66
Met Water	4	135,000.00	145,917.74	2,700.00
Milwaukee, Wis.	4 1/2	10,000.00	9,999.99	225.00
Minneapolis, Minn.	4	90,000.00	89,601.29	1,500.00
Minnesota, State of	4 1/2	97,000.00	99,748.86	343.54
Minnesota, State of	4-3/4	150,000.00	152,210.36	593.75
Missouri, State of	4	5,000.00	5,203.73	33.33
Montgomery, Ala.	5	35,000.00	36,637.33	875.00
Nashville, Tenn.	4 1/2	40,000.00	40,053.75	425.00
Nashville, Tenn.	4 1/2	50,000.00	50,831.47	1,125.00
New Bedford, Mass.	3 1/2	2,000.00	1,974.14	35.00
New Bedford, Mass.	4	63,000.00	66,938.97	1,260.00
New Jersey, State of	4	100,000.00	100,740.74	2,000.00
New Jersey, State of	4 1/2	20,000.00	20,190.33	450.00
New York State	4 1/2	600.00	609.14	9.00
Newark, N. J.	5 1/2	30,000.00	32,624.29	481.25
Newport News, Va.	4-3/4	50,000.00	51,142.03	1,187.50
Newport, R. I.	4	41,000.00	41,000.00	683.34
No. Carolina, State of	4 1/2	50,000.00	50,330.31	1,062.50
No. Carolina, State of	4 1/2	55,000.00	56,254.58	1,181.25
No. Carolina, State of	4-3/4	24,000.00	24,410.74	570.00
Norwalk, Ct.	3-3/4	20,000.00	18,347.74	156.24
Norwalk, Ct.	4	32,000.00	30,464.56	373.33
Pasadena, Calif.	4 1/2	25,000.00	25,515.13	468.75
Pasadena, Calif.	4-3/4	65,000.00	73,377.87	1,385.41
Pasadena, Calif.	5	5,000.00	6,178.78	41.67
Paterson, N. J.	4 1/2	100,000.00	100,610.71	2,125.00
Paxton, Mass.	4	40,000.00	41,098.15	666.65



Pennsylvania, State of	5	65,000.00	66,700.27	1,625.00
Pittsburgh, Pa.	4½	15,000.00	15,669.48	318.75
Portland, Oregon	4½	6,000.00	6,127.92	67.50
Providence, R.I.	4	211,000.00	206,885.04	2,197.78
Providence, R.I.	4½	170,000.00	170,532.27	2,762.50
Providence, R.I.	4½	125,000.00	129,221.37	2,343.75
Richmond, Va.	4½	155,000.00	158,681.23	3,293.75
Richmond, Va.	4½	290,000.00	300,598.08	6,525.00
Roanoke, Va.	4½	20,000.00	20,000.00	450.00
Rochester, N. Y.	5	20,000.00	20,407.75	416.66
St. Paul, Minn.	4½	129,000.00	130,017.73	2,330.42
St. Paul, Minn.	4½	104,000.00	104,355.76	1,170.00
St. Paul, Minn.	5½	112,000.00	113,163.94	2,163.34
San Bernardino, Calif.	4½	86,000.00	87,907.90	1,066.04
San Diego, Calif.	4	109,000.00	114,701.42	2,180.00
San Diego, Calif.	4½	25,000.00	29,127.96	93.75
San Diego, Calif.	5	80,000.00	89,019.48	1,583.33
San Francisco, Calif.	4½	537,000.00	556,081.95	12,082.50
San Francisco, Calif.	5	135,000.00	143,696.64	2,791.67
San Francisco, Calif.	5-3/4	105,000.00	111,311.14	503.12
Santa Monica, Calif.	4½	5,000.00	5,014.15	106.87
Santa Monica, Calif.	4-3/4	10,000.00	11,313.25	39.58
Santa Monica, Calif.	5	254,000.00	264,566.17	4,691.66
Scituate, Mass.	3-3/4	75,000.00	73,338.05	1,289.06
Seattle, Wash.	4½	50,000.00	53,101.68	177.08
Seattle, Wash.	4½	30,000.00	31,236.18	675.00
Somerville, Mass.	4	18,000.00	18,066.46	360.00
Springfield, Mass.	3-3/4	65,000.00	66,987.48	203.12



Tampa, Florida	4	50,000.00	49,373.78	333.33
Tennessee, State of	5½	25,000.00	29,941.63	-- --
Toledo, Ohio	4½	7,000.00	7,014.20	52.50
U. S. Savings Bonds (Series G)	2½	1,750,000.00	1,750,000.00	19,583.33
U. S. Treasury	2	7,651,000.00	7,660,113.52	38,450.81
U. S. Treasury	2½	4,436,375.00	4,461,276.79	17,040.55
U. S. Treasury	2½	26,789,000.00	27,226,650.66	65,676.03
U. S. Treasury	2-3/4	2,250,000.00	2,264,457.73	2,578.06
U. S. Treasury	2-7/8	329,400.00	330,258.53	2,762.15
U. S. Treasury	3	1,300,000.00	1,316,491.37	11,375.00
Walpole, Mass	3½	10,000.00	8,932.28	145.84
Waterbury, Ct.	4½	31,000.00	30,953.60	658.75
W. Newbury, Mass.	2-3/4	18,000.00	18,182.27	144.36
W. Virginia, State of	4½	190,000.00	190,499.27	4,037.50
W. Virginia, State of	4½	140,000.00	140,952.44	2,700.00
	TOTAL	55,624,275.00	56,540,732.68	319,421.53

PUBLIC UTILITY BONDS

Central Maine Power Co.	3-1/8	249,000.00	252,545.88	648.44
Montana Power Co.	2-7/8	250,000.00	242,757.39	1,796.87
Mountain State Tel & Tel	3-1/8	125,000.00	126,054.18	976.56
H. E. Power Co.	3	500,000.00	504,796.24	7,500.00
N. J. Bell Tel Co.	3-1/8	250,000.00	257,658.28	3,580.73
N. Y. Tel	3-1/8	250,000.00	253,426.54	3,255.21
Pacific Gas & Electric Co.	2-7/8	400,000.00	391,569.35	958.33
Pacific Tel & Tel Co.	3½	250,000.00	256,616.92	2,708.33



Philadelphia Electric Co.	2-7/8	250,000.00	248,199.92	2,994.79
So. Western Bell Tel Co.	3-1/8	250,000.00	256,019.61	1,302.08
	TOTAL	2,774,000.00	2,789,644.31	25,721.34
Total Securities - Schedule A		55,624,275.00	56,540,732.68	319,421.53
SCHEDULE A - GRAND TOTALS		58,398,275.00	59,330,376.99	345,142.87



SCHEDULE B - MILITARY SERVICE FUND

Description	Rate (Per Cent)	Par Value	Amortized Value Dec. 31, 1949	Accrued Int. Dec. 31, 1949
U. S. Treasury	2	50,000.00	50,000.00	41.67
U. S. Treasury	2½	286,000.00	290,765.95	391.66
U. S. Treasury	2½	50,000.00	50,014.13	46.87
U. S. Treasury	2	14,000.00	14,100.44	11.67
TOTAL		400,000.00	404,880.52	491.87