

TWENTY-EIGHTH ANNUAL STATEMENT

of the Condition of the

Public School Teachers' Pension and Retirement Fund CITY OF CHICAGO

December 31, 1933

SUMMARY

Cash on hand January 1, 1933.....	\$ 180,045.61
Income, January 1 to December 31, 1933:	
Cash	\$1,507,549.38
Chicago Board of Education Tax Anticipation Warrants	372,050.00
Total Income	\$1,879,599.38
Total Disbursements	1,540,662.98
Excess of total income over total disbursements.....	\$ 338,936.40
Added to Reserve Fund Jan. 1 to Dec. 31, 1933.....	258,550.00
Total Reserve Fund Dec. 31, 1933 (Face Value).....	5,224,875.00
Interest Jan. 1 to Dec. 31, 1933:	
Total Interest Received.....	\$ 249,138.96
Less Accrued Interest.....	4,106.07
Interest earned	\$ 245,032.89
Public Money Jan. 1 to Dec. 31, 1933*:	
Tax Levy	\$ 465,692.16
Deductions from payrolls:	
Cash	\$ 671,263.02
Board of Education Tax Anticipation Warrants	334,850.00
Total Deductions	\$1,006,113.02
Less Refunds a/c Error.....	63.00
Net Deductions from payrolls.....	\$1,006,050.02
Paid to Annuitants.....	\$1,457,077.65
Less payments from Annuitants:	
Unearned Pension	\$ 2,236.85
Annuitants completing payments.....	27,503.64
.....	29,740.49
Paid to annuitants (net).....	\$1,427,337.16
Cash on Hand, December 31, 1933.....	\$ 146,214.11

*NOTE: PUBLIC MONEY. For the Public School Teachers' Pension and Retirement Fund a separate tax of three-twentieths of a mill was levied each year up to 1930 on each dollar of assessed valuation of property in Chicago. To this tax the Board of Education was required to add an appropriation from the Educational Fund sufficient to make the total public money \$2.00 for each \$1.00 deducted from teachers' salaries and paid into the Pension Fund. Owing to the delay in the collection of taxes, only part of the tax money has been received and the money due the pension fund from the Board of Education has not been received, although appropriation therefor was made in the budget of the Board.

In 1931 the tax rate was one-fourth of a mill on each dollar, in 1932 and 1933 the rate was four-tenths of a mill, and beginning with 1934 the rate will be one-half of a mill on each dollar of assessed valuation.

STATEMENT OF RECEIPTS AND DISBURSEMENTS

for the year ending

December 31, 1933

INVESTMENT ACCOUNT

Amount in Reserve Fund, January 1, 1933..... \$4,966,325.00

Which amount consisted of:

(a) Bonds of the United States, and of the State of Illinois and its subdivisions.....	\$4,728,875.00	
(b) Board of Education 6% Tax Anticipation Warrants	237,450.00	
		4,966,325.00

To (a) above..... \$4,728,875.00

Add: Invested Jan. 1 to Dec. 31, 1933, \$509,428.64, this being the purchase price on bonds having a face value of.....	513,000.00
Bonds reported redeemed, but later returned unpaid, re-invested.....	3,000.00

\$5,244,875.00

Less Matured Bonds transferred to cash.... 516,375.00

Total bonds of the United States and of the State of Illinois and its subdivisions, Dec. 31, 1933	\$4,728,500.00
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To (b) above..... \$ 237,450.00

Add: Chicago Board of Education 6% Tax Anticipation Warrants received:	
For deductions from salary.....	334,850.00
For payments from teachers and annuitants	37,200.00

Total Tax Warrants received..... 372,050.00

\$ 609,500.00

Less Tax Warrants redeemed..... 113,750.00

Total Chicago Board of Education 6% Tax Anticipation Warrants on Dec. 31, 1933.....	\$ 495,750.00
Tax Warrant of Barrington Park District.....	625.00
Total Reserve Fund, Dec. 31, 1933.....	\$5,224,875.00

Cash on Hand, January 1, 1933..... \$ 180,045.61

RECEIPTS

Income from January 1 to December 31, 1933

Deductions from payrolls.....	\$671,263.02	
By tax warrants redeemed.....	104,698.50	
Total for deductions from payrolls.....		\$ 775,961.52
Interest on Bank Deposits.....		674.64
Interest on Investments:		
On bonds	\$242,942.56	
On tax warrants	5,521.76	
		<u>248,464.32</u>
Public Money—Tax Levy.....		465,692.16
Bequest from Alice Bigelow.....		475.00
Reimbursement for forged check.....		188.00
Payments into the Fund by teachers and annuitants:		
(a) Annuitants completing payments.....	\$ 27,503.64	
(b) Unearned Pension a/c annuitants deceased	2,236.85	
(c) Payment for Outside Service.....	14,385.55	
(d) Former teachers returning refund.....	172.46	
		<u>\$ 44,298.50</u>
Balance Slips	95.11	
		<u>\$ 44,393.61</u>
Less tax anticipation warrants received as part payment and added to Reserve Fund	\$ 37,200.00	
Accrued Interest	118.71	
Balance Slips not redeemed.....	32.66	
		<u>\$ 37,351.37</u>
Leaving cash received from teachers and annu- itants		\$ 7,042.24
Payments from teachers and annuitants by tax war- rants redeemed		<u>9,051.50</u>
Total Income	\$1,507,549.38	
Matured bonds transferred to cash and reinvested....	371,375.00	
Fourth Liberty Loan Bonds sold.....	145,000.00	
Premium on bonds sold.....	1,566.81	
Bonds purchased but not delivered—check returned*.	30,000.00	
		<u>\$2,055,491.19</u>
Total Receipts		<u>\$2,235,536.80</u>

* See proceedings of Nov. 17, 1933, p. 376, footnote.

DISBURSEMENTS

From January 1 to December 31, 1933

Paid to Annuitants.....	\$1,457,077.65
Refunds account of error in deductions.....	63.00
Refunds to teachers resigning from service.....	12,543.11
Additional Refund a/c forgery*.....	188.00
Refunds to estates of deceased teachers.....	36,282.56

Expenses of Administration

Printing	\$ 3,608.53
Clerical and Stenographic Services.....	13,320.50
Supplies and Equipment.....	673.07
Rent	1,992.00
Electricity	74.75
Cost of Collection of Bonds.....	77.95
Contingent Expenditures, from November 18, 1932, to November 18, 1933:	
Postage	\$1,160.75
Supplies	56.06
Service	55.70
Moving Expense	7.00
Miscellaneous	4.45
Federal Tax on Checks.....	.62

\$1,284.58

New Warrants for Contingent Expenditure†.....	1,784.56
Catherine J. Trout for cash advanced for dinners for Canvassing Board	57.20
Medical Examiners' Fees.....	80.00
Binding Proceedings of Pension Board.....	32.50
Miscellaneous	64.00
Wilma Rhinesmith, Rec. Sec'y, January 31, 1932, to January 31, 1933.....	300.00
I. T. Greenacre, Legal Services.....	4,355.00
Henry R. Corbett, Survey of Pension Fund and of Compulsory and Voluntary Retirement Fund....	2,763.60
Catherine J. Trout, Asst. Sec'y of Pension Board....	3,300.00
Surety Bonds for City Treasurer.....	2,025.00
Total Administration Expense.....	34,508.66
Total Disbursements	\$1,540,662.98

Transferred for investment:

Face value of bonds purchased.....	\$513,000.00
Less rebate from face value.....	3,571.36
Purchase price	\$509,428.64
Accrued interest	3,564.40
Total paid for bonds.....	\$512,993.04
Tax Anticipation Warrant Purchased, Barrington Park District‡	625.00
For new Investment.....	\$513,618.04
Items 637 and 2227 redeposited§.....	3,000.00
Bonds paid for but not delivered°.....	30,000.00
Accrued interest on undelivered bonds.....	541.67
Paid to bond house as change°.....	1,500.00

548,659.71

	\$2,089,322.69
Cash on Hand, December 31, 1933.....	146,214.11
	\$2,235,536.80

* A check for refund on account of resignation was stolen, the signature forged, and the check cashed. The surety company reimbursed the fund and the check was reissued.

† The balance to be kept as a minimum in the bank has been increased by \$500.00 and there is a balance of two cents in the Continental Illinois National Bank, which accounts for the discrepancy.

‡ See proceedings of Sept. 16, 1933, p. 341, Doc. 1658.

§ Bonds reported redeemed, but later returned unpaid—reinvested.

° See proceedings of Nov. 17, 1933, p. 376, footnote.

Annuitants of December, 1933

Number of persons drawing pension December 31, 1932, including disability annuitants	1,692
Number of persons drawing pension December 31, 1933, including disability annuitants	1,828
Number of persons drawing disability pension December 31, 1933.....	110
Number of annuitants deceased since last report.....	77
Number of annuitants returned to service since last report.....	2
Highest annuity paid for December, 1933.....	\$100.00
Lowest annuity paid for December, 1933.....	64.00
Highest disability annuity paid for December, 1933.....	79.58
Lowest disability annuity paid for December, 1933.....	30.00

Number of Teachers by Pension Groups

A check-up of the December, 1933 payroll of the Board of Education made in the pension office, shows the following number of teachers in each of the pension groups:

Group	Time of Service	No. of Contributors
1	4 years or less.....	1,135
2	5 years to 8 inclusive.....	1,559
3	9 years to 12 inclusive.....	1,624
4	More than 12 years.....	7,889
	Total number of Contributors.....	12,207
	No. of Non-Contributors.....	171
	No. on Temporary Certificates*.....	26
	No. on Probationary Service†.....	23
	No. of Assigned Teachers.....	12,427

* This is the number of teachers on Temporary Certificates whose names appear on the payroll.

† These are teachers serving their first four months in high school. Some are from outside Chicago, and some are transfers from the elementary school, but they pay no pension while on probation.

Respectfully submitted,

HENRY G. GEILEN,
Financial Secretary.

The Annuitants of February, 1934

(1471-A)

The Committee on Annuities and Claims presents the following report:

NOTE: The Financial Secretary reports 1,828 annuitants drawing pension in December, 1933. This includes only those who have completed their payments into the fund. The Recording Secretary, reporting the number in February, subtracts from 1,828 the sum of those who have returned to service and those whose deaths have been reported, and adds those who were placed on the pension roll in January, including all those whose payments are not completed.

The following table shows the number of annuitants who have from 25 to 35 years of service, with the rate of annuity for each such year and the amount that will be paid to each group when all payments into the fund are completed. It also shows the number of disability annuitants and the number of annuitants who retired under the old law (that is, before July 1, 1907) with less than 25 years of service. The amounts are computed at the rates authorized by the legislature of 1923, although the increases granted by the legislature in that year have been withheld since September 1, 1927 from those persons who were placed on the pension roll before July 1, 1923, on account of Injunction proceedings instituted against the Pension Board.

The Pension Law as amended by the Legislature of 1931, provides that any person retired by the Board of Education under the Compulsory Retirement Law with less than 25 years of service shall receive as pension such proportion of \$800 as his time of service bears to 25 years. These are the "Special" annuitants shown in the Table.

TABLE I.

Years of Service	Number of Annuitants	Rate of Annuity	Amount of Annuity
12 to 25.....	111	(Disability)	\$ 59,453.00
20 to 25.....	84	(Old Law)	57,533.80
20 to 25.....	3	(Special)	2,176.00
25.....	153	\$800.00	\$122,400.00
26.....	89	820.00	72,980.00
27.....	70	840.00	58,800.00
28.....	67	860.00	57,620.00
29.....	70	880.00	61,600.00
30.....	78	900.00	70,200.00
31.....	69	920.00	63,480.00
32.....	43	940.00	40,420.00
33.....	46	960.00	44,160.00
34.....	54	980.00	52,920.00
35 and over....	919	1,000.00	919,000.00
	1,658		\$1,563,580.00
Total	1,856		

Payroll for the 1,856 annuitants of February, 1934, when all payments into the fund have been completed.....\$1,682,742.80

TABLE II—NUMBER OF ANNUITANTS WITH 35 OR MORE YEARS OF SERVICE

Years of Service	No. of Annuitants	Years of Service	No. of Annuitants	Years of Service	No. of Annuitants
35.....	99	43.....	58	51.....	10
36.....	76	44.....	68	52.....	15
37.....	63	45.....	65	53.....	3
38.....	57	46.....	46	54.....	3
39.....	60	47.....	44	55.....	0
40.....	56	48.....	42	56.....	1
41.....	53	49.....	34	57.....	1
42.....	46	50.....	19		
					919

The 1,658 annuitants who have 25 or more years of service have an average time of 36.2 years.

The amendment to the law providing additional annuity for additional service became effective July 1, 1923. The average time of service for the 1,619 annuitants who retired since that date is 38 years.

Respectfully submitted,

MARY E. DUTTON,

Recording Secretary.

April 20, 1934.

Public School Teachers' Pension and Retirement Fund

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