PROVINCE OF BRITISH COLUMBIA

Seventh Annual Report

of the business done in pursuance of the

TEACHERS' PENSIONS ACT

for the Period

JANUARY 1ST TO DECEMBER 31ST

1947

VICTORIA, B.C.:
Printed by DON MCDIARMID, Printer to the King's Most Excellent Majesty.
1949.

To His Honour C. A. BANKS,
Lieutenant-Governor of the Province of British Columbia.

MAY IT PLEASE YOUR HONOUR:

The undersigned respectfully submits the Report of the business done in pursuance of the "Teachers' Pensions Act" during the period January 1st, 1947, to December 31st, 1947.

GEO. S. PEARSON,
Provincial Secretary.

Provincial Secretary's Office,
Victoria, B.C.

The Honourable G. S. Pearson,
Provincial Secretary, Victoria, B.C.

SIR,—I have the honour to lay before you the Report of the business done in pursuance of the "Teachers' Pensions Act" during the period January 1st, 1947, to December 31st, 1947.

In doing so, I have to record with great regret the death on September 20th, 1947, of A. Norman Baker, who had been Commissioner of Teachers' Pensions since January 1st, 1941.

I have the honour to be,
Sir,
Your obedient servant,

R. A. PENNINGTON,
Commissioner of Teachers' Pensions.

"TEACHERS' PENSIONS ACT."

ANNUAL REPORT.

REPORT OF THE BUSINESS DONE IN PURSUANCE OF THE "TEACHERS' PENSIONS ACT" DURING THE PERIOD JANUARY 1ST, 1947, TO DECEMBER 31ST, 1947.

Section 6.—Contributions made by teachers pursuant to the provisions of this section amounted to $634,431.44. This amount represents ordinary contributions of $525,893.19 and special 1-per-cent. contributions of $108,538.25.

Section 6 (9).—An amount of $228.20 contributed by employers under this section was transferred to Service Pensions Account.

Section 8.—Employer contributions made pursuant to the provisions of this section amounted to $759,278.71.

Section 11.—Superannuation allowances were granted to 57 teachers.

Section 15.—Disability allowances were granted to 10 teachers who had become totally and permanently disabled.

Section 16 (1).—A superannuation allowance was granted to the dependent in the case of 1 teacher who died while in service.

Section 16 (4), (5).—Refunds amounting to $8,646.44 were made in the case of 14 teachers who died while still in service.

Section 18.—Refunds amounting to $117,290.65 were made to 608 teachers who left the service of their employer.

Section 31.—Securities in the hands of the Trustees at this date are set out in Schedule No. 1 of this report.

Section 36 (1).—In accordance with the provisions of this section, an actuarial valuation of the assets and liabilities of the Fund as at December 31st, 1946, was made by Messrs. Pipe and Eckler, consulting actuaries, and the actuarial balance-sheet appears as Schedule No. 2 of this report.

During the year two meetings of the Teachers' Pensions Board were held.

R. A. PENNINGTON,
Commissioner of Teachers' Pensions.

TEACHERS' PENSIONS FUND.

Statement of Revenue and Expenditure for the Period January 1st, 1947, to December 31st, 1947.

Revenue.

Contributions as per requirements of the "Teachers' Pensions Act"—			
Employees, section 6—			
Contributions for retirement annuities	$525,893.19		
Contributions, special 1-per-cent.	108,538.25		
		$634,431.44	
Employers, section 8	$759,278.71		
Employers, section 6 (9)	228.20		
		759,506.91	
Minister of Finance, section 4 (as per *contra*)		109,796.25	
Interest on investments and bank interest (includes accrued interest)		264,104.31	
			$1,767,838.91

Expenditure.

Superannuation allowances—			
Payable from Teachers' Pensions Fund—			
Service pensions	$117,165.26		
Less amount refunded	146.81		
		$117,018.45	
Retirement annuities	$46,783.33		
Less amount refunded	4.82		
		46,778.51	
Payable by Minister of Finance, section 4—			
Allowances paid	$110,621.91		
Less amount refunded	825.66		
Net amount (as per *contra*)		109,796.25	
Refund of employees' contributions—			
Section 16 (4)	$7,971.18		
Section 16 (5)	675.26		
Section 18	117,290.65		
		125,937.09	
Administration expenses, section 23		17,930.47	
			417,460.77
Net increase of ledger assets			$1,350,378.14

Ledger Assets Account as at December 31st, 1947.

Ledger assets, January 1st, 1947	$7,103,080.49
Net increase of ledger assets for period January 1st, 1947, to December 31st, 1947	1,350,378.14
Ledger assets, December 31st, 1947	$8,453,458.63

TEACHERS' PENSIONS FUND.

BALANCE-SHEET AS AT DECEMBER 31ST, 1947.

Assets.

		General Account.	Trustees' Account.	Total.
Cash at Canadian Bank of Commerce		$20,947.42	$226,587.74	$247,535.16
Accounts receivable—				
Due from employees	$46,547.56			
Due from employers	238,417.32			
		284,964.88		284,964.88
Investments at cost, *less* amortization (Schedule No. 1)			7,893,790.26	7,893,790.26
(Valuation on Dominion Department of Insurance basis or market value at December 31st, 1947, $8,012,091.01.)				
Accrued interest on investments			42,652.32	42,652.32
		$305,912.30	$8,163,030.32	$8,468,942.62

Liabilities.

Employees' Retirement Annuity Account		$4,849,367.73
Employers' Service Pensions Account		3,604,090.90
Accounts payable—		
Administration expense	$14,157.92	
Sundry	1,326.07	
		15,483.99
		$8,468,942.62

COMPTROLLER-GENERAL'S CERTIFICATE.

I certify that the accounts of the Commissioner and Trustees of the Teachers' Pensions Fund for the year ended December 31st, 1947, have been examined under my direction.

The liabilities in respect of Employees' Retirement Annuity Account and Employers' Service Pensions Account are stated at book value. Under the terms of section 36 (1) of the "Teachers' Pensions Act, 1940," an actuarial valuation of these liabilities was made as at December 31st, 1946, and is attached hereto as Schedule 2.

Subject to the foregoing remarks, I certify that the above balance-sheet is in my opinion properly drawn up so as to exhibit a true and correct statement of the affairs of the Fund according to the best of my information and the explanations given to me and as shown by the books of the Fund.

J. A. CRAIG, C.A.,
Comptroller-General, Province of British Columbia.

Victoria, B.C., November 5th, 1948.

SCHEDULE No. 1.

TRUSTEES OF THE TEACHERS' PENSIONS FUND AND THE MINISTER OF FINANCE FOR THE PROVINCE OF BRITISH COLUMBIA.

Securities held as at December 31st, 1947.

Description.	Date of Maturity.	Par Value.	Cost Price.	Book Value.	Market Value.
Dominion of Canada—					
3% Bonds	May 1, 1957	$108,400.00	$108,400.00	$108,400.00	$113,820.00
3% Bonds	Jan. 1, 1959	575,000.00	575,000.00	575,000.00	603,750.00
3% Bonds	June 1, 1960	400,000.00	400,000.00	400,000.00	420,000.00
3% Bonds	Feb. 1, 1962	300,000.00	300,000.00	300,000.00	315,000.00
3% Bonds	Oct. 1, 1963	350,000.00	350,000.00	350,000.00	367,500.00
3% Bonds	Sept. 1, 1966	350,000.00	350,000.00	350,000.00	367,500.00
Province of British Columbia—					
3% Bonds	June 1, 1948	50,000.00	48,660.00	49,896.44	50,000.00
3½% Bonds	June 1, 1950	5,000.00	5,075.00	5,036.65	5,150.00
4% Bonds	Nov. 1, 1950	89,000.00	90,451.75	89,673.58	91,670.00
3½% Bonds	June 1, 1951	5,000.00	5,081.50	5,043.39	5,200.00
3½% Bonds	June 1, 1952	14,000.00	13,767.60	13,895.15	14,560.00
3½% Bonds	June 1, 1953	24,000.00	23,649.50	23,829.78	25,200.00
5% Bonds	Sept. 1, 1953	81,000.00	91,926.40	88,172,60	90,720.00
3½% Bonds	June 1, 1954	15,500.00	15,692.40	15,607.76	16,275.00
3½% Bonds	June 1, 1955	56,000.00	54,939.00	55,377.72	58,800.00
3½% Bonds	June 1, 1956	171,000.00	167,668.00	168,968.46	179,550.00
3% Bonds	Feb. 1, 1958	18,000.00	17,758.80	17,811.29	18,360.00
4½% Bonds	April 1, 1960	500.00	558.13	541.39	595.00
3% Bonds	Dec. 15, 1960	207,000.00	212,692.50	212,603.54	211,140.00
3½% Bonds	Dec. 31, 1960	2,325,000.00	2,325,000.00	2,325,000.00	2,325,000.00
2¾% Bonds	Oct. 15, 1963	100,000.00	99,500.00	99.500.00	98,505.00
2¾% Bonds	April 15, 1966	75,000.00	75,000.00	75,000.00	74,250.00
2¾% Bonds	Jan. 15, 1967	190,000.00	188,681.25	188,682.96	188,100.00
2¾% Bonds	Feb. 1, 1967	400,000.00	400,000.00	400,000.00	396,000.00
2¾% Bonds	May 15, 1967	310,000.00	310,000.00	310,000.00	306,900.00
2¾% Bonds	July 2, 1968	200,000.00	200,000.00	200,000.00	198,000.00
2¾% Bonds	Oct. 1, 1971	750,000.00	750,000.00	750,000.00	750,000.00
2¾% Bonds	Sept. 26, 1972	200,000.00	200,000.00	200,000.00	200,000.00
Guaranteed by the Province of British Columbia—					
Vancouver and Districts Joint Sewerage and Drainage Board—					
4% Bonds	Oct. 1, 1952	1,000.00	1,042.10	1,021.72	1,080.00
4% Bonds	May 1, 1958	4,000.00	4,260.00	4,175.39	4,360.00
5% Bonds	Sept. 1, 1959	11,000.00	12,650.00	12,151.85	13,310.00
4% Bonds	May 1, 1962	3,000.00	3,195.00	3,144.66	3,240.00
5% Bonds	Sept. 1, 1962	3,000.00	3,521.70	3,391.42	3,690.00
5½% Bonds	Sept. 1, 1962	2,000.00	2,505.00	2,376.10	2,560.00
4% Bonds	May 1, 1963	2,000.00	2,140.20	2,107.24	2,160.00
4% Bonds	May 1, 1964	5,000.00	5,389.00	5,305.99	5,500.00
4½% Bonds	Sept. 1, 1965	7,000.00	8,202.50	8,015.79	8,400.00
4½% Bonds	March 1, 1968	3,000.00	3,475.00	3,395.04	3,660.00
5% Bonds	Sept. 1, 1969	18,000.00	22,390.25	21,596.84	23,400.00
4½% Bonds	Sept. 1, 1970	1,000.00	1,157.90	1,129.35	1,230.00
West Nicomen Dyking District—					
4% Bonds	May 1, 1953	2,500.00	2,672.25	2,607.15	2,625.00
Issued pursuant to section 4, "Teachers' Pensions Act"—					
3½% Bonds	Dec. 31, 1962	67,181.39	67,181.39	67,181.39	67,181.39
3½% Bonds	June 30, 1963	65,428.44	65,428.44	65,428.44	65,428.44
3½% Bonds	Dec. 31, 1963	65,065.97	65,065.97	65,065.97	65,065.97
3½% Bonds	June 30, 1964	63,710.86	63,710.86	63,710.86	63,710.86
3½% Bonds	Dec. 31, 1964	62,639.46	62,639.46	62,639.46	62,639.46
3½% Bonds	June 30, 1965	60,701.69	60,701.69	60,701.69	60,701.69
3½% Bonds	Dec. 31, 1965	60,603.20	60,603.20	60,603.20	60,603.20
Totals		$7,877,231.01	$7,897,433.74	$7,893,790.26	$8,012,091.01

SCHEDULE No. 2.

ACTUARIAL BALANCE-SHEET AT DECEMBER 31ST, 1946.

Service Pensions Account.

Assets.			*Liabilities.*		
Ledger assets	$2,753,986		Present value of future service pensions in respect of employees—		
Accrued interest on investments	11,463		(*a*) In service January 1st, 1941, and still in service December 31st, 1946	$8,305,418	
		$2,765,449	(*b*) In service January 1st, 1941, and on pension December 31st, 1946	1,403,784	
Present value of 1-per-cent. employee contribution for fifteen years		1,078,010			$9,709,202
Present value of employer contribution based on ages at entry in respect of existing employees		3,276,561	(*c*) Who entered service after January 1st, 1941		2,419,790
Present value of excess of 7-per-cent. employer contribution over employer contribution based on age at entry in respect of future new employees and existing employees		5,008,972			
		$12,128,992			$12,128,992

Retirement Annuity Account.

Ledger assets	$4,349,094		Outstanding refund values		$43,199
Accrued interest on investments	18,103		Actuarial reserve in respect of employees—		
		$4,367,197	(*a*) In service December 31st, 1946	$4,361,599	
Arrears in contributions of ex-service personnel		14,455	(*b*) On pension December 31st, 1946	495,325	
Deficit		518,471			4,856,924
		$4,900,123			$4,900,123

This is to certify that the above valuation balance-sheet represents the assets and liabilities of the Teachers' Pensions Fund as of December 31st, 1946, on the basis of its experience prior to December 31st, 1946.

SAMUEL ECKLER,

Fellow, Actuarial Society of America;
American Institute of Actuaries.

SCHEDULE No. 3.

COMPARATIVE STATISTICS, JANUARY 1ST, 1941, TO DECEMBER 31ST, 1947.

Fiscal Year.	No. of Contributors at End of Fiscal Year.	Contributions.				Withdrawals.		Allowances.			
		Minister of Finance (Sec. 4).	Employer.	Employees.	Employees (Special 1%).	Number.	Amount refunded.	Number granted during Year.	Deaths and Expirations during Year.	Number in force at End of Year.	Amount paid.
1941	4,198 296*	$141,514.54	.....	$297,852.51	.....	302	$92,849.30	61	10	340	$158,452.93
1942	4,612 429*	135,468.85	$434,035.57	304,520.82	$63,022.22	432	102,735.67	41	13	368	176,305.17
1943	4,544 835*	130,494.41	461,472.26	317,305.93	64,170.80	272	62,590.16	39	10	397	190,496.55
1944	4,439 1,314*	126,350.32	481,269.99	332,895.23	68,338.00	333	61,188.09	33	11	419	202,943.22
1945	4,609 1,350*	121,304.89	535,473.59	369,607.14	75,958.50	489	93,984.29	57	13	463	225,230.19
1946	5,129 893*	117,553.65	616,154.40	426,814.26	87,671.11	608	129,007.32	49	14	498	250,132.55
1947	5,942 607†	109,796.25	759,506.91	525,893.19	108,538.25	622	125,937.09	57	14	541	273,593.21
		$882,482.91	$3,287,912.72	$2,574,889.08	$467,698.88	.....	$668,291.92	....	....	.....	$1,477,153.82

* Non-active accounts of teachers who are temporarily unemployed at the close of the fiscal year, or who have left the teaching profession permanently.

† Non-active accounts now considered as those accounts of teachers who have been out of teaching service over two years.

TEACHERS' PENSIONS FUND.

Comparative Statistics, January 1st, 1946, to December 31st, 1947—Allowances granted and in Force, subdivided by Type and Plan of Allowance.

Fiscal Year.	In Force at Beginning of Year.				Granted during Year.				Expired during Year.					In Force at End of Year.			
	Single Life.	Guaranteed.	Joint Life.	Modified.	Single Life.	Guaranteed.	Joint Life.	Modified.	Single Life.	Guaranteed.* (a.)	Guaranteed.* (b.)	Joint Life.	Modified.	Single Life.	Guaranteed.	Joint Life.	Modified.
1946—																	
Normal retirement	183	97	29	11	18	12	9	....	3	2	1	2	....	198	106	36	11
Disability	76	16	11	....	1	2	1	....	5	....	....	....	....	72	18	12	....
Death	40	.....	.....	....	6	....	....	....	1	....	....	....	....	45	.....	.....	....
Totals	299	113	40	11	25	14	10	....	9	2	1	2	....	315	124	48	11
1947—																	
Normal retirement	198	106	36	11	21	14	9	2	7	1	1	....	....	212	118	45	13
Disability	72	18	12	....	5	4	1	....	4	....	....	....	....	73	22	13	....
Death	45	.....	.....	....	1	....	....	....	1	....	....	....	....	45	.....	.....	....
Totals	315	124	48	11	27	18	10	2	12	1	1	....	....	330	140	58	13

* Guaranteed: (*a*) Superannuant died after expiration of guaranteed period; (*b*) guaranteed period expired, superannuant having died previously.

Comparative Statistics, January 1st, 1946, to December 31st, 1947, subdivided according to Sex of Contributor.

Fiscal Year.	Number of Contributors.		Number of Refunds granted.		Allowances.					
					Number of Allowances granted.		Number of Deaths and Expirations.		Number of Allowances in Force at End of Year.	
	Male.	Female.	Male.	Female.	Male.	Female.	Male.	Female.	Male.	Female.
1946	1,742	3,387	97	511	29	20	5	9	200	298
Non-active	227	666	.....	.....	.....	.....	.....	.....	.....	.....
1947	2,100	3,842	118	504	26	31	4	10	222	319
Non-active	169	438	.....	.....	.....	.....	.....	.....	.....	.....

VICTORIA, B.C.:
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