PROVINCE OF BRITISH COLUMBIA

Tenth Annual Report

of the business done in pursuance of the

TEACHERS' PENSIONS ACT

for the period

JANUARY 1ST TO DECEMBER 31ST

1950

VICTORIA, B.C.
Printed by DON MCDIARMID, Printer to the Queen's Most Excellent Majesty
1952

To His Honour CLARENCE WALLACE, C.B.E.,
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, 1950, to December 31st, 1950.

WM. T. STRAITH,
Provincial Secretary.

Provincial Secretary's Office,
Victoria, B.C., November 1st, 1951.

The Honourable W. T. Straith,
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, 1950, to December 31st, 1950.

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

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

November 1st, 1951.

" TEACHERS' PENSIONS ACT "

ANNUAL REPORT

REPORT OF THE BUSINESS DONE IN PURSUANCE OF THE " TEACHERS' PENSIONS ACT " DURING THE PERIOD JANUARY 1ST, 1950, TO DECEMBER 31ST, 1950.

Section 4.—Superannuation-allowance payments pursuant to this section amounted to $90,782.49. The Minister of Finance reimbursed the Fund for this amount out of Consolidated Revenue. As at December 31st, 1950, there were 181 persons in receipt of allowances under this section.

Section 6.—Contributions received from teachers amounted to $904,845.97, consisting of ordinary contributions of $740,587.71 and special 1-per-cent contributions of $164,258.26. As at December 31st, 1950, there were 7,285 active contributors to the Fund.

Section 8.—Employer contributions received pursuant to this section amounted to $1,148,868.57.

Section 11.—Superannuation allowances were granted to thirty-nine teachers who attained retirement age. For analysis *see* statements of comparative statistics appended hereto.

Section 15.—A superannuation allowance was granted to seven teachers who had become totally and permanently disabled.

Section 16 (1) and (2).—Superannuation allowances were granted to the dependent in the case of three teachers who died while still in service.

Section 16 (4) and (5).—Refunds amounting to $3,696.40 were made in the case of four teachers who died while still in service.

Section 18.—Refunds amounting to $111,785.61 were made to 407 teachers who left the service of their employers.

Section 23.—Administration expenses paid from the Fund amounted to $26,711.88.

Section 26.—During the year three meetings of the Teachers' Pensions Board were held, at which nineteen individual cases were dealt with.

Section 31.—The securities held by the Trustees on December 31st, 1950, 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, 1949, was made by Messrs. Pipe and Eckler, consulting actuaries, and the actuarial balance-sheet appears as Schedule No. 2 of this Report.

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

TEACHERS' PENSIONS FUND

Statement of Revenue and Expenditure for the Year ended December 31st, 1950

Revenue

Contributions as per requirements of the "Teachers' Pensions Act"—			
Employees, section 6—			
Contributions for retirement annuities	$740,587.71		
Contributions, special 1-per-cent	164,258.26		
		$904,845.97	
Employers, section 8		1,148,868.57	
Minister of Finance, section 4 (as per *contra*)		90,782.49	
Interest on investments and bank interest		396,481.03	
			$2,540,978.06

Expenditure

Superannuation allowances—			
Payable from Teachers' Pensions Fund—			
Service pensions	$180,050.25		
Less amount refunded	626.59		
		$179,423.66	
Retirement annuities	$89,714.07		
Less amount refunded	84.09		
		89,629.98	
Payable by Minister of Finance, section 4—			
Allowances paid	$91,103.39		
Less amount refunded	320.90		
Net amount (as per *contra*)		90,782.49	
Refund of employees' contributions—			
Section 16 (4)	$2,179.40		
Section 16 (5)	1,517.00		
Section 18	111,785.61		
		115,482.01	
Administration expenses, section 23		26,711.88	
			502,030.02
Net increase of ledger assets			$2,038,948.04

TEACHERS' PENSIONS FUND

BALANCE-SHEET AS AT DECEMBER 31ST, 1950

Assets

		General Account	Trustees' Account	Total
Cash at Canadian Bank of Commerce		$17,044.52	$83,883.52	$100,928.04
Accounts receivable—				
Due from employees	$55,784.75			
Due from employer	190,834.65			
		246,619.40		246,619.40
Investments at cost—net after amortization of premiums and discounts (*see* Schedule No. 1)			13,456,464.85	13,456,464.85
(Par value, $13,558,103.20; market value, $13,154,689.45.)				
Accrued interest on investments			89,940.14	89,940.14
		$263,663.92	$13,630,288.51	$13,893,952.43

Liabilities

Employees' Retirement Annuity Account		$6,789,768.08
Employers' Service Pensions Account		7,077,612.20
Accounts payable—		
Administration expense	$26,533.28	
Sundry	38.87	
		26,572.15
		$13,893,952.43

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, 1950, 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," chapter 334, R.S.B.C. 1948, an actuarial valuation of these liabilities was made as at December 31st, 1949, and is attached hereto as Schedule No. 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., December 3rd, 1951.

SCHEDULE No. 1, TEACHERS' PENSIONS FUND

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

Securities Held as at December 31st, 1950

Description	Date of Maturity	Par Value	Cost Price	Book Value	Accrued Interest as at Dec. 31, 1950
Province of British Columbia—					
3½% bonds	June 1, 1951	$5,000.00	$5,081.50	$5,005.29	$14.38
3½% bonds	June 1, 1952	14,000.00	13,767.60	13,966.37	40.27
3½% bonds	June 1, 1953	24,000.00	23,649.50	23,924.07	69.04
5% bonds	Sept. 1, 1953	81,000.00	91,926.40	84,376.55	1,342.60
3½% bonds	June 1, 1954	15,500.00	15,692.40	15,557.39	44.59
3½% bonds	June 1, 1955	56,000.00	54,939.00	55,629.42	161.10
3½% bonds	June 1, 1956	171,000.00	167,668.00	169,692.60	491.92
3% bonds	Feb. 1, 1958	18,000.00	17,758.80	17,867.42	224.88
2¾% bonds	Oct. 15, 1959	5,000.00	4,931.25	4,948.42	29.01
4½% bonds	April 1, 1960	500.00	558.13	531.28	5.61
3% bonds	Dec. 15, 1960	327,000.00	331,492.50	330,084.68	430.04
3½% bonds	Dec. 31, 1960	2,325,000.00	2,325,000.00	2,325,000.00	.....
2¾% bonds	Oct. 15, 1963	100,000.00	99,500.00	99,596.21	580.14
3% bonds	June 15, 1964	552,000.00	544,396.25	545,052.28	725.93
3% bonds	July 1, 1964	700,000.00	683,410.00	685,073.54	10,500.00
2¾% bonds	April 15, 1966	228,000.00	221,835.00	222,648.12	1,322.72
2¾% bonds	Oct. 15, 1966	56,000.00	52,970.00	53,370.40	324.88
2¾% bonds	Jan. 15, 1967	489,000.00	480,440.50	481,717.49	6,226.39
2¾% bonds	Feb. 1, 1967	400,000.00	400,000.00	400,000.00	4,580.84
2¾% bonds	May 15, 1967	310,000.00	310,000.00	310,000.00	1,074.40
2¾% bonds	June 15, 1968	184,000.00	178,443.75	179,228.78	221.81
3% bonds	June 15, 1968	558,000.00	547,501.25	547,587.89	733.83
3% bonds	July 2, 1968	300,000.00	297,780.00	298,057.35	4,487.67
2¾% bonds	July 2, 1968	200,000.00	200,000.00	200,000.00	2,742.46
3% bonds	Dec. 15, 1969	1,468,500.00	1,452,943.75	1,453,637.38	1,931.22
3% bonds	July 31, 1970	2,075,000.00	2,058,400.00	2,060,221.69	26,093.75
3% bonds	Aug. 10, 1970	410,000.00	406,720.00	407,075.86	4,818.89
2¾% bonds	Oct. 1, 1971	750,000.00	750,000.00	750,000.00	5,142.15
2¾% bonds	Sept. 26, 1972	200,000.00	200,000.00	200,000.00	1,446.58
3% bonds	Feb. 1, 1974	725,000.00	703,250.00	704,916.00	9,057.57
Guaranteed by the Province of British Columbia—					
B.C. Power Commission—					
3% bonds	Oct. 1, 1967	163,000.00	162,028.75	162,078.79	1,219.16
3% bonds	Nov. 1, 1968	461,500.00	455,076.88	455,115.30	2,275.89
Corporation of the Village of Qualicum Beach—					
3½% serial debentures	Sept. 1, 1961–70	63,000.00	64,946.70	64,914.20	730.97
Vancouver and Districts Joint Sewerage and Drainage Board—					
4% bonds	Oct. 1, 1952	1,000.00	1,042.10	1,008.04	9.97
4% bonds	May 1, 1958	4,000.00	4,260.00	4,124.51	26.30
5% bonds	Sept. 1, 1959	11,000.00	12,650.00	11,855.72	182.33
4% bonds	May 1, 1962	3,000.00	3,195.00	3,114.39	19.73
5% bonds	Sept. 1, 1962	3,000.00	3,521.70	3,311.41	49.73
5½% bonds	Sept. 1, 1962	2,000.00	2,505.00	2,299.18	36.47
4% bonds	May 1, 1963	2,000.00	2,140.20	2,086.27	13.15
4% bonds	May 1, 1964	5,000.00	5,389.00	5,249.77	32.88
4½% bonds	Sept. 1, 1965	7,000.00	8,202.50	7,843.35	104.42
4½% bonds	Mar. 1, 1968	3,000.00	3,475.00	3,336.27	44.75
5% bonds	Sept. 1, 1969	18,000.00	22,390.25	21,098.87	298.36
4½% bonds	Sept. 1, 1970	1,000.00	1,157.90	1,112.22	14.92
West Nicomen Dyking District—					
4% bonds	May 1, 1953	2,500.00	2,672.25	2,546.88	16.44
Issued pursuant to section 4, "Teachers' Pensions Act"—					
3½% bonds	Dec. 31, 1965	60,603.20	60,603.20	60,603.20	.....
Totals	.....	$13,558,103.20	$13,455,312.01	$13,456,464.85	$89,940.14

SCHEDULE No. 2, TEACHERS' PENSIONS FUND

Actuarial Balance-sheet at December 31st, 1949

(Based on provisions of " Teachers' Pensions Act " in force December 31st, 1949.)

Service Pensions Account

Item	*Assets*		
(1)	Net funds on hand	$5,761,800	
(2)	Present value of 1-per-cent employee contributions for twelve years	1,490,500	
(3)	Present value of normal employer contributions	4,041,800	
(4)	Present value for forty-two years of excess of 7-per-cent employer contributions over normal employer contributions	15,312,000	
			$26,606,100

Item	*Liabilities*			
(5)	Present value of future service pensions in respect of employees—			
	(i) In service January 1st, 1941, and on pension December 31st, 1949	$2,262,700		
	(ii) In service December 31st, 1949	12,921,500		
			$15,184,200	
(6)	Unpaid pension		1,000	
(7)	Surplus		11,420,900	
				$26,606,100

Retirement Annuity Account

(8)	Net funds on hand	$6,071,400	
(9)	Outstanding employee contributions	64,900	
(10)	Present value of future estreatments	1,195,700	
			7,332,000
			$33,938,100

(11)	Actuarial reserves in respect of employees—			
	(i) On pension December 31st, 1949	$1,036,500		
	(ii) In service December 31st, 1949	6,213,400		
			$7,249,900	
(12)	Outstanding refund values		81,800	
(13)	Unpaid annuity		300	
				7,332,000
				$33,938,100

NOTE.—Figures are taken to the nearest hundred dollars.

This is to certify that the above valuation balance-sheet represents the assets and liabilities of the Teachers' Pensions Fund as of December 31st, 1949, on the basis of the assumptions made in this Report.

SAMUEL ECKLER,
Fellow, Actuarial Society of America and American Institute of Actuaries.

December 11th, 1950.

SCHEDULE No. 3, TEACHERS' PENSIONS FUND

Comparative Statistics, January 1st, 1941, to December 31st, 1950

Fiscal Year	Number 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[1]	$141,514.54	.....	$297,852.51	.....	302	$92,849.30	61	10	340	$158,452.93
1942	4,612 429[1]	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[1]	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[1]	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[1]	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[1]	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[2]	109,796.25	759,506.91	525,893.19	108,538.25	622	125,937.09	57	14	541	273,593.21
1948	6,147 702[2]	104,050.40	871,773.22	596,606.64	124,422.69	555	130,967.23	44	15	570	298,703.65
1949	6,645 840[2]	97,958.55	1,033,099.36	677,367.32	147,537.80	433	115,542.92	46	13	603	319,158.08
1950	7,285 735[2]	90,782.49	1,148,868.57	740,587.71	164,258.26	411	115,482.01	49	18	634	359,836.13
Totals	.....	$1,175,274.35	$6,341,653.87	$4,589,450.75	$903,917.63	.....	$1,030,284.08	.....	.....	.....	$2,454,851.68

[1] Non-active accounts of teachers who are temporarily unemployed at the close of the fiscal year, or who have left the teaching profession permanently.
[2] 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, 1950—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[1] (a)	Guaranteed[1] (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
1948—																	
Normal retirement	212	118	45	13	12	17	2	—	5	1	1	3	1	219	133	44	12
Disability	73	22	13	—	2	2	—	—	3	—	—	—	—	72	24	13	—
Death	45	—	—	—	9	—	—	—	1	—	—	—	—	53	—	—	—
Totals	330	140	58	13	23	19	2	—	9	1	1	3	1	344	157	57	12
1949—																	
Normal retirement	219	133	44	12	18	16	4	—	9	—	—	1	—	228	149	47	12
Disability	72	24	13	—	—	—	1	—	2	—	—	—	—	70	24	14	—
Death	53	—	—	—	7	—	—	—	1	—	—	—	—	59	—	—	—
Totals	344	157	57	12	25	16	5	—	12	—	—	1	—	357	173	61	12
1950—																	
Normal retirement	228	149	47	12	19	17	3	—	8	—	1	2	—	239	165	48	12
Disability	70	24	14	—	2	5	—	—	3	—	1	—	—	69	28	14	—
Death	59	—	—	—	3	—	—	—	3	—	—	—	—	59	—	—	—
Totals	357	173	61	12	24	22	3	—	14	—	2	2	—	367	193	62	12

[1] 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, 1950, 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	—	—	—	—	—	—	—	—
1948	2,135	4,012	111	444	25	19	11	4	236	334
Non-active	170	532	—	—	—	—	—	—	—	—
1949	2,385	4,260	71	362	21	25	5	8	252	351
Non-active	129	711	—	—	—	—	—	—	—	—
1950	2,724	4,561	52	359	24	25	5	13	271	363
Non-active	105	630	—	—	—	—	—	—	—	—

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