



**Report of the Treasurer**  
**STATE OF TENNESSEE**

**For The Fiscal Year**

**July 1, 1958 through June 30, 1959**

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**RAMON T. DAVIS**



**TREASURER**

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**REPORT**  
*of the*  
**TREASURER**  
*of the*  
**STATE OF TENNESSEE**



For the Fiscal Year  
July, 1958 through June 30, 1959



RAMON T. DAVIS, Treasurer

NASHVILLE, TENNESSEE



RAMON T. DAVIS, Treasurer

STATE OF TENNESSEE  
Treasury Department

July 1, 1959

The Honorable Buford Ellington  
Governor of Tennessee  
Nashville, Tennessee

Sir:

In compliance with the State Law, I submit to you my report as Treasurer of the State of Tennessee for the fiscal year ending June 30, 1959.

Very truly yours,  
RAMON T. DAVIS  
State Treasurer

## STATE OFFICIALS

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BUFORD ELLINGTON  
GOVERNOR

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### GOVERNOR'S CABINET

#### CONSTITUTIONAL OFFICERS

Joe C. Carr .....Secretary of State  
Wm. R. Snodgrass .....Comptroller  
Ramon T. Davis .....Treasurer  
G. Hilton Butler .....Adjutant General

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#### COMMISSIONERS AND DIRECTORS

W. F. Moss .....Commissioner, Agriculture  
J. Brents McBride .....  
.....Commissioner, Conservation and Commerce  
Keith Hampton .....Commissioner, Corrections  
Joe Morgan .....Commissioner, Education  
L. B. Jennings .....Commissioner, Employment Security  
E. J. Boling ..Staff Director, Finance and Administration  
D. W. Moulton .....Commissioner, Highways  
John R. Long, Jr. ..Commissioner, Insurance and Banking  
W. H. Parham .....Commissioner, Labor  
Joseph J. Baker, MD .....Commissioner, Mental Health  
W. S. Uhlhorn .....Director, Personnel  
Franklin Pierce .....Director, Purchasing  
R. H. Hutcheson, MD .....Commissioner, Public Health  
B. J. Boyd .....Commissioner, Revenue  
Mrs. C. Frank Scott .....Commissioner, Public Welfare  
Greg O'Rear .....Commissioner, Safety  
James L. Crider .....Director, Veterans' Affairs

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#### TREASURY PERSONNEL

Ramon T. Davis .....Treasurer  
Mrs. Loretta W. Johnson .....Secretary  
W. S. McFall .....Supervisor of Deposits  
D. M. Sparkman .....Principal Accountant  
Mrs. Ada A. Farrer .....Cashier  
Mrs. J. D. Landis .....Assistant Cashier  
Mrs. Shirley Haynie .....Assistant Cashier  
Lee Hall .....Janitor-Clerk

## TREASURERS OF TENNESSEE

Miller Francis .....	1836-1843
Matthew Nelson .....	1843-1845
Robert B. Turner .....	1845-1847
Anthony Dibrell .....	1847-1855
G. C. Torbett .....	1855-1857
W. Z. McGregor .....	1857-1865
R. L. Stanford .....	1865-1866
John R. Henry .....	1866-1868
W. H. Stilwell .....	1868-1869
J. E. Rust .....	1869-1871
William Morrow .....	1871-1877
M. T. Polk .....	1877-1883
Altha Thomas .....	1883-1885
J. W. Thomas .....	1885-1886
Altha Thomas .....	1886-1889
M. F. House .....	1889-1893
E. B. Craig .....	1893-1901
Reau E. Folk .....	1901-1911
G. T. Taylor .....	1911-1913
W. P. Hickerson .....	1913-1915
Porter Dunlap .....	1915-1919
Hill McAlister .....	1919-1927
John F. Nolan .....	1927-1931
Hill McAlister .....	1931-1933
J. J. Bean .....	1933-1937
Grover Keaton .....	1937-1939
John W. Harton .....	1939-1945
C. C. Wallace .....	1945-1948
J. F. Murrey .....	Sept., 1948 to Jan., 1949
W. N. Estes .....	1949-1953
J. B. Walker .....	1953-1955
Ramon T. Davis .....	July 1955-

## COMMENTS

It is with pride that I again report the satisfactory condition of the State Treasury at the close of business June 30, 1959.

The credit of the State is in excellent condition. The ability to meet its obligations promptly is well known throughout the nation and its credit is unexcelled in the financial markets as is evidenced by the fact that Moody's Investors Service has raised the credit rating to AA.

During the fiscal year 1958-59 bonds totaling \$15,000,000.00 were sold at a net interest rate of 3.284% and the State debt reduced by \$15,189,000.00. The total indebtedness of the State as of June 30, 1959 is \$114,179,500.00. Schedule of indebtedness is given on pages 14 and 15.

The State's money is now deposited in more banks than at any time in its history. We have established depositories in approximately 365 State and National banks in Tennessee. Deposits are fully covered by bonds and securities according to the laws of the State. There has been no discrimination in the deposit of State funds except to insure safety. Every bank that desired State funds and was willing to deposit the necessary collateral has been given a proper share.

Funds not needed for current operation have been placed on interest with banks throughout the State at interest rates in keeping with the current money market.

## DUTIES OF THE TREASURER

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### The Duties of the State Treasurer Are:

To receive and disburse the funds of the State and to safeguard all monies in State Depositories according to law.

To keep and properly account for all securities owned by the State, and deposited with the State, including securities owned by the State Employees' Retirement System and Teachers' Retirement System, the State Sinking Fund, and bonds deposited by State Depositories to secure State funds.

The Treasurer is a member of the following State Boards and must participate in the deliberations and conclusions:

- Funding Board
- Board of Liquidation of State Dept
- Board of Claims
- Board of Tax Equalization
- Board of Inheritance Tax Appeals
- Board of Trustees of the Teachers' Retirement System
- Chairman, Board of Trustees of the State Employees' Retirement System
- Licensing Board for the Healing Arts

The 1959 Legislature, by passage of the Reorganization Act, created within the Department of Treasury, a Division of Retirement comprising the Tennessee Teachers' Retirement System, the State Employees' Retirement System, the Old Age and Survivors' Insurance Agency, the Attorneys' General Retirement System and the Judges' Retirement System.

Mr. C. L. Brockett is Director of the Division of Retirement and is responsible directly to the State Treasurer for the administration of the five retirement systems.

# REPORT OF THE STATE TREASURER

## BALANCE SHEET

June 30, 1959

### ASSETS

Cash	
State Treasurer .... (Page 9)	\$136,372,801.53
Treasurer of U.S.A. (Unem- ployment Compensation) ....	70,787,814.93
Petty Cash Advances .....	69,762.41
Total Cash .....	\$207,230,378.87
Investments ..... (Page 10)	100,075,580.55
Total Assets .....	<u>\$307,305,959.42</u>

### LIABILITIES AND FUND BALANCES

Liabilities	
Outstanding Warrants and Checks ..... (Page 11)	\$ 25,266,836.75
Total Liabilities .....	\$ 25,266,836.75
Fund Balances	
General Fund ..... (Page 11)	\$ 47,878,924.05
Highway Fund ..... (Page 11)	18,105,572.54
Sinking Fund ..... (Page 12)	7,561,579.64
Bond Fund ..... (Page 12)	23,703,188.66
Non-operating and other funds ..... (Page 12)	184,789,857.78
Total Fund Balances ....	\$282,039,122.67
Total Liabilities and Fund Balances .....	<u>\$307,305,959.42</u>

## REPORT OF THE STATE TREASURER

### RECONCILIATION OF CASH IN BANKS AND ON HAND WITH SUMMARY OF STATE ACCOUNTS AS OF JUNE 30, 1959.

#### TREASURER'S OFFICE—CASH IN BANKS

State Depositories, June 30, 1959

Checking Accounts		
Balance .....	\$102,903,179.44	
Certificates of		
Deposit .....	33,161,371.68	
Unemployment		
Compensation—		
Clearing Account	21,868.84	
Old Age and		
Survivors		
Insurance—		
Clearing Account	286,381.57	
Total Cash in		
Banks and		
On Hand		<u>\$136,372,801.53</u>

#### CASH IN BANKS AND IN TRANSIT

Checking Accounts	\$77,489,950.27	
Certificates of		
Deposit .....	33,161,371.68	
Unemployment		
Compensation—		
Clearing Account	21,868.84	
Old Age and		
Survivors		
Insurance—		
Clearing Account	286,381.57	
Total Cash on		
Deposit per		
Banks ....	\$110,959,572.36	
Add: Deposits in		
Transit .....	27,506,284.73	
Total Cash on		
Deposit and		
in Transit		\$138,465,857.09
Less: Outstanding		
checks in		
Transit .....	\$ 1,304,271.26	
Certificates of		
deposit in		
Transit .....	788,784.30	
Total Checks		
and		
Certificates		
of Deposit		
in Transit		2,093,055.56
Total Per		
Banks ....		<u>\$136,372,801.53</u>

# REPORT OF THE STATE TREASURER

## SCHEDULE OF INVESTMENTS

as of June 30, 1959

### Teachers' Retirement System

Canadian .....	\$ 706,443.73
International Bank .....	94,861.84
State .....	54,069.84
Government .....	16,773,506.60
Corporate .....	27,193,101.13
Municipal .....	19,587,738.65

Total Teachers' Retirement System .....	\$ 64,409,721.79
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### State Retirement System

Government .....	\$ 6,626,751.78
International Bank .....	851,084.38
Canadian .....	1,147,066.80
Corporate—Industrial .....	7,412,245.57
Corporate—Utilities .....	15,541,279.62
Municipal .....	4,087,430.61

Total State Retirement System .....	\$ 35,665,858.76
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Total Investments .....	<u>\$100,075,580.55</u>
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## REPORT OF THE STATE TREASURER

### SCHEDULE OF OUTSTANDING WARRANTS AND CHECKS as of June 30, 1959

General Fund .....	\$14,852,805.61	
Highway Fund .....	8,176,372.82	
Sinking Fund .....	4,427.49	
Board of Liquidation .....	301.50	
Confederate Pensions .....	12,300.00	
Benefit Fund .....	693,586.82	
Federal Unemployment Compensation —Benefit .....	122,758.00	
Social Security .....	176,144.80	
Judges' Retirement .....	12,170.63	
Attorneys' General Retirement .....	3,194.51	
Bond Deductions .....	80.95	
Teachers' Retirement .....	840,718.01	
State Retirement .....	371,975.61	
 Total Outstanding Warrants and Checks .....		<u>\$25,266,836.75</u>

### SCHEDULE OF GENERAL FUND BALANCE as of June 30, 1959

Reserves		
Unliquidated Obligations and Revolving Funds .....	\$ 7,016,041.25	
Game and Fish .....	738,262.86	
Hotel and Restaurant Inspection Fees .....	30,393.99	
Motor Vehicle Inspection Fees ..	650,682.03	
Public Utility Inspection Fees ..	552,481.70	
Dept. of Welfare—Sales Tax Revenue .....	6,227,204.55	
Dept. of Education—Excess Sales and Tobacco Tax over Estimates .....	4,938,589.84	
Working Capital .....	25,000,000.00	
 Total Reserves .....		<u>\$45,153,656.22</u>
Unobligated Fund Balance .....		2,725,267.83
 Total General Fund .....		<u>\$47,878,924.05</u>

### SCHEDULE OF HIGHWAY FUND BALANCE as of June 30, 1959

Reserves		
Highway Contracts (Construction) .....	\$ 1,310,056.45	
Rural Roads Program (Construction) .....	5,144,595.02	
Highway Improvement and Heavy Maintenance .....	1,046,940.88	
Bureau of Aeronautics .....	1,112,803.00	
 Total Reserves .....		<u>\$ 5,994,282.45</u>
Unobligated Fund Balance .....		12,111,290.09
 Total Highway Fund .....		<u>\$18,105,572.54</u>

## REPORT OF THE STATE TREASURER

### SCHEDULE OF SINKING FUND BALANCE

as of June 30, 1959

Reserves		
Interest matured and not presented for payment .....	\$ 600,241.25	
Bonds matured and not presented for payment .....	4,121,000.00	
Total Reserves .....		\$ 4,724,241.25
Unobligated Fund Balance .....		2,837,338.39
Total Sinking Fund .....		<u>\$ 7,561,579.64</u>

### SCHEDULE OF BOND FUND BALANCE

as of June 30, 1959

Reserves		
Unexpended Allotments .....	\$14,737,173.18	
Unallotted Bond Proceeds .....	2,542,556.38	
Unallotted Capital Outlay		
Appropriation .....	6,423,459.10	
Total Reserves .....		\$ 23,703,188.66
Total Bond Fund .....		<u>\$ 23,703,188.66</u>

### SCHEDULE OF NON-OPERATING AND OTHER FUND BALANCES

as of June 30, 1959

Reserves		
Due Cities and Counties .....	\$ 5,169,531.03	
Payroll Deductions for Bonds ....	35,823.15	
Special Liability Funds .....	488,546.15	
Special Deposit Accounts .....	6,309,628.32	
Unemployment Compensation—		
Trust Fund .....	70,787,814.93	
Teachers' Retirement System ....	65,465,238.41	
State Retirement System .....	35,967,466.64	
Judges' Retirement System .....	231,282.22	
Attorneys' General Retirement		
System .....	334,526.93	
Total Reserves .....		<u>\$184,789,857.78</u>
Total Non-Operating and Other Funds .....		<u>\$184,789,857.78</u>

# REPORT OF THE STATE TREASURER

## STATEMENT OF STATE DEBT

AS OF JUNE 30, 1959

Outstanding Debt June 30, 1958 .....		\$114,368,500.00
<b>Bonds Issued</b>		
Educational Institutions Bonds ..	\$ 5,000,000.00	
(Chapter 18, Acts 1959)		
Highway Bonds .....	10,000,000.00	
(Chapter 264, Acts 1957)		
Total Bond Sales for		
fiscal year 1958-59 .....		15,000,000.00
Total .....		\$129,368,500.00
Less State Debt Retired During		
Fiscal Year 1958-59 .....		15,189,000.00
<b>TOTAL STATE DEBT</b>		
<b>OUTSTANDING</b>		
<b>JUNE 30, 1959 .....</b>		<u>\$114,179,500.00</u>

## STATEMENT OF BONDS AUTHORIZED AND UNISSUED

As of June 30, 1959

Educational Institutions Bonds .....	\$ 5,600,000.00	
Highway Bonds .....	30,000,000.00	
Total .....		<u>\$ 35,600,000.00</u>

# SINKING FUND

## Statement of the Public Debt

June 30, 1959

Description	Interest	Dated	Maturity	Amount
University of Tennessee	4½%	7- 1-17	7- 1-59-67	\$ 180,000.00
Normal School	5½%	10- 1-20	10- 1-60	623,000.00
Victory Memorial	5 %	1- 1-21	1- 1-61	941,500.00
Memorial	4¼%	7- 1-25	7- 1-59	10,000.00
Hospital Construction	1¼%	3-15-50	3-15-60	3,000,000.00
Charitable and Penal Institutions	1½%	3-15-50	3-15-60	2,000,000.00
Hospital Construction	1¼%	12- 1-50	6- 1-60	3,000,000.00
University of Tennessee				
Improvement	1½%	12- 1-50	6- 1-60	1,500,000.00
Tuberculosis Hospital	1.6 %	5-15-51	5-15-61	2,000,000.00
Educational Improvement	1.6 %	5-15-51	5-15-61	3,000,000.00
Institutional	1.6 %	5-15-51	5-15-61	1,500,000.00
Educational Improvement	1.9 %	5-15-51	5-15-61	1,000,000.00
University of Tennessee				
Improvement	2¼%	5-15-51	5-15-61	200,000.00
State Office Building	2¼%	5-15-51	5-15-61	200,000.00
Hospital Construction	1.4 %	4- 1-52	4- 1-62	3,000,000.00
Central Heating Plant	1¼%	4- 1-52	4- 1-62	1,200,000.00
Educational Improvement				
(Deaf School)	1.4 %	4- 1-52	4- 1-62	50,000.00
State Office Building (Nashville)	1½%	4- 1-52	4- 1-62	750,000.00
National Guard Armory	3¼%	12- 1-52	12- 1-62	150,000.00
State Office Building (Knoxville)	1.6 %	12- 1-52	12- 1-62	1,300,000.00
Educational Improvement				
(Deaf School)	1½%	12- 1-52	12- 1-62	950,000.00
Mental Institutions	3 %	6-15-53	6-15-62	1,000,000.00
Educational Improvement	3 %	6-15-53	6-15-62	1,425,000.00
Highway Construction	2.6 %	6-15-53	6-15-63	5,000,000.00
University of Tennessee				
Improvement	2.6 %	6-15-53	6-15-63	1,200,000.00
Educational Improvement	2.6 %	6-15-53	6-15-63	600,000.00
Rural Roads	2¼%	6-15-53	6-15-64	4,000,000.00
State Office Building	2.4 %	12- 1-53	12- 1-63	1,000,000.00
Library and Archives	2.4 %	12- 1-53	12- 1-63	1,000,000.00
University of Tennessee	2 %	12- 1-53	12- 1-64	1,400,000.00
Central Heating Plant	2 %	12- 1-53	12- 1-64	2,050,000.00
State Capitol Building	2 %	12- 1-53	12- 1-64	725,000.00
Charitable and Penal Institutions	2 %	12- 1-53	12- 1-64	1,000,000.00
Mental Institutions	2 %	12- 1-53	12- 1-64	1,000,000.00
Educational Improvement	2 %	12- 1-53	12- 1-64	600,000.00
Educational Improvement	2 %	12- 1-53	12- 1-64	725,000.00
Highway Construction	2 %	12- 1-53	12- 1-65	5,000,000.00
Rural Roads	2 %	12- 1-53	12- 1-65	3,000,000.00
Memorial Research Hospital	2 %	12- 1-53	12- 1-63	3,000,000.00
University of Tennessee				
Improvement	1¾%	9- 1-54	9- 1-61	2,150,000.00
Mental Institutions	1½%	9- 1-54	9- 1-64	2,000,000.00
Charitable and Penal Institutions	1.6 %	9- 1-54	9- 1-65	500,000.00
Educational Improvement	1.6 %	9- 1-54	9- 1-65	300,000.00
National Guard Armory	1.6 %	9- 1-54	9- 1-65	400,000.00
University of Tennessee				
Improvement	2¼%	10- 1-55	10- 1-66	200,000.00
Mental Institutions	2½%	10- 1-55	10- 1-66	1,000,000.00
Educational Improvement	2¼%	10- 1-55	10- 1-66	400,000.00
National Guard Armory	2¼%	10- 1-55	10- 1-66	250,000.00
Educational Improvement	2 %	10- 1-55	4- 1-67	850,000.00
Educational Improvement	2.1 %	10- 1-55	4- 1-67	2,800,000.00
Charitable and Penal Institutions	2¼%	10- 1-55	10- 1-66	500,000.00
Correctional Institutions	2.1 %	10- 1-55	4- 1-67	500,000.00
War Memorial Building	2.1 %	10- 1-55	4- 1-67	250,000.00
Mental Institutions	2.1 %	10- 1-55	4- 1-67	500,000.00
Hospital Construction	2.1 %	10- 1-55	4- 1-67	1,000,000.00
Hearing and Speech Center	2 %	10- 1-55	4- 1-67	300,000.00
University of Tennessee				
Improvement	3 %	6- 1-57	12- 1-67	350,000.00
Educational Improvement	3 %	6- 1-57	12- 1-67	1,650,000.00
Educational Improvement	3 %	8- 1-57	12- 1-67	1,125,000.00
Mental Institutions	3 %	6- 1-57	6- 1-68	5,375,000.00
Correctional Institutions	3¾%	6- 1-57	12- 1-68	1,500,000.00

Description	Interest	Dated	Maturity	Amount
Highway Bonds	4 %	3- 1-58	3- 1-60	200,000.00
Highway Bonds	4 %	3- 1-58	3- 1-61	200,000.00
Highway Bonds	4 %	3- 1-58	3- 1-62	200,000.00
Highway Bonds	4 %	3- 1-58	3- 1-63	200,000.00
Highway Bonds	4 %	3- 1-58	3- 1-64	200,000.00
Highway Bonds	4 %	3- 1-58	3- 1-65	200,000.00
Highway Bonds	4 %	3- 1-58	3- 1-66	200,000.00
Highway Bonds	4 %	3- 1-58	3- 1-67	200,000.00
Highway Bonds	4 %	3- 1-58	3- 1-68	200,000.00
Highway Bonds	2½ %	3- 1-58	3- 1-69	5,000,000.00
Highway Bonds	2.6 %	3- 1-58	3- 1-70	4,000,000.00
Highway Bonds	2.7 %	3- 1-58	3- 1-71	3,900,000.00
Highway Bonds	2.7 %	3- 1-58	3- 1-72	1,200,000.00
Educational Improvement Bonds	3.10%	5- 1-59	5- 1-70	1,000,000.00
Educational Improvement Bonds	3.10%	5- 1-59	5- 1-71	1,500,000.00
Educational Improvement Bonds	3¼ %	5- 1-59	5- 1-72	2,500,000.00
Highway Bonds	4 %	5- 1-59	5- 1-63	200,000.00
Highway Bonds	4 %	5- 1-59	5- 1-64	200,000.00
Highway Bonds	4 %	5- 1-59	5- 1-65	200,000.00
Highway Bonds	4 %	5- 1-59	5- 1-66	200,000.00
Highway Bonds	4 %	5- 1-59	5- 1-67	200,000.00
Highway Bonds	4 %	5- 1-59	5- 1-68	200,000.00
Highway Bonds	4 %	5- 1-59	5- 1-69	500,000.00
Highway Bonds	3¼ %	5- 1-59	5- 1-73	1,500,000.00
Highway Bonds	3¼ %	5- 1-59	5- 1-74	1,500,000.00
Highway Bonds	3¼ %	5- 1-59	5- 1-75	1,500,000.00
Highway Bonds	3.30%	5- 1-59	5- 1-76	1,000,000.00
Highway Bonds	3.30%	5- 1-59	5- 1-77	1,000,000.00
Highway Bonds	3.30%	5- 1-59	5- 1-78	1,000,000.00
Highway Bonds	3.30%	5- 1-59	5- 1-79	1,000,000.00
				<u>\$114,179,500.00</u>