
The Commonwealth of Massachusetts

ANNUAL REPORT

OF THE

BOARD OF RETIREMENT

FOR THE

YEAR ENDING NOVEMBER 30, 1932

Department of Treasurer and Receiver-General

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DOCS.
COLL.

The Commonwealth of Massachusetts

REPORT

DIVISION OF BOARD OF RETIREMENT
STATE HOUSE, BOSTON, November 30, 1932

To the Honorable Senate and House of Representatives:

The twenty-first annual report of the Board of Retirement is herewith presented for your consideration.

No change in the personnel of the Board occurred during the year.

The contributory law has been in operation since January 1, 1912, twenty-one years, and the present fund consists of \$5,311,481.85, which has been deducted from the salaries or wages of the members, and \$1,482,494.49, which has been credited as interest and extra dividends to the members' accounts, so that the total of the accounts of members contributing on December 31, 1932, amounts to \$6,793,976.34.

The annuity reserve for the payment of annuities to members on the retired list, December 31, 1932, was \$339,409.00, and the gross assets on said date were \$7,239,416.02. The Insurance Department made the annual examination in accordance with the law, and following the report, the Board, with the approval of the Commissioner of Insurance, credited to active accounts on June 30, 1932, \$82,619.85 as an extra dividend at the rate of one and one-half percent on the dollars standing to the credit of such accounts on September 30, 1931. Regular interest amounting to \$184,158.44 was also credited to members' accounts during the year which plus \$82,619.85 (surplus) made a total distribution of interest amounting to \$266,778.29.

The interest derived from the investment of the annuity funds has provided for the last five years substantially the following yearly rate of distribution to the members' accounts: 1928, 4 $\frac{3}{4}$ %; 1929, 4 $\frac{1}{2}$ % 1930, 4 $\frac{1}{2}$ %; 1931, 4 $\frac{1}{2}$ %; 1932, 4 $\frac{1}{2}$ %. The annuity fund is invested according to restrictions and limitations of the statutes in securities which are a legal investment for the sinking funds of the Commonwealth, these being principally the obligations of Commonwealths and subdivisions thereof. The accumulated savings refunded to members who left the service during the year ending December 31, 1932 were \$166,287.09, and the amount refunded to the heirs, estates or beneficiaries of members who died before retirement was \$47,112.25, and after retirement was \$7,942.71. There was also paid during said year in annuities \$44,852.45 from the annuity reserve fund composed of retired members' accounts, which may be compared with \$3.67, the amount of annuities paid during (1912) the first year of operation of the retirement system.

The membership of the Retirement Association when it was first organized (January 1912) was 3,324, and the contributing members on December 31, 1932, were 12,371; males, 7,049; females, 5,322. There are 279 accounts payable to former members who left the service between 1912-1932, inclusive, present address unknown, amounting to \$4,908.87.

TABLE 1
STATISTICS RELATING TO EMPLOYEES RETIRED DURING YEAR ENDING
NOVEMBER 30, 1932

	Cases	Average Age at Retirement	Average Length of Service	Average Salary Last 5 Years	Average Annuity	Average Pension	Average Retiring Allowance
Disability, Ordinary	2	50.00	19.00	\$1,007.92	\$45.30	\$252.66	\$297.96
Accidental	3	63.33	19.33	2,121.00	192.72	769.34	962.06
Retirements (Age and Service) .	50	68.26	30.54	2,141.46	209.50	567.84	777.34
Retirements with Spouse . . .	1	57.00	19.00	888.00	51.60	60.72	112.32
Total for year	56	67.14	29.32	\$2,077.50	\$199.92	\$558.33	\$758.25

When a member is retired he receives a **Retirement Allowance**. A retirement allowance is composed of two parts: **Annuity** (paid from his contributions plus interest credited thereto during service) plus **Pension** (paid by the State). Spouse: when a husband or wife retires the spouse may also retire at the same time simply on the right acquired by the other. The retirement allowance is based on the service rendered, etc., with no minimum.

During the year ending November 30, 1932, 1,904 new employees became members of the Association and 961 left the service by reason of death or resignation before becoming eligible for retirement. Retirement allowances were granted to 56 persons during the year; 28 by reason of reaching the age of 70; 2 for ordinary disability; 3 for permanent disability resulting from accidental injury in line of duty; 1 under age sixty who had completed thirty-five years of service retired voluntarily; 21 between sixty and seventy years of age upon their request, and 1 wife retired with her husband. A spouse under the retirement age has the right to retire on the day the other retires or is retired. The total of the retiring allowances of the 56 employees retired during the year ending November 30, 1932, is \$42,461.79. Of this amount, \$11,195.36 was annuity derived from the contributions made by the members before retirement and the balance of \$31,266.43 was pension paid from State appropriations. No applications were presented for pensions to widows of members on account of the death of the husband from injuries received in line of duty.

The law provides compensation to a widow during her widowhood, or if there is no widow, for the benefit of a child or children under sixteen years, of one-half the member's rate of pay in case of the death of a member from an injury received through no fault of his own while in the discharge of his duty. Eleven payments are now being made under this law. The largest payment to a widow is \$990.00; the average is \$773.54.

TABLE 2

TOTAL NUMBER RETIRED UNDER THE LAW TO NOVEMBER 30, 1932
(AGE NEAREST BIRTHDAY)
Widows not included

Sex	Under 60	60	61	62	63	64	65	66	67	68	69	70	Total
Males	37	30	21	23	18	22	23	34	26	25	18	292	569
Females	29	23	16	8	16	9	17	10	5	18	8	62	221
Totals	66	53	37	31	34	31	40	44	31	43	26	354	790

The number of employees who have been granted a retirement allowance since the first employee was retired on June 1, 1912, is 784 members and 6 non-members, and the total number of payments granted to widows on account of death of husband from accidental injuries received in line of duty is 11. Since retirement 332 members and 5 non-members have died, so that retirement allowances are now being paid to 453 former employees. Of this number 175 were retired at the age of seventy or over; 220 were retired upon their request between sixty and seventy years of age; 15 were retired with 35 years of service under age sixty; 6 were wives retired at time of retirement of husbands; 22 were retired for ordinary permanent disability; 14 were retired for permanent accidental disability because of such injuries received in the line of duty. In addition 1 non-member who was over fifty-five years of age when the retirement law was passed and who was retired upon the request of the department in which he was employed is now receiving the minimum payment.

TABLE 3

NUMBER OF RETIRED EMPLOYEES ON LIST NOVEMBER 30, 1932, ACCORDING TO AGE LAST BIRTHDAY (WIDOWS EXCLUDED)

Age	No.	Age	No.	Age	No.	Age	No.	
41	1	55	1	68	12	81	11	
42	1	56	-	69	15	82	7	
44	-	57	5	70	42	83	8	
45	1	58	-	71	36	84	2	
46	-	59	2	72	35	85	3	
47	1	60	5	73	38	86	2	
48	2	61	3	74	26	87	5	
49	-	62	7	75	27	88	2	
50	-	63	9	76	21	89	-	
51	-	64	7	77	16	90	1	
52	-	65	13	78	21	91	1	
53	2	66	12	79	20	92	-	
54	1	67	17	80	11	93	1	
							Total	453

The average age of persons on the retired list is 72.23 years.

During the year ending November 30, 1932, \$188,311.00 was paid as pensions to persons upon the retired list as compared with \$178,078.55 for the previous year and in addition the state paid \$2,118.64 covering the net loss to maintain the annuity reserve on December 31, 1931. The largest retirement allowance being paid to an individual is \$2,250.00 composed of an annuity paid from the savings of the retired member of \$260.64 and a pension paid by the State of \$1,989.36. The average retirement allowance paid to retired employees on the list November 30, 1932, is \$526.77. The total annual retirement allowances of persons on the list November 30, 1932, is \$247,135.83, divided as follows; annuity, \$48,424.89; pensions, \$198,710.94 (widows' pensions, \$8,508.85, included).

The retirement system has 686 members who may voluntarily retire during the coming fiscal year; and 53 who must retire at the age of seventy, the compulsory retirement age. The number who will voluntarily retire is uncertain. The Board has submitted estimates for the amount of appropriations required to pay the cost of pensions for the next fiscal year upon experience it has gained that 4% of the members eligible to retire will voluntarily retire in addition to those who must retire at the age of seventy. This will require about \$14,700 in addition to the amount of pensions in force on November 30, 1932. The Board has requested an appropriation of \$213,400.00 to cover the cost of pensions for the year ending November 30, 1932.

TABLE 4

ANNUAL COST TO STATE ACCOUNT OF DISBURSEMENTS FOR PENSIONS AND FOR MAINTENANCE OF PENSION SYSTEM, 1912-1932 (NOV. 30th)

Year	Cost of Pensions, etc.	Salaries, ¹ Supplies, Reimbursement	Total (See Table 5)	No. of Pensioners	Year	Cost of Pensions, etc.	Salaries, ¹ Supplies, Reimbursement	Total (See Table 5)	No. of Pensioners
1912	\$5,343 71 ²	\$5,082 66	\$10,426 37	43	1923	\$98,294 23	\$11,559 40	109,853 63	294
1913	17,576 31	6,619 37	24,195 68	75	1924	110,346 84	12,054 23	122,401 07	329
1914	24,955 18	7,996 22	32,951 40	98	1925	120,010 05	12,373 90	132,383 95	342
1915	30,433 91	8,999 45	39,433 36	118	1926	128,330 75	12,647 23	140,977 98	352
1916	36,753 81	9,725 32	46,479 13	138	1927	133,028 54	14,010 04	147,038 58	377
1917	43,944 47	9,421 15	53,365 62	163	1928	149,401 42	13,641 45	163,042 87	399
1918	50,094 87	9,074 21	59,169 08	174	1929	158,133 44	14,737 52	172,870 96	416
1919	56,052 47	10,289 20	66,341 67	197	1930	167,230 87	15,430 53	182,661 40	433
1920	63,125 37	11,786 93	74,912 30	210	1931	178,078 55	15,841 10	193,919 65	438
1921	72,301 18	10,790 65	83,091 83	243	1932	190,429 64	15,696 81	206,126 45	464
1922	83,556 88	10,937 70	94,494 58	263					

¹The reimbursement is made to show the estimated additional cost of bookkeeping caused by the operation of the retirement law at the institution, school, etc., located in different parts of the State. The institution or school is required by law to return such money to the State as yearly income and the amount of such income paid to thirty-nine institutions and schools in 1932 was \$4,467.93.

²Cost for 6 months. (First pension was paid 6-1-1912).

The expenses of the administration of the system for the year were: Salaries, \$10,500.38; contingent expenses, \$728.70; reimbursement to institutions for making deductions from members' salaries, etc., \$4,467.73. The reimbursement to State institutions is purely a bookkeeping transaction to show the probable cost of operating the system (See foot note Table 4).

TABLE 5

ASSESSMENTS UPON METROPOLITAN DISTRICT TO REIMBURSE THE STATE FOR PENSIONS PAID TO EMPLOYEES RETIRED FROM THE METROPOLITAN DISTRICT SERVICE
Year 1932

Park Maintenance	PARK DIVISION			SEWER DIVISION		WATER DIVISION	TOTAL
	Boulevards ¹	Charles River Basin	Wellington Bridge	North System	South System		
\$6,382.21	\$1,220.36	\$1,446.63	\$201.03	\$4,780.50	\$3,266.79	\$11,064.06	\$28,361.58

Employees of the Metropolitan District Commission are members of the Retirement System for State employees. Under Chapter 251-1928 the cost of pensions paid to former employees of the Metropolitan District Commission during each year ending November 30th are assessed in the following year upon the proper section of the Metropolitan District. Such assessments become a part of the general revenue of the Commonwealth in the year in which the assessments are made.

¹An equal amount was paid by the State without Reimbursement. The first reimbursement was made in 1928, covering 1922-1927 inclusive, \$100,143.65; 1929, \$23,514.51; 1930, \$25,061.62; 1931, \$26,176.73.

The annual cost of pensions as given in table 4 is the gross cost of all pensions including the amount paid to employees retired from the service of the Metropolitan District Commission. The net cost of pensions paid to employees retired from the direct service of the commonwealth is the difference between the amount stated in table 4 and the reimbursement made to the state in the following year as given in table 5. The reimbursement in 1932 covers the cost for 1931.

REQUIREMENTS FOR RETIREMENTS

1. Any time between ages 60 and 70 with 15 or more years service.
2. Any age with 15 years service for ordinary permanent disability.
3. Any age with 35 years service.
4. Compulsory retirement at age 70.
5. Any time after membership in retirement association for permanent disability resulting from an injury received in an accident while in the discharge of duty without fault of the member.

DEATH BENEFIT

If an accidental injury received by a member in the discharge of his duty results in his death, his widow will receive during her widowhood a pension of one-half the member's rate of salary at the time of the injury, or, if there is no widow the amount is paid for the benefit of a child or children while under sixteen years of age.

LAWS PASSED BY THE GENERAL COURT DURING THE SESSION OF 1932 AMENDING OR REVISING THE GENERAL LAWS

CHAPTER 268, ACTS OF 1932.

This amendment (1) increases the cash value of full or complete boarding and housing from \$5.00 per week to \$7.00 per week and (2) also includes every position in the service where such a non-cash allowance is received as part of the total compensation.

Heretofore the law provided a non-cash allowance of \$5.00 per week for an institution employee. Now an employee of a State department will accumulate assessments from his full compensation and thus increase the size of his annuity at retirement, and if he is unfortunate and receives a permanent disability resulting from accidental injuries, will be paid a retirement allowance of one-half of the sum of his cash rate of pay plus the maintenance allowance of approximately \$365; where heretofore the value of the non-cash allowance was only for institution employees and at the rate of \$260. per year.

Respectfully submitted,

CHARLES F. HURLEY, *Chairman*
ELIZABETH F. MOLONEY
HARRY SCHWARTZMAN, M.D.

TABLE 6
COMPARATIVE STATEMENT OF MEMBERSHIP, AS OF NOVEMBER 30

YEAR	Members Admitted during Year	REFUNDS		NUMBER PENSIONS						MEMBERSHIP							
		Number to Beneficiaries or Estates of Deceased Members	All Others	PERMANENT DISABILITY OR DEATH		35 or More Years Service Under Age 60 ²	Voluntary (age 60 to 70)	Compulsory (age 70)	Retirement with Spouse		Total Retired During Year (Dependents Excluded)	Active ³ Accounts Payable	RETIRED				
				Accidental Injuries received in performance of duty	Ordinary				Wife	Husband			Non-members (Age 60 and Over)	Mortality	Mem- bers	Non-Mem- bers	De- pend- ents ¹
1912	*3,324	12	327	—	—	—	20	25	—	—	3,121	2	43	—	—		
1913	181	21	568	—	—	—	26	8	—	—	4,020	4	75	—	—		
1914	1,522	19	1,820	—	1	—	21	6	—	—	4,783	5	97	1	—		
1915	1,686	29	1,017	—	2	—	14	8	—	—	5,399	4	117	1	—		
1916	1,445	30	1,339	—	2	—	15	10	—	—	5,448	8	137	1	—		
1917	1,361	33	1,168	—	—	—	18	14	1	—	5,573	12	161	2	—		
1918	1,360	40	1,446	—	3	—	14	6	—	—	5,423	12	173	1	—		
1919	1,910	65	1,125	—	2	—	15	11	—	—	6,113	9	195	2	—		
1920	1,679	38	1,445	—	1	—	14	10	1	—	6,282	16	207	3	—		
1921	1,752	35	958	—	1	—	22	12	—	—	6,997	11	240	2	1		
1922	2,014	55	1,270	—	2	—	22	18	—	—	7,649	16	261	2	—		
1923	1,616	34	1,570	—	4	—	22	16	—	—	8,274	16	293	1	—		
1924	1,971	35	1,224	—	4	—	2	28	—	—	7,613	16	328	1	—		
1925	1,781	40	1,610	—	4	—	2	19	—	—	8,370	22	341	1	3		
1926	1,867	57	1,417	—	2	—	9	17	—	—	8,726	30	348	1	3		
1927	1,820	54	1,256	—	3	—	14	20	—	—	9,191	22	371	1	5		
1928	1,770	57	1,343	—	2	—	17	24	—	—	9,521	21	390	1	8		
1929	1,757	38	1,295	—	3	—	14	17	—	—	9,904	24	407	1	8		
1930	1,783	52	1,119	—	1	—	21	20	1	—	10,472	30	421	1	11		
1931	2,271	73	960	—	1	—	10	18	—	—	11,678	27	426	1	11		
1932	1,904	70	891	—	2	—	21	28	—	—	12,565	30	452	1	11		
Totals		17	11	41	16	375	328	7	—	—	—	337	—	—	—		

*Enrollment Membership, Feb. 1, 1912, 3,324. Membership Nov. 30, 1932. Males 7,019; Females, 5,249; plus 297 accounts payable.

¹Payments to widow during widowhood, or if no widow, for benefit of child or children while under sixteen years of age, if death is the natural and proximate result of accidental injuries occurring in performance and within the scope of duty.

²Most members with 35 or more years of service retire between the retirement age periods of 60 to 70 years.

³Active Accounts are present employees and Accounts payable are unpaid accounts of deceased members and unclaimed accounts of former members whose present address is unknown.

Number of unpaid Accounts Dec. 31, 1932 — deceased members 18, \$7,761.18; all others 279, \$4,908.87.

ANNUAL RETIREMENT ALLOWANCE

Each retired member receives an annual income called *Retirement Allowance* which is guaranteed for life without change. *The Retirement Allowance consists of Two Parts: — Annuity and Pension.* **Annuity** — The annuity is purchased on the basis of regular life insurance tables by the amount which the retiring member has to his credit in the annuity fund. A member has a choice *At the time of Retirement* of taking (a) life annuity or (b) cash refund annuity, and he must then choose the one best suited to his particular case. If the annuitant lives to receive annuity payments equal to the purchase price the income will continue throughout the life time of the annuitant irrespective of how long he may live thereafter.

(a) *Life Annuity.* This form of annuity gives the largest life income provided by the law. It is paid for life and all payments cease upon death.

(b) *Cash Refund Annuity.* The annuity payments under this form are payable for life and if the member dies before the sum of the annuity payments which he has received equals the amount of his account used to purchase the annuity at the date of his retirement the difference will be paid in one sum to his estate or his beneficiary as the case may be. The annuity payments under this form are less than under option (a).

Maximum Assessment. The maximum yearly assessment which the law allows a member to pay to the annuity fund from his salary is 5% of the salary received up to but not exceeding \$35.00 per week or \$91.00 per year. Such assessments plus interest represent a compulsory savings account.

TABLE 7

TOTAL ANNUITIES TO EMPLOYEES RETIRED DURING EACH YEAR ENDING NOVEMBER 30th

(See Table 1 for average retirement allowance for 1932)

YEAR	BASIS FOR RETIREMENT			TOTAL ANNUITIES			DURING YEAR	
	Age and Service (15 or More Years Service)	PERMANENT DISABILITY		Granted During Year	Released by Deaths During Year	In Force November 30th	*Average Annuity Purchased A/c Service	Largest Annuity Purchased
		Ordinary	Accidental					
1928 .	\$5,467 20	\$44 88	\$179 64	\$5,691 72	\$1,343 82	\$26,800 91	\$143 87	\$272 76
1929 .	5,435 28	54 24	469 92	5,959 44	1,925 19	30,835 16	145 35	290 04
1930 .	6,942 60	61 20	265 80	7,269 60	1,844 25	36,260 51	165 30	321 00
1931 .	5,318 52	87 24	109 80	5,515 56	1,861 79	39,914 28	187 23	334 56
1932 .	10,526 60	90 60	578 16	11,195 36	2,684 75	48,424 89	199 92	388 80

The Retirement Association was organized June 1, 1912 and the Annuities cover only the period of service during which the Employee was a contributing member since said date.

*The Average Retirement allowance is the sum of the average annuity Table 7, and the average pension Table 8.

PENSION

The Pension is a definite amount guaranteed for life without change in amount. It is paid from State appropriations and is equal to the annuity under option (a) to which the member was entitled from his own account. In order to make this annual payment, the State must create a fund as large as the member provides for himself. The employee and the State will each provide one-half of the Retirement Allowance Benefit. The pension is not reduced if the member chooses the option (b) annuity.

TABLE 8
TOTAL PENSIONS TO EMPLOYEES RETIRED DURING EACH YEAR ENDING NOVEMBER 30TH
(See Table I for Average Retirement Allowances for 1932)

YEAR	AMOUNT OF PENSIONS GRANTED						TOTAL ANNUAL		
	Account of Age and Service divided as follows			Permanent Disability or Death Resulting from Accidental Injuries		*Average Pension to Employees Retired for Age and Service	Pensions		Annual Pensions In Force Nov. 30th
	(A) Service Prior to June 1, 1912	(B) Service after June 1, 1912 *	(C) To make Minimum Retirement Allowance	Pensions to Members	Pensions to Widows, etc.		Granted during Year	Released by Deaths during Year	
1928	\$10,995 88	\$6,301 08	\$1,413 80	\$520 36	\$2,100 00	\$485 92	\$21,331 12	\$7,597 04	\$153,429 10
1929	9,374 38	6,169 92	1,345 34	2,118 96	—	461 92	19,008 60	8,927 22	162,590 48
1930	10,365 24	8,037 84	1,873 08	754 20	2,730 00	477 21	23,760 36	10,728 58	175,622 26
1931	5,176 92	6,085 92	1,045 80	1,511 76	—	422 64	13,820 40	9,771 60	179,671 06
1932	15,600 67	12,103 92	1,253 76	2,308 08	—	567 84	31,266 43	12,226 55	198,710 94

At retirement a member receives a **retirement allowance**. A retirement allowance is composed of two parts; **Pension** (paid by the State) plus **Annuity** (paid from contributions plus interest credited to the member's account during his service). (See Table I.)

Members began to contribute from salary or wages June 1, 1912, and the pension for service after 6-1-1912 is equivalent to the annuity purchased by the member without refund provisions. The entire cost of the retirement allowance (pension plus annuity) for service prior to 6-1-1912 is paid by the state.

If the sum of pensions (A plus B) added to the **Annuity** (paid from member's savings plus interest additions) does not exceed \$300, the State pays the additional pension (C) to make a minimum retirement allowance of not less than \$300 for less than twenty-five years of service. Any member retired after September, 1929, with twenty-five or more years service, who paid 5% assessments for all service will receive a retirement allowance not less than \$480.

*The average retirement allowance is the sum of the average annuity Table 7, and the average pension Table 8.

TABLE 9
COMPARATIVE FINANCIAL STATEMENT AS OF DECEMBER 31st

Year	Deposits Received During the Year	Interest and Surplus Credited Members' Accounts during the Year	Refunds of Deposits and Interest			Annuities		Contributing Members		Reserve for Payment of Annuities to Retired Members	Gross Assets	Rate of Surplus Credited to Members' Accounts
			To Estate or Beneficiary		to Members Who Left the Service	Deposits and Interest of Retired during Year to Purchase	Paid During Year to Retired Members	Net Deposits	Net Interest			
			Before Retirement	After Retirement								
1912	\$54,737 11	\$278 74	\$22 73	—	\$1,352 23	\$149 60	\$3 67	\$53,212 55	\$278 74	\$149 53	\$53,831 61	—
1913	108,255 86	2,650 88	354 54	—	6,966 58	926 65	81 79	153,296 68	2,833 58	1,042 59	159,122 78	—
1914	132,142 37	7,587 34	1,101 92	—	15,213 21	1,626 71	204 98	267,786 14	10,075 86	2,524 89	282,380 79	1 3/8%
1915	140,750 10	10,681 48	2,541 65	—	23,911 50	2,588 71	430 12	380,253 02	19,799 34	4,889 50	410,455 26	1 3/8%
1916	151,663 02	18,196 52	2,819 27	—	40,319 47	4,803 73	846 24	485,953 61	35,890 02	8,602 71	549,954 50	1 1/2%
1917	169,200 46	23,370 72	4,532 02	—	50,844 19	8,857 23	1,450 64	596,946 60	55,511 06	14,596 19	687,823 90	1 1/2%
1918	176,071 58	27,648 72	6,575 11	—	83,334 85	7,407 79	2,124 26	822,637 94	76,222 27	20,092 37	806,261 36	1 1/2%
1919	224,562 91	32,993 48	9,513 08	—	69,674 41	9,874 14	3,058 87	825,887 84	101,467 13	27,688 53	888,821 53	1 1/2%
1920	272,480 80	42,465 44	7,496 99	\$400 59	99,219 03	12,248 85	4,272 91	989,814 74	133,521 60	36,666 25	1,200,076 44	1 3/8%
1921	308,478 58	52,898 43	7,356 19	—	70,122 22	19,834 13	5,900 70	1,210,591 20	176,809 61	51,825 63	1,489,063 57	1 3/8%
1922	367,408 79	65,325 45	16,162 12	—	87,389 89	20,299 24	7,744 97	1,466,713 45	229,570 35	67,075 58	1,827,095 86	1 3/8%
1923	404,690 87	82,271 12	11,153 11	—	140,923 79	25,626 19	10,434 65	1,710,605 33	294,937 37	82,740 33	2,163,158 67	2 1/2%
1924	443,704 72	98,448 62	9,804 00	—	127,692 04	31,684 58	12,778 96	2,003,384 45	375,130 87	103,211 44	2,567,712 86	2 1/2%
1925	474,821 44	115,396 18	19,888 83	—	191,448 16	27,720 55	15,337 06	2,267,274 35	462,386 80	121,120 00	2,939,150 89	2 1/2%
1926	510,791 24	126,442 55	34,860 53	—	207,183 07	31,281 36	17,920 64	2,608,522 38	557,985 08	135,742 00	3,354,894 11	1 3/4%
1927	562,073 45	146,117 37	24,602 86	—	176,068 64	42,262 31	29,618 24	2,963,613 57	671,727 15	161,737 00	3,855,584 53	1 3/4%
1928	596,918 82	168,117 11	36,626 36	—	200,955 78	51,439 12	28,397 92	3,332,893 55	799,227 84	189,304 00	4,381,416 52	1 3/4%
1929	624,882 19	182,003 47	29,682 32	—	241,812 00	62,310 53	33,276 08	3,721,204 14	937,248 95	215,171 00	4,944,428 98	1 1/2%
1930	693,636 33	206,624 46	37,487 30	—	187,344 83	62,310 53	33,276 08	4,186,233 69	1,094,577 04	254,025 00	5,610,997 33	1 1/2%
1931	755,755 11	234,775 26	50,229 31	—	166,541 46	46,722 56	38,603 79	4,727,428 45	1,283,131 89	271,792 00	6,370,972 95	1 1/2%
1932	824,097 14	266,778 29	47,112 25	—	166,287 09	102,417 35	44,852 45	5,311,481 85	1,482,494 49	339,409 00	7,239,416 02	1 1/2%

"Regular Interest," interest at three per cent per annum, compounded semi-annually on the last days of December and June and reckoned for full three and six months periods only. Surplus is extra interest, in addition to "regular interest," and is distributed on June thirtieth of each year and is figured on the accumulation of the account on the preceding September thirtieth. To obtain the interest rate each year add 3% to the rate of surplus, i.e., 1932, 3 plus 1 1/2 equals 4 1/2%.

**ANNUAL STATEMENT OF THE CONDITION AND AFFAIRS OF
THE STATE EMPLOYEES' RETIREMENT SYSTEM OF THE
COMMONWEALTH OF MASSACHUSETTS. CONTRIBUTIONS
BEGAN JUNE 1, 1912.**

STATEMENT FOR THE YEAR ENDING DEC 31, 1932, MADE TO THE COMMISSIONER OF
INSURANCE IN COMPLIANCE WITH THE PROVISIONS OF PARAGRAPH 5, SECTION 3,
CHAPTER 32, GENERAL LAWS.

INCOME

Members' deposits	\$824,097 14	
Deductions for teachers' retirement board	2,807 15	
		\$826,904 29
Interest received on investments (less \$7,790.04 accrued interest paid on securities purchased during the year)		279,501 69
Members' deposits used to purchase annuities	\$71,867 15	
Interest on same	30,550 20	
		102,417 35
Adjustment in book value of securities (amortized values)		
Securities sold (gain, selling price over cost)		11,050 08
Received from Commonwealth:		
For payment of pensions for service prior to June 1, 1912	\$124,389 35	
For payment of pensions for service subsequent to June 1, 1912	48,009 87	
For payment of pensions to employees over age 55 on June 1, 1912, who did not join retirement association	200 00	
For payment of pensions to members retired for permanent accidental injuries	8,872 20	
For payment to widows, or in case of no widow, to children because of death of parent from accidental injuries received in course of employment	8,508 85	
Under special legislative acts		
To cover loss in annuity reserve 12-31-32	2,118 64	
		192,098 91
Credited to members' accounts:		
Regular interest at 3% compounded semi-annually	\$184,158 44	
Extra dividend at 1½%	82,619 85	
		266,778 29
Interest and dividend credited to annuity reserve		13,752 00
For reimbursement of State institutions	\$4,467 73	
For salaries	10,493 92	
For expenses	737 94	
		15,699 59
Adjustment of refunds
Total income		\$1,708,202 20
Balance December 31, 1931		6,226,901 22
Total		\$7,935,103 42

DISBURSEMENTS

Deposits refunded, including interest, to members withdrawing from service	\$166,287 09
Deposits refunded, including interest, to representatives of deceased members	47,112 25
Adjustment of refunds	20 20
Members' deposits plus interest used to purchase annuities	102,417 35
Pensions paid to retired members and to dependents of members who died from injuries received in course of employment	189,980 27
Annuities paid to members from their contributions	44,852 45
Regular interest and extra dividend credited to members accounts	266,778 29
Salaries and contingent expenses	15,699 59
Refunds to estates of ten deceased annuitants who at the time of their retirement elected the refund annuity option	7,942 71
Adjustment book value of securities (amortized values)	11,868 81
Deposits, Normal School to teachers' retirement board	2,807 15
Interest and dividend credited to annuity reserve	13,752 00
Total disbursements	869,498 16
Balance December 31, 1932	7,065,605 26
Total	\$7,935,103 42

LEDGER ASSETS

Investments par value \$6,821,000; amortized value	\$7,022,666 93
Cash	42,938 33
Total ledger assets	\$7,065,605 26

NON-LEDGER ASSETS

Accrued interest on investments	\$103,636 70
Deposits receivable from treasurers of institutions, etc.	67,102 79
Due from Commonwealth, net loss in annuity fund	3,071 27
Gross assets	\$7,239,416 02

LIABILITIES

Deposits of members including \$67,102.79 in hand of agents of the Board	\$5,311,481 85
Regular interest and extra dividends credited to members' accounts	1,482,494 49
Unpaid annuities due Dec. 31, 1932	11 36
Refunds due estates of deceased annuitants who at the time of their retirement elected the refund annuity option	384 80
Annuity Reserve	339,409 00
Annuity reserve (special)
Surplus (undivided profits)	105,634 52
Total liabilities	\$7,239,416 02

MEMBERSHIP EXHIBIT

Members' accounts:	
Total December 31, 1931	11,693
Admitted during the year	1,961
	<u>13,654</u>
Members retired	59
Members deceased	62
Members left service	865
	<u>986</u>
	12,668
Active accounts (members contributing on 12-31-32)	12,371
Accounts payable (former employees not employed 12-31-32) amounting to \$12,670.10.	297
	<u>12,668</u>
Total accounts 12-31-32	12,668
Retired members:	
Members retired December 31, 1931	427
Members retired during year:	
Between 60-70 years age	19
At age 70	33
With 35 years' service under age 60	1
Ordinary disability	2
Accidental disability	3
With spouse	1
	<u>59</u>
Retired members who died during year	486
	<u>30</u>
Members retired December 31, 1932	456
Non-members:	
Pensions to widows account of death of husband from injuries received in line of duty (12-31-31)	11
Number granted to widows during year	0
	<u>11</u>
Widows deceased during year	0
	<u>0</u>
Total widows on list 12-31-32	11
Under Sec 5 (2) C (b)	1
	<u>12</u>
Total on pension roll, December 31, 1932	468

We hereby certify that the above statement is a complete and correct exhibit of the financial condition of the Retirement System of the Commonwealth on the 31st day of December, 1932, to the best of our knowledge and belief.

CHARLES F. HURLEY
 ELIZABETH F. MOLONEY
 HARRY SCHWARTZMAN, M.D. } *Board of Retirement.*

Subscribed and sworn to before me this eighteenth day of February, 1933.

A. HARRIS PATON,
Justice of the Peace.

SECURITIES DECEMBER 31, 1932

BONDS

DESCRIPTION	RATE PERCENT	PAR VALUE	AMORTIZED VALUE DECEMBER 31, 1932
U. S. Liberties 4th	4 1/4	\$62,700.00	\$61,474.41
U. S. Treasury	4 1/4	197,200.00	196,942.35
Akron, Ohio	6	16,000.00	18,585.13
" "	5 1/2	90,000.00	98,874.16
" "	5	57,000.00	59,651.29
" "	4 3/4	25,000.00	26,219.12
" "	4 1/2	25,000.00	25,143.47
" "	4 1/2	25,000.00	25,662.42
Alabama, State of	4 1/2	20,000.00	20,384.61
" "	4 1/4	25,000.00	25,000.00
Athol, Mass.	4	6,000.00	5,992.66
Atlantic City, N. J.	4 1/2	29,000.00	29,600.84
Baltimore, Md.	5	100,000.00	108,992.03
Barre, Vt.	4	25,000.00	24,943.78
Bayonne, N.J.	5	56,000.00	55,539.11
" "	5	10,000.00	10,541.13
" "	4 1/2	60,000.00	61,639.90
" "	4 1/4	29,000.00	29,000.00
Berlin, N.H.	4 1/2	20,000.00	20,521.17
Birmingham, Ala.	5	50,000.00	52,762.50
" "	4 1/2	91,000.00	92,643.35
" "	4 1/4	25,000.00	25,113.49
Boston, Mass.	4 1/4	60,000.00	58,039.81
" "	4	85,000.00	79,684.60
" "	3 3/4	5,000.00	4,226.33
" "	3 1/2	86,000.00	77,822.23
Boston Met. District	4 3/4	300,000.00	294,906.00
Bridgeport, Ct.	5	10,000.00	11,020.31
Bristol, Ct.	4 3/4	8,000.00	8,403.40
" "	5	20,000.00	21,274.59
" "	4 1/2	11,000.00	11,150.13
Brockton, Mass.	4	5,000.00	4,979.64
" "	3 1/2	12,000.00	11,916.38
Burrillville, R.I.	3 1/2	15,000.00	14,505.97
Cambridge, Mass.	4 1/2	20,000.00	20,401.54
" "	3 1/2	5,000.00	4,660.48
Camden, N.J.	5 1/2	5,000.00	6,220.87
Canton, Ohio	6	20,000.00	22,876.54
" "	5 1/2	39,000.00	41,850.00
" "	5	35,000.00	36,579.10
" "	4 1/4	16,000.00	16,363.13
Cincinnati, Ohio	5	75,000.00	79,892.33
" "	4 1/2	31,000.00	31,113.69
Cleveland, Ohio	5 1/2	75,000.00	82,127.82
" "	5	61,000.00	64,425.67
" "	4 3/4	101,000.00	105,241.96
" "	4 1/2	45,000.00	46,251.09
Columbus, Ohio	5 1/2	11,000.00	11,915.44
" "	5	40,000.00	41,888.24
" "	4 1/2	69,000.00	69,163.53
Cranston, R. I.	4 1/2	44,000.00	44,523.55
" "	4 1/2	32,000.00	32,431.10
" "	4 1/4	50,000.00	49,392.05
" "	4	50,000.00	49,392.05
Dallas, Texas	4 1/2	170,000.00	175,646.76
Danbury, Ct.	3 1/2	5,000.00	4,781.06
Dayton, Ohio	6	25,000.00	29,548.82
" "	5	35,000.00	37,172.55
" "	4 3/4	16,000.00	16,285.54
" "	4 1/2	62,000.00	63,140.38
" "	4	10,000.00	10,140.04
Dennis, Mass.	4	10,000.00	9,266.36
Denver, Colo.	4 1/4	30,000.00	32,447.60
Des Moines, Iowa	5	38,000.00	42,522.69
" "	4	5,000.00	5,000.00
Detroit, Mich.	5 1/4	5,000.00	5,416.15
" "	5	44,000.00	44,856.36
" "	4 1/2	75,000.00	76,740.48
Elizabeth, N.J.	4 1/4	40,000.00	40,509.58
Fall River, Mass.	4 1/4	10,000.00	10,000.00
" "	4	5,000.00	4,963.09
" "	3 1/2	13,000.00	12,183.20
Flint, Mich.	5	18,000.00	18,308.93
" "	4 1/2	30,000.00	30,865.90
" "	4 1/4	4,000.00	4,060.00
Fort Worth, Texas	5	25,000.00	26,678.51
" "	4 1/2	17,000.00	17,803.08
Gardiner, Me.	4	25,000.00	24,847.81
Grand Rapids, Mich.	4 1/2	62,000.00	63,183.01
" "	4 1/4	22,000.00	22,019.35
Hamilton, Ohio	5 1/2	9,000.00	9,123.87
Hartford, Ct.	4 1/2	12,000.00	12,028.56
Haverhill, Mass	3 3/4	5,000.00	4,680.53

P.D. 99

DESCRIPTION	RATE PERCENT	PAR VALUE	AMORTIZED VALUE DECEMBER 31, 1932
Holyoke, Mass.	4½	\$4,000.00	\$4,000.00
"	4	9,000.00	8,869.95
Houston, Texas	5	12,000.00	12,723.43
"	4¾	15,000.00	14,947.66
"	4½	25,000.00	25,991.74
"	4	25,000.00	24,480.69
Illinois, State of	5½	85,000.00	95,712.74
Jersey, City, N.J.	5	50,000.00	52,404.78
"	5	10,000.00	10,583.36
"	4¾	75,000.00	75,814.88
Lansing, Mich.	4½	3,000.00	3,044.88
"	4¼	50,000.00	51,680.73
Lawrence, Mass.	5¾	2,000.00	2,008.62
Lima, Ohio	5	5,000.00	5,212.37
Lorain, Ohio	4½	18,000.00	18,168.23
Los Angeles, Calif.	6	25,000.00	26,547.49
"	5	20,000.00	21,429.02
" " " Harbor	4¾	10,000.00	10,308.56
Louisiana, State of	5	37,000.00	38,399.65
"	4½	25,000.00	25,285.70
" " " (Port Com)	5	133,500.00	141,863.37
"	5	5,000.00	5,145.04
"	4¾	5,000.00	5,374.13
Louisville, Ky.	4½	5,000.00	5,374.13
Lynchburg, Va.	5	25,000.00	28,129.72
Medford, Mass.	4½	36,000.00	36,853.70
Michigan, State of	122,000.00	122,000.00	128,705.29
"	5	48,000.00	49,695.21
"	4½	54,000.00	55,683.39
Minneapolis, Minn.	4¾	73,000.00	75,718.11
"	4½	47,000.00	47,240.12
"	4	40,000.00	39,393.22
Minnesota, State of	4¾	150,000.00	154,260.22
"	4½	50,000.00	50,795.64
Missouri, State of	5	55,000.00	56,402.40
"	4¼	25,000.00	25,642.80
Montgomery, Ala.	5	15,000.00	16,702.36
Muskegon, Mich.	4½	30,000.00	29,935.67
"	4	35,000.00	31,333.23
Nashville, Tenn.	5	8,000.00	8,563.33
Newark, N.J.	5½	10,000.00	10,926.06
"	4½	10,000.00	10,057.24
New Jersey, State of	5	23,000.00	24,354.56
"	4½	80,000.00	81,589.67
Newport, R.I.	4½	15,000.00	15,220.93
"	4¼	15,000.00	15,189.62
Newton, Mass.	4	27,000.00	26,315.17
New York, State of	4½	3,000.00	3,000.00
No. Carolina, State of	5	30,000.00	34,129.83
Norwalk, Ct.	4	1,000.00	986.35
Oakland, Calif.	4¾	52,000.00	52,855.31
Oregon, State of	5	10,000.00	10,571.36
"	4½	60,000.00	61,440.87
"	4¼	20,000.00	20,171.47
"	4	6,000.00	6,065.14
Pasadena, Calif.	4¾	10,000.00	10,624.97
Pawtucket, R.I.	4½	10,000.00	10,299.19
"	4¼	10,000.00	10,299.19
Philadelphia, Pa.	4¼	25,000.00	25,112.05
Portland, Ore.	5	5,000.00	5,517.67
"	4½	46,000.00	48,058.76
" Maine	4¼	25,000.00	25,371.21
Providence, R.I.	4½	25,000.00	26,666.98
"	4¼	35,000.00	34,886.81
"	4	19,000.00	18,355.50
"	4	2,000.00	1,994.87
Revere, Mass.	4	44,000.00	49,534.37
Richmond, Va.	5	25,000.00	26,484.94
"	4½	50,000.00	52,114.26
"	4¼	70,000.00	73,942.11
Rochester, N.Y.	4½	600.00	600.32
Russell, Mass.	4½	2,400.00	2,400.00
"	4	2,400.00	2,400.00
San Antonio, Texas	5½	25,000.00	27,686.06
"	5	10,000.00	10,447.98
"	5	20,000.00	21,024.13
San Diego, Calif.	5	35,000.00	41,232.54
San Francisco, Calif.	5¾	50,000.00	53,238.95
"	5	25,000.00	25,589.46
" " " (City and County)	4½	10,000.00	10,951.48
"	5	58,000.00	61,040.48
Seattle, Wash.	4	23,900.00	23,363.89
Somerville, Mass.	4	73,000.00	77,269.08
Springfield, Mass.	3¾	50,000.00	50,577.52
St. Louis, Mo.	4½	44,000.00	44,237.41
"	4¼	44,000.00	46,529.83
St. Paul, Minn.	5½	4,000.00	4,168.90
"	4½	10,000.00	10,095.29
"	4¼	25,000.00	24,580.28
"	4	10,000.00	10,122.24
Stamford, Ct.	4¼	10,000.00	10,122.24

DESCRIPTION	RATE PERCENT	PAR VALUE	AMORTIZED VALUE DECEMBER 31, 1932
Superior, Wis.	4 1/2	\$14,000.00	\$14,880.53
Tacoma, Wash.	4 1/2	34,000.00	34,251.76
Tennessee, State of	5 1/4	5,000.00	5,522.58
" " "	4 3/4	50,000.00	51,059.92
" " "	4 1/2	20,000.00	20,000.00
Toledo, Ohio	5	43,500.00	45,008.00
" " "	4 3/4	44,000.00	45,065.09
" " "	4 1/2	44,000.00	44,670.53
Trenton, N. J.	5	17,000.00	17,924.77
" " "	4 1/2	20,000.00	20,190.73
Waltham, Mass.	5	34,000.00	34,000.00
Warwick, R.I.	4	32,000.00	32,000.00
Waterbury, Ct.	4 1/2	15,000.00	15,178.17
" " "	4 1/4	20,000.00	20,000.00
West Virginia, State of	4 1/2	14,000.00	14,258.42
" " " "	4 1/4	100,000.00	101,349.96
" " " "	4	21,000.00	20,575.91
Wheeling, West Va.	5	75,000.00	76,657.13
" " "	4	15,000.00	14,853.86
Wilmington, No. Carolina	5	25,000.00	26,798.10
" " "	4 1/2	58,000.00	58,162.45
Woonsocket, R.I.	6	5,000.00	6,311.24
" " "	5	5,000.00	5,454.76
" " "	4 1/2	17,000.00	17,225.35
Youngstown, Ohio	6	8,000.00	8,433.61
" " "	5 1/2	20,000.00	22,043.23
" " "	5	15,000.00	15,750.07
" " "	4 1/2	20,000.00	20,101.57

NOTES

Blanford, Mass.	4 1/4	\$23,500.00	\$23,500.00
Dracut, Mass. Water Sup. Dist.	5 1/4	3,200.00	3,200.00
Leyden, Mass.	4 1/4	4,500.00	4,500.00
Provincetown, Mass.	4 1/2	3,000.00	3,000.00
Wareham, Mass. Fire Dist.	4 1/4	4,000.00	4,000.00
		<u>\$6,821,000.00</u>	<u>\$7,022,666.93</u>

RECAPITULATION BY MATURITIES

Within five years	\$1,038,450.00
Between five and fifteen years	3,459,550.00
Between fifteen and thirty years	2,131,000.00
Over thirty years	192,000.00
	<u>\$6,821,000.00</u>