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Pennsylvania State Library  
DOCUMENTS SECTION

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF STATE  
STATE EMPLOYEES' RETIREMENT BOARD  
HARRISBURG

January 13, 1943

His Excellency  
Arthur H. James  
Governor, Commonwealth of Pennsylvania  
Harrisburg, Pennsylvania

Dear Governor James:

In compliance with the Act of June 27, 1923, P. L. 858, creating the State Employees' Retirement System, as amended, we respectfully submit the following report:

Section 4, subsection 9 of said Act provides:

"Section 4. (9) The retirement board shall prepare and have published, annually, financial statement showing the condition of the fund and the various accounts created by this act, and setting forth such other facts, recommendations and data as may be of use in the advancement of knowledge concerning State Employees' pensions and annuities, and said retirement board shall submit said financial statement to the Governor of the Commonwealth of Pennsylvania, and shall file copies in the office of the Secretary of the Commonwealth, of the State Insurance Department, and of the head of each department, for use of the State Employees and the public."

On November 30, 1942, the number of members in this System was 30,372; the par value of the Fund's investments was \$30,114,000.00 and the total assets of the Fund, including the present worth of future appropriations receivable from the Commonwealth was \$41,757,825.46 as of May, 1942.

(continued)





The number of annuitants was 1422, classified as:

Superannuation annuitants	886
Disabled annuitants	147
Involuntary retirement beneficiaries	382
Pennsylvania Motor Police Death Benefit	7

From June 1, 1939 to November 30, 1942 the Board:

(a) Certified 24,457 new members;

(b) Approved for payment \$5,153,544.47 to 23,500

members who had terminated their employment with the Commonwealth and applied for return of their contributions;

(c) Approved 353 applications for retirement allowances.

During the present administration the quinquennial evaluation and annual evaluations required by law was submitted by Mr. George W. Huggins, of Philadelphia, the Actuary of the System. They have been the basis of our budget requests.

The Valuation Balance Sheet for the fiscal year ending May 31, 1942 follows.

(continued)



ANNUAL VALUATION BALANCE SHEET

of

STATE EMPLOYEES' RETIREMENT SYSTEM

as of

MAY 31, 1942

ACCOUNT BALANCES AND PRESENT VALUE OF FUTURE APPROPRIATIONS

Account Balances

Member's Annuity Savings Account .....		\$17,659,709.44
Member's Annuity Reserve Account .....		2,134,665.88
State Annuity Reserve Account Number Two ....		3,481,417.05
Contingent Reserve Account ....	\$6,759,070.59	
Less - Adjustment .....	<u>24,514.26</u>	6,734,556.33
State Annuity Reserve Account .	400,980.74	
Plus - Adjustment .....	<u>24,514.26</u>	425,495.00
Annuities due and unpaid .....		4,054.46
Reserve for outstanding checks .....		392.56
Accounts payable .....		369.84
Pennsylvania Motor Police Account .....		<u>365,526.24</u>
Total Account Balances .....		\$30,806,186.80

Present Value of Future Appropriations

State Annuity Reserve Account Number Two	\$9,634,904.95
Contingent Reserve Account.....	1,204,240.67
Excess of required reserves over balance in Member's Annuity Reserve Account....	32,661.12
Excess of required interest credits over net available interest earnings .....	<u>79,831.92</u>
Total Present Value of Future Appropriations	<u>\$10,951,638.66</u>
Total Account Balances and Present Value of Future Appropriations .....	<u>\$41,757,825.46</u>



ANNUAL VALUATION BALANCE SHEET  
of  
STATE EMPLOYEES' RETIREMENT SYSTEM  
as of  
MAY 31, 1942

LIABILITIES

Member's Annuity Savings Account

Present value of benefits on account of  
which salary deductions have been  
accumulated..... \$17,659,709.44

Member's Annuity Reserve Account

Present value of Members' annuities  
payable to member now on annuity  
roll because of:

Superannuation.....	\$1,313,160.00
Disability.....	177,353.00
Withdrawal.....	<u>676,814.00</u>

Total.....\$2,167,327.00

State Annuity Reserve Account Number Two

Present value of State annuities  
payable to original members:

(a) Not on annuity roll but  
who may receive annuities  
in the future because of:

Superannuation	\$6,762,613.00	
Disability	96,056.00	
Withdrawal - Active	334,653.00	
Withdrawal - Inactive	<u>9,050.00</u>	\$7,202,972.00

(b) Now on annuity roll:

Superannuation	\$4,127,007.00	
Disability	208,942.00	
Withdrawal	<u>1,576,741.00</u>	\$5,913,350.00

Total.....\$13,110,322.00

(continued)



ANNUAL VALUATION BALANCE SHEET  
of  
STATE EMPLOYEES' RETIREMENT SYSTEM  
as of  
MAY 31, 1942

LIABILITIES  
(continued)

Contingent Reserve Account

Present value of State annuities payable to new members:

Not on annuity roll but who may receive annuities in the future because of:

Superannuation .....	\$5,390,701.00
Disability.....	725,717.00
Withdrawal - Active.....	1,810,179.00
Withdrawal - Inactive.....	<u>6,120.00</u>

Total..... \$7,938,797.00

State Annuity Reserve Account

Present value of State Annuities payable to new members:

Now on annuity roll because of:

Superannuation.....	146,790.00
Disability.....	225,682.00
Withdrawal.....	<u>53,023.00</u>

Total..... \$ 425,495.00

Miscellaneous Liabilities

Annuities due and unpaid	4,054.46
Reserve for outstanding checks	392.56
Accounts payable	369.84
Pennsylvania Motor Police Account	305,526.24
Interest creditable to account balances	<u>79,831.92</u>

Total..... \$ 450,175.02

Total Reserves and Miscellaneous Liabilities..\$41,757,825.40

Note: The foregoing balance sheet shows the balances in the various accounts as disclosed by the board's records and the Actuary's computation of all liabilities to the members of the System together with the present value of future appropriations receivable from the Commonwealth under the provisions of the Retirement Act.

(continued)





## RECEIPTS AND DISBURSEMENTS

Year Ending  
May 31, 1942

RECEIPTS

Members Contributions	\$ 3,047,980.30	
Interest on Investments	1,029,146.76	
State's Contributions State Annuity Reserve Account Number 2	600,050.00	
State's Contributions Contingent Reserve Account	967,962.32	
State's Contributions Pennsylvania Motor Police Account	75,000.00	
Income from Real Estate	22,243.55	
Profit on Sale of Investments	8,851.13	\$ 5,751,234.06

DISBURSEMENTS

Members Withdrawals (6794)	1,479,117.07	
Superannuation Payments	815,761.68	
Disability Payments	72,956.63	
Involuntary Payments	233,453.90	
Pennsylvania Motor Police Death Payments	6,083.71	
Expense on Real Estate	25,025.48	
Accrued interest on Investments Purchased	32,901.31	
Premiums Paid	64,645.00	2,729,944.78
Excess of Receipts over Disbursements		3,021,289.28
Cash Balances May 31, 1941	3,500,246.28	
Investments May 31, 1941	22,877,200.00	
Real Estate May 31, 1941	446,066.98	26,823,513.26
		<u>29,844,802.54</u>
Cash Balances May 31, 1942	403,835.56	
Investments May 31, 1942	28,994,900.00	
Real Estate May 31, 1942	446,066.98	29,844,802.54



The following is a summary of the investments:

General State Authority	\$ 9,968,000.00	34.4%
United States Treasury	9,440,000.00	32.6%
All other Pennsylvania Municipal and County Bonds	9,586,000.00	33.0%
	<hr/>	
	\$28,994,000.00	100.0%
	<hr/>	
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The Funds of the System have been invested with the approval of the Governor and the legality of all investments determined by the Attorney General of the Commonwealth: Act of June 27, 1923, P. L. 858, Section 6, subsection 1, Administrative Code, Art. VII, Section 701, subsection F, Act April 25, 1929, P. L. 723.

The Board has purchased the maximum allowed under the United States Treasury ruling, of United States Defense Bonds, Series "G", which during the year 1942 was \$100,000.00. The Fund owns United States Defense Bonds amounting to \$150,000.

On January 8, 1938 the General State Authority embarked on a program of public buildings covering eighty projects to be financed in part by grants of the Federal Emergency Administration of Public Works and in part by a bond issue of \$55,000,000.

The State Employees Retirement Board and Public School Employees Retirement Board agreed with the State Authority to take all such bonds at par.

From time to time this program has been extended and amplified by resolutions of the General State Authority amending or supplementing the original resolution authorizing the bond issue. These amending and supplementing resolutions, under the terms of the original agreement and resolution authorizing the bonds, were subject to the consent of the two Retirement Boards. Such consent was given.

(continued)



At the present time the program of the General State Authority authorizes the issuance of not exceeding \$73,250,000 of such bonds, in part to be used for furnishing the buildings constructed by the authority and installing therein fixed equipment and other improvements, all designed to provide structures suitably equipped for operation by the board or department in charge. Under the terms of the bond resolutions, and as of December 15, 1942, \$12,959,000 of the temporary bonds issued were retired, leaving at that date \$50,317,000 outstanding in temporary bonds.

By resolution adopted by the General State Authority on January 4, 1943, and with the consent of the State Employees' Retirement Board given on January 5, 1943 and the consent of the Public School Employees Retirement Board given on January 11, 1943, \$50,000,000 of such temporary bonds will be exchanged for \$50,000,000 of permanent registered bonds. Of this amount, \$43,350,000 will be payable over a period of twenty-five years starting December 15, 1942 \$2,000,000 representing bonds issued for furnishings will be amortized over the period of seven years starting June 15, 1943 and \$2,650,000 will be payable over a period of Twenty-four and one half years starting August 1, 1943 but will be callable on ninety days notice, if or when the General State Authority is authorized to sell, or compelled to surrender, to the United States of America the institution known as Butler Tuberculosis Hospital.

The remaining part of the program is held in suspense until necessary materials are released from priority restrictions imposed by the war emergency.

With the permanent bonds there will be delivered to the boards the final opinion of Saul, Ewing, Remick and Saul upon the validity and marketability of the issue and the opinion of the Department of Justice upon the validity  
(continued)



of the purchase.

The intervening purchases of temporary bonds have been covered by interim opinions by Saul, Ewing, Renick & Saul and the Department of Justice as to these factors.

Acts 116 and 117 of the General Assembly, Approved July 3, 1941 supplementing the Act creating the State Employees' Retirement System, provide that members who enter active military service may contribute to the State Employees' Retirement Fund. This is a departure from the established method of paying contributions into the fund and creates individual transactions not contemplated by existing administrative organization. It has been recommended by the Board, however, in the interest of employes absent in military service. Approximately 2,000 members have elected to pay into the fund their stated contributions while absent in military service.

On November 23, 1942, the Supreme Court decided the cases of DOM v. STATE EMPLOYEES' RETIREMENT BOARD and DENNING v. STATE EMPLOYEES' RETIREMENT BOARD in favor of the plaintiffs.

These decrees resulted in judgments of \$13,615.71 and \$8,509.98 respectively with further payments of \$91.17 per month during the life of Sophia Demming. They also introduce a new factor into the future computation of rates of member contributions and state appropriations.

Respectfully submitted,

Adrian Bonnelly

A. Boyd Hamilton

Marion Margery Scranton

G. Harold Wagner

S. M. R. O'Hara Chairman  
State Employees' Retirement Board





1943  
c.2

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF STATE  
STATE EMPLOYEES' RETIREMENT BOARD  
HARRISBURG

December 27, 1943

His Excellency  
Edward Martin  
Governor, Commonwealth of Pennsylvania  
Harrisburg, Pennsylvania

Dear Governor Martin:

In compliance with the Act 331 of June 27, 1923, P. L. 858, creating the State Employees' Retirement System, as amended, we respectfully submit the following report:

Section 4, subsection 9 of this Act provides:

"The retirement board shall publish annually a report showing the condition of the various funds created by this act, and setting forth such other facts, recommendations, and data as may be of use in the advancement of knowledge concerning State employees' pensions and annuities, and said retirement board shall submit said report to the Governor of the Commonwealth of Pennsylvania, and shall file copies in the offices of the Secretary of State, of the State Insurance Department, and of the head of each department, for use of the State employees and the public."

On May 31, 1943, the number of members in this System was 28,707; the par value of the Fund's investments was \$31,359,000.00 and the total assets of the Fund, including the present worth of future appropriations receivable from the Commonwealth was \$44,984,738.03 as of May 31, 1943.

(continued)

38.52



The following is a summary of the investments:

General State Authority	29,605,000.00	30.6
United States Treasury	7,660,000.00	24.4
All other Pennsylvania Municipal and County Bonds	14,094,000.00	45.0
	<hr/>	
	31,359,000.00	100.0%
	<hr/>	

The Funds of the System have been invested with the approval of the Governor and the legality of all investments determined by the Attorney General of the Commonwealth as set forth in the Act of June 27, 1923, P. L. 358, Section 6, subsection 1; The Administrative Code, Art. VII, Section 701, subsection F; and the Act of April 25, 1929, P. L. 723.

The number of annuitants was 1446, classified as:

Superannuation annuitants	899.
Disabled annuitants	155.
Involuntary retirement beneficiaries	384.
Pennsylvania State Police Death Benefit	8.

From June 1, 1942 to May 31, 1943 the Board:

(a) Certified 5,155 new members;

(b) Approved for payment \$1,724,942.21 to 6,867

members who had terminated their employment with the Commonwealth and applied for return of their contributions;

(c) Approved 85 applications for retirement allowances.

The Valuation Balance Sheet for the fiscal year ending May 31, 1943 follows.

(continued)



## ANNUAL VALUATION BALANCE SHEET

of

## STATE EMPLOYEES' RETIREMENT SYSTEM

as of

May 31, 1943

ACCOUNT BALANCES AND PRESENT VALUE OF FUTURE APPROPRIATIONSACCOUNT BALANCES

Members' Annuity Savings Account.....	\$19,394,896.23	
Members' Annuity Reserve Account.....	2,275,149.23	
State Annuity Reserve Account Number Two.....	3,375,478.65	
Contingent Reserve Account.....	\$7,525,508.52	
Plus - Adjustment.....	<u>6,965.08</u>	7,532,473.60
State Annuity Reserve Account.....	\$ 527,071.08	
Less - Adjustment.....	<u>6,965.08</u>	520,106.00
Annuities due and unpaid.....		10,002.53
Reserve for outstanding checks.....		392.64
Accounts payable.....		146.81
Pennsylvania State Police Account.....		<u>450,051.82</u>
Total Account Balances.....		\$33,558,697.51

Present Value of Future Appropriations

State Annuity Reserve Account Number Two	\$9,595,330.35	
Contingent Reserve Account.....	<u>1,859,197.40</u>	
Total.....		\$11,455,027.75
Less - Excess of balance in Member's annuity Reserve Account over Required Reserves		<u>28,987.23</u>
Net Present Value of Future Appropriations.....		\$11,426,040.52
Total Account Balances and Present Value of Future Appropriations.....		<u>\$44,984,738.03</u>

(continued)

1. The first part of the document discusses the importance of maintaining accurate records of all transactions. This is essential for ensuring the integrity of the financial system and for providing a clear audit trail. The records should be kept up-to-date and should be accessible to all authorized personnel.

2. The second part of the document outlines the procedures for handling incoming payments. It is important to ensure that all payments are received and recorded in a timely manner. The procedures should include verifying the amount and source of the payment, and ensuring that the funds are deposited into the correct account.

3. The third part of the document describes the process for issuing invoices. Invoices should be generated and sent to the customer as soon as possible after the goods or services have been provided. The invoices should be clear and accurate, and should include all necessary information such as the date, amount, and terms of payment.

4. The fourth part of the document discusses the importance of maintaining accurate records of all expenses. This is essential for ensuring the integrity of the financial system and for providing a clear audit trail. The records should be kept up-to-date and should be accessible to all authorized personnel.

5. The fifth part of the document outlines the procedures for handling outgoing payments. It is important to ensure that all payments are made in a timely manner and that the funds are transferred to the correct account. The procedures should include verifying the amount and destination of the payment, and ensuring that the funds are transferred in a secure and accurate manner.

6. The sixth part of the document describes the process for reconciling the accounts. This involves comparing the records of the business with the records of the bank and ensuring that they match. Any discrepancies should be investigated and resolved as soon as possible.

7. The seventh part of the document discusses the importance of maintaining accurate records of all assets and liabilities. This is essential for ensuring the integrity of the financial system and for providing a clear audit trail. The records should be kept up-to-date and should be accessible to all authorized personnel.

8. The eighth part of the document outlines the procedures for handling incoming payments. It is important to ensure that all payments are received and recorded in a timely manner. The procedures should include verifying the amount and source of the payment, and ensuring that the funds are deposited into the correct account.

9. The ninth part of the document describes the process for issuing invoices. Invoices should be generated and sent to the customer as soon as possible after the goods or services have been provided. The invoices should be clear and accurate, and should include all necessary information such as the date, amount, and terms of payment.

10. The tenth part of the document discusses the importance of maintaining accurate records of all expenses. This is essential for ensuring the integrity of the financial system and for providing a clear audit trail. The records should be kept up-to-date and should be accessible to all authorized personnel.

## ANNUAL VALUATION BALANCE SHEET

of

STATE EMPLOYEES' RETIREMENT SYSTEM

as of

May 31, 1943

LIABILITIESMembers' Annuity Savings Account

Present value of benefits on account of  
which salary deductions have been  
accumulated..... \$19,394,896.23

Members' Annuity Reserve Account

Present value of members' annuities payable  
to members now on annuity roll because of:

Superannuation.....	\$1,320,208.00	
Disability.....	198,968.00	
Withdrawal.....	<u>726,986.00</u>	

Total.....;..... 2,246,162.00

State Annuity Reserve Account Number Two

Present value of State annuities payable  
to original members:

(a) Not on annuity roll but who  
may receive annuities in the  
future because of:

Superannuation.....	\$6,699,566.00	
Disability.....	96,439.00	
Withdrawal - Active..	323,480.00	
Withdrawal-Inactive..	<u>88,554.00</u>	\$7,208,039.00

(b) Now on annuity roll because of:

Superannuation.....	\$3,942,518.00	
Disability.....	205,514.00	
Withdrawal.....	<u>1,615,238.00</u>	5,763,270.00

Total.....\$12,971,309.00

(continued)

THE SENATE

To

THE COMMISSIONERS OF THE LAND OFFICE

IN

CONFIRMATION

ARTICLE

OF THE LAND OFFICE

SECTION 1. The following is the text of the report of the

Commissioners of the Land Office, dated the 15th day of

January, 1900.

The Commission of the Land Office has the honor to

acknowledge the receipt of your letter of the 10th day of

January, 1900, in relation to the above matter.

The Commission of the Land Office has the honor to

acknowledge the receipt of your letter of the 10th day of

January, 1900, in relation to the above matter.

The Commission of the Land Office has the honor to

acknowledge the receipt of your letter of the 10th day of

January, 1900, in relation to the above matter.

The Commission of the Land Office has the honor to

(S. 1000)



ANNUAL VALUATION BALANCE SHEET

of

STATE EMPLOYEES' RETIREMENT SYSTEM

as of

May 31, 1943

LIABILITIES.  
(continued)

Contingent Reserve Account

Present value of State annuities payable  
to new members:

Not on annuity roll but who may receive  
annuities in the future because of:

Superannuation.....	\$6,520,335.00
Disability.....	839,491.00
Withdrawal - Active.....	1,976,961.00
Withdrawal - Inactive.....	<u>54,884.00</u>

Total.....\$9,391,671.00

State Annuity Reserve Account

Present value of State annuities payable  
to new members:

Now on annuity roll because of:

Superannuation.....	\$ 162,653.00
Disability.....	277,439.00
Withdrawal.....	<u>80,014.00</u>

Total.....\$ 520,106.00

Miscellaneous Liabilities

Annuities due and unpaid.....	\$ 10,002.53
Reserve for outstanding checks.....	392.64
Accounts payable.....	146.81
Pennsylvania State Police Account.....	<u>450,051.82</u>

Total.....\$ 460,593.80

Total Reserves and Miscellaneous Liabilities.....\$44,984,738.03

(continued)

STATE FINANCIAL REPORTING SYSTEM

to be

1971, 12, 31

REVENUE  
(Income Tax)

Income Tax

Income Tax

Income Tax

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(Income Tax)

## RECEIPTS AND DISBURSEMENTS

Year Ending

May 31, 1943

RECEIPTS

Members Contributions	\$ 3,083,517.40	
Interest on Investments	1,136,573.55	
State's Contributions State Annuity Reserve Account Number 2	600,050.00	
State's Contributions Contingent Reserve Account	644,677.69	
State's Contributions Pennsylvania State Police Account	75,000.00	
Income from Real Estate	25,525.17	
Profit on Sale of Investments	47,560.00	\$ 5,612,903.81

DISBURSEMENTS

Members Withdrawals (6867)	1,724,942.21	
Superannuation Payments	857,820.63	
Disability Payments	79,727.94	
Involuntary Payments	228,929.78	
Pennsylvania State Police Death Payments	6,815.97	
Expense on Real Estate	7,817.28	
Accrued Interest on Investments Purchased	37,418.98	
Premiums Paid	40,993.90	2,984,466.69

Excess of Receipts over Disbursements		2,628,437.12
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Cash Balances May 31, 1942	403,835.56	
Investments May 31, 1942	28,994,900.00	
Real Estate May 31, 1942	446,066.98	29,844,802.54
		<u>32,473,239.66</u>

Cash Balance May 31, 1943	668,172.68	
Investments May 31, 1943	31,359,000.00	
Real Estate May 31, 1943	446,066.98	32,473,239.66

(continued)

Subject: [Illegible]

Date: [Illegible]

Summary

1. [Illegible]

[Illegible summary text]

2. [Illegible]

3. [Illegible]

4. [Illegible]

5. [Illegible]

Recommendation

[Illegible recommendation text]

6. [Illegible]

7. [Illegible]

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16. [Illegible]

17. [Illegible]

18. [Illegible]

[Illegible text]

[Illegible text]

[Illegible text]

(Continued)

Excellency, Edward Martin

- 7 -

Respectfully submitted,

(Signed) Adrian Bornelly

(Signed) Marion Margery Scranton

(Signed) A. Boyd Hamilton

(Signed) E. Harold Wagner

(Signed) C. M. Morrison Chairman  
State Employees' Retirement Board

### 1. Introduction

The following table shows the results of the experiment. The data is presented in a clear and concise manner, allowing for easy interpretation of the findings.

Parameter	Value
Temperature	25°C
Pressure	1 atm
Volume	100 ml
Time	10 min

1944  
c2

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF STATE  
STATE EMPLOYEES' RETIREMENT BOARD  
HARRISBURG

December 27, 1944

His Excellency  
Edward Martin  
Governor, Commonwealth of Pennsylvania  
Harrisburg, Pennsylvania

Dear Governor Martin:

In compliance with the Act 331 of June 27, 1923, P. L. 858, creating the State Employees' Retirement System, as amended, we respectfully submit the following report:

Section 4, subsection 9 of this Act provides:

"The retirement board shall publish annually a report showing the condition of the various funds created by this act, and setting forth such other facts, recommendations, and data as may be of use in the advancement of knowledge concerning State Employees' pensions and annuities, and said retirement board shall submit said report to the Governor of the Commonwealth of Pennsylvania, and shall file copies in the offices of the Secretary of State, of the State Insurance Department, and of the head of each department, for use of the State employes and the public."

On May 31, 1944, the number of members of this System classed as contributors, was 26,626 and the number of pensioners was 1,451, a total of 28,077; while the total assets of the Fund amounted to \$49,834,286.26 of which \$37,455,384.38 was represented by cash and invested assets and \$12,378,901.88 represents the present worth of future contributions receivable from the Commonwealth and other contributing agencies.

Ministry of Education  
Government of Ontario  
Toronto, Ontario

Dear Sir,

Reference is made to your letter of the 15th inst.

in relation to the proposed changes in the curriculum of the Ontario Education System. The Ministry is currently reviewing these proposals and will be in a position to advise you in due course.

The Ministry is currently reviewing the proposals and will be in a position to advise you in due course.

Yours faithfully,

Members of the Board of Education  
The Board of Education  
The Education Building  
100 Queen Street West  
Toronto, Ontario



The following is a summary of the par value of the bonds owned:

General State Authority.....	\$ 9,205,000.00	25.7%
United States Treasury.....	\$16,060,000.00	44.9
All other Pennsylvania Municipal and County Bonds...	\$10,519,500.00	29.4
	<hr/>	
	\$35,784,500.00	100.0%
	<hr/>	
	<hr/>	

The Funds of the System have been invested with the approval of the Governor and the legality of all investments determined by the Attorney General of the Commonwealth as set forth in the Act of June 27, 1923, P. L. 858, Section 6, subsection 1; The Administrative Code, Art. VII, Section 701, subsection F; and the Act of April 25, 1929, P. L. 723.

The annuitants on the roll as of May 31, 1944 were as follows:

	<u>Nos.</u>	<u>Annuities</u>
Superannuation annuitants	903	\$799,395.49
Disabled annuitants	158	83,645.96
Involuntary retirement beneficiaries	<u>390</u>	<u>227,766.11</u>
Total.....	<u>1,451</u>	<u>\$1,110,807.56</u>

In addition there were 8 beneficiaries receiving Pennsylvania State Police Death Benefits.

From June 1, 1943 to May 31, 1944 the Retirement Board:

(a) Certified 3,820 new members;

(b) Approved for payment \$1,249,940.03 to 4,115

members who had terminated their employment with the Commonwealth and applied for the return of their contributions; and

(c) Approved 114 applications for retirement allowances.

The Valuation Balance Sheet for the fiscal year ending May 31, 1944 follows:

- The first side of the coin is the...
- The second side of the coin is the...

Section 1: Introduction

The purpose of this document is to provide a comprehensive overview of the current state of the industry. It is intended for use by all stakeholders involved in the project. The document is organized into several sections, each of which will be discussed in detail. The first section, 'Introduction', provides a general overview of the project and its objectives. The second section, 'Background', provides a detailed history of the project and the industry. The third section, 'Current State', provides a detailed analysis of the current state of the industry and the project. The fourth section, 'Future Outlook', provides a detailed analysis of the future outlook for the industry and the project. The fifth section, 'Conclusion', provides a summary of the key findings and recommendations.

Section 2: Background

The background of the project is rooted in the long history of the industry. The industry has seen significant growth and change over the years, and the project is a direct result of these changes. The project is designed to address the challenges and opportunities that the industry faces in the future. The project is a key component of the industry's long-term strategy and is expected to have a significant impact on the industry's future success.

Section 3: Current State

The current state of the industry is characterized by rapid technological advancement and increasing competition. The industry is facing a number of challenges, including the need to improve efficiency and reduce costs. The project is designed to address these challenges and provide a solution that is both effective and sustainable. The project is a key component of the industry's long-term strategy and is expected to have a significant impact on the industry's future success. The project is designed to be a model for other industries and to provide a blueprint for success in the future.

Section 4: Future Outlook

The future outlook for the industry is bright and full of opportunity. The industry is expected to continue to grow and change over the years, and the project is a key component of the industry's long-term strategy. The project is designed to address the challenges and opportunities that the industry faces in the future and is expected to have a significant impact on the industry's future success.

ANNUAL VALUATION BALANCE SHEET  
OF  
STATE EMPLOYEES' RETIREMENT SYSTEM  
AS OF  
MAY, 31, 1944

ACCOUNT BALANCES AND PRESENT VALUE OF FUTURE APPROPRIATIONS

A S S E T S

<u>Cash</u>		
Available	\$ 503,630.59	
Closed or restricted depositories.....	<u>41,375.00</u>	545,005.59
<u>Investments</u>		
Bonds unmatured.....	\$35,763,500.00	
Bonds matured.....	21,000.00	
Premiums paid on investments owned.....		
	576,721.04	
Less - Reserve for amortization		
	<u>314,452.28</u>	<u>262,268.76</u>
Total.....		36,046,768.76
Real Estate.....		372,504.84
<u>Accrued Interest</u>		
Investments.....	338,761.06	
Bank Balances .....	<u>418.38</u>	339,179.44
Member's deductions - not yet transmitted.....		127,617.41
Interest due and unpaid.....		21,825.00
Rent due and unpaid.....		70.00
Prepaid insurance.....		2,413.34
Due from Commonwealth.....		<u>422,604.44</u>
Total.....		\$37,877,988.82
Present value of future appropriations		
S.A.R.A. #2.....	\$ 9,823,674.53	
Present value of future appropriations		
C.R.A.....	<u>2,132,622.91</u>	<u>11,956,297.44</u>
Total Assets and Present Value of		
Future Appropriations.....		<u>\$49,834,286.26</u>

1950

1951

1952

1953

1954

1955

1956

1957

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1972

1973

ANNUAL VALUATION BALANCE SHEET  
of  
STATE EMPLOYEES' RETIREMENT SYSTEM  
as of  
MAY 31, 1944

ACCOUNT BALANCES AND PRESENT VALUE OF FUTURE APPROPRIATIONS

ACCOUNT BALANCES

Members' Annuity Savings Account.....	\$21,604,964.43
Members' Annuity Reserve Account.....	2,417,773.00
State Annuity Reserve Account Number Two.....	3,399,486.47
Contingent Reserve Account.....	8,363,448.09
State Annuity Reserve Account.....	577,818.00
Annuities due and unpaid.....	6,269.42
Reserve for outstanding checks.....	1,235.52
Accounts payable.....	1,581.55
Pennsylvania State Police Account.....	602,124.73
Reserve for investment contingencies.....	<u>403,287.61</u>
Total Account Balances.....	\$37,877,988.82
Present value of future appropriations	
S.A.R.A.#2.. .....	\$9,823,674.53
Present value of future appropriations	
C.R.A.....	<u>\$2,132,622.91</u>
	<u>11,956,297.44</u>
Total Account Balances and Present value of future appropriations.....	<u><u>\$49,834,286.26</u></u>

PHYSICS 5.01

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LECTURE 10

MECHANICS

10/10/99

The first part of the lecture deals with the concept of work. Work is defined as the product of force and displacement. It is a scalar quantity and is measured in Joules. The work done by a constant force  $F$  over a displacement  $d$  is given by  $W = Fd \cos \theta$ , where  $\theta$  is the angle between the force and the displacement.

The second part of the lecture discusses the concept of energy. Energy is the capacity to do work. It is a scalar quantity and is measured in Joules. The total mechanical energy of a system is the sum of its kinetic energy and potential energy.

Kinetic energy is the energy of motion. It is given by  $K = \frac{1}{2}mv^2$ , where  $m$  is the mass and  $v$  is the velocity. Potential energy is the energy stored in a system due to its position. It is given by  $U = mgh$ , where  $m$  is the mass,  $g$  is the acceleration due to gravity, and  $h$  is the height.

The conservation of energy states that the total mechanical energy of a closed system is constant. This means that energy cannot be created or destroyed, only transformed from one form to another.

The lecture concludes with a discussion of the work-energy theorem, which states that the net work done on an object is equal to the change in its kinetic energy.

ANNUAL VALUATION BALANCE SHEET

-5-

of

STATE EMPLOYEES' RETIREMENT SYSTEM

as of

MAY 31, 1944

ACTUARIAL RESERVES AND OTHER LIABILITIES

Members' Annuity Savings Account

Present value of benefits on account of  
which salary deductions have been  
accumulated.....\$21,604,964.43

Members' Annuity Reserve Account

Present value of members' annuities  
payable to members now on annuity  
roll because of:

Superannuation.....	\$1,471,146.00
Disability.....	204,133.00
Withdrawal.....	<u>742,494.00</u>

Total.....2,417,773.00

State Annuity Reserve Account Number Two

Present Value of State annuities  
payable to original members:

(a) Not on annuity roll  
but who may receive  
annuities in the  
future because of:

Superannuation.....	\$7,418,495.00
Disability.....	94,232.00
Withdrawal-Active...	314,067.00
Withdrawal-Inactive..	<u>135,476.00</u>
	\$7,962,270.00

(b) Now on annuity roll because of:

Superannuation.....	\$3,963,685.00
Disability.....	209,828.00
Withdrawal.....	<u>1,587,378.00</u>
	<u>5,760,891.00</u>

Total..... \$13,723,161.00

THE UNIVERSITY OF CHICAGO

DEPARTMENT OF CHEMISTRY

PH.D. THESIS

THE CHEMISTRY OF THE CARBON-13 ISOTOPE

BY

ROBERT M. HAYES

PH.D. 1964

ADVISOR: ROBERT M. HAYES

CHICAGO, ILLINOIS

UNIVERSITY OF CHICAGO PRESS

1964

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PH.D. THESIS

BY

ROBERT M. HAYES

CHICAGO, ILLINOIS



## ANNUAL VALUATION BALANCE SHEET

-6-

of

STATE EMPLOYEES RETIREMENT SYSTEM

as of

MAY 31, 1944

ACTUARIAL RESERVES AND OTHER LIABILITIES  
(continued)

Contingent Reserve Account

Present value of State annuities  
payable to new members:

Not on annuity roll but who may  
receive annuities in the future  
because of:

Superannuation.....	\$7,444,664.00
Disability.....	853,184.00
Withdrawal - Active.....	2,118,455.00
Withdrawal - Inactive.....	<u>79,768.00</u>

Total.....\$10,496,071.00

State Annuity Reserve Account

Present value of State Annuities  
payable to new members:

Now on annuity roll because of:

Superannuation.....	\$ 213,429.00
Disability.....	288,106.00
Withdrawal.....	<u>76,283.00</u>

Total..... 577,818.00

Miscellaneous Liabilities

Annuities due and unpaid.....	\$ 6,269.42
Reserve for outstanding checks.....	1,235.52
Accounts payable.....	1,581.55
Pennsylvania State Police Account..	602,124.73
Reserve for investment contingencies	<u>403,287.61</u>

Total..... 1,014,498.83

Total Reserves and Miscellaneous Liabilities.....\$49,834,286.26

1. Introduction

2. Methodology

3. Results

4. Discussion

5. Conclusion

6. References

7. Appendix

8. Acknowledgements

9. Contact Information

10. Disclaimer

11. Glossary

12. Bibliography

13. Index

14. About Us

15. Privacy Policy

16. Terms of Service

17. Copyright

## CASH RECEIPTS AND DISBURSEMENTS

Year ending May 31, 1944

RECEIPTS

Member's contributions.....	\$ 3,066,892.62	
Interest on investments.....	1,178,011.77	
Appropriations credited to M.A.R.A.	32,661.12	
Appropriations credited to S.A.R.A.#2	1,237,870.96	
Appropriations credited to C.R.A.....	625,521.37	
Appropriations credited to P.S.P.....	75,000.00	
Appropriations credited to General Account.....	79,831.92	
Income from real estate.....	15,778.60	
Premiums on sale of bonds.....	456,394.53	\$ 6,767,962.89

DISBURSEMENTS

Members withdrawals.....	1,249,940.03	
Superannuation payments.....	854,875.26	
Disability payments.....	89,961.00	
Involuntary payments.....	252,755.75	
P.S.P. payments.....	9,273.96	
Expense on real estate.....	12,085.39	
Accrued interest on bonds purchased..	9,745.73	
Premiums paid on bonds purchased.....	60,555.00	2,539,192.12
Excess of Receipts over Disbursements.....		4,228,770.77
Cash balance - May 31, 1943.....	\$ 668,172.68	
Bonds - Par Value May 31, 1943.....	31,359,000.00	
Real Estate - May 31, 1943.....	446,066.98	32,473,239.66
Total.....		<u>36,702,010.43</u>
Cash balance - May 31, 1944.....	\$ 545,005.59	
Bonds - Par Value - May 31, 1944.....	35,784,500.00	
Real Estate - May 31, 1944.....	372,504.84	36,702,010.43

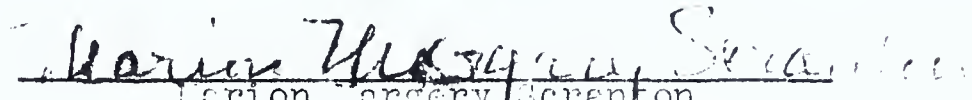


His Excellency, Edward Martin


- 8 -


Respectfully submitted,

  
Adriane Bonnelly

  
Marion Margery Scranton

  
A. Boyd Hamilton

  
G. Harold Wagner

  
C. H. Morrison, Chairman  
STATE EMPLOYEES' RETIREMENT BOARD



1945  
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COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF STATE  
STATE EMPLOYEES' RETIREMENT BOARD  
HARRISBURG

March 1, 1946

His Excellency  
Edward Martin  
Governor, Commonwealth of Pennsylvania  
Harrisburg, Pennsylvania

Dear Sir:

In compliance with the Act of June 27, 1923, P. L. 853, creating the State Employees' Retirement System and amendments thereto,

Section 4, subsection 9 of which provides:

"The retirement board shall publish annually a report showing the condition of the various funds created by this act, and setting forth such other facts, recommendations, and data as may be of use in the advancement of knowledge concerning State Employees' pensions and annuities, and said retirement board shall submit said report to the Governor of the Commonwealth of Pennsylvania, and shall file copies in the offices of the Secretary of State, of the State Insurance Department, and of the head of each department, for use of the State employes and the public."

the following report is respectfully submitted.

On May 31, 1945, the number of members of this System classed as contributors, was 28,624 and the number of pensioners was 1,474, a total of 30,098. The total assets of the Fund amounted to \$55,413,505.42 of which \$39,533,405.61 represents the book value of bonds owned and \$1,970,125.67 is cash in banks, a total of \$41,503,531.28. \$13,385,507.54 represents the present value of future contributions receivable from the

38.52

# MEMORANDUM FOR THE RECORD

DATE: 10/10/54

TO: SAC, NEW YORK  
FROM: SAC, NEW YORK  
SUBJECT: [Illegible]

RE: [Illegible]

On 10/10/54, [Illegible]

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His Excellency, Edward Martin

Commonwealth and other contributing agencies, together with the net interest deficiency of \$668,313,69, a total of \$14,053,821.23. The Retirement Fund now owns no real estate, having disposed of the one property formerly owned. The following is a summary of the par value of the bonds owned:

General State Authority .....	\$ 8,798,000.00	22.4
United States Treasury .....	21,260,000.00	54.1
All other Pennsylvania Municipal and County Bonds .....	<u>9,236,000.00</u>	<u>23.5</u>
	<u>\$39,294,000.00</u>	<u>100.0%</u>

The funds of the Retirement System have been invested in accordance with the Act of June 27, 1923, P.L. 858, Section 6, subsection 1: The Administrative Code, Art. VII, Section 701, subsection F; and the Act of April 25, 1929, P.L. 723.

The annuitants on the roll as of May 31, 1945, and the amounts of their annuities were as follows:

	<u>Nos.</u>	<u>Annuities</u>
Superannuation annuitants .....	922	\$ 825,783.64
Disabled annuitants.....	166	90,942.11
Involuntary retirement beneficiaries. <u>386</u>		<u>228,115.84</u>
Total .....	<u>1,474</u>	<u>\$1,144,841.59</u>

In addition there were 9 beneficiaries receiving Pennsylvania State Police Death Benefits.

From June 1, 1944 to May 31, 1945 the Retirement Board:

(a) Certified 5,352 new members:

(b) Approved for payment \$951,260.44 to 2912 members who had terminated their employment with the Commonwealth and applied for the return of their contributions; and

(c) Approved 126 applications for retirement allowances.

The Valuation Balance sheet for the fiscal year ending May 31, 1945 follows:

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His Excellency, Edward Martin

ANNUAL VALUATION BALANCE SHEET  
of  
STATE EMPLOYEES' RETIREMENT SYSTEM  
as of  
MAY 31, 1945

ASSETS INCLUDING PRESENT VALUE OF FUTURE APPROPRIATIONS

Cash

Available.....\$ 1,936,825.67  
Closed or restricted depositories ..... 33,300.00 \$ 1,970,125.67

Investments

Bonds unmatured ..... \$39,265,000.00  
Bonds matured ..... 29,000.00  
Premiums paid on investments owned - \$426,444.33  
Less - Reserve for amortization - 187,038.72 239,405.61  
Total ..... 39,533,405.61

Interest Due and Accrued

Investments .....\$ 333,376.61  
Bank Balance ..... 413.24  
Due and unpaid ..... 26,575.00 360,364.85

Other Assets

Members' contributions in transit..... 162,997.66  
Prepaid Insurance ..... 1,204.09  
Due from Commonwealth -

(a) Interest deficiency.....\$733,495.08  
Less overage in M.A.R.A.... 65,181.39 \$ 668,313.69

(b) Present value of future appropriations  
S.A.R.A. #2..... 9,590,539.31

(c) Present value of future appropriations  
C.R.A..... 3,126,654.54 13,385,507.54

Total assets including present value of future appropriations.....\$55,413,535.48

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Third section of faint, illegible text, continuing the content from the previous section.

Fourth section of faint, illegible text, possibly containing a signature or a concluding statement.

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His Excellency, Edward Martin

ANNUAL VALUATION BALANCE SHEET  
of  
STATE EMPLOYEES' RETIREMENT SYSTEM  
as of  
MAY 31, 1945

---

ACCOUNT BALANCES AND PRESENT VALUE OF FUTURE APPROPRIATIONS

ACCOUNT BALANCES

Members' Annuity Savings Account.....	\$24,540,073.25	
Members' Annuity Reserve Account.....	2,579,900.00	
State Annuity Reserve Account Number Two.....	4,393,651.69	
Contingent Reserve Account.....	9,127,355.46	
State Annuity Reserve Account.....	677,839.00	
Annuities due and unpaid.....	3,840.53	
Reserve for outstanding checks.....	1,285.49	
Pennsylvania State Police Account.....	699,872.11	
Reserve for investment contingencies.....	<u>612,444.04</u>	
Total account balances.....	42,696,311.57	
Present value of future appropriations:		
S.A.R.A. #2.....	\$9,590,539.31	
C.R.A.....	<u>3,126,654.54</u>	<u>12,717,193.35</u>
Total account balances and present value of future appropriations.....		<u><u>55,413,505.42</u></u>



His Excellency, Edward Martin

ANNUAL VALUATION BALANCE SHEET

of

STATE EMPLOYEES' RETIREMENT SYSTEM

as of

MAY 31, 1945

---

ACTUARIAL RESERVES AND OTHER LIABILITIES

Members' Annuity Savings Account

Present value of benefits on account of which  
salary deductions have been accumulated .....\$24,540,073.25

Members' Annuity Reserve Account

Present value of members' annuities payable to  
members now on annuity roll because of:

Superannuation.....	\$1,608,130.00
Disability.....	216,795.00
Withdrawal.....	<u>754,975.00</u>

Total.....\$ 2,579,900.00

State Annuity Reserve Account Number Two

Present value of State annuities  
payable to original members:

(a) Not on annuity roll but  
who may receive annuities  
in the future because of:

Superannuation.....	\$7,800,923.00
Disability.....	93,021.00
Withdrawal - Active.....	304,343.00
Withdrawal - Inactive.....	<u>118,843.00</u>
	\$8,317,130.00

(b) Now on annuity roll because of

Superannuation.....	\$3,922,300.00
Disability.....	196,772.00
Withdrawal.....	<u>1,547,989.00</u>
	<u>5,667,061.00</u>

Total.....\$13,984,191.00

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His Excellency, Edward Martin

ANNUAL VALUATION BALANCE SHEET  
of  
STATE EMPLOYEES' RETIREMENT SYSTEM  
as of  
MAY 31, 1945

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ACTUARIAL RESERVE AND OTHER LIABILITIES  
(continued)

Contingent Reserve Account

Present value of State annuities  
payable to new members:

Not on annuity roll but who may  
receive annuities in the future  
because of:

Superannuation.....	\$8,641,354.00
Disability.....	999,435.00
Withdrawal - Active.....	2,574,624.00
Withdrawal - Inactive.....	<u>98,597.00</u>

Total.....\$12,314,010.00

State Annuity Reserve Account

Present value of State annuities  
payable to new members:

Now on annuity roll because of:

Superannuation.....	\$ 284,203.00
Disability.....	304,776.00
Withdrawal.....	<u>88,910.00</u>

Total.....\$ 677,889.00

Pennsylvania State Police Account

Total ..... 699,872.11

Other Liabilities

Annuities due and unpaid .....	\$ 3,840.53
Reserve for outstanding checks.....	1,285.49
Reserve for investment contingencies.....	<u>612,444.04</u>

Total ..... 617,570.06

Total actuarial reserves and other liabilities.....\$55,413,505.42

---



His Excellency, Edward Martin

CASH RECEIPTS AND DISBURSEMENTS

Year ending May 31, 1945

RECEIPTS

Members' contributions.....	\$3,367,504.83	
Interest on Bonds.....	1,235,197.41	
Income from Real Estate.....	9,020.00	
Premium on sale of Bonds.....	274,256.64	
State contributions - M.A.R.A.....	117,346.00	
State contributions - S.A.R.A. #2.....	1,216,000.00	
State contributions - C.R.A.....	625,638.71	
State contributions - P.S.P.....	75,000.00	\$ 6,918,963.59

DISBURSEMENTS

Members' withdrawals.....	\$ 951,260.44	
Superannuation payments.....	944,372.23	
Disability payments.....	85,610.69	
Involuntary payments.....	276,609.99	
P.S.P. payments.....	11,985.48	
Expense on real estate.....	5,828.97	
Accrued interest on bonds purchased.....	16,253.36	
Premium paid on bonds purchased.....	12,422.35	
Real estate charged off books.....	42,504.84	
Bond charged off books.....	10,000.00	<u>2,356,248.25</u>

Total receipts over disbursements.....\$ 4,562,115.24

Cash balance - May 31, 1944 .....	\$ 545,005.59	
Bonds - May 31, 1944.....	35,784,500.00	
Real Estate - May 31, 1944.....	372,504.84	<u>36,702,010.43</u>

Total.....341,264,125.67

Cash balance - May 31, 1945.....	1,970,125.67	
Bonds - May 31, 1945.....	39,294,000.00	<u>41,264,125.67</u>



His Excellency, Edward Martin

Respectfully submitted,  
STATE EMPLOYEES' RETIREMENT BOARD

*C. N. Morrison*

C. N. Morrison, Chairman

*R. A. Cox*

R. A. Cox

*Wm. A. Roll*

For Ramsey S. Black

*Adrian Bonnelly*

Adrian Bonnelly

*Marion Margery Scranton*

Marion Margery Scranton



1946

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Pennsylvania State Library  
DOCUMENTS SECTION

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF STATE  
STATE EMPLOYEES' RETIREMENT BOARD  
HARRISBURG

January 15, 1947

His Excellency  
John C. Bell  
Governor, Commonwealth of Pennsylvania  
Harrisburg, Pennsylvania

Dear Sir:

In compliance with the Act of June 27, 1923, P. L. 858, creating the State Employees' Retirement System and amendments thereto,

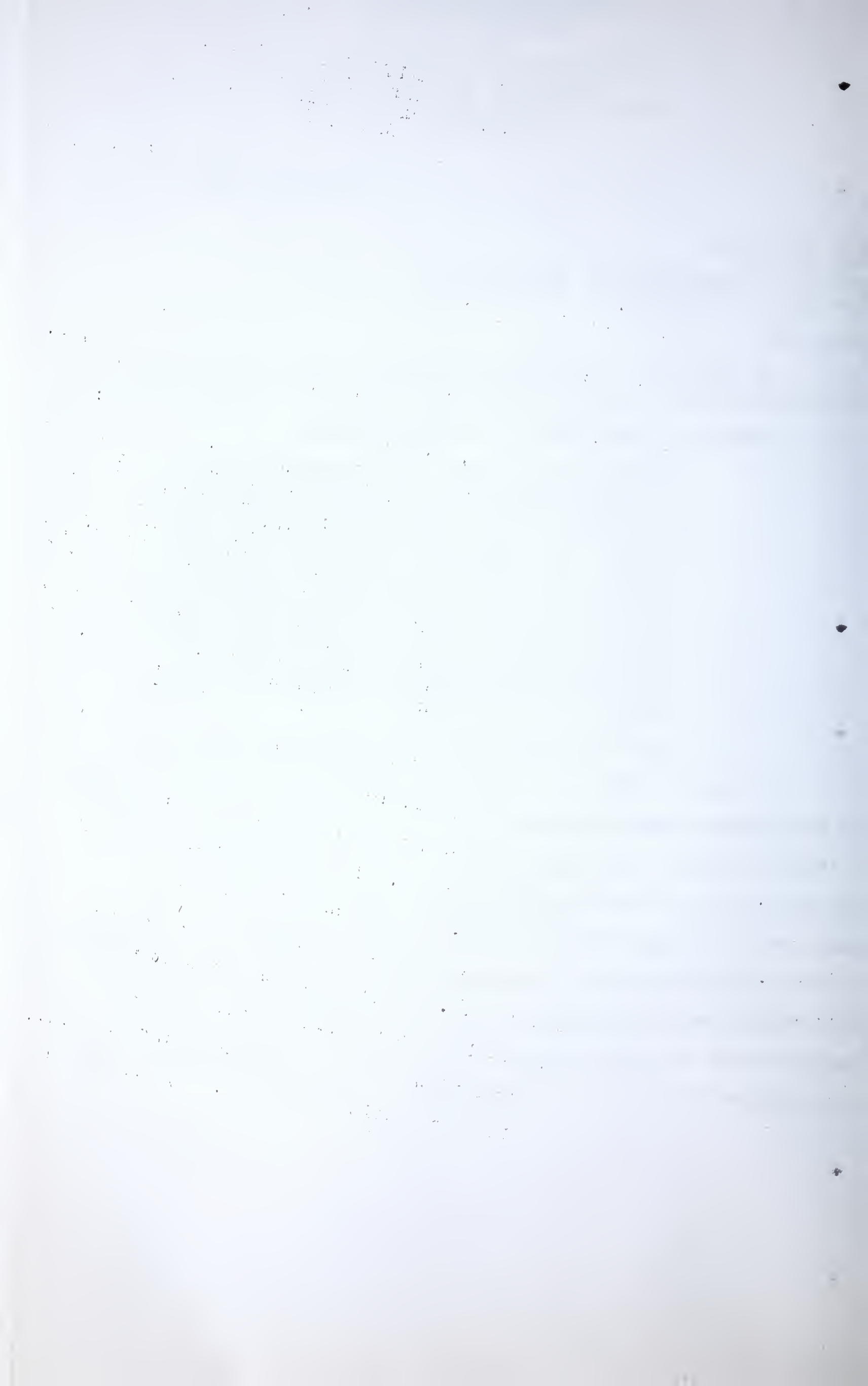
Section 4, subsection 9 of which provides:

"The retirement board shall publish annually a report showing the condition of the various funds created by this act, and setting forth such other facts, recommendations, and data as may be of use in the advancement of knowledge concerning State Employees' pensions and annuities, and said retirement board shall submit said report to the Governor of the Commonwealth of Pennsylvania, and shall file copies in the offices of the Secretary of State, of the State Insurance Department, and of the head of each department, for use of the State employees and the public."

the following report is respectfully submitted.

On May 31, 1946, the number of members of this System classed as contributors, was 28,139 and the number of pensioners was 1,552, a total of 29,691. The total assets of the Fund amounted to \$65,404,673.83 of which \$44,370,302.46 represents the book value of bonds owned and \$440,978.12 is cash in banks, a total of \$44,811,280.58. \$18,319,110.01 represents the present value of future contributions receivable from the Commonwealth and other contributing agencies, together with "Due from Commonwealth" M.A.R.A., \$279,946.20 and the net interest deficiency of \$1,293,871.46, a total of

38-52  
11





His Excellency, John C. Bell

19,892,927.67. The Retirement Fund now owns no real estate, having disposed of the one property formerly owned. The following is a summary of the par value of the bonds owned:

United States Treasury .....	37,760,000.00	85.5%
All other Pennsylvania Municipal and County Bonds.....	<u>6,396,000.00</u>	<u>14.5</u>
	<u>44,156,000.00</u>	<u>100.0%</u>

The funds of the Retirement System have been invested in accordance with the Act of June 27, 1923, P.L. 858, Section 6, subsection 1: The Administrative Code, Art. VII, Section 701, subsection F; and the Act of April 25, 1929, P. L. 723.

The annuitants on the roll as of May 31, 1946, and the amounts of their annuities were as follows:

	<u>Nos.</u>	<u>annuities</u>
Superannuation annuitants .....	971	887,223.10
Disabled annuitants .....	183	96,607.53
Involuntary retirement beneficiaries..	<u>398</u>	<u>229,677.79</u>
Total.....	<u>1,552</u>	<u>1,213,508.42</u>

In addition there were 5 beneficiaries receiving Pennsylvania State Police Death Benefits.

From June 1, 1945, to May 31, 1946, the Retirement Board:

(a) Certified 3,898 new members:

(b) Approved for payment 2,573,613.61 to 7,216 members who had terminated their employment with the Commonwealth and applied for the return of their contributions; and

(c) Approved 171 applications for retirement allowances.

The Valuation Balance sheet for the fiscal year ending May 31, 1946, follows:



His Excellency, John C. Bell

ANNUAL VALUATION BALANCE SHEET

of

STATE EMPLOYEES' RETIREMENT SYSTEM

as of

MAY 31, 1946

ASSETS INCLUDING PRESENT VALUE OF FUTURE APPROPRIATIONS

Cash

Available .....	28,967.75	
Closed or restricted depositories .....	<u>12,010.37</u>	440,973.12

Investments

Bonds unmatured .....	44,130,000.00	
Bonds matured .....	26,000.00	
Premiums paid on investments owned.....	393,404.32	
Loss - Reserve for amortization .....	<u>179,101.86</u>	<u>214,302.46</u>
Total .....		44,370,302.46

Interest Due and Accrued

Investments .....	430,322.55	
Bank Balance.....	933.80	
Due and unpaid .....	<u>30,875.00</u>	462,131.35

Other Assets

Member's contributions in transit.....		238,334.23
Due from Commonwealth -		
(a) Interest deficiency .....	1,295,371.46	
(b) M. A. R. A.....	<u>279,946.20</u>	1,573,817.66
Present value of future appropriations		
S.A.R.A. #2 .....	10,930,070.85	
Present value of future appropriations		
C.R.A.....	<u>7,389,039.16</u>	<u>18,319,110.01</u>
Total assets including present value of future appropriations .....		<u>365,404,673.33</u>



His Excellency, John C. Bell

ANNUAL VALUATION BALANCE SHEET  
of  
STATE EMPLOYES' RETIREMENT SYSTEM  
as of  
MAY 31, 1946

ACCOUNT BALANCES AND PRESENT VALUE OF FUTURE APPROPRIATIONS

ACCOUNT BALANCES

Members' Annuity Savings Account.....	26,200,771.16
Members' Annuity Reserve Account.....	3,256,653.00
State Annuity Reserve Account Number Two.....	4,710,901.15
Contingent Reserve Account.....	10,347,404.84
State Annuity Reserve Account .....	925,100.00
Annuities due and unpaid.....	3,269.60
Reserve for outstanding checks .....	517.41
Pennsylvania State Police Account.....	784,577.99
Casualty Premium Tax Credit to P.S.P.....	117,222.18
Reserve for investment contingencies .....	<u>739,146.49</u>
Total account balances.....	47,085,563.82
Present value of future appropriations:	
S.A.R.A. #2 .....	10,930,070.85
C.R.A.....	<u>7,389,039.16</u>
	<u>18,319,110.01</u>
Total account balances and present values of future appropriations .....	<u>65,404,673.83</u>

### Introduction

The purpose of this study is to investigate the effects of various factors on the performance of the system.

### Methodology

The study was conducted using a series of experiments designed to measure the impact of different variables.

The first experiment focused on the relationship between the input parameters and the output results.

The results of this experiment are summarized in the following table:

Table 1: Results of Experiment 1

Table 2: Results of Experiment 2

Table 3: Results of Experiment 3

Table 4: Results of Experiment 4

Table 5: Results of Experiment 5

Table 6: Results of Experiment 6

Table 7: Results of Experiment 7

Table 8: Results of Experiment 8

Table 9: Results of Experiment 9

Table 10: Results of Experiment 10

Table 11: Results of Experiment 11

### Conclusion

The study has shown that the system's performance is significantly affected by the input variables.

Further research is needed to explore the underlying mechanisms of these effects.

The authors would like to thank the funding agency for their support in conducting this research.

His Excellency, John C. Bell

ANNUAL VALUATION BALANCE SHEET  
of  
STATE EMPLOYEES' RETIREMENT SYSTEM  
as of  
MAY 31, 1946

ACTUARIAL RESERVES AND OTHER LIABILITIES

Members' Annuity Savings Account

Present value of benefits on account of which  
salary deductions have been accumulated ..... \$26,200,771.16

Members' Annuity Reserve Account

Present value of members' annuities payable to  
members now on annuity roll because of:

Superannuation.....	\$2,179,899.00
Disability .....	243,297.00
Withdrawal .....	<u>833,457.00</u>

Total ..... \$3,256,653.00

State Annuity Reserve Account Number Two

Present value of state annuities  
payable to original members:

(a) Not on annuity roll but  
who may receive annuities  
in the future because of:

Superannuation .....	\$8,674,034.00
Disability.....	35,463.00
Withdrawal - Active...	212,235.00
Withdrawal - Inactive	<u>27,875.00</u>
	\$8,999,547.00

(b) Now on annuity roll because of:

Superannuation	\$4,797,349.00
Disability	201,474.00
Withdrawal	<u>1,642,602.00</u>
	<u>6,641,425.00</u>

Total..... \$15,640,972.00





His Excellency, John C. Bell

ANNUAL VALUATION BALANCE SHEET  
of  
STATE EMPLOYEES' RETIREMENT SYSTEM  
as of  
MAY 31, 1946

ACTUARIAL RESERVE AND OTHER LIABILITIES  
(continued)

Contingent Reserve Account

Present value of state annuities  
payable to new members:

Not on annuity roll but who may  
receive annuities in the future  
because of:

Superannuation.....	14,350,428.00
Disability.....	1,218,267.00
Withdrawal - Active.....	2,151,931.00
Withdrawal - Inactive.....	<u>15,758.00</u>

Total..... 17,736,444.00

State Annuity Reserve Account

Present value of state annuities  
payable to new members:

Now on annuity roll because of:

Superannuation.....	437,750.00
Disability.....	377,359.00
Withdrawal.....	<u>109,951.00</u>

Total..... 925,100.00

Pennsylvania State Police Account

Total..... 784,577.99

Other Liabilities

Casualty Premium Tax Credit P.S.P.....	117,222.18
Annuities due and unpaid.....	3,269.60
Reserve for outstanding checks.....	517.41
Reserve for investment contingencies..	<u>739,146.49</u>

Total..... 860,155.68

Total actuarial reserves and other liabilities 165,404,673.85



His Excellency, John C. Bell

CASH RECEIPTS AND DISBURSEMENTS

Year ending May 31, 1946

RECEIPTS

Members' contributions.....	\$3,800,905.69	
Interest on bonds.....	1,072,105.48	
Premium on sale of bonds.....	171,962.41	
State contributions - S.A.R.A. #2...	931,100.00	
State contributions - C.R.A.....	1,088,590.43	
State contributions - P.S.P.....	50,000.00	
Casualty Premium Tax Creditable to PSPs.....	117,222.18	
Prepaid Insurance .....	1,204.09	
Redeposit of checks.....	21.53	
		<u>7,233,111.81</u>

DISBURSEMENTS

Members' withdrawals.....	2,573,613.61	
Superannuation payments.....	897,109.54	
Disability payments.....	94,564.43	
Involuntary payments.....	248,821.36	
P.S.P. payments.....	14,479.57	
Investment expense.....	284.85	
Accrued interest on bonds purchased.....	31,612.01	
Premium paid on bonds purchased.....	38,984.38	
Check issued in lieu of outdated checks.....	789.61	
		<u>3,900,259.36</u>
Total receipts over disbursements.....		3,332,852.45
Cash balance - May 31, 1945.....	1,970,125.67	
Bonds - May 31, 1945.....	39,294,000.00	
		<u>41,264,125.67</u>
Total.....		<u>44,596,978.12</u>
Cash balance - May 31, 1946 .....	440,978.12	
Bonds - May 31, 1946.....	44,156,000.00	
Total.....		<u>44,596,978.12</u>


In accordance with Section 4 of the State Employees' Retirement Law, the fourth quinquennial investigation covering the period June 1, 1940, to May 31, 1945, has been made by the actuary of the retirement fund. The complete report is on file in the office of the Secretary of the Board.




His Excellency, John C., Bell

On the basis of the findings and the recommendations of the actuary, the Retirement Board has adopted higher rates for determining the reserves required to provide the benefits outlined under the retirement plan. The higher basis of reserves is necessary principally to provide for the increasing longevity among the members of the Retirement System and an anticipated lower rate of withdrawal from service.

Respectfully submitted,  
STATE EMPLOYEES' RETIREMENT BOARD

  
G. H. Harrison, Chairman

  
E. H. Cox

  
Adrian Bonnelly

  
Ramsey S. Black

  
H. M. Seranton



1947

C. 2

DOCUMENTS SECTION  
COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF STATE  
STATE EMPLOYEES' RETIREMENT BOARD  
HARRISBURG

November 10, 1947

His Excellency  
James H. Duff  
Governor, Commonwealth of Pennsylvania  
Harrisburg, Pennsylvania

Dear Sir:

The following report is respectfully submitted in compliance with the Act of June 27, 1923, P. L. 858, creating the State Employees' Retirement System and amendments thereto,

Section 4, subsection 9 which provides:

"The retirement board shall publish annually a report showing the condition of the various funds created by this act, and setting forth such other facts, recommendations, and data as may be of use in the advancement of knowledge concerning State Employees' Pensions and Annuities, and said retirement Board shall submit said report to the Governor of the Commonwealth of Pennsylvania, and shall file copies in the offices of the Secretary of State, of the State Insurance Department, and of the head of each department, for use of the State employees and the public."

On May 31, 1947, the number of members of this System classed as contributors was 32,191 and the number of pensioners was 1,625, a total of 33,816. The total assets of the Fund amounted to \$74,829,283.58 of which \$49,555,412.93 represents the book value of bonds, \$100 the book value of stocks and \$729,535.95 is cash in banks, a total of \$50,285,048.88. \$22,053,368.18 represents the present value of future contributions receivable from the Commonwealth and other contributing agencies. The asset item of \$1,768,326.96 includes two items, \$1,566,922.19 and \$201,404.77. The first

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T. C. C.

THE UNIVERSITY OF CHICAGO  
DEPARTMENT OF CHEMISTRY  
RESEARCH REPORT

NO. 1000

1955

BY

1955

THE UNIVERSITY OF CHICAGO  
DEPARTMENT OF CHEMISTRY  
RESEARCH REPORT

NO. 1000

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His Excellency, James H. Duff

item is the amount required to supplement the actual earnings on the invested reserve funds to provide the credits at the regular interest rate of 4% on the several account balances for the years ending May 31, 1945, 1946 and 1947. The second item is the amount required to increase the balance in the Members' Annuity Reserve Account up to the required reserve.

As of May 31, 1947, the Members' Annuity Savings Account was \$29,745,277.85. This is made up of members' contributions and interest thereon. Adding to this the Members' Annuity Reserve Account of \$3,599,335.43, there is a combined total of \$33,344,613.28 accumulated from members' contributions.

The following is a summary of the par value of the bonds owned:

United States Treasury...	\$43,245,000.00	87.8%
All other Bonds - Pennsylvania		
Municipal and County.....	<u>5,989,000.00</u>	<u>12.2</u>
	<u>\$49,234,000.00</u>	<u>100.0%</u>

The balance in the account representing the premiums paid on bonds purchased less the reserve for the amortization of such premiums is \$321,412.93. This brings the par values of the bonds up to a total book value of \$49,555,412.93.

The funds of the Retirement System have been invested in accordance with the Act of June 27, 1923, P. L. 858, Section 6, subsection 1: The Administrative Code, Art. VII, Section 701, subsection F; and the Act of April 25, 1929, P. L. 723.

The annuitants on the roll as of May 31, 1947, and the amounts of their annuities were as follows:

The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that every entry should be supported by a valid receipt or invoice. This ensures transparency and allows for easy verification of the data. The second part of the document provides a detailed breakdown of the financial data for the quarter. It includes a table showing the revenue generated from various sources, as well as the associated costs and expenses. The final part of the document concludes with a summary of the overall financial performance and a recommendation for future actions.

Category	Revenue	Costs	Net Profit
Product Sales	\$120,000	\$80,000	\$40,000
Service Fees	\$80,000	\$50,000	\$30,000
Licensing	\$50,000	\$20,000	\$30,000
Other Income	\$20,000	\$10,000	\$10,000
<b>Total</b>	<b>\$270,000</b>	<b>\$160,000</b>	<b>\$110,000</b>

The data presented in the table above shows a strong performance across all categories. The revenue generated from product sales is particularly noteworthy, as it represents the largest portion of the total income. The costs associated with these sales are well-managed, resulting in a healthy profit margin. The service fees and licensing income also contribute significantly to the overall financial success. The other income category, while smaller, provides an additional source of revenue. The net profit of \$110,000 for the quarter is a testament to the company's operational efficiency and strategic focus on high-margin activities. Moving forward, it is recommended that the company continue to invest in product development and marketing to further expand its market reach and increase its revenue.

In conclusion, the financial performance of the company for the quarter has been excellent. The combination of strong revenue growth and effective cost management has resulted in a significant increase in net profit. The company's focus on core business activities and its commitment to operational excellence are key factors in this success. The management team is pleased with the results and is confident that the company is well-positioned for continued growth in the future. The detailed financial statements and supporting documents are attached for your review and approval.

His Excellency, James H. Duff

	<u>Nos.</u>	<u>Amounts of annuities</u>
Superannuation annuitants .....	1,026	\$1,002,915.49
Disabled annuitants....	192	100,130.37
Involuntary retirement beneficiaries.	<u>407</u>	<u>238,462.42</u>
Total.....	<u>1,625</u>	<u>\$1,341,508.28</u>

In addition there were 5 beneficiaries receiving Pennsylvania State Police Benefits.

From June 1, 1946, to May 31, 1947, the Retirement Board:

(a) Certified 8,415 new members:

(b) Approved for payment \$1,764,067.97 to 5,154 members who had terminated their employment with the Commonwealth and applied for the return of their contributions; and

(c) Approved 178 applications for retirement allowances.

The valuation balance sheet for the fiscal year ending May 31, 1947 follows:



His Excellency, James H. Duff

ANNUAL VALUATION BALANCE SHEET

of

STATE EMPLOYEES' RETIREMENT SYSTEM

as of

May 31, 1947

ASSETS INCLUDING PRESENT VALUE OF FUTURE APPROPRIATIONS

Cash

Available.....	\$719,116.95	
Closed or restricted depositories.....	<u>10,419.00</u>	\$ 729,535.95

Investments

Bonds unmatured.....	\$49,211,000.00	
Bonds matured .....	23,000.00	
Premiums paid on investments owned....	\$ 514,431.90	
Less - Reserve for amortization.....	<u>193,018.97</u>	321,412.93
Stock		<u>100.00</u>

Total..... \$49,555,512.93

Interest Due and Accrued

Investments..... \$ 503,239.91

Other Assets

Members' contributions in transit..... \$ 219,299.65  
Due from Commonwealth -

(a) Interest deficiency .....	\$ 1,566,922.19	
(b) M. A R. A.....	<u>201,404.77</u>	\$ 1,768,326.96

Present Value of future appropriations

S.A.R.A. #2.....	11,395,217.32	
C.R.A.....	<u>10,658,150.86</u>	<u>\$22,053,368.18</u>

Total assets including present value  
of future appropriations..... \$74,829,283.58

1912

The first part of the year was spent in the  
 study of the history of the country and  
 the progress of the various industries.  
 The second part was devoted to the  
 study of the natural history of the  
 country and the progress of the  
 various industries. The third part  
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 study of the natural history of the  
 country and the progress of the  
 various industries.

His Excellency, James H. Duff

ANNUAL VALUATION BALANCE SHEET  
of  
STATE EMPLOYEES' RETIREMENT SYSTEM  
as of  
May 31, 1947

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ACCOUNT BALANCES AND PRESENT VALUE OF FUTURE APPROPRIATIONS

ACCOUNT BALANCES

Members' Annuity Savings Account.....	29,745,277.85
Members' Annuity Reserve Account .....	3,670,794.00
State Annuity Reserve Account Number Two.....	4,962,265.68
Contingent Reserve Account.....	11,724,278.14
State Annuity Reserve Account.....	1,020,463.00
Annuities due and unpaid.....	41,026.28
Reserve for outstanding checks.....	849.72
Casualty Premium Tax Credit to P.S.P.....	1,429.44
Pennsylvania State Police Account.....	873,128.84
Reserve for investment contingencies.....	736,402.45
Total account balances.....	52,775,915.40
Present value of future appropriations:	
S.A.R.A. #2... ..	11,395,217.32
C.R.A.....	<u>10,658,150.86</u>
	<u>22,053,368.18</u>
Total account balance and present values of future appropriations.....	<u>74,829,283.58</u>

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His Excellency, James H. Duff

ANNUAL VALUATION BALANCE SHEET

of

STATE EMPLOYES' RETIREMENT SYSTEM

as of

May 31, 1947

ACTUARIAL RESERVES AND OTHER LIABILITIES

Members' Annuity Savings Account

Present value of benefits on account of which  
salary deductions have been accumulated ..... 29,745,277.85

Members' Annuity Reserve Account

Present value of members' annuities payable to  
members now on annuity roll because of:

Superannuation.. .....	32,560,562.00
Disability.....	254,188.00
Withdrawal .....	<u>856,044.00</u>

Total..... } 3,670,794.00

State Annuity Reserve Account Number Two

Present Value of state annuities payable to  
original members:

(a) Not on annuity roll but who  
may receive annuities in the  
future because of:

Superannuation..	9,080,729.00
Disability.....	85,609.00
Withdrawal	
Active.....	204,009.00
Withdrawal	
Inactive.....	<u>40,449.00</u> 39,410,796.00

(b) Now on annuity roll because of:

Superannuation..	5,078,842.00
Disability.....	198,655.00
Withdrawal.....	<u>1,669,190.00</u> <u>6,946,687.00</u>

Total ..... 16,357,483.00

Dear Sir,

I am writing to you regarding the matter of the

contract for the supply of

materials for the construction of the

new building at the site of the

factory in the town of

London. I have received your letter of the

15th inst. and am sorry to hear that

you are unable to supply the materials

at the price which you have quoted.

I am sorry to hear that you are

unable to supply the materials at the

price which you have quoted.

I am sorry to hear that you are

unable to supply the materials at the

price which you have quoted.

I am sorry to hear that you are

unable to supply the materials at the

price which you have quoted.

I am sorry to hear that you are

unable to supply the materials at the

price which you have quoted.

I am sorry to hear that you are

His Excellency, James H. Duff

ANNUAL VALUATION BALANCE SHEET  
of  
STATE EMPLOYES' RETIREMENT SYSTEM  
as of  
May 31, 1947

ACTUARIAL RESERVES AND OTHER LIABILITIES  
(continued)

Contingent Reserve Account

Present value of state annuities  
payable to new members:

Not on annuity roll but who may  
receive annuities in the future  
because of:

Superannuation.....	318,417,809.00
Disability.....	1,511,815.00
Withdrawal - Active.....	2,390,666.00
Withdrawal - Inactive.....	<u>62,139.00</u>

Total..... 22,382,429.00

State Annuity Reserve Account

Present value of state annuities  
payable to new members:

Now on annuity roll because of:

Superannuation.....	515,875.00
Disability.....	404,378.00
Withdrawal.....	<u>100,210.00</u>

Total..... 1,020,463.00

Pennsylvania State Police Account

Total..... 873,128.84

Other Liabilities

Casualty Premium Tax Credit P.S.P.....	1,429.44
Annuities and Refunds under Option 1 due and unpaid.....	41,026.28
Reserve for outstanding checks.....	849.72
Reserve for investment contingencies.....	<u>736,402.45</u>

Total..... 779,707.89

Total Actuarial Reserves and other Liabilities..... 574,829,283.58

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His Excellency, James H. Duff

CASH RECEIPTS AND DISBURSEMENTS

Year ending May 31, 1947

RECEIPTS

Members' contributions.....	4,721,876.30	
Interest on bonds .....	1,236,284.99	
Premium on sale of bonds .....	3,220.00	
State contributions - S.A.R.A. #2 .....	940,828.00	
State contributions - C.R.A.....	1,122,464.42	
State contributions - P.S.P.....	50,000.00	
State contributions - M.A.R.A.....	150,000.00	
State contributions - operating account..	378,022.00	
Casualty premium Tax Creditable to P.S.P.	108,748.00	
Redeposit of checks.....	<u>332.31</u>	8,711,836.02

DISBURSEMENTS

Members' withdrawal refunds.....	1,764,067.97	
Superannuation allowances.....	993,427.57	
Disability allowances.....	100,840.13	
Involuntary allowances.....	296,934.53	
P.S.P. allowances.....	17,279.56	
Accrued interest on bonds purchased.....	38,369.87	
Premium paid on bonds purchased.....	133,945.33	
Investment expense.....	<u>313.23</u>	<u>3,345,178.19</u>
Total receipts over disbursements.....		5,366,657.83
Cash balance - May 31, 1946.....	440,978.12	
Bonds owned - May 31, 1946.....	<u>44,156,000.00</u>	<u>44,596,978.12</u>
Total.....		<u>49,963,635.95</u>
Cash balance - May 31, 1947.....	729,535.95	
Bonds owned - May 31, 1947.....	49,234,000.00	
Stocks owned - May 31, 1947.....	<u>100.00</u>	
Total .....		<u>49,963,635.95</u>

In accordance with Section 4 of the State Employees' Retirement Law, the fourth quinquennial investigation covering the period June 1, 1940, to May 31, 1945, has been made by the actuary of the retirement fund. The complete report is on file in the office of the Secretary of the Board.

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His Excellency, James H. Duff

In accordance with the Act under which the State Employes' Retirement System is being administered extensive studies of the mortality and service experience of the retirement system are made at the end of each five year period. On the basis of such experience the rates of members contributions, reserves and appropriation askings are determined. The experience of the Retirement Fund especially as revealed by the last five year study showed marked increases in the longevity of active members, as well as the pensioners and other annuitant lives.

It has been necessary, therefore, for the Retirement Board to adopt higher rates for determining the reserves required to provide the benefits payable to members and beneficiaries now on the retirement roll, and to be paid in the future to those members who are not yet on the pension roll.


For like reasons it has been necessary for the Retirement Board to adopt a new set of rates of contribution, effective June 1, 1948, applicable to State employes who become members of the Retirement System on and after that date. These rates are not applicable retroactively to those already carrying membership in the Retirement System.

Respectfully submitted,  
STATE EMPLOYES' RETIREMENT BOARD

  
\_\_\_\_\_  
C. M. Merrison, Chairman

  
\_\_\_\_\_  
R. A. Cox

\_\_\_\_\_  
Adrian Bonnelly

  
\_\_\_\_\_  
Ramsey S. Black

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P4 R438.76  
1948  
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Pennsylvania State Library  
DOCUMENTS SECTION  
COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF STATE  
STATE EMPLOYEES' RETIREMENT BOARD  
HARRISBURG

November 10, 1948

His Excellency  
James H. Duff  
Governor, Commonwealth of Pennsylvania  
Harrisburg, Pennsylvania

Dear Sir:

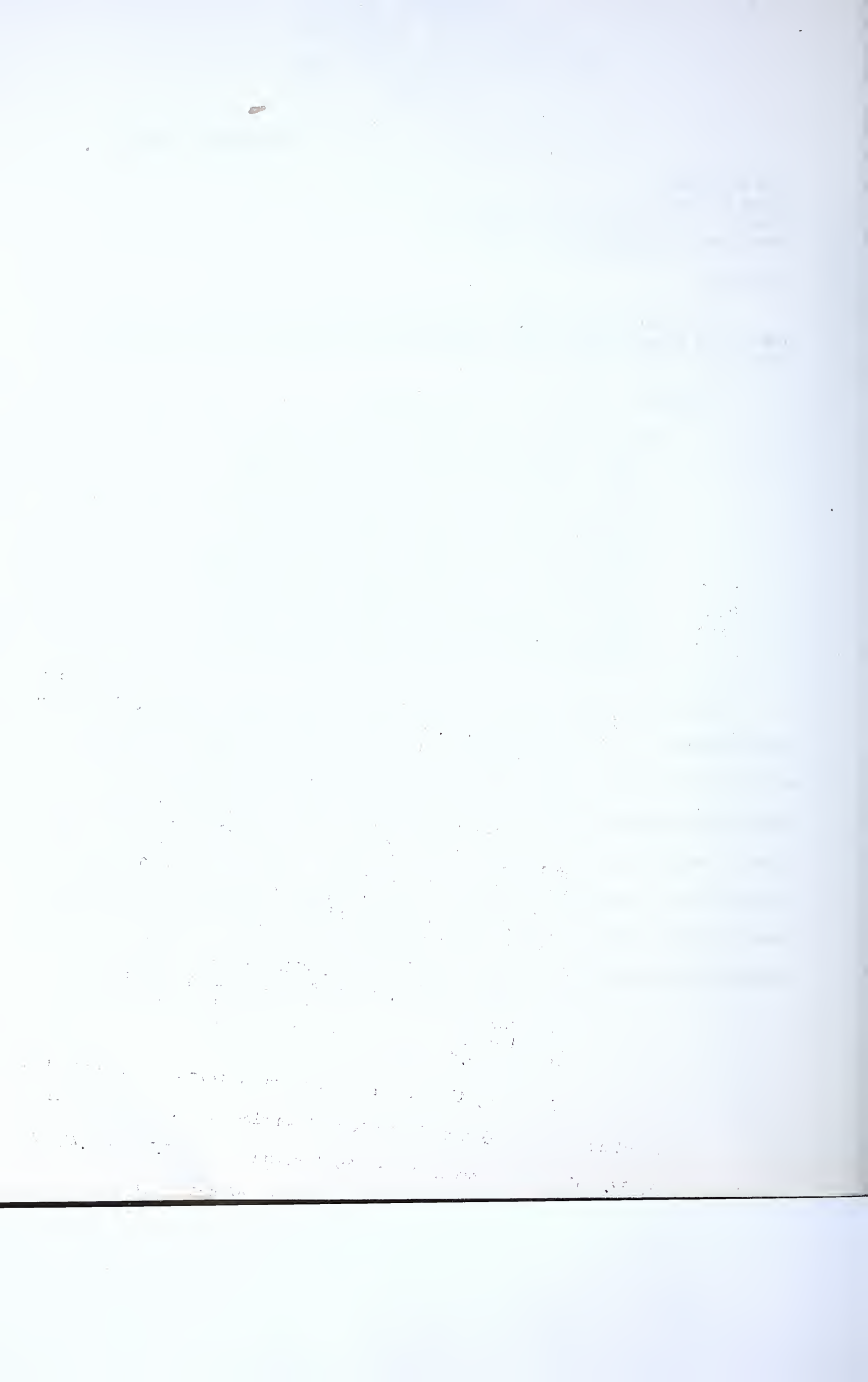
The following report is respectfully submitted in compliance with the Act of June 27, 1923, P. L. 658, creating the State Employees' Retirement System and amendments thereto,

Section 4, subsection 9 which provides:

"The retirement board shall publish annually a report showing the condition of the various funds created by this act, and setting forth such other facts, recommendations, and data as may be of use in the advancement of knowledge concerning State Employees' Pensions and Annuities, and said retirement Board shall submit said report to the Governor of the Commonwealth of Pennsylvania, and shall file copies in the offices of the Secretary of State, of the State Insurance Department, and of the head of each department, for use of the State employees and the public."

On May 31, 1948, the number of members of this System classed as contributors was 37,303 and the number of pensioners was 1,734, a total of 39,037. The total assets of the Fund amounted to \$87,138,530.41 of which \$56,432,348.69 represents the book value of bonds, \$100 the book value of stocks and \$789,709.48 is cash in banks, a total of \$57,222,158.17. \$26,402,180.22 represents the present value of future contributions receivable from the Commonwealth and other contributing agencies. The asset item of \$2,680,643.02 includes two items, \$2,349,137.43 and \$331,505.59. The first

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His Excellency, James H. Duff

item is the amount required to supplement the actual earnings together with the accrued interest on the invested reserve funds to provide the credits at the regular interest rate of 4% on the several account balances for the years ending May 31, 1945, 1946, 1947 and 1948. The second item is the amount required to increase the balance in the Member's Annuity Reserve Account up to the required reserve.

As of May 31, 1948, the Member's Annuity Saving Account was \$34,432,458.76. This is made up of members' contributions and interest thereon. Adding to this the Member's Annuity Reserve Account of \$3,920,446.16, there is a combined total of \$38,352,904.96 accumulated from members' contributions.

The following is a summary of the par value of the bonds owned:

United States Treasury Bonds.....	248,310,000.00	86.1%
Pennsylvania Municipal and County Bonds.....	7,269,000.00	13.0
New York Municipal Bonds.....	<u>500,000.00</u>	<u>0.9</u>
	<u>256,079,000.00</u>	<u>100.0%</u>

The balance in the account representing the premiums paid on bonds purchased less the reserve for the amortization of such premiums is \$353,348.69. This brings the par values of the bonds up to a total book value of \$56,432,348.69.

The funds of the Retirement System have been invested in accordance with the Act of June 27, 1923, P. L. 858, Section 6, Subsection 1; The Administrative Code, Art. VII, Section 701, Subsection F; and the Act of April 25, 1929, P. L. 723.

# THE HISTORY OF THE UNITED STATES

The history of the United States is a complex and multifaceted story that spans centuries. It begins with the early Native American civilizations, such as the Mayans, Aztecs, and Incas, who developed advanced societies in Central and South America. In North America, the Iroquois Confederacy and other tribal nations established their own forms of governance and social organization.

The arrival of European explorers in the late 15th and early 16th centuries marked the beginning of a new chapter in the history of the continent. Christopher Columbus's voyage in 1492 opened the way for Spanish colonization, while other explorers like John Cabot and Vasco da Gama paved the way for British and Portuguese interests. The establishment of permanent European settlements, such as Jamestown in 1607 and Plymouth in 1620, laid the foundation for the future United States.

The 17th century was a period of significant growth and development for the young colonies. The Pilgrims and Puritans sought religious freedom and self-governance, leading to the creation of the Mayflower Compact and the Massachusetts Bay Colony. The Dutch, French, and Swedish also established colonies, each with its own unique characteristics and challenges.

The 18th century was a time of increasing tension between the colonies and Great Britain. The British imposed a series of taxes and regulations, such as the Stamp Act and the Tea Act, which fueled the growing sense of discontent and resistance among the colonists. The Boston Tea Party and the Intolerable Acts further escalated the conflict, leading to the outbreak of the American Revolutionary War in 1775.

The American Revolution was a pivotal moment in the history of the United States. It resulted in the Declaration of Independence in 1776 and the establishment of a new nation. The war was fought against the British, and the United States emerged as a sovereign and independent state. The Constitution was drafted in 1787, providing a framework for the new government and ensuring the protection of individual liberties.

The 19th century was a period of rapid expansion and growth for the United States. The westward movement, driven by the desire for land and opportunity, led to the discovery of gold in California and the settlement of the Great Plains. The Industrial Revolution transformed the economy, bringing about significant changes in technology, industry, and society. The Civil War, fought between 1861 and 1865, was a defining moment in the nation's history, as it resolved the issue of slavery and preserved the Union.

The 20th century has been a time of great change and progress for the United States. The country emerged as a global superpower, playing a leading role in the world during the Cold War. The space race, the civil rights movement, and the Vietnam War were among the major events that shaped the nation's identity and influence. Today, the United States continues to be a leading nation in the world, facing new challenges and opportunities in the 21st century.

His Excellency, James H. Duff

The annuitants on the roll as of May 31, 1948, and amounts of their annuities were as follows:

	<u>Nos.</u>	<u>Amounts of annuities</u>
Superannuation annuitants.....	1,102	\$1,084,988.05
Disabled annuitants.....	213	116,402.24
Involuntary retirement beneficiaries....	<u>419</u>	<u>241,731.37</u>
Total.....	<u>1,734</u>	<u>\$1,443,121.66</u>

In addition there were 7 beneficiaries receiving Pennsylvania State Police benefits.

From June 1, 1947 to May 31, 1948, the Retirement Board:

(a) Certified 9,831 new members;

(b) Approved for payment \$1,542,990.71 to 5,268 members who had terminated their employment with the Commonwealth and applied for the return of their contributions; and

(c) Approved 180 applications for retirement allowances.

The valuation balance sheet for the fiscal year ending May 31, 1948 follows:

1. The first part of the report is devoted to a general survey of the situation in the country.

2. The second part is devoted to a detailed study of the economic situation.

3. The third part is devoted to a study of the social situation.

4. The fourth part is devoted to a study of the political situation.

5. The fifth part is devoted to a study of the cultural situation.

6. The sixth part is devoted to a study of the international situation.

7. The seventh part is devoted to a study of the future of the country.

8. The eighth part is devoted to a study of the future of the world.

9. The ninth part is devoted to a study of the future of the human race.

10. The tenth part is devoted to a study of the future of the universe.

11. The eleventh part is devoted to a study of the future of the earth.

12. The twelfth part is devoted to a study of the future of the solar system.

13. The thirteenth part is devoted to a study of the future of the galaxy.

14. The fourteenth part is devoted to a study of the future of the universe.

15. The fifteenth part is devoted to a study of the future of the world.

16. The sixteenth part is devoted to a study of the future of the human race.

17. The seventeenth part is devoted to a study of the future of the universe.

His Excellency, James H. Duff

ANNUAL VALUATION BALANCE SHEET  
of  
STATE EMPLOYEES' RETIREMENT SYSTEM

as of  
May 31, 1948

---

ASSETS INCLUDING PRESENT VALUE OF FUTURE APPROPRIATIONS

Cash.....\$ 789,709.48

Investments

Bonds unmatured..... \$56,059,000.00  
Bonds matured..... 20,000.00  
Premiums paid on  
investments owned..... \$562,816.13  
Less - Reserve for  
amortization..... 209,467.44 353,348.69  
Stock..... 100.00

Total.....\$56,432,448.69

Interest Due and Accrued

Investments.....\$ 573,395.78

Other Assets

Members' contributions in transit.....\$ 260,153.22  
Due from Commonwealth...

(a) Interest deficiency.....\$ 2,349,137.43  
(b) M. A. R. A..... 331,505.59 \$ 2,580,643.02

Present Value of future appropriations

S.A.R.A. #2 .....\$11,790,467.56  
C.R.A..... 14,611,712.66 \$26,402,180.22

Total assets including present value  
of future appropriations..... \$87,138,530.41

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His Excellency, James H. Duff

ANNUAL VALUATION BALANCE SHEET  
of  
STATE EMPLOYEES' RETIREMENT SYSTEM  
as of  
May 31, 1948

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ACCOUNT BALANCES AND PRESENT VALUE OF FUTURE APPROPRIATIONS

ACCOUNT BALANCES

Members' Annuity Savings Account.....	334,432,458.78	
Members' Annuity Reserve Account.....	4,050,547.00	
State Annuity Reserve Account Number Two.....	5,361,769.44	
Contingent Reserve Account.....	13,591,684.34	
State Annuity Reserve Account.....	1,310,311.00	
Annuities due and unpaid.....	66,031.43	
Reserve for outstanding checks.....	1,193.70	
Pennsylvania State Police Account.....	1,196,316.53	
Reserve for investment contingencies.....	726,037.97	
Total account balances.....	360,736,350.19	
Present value of future appropriations:		
S.A.R.A. #2.....	11,790,467.56	
C.R.A.....	<u>14,611,712.66</u>	<u>26,402,180.22</u>
Total account balance and present values of future appropriations.....		<u>387,128,530.41</u>

THE UNIVERSITY OF CHICAGO

1950

The following table shows the results of the survey conducted in the year 1950. The data is presented in a tabular format, with the first column representing the category of respondents and the second column representing the percentage of respondents in that category. The total number of respondents is 1000.

Category	Percentage
Male	52%
Female	48%
Under 20	15%
20-30	35%
31-40	25%
41-50	18%
51-60	7%
61-70	3%
71 and over	2%

The survey also included questions regarding the respondents' educational attainment and their current occupation. The results of these questions are summarized in the following table:

Question	Response	Percentage
Highest level of education completed	High school or less	25%
	College or higher	75%
Current occupation	Professional	15%
	Other	85%

His Excellency, James H. Duff

ANNUAL VALUATION BALANCE SHEET

of

STATE EMPLOYES' RETIREMENT SYSTEM

as of

MAY 31, 1948

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ACTUARIAL RESERVES AND OTHER LIABILITIES

Member's Annuity Saving Account

Present value of benefits on account of which  
salary deductions have been accumulated.....\$34,432,458.78

Member's Annuity Reserve Account

Present value of members' annuities payable to  
members now on annuity roll because of:

Superannuation.....\$2,871,133.00  
Disability..... 281,784.00  
Withdrawal..... 897,630.00

Total.....\$ 4,050,547.00

State Annuity Reserve Account Number Two

Present Value of State annuities payable to  
original members:

(a) Not on annuity roll but who  
may receive annuities in the  
future because of:

Superannuation....\$9,843,026.00  
Disability..... 84,471.00  
Withdrawal Active. 189,945.00  
Withdrawal  
Inactive. 37,275.00 \$10,154,717.00

(b) Now on annuity roll because of:

Superannuation....\$5,130,275.00  
Disability..... 194,911.00  
Withdrawal..... 1,672,334.00 \$ 6,997,520.00

Total.....\$17,152,237.00

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His Excellency, James H. Duff

ANNUAL VALUATION BALANCE SHEET

of

STATE EMPLOYEES' RETIREMENT SYSTEM

as of

May 31, 1948

ACTUARIAL RESERVES AND OTHER LIABILITIES

(continued)

Contingent Reserve Account

Present value of State annuities payable to new members:

Not on annuity roll but who may receive annuities in the future because of:

Superannuation.....	\$23,466,409.00
Disability.....	1,857,672.00
Withdrawal - Active.....	2,836,261.00
Withdrawal - Inactive.....	<u>43,055.00</u>
Total.....	\$28,203,397.00

State Annuity Reserve Account

Present value of State annuities payable to new members:

Now on annuity roll because of:

Superannuation .....	\$ 691,157.00
Disability.....	496,161.00
Withdrawal.....	<u>122,993.00</u>

Total.....\$ 1,310,311.00

Pennsylvania State Police Account

Total.....\$ 1,196,316.53

Other Liabilities

Annuities and Refunds under Option 1

due and unpaid .....	\$ 66,031.43
Reserve for outstanding checks.....	1,193.70
Reserve for investment contingencies.....	<u>726,037.97</u>

Total.....\$ 793,263.10

Total Actuarial Reserves and other Liabilities.....\$87,138,530.41

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His Excellency, James H. Duff

CASH RECEIPTS AND DISBURSEMENTS

Year ending May 31, 1948

RECEIPTS

Members' contributions.....	\$ 5,609,051.17	
Interest on bonds.....	1,372,987.71	
Dividends on stock.....	500.00	
Premium on sale of bonds.....	2,700.00	
State contributions - S.A.R.A. #2....	1,106,050.00	
State contributions - C.R.A.....	1,771,551.43	
State contributions - P.S.P.....	75,000.00	
Casualty premium Tax Creditable to P.S.P.	116,423.74	
Redeposit of checks.....	<u>343.98</u>	\$10,054,608.03

DISBURSEMENTS

Members' withdrawal refunds.....	1,542,990.71	
Superannuation allowances.....	1,102,397.07	
Disability allowances.....	106,818.38	
Involuntary allowances.....	252,800.00	
P.S.P. allowances.....	35,473.31	
Accrued interest on bonds purchased..	36,610.69	
Premium paid on bonds purchased.....	61,625.52	
Investment expense.....	298.92	
Closed bank deposit charged off.....	<u>10,419.00</u>	<u>3,149,434.50</u>

Total receipts over disbursements..... \$ 6,905,173.53

Cash balance - May 31, 1947.....\$ 729,535.95

Bonds owned - May 31, 1947..... 49,234,000.00

Stock owned - May 31, 1947.....100.00 49,963,635.95

Total..... 56,868,809.48

Cash balance - May 31, 1948.....\$ 789,709.48

Bonds owned - May 31, 1948..... 56,079,000.00

Stock owned - May 31, 1948.....100.00

Total..... 56,868,809.48

In accordance with Section 4 of the State Employees' Retirement Law, the fourth quinquennial investigation covering the period June 1, 1940, to May 31, 1945, has been made by the actuary of the Retirement Fund. The complete report is on file in the office of the Secretary of the Board.

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His Excellency, James H. Duff

In accordance with the Act under which the State Employees' Retirement System is being administered extensive studies of the mortality and service experience of the retirement system are made at the end of each five year period. On the basis of such experience the rates of members contributions, reserves and appropriation askings are determined. The experience of the Retirement Fund especially as revealed by the last five year study showed marked increases in the longevity of active members, as well as the pensioners and other annuitant lives.

It has been necessary, therefore, for the Retirement Board to adopt higher rates for determining the reserves required to provide the benefits payable to members and beneficiaries now on the retirement roll, and to be paid in the future to these members who are not yet on the pension roll.

For like reasons it has been necessary for the Retirement Board to adopt a new set of rates of contribution, effective June 1, 1948, applicable to State Employees who become members of the Retirement System on and after that date. These rates are not applicable retroactively to those already carrying membership in the Retirement System.

Respectfully submitted,

STATE EMPLOYES' RETIREMENT BOARD

*C. M. Morrison*  
C. M. Morrison, Chairman

*R. A. Cox*  
R. A. Cox

*Adrian Bonnelly*  
Adrian Bonnelly

*Ramsey S. Black*  
Ramsey S. Black

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COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF STATE  
STATE EMPLOYEES' RETIREMENT BOARD  
HARRISBURG

November 23, 1949

His Excellency  
James H. Duff  
Governor, Commonwealth of Pennsylvania  
Harrisburg, Pennsylvania

Pennsylvania State Library  
HARRISBURG SECTION

Dear Sir:

The following report is respectfully submitted in compliance with the Act of June 27, 1923, P. L. 858, creating the State Employees' Retirement System and amendments thereto,

Section 4, subsection 9 which provides:

"The retirement board shall publish annually a report showing the condition of the various funds created by this act, and setting forth such other facts, recommendations, and data as may be of use in the advancement of knowledge concerning State Employees' Pensions and Annuities, and said retirement board shall submit said report to the Governor of the Commonwealth of Pennsylvania, and shall file copies in the offices of the Secretary of State, of the State Insurance Department, and of the head of each department, for use of the State employees and the public."

On May 31, 1949, the number of members of this System classed as contributors was 39,455 and the number of pensioners was 1,816, a total of 41,271. The total assets of the Fund amounted to \$99,527,691.00 of which \$56,747,654.69 represents the book value of bonds, \$8,500,000.00 represents the book value of mortgage, \$100 the book value of stocks and \$936,153.98 in cash in banks, a total of \$66,183,908.67. \$30,556,504.94 represents the present value of future contributions receivable from the Commonwealth and other contributing agencies. The asset item of \$1,758,793.61

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His Excellency, James H. Duff

includes two items, \$1,716,081.98 and \$42,711.63. The first item is the amount required to supplement the actual earnings together with the accrued interest on the invested reserve funds to provide the credits at the regular interest rate of 4% on the several account balances for the years ending May 31, 1947, 1948 and 1949. The second item is the amount required to increase the balance in the Members' Annuity Reserve Account up to the required reserve.

As of May 31, 1949, the Members' Annuity Saving Account was \$40,585,518.58. This is made up of members' contributions and interest thereon. In addition, there is the Members' Annuity Reserve Account of \$4,215,184.00.

The following is a summary of the book values of the investments of the Fund including the bonds at their par values:

United States Treasury		
Bonds.....	\$47,065,000.00	72.5%
Pennsylvania Municipal		
and County Bonds.....	6,848,500.00	10.5
New York Municipal Bonds...	500,000.00	0.8
Pennsylvania Turnpike		
Bonds.....	2,000,000.00	3.1
Pennsylvania State College		
1st Mortgage.....	8,500,000.00	13.1
Stock.....	100.00	-
	<u>\$64,913,600.00</u>	<u>100.0%</u>

The balance in the account representing the premiums paid on bonds purchased less the reserve for the amortization of such premiums is \$334,154.69. This brings the above book values of the investments up to the total book value of \$65,247,754.69.



His Excellency, James H. Duff

The funds of the Retirement System have been invested in accordance with the Act of June 27, 1923, P. L. 858, Section 6, Subsection 1; The Administrative Code, Art. VII, Section 701, Subsection F; and the Act of April 25, 1929, P. L. 723.

The annuitants on the roll as of May 31, 1949 including the survivor beneficiaries and amounts of their annuities were as follows:

	<u>Nos.</u>	<u>Amounts of annuities</u>
Superannuation....	1,146	\$1,111,051.57
Disability.....	231	129,468.19
Withdrawal..	<u>439</u>	<u>260,712.18</u>
Total.....	<u>1,816</u>	<u>\$1,501,231.94</u>

In addition there were 7 beneficiaries receiving Pennsylvania State Police benefits.

From June 1, 1948 to May 31, 1949, the Retirement Board:

(a) Certified 7,734 new members;

(b) Approved for payment \$1,710,198.88 to 5,574 members who had terminated their employment with the Commonwealth and applied for the return of their contributions; and

(c) Approved 239 applications for retirement allowances.

The valuation balance sheet for the fiscal year ending May 31, 1949 follows.





His Excellency, James H. Duff

ANNUAL VALUATION BALANCE SHEET  
of  
STATE EMPLOYEES' RETIREMENT SYSTEM  
as of  
May 31, 1949

ASSETS INCLUDING PRESENT VALUE OF FUTURE APPROPRIATIONS

Cash.....		936,153.98
<u>Investments</u>		
Bonds unmatured (par value).....	556,395,500.00	
Bonds matured (par value).....	18,000.00	
Premiums paid on investments owned	550,725.91	
Loss - Reserve for amortization	216,571.22	334,154.69
Stock.....		100.00
Mortgage loan first lien.....	8,500,000.00	
Total.....		65,247,754.69
<u>Interest Due and Accrued</u>		
Investments.....		732,498.78
<u>Other Assets</u>		
Members' contributions in transit.....		295,985.00
Due from Commonwealth		
(a) Interest deficiency.....	1,716,081.98	
(b) M.A.R.A.....	42,711.63	1,758,793.61
<u>Present Value of future appropriations</u>		
S.A.R.A. #2.....	\$12,480,275.84	
C.R.A.....	*18,076,229.10	30,556,504.94
Total assets including present value of future appropriations...		<u>\$99,527,691.00</u>

\*Includes \$591,406.26 with interest @ 4% from November 16, 1946 due from the Administrative Fund in connection with State annuity credits to State Employees loaned to the Federal Government as provided in Supplement of 1947 Act No. 172 (P.L. 377)



His Excellency, James H. Duff

ANNUAL VALUATION BALANCE SHEET

of

STATE EMPLOYEES' RETIREMENT SYSTEM

as of

May 31, 1949

---

ACCOUNT BALANCES AND PRESENT VALUE OF FUTURE APPROPRIATIONS

ACCOUNT BALANCES

Members' Annuity Savings Account.....	\$40,585,518.58
Members' Annuity Reserve Account. ....	4,215,184.00
State Annuity Reserve Account Number Two.....	5,470,169.16
Contingent Reserve Account.....	15,626,692.90
State Annuity Reserve Account.....	1,499,149.00
Annuities due and unpaid.....	20,598.94
Reserve for outstanding checks.....	1,947.79
Pennsylvania State Police Account.....	<u>1,551,925.69</u>
Total account balances....	\$68,971,186.06
Present value of future appropriations:	
S.A.R.A. #2 .....	\$12,480,275.84
C.R.A.....	<u>18,076,229.10</u> 30,556,504.94
Total account balance and present value of	
future appropriations.....	<u>\$99,527,691.00</u>



His Excellency, James H. Duff

ANNUAL VALUATION BALANCE SHEET

of

STATE EMPLOYEES' RETIREMENT SYSTEM

as of

May 31, 1949

ACTUARIAL RESERVES AND OTHER LIABILITIES

Members' Annuity Saving Account

Present value of benefits on account of which salary deductions have been accumulated.....40,585,518.58

Members' Annuity Reserve Account

Present value of members' annuities payable to members now on annuity roll because of:

Superannuation	\$2,999,455.00
Disability	289,137.00
Withdrawal	<u>926,592.00</u>

Total..... 4,215,184.00

State Annuity Reserve Account Number Two

Present Value of State annuities payable to original members:

(a) Not on annuity roll but who may receive annuities in the future because of:

Superannuation	\$10,701,953.00
Disability	82,333.00
Withdrawal Active	174,725.00
Withdrawal Inactive	<u>41,386.00</u>
	\$11,000,397.00

(b) Now on annuity roll because of:

Superannuation	\$ 5,031,207.00
Disability	179,798.00
Withdrawal	<u>1,739,043.00</u>
	<u>6,950,048.00</u>

Total..... 17,950,445.00



His Excellency, James H. Duff

ANNUAL VALUATION BALANCE SHEET  
of  
STATE EMPLOYEES' RETIREMENT SYSTEM

as of  
May 31, 1949

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ACTUARIAL RESERVES AND OTHER LIABILITIES  
(continued)

Contingent Reserve Account

Present value of State annuities payable to  
new members:

Not on annuity roll but who may receive  
annuities in the future because of:

Superannuation.....	\$28,470,433.00	
Disability. ....	2,116,372.00	
Withdrawal - Active.....	3,073,789.00	
Withdrawal - Inactive..	<u>42,328.00</u>	
Total.....		\$33,702,922.00

State Annuity Reserve Account

Present value of State annuities payable to  
new members:

Now on annuity roll because of:

Superannuation.....	\$ 793,548.00	
Disability.....	552,035.00	
Withdrawal.....	<u>153,566.00</u>	
Total....		1,499,149.00

Pennsylvania State Police Account

Total.....		1,551,925.69
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Other Liabilities

Annuities and Refunds under Option 1 due and unpaid.....	\$ 20,598.94	
Reserve for outstanding checks.....	<u>1,947.79</u>	
Total.....		<u>1, 22,546.73</u>
Total Actuarial Reserves and other Liabilities.....		<u>\$99,527,691.00</u>





His Excellency, James H. Duff

CASH RECEIPTS AND DISBURSEMENTS

Year Ending May 31, 1949

RECEIPTS

Members' contributions.....	\$ 7,011,009.15	
Interest on bonds ..	1,507,833.09	
Interest on mortgage.....	30,054.64	
Dividends on stock.....	1,000.00	
Premium on sale of bonds.....	65,747.03	
State contributions - S.A.R.A. #2.....	1,107,979.00	
State contributions - C.R.A.....	1,797,058.83	
State contributions - Operating Account	694,071.00	
State contributions - P.S.P.....	75,000.00	
Casualty premium tax creditable to P.S.P.	127,067.23	
Redeposit of checks.....	<u>754.09</u>	\$12,417,574.06

DISBURSEMENTS

Members' withdrawal refunds.....	\$ 1,710,198.88	
Superannuation allowances.....	1,187,093.94	
Disability allowances..	116,503.36	
Involuntary allowances.....	300,165.81	
P.S.P. allowances.....	70,021.14	
Accrued interest on bonds purchased....	27,129.02	
Premium paid on bonds purchased.....	25,308.47	
Investment expense.....	<u>208.94</u>	<u>3,436,629.56</u>

Total receipts over disbursements..... \$ 8,980,944.50

Cash balance May 31, 1948.....	\$ 789,709.48	
Bonds owned May 31, 1948 (par value)...	56,079,000.00	
Stock owned May 31, 1948.....	<u>100.00</u>	<u>56,868,809.48</u>
Total.....		<u>65,849,753.98</u>

Cash balance May 31, 1949.....	\$ 936,153.98	
Bonds owned May 31, 1949 (par value)...	56,413,500.00	
Mortgage owned May 31, 1949.....	8,500,000.00	
Stock owned May 31, 1949.....	<u>100.00</u>	
Total.....		<u>65,849,753.98</u>



His Excellency, James H. Duff


In accordance with the Act under which the State Employees' Retirement System is being administered extensive studies of the mortality and service experience of the retirement system are made at the end of each five-year period. On the basis of such experience the rates of members contributions, reserves and appropriation askings are determined.

The experience of the Retirement Fund especially as revealed by the fourth quinquennial evaluation for the period ending May 31, 1945 showed marked increases in the longevity of active members, as well as the pensioners and other annuitant lives. It has been necessary, therefore, for the Retirement Board to adopt higher rates for determining the reserves required to provide the benefits payable to members and beneficiaries now on the retirement roll, and to be paid in the future to those members who are not yet on the pension roll.

For like reasons it has been necessary for the Retirement Board to adopt a new set of rates of contribution, effective June 1, 1948, applicable to State Employees who become members of the Retirement System on and after that date. These rates are not applicable retroactively to those already carrying membership in the retirement system.

Respectfully submitted,


STATE EMPLOYEES' RETIREMENT BOARD

  
Gene D. Smith, Chairman

  
R. A. Cox

  
Adrian Bonnelly

  
Charles R. Barber

  
Katharine G. Murdock

The first part of the document is a list of names and addresses. The names are written in a cursive hand, and the addresses are in a more formal, printed style. The list includes names such as "John Smith", "Mary Jones", and "Robert Brown". The addresses are located in various parts of the city, including "123 Main Street" and "456 Elm Street".

The second part of the document is a list of names and addresses, similar to the first part. The names are written in a cursive hand, and the addresses are in a more formal, printed style. The list includes names such as "John Smith", "Mary Jones", and "Robert Brown". The addresses are located in various parts of the city, including "123 Main Street" and "456 Elm Street".

The third part of the document is a list of names and addresses, similar to the first two parts. The names are written in a cursive hand, and the addresses are in a more formal, printed style. The list includes names such as "John Smith", "Mary Jones", and "Robert Brown". The addresses are located in various parts of the city, including "123 Main Street" and "456 Elm Street".

The fourth part of the document is a list of names and addresses, similar to the first three parts. The names are written in a cursive hand, and the addresses are in a more formal, printed style. The list includes names such as "John Smith", "Mary Jones", and "Robert Brown". The addresses are located in various parts of the city, including "123 Main Street" and "456 Elm Street".

The fifth part of the document is a list of names and addresses, similar to the first four parts. The names are written in a cursive hand, and the addresses are in a more formal, printed style. The list includes names such as "John Smith", "Mary Jones", and "Robert Brown". The addresses are located in various parts of the city, including "123 Main Street" and "456 Elm Street".

The sixth part of the document is a list of names and addresses, similar to the first five parts. The names are written in a cursive hand, and the addresses are in a more formal, printed style. The list includes names such as "John Smith", "Mary Jones", and "Robert Brown". The addresses are located in various parts of the city, including "123 Main Street" and "456 Elm Street".

The seventh part of the document is a list of names and addresses, similar to the first six parts. The names are written in a cursive hand, and the addresses are in a more formal, printed style. The list includes names such as "John Smith", "Mary Jones", and "Robert Brown". The addresses are located in various parts of the city, including "123 Main Street" and "456 Elm Street".

The eighth part of the document is a list of names and addresses, similar to the first seven parts. The names are written in a cursive hand, and the addresses are in a more formal, printed style. The list includes names such as "John Smith", "Mary Jones", and "Robert Brown". The addresses are located in various parts of the city, including "123 Main Street" and "456 Elm Street".

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COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF STATE  
STATE EMPLOYEES' RETIREMENT BOARD  
HARRISBURG

Pennsylvania State  
700

November 10, 1950

His Excellency  
James H. Duff  
Governor, Commonwealth of Pennsylvania  
Harrisburg, Pennsylvania

Dear Sir:

The following report is respectfully submitted to you pursuant to the Act of June 27, 1925, P.L. 358, creating the State Employees' Retirement System and amendments thereto,

Section 4, subsection 9 which provides:

"The retirement board shall publish annually a report showing the condition of the various funds created by this act, and setting forth such other facts, recommendations, and data as may be of use in the advancement of knowledge concerning State Employees' Pensions and Annuities, and said retirement board shall submit said report to the Governor of the Commonwealth of Pennsylvania and shall file copies in the offices of the Secretary of State, of the State Insurance Department, and of the head of each Department, for use of the State employees and the public."

On May 31, 1950, the number of members of this System was 43,485 and the number of contributors was 45,423. The total assets of the Fund amounted to \$79,253,819.94 is in cash and investments as follows: \$13,500,000.00 is the book value of bonds; \$13,500,000.00 is the book value of stocks and \$527,819.94 is the cash in hand. An asset item of \$1,733,745.07 includes two items, \$1,622,792.42 and \$110,952.65. The first item is the amount required to supplement the actuarial valuation on the invested reserve funds in order to provide the credits on the regular interest rate of 4% on the account balances for the years ending May 31, 1949 and 1950. The second item is the amount required to increase the balance of the Member's Annuity Reserve Account up to the required reserve.

In addition there is \$2,800,083.68 due from the Public School Employees Retirement Fund on account of the transfers under Acts 560 and 561.

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Of this, \$1,687,511.87 has been paid as of 5/31/50.

The remaining asset item of \$36,376,427 represents the value of future contributions receivable from the contributing agencies.

As of May 31, 1950, the Member's Family Trusts have a total value of \$49,318,058.58. This is made up of members' contributions and credits thereon. In addition, there is the Member's Family Trusts of \$4,764,676.00.

The following is a summary of the value of the Investment Fund including the bonds at their par values as a percentage of the total holdings:

Investment	Value	Percentage
United States Treasury Bonds	\$4,721,000.00	4.7%
Pennsylvania Municipal and County Bonds	7,150,000.00	7.1%
New York Municipal Bonds	500,000.00	0.5%
Pennsylvania Turnpike Bonds	1,000,000.00	1.0%
Pennsylvania State College 1st Mortgage	13,700,000.00	13.7%
Stocks	100.00	0.0%
<b>Total</b>	<b>\$17,978,000.00</b>	<b>100%</b>

The balance in the account representing the proceeds of investments purchased less the reserve for the amortization of such investments is \$437,356.35. This brings the above par values of the investments to a total book value of \$78,416,201.35.

The funds of the Retirement System have been invested in accordance with the Act of June 27, 1923, P. L. 858, Section 6, Subsection 20, Title 5, Administrative Code, Act. VII, Section 701, Subsection 6, and Act of June 25, 1929, P. L. 723.

The annuitants on the roll as of May 31, 1950 and their beneficiaries and the amounts of their annuities were as follows:

Category	No. of	Amount of
	Annuitants	Annuitants
Supervisors	1,247	\$1,267,122.72
Members	340	1,110,100.00
Retirees	495	1,210,000.00
<b>Total</b>	<b>1,982</b>	<b>\$3,587,222.72</b>





His Excellency, James H. Duff

In addition there were 6 beneficiaries receiving monthly Police Benefits.

From June 1, 1949 to May 31, 1950, the Retirement Board:

- (a) Certified 9,668 new members;
- (b) Approved for payment \$1,719,523.34 to 1,931 members who had terminated their employment with the Government and applied for the return of their contributions;
- (c) Approved 227 applications for retirement allowances.

The valuation balance sheet for the fiscal year ending May 31, 1950 follows:



ANNUAL VALUATION BALANCE SHEET  
of  
STATE EMPLOYEES' RETIREMENT SYSTEM

as of  
MAY 31, 1950

ASSETS INCLUDING PRESENT VALUE OF FUTURE APPROPRIATIONS

<u>Cash</u>		\$	537,616.57
 <u>Investments</u>			
Bonds unmatured (par value)	\$64,462,745.00		
Bonds matured (par value)	16,000.00		
Premiums paid on investments owned	\$665,539.51		
Less- Reserve for amortization	<u>228,183.16</u>	437,356.35	
Stock		100.00	
Mortgage loan first lien		<u>13,500,000.00</u>	
 Total			 78,416,221.35
 <u>Interest Due and Accrued</u>			
Investments			912,536.28
 <u>Other Assets</u>			
Members' contributions in transit			407,340.74
Due from Commonwealth			
(a) Interest deficiency	\$ 1,622,792.89		
(b) M.A.R.A.	<u>110,552.98</u>		1,733,345.87
Present value of future appropriations and amounts due from Public School Employees' Retirement Fund			
S.A.R.A. #2	\$15,257,303.28		
C.R.A.	<u>25,919,181.97</u>		<u>41,176,485.25</u>
 Total assets including present value of future appropriations...			 <u>\$123,483,556.08</u>

Note: The amounts due from the Public School Employees' Retirement Fund on account of the members who transferred to the State Employees' Retirement Fund under Acts 550 and 561 are as follows: (a) Contingent Reserve Account \$1,687,521.89 (paid September 25, 1950) and (b) M.A.R.A. Account Number No. 31,112,561.79, Total \$3,275,083.68.



ACCOUNT BALANCES AND PRESENT VALUE OF FUTURE APPROPRIATIONS

ACCOUNT BALANCES

Member's Annuity Savings Account .....	10,222,166.51
Member's Annuity Reserve Account.....	8,771,277.00
State Annuity Reserve Account Number Two.....	5,576,450.00
Contingent Reserve Account.....	10,571,697.00
State Annuity Reserve Account.....	1,210,156.00
Annuities due and unpaid.....	64,000.00
Reserve for outstanding checks.....	1,771.15
Pennsylvania State Police Account.....	<u>1,938,421.00</u>
Total account balances.....	\$22,307,072.35

Present value of future appropriations and amounts due from the Public School Employees' Retirement Fund.

S.A.R.A. #2 .....	\$15,257,303.28	
C.R.A.....	<u>25,919,161.97</u>	<u>41,176,465.25</u>

Total account balances and present value of future appropriations and amounts due.....	<u>\$43,483,537.60</u>
--	------------------------



1950

MEMBER'S ANNUITY ACCOUNT

Member's Annuity Reserve Account

Present value of benefits on account of which salary deductions have been accumulated

Member's Annuity Reserve Account

Present value of members' annuities payable to members now on annuity roll because of:

Superannuation.....	\$3,523,809.00	
Disability.....	500,015.00	
Withdrawal.....	946,852.00	

Total..... \$5,970,676.00

State Annuity Reserve Account Number Two

Present value of State annuities payable to original members:

(a) Not on annuity roll but who may receive annuities in the future because of:

Superannuation.....	\$13,343,837.00	
Disability.....	97,641.00	
Withdrawal Active.....	211,230.00	
Withdrawal Inactive.....	25,590.00	\$13,678,298.00

(b) Now on annuity roll because of:

Superannuation.....	\$ 5,446,264.00	
Disability.....	152,131.00	
Withdrawal.....	1,627,065.00	7,225,460.00

Total..... \$20,932,758.00





as of  
 Dec 31, 1950

ACTUARIAL RESERVES AND OTHER LIABILITIES  
 (continued)

Contingent Reserve Account

Present value of State annuities payable to  
 new members:

Not on annuity roll but who may receive  
 annuities in the future because of:

Superannuation .....	\$38,961,583.00
Disability .....	2,324,871.00
Withdrawal - Active .....	3,657,324.00
Withdrawal - Inactive .....	<u>47,042.00</u>

Total..... 45,000,820.00

State Annuity Reserve Account

Present value of State annuities payable to  
 new members:

Now on annuity roll because of:

Superannuation .....	\$ 1,091,856.00
Disability .....	593,953.00
Withdrawal .....	<u>185,381.00</u>

Total..... 1,871,190.00

Pennsylvania State Police Account

Total..... 1,331,211.46

Other Liabilities

Annuities and refunds under Option 1 due and unpaid .....	54,906.64
Reserve for outstanding checks .....	<u>1,730.46</u>

Total..... 66,637.10

Total Actuarial Reserves and other liabilities 51,234,835.56



CASH RECEIPTS AND PAYMENTS

YEAR ENDING MAY 31, 1950

Receipts

Members' contributions .....	\$ 9,594,280.36	
Interest on bonds .....	1,553,328.00	
Interest on mortgage .....	380,000.00	
Dividend on stock .....	1,000.00	
Premium on sale of bonds .....	42,405.07	
State contributions - S.A.R.A. #2 .....	1,041,200.00	
State contributions - C.R.A. ....	3,010,200.00	
State contributions - Operating account .....	20,029.00	
State contributions - P.S.P. ....	50,000.00	
Casualty premium tax creditable to P.S.P. ....	175,346.09	
Redeposit of checks .....	44.08	
	<u>12,797,983.50</u>	

Disbursements

Members' withdrawal refunds .....	\$ 4,719,314.81	
Superannuation allowances .....	1,395,741.56	
Disability allowances .....	130,142.32	
Involuntary allowances .....	280,972.53	
P.S.P. allowances .....	88,099.57	
Accrued interest on bonds purchased .....	69,577.89	
Premiums paid on bonds purchased .....	135,863.64	
Investment expenses .....	306.94	
Reserve outstanding checks .....	211.41	
	<u>3,821,214.57</u>	

Total receipts over disbursements..... \$12,966,709.61

Cash balance May 31, 1949 .....	\$ 936,153.98	
Bonds owned May 31, 1949 (par value) .....	56,413,500.00	
Mortgage owned May 31, 1949 .....	8,500,000.00	
Stock owned May 31, 1949 .....	100.00	
	<u>65,349,753.98</u>	

Total..... 78,816,463.59

Cash balance May 31, 1950 .....	\$ 837,618.59	
Bonds owned May 31, 1950 (par value) .....	64,478,745.00	
Mortgage owned May 31, 1950 .....	13,500,000.00	
Stock owned May 31, 1950 .....	100.00	
	<u>78,816,463.59</u>	

Total..... 78,816,463.59



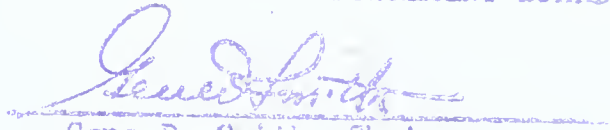
In accordance with the Act under which the State Retirement System is being administered extensive studies of the mortality and service experience of the retirement system are made at the end of each five-year period. On the basis of such experience the rates of members' contributions, reserves and appropriation askings are determined.


The experience of the retirement fund especially as revealed by the fourth quinquennial evaluation for the period ending May 31, 1945 shows marked increases in the longevity of active members, as well as the pensioners and other annuitant lives. It has been necessary, therefore, for the Retirement Board to adopt higher rates for determining the reserve required to provide the benefits payable to members and beneficiaries now on the retirement roll, and to be paid in the future to those members who are not yet on the pension roll.

For like reasons it has been necessary for the Retirement Board to adopt a new set of rates of contributions, effective June 1, 1948, applicable to State Employees who become members of the Retirement System on and after that date. Those rates are not applicable retroactively to those already carrying membership in the retirement system.

Respectfully submitted,


STATE EMPLOYEES' RETIREMENT BOARD

  
Gene D. Salth, Chairman

  
R. A. Cox

  
Adrian Bonnelly

  
Charles R. Barber

  
Katharine G. Murdock



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COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF STATE  
STATE EMPLOYEES' RETIREMENT BOARD

HARRISBURG

October 25, 1951

DOCUMENTS SECTION

His Excellency  
John S. Fine, Governor  
Commonwealth of Pennsylvania  
Harrisburg, Pennsylvania

FINANCIAL STATEMENT AS OF MAY 31, 1951

Dear Sir:

The following report is respectfully submitted in compliance with the Act of June 27, 1923, P.L. 858, creating the State Employees' Retirement System and amendments thereto.

Section 4, subsection 9 provides:

"The retirement board shall prepare and have published, annually, a financial statement showing the condition of the fund and the various accounts created by this act, and setting forth such other facts, recommendations and data as may be of use in the advancement of knowledge concerning State employees' pensions and annuities, and said retirement board shall submit said financial statement to the Governor of the Commonwealth of Pennsylvania, and shall file copies in the offices of the Secretary of the Commonwealth, of the State Insurance Department, and of the head of each department, for use of the State employees and the public."

Herewith please find the valuation balance sheet of the Retirement Fund as of May 31, 1951, with the accompanying comments.

On May 31, 1951, the number of members of this System classed as contributors was 44,267 and the number of pensioners was 2,068, a total of 46,335.

The total assets of the fund amounted to \$136,770,988.58 of which \$92,349,638.49 was in investments and cash as follows:

Book value of bonds.....	\$75,708,950.15
Book value of mortgage loan.....	16,300,000.00
Book value of stocks.....	100.00
Cash in banks.....	<u>340,588.34</u>
Total.....	<u>\$92,349,638.49</u>

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The asset item of \$2,699,325.76 includes two items, \$2,500,070.54 and \$199,255.22. The first item is the amount required to supplement the actual net earnings on the invested reserve funds in order to provide the credits at the regular interest rate of 4% on the account balances for the years ending May 31, 1949, 1950 and 1951. The second item is the amount required to bring the balance in the Member's Annuity Reserve Account up to the required reserve.

Interest accrued on investments amounts to \$786,169.45 and members' contributions in transit amount to \$399,402.75.

The remaining asset item of \$40,536,452.13 represents the present value of future contributions receivable from the Commonwealth and other contributing agencies.

As of May 31, 1951, the Member's Annuity Savings Account was \$56,484,288.72. This is made up of members' contributions and interest credits thereon at the rate of 4% compounded annually. In addition, there is the Member's Annuity Reserve Account of \$5,439,528.00. These are very significant items.

The following is a summary of the values of the investments of the fund including the bonds at their par values and the corresponding percentages of the total holdings.

United States Treasury Bonds.....	\$64,815,000.00	70.8%
Pennsylvania Municipal and County Bonds.....	5,903,500.00	6.5
New York Municipal Bonds.....	500,000.00	0.5
Pennsylvania Turnpike Bonds.....	4,000,000.00	4.4
Pennsylvania State College 1st Mortgage.....	16,300,000.00	17.8
Stock.....	<u>100.00</u>	<u>-</u>
Total.....	<u>\$91,518,600.00</u>	<u>100.0%</u>

The balance in the account representing the premiums paid on bonds purchased less the reserve for the amortization of such premiums is \$490,450.15. This brings the above par values of the investments up to the total book value of \$92,009,050.15.

The funds of the Retirement System have been invested in accordance with the Act of June 27, 1923, P.L. 858, Section 6, subsection 1: the Administrative Code, Article VII, Section 701, subsection F; and the Act of April 25, 1929, P.L. 723.



The annuitants on the roll as of May 31, 1951 including the survivor beneficiaries and the amounts of their annuities were as follows:

	<u>Nos.</u>	<u>Amounts of Annuities</u>
Superannuation.....	1,323	\$1,414,807.70
Disability.....	270	160,212.74
Withdrawal.....	<u>475</u>	<u>289,213.82</u>
Total.....	<u>2,068</u>	<u>\$1,864,234.26</u>

In addition there were 8 beneficiaries receiving special benefits under the State Police Retirement System.

From June 1, 1950 to May 31, 1951, the Retirement Board:

- (a) Certified 8,571 new members;
- (b) Approved for payment \$2,761,261.64 to 8,612 members who had terminated their employment with the Commonwealth and applied for the return of their contributions; and
- (c) Approved 256 applications for retirement allowances.

In accordance with the Act under which the State Employees' Retirement System is being administered extensive studies of the mortality and service experience of the retirement system are made at the end of each five-year period. On the basis of such experience the rates of members' contributions, reserves and appropriation askings are determined.

The experience of the Retirement Fund as revealed by the fifth quinquennial evaluation for the period ending May 31, 1950 showed some further increases in the longevity of active members, as well as the pensioners and other annuitant lives. However, no change is required in the rates of members' contributions adopted for members entering the Retirement System on and after June 1, 1948, nor in the factors used in converting such members' accumulated deductions into members' annuities.

Increasing current deficits arise from the use of the original factors in the case of those entering prior to June 1, 1948. Deficits also arise because the rate of earnings on the invested reserves is inevitably lower than the 4% guaranteed rate.

Because of reductions in the rate of withdrawal from service and changes in the retirement rate, as well as some other changes in the experience which, however, are of minor effect, it has been necessary to adopt reserve factors in the case of the active members, who are the future annuitants, which on the whole require the maintenance of somewhat higher reserves.



ANNUAL VALUATION BALANCE SHEET

of

STATE EMPLOYEES' RETIREMENT SYSTEM

as of

MAY 31, 1951

ASSETS INCLUDING PRESENT VALUE OF FUTURE APPROPRIATIONS

Cash.....\$ 340,588.34

Investments

Bonds unmatured (par value).....	\$75,209,500.00	
Bonds matured (par value).....	9,000.00	
Premiums paid on bonds owned..	\$671,758.11	
LESS - Reserve for amortiza-		
tion.....	<u>181,307.96</u>	490,450.15
Stock.....		100.00
Mortgage loan first lien.....		<u>16,300,000.00</u>

Total..... 92,009,050.15

Interest Accrued

Investments..... 786,169.45

Other Assets

Members' contributions in transit..... 399,402.75

Due from Commonwealth -

(a) Interest deficiency.....	\$ 2,500,070.54	
(b) Member's Annuity Reserve Account.....	<u>199,255.22</u>	2,699,325.76

Present value of future appropriations -

State Annuity Reserve Account #2.....	\$15,498,440.94	
Contingent Reserve Account.....	<u>25,038,011.19</u>	<u>40,536,452.13</u>

Total assets including present value of future appropria-  
tions.....\$136,770,988.58



ANNUAL VALUATION BALANCE SHEET  
of  
STATE EMPLOYEES' RETIREMENT SYSTEM  
as of  
MAY 31, 1951

ACCOUNT BALANCES AND PRESENT VALUE OF FUTURE APPROPRIATIONS

ACCOUNT BALANCES

Member's Annuity Savings Account.....	\$ 56,484,288.72
Member's Annuity Reserve Account.....	5,439,528.00
State Annuity Reserve Account #2.....	6,955,818.06
Contingent Reserve Account.....	23,003,164.81
State Annuity Reserve Account.....	2,362,585.00
Annuities and refunds under Option #1 due and unpaid.....	22,576.23
Reserve for outstanding checks.....	1,884.21
State Police Retirement System.....	<u>1,964,691.42</u>
Total account balances.....	\$ 96,234,536.45

PRESENT VALUE OF FUTURE APPROPRIATIONS

State Annuity Reserve Account #2.....	\$15,498,440.94
Contingent Reserve Account.....	<u>25,038,011.19</u>
Total present value.....	<u>40,536,452.13</u>
Total account balances and present value of future ap- propriations.....	<u><u>\$136,770,988.58</u></u>





ANNUAL VALUATION BALANCE SHEET

of

STATE EMPLOYEES RETIREMENT SYSTEM

as of

MAY 31, 1951

ACTUARIAL RESERVES AND OTHER LIABILITIES

Member's Annuity Savings Account

Present value of benefits on account of which salary  
deductions have been accumulated.....\$56,484,288.72

Member's Annuity Reserve Account

Present value of members' annuities payable to  
members now on annuity roll because of:

Superannuation.....\$3,991,854.00  
Disability..... 422,926.00  
Withdrawal..... 1,024,748.00

Total.....\$ 5,439,528.00

State Annuity Reserve Account #2

Present value of State annuities payable to  
original members:

(a) Not on annuity roll but who  
may receive annuities in the  
future because of:

Superannuation.....\$14,257,399.00  
Disability..... 97,038.00  
Withdrawal - Active... 92,312.00  
Withdrawal - Inactive. 54,760.00 \$14,501,509.00

(b) Now on annuity roll because  
of:

Superannuation.....\$ 6,009,225.00  
Disability..... 253,957.00  
Withdrawal..... 1,689,568.00 7,952,750.00

Total.....\$22,454,259.00



ANNUAL VALUATION BALANCE SHEET  
of  
STATE EMPLOYEES' RETIREMENT SYSTEM  
as of  
MAY 31, 1951

ACTUARIAL RESERVES AND OTHER LIABILITIES  
(continued)

Contingent Reserve Account

Present value of State annuities  
payable to new members -

Not on annuity roll but who may  
receive annuities in the future  
because of:

Superannuation.....	\$43,133,641.00
Disability.....	2,409,976.00
Withdrawal - Active.....	2,430,516.00
Withdrawal - Inactive.....	<u>67,043.00</u>

Total.....\$48,041,176.00

State Annuity Reserve Account

Present value of State annuities  
payable to new members -

Now on annuity roll because of:

Superannuation.....	\$ 1,279,411.00
Disability.....	831,017.00
Withdrawal.....	<u>252,157.00</u>

Total..... 2,362,585.00

State Police Retirement System

Total..... 1,964,691.42

Other Liabilities

Annuities and refunds under Option #1 due and unpaid.....	\$ 22,576.23
Reserve for outstanding checks.....	<u>1,884.21</u>

Total..... 24,460.44

Total actuarial reserves and other liabilities.....\$136,770,988.58



CASH RECEIPTS AND DISBURSEMENTS

YEAR ENDING MAY 31, 1951

Receipts

Members' contributions.....	\$ 8,936,357.86	
Interest on bonds.....	2,094,524.82	
Interest on mortgage.....	598,666.66	
Dividend on stock.....	1,000.00	
Premium on sale of bonds.....	116,122.98	
State contributions -		
(a) State Annuity Reserve Account #2.....	2,153,841.79	
(b) Contingent Reserve Account.....	4,132,786.75	
(c) State Police Retirement System.....	50,000.00	
Redeposit of checks.....	<u>153.75</u>	\$18,083,454.61

Disbursements

Members' withdrawal refunds.....	\$ 2,761,261.64	
Superannuation allowances.....	1,531,548.22	
Disability allowances.....	144,160.85	
Involuntary withdrawal allowances.....	313,152.85	
Pennsylvania State Police allowances.....	119,376.10	
Accrued interest on bonds purchased.....	104,629.63	
Premium paid on bonds purchased.....	66,242.20	
Investment expenses.....	<u>358.37</u>	5,040,729.86

Total receipts over disbursements..... \$13,042,724.75

Cash balance May 31, 1950.....	\$ 837,618.59	
Bonds owned May 31, 1950 (par value).....	64,478,745.00	
Mortgage loan May 31, 1950.....	13,500,000.00	
Stock owned May 31, 1950.....	<u>100.00</u>	<u>78,816,463.59</u>

Total..... \$91,859,188.34

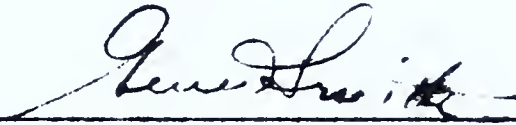
Cash balance May 31, 1951.....	\$ 340,588.34	
Bonds owned May 31, 1951 (par value).....	75,218,500.00	
Mortgage loan May 31, 1951.....	16,300,000.00	
Stock owned May 31, 1951.....	<u>100.00</u>	

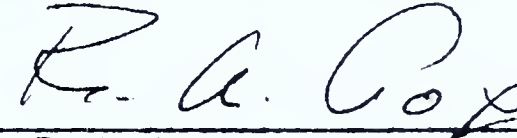
Total..... \$91,859,188.34

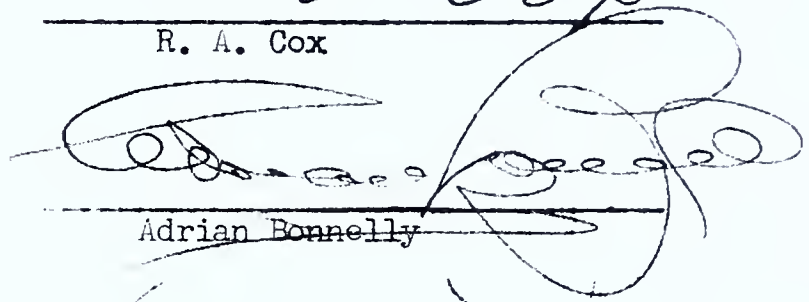


His Excellency, John S. Fine

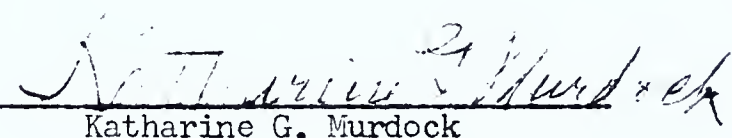
Respectfully submitted,  
STATE EMPLOYEES' RETIREMENT BOARD

  
Gene D. Smith, Chairman

  
R. A. Cox

  
Adrian Bonnelly

  
Charles R. Barber

  
Katharine G. Murdock

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COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF STATE  
STATE EMPLOYEES' RETIREMENT BOARD  
HARRISBURG

October 20, 1952

His Excellency  
John S. Fine, Governor  
Commonwealth of Pennsylvania  
Harrisburg, Pennsylvania

FINANCIAL STATEMENT AS OF MAY 31, 1952

Dear Sir:

The following report is respectfully submitted in compliance with the Act of June 27, 1923, P.L. 858, creating the State Employees' Retirement System and amendments thereto.

Section 4, subsection 9 provides:

"The retirement board shall prepare and have published, annually, a financial statement showing the condition of the fund and the various accounts created by this act, and setting forth such other facts, recommendations and data as may be of use in the advancement of knowledge concerning State employees' pensions and annuities, and said retirement board shall submit said financial statement to the Governor of the Commonwealth of Pennsylvania, and shall file copies in the offices of the Secretary of the Commonwealth, of the State Insurance Department, and of the head of each department, for use of the State employees and the public."

Herewith please find the valuation balance sheet of the Retirement Fund as of May 31, 1952, with the accompanying comments. (Pages 4-7)

On May 31, 1952, the number of members of this System classed as contributors was 44,952 and the number of pensioners was 2,274, a total of 47,226.

The total assets of the fund amounted to \$163,069,372.70 of which \$107,349,643.96 was in investments and cash as follows:

Book value of bonds.....	\$90,113,456.19
Book value of mortgage loan .....	16,300,000.00
Book value of stocks .....	100.00
Cash in banks .....	<u>936,087.77</u>
Total .....	<u>\$107,349,643.96</u>

38-52  
44



The asset item of \$2,020,636.11 is made up of two items, \$1,837,339.57 and \$183,346.54. The first item is the amount required to supplement the actual net earnings on the invested reserve funds in order to provide the credits at the regular interest rate of 4% on the account balances for the years ending May 31, 1951 and 1952. The second item is the amount required to bring the account balances up to the required reserves.

Interest accrued on investments amounts to \$867,344.88 and members' contributions in transit amount to \$431,229.93.

The remaining asset item of \$52,400,467.82 represents the present value of future contributions receivable from the Commonwealth and other contributing agencies.

As of May 31, 1952, the Member's Annuity Savings Account was \$63,242,052.61. This is made up of members' contributions and interest credits thereon at the rate of 4% compounded annually. In addition, there is the Member's Annuity Reserve Account of \$6,427,067.00. These are very significant items.

The following is a summary of the investments of the fund including the bonds at their par values and the corresponding percentages of the total holdings.

United States Treasury Bonds .....	\$ 82,760,000.00	77.7%
Pennsylvania Municipal and County Bonds .....	1,007,500.00	0.9
New York Municipal Bonds .....	500,000.00	0.5
Pennsylvania Turnpike Bonds .....	4,000,000.00	3.8
State Public School Authority Bonds....	1,945,000.00	1.8
Pennsylvania State College 1st Mortgage .....	16,300,000.00	15.3
Stock .....	<u>100.00</u>	<u>-</u>
 Total .....	 <u>\$106,512,600.00</u>	 <u>100.0%</u>

The amount of \$99,043.81 represents the net accrual of discount on bonds owned. This brings the par values of the investments down to the net book value of \$106,413,556.19.

The funds of the Retirement System have been invested in accordance with the Act of June 27, 1923, P.L. 858, Section 6, subsection 1: the Administrative Code, Article VII, Section 701, subsection F: and the Act of April 25, 1929, P.L. 723.



The annuitants on the roll as of May 31, 1952 including the survivor beneficiaries and the amounts of their annuities were as follows:

	<u>Nos.</u>	<u>Amounts of annuities</u>
Superannuation.....	1,469	\$1,686,371.85
Disability.....	288	180,290.18
Withdrawal.....	<u>517</u>	<u>338,533.89</u>
Total.....	<u>2,274</u>	<u>\$2,205,195.92</u>

In addition there were 7 beneficiaries receiving special benefits under the State Police Retirement System.

From June 1, 1951 to May 31, 1952, the Retirement Board:

- (a) Certified 7,555 new members;
- (b) Approved for payment \$2,982,984.85 to 7,191 members who had terminated their employment with the Commonwealth and applied for the return of their contributions; and
- (c) Approved 311 applications for retirement allowances.

In accordance with the Act under which the State Employees' Retirement System is being administered extensive studies of the mortality and service experience of the retirement system are made at the end of each five-year period. On the basis of such experience the rates of members' contributions, reserves and appropriation askings are determined.

The experience of the Retirement Fund as revealed by the fifth quinquennial evaluation for the period ending May 31, 1950 showed some further increases in the longevity of active members, as well as the pensioners and other annuitant lives. However, no change was required in the rates of members' contributions adopted for members entering the Retirement System on and after June 1, 1948, nor in the factors used in converting such members' accumulated deductions into members' annuities.

Increasing current deficits arise from the use of the original factors in the case of those entering prior to June 1, 1948. Deficits also arise because the rate of earnings on the invested reserves is inevitably lower than the 4% guaranteed rate.

Because of reductions in the rate of withdrawal from service and changes in the retirement rate, as well as some other changes in the experience which, however, are of minor effect, it has been necessary to adopt reserve factors in the case of the active members, who are the future annuitants, which on the whole require the maintenance of somewhat higher reserves.



ANNUAL VALUATION BALANCE SHEET  
of  
STATE EMPLOYEES' RETIREMENT SYSTEM

as of  
MAY 31, 1952

ASSETS, INCLUDING PRESENT VALUE OF FUTURE APPROPRIATIONS

<u>Cash</u> .....		\$936,087.77
<u>Investments</u>		
Bonds unmatured (par value).....	\$90,205,500.00	
Bonds matured (par value).....	7,000.00	
Net accrual of discount on bonds owned.....(-)	99,043.81	
Stock.....	100.00	
Mortgage loan first lien.....	<u>16,300,000.00</u>	
Total.....		106,413,556.19
<u>Interest Due and Accrued</u>		
Investments.....		867,344.88
<u>Other Assets</u>		
Members' contributions in transit.....		431,229.93
Due from Commonwealth -		
(a) Interest deficiency -		
Year - 1951.....	\$ 877,270.54	
Year - 1952.....	<u>960,069.03</u>	\$ 1,837,339.57
(b) Members' Annuity Reserve Account.....	166,422.79	
(c) State Annuity Reserve Account #2.....	9,201.63	
(d) State Annuity Reserve Account.....	<u>7,722.12</u>	2,020,686.11
Present value of future appropriations -		
State Annuity Reserve Account #2.....	\$19,785,805.09	
Contingent Reserve Account.....	<u>32,614,662.73</u>	<u>52,400,467.82</u>
Total assets, including present value of future appropriations		<u><u>\$163,069,372.70</u></u>

THE HISTORY OF THE  
CITY OF BOSTON

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ANNUAL VALUATION BALANCE SHEET  
of  
STATE EMPLOYEES' RETIREMENT SYSTEM

as of  
MAY 31, 1952

ACCOUNT BALANCES AND PRESENT VALUE OF FUTURE APPROPRIATIONS

ACCOUNT BALANCES

Member's Annuity Savings Account.....	\$ 63,242,052.62
Member's Annuity Reserve Account.....	6,427,067.00
State Annuity Reserve Account #2.....	7,159,106.91
Contingent Reserve Account.....	27,237,933.27
State Annuity Reserve Account.....	3,128,820.00
Annuities and refunds under Option #1 due and unpaid.....	24,469.72
Reserve for outstanding checks.....	1,935.62
Pennsylvania State Police Benefit Account.....	<u>3,447,519.75</u>
Total account balances.....	\$110,668,904.88

PRESENT VALUE OF FUTURE APPROPRIATIONS

State Annuity Reserve Account #2.....	\$19,785,805.09
Contingent Reserve Account.....	<u>32,614,662.73</u>
Total present value.....	<u>52,400,467.82</u>
Total account balances and present value of future appro- priations.....	<u><u>\$163,069,372.70</u></u>



ANNUAL VALUATION BALANCE SHEET  
of  
STATE EMPLOYEES' RETIREMENT SYSTEM

as of  
MAY 31, 1952

ACTUARIAL RESERVES AND OTHER LIABILITIES

Member's Annuity Savings Account

Present value of benefits on account of which  
salary deductions have been accumulated.....\$ 63,242,052.61

Member's Annuity Reserve Account

Present value of members' annuities payable  
to members now on annuity roll because of:

Superannuation.....\$4,769,655.00  
Disability..... 482,250.00  
Withdrawal..... 1,175,162.00

Total..... 6,427,067.00

State Annuity Reserve Account #2

Present value of state annuities payable  
to original members:

(a) Not on annuity roll but who may  
receive annuities in the future  
because of:

Superannuation.....\$17,551,481.00  
Disability..... 104,322.00  
Withdrawal - active..... 100,199.00  
Withdrawal - inactive..... 90,928.00 \$17,846,930.00

(b) Now on annuity roll because of:

Superannuation.....\$ 6,919,084.00  
Disability..... 242,788.00  
Withdrawal..... 1,936,110.00 9,097,982.00

Total..... 26,944,912.00



ANNUAL VALUATION BALANCE SHEET  
of  
STATE EMPLOYEES' RETIREMENT SYSTEM

as of  
MAY 31, 1952

ACTUARIAL RESERVES AND OTHER LIABILITIES  
(continued)

Contingent Reserve Account

Present value of state annuities payable  
to new members:

Not on annuity roll but who may  
receive annuities in the future  
because of:

Superannuation.....	\$54,281,315.00	
Disability.....	2,554,046.00	
Withdrawal - active.....	2,863,198.00	
Withdrawal - inactive.....	<u>154,037.00</u>	
Total.....		\$ 59,852,596.00

State Annuity Reserve Account

Present value of state annuities payable  
to new members:

Now on annuity roll because of:

Superannuation.....	\$ 1,762,496.00	
Disability.....	979,824.00	
Withdrawal.....	<u>386,500.00</u>	
Total.....		3,128,820.00

Pennsylvania State Police Account

Total..... 3,447,519.75

Other Liabilities

Annuities and refunds under Option 1 due and unpaid.....	\$ 24,469.72	
Reserve for outstanding checks.....	<u>1,935.62</u>	
Total.....		<u>26,405.34</u>

Total actuarial reserves and other liabilities.....\$163,069,372.70



CASH RECEIPTS AND DISBURSEMENTS

YEAR ENDING MAY 31, 1952

Receipts

Members' contributions.....	\$ 8,865,954.13	
Interest on bonds.....	2,218,191.59	
Interest on mortgage.....	652,000.00	
Dividend on stock.....	1,000.00	
Premium on sale of bonds.....	211,268.71	
State contributions -		
(a) State Annuity Reserve Account #2.....	1,236,000.00	
(b) Contingent Reserve Account.....	4,316,876.16	
(c) Pennsylvania State Police Benefit Account	50,000.00	
(d) Interest Deficiency Operating Account	1,622,800.00	
Casualty Premium Tax - P.S.P.....	1,305,481.44	
Redeposit of checks.....	51.41	
Accrual of discount on bonds purchased.....	533,406.25	\$ 21,013,029.69

Disbursements

Members' withdrawal refunds.....	\$ 2,982,984.85	
Superannuation allowances.....	1,735,218.86	
Disability allowances.....	169,728.55	
Involuntary withdrawal allowances.....	310,059.25	
Pennsylvania State Police allowances.....	140,009.05	
Accrued interest on bonds purchased.....	85,377.83	
Investment expenses.....	151.87	5,423,530.26

Total receipts over disbursements..... \$15,589,499.43

Cash balance - May 31, 1951.....	\$ 340,588.34	
Bonds owned - May 31, 1951 (par value)....	75,218,500.00	
Mortgage loan- May 31, 1951.....	16,300,000.00	
Stock owned - May 31, 1951.....	100.00	91,859,188.34

Total..... \$107,448,687.77

Cash balance - May 31, 1952.....	\$ 936,087.77
Bonds owned - May 31, 1952 (par value)...	90,212,500.00
Mortgage loan - May 31, 1952.....	16,300,000.00
Stock owned - May 31, 1952.....	100.00

Total..... \$107,448,687.77







His Excellency, John S. Fine


October 20, 1952

Respectfully submitted,  
STATE EMPLOYEES' RETIREMENT BOARD

  
Gene D. Smith, Chairman

  
R. A. Cox

  
Adrian Bonnelly

  
Charles R. Barber



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COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF STATE  
STATE EMPLOYEES' RETIREMENT BOARD  
HARRISBURG

PENNSYLVANIA STATE LIBRARY  
DOCUMENTS

October 27, 1953

His Excellency  
John S. Fine, Governor  
Commonwealth of Pennsylvania  
Harrisburg, Pennsylvania

FINANCIAL STATEMENT AS OF MAY 31, 1953

Dear Sir:

The following report is respectfully submitted in compliance with the act of June 27, 1923, P. L. 858, creating the State Employees' Retirement System and amendments thereto.

Section 4, subsection 9 provides:

"The retirement board shall prepare and have published, annually, a financial statement showing the condition of the fund and the various accounts created by this act, and setting forth such other facts, recommendations and data as may be of use in the advancement of knowledge concerning State employees' pensions and annuities, and said retirement board shall submit said financial statement to the Governor of the Commonwealth of Pennsylvania, and shall file copies in the offices of the Secretary of the Commonwealth, of the State Insurance Department, and of the head of each department, for use of the State employes and the public."

Herewith please find the valuation balance sheet of the Retirement Fund as of May 31, 1953, with the accompanying comments. (Pages 4-7)

On May 31, 1953, the number of members of this System classed as contributors was 45,772 and the number of pensioners was 2,563, a total of 48,335.

The total assets of the fund amounted to \$182,249,892.41 of which \$119,190,753.41 was in investments and cash as follows:

Book value of bonds.....	\$102,879,429.58
Book value of mortgage loan .....	15,800,000.00
Book value of stocks .....	100.00
Cash in banks .....	<u>511,223.83</u>
Total .....	<u>\$119,190,753.41</u>

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His Excellency, John S. Fine

The asset item of \$3,393,956.36 is made up of two items, \$2,950,067.16 and \$443,889.20. The first item is the amount required to supplement the actual net earnings on the invested reserve funds in order to provide the credits at the regular interest rate of 4% on the account balances for the years ending May 31, 1951, 1952 and 1953. The second item is the amount required to bring the account balances up to the required reserves.

Interest accrued on investments amounts to \$917,288.55 and members' contributions in transit amount to \$551,110.64.

The remaining asset item of \$58,196,783.45 represents the present value of future contributions receivable from the Commonwealth and other contributing agencies.

As of May 31, 1953, the Member's Annuity Savings Account was \$70,780,364.81. This is made up of members' contributions and interest credits thereon at the rate of 4% compounded annually. In addition, there is the Member's Annuity Reserve Account of \$7,683,286.00. These are very significant items.

The following is a summary of the investments of the fund including the bonds at their par values and the corresponding percentages of the total holdings.

United States Treasury Bonds.....	\$ 81,807,075.42	69.0%
Pennsylvania Municipal and County Bonds .....	4,009,500.00	3.4
New York Municipal Bonds .....	500,000.00	0.4
Pennsylvania Turnpike Bonds .....	5,500,000.00	4.6
State Public School Authority Bonds ..	11,030,000.00	9.3
Pennsylvania State College 1st Mortgage .....	15,800,000.00	13.3
Stock .....	<u>100.00</u>	<u>-</u>
Total .....	<u>\$118,646,675.42</u>	<u>100.0%</u>

The balance in the account representing the premiums paid on bonds purchased less the reserve for the amortization of such premiums is \$32,854.16. This brings the above par values of the investments up to the total book value of \$118,679,529.58.

The funds of the Retirement System have been invested in accordance with the Act of June 27, 1923, P. L. 858, Section 6, subsection 1: the Administrative Code, Article VII, Section 701, subsection F: and the Act of April 25, 1929, P. L. 723.



October 27, 1953

The annuitants on the roll as of May 31, 1953 including the survivor beneficiaries and the amounts of their annuities were as follows:

	<u>Nos.</u>	<u>Amounts of annuities</u>
Superannuation....	1,695	\$2,051,924.46
Disability.....	313	204,144.83
Withdrawal.....	<u>555</u>	<u>378,885.83</u>
Total .....	<u>2,563</u>	<u>\$2,634,955.12</u>

In addition there were 6 beneficiaries receiving special benefits under the State Police Retirement System.

From June 1, 1952 to May 31, 1953, the Retirement Board:

- (a) Certified 7,946 new members;
- (b) Approved for payment \$3,185,836.36 to 7,094 members who had terminated their employment with the Commonwealth and applied for the return of their contributions; and
- (c) Approved 403 applications for retirement allowances.

In accordance with the Act under which the State Employees' Retirement System is being administered extensive studies of the mortality and service experience of the retirement system are made at the end of each five-year period. On the basis of such experience the rates of members' contributions, reserves and appropriation askings are determined.

The experience of the Retirement Fund as revealed by the fifth quinquennial evaluation for the period ending May 31, 1950 showed some further increases in the longevity of active members, as well as the pensioners and other annuitant lives. However, no change was required in the rates of members' contributions adopted for members entering the Retirement System on and after June 1, 1948, nor in the factors used in converting such members' accumulated deductions into members' annuities. Because of reductions in the rate of withdrawal from service and changes in the retirement rate, as well as some other changes in the experience which, however, are of minor effect, it has been necessary to adopt reserve factors in the case of the active members, who are the future annuitants, which on the whole require the maintenance of somewhat higher reserves.





ANNUAL VALUATION BALANCE SHEET

of

STATE EMPLOYEES' RETIREMENT SYSTEM

as of

May 31, 1953

ASSETS, INCLUDING PRESENT VALUE OF FUTURE APPROPRIATIONS

Cash.....		\$511,223.83
<u>Investments</u>		
Bonds unmatured (par value).....	\$102,840,575.42	
Bonds matured (par value) .....	6,000.00	
Premium paid on bonds owned .....	\$106,171.32	
Less: Reserve for amortization... <u>73,317.16</u>	32,854.16	
Stock .....	100.00	
Mortgage loan first lien .....	<u>15,800,000.00</u>	
Total .....		\$118,679,529.58
<u>Interest Due and Accrued</u>		
Investments .....		917,288.55
<u>Other Assets</u>		
Members' contributions in transit .....		551,110.64
Due from Commonwealth -		
(a) Interest deficiency -		
Year - 1951.....	\$877,270.54	
Year - 1952 .....	960,069.03	
Year - 1953 .....	<u>1,112,727.59</u>	\$2,950,067.16
(b) Member's Annuity Reserve Account .....	290,994.05	
(c) State Annuity Reserve Account #2 .....	83,372.67	
(d) State Annuity Reserve Account .....	<u>69,522.48</u>	3,393,956.36
Present value of future appropriations -		
State Annuity Reserve Account #2 .....	\$20,654,142.45	
Contingent Reserve Account .....	<u>37,542,641.00</u>	<u>58,196,783.45</u>
Total assets, including present value of future appropriations		<u>\$182,249,892.41</u>



ANNUAL VALUATION BALANCE SHEET  
of  
STATE EMPLOYEES' RETIREMENT SYSTEM  
as of  
May 31, 1953

ACCOUNT BALANCES AND PRESENT VALUE OF FUTURE APPROPRIATIONS

ACCOUNT BALANCES

Member's Annuity Savings Account .....	\$ 70,730,361.81
Member's Annuity Reserve Account .....	7,623,226.00
State Annuity Reserve Account #2 .....	7,217,228.55
Contingent Reserve Account .....	29,595,441.00
State Annuity Reserve Account .....	4,452,379.00
Annuities and refunds under Option #1 due and unpaid....	9,835.23
Reserve for outstanding checks .....	2,059.67
Pennsylvania State Police Benefit Account .....	<u>4,222,161.10</u>
Total account balances .....	\$124,053,103.96

PRESENT VALUE OF FUTURE APPROPRIATIONS

State Annuity Reserve Account #2 .....	\$20,654,142.45
Contingent Reserve Account .....	<u>37,542,641.00</u>
Total present value .....	<u>58,196,783.45</u>
Total account balances and present value of future approp- riations .....	<u>\$182,249,887.41</u>



ANNUAL VALUATION BALANCE SHEET

of

STATE EMPLOYEES' RETIREMENT SYSTEM

as of

May 31, 1953

ACTUARIAL RESERVES AND OTHER LIABILITIES

Member's Annuity Savings Account

Present value of benefits on account of which  
salary deductions have been accumulated .....\$70,780,364.81

Member's Annuity Reserve Account

Present value of members' annuities payable  
to members now on annuity roll because of:

Superannuation.....\$5,782,696.00  
Disability ..... 548,327.00  
Withdrawal..... 1,352,263.00

Total ..... 7,683,286.00

State Annuity Reserve Account #2

Present value of state annuities payable  
to original members:

(a) Not on annuity roll but who may  
receive annuities in the future  
because of:

Superannuation.....\$17,249,686.00  
Disability ..... 93,325.00  
Withdrawal-active..... 88,840.00  
Withdrawal-inactive... 93,048.00 \$17,524,899.00

(b) Now on annuity roll because of:

Superannuation.....\$ 8,199,877.00  
Disability ..... 234,600.00  
Withdrawal..... 1,941,995.00 10,376,472.00

Total .....27,901,371.00



ANNUAL VALUATION BALANCE SHEET

of

STATE EMPLOYEES' RETIREMENT SYSTEM

as of

May 31, 1953

ACTUARIAL RESERVES AND OTHER LIABILITIES  
(continued)

Contingent Reserve Account

Present value of state annuities payable  
to new members:

Not on annuity roll but who may  
receive annuities in the future  
because of:

Superannuation.....	\$61,318,419.00
Disability .....	2,856,928.00
Withdrawal - active .....	2,839,097.00
Withdrawal - inactive .....	<u>123,641.00</u>

Total .....\$ 67,138,085.00

State Annuity Reserve Account

Present value of state annuities payable  
to new members:

Now on annuity roll because of:

Superannuation .....	\$ 2,751,313.00
Disability .....	1,127,515.00
Withdrawal .....	<u>573,551.00</u>

Total ..... 4,452,379.00

Pennsylvania State Police Benefit Account

Total ..... 4,282,461.10

Other Liabilities

Annuities and refunds under Option 1 due and unpaid .....	\$ 9,885.83
Reserve for outstanding checks .....	<u>2,059.67</u>

Total ..... 11,945.50

Total actuarial reserves and other liabilities ..... \$182,249,892.41





CASH RECEIPTS AND DISBURSEMENTS

YEAR ENDING MAY 31, 1953

Cash balance - May 31, 1952 .....	\$ 936,087.77
Bonds owned - May 31, 1952 (par value) .....	90,212,500.00
Mortgage loan - May 31, 1952 .....	16,300,000.00
Stock owned - May 31, 1952 .....	<u>100.00</u>

Total May 31, 1952 .....\$107,448,687.77

Receipts - 1953

Members' contributions .....	9,842,229.63
Interest on bonds .....	2,694,759.73
Interest on mortgages .....	632,000.00
Dividend on stock .....	1,200.00
State contributions -	
(a) State Annuity Reserve Account #2 .....	1,236,000.00
(b) Contingent Reserve Account .....	3,186,037.40
(c) Pennsylvania State Police Benefit Account .....	50,000.00
Casualty Premium Tax P.S.P. ....	486,045.91
Redeposit of checks .....	<u>124.05</u>

Total Receipts .....\$18,128,396.72

Disbursements - 1953

Members' withdrawal refunds .....	3,185,886.36
Superannuation allowances .....	2,303,811.02
Disability allowances .....	194,700.63
Involuntary withdrawal allowances .....	362,351.31
Pennsylvania State Police Allowances .....	181,164.93
Accrued interest on bonds purchased .....	73,377.21
Investment expenses .....	181.98
Refund of overpayment (C.R.A.) .....	89,360.91
Net discount on bond (Purchases and sales) .....	<u>28,350.89</u>

Total Disbursements .....\$ 6,419,185.24

Total Receipts over Disbursements ..... 11,709,211.48

Balance May 31, 1952 Plus 1953 Receipts over Disbursements ... \$119,157,899.25

Cash balance - May 31, 1953 .....	\$ 511,223.83
Bonds owned - May 31, 1953 (Par value) .....	102,846,575.42
Mortgage loan - May 31, 1953 .....	15,800,000.00
Stock owned - May 31, 1953 .....	<u>100.00</u>

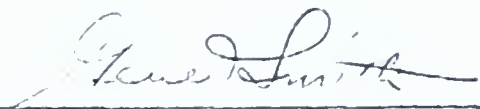
Total May 31, 1953 ..... \$119,157,899.25



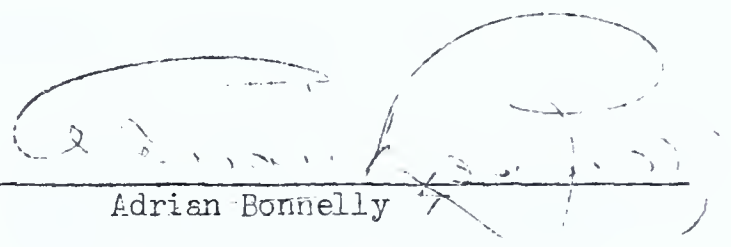
His Excellency, John S. Fine

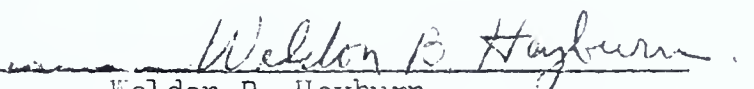
October 27, 1953

Respectfully submitted,  
STATE EMPLOYEES' RETIREMENT BOARD

  
Gene D. Smith, Chairman

  
R. A. Cox

  
Adrian Bonnelly

  
Weldon B. Heyburn



1954  
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COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF STATE  
STATE EMPLOYEES' RETIREMENT BOARD  
HARRISBURG

October 27, 1954

His Excellency  
John S. Fine, Governor  
Commonwealth of Pennsylvania  
Harrisburg, Pennsylvania

FINANCIAL STATEMENT AS OF MAY 31, 1954

Dear Sir:

The following report is respectfully submitted in compliance with the act of June 27, 1923, P. L. 858, creating the State Employees' Retirement System and amendments thereto.

Section 4, subsection 9 provides:

"The retirement board shall prepare and have published, annually, a financial statement showing the condition of the fund and the various accounts created by this act, and setting forth such other facts, recommendations and data as may be of use in the advancement of knowledge concerning State employes' pensions and annuities, and said retirement board shall submit said financial statement to the Governor of the Commonwealth of Pennsylvania, and shall file copies in the offices of the Secretary of the Commonwealth, of the State Insurance Department, and of the head of each department, for use of the State employes and the public."

Herewith please find the valuation balance sheet of the Retirement Fund as of May 31, 1954, with the accompanying comments. (Pages 4-7).

On May 31, 1954, the number of members of this System classed as contributors was 48,977 and the number of pensioners was 2,779, a total of 51,756.

838.52  
411



His Excellency, John S. Fine, Governor

The total assets of the fund amounted to \$211,653,001.62.. which \$135,575,282.64 was the Book Value of investments and cash as follows:

Book value of bonds.....	\$119,660,984.79
Book value of mortgage loan.....	15,300,000.00
Book value of stocks.....	100.00
Cash in banks.....	<u>614,197.85</u>
Total.....	<u>\$135,575,282.64</u>

The asset item of \$3,870,888.26 is made up of two items, \$3,569,324.26 and \$301,564.00. The first item is the amount required to supplement the actual net earnings on the invested reserve funds in order to provide the credits at the regular interest rate of 4% on the account balances for the years ending May 31, 1952, 1953 and 1954. The second item is the amount required to bring the account balances up to the required reserves.

Interest accrued on investments amounts to \$992,243.42 and members' contributions in transit amount to \$541,616.12.

The remaining asset item of \$70,673,871.18 represents the present value of future contributions receivable from the Commonwealth and other contributing agencies.

As of May 31, 1954, the Member's Annuity Savings Account was \$79,943,389.76. This is made up of members' contributions and interest credits thereon at the rate of 4% compounded annually. In addition, there is the Member's Annuity Reserve Account of \$8,583,897.00. These are very significant items.

The following is a summary of the investments of the fund including the bonds at their par values and the corresponding percentages of the total holdings.

United States Treasury Bonds.....	\$ 84,756,571.67	62.9%
Pennsylvania Municipal and County Bonds.....	3,715,000.00	2.8
New York Municipal Bonds.....	500,000.00	0.4
Pennsylvania Turnpike Bonds.....	7,000,000.00	5.2
State Public School Authority Bonds.....	14,610,000.00	10.8
Railroad Bonds.....	1,880,000.00	1.4
Public Utility Bonds.....	4,600,000.00	3.4
Delaware River Port Authority Bonds	250,000.00	0.2
General State Authority.....	1,000,000.00	0.7
Industrial Bonds.....	1,250,000.00	0.9
Pennsylvania State University 1st mortgage.....	15,300,000.00	11.3
Stocks.....	100.00	-
Total.....	<u>\$134,861,671.67</u>	<u>100.0%</u>





His Excellency, John S. Fine, Governor

The balance in the account representing the premiums paid on bonds purchased less the reserve for the amortization of such premiums is \$99,413.12. This brings the above par values of the investments up to the total book value of \$134,961,084.79.

The funds of the Retirement System have been invested in accordance with the Act of June 27, 1923, P. L. 853, Section 6, subsection 1: the Administrative Code, Article VII, Section 701, subsection F: and the Act of April 25, 1929, P. L. 723.

The annuitants on the roll as of May 31, 1954 including the survivor beneficiaries and the amounts of their annuities were as follows:

	<u>Nos.</u>	<u>Amounts of annuities</u>
Superannuation.....	1,863	\$2,357,468.93
Disability.....	320	212,699.34
Withdrawal.....	<u>596</u>	<u>421,365.65</u>
Total.....	<u>2,779</u>	<u>\$2,991,533.92</u>

In addition there were 5 beneficiaries receiving special benefits under the State Police Retirement System.

From June 1, 1953 to May 31, 1954, the Retirement Board:

- (a) Certified 8,015 new members;
- (b) Approved for payment \$2,651,612.06 to 5,432 members who had terminated their employment with the Commonwealth and applied for the return of their contributions; and
- (c) Approved 415 applications for retirement allowances.

In accordance with the Act under which the State Employees' Retirement System is being administered extensive studies of the mortality and service experience of the retirement system are made at the end of each five-year period. On the basis of such experience the rates of members' contributions, reserves and appropriation askings are determined.

The experience of the Retirement Fund as revealed by the fifth quinquennial evaluation for the period ending May 31, 1950 showed some



His Excellency, John S. Fine, Governor

further increases in the longevity of active members, as well as the pensioners and other annuitant lives. However, no change was required in the rates of members' contributions adopted for members entering the Retirement System on and after June 1, 1948, nor in the factors used in converting such members' accumulated deductions into members' annuities. Because of reductions in the rate of withdrawal from service and changes in the retirement rate, as well as some other changes in the experience which, however, are of minor effect, it has been necessary to adopt reserve factors in the case of the active members, who are the future annuitants, which on the whole require the maintenance of somewhat higher reserves.



ANNUAL VALUATION BALANCE SHEET  
of  
STATE EMPLOYEES' RETIREMENT SYSTEM  
as of  
May 31, 1954

ASSETS, INCLUDING PRESENT VALUE OF FUTURE APPROPRIATIONS

<u>Cash</u> .....		\$	614,197.85
<u>Investments</u>			
Bonds unmatured (par value).....	\$119,557,571.67		
Bonds matured (par value).....	4,000.00		
Premium paid on bonds owned... \$155,595.06			
Less: Reserve for amortiza- tion.....	<u>56,181.94</u>	99,413.12	
Stock.....	100.00		
Mortgage loan first lien.....	<u>15,300,000.00</u>		
Total.....		\$134,961,084.79	
<u>Interest Due and Accrued</u>			
Investments.....			992,243.42
<u>Other Assets</u>			
Members' contributions in transit.....			541,616.12
Due from Commonwealth -			
(a) Interest deficiency -			
Year - 1952.....	\$ 918,669.57		
Year - 1953.....	1,112,727.59		
Year - 1954.....	<u>1,537,927.10</u>	\$3,569,324.26	
(b) Member's Annuity Reserve Account.....	180,298.49		
(c) State Annuity Reserve Account #2.....	64,806.89		
(d) State Annuity Reserve Account.....	<u>56,458.62</u>		3,870,888.26
Present value of future appropriations -			
State Annuity Reserve Account.....	\$22,288,035.78		
Contingent Reserve Account.....	<u>48,385,835.40</u>		<u>70,673,871.18</u>
Total assets, including present value of future appropriations..		\$211,653,901.62	



ANNUAL VALUATION BALANCE SHEET  
of  
STATE EMPLOYEES' RETIREMENT SYSTEM  
as of  
May 31, 1954

ACCOUNT BALANCES AND PRESENT VALUE OF FUTURE APPROPRIATIONS

ACCOUNT BALANCES

Member's Annuity Savings Account.....	\$ 79,943,339.76
Member's Annuity Reserve Account.....	8,583,897.00
State Annuity Reserve Account #2.....	7,272,894.22
Contingent Reserve Account.....	34,314,909.60
State Annuity Reserve Account.....	5,667,638.00
Annuities and refunds under Option #1 due and unpaid.....	157,873.99
Reserve for outstanding checks.....	2,041.18
Pennsylvania State Police Benefit Account.....	<u>5,037,386.69</u>
Total account balances.....	\$140,980,030.44

PRESENT VALUE OF FUTURE APPROPRIATIONS

State Annuity Reserve Account #2..	\$22,288,035.78
Contingent Reserve Account.....	<u>48,385,835.40</u>
Total present value.....	<u>70,673,871.18</u>
Total account balances and present value of future appropriations.....	<u><u>\$211,653,901.62</u></u>





ANNUAL VALUATION BALANCE SHEET

of

STATE EMPLOYEES' RETIREMENT SYSTEM

as of

May 31, 1954

ACTUARIAL RESERVES AND OTHER LIABILITIES

Member's Annuity Savings Account

Present value of benefits on account of which  
salary deductions have been accumulated..... \$79,943,389.76

Member's Annuity Reserve Account

Present value of members' annuities payable  
to members now on annuity roll because of:

Superannuation..... \$6,627,004.00  
Disability..... 554,594.00  
Withdrawal..... 1,402,299.00

Total..... 8,583,897.00

State Annuity Reserve Account #2

Present value of state annuities payable  
to original members:

(a) Not on annuity roll but who may  
receive annuities in the future  
because of:

Superannuation... \$18,200,058.00  
Disability..... 98,998.00  
Withdrawal-active 71,349.00  
Withdrawal-in-  
active..... 78,620.00 \$18,449,025.00

(b) Now on annuity roll because of:

Superannuation... \$ 8,961,784.00  
Disability..... 234,352.00  
Withdrawal..... 1,915,769.00 11,111,905.00

Total..... 29,560,930.00



ANNUAL VALUATION BALANCE SHEET

of

STATE EMPLOYEES' RETIREMENT SYSTEM

as of

May 31, 1954

ACTUARIAL RESERVES AND OTHER LIABILITIES  
(continued)

Contingent Reserve Account

Present value of state annuities payable  
to new members

Not on annuity roll but who may  
receive annuities in the future  
because of:

Superannuation.....	\$75,042,944.00
Disability.....	3,491,292.00
Withdrawal - active.....	3,932,087.00
Withdrawal - inactive.....	<u>234,422.00</u>

Total.....\$ 82,700,745.00

State Annuity Reserve Account

Present value of state annuities payable  
to new members:

Now on annuity roll because of:

Superannuation.....	\$ 3,755,266.00
Disability.....	1,178,423.00
Withdrawal.....	<u>733,949.00</u>

Total..... 5,667,638.00

Pennsylvania State Police Benefit Account

Total..... 5,037,386.69

Other Liabilities

Annuities and refunds under Option 1

due and unpaid.....	\$ 157,873.99
Reserve for outstanding checks.....	<u>2,041.18</u>

Total..... 159,915.17

Total actuarial reserves and other liabilities..... \$211,653,901.62



CASH RECEIPTS AND DISBURSEMENTS

YEAR ENDING MAY 31, 1954

Cash balance - May 31, 1953.....	\$	511,223.83	
Bonds owned - May 31, 1953 (Par value).....		102,846,575.42	
Mortgage loan - May 31, 1953.....		15,800,000.00	
Stock owned - May 31, 1953.....		<u>100.00</u>	
Total May 31, 1953.....			\$119,157,899.25

Receipts - 1954

Members' contributions.....	\$	10,999,758.68	
Interest on bonds.....		2,941,065.30	
Interest on mortgages.....		612,000.00	
Dividend on stock.....		1,200.00	
State contributions			
(a) State Annuity Reserve Account #2.....		2,151,925.10	
(b) Contingent Reserve Account.....		5,587,578.32	
(c) Pennsylvania State Police Benefit Account.....		50,000.00	
(d) Operating Account.....		918,670.00	
Casualty premium tax P.S.P.....		541,211.49	
Profit on sale of investments.....		<u>287.34</u>	
Total Receipts.....	\$		23,803,696.23

Disbursements - 1954

Members' withdrawal refunds.....		2,651,612.06	
Superannuation allowances.....		3,367,349.35	
Disability allowances.....		223,969.98	
Involuntary withdrawal allowances.....		774,781.50	
Pennsylvania State Police allowances.....		337,080.53	
Accrued interest on bonds purchased.....		72,704.33	
Investment expenses.....		144.36	
Net premium on bonds purchased.....		58,065.33	
Reserve outstanding checks.....		<u>18.52</u>	
Total Disbursements.....	\$		7,485,725.96

Total Receipts over Disbursements..... 16,317,970.27

Balance May 31, 1953 Plus 1954 Receipts over Disbursements..... \$135,475,869.52

Cash balance - May 31, 1954.....	\$	614,197.85	
Bonds owned - May 31, 1954 (par value).....		119,561,571.67	
Mortgage loan May 31, 1954.....		15,300,000.00	
Stock owned May 31, 1954.....		<u>100.00</u>	

Total May 31, 1954..... \$135,475,869.52



His Excellency, John S. Fine

Respectfully submitted,

STATE EMPLOYEES' RETIREMENT BOARD



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Gene D. Smith, Chairman



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R. A. Cox



---

Adrian Bonnelly



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Weldon B. Heyburn



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Kevy K. Kaiserman





1958

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF STATE  
STATE EMPLOYES' RETIREMENT BOARD  
HARRISBURG

April 24, 1959

His Excellency  
David L. Lawrence, Governor  
Commonwealth of Pennsylvania  
Harrisburg, Pennsylvania

FINANCIAL STATEMENT AS OF MAY 31, 1958

Dear Sir:

The following report is respectfully submitted in compliance with the act of June 27, 1923, P. L. 858, creating the State Employees' Retirement System and amendments thereto.

Section 4, subsection 9 provides:

"The retirement board shall prepare and have published, annually, a financial statement showing the condition of the fund and the various accounts created by this act, and setting forth such other facts, recommendations and data as may be of use in the advancement of knowledge concerning State employes' pensions and annuities, and said retirement board shall submit said financial statement to the Governor of the Commonwealth of Pennsylvania, and shall file copies in the offices of the Secretary of the Commonwealth, of the State Insurance Department, and of the head of each department for use of the State employes and the public."

Herewith please find the valuation balance sheet of the Retirement Fund as of May 31, 1958, with the accompanying comments. (Pages 4-7).

On May 31, 1958, the number of members of this System classed as contributors was 73,440 and the number of pensioners was 6,730, a total of 80,170.

The total assets of the fund amounted to \$339,520,366.16 of which \$198,677,226.27 was the Book Value of investments and cash as follows:

Book value of bonds-----	\$196,198,720.06
Book value of mortgage loans-----	1,885,153.74
Book value of stocks-----	100.00
Cash in banks-----	593,252.47
Total-----	<u>\$198,677,226.27</u>



The asset of \$14,664,260.12 due from the Commonwealth is made up of three items; namely \$4,439,644.95, \$716,159.81 and \$9,508,455.36. The first item is made up of the amounts required to supplement the actual net earnings on the invested reserve funds in order to provide the credits at the regular interest rate of 4% on the account balances for the years ending May 31, 1956, 1957 and 1958. The second item is the amount required to bring the account balance up to the required reserve. The third item is made up of the appropriations payable to the several accounts but unpaid May 31, 1958.

Interest accrued on investments amounts to \$1,496,316.90 and members' contributions in transit amount to \$609,708.47.

The remaining asset item of \$124,072,854.40 represents the present value of future contributions receivable from the Commonwealth and other contributing agencies.

As of May 31, 1958, the Member's Annuity Savings Account was \$104,678,999.92. This is made up of members' contributions and interest credits thereon at the rate of 4% compounded annually. In addition, there is the Member's Annuity Reserve Account of \$25,597,502.00. These are very significant items.

The following is a summary of the investments of the fund including the bonds at their par values and the corresponding percentages of the total holdings.

United States Treasury Bonds-----	\$ 80,459,587.50	---	40.8%
Pennsylvania Municipal and County Bonds-----	671,500.00	---	0.3
Pennsylvania Turnpike Bonds-----	3,000,000.00	---	1.5
State Public School Authority Bonds-	20,987,800.00	---	10.6
Railroad Bonds-----	6,673,000.00	---	3.4
Public Utility Bonds-----	52,008,000.00	---	26.3
Industrial Bonds-----	31,770,036.47	---	16.1
Mortgages-----	1,885,153.74	---	1.0
Stocks-----	100.00	---	-
	<u>197,455,177.71</u>	---	<u>100.0%</u>

The balance in the account representing the premiums paid on bonds purchased less the reserve for the amortization of such premiums is \$628,796.09. This brings the above par values of the investments up to the total book value of \$198,083,973.80.

The funds of the Retirement System have been invested in accordance with the Act of June 27, 1923, P.L. 858, Section 6, subsection 1: the Administrative Code, Article VII, Section 701, subsection F: and the Act of April 25, 1929, P.L. 723 as amended.



The annuitants on the roll as of May 31, 1958 including the survivor beneficiaries and the amounts of their annuities were as follows:

	<u>Numbers</u>	<u>Amounts of Annuities</u>
Superannuation--	4,402	\$6,369,720.58
Disability-----	358	259,882.34
Withdrawal-----	<u>1,970</u>	<u>1,608,575.81</u>
Total-----	<u>6,730</u>	<u>\$8,238,178.73</u>

In addition there were 8 beneficiaries receiving special benefits under the State Police Retirement System.

From June 1, 1957 to May 31, 1958, the Retirement Board:

- (a) Noted increase in members - 17,231;
- (b) Approved for payment \$4,106,324.38 to 9,317 members who had terminated their employment with the Commonwealth and applied for the return of their contributions; and
- (c) Approved 1,156 applications for retirement allowances and 129 applications for benefits payable under Act 249.

In accordance with the Act under which the State Employees' Retirement System is being administered extensive studies of the mortality and service experience of the retirement system are made at the end of each five-year period. On the basis of such experience the rates of members' contributions, reserves and appropriation askings are determined.

During the 1955-56 fiscal year the required experience studies were made for the five-year period ending May 31, 1955. The experience of the Retirement Fund as revealed by these studies, the sixth quinquennial evaluation, showed some further increases in the longevity of active members, as well as the pensioners and other annuitant lives. However, no change was required in the rates of members' contributions adopted for members entering the Retirement System on and after June 1, 1948, nor in the factors used in converting such members' accumulated deductions into members' annuities. Principally because of reductions in the rate of withdrawal from service and changes in the retirement rate, it has been necessary to adopt reserve factors in the case of the active members, who are the future annuitants, which on the whole require the maintenance of somewhat higher reserves.



ANNUAL VALUATION BALANCE SHEET

as of  
MAY 31, 1958

ASSETS, INCLUDING PRESENT VALUE OF FUTURE APPROPRIATIONS

<u>Cash</u> -----		\$	593,252.47
<u>Investments</u>			
Bonds unmatured (Par Value)-----	\$195,569,923.97		
Premium paid on bonds owned-----	\$647,545.15		
LESS: Reserve for amortization--	<u>18,749.06</u>	628,796.09	
Stock-----		100.00	
Mortgage loans first liens-----	<u>1,885,153.74</u>	198,083,973.80	
<u>Interest Due and Accrued</u>			
Investments-----			1,496,316.90
<u>Other Assets</u>			
Members' contributions in transit-----			609,708.47
<u>Due from Commonwealth -</u>			
(a) Interest deficiency -			
Year - 1956 (unpaid balance)	\$183,782.12...		
Year - 1957-----	2,293,591.90		
Year - 1958-----	<u>1,962,270.93</u>	\$	4,439,644.95
(b) Member's Annuity Reserve Account-----		716,159.81	
(c) <u>Appropriations Due But Unpaid May 31, 1958</u>			
(1) State Annuity Reserve Account #2			
(Act 228)-----		55,137.12	
(2) State Annuity Reserve Account #2-----		3,672,841.81	
(3) Contingent Reserve Account-----		5,706,496.27	
(4) State Annuity Reserve Account			
(Act 228)-----		48,980.16	
(5) Pennsylvania State Police-----		<u>25,000.00</u>	14,664,260.12
<u>Present Value of Future Appropriations -</u>			
State Annuity Reserve Account #2-----	\$27,756,469.83		
Contingent Reserve Account-----	<u>96,316,384.57</u>		<u>124,072,854.40</u>
Total Assets, including present value of future appropriations			<u>\$339,520,366.16</u>





ANNUAL VALUATION BALANCE SHEET

as of  
MAY 31, 1958

ACCOUNT BALANCES AND PRESENT VALUE OF FUTURE APPROPRIATIONS

Account Balances

Member's Annuity Savings Account-----	\$104,678,999.92
Member's Annuity Reserve Account-----	25,597,502.00
State Annuity Reserve Account #2-----	9,862,315.17
Contingent Reserve Account-----	37,480,887.43
State Annuity Reserve Account-----	28,987,162.00
Annuities Due and Unpaid-----	32,443.67
Reserve for Outstanding Checks-----	3,455.39
Pennsylvania State Police Benefit Account-----	<u>8,804,746.18</u>
Total Account Balances-----	\$215,447,511.76

Present Value of Future Appropriations

State Annuity Reserve Account #2---	\$27,756,469.83
Contingent Reserve Account-----	<u>96,316,384.57</u>
Total Present Value-----	<u>124,072,854.40</u>
Total Account Balances and Present Value of Future Appropriations-----	<u>\$339,520,366.16</u>



ANNUAL VALUATION BALANCE SHEET  
as of  
MAY 31, 1958

ACTUARIAL RESERVES AND OTHER LIABILITIES

Member's Annuity Savings Account

Present value of benefits on account of which salary  
deductions have been accumulated-----\$104,678,999.92

Member's Annuity Reserve Account

Present value of members' annuities payable to mem-  
bers now on annuity roll because of:

Superannuation-----	\$19,067,956.00	.
Disability-----	661,515.00	
Withdrawal-----	<u>5,868,031.00</u>	
Total-----		25,597,502.00

State Annuity Reserve Account #2

Present value of state annuities payable to  
original members:

- (a) Not on annuity roll but who  
may receive annuities in the  
future because of:

Superannuation-----	\$15,967,469.00	
Disability-----	51,837.00	
Withdrawal-----	<u>40,837.00</u>	\$16,060,143.00

- (b) Now on annuity roll because of:

Superannuation-----	\$16,903,996.00	
Disability-----	218,904.00	
Withdrawal-----	<u>4,435,742.00</u>	<u>21,558,642.00</u>

Total----- 37,618,785.00



ANNUAL VALUATION BALANCE SHEET

as of  
MAY 31, 1958

ACTUARIAL RESERVES AND OTHER LIABILITIES  
(continued)

Contingent Reserve Account

Present value of state annuities  
payable to new members:

Not on annuity roll but who  
may receive annuities in the  
future because of:

Superannuation-----	\$120,766,272.00
Disability-----	6,543,197.00
Withdrawal-----	<u>6,487,803.00</u>

Total-----\$133,797,272.00

State Annuity Reserve Account

Present value of state annuities  
payable to new members:

Now on annuity roll because of:

Superannuation-----	\$ 19,322,780.00
Disability-----	1,533,030.00
Withdrawal-----	<u>8,131,352.00</u>

Total-----28,987,162.00

Pennsylvania State Police Benefit Account

Total----- 8,804,746.18

Other Liabilities

Annuities and refunds under  
Option 1 due and unpaid---- \$ 32,443.67

Reserve for outstanding  
checks----- 3,455.39

Total----- 35,899.06

Total actuarial reserves and other liabilities-----\$339,520,366.16



CASH RECEIPTS AND DISBURSEMENTS

YEAR ENDING MAY 31, 1958

Cash balance - May 31, 1957-----	\$ 210,558.67
Bonds owned - May 31, 1957 (par value)-----	168,928.717.51
Stock owned - May 31, 1957-----	<u>100.00</u>

Total - May 31, 1957-----\$169,139,376.18

Receipts - June 1, 1957 to May 31, 1958

Members' contributions-----	\$ 17,451,901.61
Interest on bonds-----	5,883,534.54
Dividend on stock-----	1,200.00
State and State Agencies contributions -	
(a) State Annuity Reserve Account #2-----	4,996,206.24
(b) Contingent Reserve Account-----	11,213,585.59
(c) Pennsylvania State Police Benefit	
Account-----	75,000.00
Casualty Premium Tax P.S.P.-----	631,403.19
Reserve for outstanding checks-----	319.41
Operating Account-----	<u>5,637,124.00</u>

Total Receipts-----\$ 45,890,274.58

Disbursements - June 1, 1957 to May 31, 1958

Members' contributions representing 40% offset for Social Security from January 1, 1956 to August 30, 1957-----	\$ 1,924,341.39
Members' withdrawal refunds-----	4,106,324.38
Superannuation allowances-----	7,550,358.96
Disability allowances-----	257,262.55
Voluntary and involuntary withdrawal allow- ances-----	1,962,599.56
Pennsylvania State Police allowances-----	620,437.51
Accrued interest on bonds purchased-----	123,729.76
Net premium on bonds purchased-----	71,381.69
Loss on investments sold or exchanged-----	215,669.92
Investment expenses-----	2,807.16
Transfers to School Employes' Retirement Fund	<u>146,307.70</u>

Total Disbursements-----\$ 16,981,220.58

Total Receipts over Disbursements----- 28,909,054.00

Balance May 31, 1957 PLUS 1958 Receipts over Disburse-  
ments-----\$198,048,430.18

Cash balance - May 31, 1958-----	\$ 593,252.47
Bonds owned - May 31, 1958 (par value)---	195,569,923.97
Mortgage loans- May 31, 1958-----	1,885,153.74
Stock owned - May 31, 1958-----	<u>100.00</u>

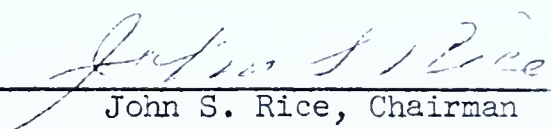
TOTAL - May 31, 1958-----\$198,048,430.18




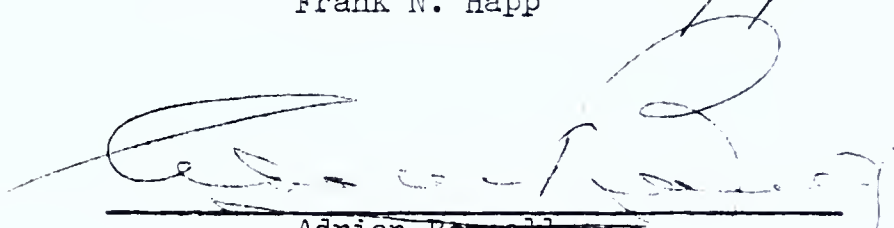


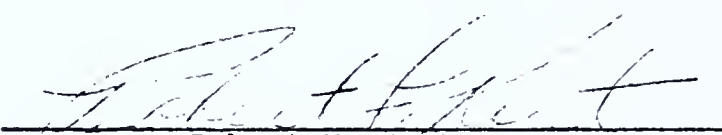
Respectfully submitted,

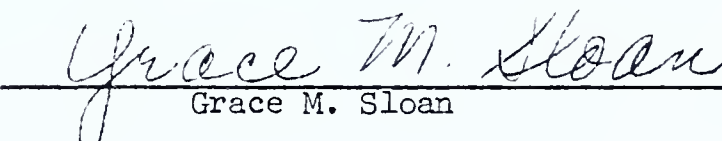
STATE EMPLOYEES' RETIREMENT BOARD

  
\_\_\_\_\_  
John S. Rice, Chairman

  
\_\_\_\_\_  
Frank N. Happ

  
\_\_\_\_\_  
Adrian Bongelly

  
\_\_\_\_\_  
Robert F. Kent

  
\_\_\_\_\_  
Grace M. Sloan



1960  
745

FEB 1965

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF STATE  
STATE EMPLOYEES' RETIREMENT BOARD  
HARRISBURG

December 21, 1962

His Excellency  
David L. Lawrence, Governor  
Commonwealth of Pennsylvania  
Harrisburg, Pennsylvania

FINANCIAL STATEMENT AS OF MAY 31, 1960

Dear Sir:

The following report is respectfully submitted in compliance with the act of June 27, 1923, P.L. 858, creating the State Employees' Retirement System and amendments thereto.

Section 4, subsection 9 provides:

"The retirement board shall prepare and have published, annually, a financial statement showing the condition of the fund and the various accounts created by this act, and setting forth such other facts, recommendations and data as may be of use in the advancement of knowledge concerning State employees' pensions and annuities, and said retirement board shall submit said financial statement to the Governor of the Commonwealth of Pennsylvania, and shall file copies in the offices of the Secretary of the Commonwealth, of the State Insurance Department, and of the head of each department for use of the State employees and the public."

Herewith please find the valuation balance sheet of the Retirement Fund as of May 31, 1960, with the accompanying comments. (Pages 4-7).

On May 31, 1960, the number of members of this System classed as contributors was 71,496 and the number of pensioners was 7,928, a total of 79,424.

The total assets of the fund amounted to \$432,203,608.08 of which \$239,728,856.64 was the Book Value of investments and cash as follows:

Book value of bonds -----	\$213,860,290.61
Book value of mortgage loans -----	24,248,602.65
Book value of stocks -----	100.00
Cash in banks -----	<u>1,619,863.38</u>
Total -----	<u>\$239,728,856.64</u>



The asset of \$28,073,643.62 due from the Commonwealth is made up of three items; namely, \$9,396,171.13, \$236,461.36 and \$18,441,011.13. The first item is made up of the amounts required to supplement the actual net earnings on the invested reserve funds in order to provide the credits at the regular interest rate of 4% on the account balances for the years ending May 31, 1957, 1958, 1959 and 1960. The second item is the amount required to bring the account balance up to the required reserve. The third item is made up of the appropriations payable to the several accounts but unpaid May 31, 1960.

Interest accrued on investments amounts to \$2,106,802.02 and members' contributions in transit amount to \$60,958.90.

The remaining asset item of \$162,233,346.90 represents the present value of future contributions receivable from the Commonwealth and other contributing agencies.

As of May 31, 1960, the Member's Annuity Savings Account was \$128,968,204.66. This is made up of members' contributions and interest credits thereon at the rate of 4% compounded annually. In addition, there is the Member's Annuity Reserve Account of \$31,134,767.00. These are very significant items.

The funds of the Retirement System have been invested in accordance with the Act of June 27, 1923, P.L. 858, Section 6, subsection 1: the Administrative Code, Article VII, Section 701, subsection F: and the Act of April 25, 1929, P.L. 723 as amended.

The annuitants on the roll as of May 31, 1960 including the survivor beneficiaries and the amounts of their annuities were as follows:

	<u>Numbers</u>	<u>Amounts of Annuities</u>
Superannuation ----	5,508	\$ 8,293,871.93
Disability -----	368	277,404.15
Withdrawal -----	<u>2,052</u>	<u>1,738,334.69</u>
Total -----	<u>7,928</u>	<u>\$10,309,610.77</u>

From June 1, 1959 to May 31, 1960, the Retirement Board:

- (a) Noted increase in members - 2,186;
- (b) Approved for payment \$5,161,856.70 to 10,946 members who had terminated their employment with the Commonwealth and applied for the return of their contributions; and
- (c) Approved 809 applications for retirement allowances and 158 applications for benefits payable under Act 249.

In accordance with the Act under which the State Employees' Retirement System is being administered, extensive studies of the mortality and service experience of the retirement system are made at the end of each five-year period. On the basis of such experience, the rates of members' contributions, reserves and appropriation askings are determined.



During the 1955-56 fiscal year the required experience studies were made for the five-year period ending May 31, 1955. The experience of the Retirement Fund as revealed by these studies, the sixth quinquennial evaluation, showed some further increases in the longevity of active members, as well as the pensioners and other annuitant lives. However, no change was required in the rates of members' contributions adopted for members entering the Retirement System on and after June 1, 1948, nor in the factors used in converting such members' accumulated deductions into members' annuities. Principally because of reductions in the rate of withdrawal from service and changes in the retirement rate, it has been necessary to adopt reserve factors in the case of the active members, who are the future annuitants, which on the whole require the maintenance of somewhat higher reserves.





VALUATION BALANCE SHEET  
of  
STATE EMPLOYES' RETIREMENT SYSTEM  
as of  
MAY 31, 1960

ASSETS, INCLUDING PRESENT VALUE OF FUTURE APPROPRIATIONS

<u>Cash</u> -----		\$ 1,619,863.38
 <u>Investments</u>		
Unmatured (par value)-----	\$237,765,723.71	
Premiums paid on investments owned-----	\$ 283,222.35	
Reserve for amortization---	<u>60,047.20</u>	<u>343,269.55</u> 238,108,993.26
 <u>Interest Due and Accrued</u>		
Investments-----		2,106,802.02
 <u>Other Assets</u>		
Members' contributions in transit-----		60,958.90
 <u>Due from Commonwealth</u>		
(a) Interest deficiency -		
Year - 1957-----	\$ 1,850,924.02	
Year - 1958-----	1,962,270.93	
Year - 1959-----	2,714,322.56	
Year - 1960-----	<u>2,868,653.62</u>	\$ 9,396,171.13
(b) Member's Annuity Reserve Account-----		236,461.36
(c) Appropriations Due But Unpaid		
May 31, 1960 -		
(1) State Annuity Accumulation and Reserve Account for Original Members-\$	5,015,212.30	
(2) State Annuity Accumulation Account-----	13,354,453.46	
(3) State Annuity Reserve Account-----	46,345.37	
(4) State Police Benefit Account-----	<u>25,000.00</u>	<u>18,441,011.13</u> 28,073,643.62
 <u>Present Value of Future Appropriations -</u>		
State Annuity Accumulation and Reserve Account for Original Members-----	\$ 32,141,802.55	
State Annuity Accumulation Account-----	<u>130,091,544.35</u>	<u>162,233,346.90</u>
<u>Total Assets, Including Present Value of Future Appropriations--</u>		<u>\$432,203,608.08</u>



ANNUAL VALUATION BALANCE SHEET

as of  
MAY 31, 1960

ACCOUNT BALANCES AND PRESENT VALUE OF FUTURE APPROPRIATIONS

Account Balances

Member's Annuity Savings Account -----	\$128,968,204.66
Member's Annuity Reserve Account -----	31,134,767.00
State Annuity Accumulation and Reserve Account for Original Members -----	11,954,505.45
State Annuity Accumulation Account -----	49,021,674.65
State Annuity Reserve Account -----	36,909,358.00
Reserve for Outstanding Checks -----	4,895.15
State Police Member's Annuity Reserve Account -----	1,891,587.00
State Police Benefit Account -----	<u>10,085,269.27</u>
Total Account Balances -----	\$269,970,261.18

Present Value of Future Appropriations

State Annuity Accumulation and Reserve Account for Original Members -----	\$ 32,141,802.55
State Annuity Accumulation Account	<u>130,091,544.35</u>
Total Present Value -----	<u>162,233,346.90</u>
Total Account Balances and Present Value of Future Appropriations -----	<u><u>\$432,203,608.08</u></u>



ACTUARIAL RESERVES AND OTHER LIABILITIES - MAY 31, 1960

Member's Annuity Savings Account

Present value of benefits on account of which salary deductions  
have been accumulated-----\$128,968,204.66

Member's Annuity Reserve Account

Present value of members' annuities  
payable to members now on annuity  
roll because of:

Superannuation-----\$24,497,675.00  
Disability----- 722,065.00  
Withdrawal----- 5,915,027.00

Total----- 31,134,767.00

State Annuity Accumulation and Reserve Account for Original Members

(a) Present value of State annuities payable to original members, active and inactive, on account of:

Superannuation allowances-\$18,456,513.00  
Disability allowances----- 63,002.00  
Withdrawal allowances----- 42,246.00  
Death benefits----- 1,042,605.00      \$19,604,366.00

(b) Present value of State annuities payable to original members now on annuity roll because of:

Superannuation-----\$19,912,433.00  
Disability----- 182,896.00  
Withdrawal----- 4,396,613.00      24,491,942.00

Total----- 44,096,308.00

State Annuity Accumulation Account

Present value of State annuities payable to new members, active and inactive on account of:

Superannuation allowances----- \$147,839,134.00  
Disability allowances----- 6,510,269.00  
Withdrawal allowances----- 6,409,099.00  
Death benefits----- 18,354,717.00

Total----- 179,113,219.00



ACTUARIAL RESERVES AND OTHER LIABILITIES - MAY 31, 1960  
(continued)

State Annuity Reserve Account

Present value of State annuities payable to  
new members now on annuity roll because of:

Superannuation-----	\$26,647,902.00	
Disability-----	1,698,656.00	
Withdrawal-----	<u>8,562,800.00</u>	

Total-----\$ 36,909,358.00

State Police Member's Annuity Reserve Account

Present value of members' annuities on the roll----- 1,891,587.00

State Police Benefit Account

Present value of State annuities on the roll--	\$ 8,787,889.00	
Balance for future State annuities-----	<u>1,297,380.27</u>	10,085,269.27

Other Liabilities

Reserve for outstanding checks-----4,895.15

Total actuarial reserves and other liabilities-----\$432,203,608.03





CASH RECEIPTS AND DISBURSEMENTS

YEAR ENDING MAY 31, 1960

Cash balance	- May 31, 1959	-----	\$ 1,391,821.53	
Bonds owned	- May 31, 1959 (par value)	-----	194,023,529.20	
Mortgage loans	- May 31, 1959	-----	17,722,993.76	
Stock owned	- May 31, 1959	-----	100.00	
Total - May 31, 1959			-----	\$213,138,444.49

Receipts - June 1, 1959 to May 31, 1960

Members' contributions	-----	\$ 18,032,189.75		
Interest on bonds	-----	7,987,563.79		
Dividend on stock	-----	500.00		
State and State Agencies' contributions -				
(a) State Annuity Accumulation and Reserve Account for Original Members	-----	6,404,854.19		
(b) State Annuity Accumulation Account	---	11,119,562.13		
(c) Pennsylvania State Police Benefit Account	-----	25,000.00		
(d) Operating Account	-----	626,450.00		
Casualty Premium Tax P.S.P.	-----	1,593,464.25		
Reserve for outstanding checks	-----	623.72		
Accrual of Discount	-----	107,241.01		
Total Receipts			-----	\$ 45,897,448.84

Disbursements - June 1, 1959 to May 31, 1960

Members' withdrawal refunds	-----	\$ 5,161,856.70		
Superannuation allowances	-----	9,977,289.79		
Disability allowances	-----	290,114.42		
Voluntary and involuntary withdrawal allowances	-----	2,204,459.43		
Pennsylvania State Police allowances	-----	844,110.77		
Accrued interest on bonds purchased	-----	147,536.79		
Auditing expense	-----	11,450.24		
Loss on investments sold or exchanged	-----	989,687.50		
Investment expenses	-----	469.72		
Transfers to School Employees' Retirement Fund-	-----	23,330.88		
Total Disbursements			-----	\$ 19,650,306.24

Total Receipts over Disbursements	-----	<u>26,247,142.60</u>
Balance May 31, 1959 PLUS 1960 Receipts over Disbursements-		<u>\$239,385,587.09</u>


Cash balance	- May 31, 1960	-----	\$ 1,619,863.38	
Bonds owned	- May 31, 1960 (par value)	-----	213,380,788.66	
Mortgage loans	- May 31, 1960	-----	24,384,835.05	
Stock owned	- May 31, 1960	-----	100.00	

TOTAL - May 31, 1960	-----	<u>\$239,385,587.09</u>
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Respectfully submitted,

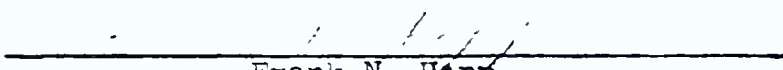
STATE EMPLOYEES' RETIREMENT BOARD

  
Hon. E. James Trimarchi, Jr., Chairman

  
Hon. Grace M. Sloan

  
Mrs. Louise John

  
Adrian Bonnelly

  
Frank N. Happ







