

STATE OF NEVADA

BIENNIAL REPORT

OF THE

Nevada Industrial Commission

Reviewing the Administration of the Nevada Industrial Insurance Act  
for the Period—July 1, 1930, to June 30, 1932



CARSON CITY, NEVADA  
STATE PRINTING OFFICE - - JOE FARNSWORTH, SUPERINTENDENT  
1933



## LETTER OF TRANSMITTAL

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CARSON CITY, NEVADA, February 4, 1932.

*To His Excellency, FRED B. BALZAR, Governor of the State of Nevada.*

DEAR SIR: The Nevada Industrial Commission has the honor to submit the accompanying report of its administration for the biennium ending June 30, 1932.

DAN J. SULLIVAN, *Chairman.*

ALEX L. TANNAHILL, *Commissioner.*

WILLIAM ROYLE, *Commissioner.*

## PERSONNEL

DAN J. SULLIVAN.....	Chairman
ALEX L. TANNAHILL.....	Commissioner
WILLIAM ROYLE.....	Commissioner

## EMPLOYEES

GRACE M. ATHERTON.....	Secretary
DR. VINTON A. MULLER.....	Chief Medical Advisor
LYMAN FULTON.....	Traveling Auditor
MALVINA NICOLAS.....	Auditor
HARRY R. GRIER.....	Claim Clerk
MARGARET QUINLAN.....	Bookkeeper
DORIS JOHNSON.....	Stenographer
FLORA O'BRIEN.....	Stenographer

# REPORT OF NEVADA INDUSTRIAL COMMISSION

This report covers the administration by the Nevada Industrial Commission of the State Insurance Fund for the biennium ending June 30, 1932, and the information, as set forth in the tables submitted by the Commission, as well as that contained in the report of Mr. George K. Edler, Certified Public Accountant, describes the condition of our fund as of that date.

The compiling of our report has been unavoidably delayed for the reason that the law permits compulsory employments, such as State departments, counties, cities and school districts, to report their pay rolls for any semiannual period six months after the expiration of that period, and some of these reports have not yet been received, necessitating our being obliged to estimate these items. A further reason for the delay is that the law requires the Commission to estimate all liabilities as of June 30, and in many cases it is impossible to estimate with any degree of accuracy the result of a disability in less than six months from date of injury.

## INVESTMENT SURPLUS AND RESERVE

These items are fully described in the report of Mr. George K. Edler, Certified Accountant, and are as follows:

<b>Surplus</b>	
State Insurance, or Compensation Fund (see Exhibit E).....	\$61,274.25
Accident Benefit, or Medical Fund.....	38,794.45
	\$100,068.70

In addition to the above surplus, we have a Catastrophe Reserve of \$100,000, as shown in Exhibit F. Since the beginning of the period covered by this report a large amount of our cash and special deposits has been tied up by the closing of our depositories; the amounts now held in those banks being as follows:

<b>Special Deposits</b>	
Carson Valley Bank .....	\$55,000.00
United Nevada Bank .....	10,000.00
Battle Mountain Bank.....	10,000.00
	\$75,000.00
<b>Current Cash Collections in Transit to State Treasurer</b>	
Carson Valley Bank.....	\$116,941.69
<b>Petty Cash Fund</b>	
Carson Valley Bank.....	\$2,805.95
	\$194,747.64
<b>Total</b> .....	<b>\$194,747.64</b>

These funds are all covered by surety bonds furnished by the Nevada Surety and Bonding Company, with the exception of the deposit of

the Battle Mountain Bank, which has furnished negotiable bonds in the sum of \$13,500.

There is a general impression throughout the State, and it is surprising to learn how many of the large contributors share the opinion, that on account of the State Insurance Fund having investments of almost one million dollars, such money constitutes a surplus when, as a matter of fact, it is set aside to take care of future payments on awards already made to widows and orphans and which, in every instance, covers a period of from one to possibly thirty or forty years.

The funds handled by the Nevada Industrial Commission are made up of contributions from the various employers of the State, who have elected to accept the provisions of the Nevada Industrial Insurance Act, and are used for the payment of compensation to, and the medical care of, injured workmen, as well as the payment of compensation to the dependents of those killed in the industries of our State.

They are first deposited in the local bank for collection, and then transferred to the State Treasurer who, under our law, is custodian of such funds, and we earnestly urge legislation which will provide adequate protection for these trust funds.

#### PREMIUM RATES

On April 1, 1931, and again on April 1, 1932, it was found necessary to increase our premium rates in nearly all classifications. These increases, however, were practically nullified by the continual decline in wages, and under the increased rates we receive less premiums today, on the same risk, than we did prior to 1930 on the lower rates, as a consequent result of such wage reduction, and a still further increase in rates may be necessary to insure the integrity of the State Insurance Fund.

#### LITIGATION

During the biennium covered by this report, six thousand claims for compensation were presented to the Commission, and during that period four actions have been brought against the Commission by dissatisfied claimants, two of these cases involving questions of law on account of the injuries having been sustained in Arizona, while the Arizona Commission was collecting premiums on their wages, and this Commission was obliged to incur considerable expense in defending the suits, and the present law should be amended definitely defining extraterritorial jurisdiction.

In the nineteen years of its existence the Nevada Industrial Commission has been named defendant in twenty-five actions brought by claimants who were dissatisfied with the award of the Commission, with the following result:

- 2—Dismissed.
- 6—Adjusted without trial.
- 7—Won by plaintiff.
- 4—Won by Commission.
- 5—In court; no action by plaintiff for years.
- 1—Pending before Supreme Court.

It would, therefore, appear that only 14 cases will be finally reviewed by the courts.

During the nineteen-year period, thirty-three thousand compensation claims have been adjudicated by the Commission without controversy, as well as thirty thousand claims of doctors, nurses, hospitals, druggists, etc., for medical services furnished.

The Nevada Industrial Commission has by far the lowest percentage of controverted claims of any State in the Union, which results in saving the taxpayers thousands of dollars in court costs every year.

While the above table shows that more than 99% of all claims presented to the Commission are adjusted without controversy, the Commission again recommends that legislation be enacted providing that a dissatisfied claimant may secure a prompt review of the action of the Commission by the court on the evidence previously submitted to the Commission, which is the procedure now followed by the United States Compensation Commission and a majority of other State industrial commissions.

#### DECISIONS OF THE COMMISSION

All decisions or awards made by the Commission are, in the event that a question of law is involved, referred to our legal adviser, or should the question involved be a medical one, which is the case in the majority of controverted claims, the Commission is guided in its decision by the reports of the attending physicians, as well as the opinion of our Chief Medical Adviser, always having in mind that the injured workman should have the benefit of any doubt that might exist.

TABLE NO. 1  
Experience by Classes for Nineteen Years, Ending June 30, 1932

Class	Premium income			Compensation, administration and reserve				Condition of funds	
	Paid and estimated delinquents	Excess premium refunded 1918 and 1920	Net premium income	Total compensation	Adminis- tration expense	Statutory reserve	Surplus or deficit, exclusive of earnings	Interest earnings	Actual condition
1	\$2,888,357.89	\$104,263.81	\$2,784,094.08	\$2,780,787.60	\$288,478.84	\$56,852.97	\$992,085.39	\$310,968.89	\$81,066.44
2	438,983.03		438,983.03	385,278.14	44,611.31	7,002.42	2,041.16	49,923.11	51,964.27
3	1,109,567.95	74,832.08	1,034,735.87	986,693.27	112,771.84	19,001.38	83,730.62	117,688.20	83,857.58
Total Mining	\$4,386,858.87	\$179,095.89	\$4,207,762.98	\$4,102,769.01	\$445,861.99	\$82,856.77	\$1,223,724.79	\$478,580.20	\$54,855.41
Railroads	\$141,051.30	\$7,289.32	\$133,767.98	\$93,585.60	\$14,335.87	\$2,657.10	\$23,209.41	\$15,214.42	\$38,423.83
Public utilities	186,455.05	17,364.90	139,090.15	106,375.38	15,901.44	2,582.41	14,230.92	15,819.75	30,050.87
State and subdivisions, compulsory	406,788.10	9,984.87	396,803.23	442,486.19	41,344.24	4,121.56	97,148.76	45,131.88	46,077.98
Miscellaneous	1,041,451.50	8,135.26	1,033,316.24	1,053,525.60	105,848.77	7,782.16	133,840.89	117,526.74	10,212.55
Totals	\$6,132,604.82	\$221,864.24	\$5,910,740.58	\$5,798,721.78	\$623,292.31	\$100,000.00	\$611,273.51	\$672,272.49	\$60,998.98

*Italic figures denote deficit.*

**TABLE NO. 2**  
Annual Number Full-Time Workers

	Class	Average seventeen years ending June 30, 1930	1931	1932	Average nineteen years
Mining .....	1	3,558	1,862	1,050	3,337
Ore reduction .....	2	696	305	202	649
Nevada Consolidated Copper Co. ....	3	2,188	1,337	902	2,075
<b>Total mining .....</b>		<b>6,442</b>	<b>3,504</b>	<b>2,154</b>	<b>6,061</b>
Railroads .....	4	335	199	175	319
Public utilities .....	5	434	477	500	440
State and subdivisions, compulsory .....	6	1,937	3,459	3,153	2,081
Miscellaneous .....	7	2,599	5,292	6,658	2,954
<b>Totals .....</b>		<b>11,747</b>	<b>12,931</b>	<b>12,640</b>	<b>11,855</b>

**TABLE NO. 3**  
Annual Pay Roll Exposure

	Class	Average seventeen years ending June 30, 1930	1931	1932	Average nineteen years
Mining .....	1	\$6,237,263.60	\$3,669,135.21	\$1,980,677.96	\$5,878,068.12
Ore reduction .....	2	1,237,887.87	616,785.06	381,114.30	1,160,104.90
Nevada Con. Copper Co. ....	3	3,571,510.05	2,426,963.59	1,607,313.49	3,407,892.00
<b>Total mining .....</b>		<b>\$11,046,661.52</b>	<b>\$6,712,883.86</b>	<b>\$3,969,105.75</b>	<b>\$10,446,065.02</b>
Railroads .....	4	\$468,140.10	\$380,141.72	\$281,392.26	\$453,679.77
Public utilities .....	5	564,927.04	747,256.32	762,177.11	584,904.90
State, etc., compulsory .....	6	2,664,090.52	5,541,231.48	5,240,268.82	2,951,107.32
Miscellaneous .....	7	3,879,710.51	8,992,023.71	10,145,389.09	4,473,552.19
<b>Totals .....</b>		<b>\$18,623,529.69</b>	<b>\$22,373,537.09</b>	<b>\$20,398,333.3</b>	<b>\$18,914,309.20</b>

TABLE NO. 4  
 Accident Experience of Eighteenth Year, Ending June 30, 1931

	Coverage				Compensation cost				Compensatory cases cost			
	No. con-tributors	No. full-time workers	Pay roll exposure	Premium	All cases	Deaths	Temporary total disability	Permanent partial disability	Total No.	Average per case	Per \$100 pay roll	
<i>Class 1—Mining—</i>												
Copper	4	361	\$758,293.45	\$16,601.68								
Gold, silver and miscellaneous metals	287	1,381	2,695,719.53	66,618.01								
Nonmetal	18	120	215,182.23	9,378.35								
Total Class 1	309	1,862	\$3,669,195.21	\$88,498.04	\$88,876.05	\$16,075.75	\$39,258.35	\$33,541.95	492	\$180.64	\$2.42	
<i>Class 2—Ore Reduction—</i>												
Copper												
Gold, silver and miscellaneous metals	53	214	\$453,607.19	\$7,612.42								
Nonmetal	5	91	163,177.87	2,380.89								
Total Class 2	58	305	\$616,785.06	\$9,993.31	\$3,980.95			\$1,410.00	25	\$159.24	\$0.65	
<i>Class 3—Nevada Consolidated Copper Co.—</i>												
Copper mining	1	555	\$984,873.14	\$22,497.59	\$9,945.80			\$4,516.40	78			
Milling and smelting	1	782	1,442,090.45	16,696.85	17,657.85	11,860.00		8,000.00	49			
Total Class 3	2	1,337	\$2,426,963.59	\$39,194.44	\$27,603.65	\$11,860.00	\$7,314.25	\$8,429.40	127	\$139.00	\$1.14	
Total mining industry	369	3,504	\$6,712,883.86	\$137,685.79	\$120,460.65	\$27,935.75	\$49,143.55	\$43,881.36	644	\$187.05	\$1.79	
<i>Class 4—Railroads—</i>												
All operations	9	199	\$380,141.72	\$4,636.68	\$241.75				4	\$60.44	\$0.63	
<i>Class 5—Utilities—</i>												
Electric light, power and gas works	11	311	\$509,817.14	\$8,045.07	\$5,880.20	\$806.25	\$2,373.95	\$2,700.00	41			
Telephone and telegraph companies	5	129	165,872.67	938.46					2			
Water works	6	37	71,866.51	564.95	19.15		19.15		1			
Total Class 5	22	477	\$747,556.32	\$9,548.48	\$5,899.35	\$806.25	\$2,393.10	\$2,700.00	44	\$134.08	\$0.79	
<i>Class 6—State and Municipal, Compulsory—</i>												
State departments and institutions	10	1,254	\$1,474,309.63	\$8,173.45	\$3,014.55		\$1,432.05	\$1,682.50	36			
State highway contracts	29	310	563,861.61	11,194.88	16,746.85	650.00	8,636.85	7,460.00	113			
Counties	17	653	1,194,318.04	6,271.53	8,049.50		3,779.50	4,270.00	36			
Cities and towns	16	439	795,906.01	4,697.97	2,924.95		1,679.95	1,245.00	27			
District schools	31	783	1,507,235.99	2,864.34	229.25		209.25		4			
Total Class 6	108	3,459	\$5,541,231.48	\$33,202.17	\$30,965.10	\$650.00	\$15,787.60	\$14,677.50	216	\$143.36	\$0.56	









Class 7.—Miscellaneous—											
	Garages and stage lines.....	74	397	\$767,860.38							
	Brewing, bottling and ice manufacturing.....	5	18	82,437.66							
	Coal, wood and other yards, mercantile.....	30	155	235,523.38							
	Construction, buildings.....	110	171	394,894.67							
	Creameries and dairies.....	15	75	124,111.17							
	Flour mills.....	3	7	12,461.10							
	Foundries and machine shops.....	6	19	46,867.58							
	Hotels and restaurants.....	43	246	477,510.98							
	Laundries.....	17	190	311,010.31							
	Logging, lumbering and planing mills.....	9	66	127,655.43							
	Packing houses, products.....	5	127	229,893.77							
	Printing.....	12	161	323,090.67							
	Stores, mercantile, and meat markets.....	136	779	1,448,101.63							
	Teaming and transfer.....	59	102	198,972.07							
	Ranching.....	513	1,406	1,773,384.56							
	Banking.....	13	145	292,886.59							
	Oil distributors.....	14	176	349,752.52							
	All others.....	233	545	1,014,092.59							
	Federal naval contracts.....	8	74	132,596.30							
	Hoover Dam construction, subcontracts.....	9	159	310,276.70							
	Hoover Dam, miscellaneous contracts.....	7	53	72,582.87							
	Federal railroad contracts.....	2	33	178,517.21							
	Total Class 7.....	1,288	5,164	\$8,850,976.14	741	6	48	532	155	143.49	8.4
Class 7A—Hoover Dam Construction—											
	Six Companies, Inc.....	1	123	141,047.57	36	2	3	25	6	28.13	2.6
	Totals.....	1,792	12,931	\$22,373,537.09	1,643	15	122	1,225	281	127.06	7.3

TABLE NO. 7  
 Frequency of Accidents by Classes and Extent of Disability Nineteenth Fiscal Year, July 1, 1931, June 30, 1932

	No. con- tributors	No. full- time workers	Pay roll exposure	Total	Death and per- manent disability	Per- manent partial disability	TEMPORARY TOTAL		No. of ACCIDENTS— Per 1,000 full-time workers	Per \$100,000 pay roll
							Disability— 7 days or more	Under 7 days		
<i>Class 1—Mining—</i>										
Copper.....	6	127	\$268,482.21							
Gold, silver and miscellaneous metals.....	228	830	1,555,611.23							
Nonmetal.....	22	88	186,584.52							
Total Class 1.....	256	1,050	\$1,950,677.96	281	3	18	230	30	267.82	14.00
<i>Class 2—Ore Reduction—</i>										
Copper.....	38	137	\$269,754.42							
Gold, silver and miscellaneous metals.....	7	66	111,359.83							
Total Class 2.....	45	202	\$381,114.30	19	0	4	13	2	94.06	4.9
<i>Class 3—Nevada Consolidated Copper Co.—</i>										
Copper mining.....	1	351	\$598,063.86							
Milling and smelting.....	1	551	1,009,249.63							
Total Class 3.....	2	902	\$1,607,313.49	73	0	8	65	0	80.06	4.5
Total mining industry.....	303	2,154	\$3,969,105.75	373	3	30	308	82	173.07	9.3
<i>Class 4—Railroads—</i>										
All operations.....	8	175	\$281,892.26	13	0	1	11	1	74.28	9.4
<i>Class 5—Utilities—</i>										
Electric light, power and gas works.....	13	299	\$505,651.74							
Telephone and telegraph companies.....	6	154	175,359.54							
Waterworks.....	8	47	81,165.56							
Total Class 5.....	27	500	\$762,177.11	42	0	1	33	8	84.00	5.3
<i>Class 6—State and Municipal, Compulsory—</i>										
State departments and institutions.....	8	733	\$883,123.58							
State highway contracts.....	29	476	923,362.14							
Counties.....	17	663	1,150,861.97							
Cities and towns.....	16	478	808,316.48							
District schools.....	33	803	1,471,605.65							
Total Class 6.....	103	3,153	\$5,240,263.82	246	2	21	186	34	78.02	4.7



TABLE NO. 8

## Fatalities

	1931	Deaths	With dependents	Actual and estimated cost
Class 1.....		4	3	\$16,075.75
Class 2.....		.....	.....	.....
Class 3.....		2	2	11,860.00
Class 4.....		.....	.....	.....
Class 5.....		1	1	806.25
Class 6.....		1	1	650.00
Class 7.....		7	4	24,696.35
Class 7A.....		2	2	8,775.00
<b>Totals.....</b>		<b>17</b>	<b>13</b>	<b>\$62,863.35</b>
	1932			
Class 1.....		3	1	\$10,758.00
Class 2.....		.....	.....	.....
Class 3.....		.....	.....	.....
Class 4.....		.....	.....	.....
Class 5.....		.....	.....	.....
Class 6.....		3	3	20,654.60
Class 7.....		5	4	22,824.40
Class 7A.....		11	9	50,755.35
<b>Totals.....</b>		<b>22</b>	<b>17</b>	<b>\$104,992.35</b>

TABLE NO. 9

## Mining Industry—Premium Rates per \$100 of Pay Roll

	Segregation allowed	April 1, 1931— April 1, 1932	April 1, 1932— April 1, 1933
<i>Mining and Quarrying—</i>			
Underground, surface and construction.....		\$3.00	\$3.75
Clerical .....		.25	.25
Commissary .....		.60	.75
<i>Ore Reduction—</i>			
Construction .....		3.00	3.75
Mill operations .....		1.75	2.00
Smelting operations .....		1.75	2.00
Clerical .....		.25	.25
Commissary .....		.60	.25
<i>Medical Benefits—</i>			
The medical benefit rates are in addition to the compensation rates shown above, and during the year ending April 1, 1932, were 70% of the compensation rates. For the year ending April 1, 1933, they were 60% of the compensation rates, requiring the following general hazard premiums:			
Mining and quarrying.....		2.10	2.25
Mill and smelter operations.....		1.22½	1.20

TABLE NO. 10  
Experience of Accident Benefit Fund, Years Ending June 30, 1931 and 1932

	1931		1932		Total benefits	Number cases	MEDICAL BENEFIT COST	
	No. contributors	Full-time workers	Pay roll exposure	Earned premium			Per case pay roll	Per \$100 Full-time workers
Mining and reduction.....	367	2,167	\$4,285,920.27	\$30,259.32	\$29,056.00	437	\$86.49	\$13.42
Railroads.....	9	199	380,141.72	805.75	39.00	4	9.75	.20
Public utilities.....	22	477	747,256.32	3,152.74	1,672.75	80	20.91	3.51
State and municipal, compulsory.....	103	3,459	5,541,231.48	28,448.04	22,045.30	467	47.21	6.37
Miscellaneous.....	1,288	5,164	8,850,976.14	74,066.00	75,245.65	1,424	52.84	14.57
Totals.....	1,789	11,466	\$19,805,525.93	\$136,731.85	\$123,058.70	2,412	\$53.09	\$11.17
Mining and reduction.....	301	1,252	\$2,361,792.26	\$18,571.51	\$16,385.40	242	\$67.71	\$13.09
Railroads.....	8	175	281,392.26	809.70	219.75	11	19.98	1.26
Public utilities.....	27	500	762,177.11	5,699.78	4,538.20	90	50.42	9.08
State and municipal, compulsory.....	6	1,123	5,240,268.82	31,377.09	37,041.07	523	70.82	11.75
Miscellaneous.....	7	4,499	7,390,466.20	47,165.15	59,159.97	1,115	53.06	13.17
Totals.....	1,562	9,579	\$16,036,096.65	\$103,723.23	\$117,344.39	1,981	\$64.28	\$12.25



# REPORT OF CERTIFIED PUBLIC ACCOUNTANT

GEO. K. EDLER  
CERTIFIED PUBLIC ACCOUNTANT  
RENO, NEVADA

September 20, 1932.

HON. F. B. BALZAR, HON. GRAY MASHBURN, HON. A. J. STINSON, *Industrial Commission Board, State of Nevada, Carson City, Nevada.*

SIRS: In accordance with my appointment by your Board I have completed an audit of the records of the Nevada Industrial Commission for the year ended June 30, 1932.

I submit, herewith, as a part of this report, the following statements:  
Exhibit A—Assets and Liabilities, June 30, 1932.

Exhibit B—Receipts and Disbursements, State Insurance Fund, July 1, 1913, to June 30, 1932.

Exhibit C—Receipts and Disbursements, State Accident Benefit Fund, July 1, 1917, to June 30, 1932.

Exhibit D—State Insurance Fund, Summary of Operations, July 1, 1913, to June 30, 1932.

Exhibit E—Experience by Classes, for Year Ended June 30, 1932.

Exhibit F—State Insurance Fund, Experience by Classes, July 1, 1913, to June 30, 1932.

Exhibit G—State Accident Benefit Fund, Experience by Classes, July 1, 1917, to June 30, 1932.

Schedule No. 1.—Cash, June 30, 1932.

Schedule No. 2—Investments, June 30, 1932.

All receipts have apparently been accounted for and disbursements were evidenced by properly approved vouchers.

We reconciled the two bank accounts which are in the Carson Valley Bank and found them to be correct. However, we note that the security covering the deposit of \$112,474.21, shown on Schedule No. 1, amounts to only \$50,000. This consists of a surety bond for that amount issued by the Nevada Surety and Bonding Company. At the time of our examination the funds were less than 50% secured.

The overdraft with the State Treasurer shown on Schedule No 1 is only an apparent overdraft on the books of the Commission, as the Treasurer's records still show a balance on hand. The difference between the two accounts consists of outstanding vouchers.

We counted the securities owned by the State Insurance Fund, and found them to be on hand in the vault of the State Treasurer and under his supervision. We also found in his custody the security covering the special time deposits of the Commission. This security consisted of surety bonds and municipal bonds which appeared to be ample to cover the deposits.

We have set up the automobiles purchased by the Commission in 1931 as assets to be depreciated over a period of four years. We have set up the depreciation on the automobiles for the year under review,

and have likewise done so on the furniture and equipment and buildings.

It is apparent that sufficient reserves have been set up to take care of liabilities in the form of pensions already approved and for claims accruing prior to June 30, 1932.

Part of the liability in Class 7 of the State Insurance Fund is reinsured with the Six Companies, Inc. The premium paid to them for this reinsurance has been considered in our report as a reduction of premiums received.

We call attention in particular to Exhibits E, F, and G which show the experience by classes for the year ending June 30, 1932, for both the State Insurance Fund and Accident Benefit Fund and the experience by classes for the State Insurance Fund from its inception July 1, 1913, to June 30, 1932, and the Accident Benefit Fund from the date of starting July 1, 1917, to June 30, 1932. You will note that the operations of both funds show a deficit for the year's operations. The deficit of the State Insurance Fund amounted to \$43,421.15, while that of the Accident Benefit Fund totaled \$24,577.41. It is apparent that an increase in rates is necessary, and we understand that it has already been put into effect.

#### STATE INSURANCE FUND

Class No. 1.—The deficit for the year in this class amounted to \$17,656.27 before the proportion of interest and miscellaneous earnings had been credited to it. The net deficit for the year amounted to \$5,558.56.

Class No. 2.—Premiums for the year exceeded compensation and administrative expenses by \$668.17, and with the addition of earnings the net surplus was \$2,270.39.

Class No. 3.—Compensation and administrative expenses exceeded premiums by \$24,210.70. This deficit was reduced by earnings of \$4,499.39 to a net deficit of \$19,711.31.

Class No. 4.—This class showed a net surplus of \$765.09 after being credited with \$681.45 of earnings.

Class No. 5.—This class showed a deficit of \$355.72 after it received a credit of \$1,354.24 for its proportion of the earnings.

Class No. 6.—Compensation and administrative expense were greater than premiums received by \$31,235.44. This difference was reduced by \$6,485.23 of earnings to a net deficit of \$24,750.21 for the year.

Class No. 7.—This class also showed a deficit for the year amounting to \$24,039, but which was turned to a surplus upon crediting of earnings.

The operations for the year showed Classes 1, 3, 5, and 6 ending in a deficit, while the previous year's operations showed only one class suffering a deficit. However, the net operations of all funds showed a deficit of \$43,421.15 for the year under review, while the previous year's operations resulted in a deficit of \$21,756.54.

#### STATE ACCIDENT BENEFIT FUND

Class No. 1.—Benefits and administration exceeded premium income by \$4,035.81.

Class No. 2.—Premiums exceeded benefits and administration expense by \$384.30.

Class No. 4—This class showed a surplus of \$593.75 for the year.

Class No. 5—In contrast to last year the results of this year showed a surplus of \$1,829.44.

Class No. 6—A deficit of \$1,998.54 was the result for the year.

Class No. 7—This class showed a larger deficit for the year than for the previous year; the deficit being \$21,350.55.

The deficit of all classes for the year ending June 30, 1932, was \$17,387.99 greater than that of the previous year ending June 30, 1931.

It is my opinion that the attached statements are correct; they are in accordance with your records.

Respectfully submitted,

GEO. K. EDLER,  
*Certified Public Accountant.*

## REPORT OF NEVADA INDUSTRIAL COMMISSION

## (EXHIBIT A)

## ASSETS AND LIABILITIES, JUNE 30, 1932

ASSETS			
Cash (see Schedule No. 1) .....		\$320,268.14	
Premiums due (estimated) .....		25,000.00	
Accrued interest .....		24,618.62	
Investments (see Schedule No. 2) .....		988,064.55	
Furniture and equipment .....	\$14,867.00		
Less depreciation .....	10,450.43		
		4,416.57	
Office building .....	\$12,971.56		
Less depreciation .....	2,192.85		
		10,778.71	
Automobiles .....	\$1,238.22		
Less depreciation .....	259.56		
		978.66	
Total assets .....			\$1,374,125.25
LIABILITIES			
Reserve for pensions allowed .....		\$841,599.28	
Liabilities account pending claims (estimated) .....		261,656.15	
Advance premiums (compensation) .....		52,693.84	
Advance premiums (accident benefit) .....		18,107.28	
Catastrophe reserve .....		100,000.00	
Total liabilities .....			1,274,056.55
Assets in excess of liabilities .....			\$100,068.70
Represented by:			
State Insurance Fund surplus .....		\$61,274.25	
Accident Benefit Fund surplus .....		38,794.45	
Total surplus .....			\$100,068.70

## (EXHIBIT B)

## STATE INSURANCE FUND

## Receipts and Disbursements, July 1, 1913, to June 30, 1932

RECEIPTS	To June 30, 1931	Year ending June 30, 1932	Totals	Totals
Premiums collected .....	\$5,767,360.12	\$390,597.19	\$6,157,957.31	
Interest .....	594,733.73	51,720.24	646,453.97	
Miscellaneous receipts .....	785.50	-----	785.50	
Totals .....	\$6,362,879.35	\$442,317.43	-----	\$6,805,196.78
DISBURSEMENTS				
Compensation fund .....	\$4,355,876.07	\$337,248.93	\$4,693,125.00	
Administration expense .....	569,607.55	40,092.25	609,699.80	
Furniture and equipment .....	13,691.08	1,175.92	14,867.00	
Office building .....	12,898.83	72.73	12,971.56	
Automobiles .....	1,238.22	-----	1,238.22	
Premiums refunded .....	221,864.24	-----	221,864.24	
Totals .....	\$5,175,175.99	\$378,589.83	-----	5,553,765.82
Balance in fund, June 30, 1932 .....				\$1,251,430.96
DISTRIBUTED AS FOLLOWS				
Cash (see Schedule No. 1) .....			\$263,366.41	
Investments (see Schedule No. 2) .....			988,064.55	
Total .....				\$1,251,430.96

(EXHIBIT C)

STATE ACCIDENT BENEFIT FUND

Receipts and Disbursements, July 1, 1917, to June 30, 1932

RECEIPTS	To June 30, 1931	Year ending June 30, 1932	Totals	Totals
Premiums collected .....	\$1,050,105.51	\$111,283.16	\$1,161,388.67	
<b>Totals .....</b>	<b>\$1,050,105.51</b>	<b>\$111,283.16</b>		<b>\$1,161,388.67</b>
<b>DISBURSEMENTS</b>				
Benefits paid .....	\$914,895.13	\$137,800.21	\$1,052,695.34	
Administration expense .....	47,336.91	4,454.69	51,791.60	
<b>Totals .....</b>	<b>\$962,232.04</b>	<b>\$142,254.90</b>		<b>1,104,486.94</b>
Balance in fund, June 30, 1932 (see Schedule No. 1) .....				\$56,901.73

(EXHIBIT D)

STATE INSURANCE FUND

Summary of Operation, July 1, 1913, to June 30, 1932

	Class	July 1, 1913, to June 30, 1931	Year ending June 30, 1932	Nineteen years ending June 30, 1932
<b>Earned Premiums—</b>				
Mining .....	1	\$2,673,882.56	\$60,211.52	\$2,734,094.08
Ore reduction .....	2	432,299.42	6,633.61	438,933.03
Nevada Consolidated Copper Co... 3	3	1,012,655.12	22,080.75	1,034,735.87
Railroads .....	4	130,020.57	3,747.41	133,767.98
Public utilities .....	5	129,416.22	9,673.93	139,090.15
State, counties, etc.....	6	345,743.69	51,059.54	396,803.23
Miscellaneous .....	7	798,904.14	232,070.75	1,030,974.89
<b>Totals .....</b>		<b>\$5,522,921.72</b>	<b>\$385,477.51</b>	<b>\$5,908,399.23</b>
<b>Compensation—</b>				
Mining .....	1	\$2,710,424.98	\$70,372.62	\$2,780,797.60
Ore reduction .....	2	380,201.09	5,077.05	385,278.14
Nevada Consolidated Copper Co... 3	3	893,184.15	43,509.12	936,693.27
Railroads .....	4	90,350.65	3,214.95	93,565.60
Public utilities .....	5	96,046.93	10,328.45	106,375.38
State, counties, etc.....	6	365,553.64	76,932.55	442,486.19
Miscellaneous .....	7	819,045.13	232,139.12	1,051,184.25
<b>Totals .....</b>		<b>\$5,354,806.57</b>	<b>\$441,573.86</b>	<b>\$5,796,380.43</b>
Premiums in excess of compensation.....		\$168,115.15	\$56,096.35	\$112,018.80
Interest and miscellaneous earnings.....		\$617,179.68	\$54,678.41	\$671,858.09
Administration expense .....		580,599.43	42,003.21	622,602.64
<b>Net administration earnings.....</b>		<b>\$36,580.25</b>	<b>\$12,675.20</b>	<b>\$49,255.45</b>
Surplus accumulated during period.....		\$104,695.40	<i>\$43,421.15</i>	\$61,274.25
Statutory reserve .....		100,000.00		100,000.00
<b>Total surplus and statutory reserve.....</b>		<b>\$204,695.40</b>	<b><i>\$43,421.15</i></b>	<b>\$161,274.25</b>

*Italic figures denote deficit.*

(EXHIBIT E)

EXPERIENCE BY CLASSES

Year Ending June 30, 1932

Class number	Earned premiums	Compensation	Adminis- tration	Total adminis- tration and compensation	Surplus or deficit	Interest and miscellaneous earnings	Net sur- plus or deficit
<i>State Insurance Fund—</i>							
Mining	\$60,211.52	\$70,372.62	\$7,495.17	\$77,867.79	\$17,656.87	\$12,097.71	\$5,558.56
Ore reduction	6,633.61	5,077.05	888.39	5,965.44	668.17	1,602.22	2,270.39
Nevada Consolidated Copper Co.	22,080.75	43,509.12	2,782.33	46,291.45	24,210.70	4,499.39	19,711.31
Railroads	3,747.41	3,214.95	448.82	3,663.77	83.64	681.45	765.09
Public utilities	9,673.93	10,328.45	1,055.44	11,383.89	1,709.96	1,354.24	355.78
State, counties, etc.	51,059.54	76,932.55	5,862.43	82,794.98	31,235.44	6,485.23	24,750.21
Miscellaneous	232,070.75	232,139.12	23,970.63	256,109.75	24,039.00	27,958.17	3,919.17
Totals	\$385,477.51	\$441,573.86	\$42,003.21	\$483,577.07	\$98,009.56	\$54,678.41	\$43,421.15
<i>Accident Benefit Fund—</i>							
Mining	\$18,067.63	\$21,546.64	\$556.80	\$22,103.44	.....	.....	\$1,035.81
Ore reduction	2,511.05	2,054.85	71.90	2,126.75	.....	.....	384.30
Nevada Consolidated Copper Co.	854.86	226.75	34.36	261.11	.....	.....	593.75
Railroads	5,672.60	3,603.55	239.61	3,843.16	.....	.....	1,829.44
Public utilities	36,184.26	36,724.52	1,458.28	38,182.80	.....	.....	1,998.54
State, counties, etc.	54,387.09	73,643.90	2,093.74	75,737.64	.....	.....	21,550.55
Miscellaneous	.....	.....	.....	.....	.....	.....	.....
Totals	\$117,677.49	\$137,800.21	\$4,454.69	\$142,253.90	.....	.....	\$24,577.41

*Italic figures denote deficit.*

SURPLUS, STATE INSURANCE FUND

Balance, June 30, 1931.....	\$104,695.40
Reduction in surplus, as above.....	43,421.15
Surplus, June 30, 1932 (Exhibit A).....	\$61,274.25

SURPLUS, ACCIDENT BENEFIT FUND

Balance, June 30, 1931.....	\$63,371.96
Reduction in surplus, as above.....	24,577.41
Surplus, June 30, 1932 (Exhibit A).....	\$38,794.55

(EXHIBIT F)

STATE INSURANCE FUND

Experience by Classes, July 1, 1913, to June 30, 1932

Class number	Earned premiums	Reserve	Premiums refunded	Net premiums	Total compensation and administration	Surplus or deficit	Interest and miscellaneous earnings	Net surplus or deficit
1	\$2,838,357.89	\$56,852.97	\$104,263.81	\$2,677,241.11	\$3,069,067.13	\$391,826.02	\$310,900.28	\$80,925.74
2	438,933.03	7,002.42		431,930.61	429,857.07	2,073.54	49,912.10	51,985.64
3	1,109,567.95	19,001.38	74,832.08	1,015,734.49	1,049,383.29	33,648.80	117,662.24	84,013.44
4	141,051.30	2,657.10	7,233.32	131,110.88	107,891.06	23,219.82	15,211.09	38,430.91
5	156,455.05	2,582.41	17,364.90	136,507.74	122,965.27	14,242.47	15,816.29	30,058.76
6	406,788.10	4,121.56	9,984.87	392,681.67	483,800.43	91,118.76	45,121.46	45,997.30
7	1,039,110.15	7,782.16	8,135.26	1,023,192.73	1,156,718.82	133,526.09	117,234.63	16,291.46
Totals	\$8,130,263.47	\$100,000.00	\$221,864.24	\$5,808,399.23	\$6,418,983.07	\$610,533.84	\$671,853.09	\$61,274.25

*Italic figures denote deficit.*

Details of Compensation and Administration as Shown Above

Class number	Compensation paid	Unpaid pension awards	Liability account of pending claims	Total compensation	Administration expense	Total compensation and administration
1	\$2,336,377.13	\$386,802.37	\$57,618.10	\$2,780,797.60	\$288,269.53	\$3,069,067.13
2	336,302.54	45,975.60	6,000.00	388,278.14	44,578.93	439,857.07
3	753,133.82	162,378.60	21,180.85	936,693.27	112,690.02	1,049,383.29
4	80,017.85	12,415.75	1,132.00	93,565.60	14,325.46	107,891.06
5	84,684.55	13,453.48	8,237.35	106,375.38	15,839.89	122,215.27
6	303,333.09	102,294.15	36,858.95	442,486.19	41,314.24	483,800.43
7	802,276.02	118,273.33	130,628.90	1,051,184.25	105,534.57	1,156,718.82
Total	\$4,693,125.00	\$841,593.28	\$261,656.15	\$5,796,380.43	\$622,602.64	\$6,418,983.07

## STATE ACCIDENT BENEFIT FUND

Experience by Classes, July 1, 1917, to June 30, 1932

Class number	Premiums earned	Benefits paid	Administration	Total benefits and administration	Surplus or deficit
Mining.....	\$331,104.13	\$330,690.96	\$14,999.29	\$345,690.25	\$14,586.12
Ore reduction.....	55,192.87	27,972.36	2,500.28	30,472.64	24,720.23
Nevada Consolidated Copper Co.....					
Railroads.....					
Public utilities.....	6,014.40	4,968.80	272.46	5,241.26	773.14
State, counties, etc.....	26,219.71	34,611.05	1,187.77	35,793.82	9,579.11
Miscellaneous.....	235,892.72	183,975.24	10,886.14	194,661.38	41,231.34
Total.....	<i>\$1,143,281.39</i>	<i>\$1,052,695.34</i>	<i>\$51,791.60</i>	<i>\$1,104,486.94</i>	<i>\$38,794.45</i>

*Italic figures denote deficit.*

(EXHIBIT G)

## (SCHEDULE NO. 1)

## CASH

June 30, 1932

State Treasurer .....		
Carson Valley Bank.....		\$6,706.07
Auditor's petty cash.....		112,474.21
Special Time Deposits—		2,000.00
Battle Mountain State Bank, Battle Mountain.....	\$10,000.00	
Bank of Pioche, Pioche.....	20,000.00	
Carson Valley Bank, Carson City.....	30,000.00	
Ely National Bank, Ely.....	32,500.00	
Farmers Bank of Carson Valley, Minden.....	20,000.00	
First National Bank, Ely.....	30,000.00	
McGill National Bank, McGill.....	5,000.00	
Ruth Bank, Ruth.....	10,000.00	
United Nevada Bank, Reno.....		
Total special time deposits.....		212,500.00
Total cash.....		\$320,268.14
	APPLICABLE AS FOLLOWS	
State Insurance Fund.....	\$263,366.41	
State Accident Benefit Fund.....	56,901.73	
Total .....		\$320,268.14

*Italic figures denote deficit.*

## REPORT OF NEVADA INDUSTRIAL COMMISSION

**(SCHEDULE NO. 2)**  
**BONDS OWNED—STATE INSURANCE FUND**  
 June 30, 1932

Description and interest rate	Par value	Book value
Arkansas State Bonds, 4½%.....	\$25,000.00	\$26,044.23
Carlin School District No. 1, 5%.....	5,000.00	5,000.00
Churchill County High School, 5%.....	20,000.00	20,000.00
Clark County Educational District No. 2, 4½%.....	16,000.00	16,102.65
Clark County Educational District No. 1, 5½%.....	15,000.00	15,828.89
Clark County Educational District No. 1, 6%.....	2,000.00	2,000.00
Denver Joint Stock Land Bank, 5%.....	100,000.00	100,777.75
Douglas County Highway Bonds, 5%.....	20,000.00	20,355.67
Elko County School District Bonds, 6%.....	10,000.00	10,931.76
City of Fallon City Hall Bonds, 5%.....	37,000.00	37,000.00
City of Fallon Street Improvement Bonds, 5½%.....	10,000.00	10,399.13
Federal Land Bank Bonds, 5%.....	15,000.00	15,000.00
Fernley High School District No. 4, 5½%.....	14,000.00	14,060.89
Fernley School District Bonds, 5½%.....	20,000.00	20,070.84
Las Vegas Curb and Gutter Improvement Bonds, 6%.....	3,000.00	3,148.19
Las Vegas 1930 Special Curb and Gutter Improvement Bonds, 7%.....	7,469.67	7,696.00
Las Vegas 1930 Special Pavement Improvement Bonds, 6%.....	11,000.00	11,848.52
Las Vegas 1930 Special Pavement Improvement Bonds, 7%.....	8,878.53	9,140.54
Las Vegas Highway Bonds, Series 1926-1927, 6%.....	8,000.00	9,016.85
Las Vegas School District No. 12 Bonds, 1927, 4½%.....	7,000.00	6,994.15
Las Vegas School District No. 12 Bonds, 1927, 5%.....	14,000.00	14,299.70
Las Vegas Sewer Bonds, 1931, 6%.....	100,000.00	100,091.80
U. S. Liberty Loan Bonds, First Converted, 4½%.....	47,500.00	98,022.77
U. S. Liberty Loan Bonds, Fourth, 4½%.....	50,500.00	15,868.88
Lyon County Highway Bonds, 6%.....	15,000.00	
Maricopa County, Arizona, Highway Bonds, 6%.....	21,000.00	23,747.60
Maricopa County, Arizona, Highway Bonds, 5½%.....	1,000.00	
Mineral County Light and Power Line Bonds, 7%.....	50,000.00	50,000.00
Mississippi State Bonds, 4½%.....	25,000.00	25,137.00
Montello High School District Bonds, 6%.....	20,000.00	21,161.59
Metropolis School District No. 1 Bonds, 6%.....	5,500.00	5,777.19
Nevada Building Bonds, 5%.....	10,000.00	10,000.00
Ormsby County Court House Bonds, 5½%.....	42,000.00	42,000.00
Reno General Improvement Bonds No. 3, 5½%.....	60,000.00	60,000.00
Reno Sewer Bonds (Issue of 1924), 5½%.....	35,000.00	35,189.92
Reno Special 1925 Street Improvement Bonds, 7%.....	3,000.00	3,137.70
Reno Special 1925 Curb, Gutter and Sidewalk Bonds, 7%.....	3,000.00	3,137.70
City of Wells Waterworks Bonds, 5½%.....	8,000.00	8,543.39
City of Wells Water and Sewer Bonds, 5½%.....	38,000.00	40,451.23
Wells Consolidated School District Bonds, 6%.....	10,000.00	11,430.91
Wells Consolidated School District Bonds, 6%.....	38,000.00	40,720.33
White Pine County, Lund School District Bonds, 6%.....	2,000.00	2,000.00
White Pine County High School Bonds, 6%.....	11,000.00	11,831.28
White Pine County Highway Bonds, 6%.....	5,000.00	5,000.00
Total .....	\$968,848.20	\$988,064.55



