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OF THE

BOARD OF RETIREMENT.

JANUARY, 1913.



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BOARD OF RETIREMENT.

ELMER A. STEVENS, *Chairman.*

CARL A. RAYMOND.

CHARLES A. ANDREWS.

The Commonwealth of Massachusetts.

REPORT.

OFFICE OF THE BOARD OF RETIREMENT,
STATE HOUSE, BOSTON, Jan. 15, 1913.

To the Honorable Senate and House of Representatives.

By the enactment of chapter 532 of the Acts of the year 1911 the General Court provided a retirement system for employees in the service of the Commonwealth and of the metropolitan district. Previously there had been established pension or retirement systems for specific classes of persons in the service of the Commonwealth, — for judges, for veterans of the civil war, for certain persons employed at the prisons and reformatories, and for the metropolitan park and the district police officers. The act of 1911 was the first retirement act of general scope, and by its terms it affected a maximum number of some 6,200 persons. The general scheme upon which this law is constructed is that upon completion of not less than thirty-five years of continuous service any employee may retire at will; that upon the completion of not less than fifteen years of continuous service any employee may retire or may be retired upon reaching the age of sixty years; and that every employee in the Retirement Association, upon reaching the age of seventy years, shall be retired.

There is deducted from the salary or wages of every member of the Retirement Association, as often as it is paid to him, an amount not less than 1 per cent. nor more than 5 per cent. of his salary or wages up to \$30 per week. The amounts so deducted, with their earnings, form a fund which at the retirement of the individual purchases for him an annuity, the amount of which is determined by a mortality table. At his

retirement, also, the Commonwealth gives him a pension equal to the annuity which his contributions have purchased. The annuity and pension are paid together, monthly, by the State Treasurer during the life of the annuitant. The law provides a maximum retirement allowance of one-half of the average pay received during the ten years preceding retirement, and a minimum allowance of \$200 a year.

With reference to those persons in the employ of the Commonwealth at the time the law took effect, many of whom had given many years to the service, the law as originally enacted and as amended by chapter 363 of the Acts of the year 1912 provides that the amount of the retirement allowance shall be the same as though the act had been in effect during the whole of their service, and they had been contributing to the retirement fund during all the years of their employment. In other words, the person entering the service after the law went into effect will, upon retirement, receive an annuity purchased in full by his contributions and a pension of like amount given him by the Commonwealth; the person already employed at the time the law went into effect will receive, upon retirement, if he elected to become a member of the Retirement Association, a pension equal to an annuity such as would have resulted from his contributions if he had contributed during the whole period of his service, and a further pension of like amount. In the case of this latter class of employees the whole of the pension and a part of the pension annuity, greater or less, depending upon the length of prior service, will be given by the Commonwealth.

By the terms of the law, all permanent employees entering the service after it went into effect become members of the Retirement Association, and contribute to the annuity fund. To every employee in the service on Jan. 1, 1912, the law gave a choice as to whether he would become a member of the association by providing that every employee should become a member unless, not later than Jan. 31, 1912, he, in writing, informed the Insurance Commissioner of his desire not to be included in the membership.

On Jan. 1, 1912, there were eligible to membership in the association some 6,200 employees. On Feb. 1, 1912, 2,874 indi-

viduals had declined to become members and 3,324 were members of the Retirement Association. The total number of eligible employees in the service of the State and metropolitan departments on Jan. 1, 1912, was 1,258. Of these, 924, or over 72 per cent., became members. In the institutions there were eligible 4,940 persons. Of these, 2,400, or about 49 per cent., became members. It is worthy of note that in the departments where civil service tenure holds the percentage of membership is large, while in the institutions where tenure is less secure, slightly less than half of the employees entered the Retirement Association. One other factor besides uncertainty of tenure is likely to have had its effect upon the employees in their decision as to whether or not they should become members, — that is, their failure to secure a clear understanding of the effect upon them of membership in the association. Circulars had been sent out and an earnest attempt had been made to present to every employee the essential facts as to the retirement system. There is evidence that many individuals failed to get a clear understanding, however, and thus declined membership which they ought to have accepted for their own best interests. The question is likely to arise as to whether these employees ought not to be given another opportunity to become members. The Board of Retirement does not now make any recommendation upon this point for the reason that its members are firmly of the opinion that no substantial changes in the law are advisable until a somewhat more extended trial of it has been had.

One other feature of the law worthy of mention is its provision that if an employee leaves the service before reaching the retirement age there shall be paid back to him, or his estate, the amount of money actually contributed by him, with interest.

The administration of this law was placed in the hands of a Board of Retirement composed of the Treasurer and Receiver-General, *ex officio*, a member of the association elected by members, and a third person chosen by these two. The duty of conducting an election was placed upon the Insurance Commissioner, who gave to the members of the association an opportunity to send in their ballots by mail. In the month of February, 1912, the association thus elected, as the second member of the

Board, Mr. Carl A. Raymond, second Deputy Auditor, and the membership of the Board was completed by the selection as its third member of Mr. Charles A. Andrews, the Deputy Tax Commissioner.

In general, the law is but a skeleton. The Board of Retirement is authorized to make such rules and by-laws as may be necessary, not inconsistent with the provisions of the act. The problems of administration confronting the Board were many; most of them were difficult, because there was no available experience in other States upon which reliance could be placed. As rapidly as possible, however, the policy of the Board was established, and the details of office organization were settled. The retirement system became fully operative on June 1, 1912, and from all salaries or wages accruing to members of the association after that date deductions were made. One of the most perplexing questions to be determined was the rate of deduction. The law provided that it should be not less than 1 nor more than 5 per cent. of the salary or wages, not exceeding \$30 a week. It appeared to be impossible to establish any general plan of percentages which should accomplish the same proportionate retirement allowance for all members, since there was no information as to ages upon which employees would retire. After many weeks of consideration the Board determined that each employee should contribute 3 per cent. of his cash salary or wages, unless he should elect to contribute 5 per cent., and every member was given one month in which to exercise his choice. The number of those electing to contribute 5 per cent. was 1,074.

In every case where the member is paid his salary directly by the Treasurer and Receiver-General the amount of the deduction is figured in the office of the Board of Retirement and the deduction from his pay is made by the Treasurer. In cases where salaries or wages are paid by some disbursing officer, as in the institutions, the deductions are figured and are made by such officer, who reports his doings regularly to the Board and who sends to it his check covering the amount of the deductions he has made. The clerical staff of the Board of Retirement reviews in detail all work thus performed by the different disbursing officers, and the Board has in its office at all times

a full exhibit of the account of each member of the association. The number of separate deductions thus made by the clerks of the Board and by the disbursing officers at the institutions is about 3,300 each month. The total amount of money deducted from the pay of members of the association between June 1 and Nov. 30, 1912, is \$47,500.76. Twelve members have died and 327 have left the service since June 1; the amount of refunds in these cases has been \$1,365.94.

On June 1, when the retirement system became operative, 27 persons retired. Twenty-four of these had reached age seventy and thus were compelled to retire, and 3, being more than sixty years of age, retired at their own election. Since June 1, 18 other persons have retired, 1 of whom had reached age seventy. The total amount of the retirement allowances paid to the 45 individuals who have retired previous to December 1 is \$5,353.78. The largest single annual allowance is \$743.33, and 24 individuals are receiving the minimum allowance of \$200 a year. The length of service performed by those who have retired varies, but it is interesting to note that one individual had given fifty-five years of his life, and another forty-seven years, to the service of the Commonwealth.

The Board has established a system of reimbursement to the institutions whose disbursing officers perform services in the matter of deductions, and at the close of the fiscal year had paid to such institutions a total amount of \$1,102.99. This item is much smaller than would be the cost of hiring clerks of our own to visit the institutions and there perform the necessary work. Reimbursement was considered wise in order that, so far as possible, the cost of operating the retirement system may at all times be in evidence. The estimate made by the special commission which investigated the whole matter of a retirement system three years ago was that the annual cost of its administration, exclusive of retirement allowances, would be \$25,000. It is gratifying to be able to report, therefore, that for the part year in which it has been in operation the total administration expenses have been only \$5,082.66, and that for the full fiscal year of 1913 the Board asks for only \$8,500.

As to the cost for retirement allowance it is, of course, too early to make definite statements. The Board has asked for

an appropriation for this purpose of \$32,000, which is the best estimate it can make. The uncertainty in this matter is due to the fact that any employee may retire at will any time after completing fifteen years of service and attaining age sixty. Our experience is not yet sufficiently extensive to justify any very definite conclusions as to the rapidity of such retirements; neither is it possible yet for the Board to set forth any conclusions as to the effect of this retirement system upon the service as a whole. It is significant, however, that no head of a department or institution has asked for the retirement of a single individual. It is possible, of course, that there are no employees under age seventy, and yet eligible to retirement, who have so far become inefficient that the good of the service requires their retirement. It is scarcely to be believed, however, that this rule holds true among 3,300 employees. The spirit of the law appears to be that heads of departments and institutions shall request the Board of Retirement to retire such as have become unable to perform efficient service. The Board intends to consider this aspect of the matter at an early date, and to call it specifically to the attention of executive officers of the Commonwealth, since the Board believes that the law will fail of its full purpose if it does not help to produce an improved service as well as afford assistance to those individuals who retire under its provisions.

RECOMMENDATIONS OF THE STATE BOARD OF RETIREMENT.

Clause (b) of the second paragraph of section 8 of chapter 532 of the Acts of 1911 provides that if a member of the Retirement Association dies before becoming entitled to a pension, there shall be paid back to his legal representatives such contributions as he has made to the retirement system.

It has already happened, and presumably may frequently happen in the future, that no administrator or executor is appointed to care for the estate of such a deceased person, the reason being that the estate is of such small value that to put it through the probate court would cost more than the proceeds of the whole estate.

The Attorney-General has informed us that the term "legal

representatives" as used in this clause can mean nothing more than the executor or administrator. To compel the appointment of an executor or administrator of these small estates for the purpose of receiving refunds from the retirement fund would be a hardship. We therefore ask authority to provide for the payment of small sums as they become due to interested persons other than the legal representatives of the estate, and we have submitted a bill designed to accomplish this.

ELMER A. STEVENS,
CARL A. RAYMOND,
CHARLES A. ANDREWS,

Board of Retirement.

LAW RELATING TO BOARD OF RETIREMENT.

CHAPTER 532, ACTS OF THE YEAR 1911, AS AMENDED BY CHAPTER 363, ACTS OF THE
YEAR

AN ACT TO ESTABLISH A RETIREMENT SYSTEM FOR THE EMPLOYEES OF THE COMMONWEALTH.

SECTION 1. In this act, unless the context otherwise requires: —

(a) The words “retirement system” mean the arrangements provided in this act for the payment of pensions.

(b) The word “annuities” means the payments for life derived from money contributed by the employees.

(c) The word “employees” means permanent and regular employees in the direct service of the commonwealth or in the metropolitan district service, whose only or principal employment is in such service.

(d) The word “pensions” means the payments for life derived from money contributed by the commonwealth.

(e) The words “regular interest” mean interest at three per cent per annum compounded semi-annually on the last days of December and June, and reckoned for full three and six months’ periods only.

(f) The words “continuous service” mean uninterrupted employment, with these exceptions: a lay-off on account of illness or reduction of force, and a leave of absence, suspension or dismissal followed by reinstatement within one year. As to appointees of the sergeant-at-arms the interval between sessions of the general court shall not be considered as breaking the continuity of service.

In the case of employees of any department or institution formerly administered by a city, county or corporation and later taken over by the commonwealth, service rendered prior to such transfer shall be counted as a part of the continuous service for the purposes of this act.

ESTABLISHMENT OF RETIREMENT SYSTEM.

SECTION 2. The retirement system shall be established on the first day of January or the first day of July following the expiration of three months after the date on which this act takes effect.

THE RETIREMENT ASSOCIATION.

SECTION 3. A retirement association shall be organized among the employees of the commonwealth, including employees in the metropolitan district service, as follows:

(1) All employees of the commonwealth, on the date when the retirement system is established, may become members of the association. On the expiration of thirty days from said date every such employee shall be considered to have elected to become, and shall thereby become, a member, unless he shall have within that period, sent notice in writing to the state insurance commissioner that he does not wish to join the association.

(2) All employees who enter the service of the commonwealth after the date when the retirement system is established, except persons who have already passed the age of fifty-five years, shall upon completing ninety days of service become thereby members of the association. Persons over fifty-five years of age who enter the service of the commonwealth after the establishment of the retirement system shall not be allowed to become members of the association, and no such employee shall remain in the service of the commonwealth after reaching the age of seventy years.

(3) No officer elected by popular vote may become a member of the association, nor any employee who is or will be entitled to a pension from the commonwealth for any reason other than membership in the association.

(4) Any member who reaches the age of sixty years and has been in the continuous service of the commonwealth for a period of fifteen years immediately preceding may retire or be retired by the board of retirement upon recommendation of the head of the department in which he is employed, and any member who reaches the age of seventy must so retire.

(5) Any member who has completed a period of thirty-five years of continuous service may retire, or may be retired at any age by the board of retirement upon recommendation of the head of the department in which he is employed, if such action be deemed advisable for the good of the service.

(6) Employees who are paid partly by the commonwealth and partly by a county having a retirement system shall be enrolled as members of the state retirement association. Such employees shall be assessed on their full wages or salaries and the assessments on the part of such wages or salaries paid by the county shall be deducted by the treasurer of the county and turned over by him

to the retirement association fund of the commonwealth. When any such employee is retired under the provisions of this act the treasurer of the commonwealth shall be reimbursed out of the treasury of the county for a part of the pension payments to such employee equivalent to the amount of the annuity payable on the assessments on that part of his wages or salary paid by the county which was deducted and turned over to the retirement association fund of the commonwealth in the manner hereinbefore provided.

THE BOARD OF RETIREMENT.

SECTION 4. (1) The management of the retirement system is hereby vested in the board of retirement, consisting of three members, one of whom shall be the state treasurer; the second member shall be a member of the association elected by the latter within sixty days after the date on which the retirement system is established, in a manner to be determined by the state insurance commissioner; the third member shall be chosen by the other two members. In case of the failure of the latter to choose the third member within thirty days after the election of the second member, the governor shall appoint the third member. The first person so chosen or appointed as third member shall serve for two years; otherwise and thereafter the term of office of the two elected members shall be three years. On a vacancy occurring in the board for any cause or on the expiration of the term of office of any member, a successor of the person whose place has become vacant or whose term has expired shall be chosen in the same manner as his predecessor.

(2) The members of the board of retirement shall serve without compensation; but they shall be reimbursed out of the contingent fund for any expense or loss of salary or wages which they may incur through service on the board. All claims for reimbursement on this account shall be subject to the approval of the governor and council.

(3) The state treasurer shall have charge and control of the funds of the system, subject to the approval of the board of retirement, and shall invest and reinvest the same, and may from time to time sell any securities held by him and invest and reinvest the proceeds, and any and all unappropriated income of said funds: *provided, however*, that all funds received by him, and not required for current disbursements, shall be invested in accordance with the provisions of the laws of this commonwealth relating to the investment of the funds of savings banks. He shall in the investment

of the funds give preference to the securities that are legal for the investment of the sinking funds of the commonwealth. He may, whenever he sells such securities, deliver the securities so sold upon receiving the proceeds thereof, and may execute any and all documents necessary to transfer the title thereto.

(4) The board of retirement shall have power to make by-laws and regulations not inconsistent with the provisions of this act, and to employ such clerical or other assistance as may be necessary for the fulfillment of its purposes, subject to the approval of the governor and council.

(5) The board shall determine the percentage of wages or salary that employees shall contribute to the pension fund, subject to the minimum and maximum percentages, and shall, furthermore, have the power to classify employees for the purposes of the retirement system and to establish different rates of contribution for different classes within the prescribed limits.

(6) The state treasurer shall, in January of each year, unless for cause the insurance commissioner shall have granted an extension of time, file in the office of the insurance commissioner a sworn statement, which shall exhibit the financial condition of the retirement system on the thirty-first day of the preceding December, and its financial transactions for the year ending with said day. The said statement shall be in a form approved by the insurance commissioner, and shall show, among other things, the liability of the retirement system on account of the following items:—

A. Deposit Reserves.

The total of the deposits of the members actually received by the treasurer or due from the commonwealth under section five, (2) A, and held subject to withdrawal by such members.

B. Interest Reserve.

Regular interest on such deposits.

C. Annuity Reserve.

The net value of the annuities entered upon under section six, (2) B, on the basis of the mortality tables and interest rates provided for in this act.

D. Expense and Contingent Fund.

(a) The unexpended portion of the amounts received under section five, (1).

(b) The contingent fund.

E. Gifts and Bequests.

The amounts received as gifts or bequests and held under the terms of such gifts or bequests.

F. Other Liabilities.

All other liabilities.

G. Surplus.

(a) *Annuity Surplus.* — The undistributed surplus arising from annuity deposits.

(b) *Other Surplus.* — All unassigned funds.

CREATION OF THE RETIREMENT FUND.

SECTION 5. The funds of the retirement system shall be raised as follows: —

(1) *Expense and Contingent Fund.*

The general court shall appropriate annually such an amount as may be necessary to defray the whole expense of administration, according to estimates prepared by the treasurer.

(2) *Annuity and Pension Fund.*

A. Deposits by Members. — Each member shall deposit in this fund from his salary or wages, as often as the same are payable, not less than one per cent and not more than five per cent of the amount of his wages or salary, as determined by the board of retirement under the provisions of section four (5): *provided, however,* that employees who receive more than thirty dollars weekly in salary or wages shall not be assessed for contribution to this fund on the excess above that amount.

B. Contributions of the Commonwealth. — (a) Each month the commonwealth shall contribute such amount as the board of retirement may determine to be necessary to pay current pensions for subsequent service, under section six, (2) *C (a)*.

(b) Each year, in January, the commonwealth shall contribute an amount equal to the surplus arising from annuity deposits. In case there should be a deficiency arising from such annuity deposits, instead of a surplus, then the commonwealth shall make good the deficiency.

(c) Each month the commonwealth shall contribute such amount as the board of retirement may determine to be necessary to pay current pensions for prior service under section six, (2) *C (b)*.

(d) Each month the commonwealth shall contribute such amount as the board of retirement may determine to be necessary to ensure the minimum payments provided for in section six, *E*.

(3) *Provision for Payments.*

All amounts payable by members of the association under paragraph (2) *A* of this section shall be deducted by the commonwealth from the amounts payable to them as salary or wages, as often as the same are payable, and shall immediately be credited to the retirement fund by the state treasurer.

DISTRIBUTION OF FUNDS.

SECTION 6. The state treasurer shall administer the funds of the pension system in accordance with the following plan:—

(1) *Expense and Contingent Fund.*

The fund provided for by section five, (1), shall be used, so far as may be necessary, for the payment of the expenses of administration. The portions not so used, if any, shall be repaid into the treasury of the commonwealth. In case the amount appropriated for the expense of a contingent fund in any year should prove insufficient, the commonwealth shall appropriate in the following year such additional sum as may be required to cover the deficit.

(2) *Annuity and Pension Funds.*

A. Refunds.—(a) Should a member of the association cease to be an employee of the commonwealth for any cause other than death before becoming entitled to a pension, there shall be refunded to him all the money paid in by him under section five, (2) *A*, with regular interest.

(b) Should a member of the association die before becoming entitled to a pension, there shall be paid to his legal representatives all the money paid in by him under section five, (2) *A*, with such interest as shall have been earned on such deposits.

B. Annuities from Employees' Deposits.—Any member who reaches the age of sixty years and has been in the continuous service of the commonwealth for fifteen years immediately preceding, and then or thereafter retires or is retired, any member who retires or is retired at the age of seventy years, and any member who is retired for the good of the service under the provisions of section three, (5), shall receive an annuity to which the sum of his de-

posits under section five, (2), with regular interest, shall entitle him, according to the tables adopted by the board of retirement, in one of the following forms:—

(a) A life annuity, payable monthly.

(b) A life annuity, payable monthly, with the provision that in the event of the death of the annuitant before receiving payments equal to the sum, at the date of his retirement, of his deposits under section five, (2) A, with regular interest, the difference shall be paid to his legal representatives.

C. Pensions derived from Contributions by the Commonwealth.

— (a) Pensions based upon subsequent service. Any member entitled to an annuity under paragraph (2) B of this section shall receive in addition thereto a pension for life payable monthly equivalent to that annuity, to be paid out of the fund contributed by the commonwealth under the provisions of section five, (2) B (a).

(b) Pensions based upon prior service. Any member of the association who reaches the age of sixty years, having been in the continuous service of the commonwealth for fifteen years or more immediately preceding, and then or thereafter retires or is retired, and any member who completes thirty-five years of continuous service and then or thereafter retires or is retired, shall receive in addition to the annuity and pension provided for by paragraphs (2) B and C (a) of this section, an extra pension for life as large as the amount of the annuity and pension to which he might have acquired a claim if the retirement system had been in operation at the time when he entered the service of the commonwealth, and if accordingly he had paid regular contributions from that date to the date of the establishment of the retirement association at the same rate as that first adopted by the board of retirement, and if such deductions had been accumulated with regular interest.

In the case of employees who are paid partly by the commonwealth and partly by a county having a retirement system, or who have rendered service in the past both for the commonwealth and for such county, all of the continuous service rendered by any such employee either for the commonwealth or for the county before the establishment of the retirement system shall be counted as part of the prior service for the purposes of this act.

In the case of members of the association related as husband and wife, if one of the two retires or is retired the other shall have the right also to retire, and shall be paid a retiring allowance proportionate to the amount of his or her accumulated contributions

to date, or, in case the allowance thus calculated is less than the minimum allowance of two hundred dollars hereinafter provided for, shall be paid that sum annually.

If the accumulated contributions of any employee retired under the provisions of this act exceed the amount required to provide an annuity equal to one fourth of the average wages or salary of such employee during the last ten years prior to his retirement, the excess above that amount shall be paid to such employee in a lump sum with the first monthly payment on the account of his retiring allowance.

Any employee who had already reached the age of fifty-five years on the date when the retirement system was established, and also became a member of the association may be retired under the provisions of the preceding paragraph [intending to refer to paragraph (2) *C* (*b*) of section 6] without having completed the otherwise required service period of fifteen years. For the purpose of computing any pension payable for prior service, the board of retirement may estimate on the basis determined by them the wages received at any period for which they may deem it impracticable to consult the original records.

Any employee not a member of the association who had already reached the age of fifty-five years on the date when the retirement system was established may be retired at any time and shall be paid a pension equivalent to the minimum payment hereinafter provided for.

D. Application of Surplus. — The board of retirement shall have power to determine the application of any surplus, as defined under section four, (6) *G*, subject to the approval of the insurance commissioner.

E. Minimum and Maximum Payments. — In no case shall the total monthly payment to a member be at a rate less than two hundred dollars per year, or at a rate more than one half the amount of the average salary or wages received by the member during the ten years prior to his retirement.

F. Association Membership and Pension Certificate. — Membership in the association shall be evidenced by a certificate to be issued to each member by the board of retirement, and the right to an annuity or a pension shall be evidenced by a policy to be issued to each member who retires or is retired by the board of retirement.

TAXATION, ATTACHMENTS AND ASSIGNMENTS.

SECTION 7. The funds of the retirement system, so far as they are invested in personal property, shall be exempt from taxation.

That portion of the wages of a member deducted or to be deducted under this act, the right of a member to an annuity or pension, and all his rights in the funds of the retirement system shall be exempt from taxation, and from the operation of any law relating to bankruptcy or insolvency, and shall not be attached or taken upon execution or other process of any court. No assignment of any right in or to said funds shall be valid.

SUPERVISION BY INSURANCE COMMISSIONER.

SECTION 8. The insurance commissioner shall prescribe for the retirement system of the commonwealth one or more mortality tables, and shall determine what rates of interest shall be established in connection with such tables, and may later modify such tables or prescribe other tables to represent more accurately the expense of the retirement system, or may change said rates of interest and may determine the application of the changes so made. He shall also prescribe and supervise the methods of bookkeeping of the retirement association formed under the provisions of this act.

The insurance commissioner shall at least once in each year, either personally or by deputy or assistant, thoroughly inspect and examine the affairs of the retirement association to ascertain its financial condition, its ability to fulfill its obligations, whether all parties in interest have complied with the provisions of law applicable to the retirement association, and whether the transactions of the board of retirement have been in accordance with the rights and equities of those in interest. The retirement system shall be credited, in the account of its financial condition, with the amounts due from the commonwealth, under the provisions of section five, (2) *B (a)*, its investments having fixed maturities upon which the interest is not in default at amortized values, and its other investments at a reasonable valuation.

For the purposes aforesaid, the insurance commissioner or other persons making examination shall have access to all the securities, books and papers of the retirement system, and may summon and administer oaths and examine as witnesses the members of the board of retirement or any other person relative to the financial affairs, transactions and condition of the retirement system. The

insurance commissioner shall preserve in a permanent form a full record of the proceedings at such examination, and the results thereof. Upon the completion of such examination, verification and valuation, the insurance commissioner shall make a report in writing of his findings to the board of retirement, and shall send a copy thereof to the governor and the executive council of the commonwealth.

SECTION 9. If, in the judgment of the insurance commissioner, the commonwealth or the board of retirement has violated or neglected to comply with any of the provisions of this act, or of the rules and regulations established by the board of retirement hereunder, he shall give notice thereof to the governor of the commonwealth and to the board of retirement, and thereafter if such violation or neglect continues shall forthwith present the facts to the attorney-general for his action.

SECTION 10. The superior court shall have jurisdiction in equity upon petition of the insurance commissioner or of any interested party to compel the observance and restrain the violation of this act, and of the rules and regulations established by the board of retirement hereunder.

SECTION 11. This act shall take effect upon its passage.