

The Commonwealth of Massachusetts

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ANNUAL REPORT  
OF THE  
BOARD OF RETIREMENT  
FOR THE  
YEAR ENDING NOVEMBER 30, 1938

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Department of Treasurer and Receiver-General



NOTE.-- Public Document  
No. 99 for the year  
1937 is not available.

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# The Commonwealth of Massachusetts

## REPORT

DIVISION OF BOARD OF RETIREMENT  
STATE HOUSE, BOSTON, December 1, 1938.

*To the Honorable Senate and House of Representatives:*

The twenty-seventh annual report of the Board of Retirement for the year 1938 is presented herewith for your consideration.

The personnel of the Board consists of three members: (1) The Treasurer and Receiver General, Chairman ex officio; (2) A member of the Retirement Association; (3) A person appointed by the first and second members.

The contributory law has been in operation since January 1, 1912, twenty-seven years, and the present fund consists of \$8,920,255.59 which has been deducted from the salaries or wages of the members, and \$2,840,027.49 which has been credited as interest and extra dividends to the members' accounts, so that the total of the accounts of contributing members amounts to \$11,760,283.08.

The annuity reserve for the payment of annuities to members on the retired list is \$851,010.00 and the gross assets are \$12,811,470.52. Regular interest amounting to \$367,445.16 was credited to members' accounts during the year, which was at the rate of 3½% compounded annually.

The interest derived from the investment of the annuity fund has provided for the last five years substantially the following yearly rate of distribution to the members' accounts: 1934, 4½%; 1935, 4¼%; 1936, 4¼%; 1937, 3½%; 1938, 3½%. The annuity fund is invested in securities which are a legal investment for the sinking funds of the Commonwealth (Chap. 29, G. L., Sec. 38, as amended) these being principally the obligations of certain States and political subdivisions thereof. The savings plus accumulated interest refunded to members who left the service during the year was \$275,898.48 and the amount refunded to the heirs, estates or beneficiaries of members who died before retirement was \$97,126.57 and after retirement was \$16,747.20. There was also paid during said year in annuities \$118,419.75 from the annuity reserve fund composed of retired members' accounts, which may be compared with \$3.67, the amount of annuities paid during (1912) first year of operation of the retirement system.

The membership of the Retirement Association when it was first organized (January 1912) was 3,324, and the contributing members on November 30, 1938 were 17,296; males, 9678; females, 7,618.

TABLE 1

NUMBER OF RETIRED EMPLOYEES ON LIST NOVEMBER 30, 1938, ACCORDING TO AGE LAST BIRTHDAY (WIDOWS EXCLUDED)

Age	No.	Age	No.	Age	No.	Age	No.
44	-	57	1	70	59	83	7
45	-	58	4	71	60	84	7
46	1	59	3	72	57	85	9
47	1	60	9	73	50	86	4
48	1	61	10	74	38	87	7
49	-	62	4	75	42	88	1
50	-	63	10	76	39	89	4
51	1	64	13	77	28	90	-
52	1	65	17	78	22	91	-
53	1	66	19	79	23	92	1
54	6	67	16	80	15	94	1
55	-	68	17	81	20	96	1
56	4	69	24	82	8		
						Total	666

The average age of persons on the retired list is 72.46 years.

During the year ended November 30, 1938, 3,820 new employees became members of the Association and 1,355 left the service by reason of death or resignation before becoming eligible for retirement. Retirement allowances were granted to 87 persons during the year; 49 by reason of reaching the age of 70; 2 for ordinary disability; 1 for permanent disability resulting from accidental injury in line of duty; 35 between sixty and seventy years of age upon their request. The total of the retiring allowances of the 87 employees retired during the year ended November 30, 1938 is \$61,146.36. Of this amount, \$21,990.48 was annuity derived from the contributions made by members before retirement and the balance of \$39,155.88 was pension paid from State appropriations. Three applications were approved for pensions amounting to \$3,729.96 to widows of members on account of the death of the husband from injuries received in line of duty.

The law provides compensation to a widow during her widowhood, or if there is no widow, for the benefit of a child or children under eighteen years of age, of one-half the member's rate of pay in case of death of a member from injury received through no fault of his own while in the discharge of his duty. Twenty-four payments are now being made under this law. The largest payment to a widow is \$1,890.00; the average is \$838.34.

TABLE 2

TOTAL NUMBER RETIRED UNDER THE LAW TO NOVEMBER 30, 1938

(AGE NEAREST BIRTHDAY)

Widows not included

Sex	Under 60	60	61	62	63	64	65	66	67	68	69	70	Total
Males . . . . .	52	36	27	28	25	28	35	43	31	37	31	487	860
Females . . . . .	44	36	20	17	24	14	29	20	11	28	23	136	402
Totals . . . . .	96	72	47	45	49	42	64	63	42	65	54	623	1,262

The number of employees who have been granted a retirement allowance since the first employee was retired on June 1, 1912, is 1,256 members and 6 non-members and the total number of payments granted widows on account of death of husband from accidental injuries received in line of duty is 26. Since retirement 591 members and 5 non members have died, so that retirement allowances are now being paid to 666 former employees. Of this number 319 were retired at the age of seventy or over; 275 were retired upon their request between sixty and seventy years of age; 14 were retired with 35 years of service under age sixty; 10 were retired as spouse at time of retirement of husband or wife; 26 were retired for ordinary permanent disability; 21 were retired for permanent accidental disability because of such injuries received in the line of duty, and one non-member who was over fifty-five years of age when the retirement law was passed is now receiving the minimum payment.

TABLE 3

STATISTICS RELATING TO EMPLOYEES RETIRED DURING YEAR ENDED NOVEMBER 30, 1938

	Cases	Average Age at Retirement	Average Length of Service	Average Salary Last 5 Years	Average Annuity	Average Pension	Average Retiring Allowance
Disability, Ordinary . . . . .	2	53	25	\$1,115.	\$102.72	\$377.28	\$480.00
Accidental . . . . .	1	45	25	2,345.	128.64	1,030.68	1,159.32
Retirement under 60 with 35 or more years service . . . . .	—	—	—	—	—	—	—
Retirements (Age 60-70 Inc.) . . . . .	83	67.98	26.83	1,966.	259.28	445.71	704.99
Retirements with Spouse . . . . .	1	54	29	1,445.	136.56	179.52	316.08

When a member is retired he receives a RETIREMENT ALLOWANCE. A retirement allowance is composed of two parts: ANNUITY (paid from his contributions plus interest credited thereto during service) plus PENSION (paid by the State). Spouse: when a husband or wife retires the spouse may be retired at the same time for the good of the service. The retirement allowance is based on the service rendered, etc., with no minimum. Special provision is made for retirement under age 60 with 35 or more years of service.



The largest retirement allowance being paid to an individual is \$2,693.52 composed of an annuity paid from the savings of the retired member of \$411.48 and a pension paid by the State of \$2,282.04. The average retirement allowance paid to retired employees on the list November 30, 1938 is \$637.94. The total annual retirement allowances of former employees on the list November 30, 1938 was \$424,873.19 divided as follows: annuity \$125,463.36; pension \$299,409.83 and in addition widows' pensions amounting to \$20,120.29.

The retirement system has 853 members who may voluntarily retire during the coming fiscal year; and 57 who must retire at the age of seventy, the compulsory retirement age. The number who will voluntarily retire is uncertain. The Board has submitted estimates for the amount of appropriations required to pay the cost of pensions for the next fiscal year upon experience it has gained that 4% of the members eligible to retire will voluntarily retire in addition to those who must retire at the age of seventy. This will require about \$10,500.00 in addition to the amount of pensions \$319,530.12 in force November 30, 1938. The Board has requested an appropriation of \$330,000.00 to cover the cost of pensions for the year ending November 30, 1939.

TABLE 4

PAYMENTS BY COMMONWEALTH FOR PENSIONS AND ADMINISTRATION EXPENSES OF RETIREMENT SYSTEM.  
YEARS ENDED NOVEMBER 30TH.

	YEARS ENDED NOVEMBER 30TH.				
	1934	1935	1936	1937	1938
Pensions and requirements of annuity fund . . . . .	\$245,227.03	\$269,190.50	\$281,914.56	\$290,244.31	\$308,688.63
Expense of administration . . . . .	14,706.05	15,733.52	17,146.71	17,666.38	18,809.17
GROSS COST . . . . .	\$259,933.08	\$284,924.02	\$299,061.27	\$307,910.69	\$327,497.80

The expenses of administration of the system for the year were: salaries, \$11,641.78; contingent expenses, \$1,690.39; reimbursement to institutions for making deductions from members' salaries, \$5,477.00. The reimbursement to State institutions is purely a bookkeeping transaction to show the estimated cost of work connected with the retirement law at the institution, school, etc., located in different parts of the State. The institution or school is required by law to return such money to the general revenue of the commonwealth.

TABLE 5

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

PARK DIVISION				SEWER DIVISION		WATER DIVISION	TOTAL
Park Maintenance	Boulevards	Charles River Basin	Wellington Bridge	North System	South System		
\$9,033.64	\$3,126.85	\$3,028.14	\$522.03	\$8,820.23	\$7,531.77	\$21,430.94	\$53,493.60

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

Financial Statement Verified.  
Approved.

GEORGE E. MURPHY,  
Comptroller.

The annual cost of pensions as given in table 4 is the gross cost of all pensions including the amount paid to employees retired from the service of the Metropolitan District Commission. The net cost of pensions paid to employees retired from the direct service of the commonwealth is the difference between the amount stated in table 4 and the reimbursement made to the State in the following year as given in table 5. The reimbursement in 1938 covers the cost for 1937.

Respectfully submitted,

WILLIAM E. HURLEY, *Chairman*  
REBECCA J. GREENE  
HARRY SCHWARTZMAN, M.D.

## LEGISLATION

Under Chapter 26, Resolves of 1937, the Legislature established a Commission to study various bills pertaining to the State Retirement System. The full report of the Commission, House 1582-1937, recommended a re-draft of the entire State Retirement Act which became a law under Chapter 439, Acts of 1938, effective July 1, 1938. The major changes in the law are:

1. Increase of minimum retirement allowance from \$300 to \$480 per annum. This will give greater protection to lower paid employees.

2. Contributions to be deducted from salaries up to \$2,600 instead of \$1,820. This will affect a number of higher paid employees and will provide for them a more adequate allowance.

3. The maximum retirement allowance for long service to be two thirds pay instead of half pay. This will reward long service with a better allowance and will benefit all such employees.

4. Employees in certain classes, such as police, prison officers and conservation officers, who perform dangerous and difficult work requiring men of youth and vigor, to retire at age sixty-five instead of seventy, with proper provision for extra compensation because of such earlier retirement. This will reduce the average age of employees in these classes materially, and will improve the service.

## SOME FACTS ABOUT THE CONTRIBUTORY RETIREMENT LAW FOR STATE EMPLOYEES.

*Membership*—The Law has been in operation since January 1, 1912. The system is contributory and accumulates an amount which at retirement provides a part and ultimately in most cases one-half of the total retirement benefit. The Law compels each permanent employee of the State or Metropolitan District Commission to save systematically for retirement purposes, and when he retires the State rewards his thrift by creating a fund equal to the sum he has provided for himself, thereby increasing his account 100% and dividing the cost of retirement benefit equally between the State and the employee, with the exception that the State pays in addition the cost of administration expenses. The system is contractual and the employee has the right to retire but he also may be retired with the approval of the Board of Retirement upon the request of the head of the department in which he is employed.

*Assessments*—Every member of the Retirement Association is required to pay 5% of the salary he receives up to \$50.00 per week, but in no case shall the annual maximum assessment exceed \$130.00 per year. The assessments plus interest represent the compulsory savings account to the credit of each member. In case of death or resignation before retirement, the total contributions plus interest are refunded to the employee, his estate or beneficiary as the case may be.

### REQUIREMENTS FOR RETIREMENT

1. Any time between ages 60 and 70 with 15 or more years' service.
2. Any age with 35 years' service.
3. Compulsory retirement—Group 1, age 65; Group 2, age 70.



4. Any time after 20 years' service if under age 60 for ordinary permanent disability.

5. Any time after membership in retirement association for permanent disability resulting from an injury received in an accident while in the discharge of duty or a hazard connected with such duty.

*Group 1.*—Members of the police force of the metropolitan district commission; employees of the department of correction, regardless of any official classification, whose regular duties require them to have the care and custody of prisoners including insane persons and defective delinquents at the State Farm; and conservation officers paid as such, district fire wardens and coastal wardens in the department of conservation.

*Group 2.*—Officials and all other employees not included in Group 1.

#### DEATH BENEFIT

If an accidental injury received by a member in the discharge of his duty results in his death, his widow will receive during her widowhood a pension of one-half the member's rate of salary at the time of the injury, or, if there is no widow the amount is paid for the benefit of a child or children under eighteen years of age; or if no widow or child survive then to the dependent father or mother until remarriage of either.

#### ANNUAL RETIREMENT ALLOWANCE

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

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

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

TABLE 6

ANNUITIES PURCHASED BY EMPLOYEES RETIRED DURING EACH YEAR ENDING NOVEMBER 30TH AND OTHER PAYMENTS ON SAID DATE  
(See Table 3 for average retirement allowance for 1938)

YEAR	BASIS FOR RETIREMENT			TOTAL ANNUITIES			ANNUITIES PAID NOV. 30TH	
	Age and Service (15 or More Yrs. Service)	PERMANENT DISABILITY		Granted During Year	Released by Deaths During Year	In Force November 30th	*Average Annuity on Said Date	Largest Annuity on Said Date
		Ordinary	Accidental					
1934 .	\$14,322.48	\$92.16	\$141.24	\$14,555.88	\$3,082.07	\$74,765.00	\$137.94	\$433.32
1935 .	17,190.04	131.16	738.20	18,059.40	5,106.88	87,717.52	152.29	471.36
1936 .	15,748.20	105.36	122.28	15,975.84	6,403.57	97,289.79	165.74	506.64
1937 .	20,029.20	817.44	467.64	21,314.28	7,475.46	111,128.61	178.67	527.52
1938 .	21,656.40	205.44	128.64	21,990.48	7,655.73	125,463.36	188.66	544.92

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

\*The Average Retirement allowance is the sum of the average annuity Table 6, and the average pension Table 7.

## PENSION

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

## SUMMARY

To arrive at the cost or amount of retirement benefits, the figures quoted in table 6 must be combined with the figures quoted in table 7.

TABLE 7

TOTAL PENSIONS TO EMPLOYEES RETIRED DURING EACH YEAR ENDING NOVEMBER 30TH AND OTHER PAYMENTS ON SAID DATE.  
(See Table 3 for Average Retirement Allowances for 1938)

YEAR	ANNUAL PENSIONS GRANTED			Permanent Disability or Death Resulting from Accidental Injuries		Total Pensions			Pensions Paid on Nov. 30th	
	Account of Age and Service divided as follows			Pensions to Members	Pensions to Widows, etc.	Granted during Year	Released by Deaths during Year	In Force Nov. 30th	*Average Pension on said Date	Largest Pension on said Date
	(A) Service Prior to June 1, 1912	(B) Service after June 1, 1912	(C) To make Minimum Retirement Allowance							
1934 . . . . .	\$9,219.36	\$16,448.28	\$1,437.48	\$1,156.44	\$1,573.44	\$29,835.00	\$10,805.24	\$247,839.02	\$437.85	\$1,857.36
1935 . . . . .	11,724.36	19,475.04	1,711.56	3,999.72	1,230.00	38,140.68	16,251.07	269,728.63	447.21	1,857.36
1936 . . . . .	10,436.28	17,770.08	1,089.60	1,005.48	2,760.00	33,061.44	20,868.71	281,921.36	449.42	1,857.36
1937 . . . . .	11,463.00	22,826.88	1,526.28	2,757.36	1,719.96	40,293.48	25,702.11	296,512.73	451.70	1,987.08
1938 . . . . .	9,352.56	24,920.16	3,852.48	1,030.68	3,729.96	42,885.84	19,868.45	319,530.12	450.86	2,282.04

At retirement a member receives a RETIREMENT ALLOWANCE. A retirement allowance is composed of two parts: PENSION (paid by the State) plus ANNUITY (paid from contributions plus interest credited to the member's account during his service).

Members began to contribute from salary or wages June 1, 1912, and the pension for service after 6-1-1912 is equivalent to the annuity purchased by the member without refund provisions. The entire cost of the retirement allowance (pension plus annuity) for service prior to 6-1-12 is paid by the State.

If the sum of pensions (A plus B) added to the ANNUITY (paid from member's savings plus interest additions) does not equal the minimum retirement benefit the State pays the additional pension (C) to make a minimum retirement allowance of \$300 for fifteen but less than twenty years of service. Any member retired after July 1, 1938, under age sixty-five with twenty or more years service, or at age sixty-five or over will receive a retirement allowance not less than \$480.

\*The average retirement allowance is the sum of the average annuity Table 6, and the average pension Table 7.



TABLE 8

COMPARATIVE STATEMENT OF MEMBERSHIP, AS OF NOVEMBER 30

YEAR	Members Admitted during Year	REFUNDS		RETIRED DURING YEAR									MEMBERS					
		Number to Beneficiaries or Estates of Deceased Members	All Others	PERMANENT DISABILITY OR DEATH			35 or More Years' Service Under Age 60 <sup>2</sup>	Voluntary (age 60 to 70)	Compulsory (age 70)	Retirement with Spouse		Non-members (Age 60 and Over)	Total Retired During Year (Dependents Excluded)	In Active Service	RETIRED			
				Accidental Injuries received in performance of duty		Ordinary				Wife	Husband				Mortality	Living		
				Members	Dependent <sup>1</sup>											Members	Non-Members	Dependents <sup>1</sup>
Totals	1912—	1933	incl.	21	14	45	16	400	378	7	—	6	873	12,252	374	498	1	14
1934	1,383	78	1,151	2	2	1	1	43	27	2	—	—	76	12,325	31	543	1	16
1935	1,965	73	1,005	6	2	1	—	28	44	—	—	—	79	13,135	44	578	1	18
1936	2,752	67	1,039	2	3	1	—	22	36	—	1	—	62	14,708	51	589	1	21
1937	2,209	103	1,810	3	2	6	1	28	47	—	—	—	85	14,922	51	623	1	22
1938	3,820	93	1,262	1	3	2	—	34	49	1	—	1	87	17,296	45	666	1	24
Totals				35	26	56	18	555	581	10	1	7	1,262	—	596	—	—	—

Retirement association organized Feb. 1, 1912 with membership 3,324.

<sup>1</sup>Payments to widow during widowhood, or if no widow, for benefit of child or children while under eighteen years of age, if death is the result of accidental injuries occurring in performance and within the scope of duty.<sup>2</sup>Most members with 35 or more years of service retire between the retirement age periods of 60 to 70 years.

COPY OF ANNUAL STATEMENT OF THE CONDITION AND AFFAIRS  
OF THE STATE EMPLOYERS' RETIREMENT SYSTEM OF THE  
COMMONWEALTH OF MASSACHUSETTS FOR THE YEAR  
ENDED DEC. 31, 1938, MADE TO THE COMMISSIONER OF  
INSURANCE IN COMPLIANCE WITH THE PROVISIONS OF  
PARAGRAPH 4, SECTION 5, CHAPTER 32, GENERAL LAWS AS  
AMENDED BY CHAPTER 439, ACTS OF 1938.

## INCOME

Members' deposits		\$1,266,619 33
Interest received on investments (less \$9,695.73 accrued interest paid on securities purchased during the year)		474,203 33
Members' deposits used to purchase annuities	\$131,347 38	
Interest on same	61,086 78	
		192,434 16
Adjustment in book value of securities (amortized values)		.....
Securities sold (gain, selling price over cost)		.....
Received from Commonwealth:		
For payment of pensions for service prior to June 1, 1912	\$142,430 26	
For payment of pensions for service subsequent to June 1, 1912	129,852 36	
For payment of pensions to employees over age 55 on June 1, 1912, who did not join retirement association	200 00	
For payment of pensions to members retired for permanent accidental injuries	15,255 91	
For payment to widows, or in case of no widow, to children because of death of parent from accidental injuries received in course of employment	20,658 39	
		308,396 92
To cover loss in annuity 12-31-37		2,125 53
Credited to members' accounts:		
Regular interest at 3½% compounded annually		367,445 78
Interest credited to annuity reserve		28,065 00
Administration expenses:		
For reimbursement of State institutions	\$11,781 78	
For salaries	5,477 00	
For expenses	1,892 84	
		19,151 62
Adjustment of refunds		.....
Total income		\$2,658,441 67
Balance December 31, 1937		11,358,493 62
Total		\$14,016,935 29

## DISBURSEMENTS

Deposits refunded, including interest, to members withdrawn from service	\$275,898 48
Deposits refunded, including interest, to representatives of deceased members	97,126 57
Adjustment of refunds	.....
Members' deposits plus interest used to purchase annuities	192,434 16
Pensions paid to retired members and to dependents of members who died from injuries received in course of employment	308,396 92
Annuities paid to members from their contributions	118,419 75
Regular interest credited to members' accounts	367,445 78
Salaries and contingent expenses	19,151 62
Refunds to estates of deceased annuitants who at the time of their retirement elected the refund annuity option	16,747 20
Adjustment book value of securities (amortized values)	54,077 10
Interest credited to annuity reserve	28,065 00
Collection on securities	.....
Total disbursements	\$1,477,762 58
Balance December 31, 1938	12,539,172 71
Total	\$14,016,935 29

## LEDGER ASSETS

Investment par value Schedule A. \$11,894,107.15; amortized value	\$12,454,584 42
Cash	84,588 29
Total ledger assets	\$12,539,172 71

## NON-LEDGER ASSETS

Accrued interest on investments	152,989 99
Deposits receivable from treasurers of institutions, etc.	110,877 75
Due from Commonwealth, net loss in annuity fund	8,430 07
Gross assets	\$12,811,470 52

LIABILITIES

Deposits of members including \$110,877.75 in hand of agents of the Board . . .	\$8,920,255 59
Regular interest credited to members' accounts . . . . .	2,840,027 49
Unpaid annuities due Dec. 31, 1938 . . . . .	.....
Refunds due estates of deceased annuitants who at the time of their retirement elected the refund annuity option . . . . .	63 48
Annuity reserve . . . . .	851,010 00
Annuity reserve (special) . . . . .	.....
Surplus (undivided profits) . . . . .	200,113 96
<b>Total liabilities . . . . .</b>	<b>\$12,811,470 52</b>

MEMBERSHIP EXHIBIT

Members' accounts:		
Active members December 31, 1937 . . . . .		14,973
Accounts payable (Deaths inc.) . . . . .		310
Admitted during 1938 . . . . .		3,834
		<u>19,117</u>
Deduct:		
Members retired . . . . .	86	
Members deceased . . . . .	91	
Members left service . . . . .	1,227	
		<u>1,404</u>
Accounts closed during year . . . . .		1,404
Plus accounts payable . . . . .		284
"    "    "    A/c deaths . . . . .		32
		<u>1,720</u>
Active accounts (members contributing on 12-31-38) . . . . .		17,397
Accounts payable (former employees not employed 12-31-38) amounting to (\$ 6,463.41) to estate, etc., of deceased members . . . . .		(20,445.27)
Retired members:		
Members retired December 31, 1937 . . . . .		624
Members retired during 1938:		
Between 67-70 years age . . . . .	35	
At age 70 . . . . .	47	
With 35 years' service under age 60 . . . . .	—	
Ordinary disability . . . . .	2	
Accidental disability . . . . .	1	
With spouse . . . . .	1	
		<u>86</u>
Retired members who died during year . . . . .		710
		<u>44</u>
Members retired December 31, 1938 . . . . .		666
Non-members:		
Pensions to widows account of death of husband from injuries received in line or duty (12-31-37) . . . . .	23	
Number granted to widows during year . . . . .	1	
		<u>24</u>
Widows deceased during year . . . . .	—	
		<u>24</u>
Total widows on list 12-31-38 . . . . .		24
Pensioners under Sec. 5 (2) C (b) (Old Law) . . . . .		1
"    "    Sec. 37D . . . . .		1
		<u>26</u>
<b>Total on pension roll, December 31, 1938 . . . . .</b>		<b>692</b>

We hereby certify that the above statement is a complete and correct exhibit of the financial condition of the Retirement System of the Commonwealth on the 31st day of December, 1938, to the best of our knowledge and belief.

WILLIAM E. HURLEY  
 REBECCA J. GREENE  
 HARRY SCHWARTZMAN, M.D. } Board of Retirement.

Subscribed and sworn to before me this twenty-seventh day of February, 1939.

A. HARRIS PATON,  
*Justice of the Peace.*



SCHEDULE A  
SECURITIES—(BONDS AND NOTES)

DESCRIPTION	RATE PERCENT	DEC. 31, 1938 PAR VALUE
Agawam, Mass.	1 $\frac{3}{4}$	\$12,000.00
Akron, Ohio	6	16,000.00
" "	5 $\frac{1}{2}$	90,000.00
" "	5	54,200.00
" "	4 $\frac{3}{4}$	25,000.00
" "	4 $\frac{1}{2}$	10,000.00
" "	4 $\frac{1}{4}$	25,000.00
Alabama, State of	4 $\frac{1}{2}$	20,000.00
" " "	4 $\frac{1}{4}$	25,000.00
Atlantic City, N. J.	2 $\frac{1}{2}$	29,000.00
Baltimore, Md.	5	75,000.00
Barre, Vt.	4	46,000.00
Barrington, R. I.	4	7,000.00
Bayonne, N. J.	5	10,000.00
" " "	4 $\frac{1}{2}$	100,000.00
Berlin, N. H.	4 $\frac{1}{2}$	20,000.00
Birmingham, Ala.	5	50,000.00
" " "	4 $\frac{1}{2}$	52,000.00
" " "	3 $\frac{3}{4}$	55,000.00
Boston, Mass.	5	1,000.00
" " "	4 $\frac{1}{2}$	15,000.00
" " "	4 $\frac{1}{4}$	298,000.00
" " "	4	822,000.00
" " "	3 $\frac{3}{4}$	23,000.00
" " "	3 $\frac{1}{2}$	254,000.00
" " "	2 $\frac{3}{4}$	51,000.00
" " "	2 $\frac{1}{2}$	25,000.00
Boston, Met. District	3	60,000.00
Braintree, Mass.	3 $\frac{1}{2}$	29,000.00
Bridgeport, Ct.	5	10,000.00
" " "	4 $\frac{3}{4}$	8,000.00
Bristol, Conn.	5	20,000.00
" " "	4 $\frac{1}{2}$	11,000.00
Brockton, Mass.	4 $\frac{3}{4}$	7,000.00
" " "	4 $\frac{1}{4}$	5,000.00
" " "	4	16,000.00
Burrillville, R. I.	3 $\frac{1}{2}$	15,000.00
California State	4 $\frac{1}{4}$	25,000.00
State of California	4	25,000.00
California, State of	3 $\frac{1}{2}$	25,000.00
Cambridge, Mass.	5	10,000.00
" " "	4 $\frac{1}{2}$	30,000.00
" " "	4 $\frac{1}{4}$	20,000.00
" " "	3 $\frac{1}{2}$	10,000.00
" " "	2 $\frac{1}{2}$	46,000.00
" " "	2	40,000.00
" " "	1 $\frac{1}{2}$	20,000.00
Camden, N. J.	5 $\frac{1}{2}$	5,000.00
Canton, Ohio	6	19,000.00
" " "	5 $\frac{1}{2}$	27,000.00
" " "	5	35,000.00
" " "	4 $\frac{1}{4}$	16,000.00
Chelsea, Mass.	4 $\frac{1}{4}$	21,000.00
" " "	3 $\frac{1}{2}$	99,000.00
" " "	2 $\frac{1}{2}$	19,000.00
Chicopee, Mass.	1 $\frac{3}{4}$	20,000.00
Cincinnati, Ohio	5	75,000.00
" " "	4 $\frac{1}{2}$	37,000.00
Cleveland, Ohio	5 $\frac{1}{2}$	63,000.00
" " "	5	61,000.00
" " "	4 $\frac{3}{4}$	101,000.00
" " "	4 $\frac{1}{2}$	45,000.00
Columbus, Ohio	5 $\frac{1}{2}$	11,000.00
" " "	5	25,000.00
" " "	4 $\frac{1}{2}$	69,000.00
" " "	4	36,000.00
Cranston, R. I.	4 $\frac{1}{4}$	32,000.00
" " "	4	50,000.00
Dallas, Texas	4 $\frac{1}{2}$	195,000.00
Danbury, Conn.	3 $\frac{1}{2}$	5,000.00
Dayton, Ohio	6	25,000.00
" " "	5	30,000.00
" " "	4 $\frac{3}{4}$	16,000.00
" " "	4 $\frac{1}{2}$	52,000.00
" " "	4	10,000.00
Dennis, Mass.	4	10,000.00
Denver, Colo.	4 $\frac{1}{4}$	100,000.00
Des Moines, Iowa	5	38,000.00
" " "	4 $\frac{1}{2}$	50,000.00
Detroit, Mich.	5 $\frac{1}{4}$	5,000.00
" " "	5	9,000.00
" " "	4 $\frac{1}{2}$	75,000.00
" " "	3 $\frac{1}{4}$	5,242.15

DESCRIPTION	RATE PERCENT	DEC. 31, 1938 PAR VALUE
Dover, N. H.	4 $\frac{1}{4}$	8,000.00
Elizabeth, N. J.	4 $\frac{1}{4}$	40,000.00
Everett, Mass.	4 $\frac{1}{4}$	10,000.00
" " "	4	16,000.00
Fall River, Mass.	4 $\frac{1}{4}$	47,000.00
" " "	4	40,000.00
" " "	3 $\frac{1}{2}$	12,000.00
" " "	2 $\frac{3}{4}$	20,000.00
" " "	2	53,000.00
Fitchburg, Mass.	1 $\frac{3}{4}$	10,000.00
Flint, Mich.	4 $\frac{1}{2}$	15,000.00
" " "	4 $\frac{1}{4}$	4,000.00
" " "	3	875.00
Fort Worth, Texas	5	25,000.00
" " "	4 $\frac{1}{2}$	17,000.00
Framingham, Mass.	4 $\frac{1}{4}$	20,000.00
" " "	4	4,000.00
Fresno, Calif.	4 $\frac{1}{2}$	30,000.00
Grand Rapids, Mich.	4 $\frac{1}{2}$	62,000.00
Haverhill, Mass.	3 $\frac{3}{4}$	5,000.00
" " "	2	10,000.00
Holyoke, Mass.	4	29,000.00
Houston, Texas	5	12,000.00
" " "	4 $\frac{1}{2}$	25,000.00
" " "	4	25,000.00
Illinois, State of	4	2,340.00
Ipswich, Mass.	3 $\frac{1}{4}$	2,340.00
Jersey City, N. J.	5 $\frac{1}{2}$	85,000.00
" " "	5	50,000.00
" " "	4 $\frac{3}{4}$	10,000.00
State of Kansas	4 $\frac{1}{2}$	50,000.00
Kansas City, Mo.	4 $\frac{1}{4}$	10,000.00
Lawrence, Mass.	5 $\frac{3}{4}$	50,000.00
" " "	4	8,000.00
Leominster, Mass.	5	52,000.00
Lewiston, Me.	4 $\frac{1}{4}$	25,000.00
Lima, Ohio	6	2,000.00
Long Beach, California	5	40,000.00
" " "	4 $\frac{3}{4}$	50,000.00
" " "	4 $\frac{1}{2}$	27,500.00
" " "	4 $\frac{1}{4}$	20,000.00
" " "	4	10,000.00
Lorain, Ohio	6	8,250.00
" " "	4 $\frac{1}{2}$	7,000.00
Los Angeles, California	5	183,000.00
Los Angeles, Harbor	4 $\frac{3}{4}$	10,000.00
Los Angeles, California	4 $\frac{3}{4}$	70,000.00
" " "	4 $\frac{1}{2}$	25,000.00
" " "	3 $\frac{3}{4}$	35,000.00
Louisiana, State of	5	25,000.00
" " "	4 $\frac{1}{2}$	25,000.00
Louisiana Port Comm.	5	128,500.00
" " "	4 $\frac{3}{4}$	5,000.00
Louisville, Ky.	4 $\frac{1}{2}$	5,000.00
Lowell, Mass.	3	10,000.00
" " "	2 $\frac{1}{2}$	8,000.00
" " "	2 $\frac{1}{4}$	80,000.00
Ludlow, Mass.	4	23,000.00
Lynchburg, Va.	5	25,000.00
Lynn, Mass.	4 $\frac{1}{4}$	15,000.00
" " "	4	50,000.00
" " "	3 $\frac{3}{4}$	72,000.00
" " "	3 $\frac{1}{2}$	5,000.00
Malden, Mass.	4 $\frac{1}{4}$	4,000.00
Marlboro, Mass.	2	5,000.00
Mass. Add. Water Loan	4	50,000.00
Maynard, Mass.	3 $\frac{3}{4}$	40,000.00
Medford, Mass.	4 $\frac{1}{2}$	46,000.00
" " "	4	10,000.00
" " "	3 $\frac{1}{2}$	12,000.00
" " "	3	18,000.00
" " "	1 $\frac{3}{4}$	15,000.00
Methuen, Mass.	4 $\frac{1}{4}$	12,000.00
Met. Addit. Water Loan	4	50,000.00
Michigan, State of	5 $\frac{3}{4}$	122,000.00
" " "	5	48,000.00
Michigan, Highway	4 $\frac{1}{2}$	100,000.00
Michigan, State of	4 $\frac{1}{2}$	54,000.00
Milford, Mass.	3	25,000.00
" " "	2 $\frac{1}{4}$	10,000.00
Minneapolis, Minn.	4 $\frac{3}{4}$	48,000.00
" " "	4	22,000.00
Minnesota, State of	4 $\frac{3}{4}$	235,000.00
" " "	4 $\frac{1}{2}$	50,000.00
" " "	4 $\frac{1}{4}$	50,000.00
Missouri, State of	4 $\frac{1}{4}$	25,000.00
Montgomery, Ala.	5	15,000.00

DESCRIPTION	RATE PERCENT	DEC. 31, 1938 PAR VALUE
Muskegon, Mich.	4 1/2	30,000.00
" "	4	35,000.00
Nashville, Tenn.	5	8,000.00
Newark, N. J.	5 1/2	10,000.00
" "	4 1/2	10,000.00
New Bedford, Mass.	5 1/4	00.00
" " "	5	1,000.00
" " "	4	2,000.00
" " "	3 3/4	0,000.00
" " "	3	0,000.00
" " "	2 1/2	10,000.00
" " "	2 1/4	25,000.00
" " "	2	25,000.00
" " "	1 3/4	36,300.00
Newburyport, Mass.	2 1/4	6,000.00
New Jersey, State of	5	23,000.00
" "	4 1/2	80,000.00
Newport, R. I.	4 1/2	5,000.00
" "	4 1/4	12,000.00
New York, State of	4 1/2	3,000.00
No. Carolina, State of	5	30,000.00
" " " "	4 1/2	99,000.00
" " " "	4 1/4	85,000.00
" " " "	4	35,000.00
Norwalk, Conn.	4	1,000.00
Oakland, Calif.	4 3/4	52,000.00
Oregon, State of	5	10,000.00
" "	4 1/2	25,000.00
Pasadena, Calif.	4 1/2	5,000.00
Pawtucket, R. I.	4 1/2	10,000.00
" "	4 1/4	10,000.00
Peabody, Mass.	4	17,000.00
Penn. State of	5	80,000.00
Philadelphia, Pa.	4 1/4	25,000.00
Pittsfield, Mass.	2 1/2	17,000.00
" "	4 1/4	3,000.00
Portland, Oregon	5	5,000.00
" "	4 1/2	46,000.00
Portland, Maine	4 1/4	25,000.00
Providence, R. I.	4 1/2	25,000.00
" " "	4 1/4	35,000.00
" " "	4	19,000.00
Quincy, Mass.	4 1/4	5,000.00
" " "	2 3/4	25,000.00
" " "	1 1/2	35,000.00
" " "	4	10,000.00
Reading, Mass.	4	23,000.00
Reading, Pa.	4	11,000.00
Revere, Mass.	4	11,000.00
" "	3 1/4	44,000.00
Richmond, Va.	5	25,000.00
" " "	4 1/2	50,000.00
" " "	4 1/4	50,000.00
Rochester, N. Y.	4 1/2	50,000.00
San Antonio, Texas	5 1/2	25,000.00
" " "	5	10,000.00
San Bernardino, Calif.	4 1/4	21,500.00
San Diego, Calif.	5	87,000.00
" " "	4 1/2	40,000.00
" " "	4 1/4	20,000.00
San Francisco, Calif.	5 3/4	60,000.00
" " "	5	152,000.00
" " "	4 1/2	189,000.00
" " "	4	30,000.00
" " " (City & County)	5	10,000.00
Santa Monica, Calif.	5	92,000.00
" " "	4 1/2	51,000.00
Saugus, Mass.	2 3/4	24,000.00
" " "	1 1/4	10,000.00
Seattle, Wash.	5	58,000.00
" " "	4 1/2	40,000.00
" " "	4 1/4	10,000.00
Somerville, Mass.	4	38,900.00
" " "	1 3/4	12,000.00
Springfield, Mass.	3 3/4	73,000.00
" " "	1 1/2	100,000.00
St. Louis, Mo.	4 1/2	70,000.00
" " "	4 1/4	30,000.00
Stoughton, Mass.	3 3/4	5,000.00
St. Paul, Minn.	5 1/2	40,000.00
" " "	4 1/2	29,000.00
" " "	4 1/4	56,000.00
" " "	4	15,000.00
Stamford, Conn.	4 1/4	10,000.00
Sudbury, Mass. Water Dist.	2 1/2	12,000.00
Superior, Wis.	4 1/2	14,000.00
Swampscott, Mass.	4	6,000.00
Tampa, Fla.	4 1/4	20,000.00

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DESCRIPTION	RATE PERCENT	DEC. 31, 1938 PAR VALUE
Taunton, Mass.	4	10,000.00
Tennessee, State of	5½	25,000.00
" " "	5¼	5,000.00
" " "	4¾	50,000.00
" " "	3½	50,000.00
Toledo, Ohio	5	18,500.00
" " "	4¾	12,000.00
" " "	4½	19,000.00
Trenton, N. J.	5	17,000.00
" " "	4½	20,000.00
U. S. Treasury	4¼	279,000.00
" " "	3¾	18,700.00
" " "	3½	250,000.00
" " "	3	100,000.00
" " "	2⅞	11,000.00
" " "	2¾	308,000.00
Walpole, Mass.	4½	5,000.00
Waltham, Mass.	5	25,000.00
" " "	4¾	6,000.00
" " "	4	22,000.00
" " "	3¾	20,000.00
" " "	2¾	6,000.00
" " "	2	44,000.00
Warwick, R. I. Town of	4	26,000.00
Washington, State of	4	25,000.00
Waterbury, Conn.	4¼	5,000.00
West Virginia, State of	4½	9,000.00
" " " "	4¼	145,000.00
" " " "	4	21,000.00
Weymouth, Mass.	4½	5,000.00
" " "	3¾	5,000.00
Wheeling, W. Va.	5	30,000.00
" " "	4	15,000.00
Wilmington, N. C.	5	25,000.00
" " "	4½	53,000.00
Woburn, Mass.	3½	31,000.00
" " "	3	34,000.00
Woonsocket, R. I.	6	5,000.00
" " "	5	5,000.00
" " "	4½	17,000.00
Youngstown, Ohio	6	1,000.00
" " "	5½	20,000.00
" " "	5	5,000.00

## NOTES

Blandford, Mass.	4¼	10,000.00
Dracut Water Supply	5¼	800.00
Pembroke, Mass.	3½	12,000.00
Revere, Mass.	4¼	42,000.00
Scituate, Mass.	4½	15,500.00

Amortized Value \$12,454,584.42

\$11,894,107.15