

REPORT OF THE TREASURER

TO THE MEMBERS AND COUNCIL OF
THE HISTORICAL SOCIETY OF PENNSYLVANIA:

It is the custom of The Historical Society of Pennsylvania and the specific order of Council, that the accounts and records of the Society for each year be examined by Certified Public Accountants. This has been done, and the complete report of Charles S. Rockey & Co. is on file in the Treasurer's Office of the Society and may be examined by any member upon application.

The Treasurer has reviewed this complete report covering the operations of the Society for the year ended December 31, 1955. Based on the information contained therein and on other available data the following comparisons and comments are respectfully submitted as showing the results of the operations of the Society for the year 1955:

Diversification of Investments

Based on Book Values

	1955		1954	
	<i>Amount</i>	<i>Ratio</i>	<i>Amount</i>	<i>Ratio</i>
Mortgages .	\$36,716.66	1.88%	\$22,913.66	1.30%
Real Estate*	66,582.38	3.42	66,582.38	3.77
Bonds	327,903.00	16.81	262,035.75	14.82
Stocks—Preferred	121,308.93	6.22	192,465.45	10.89
Stocks—Common	<u>1,397,978.61</u>	<u>71.67</u>	<u>1,223,590.20</u>	<u>69.22</u>
Totals	\$1,950,489.58	100.00%	\$1,767,587.44	100.00%

Average Yields on Investments

	1955	1954	1953
Mortgages	5.24%	5.13%	5.42%
Real Estate	5.53	5.95	6.10
Bonds	4.13	3.88	3.60
Stocks—Preferred	6.78	5.75	5.50
Stocks—Common .	<u>6.40</u>	<u>6.25</u>	<u>6.11</u>
	6.08%	5.75%	5.55%

* Does not include the Society's building, carried on our books at \$164,457.43; appraised at \$300,000.00.

Mortgages

	1955	1954
Number of Mortgages Held	13	18
Amount	<u>\$36,716.66</u>	<u>\$22,913.66</u>
Net Interest Received	\$1,881.39	\$1,278.29
Yield on Investment	5.24%	5.13%

Following is a list of mortgages held as of December 31, 1955, with their face and book value:

Cobbs Creek Parkway, 6836	\$855.00
Dicks Avenue, 7234	2,681.97
Franklin Street, 449 N.	1,200.00
Marvine Street, 1921 N.	375.00
Susquehanna Avenue, 320 W.	500.00
Tasker Street, 534	1,050.00
3d Street, 31 S.	200.00
4th Street, 1327 N.	1,200.00
13th Street, 242 S.	23,454.69
13th Street, 1328 N.	600.00
32d Street, 2551 N.	1,000.00
55th Street, 535 S.	300.00
59th Street, 1238 N.	3,300.00
Total	<u><u>\$36,716.66</u></u>

Real Estate

The Society owns three properties adjacent to its building, on which the average yield for 1955 was 5.53%.

	1955	1954
Number of Properties Owned	3	3
Book Value	<u>\$66,582.38</u>	<u>\$66,582.38</u>
Gross Rentals Collected	\$7,080.00	\$7,080.00
Expenses ^b	<u>3,821.61</u>	<u>3,540.86</u>
Net Income	\$3,258.39	\$3,539.14
Yield on Investment	5.53%	5.95%

Properties owned as of December 31, 1955:

1314 Locust Street 1316 Locust Street 236 S. 13th Street

^b Includes insurance, taxes, water rent, repairs, agent's commission, and all other expenses incidental to the operation of the properties.

Stocks and Bonds

The following is the portfolio as of December 31, 1955:

<i>Par Value</i>	<i>Bonds</i>	<i>Book Value 12-31-55</i>
20,000	U. S. Savings Bonds, Series F, 1961	\$14,800.00
10,000	Allied Chemical & Dye Corp., 3½-1978	10,332.50
20,000	Baltimore Gas & Electric Co., 3¼-1990	20,125.00
45,000	Consolidated Edison Co. of N. Y., 1st ref. mtge. K, 3¾-1985	45,450.00
30,000	Cleveland, Cincinnati, Chicago & St. Louis Rwy., C.W. & M. Div., 1st mtge., 4-1991	27,175.00
20,000	Connecting Railway of Phila., 3½-1976	18,000.00
20,000	General Dynamics Corp., conv. deb., 3½-1975	21,175.00
30,000	General Motors Acceptance Corp., 3¾-1975	29,475.00
20,000	Maine Turnpike Authority, 4-1989	20,200.00
10,000	Morris & Essex R.R. Co., 1st ref. mtge., 3½-2000	5,825.00
15,000	National Tea Co., conv. deb., 3½-1980	15,300.00
20,500	New York, New Haven & Hartford R.R. Co., 1st & ref. A, 4-2007	18,212.79
20,000	Pennsylvania R.R. Co., Ser. D, 4¼-1981	18,943.75
30,000	Philadelphia Transportation Co., cons. mtge. A, 3-6-2039 . .	25,800.00
20,000	Southern Pacific R.R. Co. (Oregon Lines), 4½-1977	20,200.00
20,000	Western Pacific R.R. Co., income deb., 5-1984	16,888.96
	Total Bonds	<u>\$327,903.00</u>
	Market Value, 12-31-55	<u>\$329,065.00</u>
<i>Shares</i>	<i>Stocks</i>	<i>Book Value 12-31-55</i>
300	Allis Chalmers Mfg. Co., com.	\$19,499.37
500	American Brake Shoe Co., com.	20,803.15
500	ACF Industries, com.	27,125.33
500	American Gas & Electric Co., com.	14,437.64
300	American Smelting & Refining Co., com.	13,612.03
200	American Telephone & Telegraph Co., com.	36,450.00
400	American Tobacco Co., com.	28,136.33
100	American Tobacco Co., 6% cum. pfd.	13,370.82
400	American Viscose Corp., com.	21,297.36
300	Anaconda Co., com.	16,436.46
	Carried forward	<u>\$211,168.49</u>

<i>Shares</i>	<i>Stocks</i>	<i>Book Value</i> <i>12-31-55</i>
	Brought forward	\$211,168.49
300	Anchor Hocking Glass Corp., com.	10,785.94
300	Armco Steel Co., com. . .	6,562.91
600	Ashland Oil & Refining Co., com.	11,667.78
200	Atchison, Topeka & Sante Fe Rwy., com.	24,578.84
500	Atlantic Refining Co., com.	16,999.70
500	Baltimore Gas & Electric Co., com.	12,348.51
200	Bethlehem Steel Corp., com.	6,431.26
200	Blaw-Knox Co., Del., com.	5,181.57
200	Borden Co., com.	9,471.76
500	Borg-Warner Corp., com.	12,551.66
200	California Packing Corp., com.	5,177.71
500	Canadian Pacific Rwy. Co., com.	9,981.20
500	Carolina Power & Light Co., com.	7,644.41
400	Celanese Corp. of America, 4½% pfd. Series A	33,640.48
300	Central-Penn National Bank, com.	10,963.86
500	Chesapeake & Ohio Rwy., com.	19,433.82
200	Colgate-Palmolive Co., com.	10,097.09
500	Columbus & Southern Ohio Electric Co., com.	15,875.00
500	Commercial Credit Co., com.	21,891.93
500	Commonwealth Edison Co., com.	13,264.96
300	Dana Corp., com.	14,667.75
200	duPont (E. I.) de Nemours & Co., com.	21,449.90
200	Eaton Mfg. Co., com.	9,829.41
1,000	Electric Auto-Lite Co., com.	62,749.55
200	Fidelity-Philadelphia Trust Co., cap.	18,265.56
300	First Pennsylvania Banking & Trust Co., com.	9,376.47
399	Flintkote Co., com.	15,017.55
200	General Electric Co., com.	3,304.78
300	Girard Trust Corn Exchange Bank, com.	14,646.35
1,000	Great Northern Railway Co., com.	25,603.76
200	Gulf, Mobile & Ohio R.R., com.	7,749.67
200	Ingersoll-Rand Co., com.	10,800.00
700	International Harvester Co., com.	25,430.99
200	Johns-Manville Corp., com.	14,328.96
	Carried forward	<u>\$728,939.58</u>

<i>Shares</i>	<i>Stocks</i>	<i>Book Value</i> <i>12-31-55</i>
	Brought forward	\$728,939.58
500	Kansas Power & Light Co., com.	8,097.58
300	Kennecott Copper Corp., com.	22,692.49
200	Libby-Owens-Ford Glass Co., com.	8,938.97
400	Liggett & Myers Tobacco Co., com.	28,421.38
400	Louisville & Nashville R.R. Co., com.	27,656.32
500	McKesson & Robbins, Inc., com.	19,320.75
500	Macy (R. H.) & Co., Inc., com.	21,351.58
400	Montgomery Ward & Co., com.	31,033.36
500	National Supply Co., com.	19,521.51
500	Niagara Mohawk Power Corp., com.	12,593.76
500	Norfolk & Western Rwy. Co., com.	26,901.70
500	Ohio Edison Co., com.	17,323.19
200	Olin Mathieson Chemical Corp., com.	9,776.24
500	Pennsylvania Power & Light Co., com.	20,817.37
400	Pennsylvania Railroad Co., com.	10,733.53
300	Phelps Dodge Corp., cap.	10,576.77
900	Philadelphia Electric Co., com.	27,199.74
400	Philco Corp., com.	15,901.32
300	Phillips Petroleum Co., com.	19,567.30
300	Pittsburgh Coke & Chemical Co., 4.80% conv. pfd.	28,783.54
1,000	Public Service Electric & Gas Co., com.	27,360.39
600	Reading Co., 4% 2nd pfd.	24,547.00
400	Republic Steel Corp., com.	18,878.22
300	Revere Copper & Brass, Inc., com.	21,726.60
400	Richfield Oil Corp., com.	27,607.32
300	Socony Mobil Oil Co., com.	16,058.96
200	Southern Pacific Co., com.	8,177.57
600	Southern Railway Co., 5% non-cum. pfd.	20,967.09
300	Square D Co., com.	10,885.47
500	Standard Brands, Inc., com.	17,462.02
300	Standard Oil Co. of California, com.	16,748.99
300	Standard Oil Co. (New Jersey), cap.	24,850.57
200	Sylvania Electric Products, Inc., com.	9,036.64
300	Texas Co., cap.	20,479.13
	Carried forward	<u>\$1,380,933.95</u>

<i>Shares</i>	<i>Stocks</i>	<i>Book Value</i> <i>12-31-55</i>
	Brought forward	\$1,380,933.95
200	Timken Roller Bearing Co., com.	9,628.68
300	Union Bag & Paper Corp., com.	23,845.85
500	Union Electric Co. of Missouri, com.	14,899.10
200	United Fruit Co., com.	11,443.86
300	United Gas Improvement Co., cap.	11,112.57
206	United States Rubber Co., com.	8,053.23
200	Western Pacific Railroad Co., com.	11,908.41
800	Western Union Telegraph Co., com.	19,826.52
200	Westinghouse Electric Corp., com.	6,925.67
400	Woolworth (F. W.) Co., com.	20,709.70
	Total Stocks	<u>\$1,519,287.54</u>
	Market Value, 12-31-55	<u>\$1,860,497.75</u>

Ratio of Stocks and Bonds

Railroad	\$369,284.41	19.99%
Financial	104,619.17	5.66
Utility	304,999.22	16.51
Industrial	1,033,287.74	55.94
Government	35,000.00	1.90
Totals	<u>\$1,847,190.54</u>	<u>100.00%</u>

Total capital resources, including book value of investments and the available cash balances:

	<i>1955</i>	<i>1954</i>
Investments	\$1,950,489.58	\$1,767,587.44
Uninvested Principal Cash	(502.24)	13,431.42
General Fund Cash	22,046.38	32,619.58
Miscellaneous receivables & deferred expenses	1,521.76	1,541.33
Due from General Fund	—	5,000.00
1300 Locust Street building	164,457.43	164,457.43
Totals	<u>\$2,138,012.91</u>	<u>\$1,984,637.20</u>

Summary of Operation—General Fund, 1955

The following is a statement of income and expenditures of the General Fund for the year ended December 31, 1955:

Income:

Transferred from Trust Funds	\$82,793.66	
Net income from investment in securities owned other than for principal account	<u>5,607.98</u>	\$88,401.64
Annual membership dues—amount received		13,967.00
Donations from organizations for use of building		1,665.00
Sales of <i>Pennsylvania Magazine</i> and books		1,918.81
Sales of microfilm newspaper editions		429.07
Sales of photostats and photographic prints		6,195.21
Sales of duplicates		1,201.75
Gilpin Library payment		1,850.00
Miscellaneous		<u>917.43</u>
TOTAL INCOME		\$116,545.91

Expenses—Operating:

Salaries	\$74,807.94
Bonuses	<u>5,500.00</u>
	\$80,307.94
Less: Amounts provided from Trust Fund income	<u>2,894.47</u>
	\$77,413.47
Supplies and services	3,147.02
New equipment, furniture, and fixtures	473.26
Telephone	761.71
Insurance	429.77
Fire alarm system	729.00
Postage	458.51
Entertainment	546.60
Audit	875.00
Electricity	1,675.82
Gas	141.76

Fuel.....	\$1,673.36	
Air-conditioning service.....	532.00	
Maintenance and repairs.....	3,118.80	
Publication of membership bulletin.....	798.10	
Social Security.....	1,000.00	
Photo-reproduction costs to Society.....	68.26	
Miscellaneous.....	<u>148.47</u>	
TOTAL OPERATING EXPENSES.....		\$93,990.91

Special Appropriations made by Council:

Publication of <i>The Pennsylvania Magazine of History and Biography</i>	\$3,730.10	
Special committee to find ways of increasing membership.....	<u>2,500.00</u>	<u>6,230.10</u>
TOTAL DEPARTMENTAL EXPENSES.....		\$100,221.01
SURPLUS FOR 1955.....		<u>16,324.90</u>
Pension Fund Reserve.....		\$52,451.97
Reserve for Contingencies.....		50,000.00
Cumulative Surplus.....		73,401.60

The year 1955 was financially eventful for the Historical Society in many ways. The long-expected need for major repairs to the building finally reached the critical point. A new oil furnace was installed, a new roof put on, and the water piping completely replaced, all at a cost of approximately \$29,000. Funds to pay for these improvements came from realized profits from the sale of investments.

The total capital resources of the Society were increased in 1955 by \$153,375.71 to \$2,138,012.91. This figure is reasonably satisfactory, but it must be remembered that the stock market is abnormally high and any drop in prices will have a proportionate effect. The Finance Committee has endeavored to minimize this risk by reducing the number of shares in any one stock, thus securing as wide a distribution of investments as possible. The Society's largest investments are in public utilities and oils.

The Society is still faced with many problems. The Director has submitted a budget for 1956 of \$113,081, an increase of \$12,000 over the 1955 budget. In view of continuing high costs, this increase is not unwarranted. As has been expected, the

cost of the *Magazine* will increase materially either in 1956 or 1957. The Treasurer is convinced, however, that Council will not wish to sacrifice the high standard of the *Magazine* at any cost. The Society is being run as economically as possible, but rising costs have to be met and the staff compensated accordingly. A step toward enlarging the Pension Fund was taken when Council was asked to permit the transfer of \$10,000 from surplus funds to the Pension Fund.

For cultural institutions generally, 1956 will be a crucial year. It is the opinion of the Finance Committee that more money to operate the Society must be secured. Council has taken measures to secure financial assistance from industry and from friends of the Society, and the response to efforts already initiated has been gratifying. At present, all the Society's resources and energies must of necessity be used for its operation. The Society has one of the finest manuscript collections in America, but the broader opportunities for undertaking such worthwhile projects as the publication of some of our manuscript treasures and the encouragement of young scholars in the study of American history cannot be realized with our present resources. It is therefore hoped that needed financial assistance can be secured.

Again I wish to thank the members of the Finance Committee for their faithful attendance at meetings which have been held monthly, sometimes two and three times a month. The Chairman, Mr. Tuttle, is most unsparing of his time.

F. R. KIRKLAND, *Treasurer*

THE HISTORICAL SOCIETY OF PENNSYLVANIA

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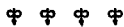
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Founded in 1824, The Historical Society of Pennsylvania has long been a center of research in Pennsylvania and American history. It has accumulated an important historical collection, chiefly through contributions of family, political, and business manuscripts, as well as letters, diaries, newspapers, magazines, maps, prints, paintings, photographs, and rare books. Additional contributions of such a nature are urgently solicited for preservation in the Society's fireproof building where they may be consulted by scholars.

Membership. Those interested in the Society are invited to have their names proposed for membership. Annual dues are \$10.00, life membership, \$250.00. Members receive certain privileges in the use of books, are invited to the Society's historical addresses and teas, and receive *The Pennsylvania Magazine of History and Biography*.

Hours. The Society is open to the public 9 A.M. to 5 P.M., Monday through Saturday. The Society is usually closed during the month of August.

I N D E X

to

The Pennsylvania Magazine of History and Biography

Volumes 1-75 (1877-1951)

The *Index* to *The Pennsylvania Magazine of History and Biography* is not limited to the history of Pennsylvania, but serves also as an important guide to our national history. Designed to facilitate historical research, it includes descriptive indexing of subjects as well as personal and place names.

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