

MAINE STATE LEGISLATURE

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REPORT
of the
MAINE STATE RETIREMENT SYSTEM

for the
FISCAL BIENNIUM
ENDED JUNE 30, 1964

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MAINE STATE RETIREMENT SYSTEM

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REPORT OF THE MAINE STATE RETIREMENT SYSTEM
FOR THE BIENNIUM ENDED JUNE 30, 1964

In accordance with the provisions of the Revised Statutes, the report of the Maine State Retirement System for the biennium ended June 30, 1964, is hereby submitted.

The Maine State Retirement System Law was first enacted by a special session of the Legislature in 1942 and became effective as of July 1 that year. The System is administered under the law by a Board of Trustees--seven in number: the State Bank Commissioner, the State Controller, the State Treasurer, and the Chairman of the Personnel Board ex officio; one Member elected by the Maine Teachers Association; one Member elected by the State Employees Association; and one Member appointed by the Governor.

Since this is, for all practical purposes, a part-time Board, the actual day-by-day administration is conducted by the Executive Secretary and his staff. A Consulting Actuary is employed, under the provisions of the law, whose duty it is to make all computations required with respect to allocation of benefits provided for under the law and to determine what appropriation requests shall be made of the Legislature to keep the System operating in a solvent manner. A Medical Board consisting of three non-members is also provided for under the law. The precise duty of this Board is to make determinations with respect to disability retirement cases.

In addition to administering the basic Retirement Law, our department is also charged with administering the Group Life Insurance Plan, the Survivor Benefit Plan, and under the provisions of Chapter 101 of the Revised Statutes we are also responsible for administering the Social Security Plan so far as its application to political subdivisions of the State is concerned.

At its inception the Retirement System covered only State employees and employees of such political subdivisions of the State as might elect to join the System. As a result of amendments to the law made over the years, the coverage is now extended to all public school teachers, and the growth in the membership over-all has reached a point where we are now handling some over 33,000 open accounts on our books.

The initial appropriation made by the Legislature to institute the plan was \$500,000.00. The appropriation requests for the next biennium will approximate \$8,000,000.00 for each year of the biennium.

As of the close of the last fiscal year the total assets of the System amounted to approximately \$86,000,000.00.

The funds of the System are invested in such securities as are legal for savings banks in the State of Maine. These include highly rated Bonds, FHA guaranteed mortgages, and equities purchased under the "Prudent Man" rule.

Our current retirement pay rolls are running close to \$5,500,000.00 a year and the average monthly benefit being paid to retired State employees as of the end of June 1964 was approximately \$97.00, and to teachers approximately \$110.00.

The number of retirants on the pay roll as of that date was somewhat in excess of 4,800.

The Group Life Insurance Plan is available to all State employees and public school teachers and as of the end of the last fiscal year the total number of persons covered under the plan was approximately 14,000.

Total benefits paid to the beneficiaries of insured persons under the plan as of the last fiscal year amounted to some over \$940,000.00 and the total benefits paid to all beneficiaries since the inception of the plan in 1955 amounts to approximately \$5,000,000.00.

The Survivor Benefit Plan paid, during the fiscal year ended June 30, 1964, approximately \$248,000.00.

Our only function with respect to the Social Security Program is to enter into Agreements with political subdivisions of the State of Maine and collect the amount of taxes involved. We are presently under agreement for this purpose with some 505 reporting units consisting of counties, cities, towns and other quasi-municipal agencies. We have nothing whatever to do with the benefit side of the program. This is handled entirely by the Social Security Administration.

The cost of administering these various plans, so far as local entities are concerned, is prorated and charged back to and collected from the units involved.

Tabulations and schedules included in this Report reflect the financial status of the System and give other information which we trust will be of interest to all participants in the various programs administered by this department, as well as to the Legislature and the general public.

The 21st Annual Valuation Report of the Consulting Actuary of the System is also included.

BOARD OF TRUSTEES

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State of Maine
MAINE STATE RETIREMENT SYSTEM
AUGUSTA

December 15, 1964

Board of Trustees
Maine State Retirement System
Augusta, Maine

Gentlemen:

I submit herein the twenty-first valuation report of the actual and prospective Assets and Liabilities of the Maine State Retirement System as of June 30, 1964. Also a valuation of the Survivor Benefits provision.

The valuation covered 22,363 active and 4,270 retired employees and teachers.

Valuations for the Participating Local Districts have been done separately and are not included in this report.

Respectfully submitted,

A handwritten signature in cursive script that reads "Alfred W. Perkins".

Alfred W. Perkins
Actuary

RETIREMENT HISTORY

Experience of Retired Non-Contributory Teachers

<u>Year Commencing July 1</u>	<u>New Pensioners</u>	<u>Deaths</u>	<u>Re- employed</u>	<u>Beneficiaries</u>	<u>Trans.to MTRA</u>	<u>Total Pensioners</u>	<u>Year Ending June 30</u>
1947	103	1	-	-	-	102	1948
1948	95	7	1	2	-	192	1949
1949	124	6	2	-	-	307	1950
1950	102	7	11	-	-	391	1951
1951	158	13	6	6	-	536	1952
1952	115	18	9	3	1	626	1953
1953	133	20	19	8	-	728	1954
1954	129	15	20	9	-	831	1955
1955	154	23	8	12	-	966	1956
1956	151	32	20	10	-	1,075	1957
1957	257	30	14	10	-	1,298	1958
1958	211	37	21	7	-	1,458	1959
1959	214	41	30	8	-	1,609	1960
1960	215	46	24	6	1	1,759	1961
1961	178	57	26	6	-	1,860	1962
1962	239	67	20	8	-	2,020	1963
1963	<u>193</u>	<u>73</u>	<u>15</u>	<u>12</u>	<u>-</u>	<u>2,137</u>	1964
Totals	2,771	493	246	107	2	2,137	

RETIREMENT HISTORY

Experience of Retired Teachers - Contributory MTRA

<u>Year Commencing July 1</u>	<u>New Pensioners</u>	<u>Deaths</u>	<u>Re- employed</u>	<u>Beneficiaries</u>	<u>Total Pensioners</u>	<u>Year Ending June 30</u>
1947	2	1	-	-	1	1948
1948	2	-	-	-	3	1949
1949	4	-	-	-	7	1950
1950	3	-	-	-	10	1951
1951	5	1	-	-	14	1952
1952	10	1	-	1	24	1953
1953	3	3	-	1	25	1954
1954	3	-	-	-	28	1955
1955	14	2	-	-	40	1956
1956	9	1	3	1	46	1957
1957	16	2	4	1	57	1958
1958	27	-	-	1	85	1959
1959	24	5	3	1	102	1960
1960	37	4	2	4	137	1961
1961	39	2	2	3	175	1962
1962	79	6	6	1	243	1963
1963	<u>66</u>	<u>4</u>	<u>8</u>	<u>5</u>	<u>302</u>	1964
Totals	343	32	28	19	302	

RETIREMENT HISTORY

Prior to 1942 by Governor and Council
Experience of Retireds - State Employees

<u>Year Commencing July 1</u>	<u>New Pensioners</u>	<u>Deaths</u>	<u>Re- employed</u>	<u>Total Pensioners</u>	<u>Year Ending June 30</u>
1942	128	-	-	128	1943
1943	-	2	-	126	1944
1944	-	5	-	121	1945
1945	3	7	-	117	1946
1946	-	8	1	108	1947
1947	1	2	-	107	1948
1948	-	1	-	106	1949
1949	-	12	-	94	1950
1950	-	5	-	89	1951
1951	-	6	-	83	1952
1952	-	9	-	74	1953
1953	-	3	-	71	1954
1954	-	4	1	66	1955
1955	-	6	1	59	1956
1956	-	6	-	53	1957
1957	-	5	-	48	1958
1958	-	7	1	40	1959
1959	-	6	-	34	1960
1960	-	3	-	31	1961
1961	-	2	-	29	1962
1962	-	3	-	26	1963
1963	<u>-</u>	<u>2</u>	<u>-</u>	<u>24</u>	1964
Totals	132	104	4	24	

RETIREMENT HISTORY

Experience of Retireds - State Employees

<u>Year Commencing July 1</u>	<u>New Pensioners</u>	<u>Deaths</u>	<u>Re- employed</u>	<u>Beneficiaries</u>	<u>Total Pensioners</u>	<u>Year Ending June 30</u>
1942	17	-	-	-	17	1943
1943	35	1	-	-	51	1944
1944	65	5	2	-	109	1945
1945	90	8	-	-	191	1946
1946	101	7	-	-	285	1947
1947	94	16	1	-	362	1948
1948	55	11	3	3	406	1949
1949	59	23	3	3	442	1950
1950	70	24	1	6	493	1951
1951	75	25	4	11	550	1952
1952	96	28	9	18	627	1953
1953	102	31	5	19	712	1954
1954	90	39	3	13	773	1955
1955	130	44	1	19	877	1956
1956	133	44	5	23	984	1957
1957	137	48	5	19	1,087	1958
1958	122	60	7	15	1,157	1959
1959	198	59	4	20	1,312	1960
1960	188	56	5	24	1,463	1961
1961	183	70	3	18	1,591	1962
1962	206	74	17	29	1,735	1963
1963	<u>167</u>	<u>86</u>	<u>5</u>	<u>22</u>	<u>1,833</u>	1964
Totals	2,413	759	83	262	1,833	

MEMBERSHIP HISTORY

Progress of Membership - Non-Contributory Teachers

<u>Year Commencing July 1</u>	<u>New Members</u>	<u>Withdrawals</u>	<u>Deaths</u>	<u>Retired</u>	<u>Trans. to MTRA</u>	<u>Total Members</u>	<u>Year Ending June 30</u>
1947	2,570	29	7	103	-	2,431	1948
1948	35	29	9	95	-	2,333	1949
1949	32	7	10	124	-	2,224	1950
1950	99	37	9	102	1	2,174	1951
1951	119	12	10	158	-	2,113	1952
1952	156	20	8	115	1	2,125	1953
1953	104	15	10	133	1	2,070	1954
1954	106	19	12	129	-	2,016	1955
1955	63	12	14	154	-	1,899	1956
1956	76	11	12	151	-	1,801	1957
1957	183	17	13	257	1	1,696	1958
1958	123	15	8	211	-	1,585	1959
1959	132	8	13	214	2	1,480	1960
1960	99	9	11	215	1	1,343	1961
1961	88	6	6	178	-	1,241	1962
1962	90	8	7	239	-	1,077	1963
1963	<u>75</u>	<u>7</u>	<u>10</u>	<u>193</u>	<u>1</u>	<u>941</u>	1964
Totals	4,150	261	169	2,771	8	941	

MEMBERSHIP HISTORY

Progress of Membership - Contributory MTRA

<u>Year Commencing July 1</u>	<u>New Members</u>	<u>Withdrawals</u>	<u>Deaths</u>	<u>Retired</u>	<u>Trans.to "O.S."</u>	<u>Total Members</u>	<u>Year Ending June 30</u>
1947	4,084	242	4	2	-	3,836	1948
1948	437	223	2	2	1	4,045	1949
1949	508	188	8	4	37	4,316	1950
1950	703	503	3	3	7	4,503	1951
1951	677	373	5	5	1	4,796	1952
1952	1,227	593	9	10	-	5,411	1953
1953	916	468	9	3	1	5,846	1954
1954	786	431	10	3	2	6,186	1955
1955	870	475	7	14	1	6,559	1956
1956	884	537	12	9	1	6,884	1957
1957	1,228	515	11	16	2	7,568	1958
1958	1,175	515	15	27	2	8,184	1959
1959	1,208	478	21	24	3	8,866	1960
1960	1,214	709	20	37	2	9,312	1961
1961	1,275	500	20	39	6	10,022	1962
1962	1,408	793	23	79	3	10,532	1963
1963	<u>1,217</u>	<u>537</u>	<u>21</u>	<u>66</u>	<u>9</u>	<u>11,116</u>	1964
Totals	19,817	8,080	200	343	78	11,116	

MEMBERSHIP HISTORY

Progress of Membership - State Employees

<u>Year Commencing July 1</u>	<u>New Members</u>	<u>Withdrawals</u>	<u>Deaths</u>	<u>Retired</u>	<u>Total Members</u>	<u>Year Ending June 30</u>
1942	2,762	100	2	17	2,643	1943
1943	456	175	24	35	2,865	1944
1944	761	230	24	65	3,307	1945
1945	758	318	24	90	3,633	1946
1946	978	472	28	101	4,010	1947
1947	1,098	414	27	94	4,573	1948
1948	913	545	20	55	4,866	1949
1949	898	437	32	59	5,236	1950
1950	726	720	21	70	5,151	1951
1951	922	481	25	75	5,492	1952
1952	953	607	43	96	5,699	1953
1953	907	573	26	102	5,905	1954
1954	865	488	25	90	6,167	1955
1955	1,067	564	29	130	6,511	1956
1956	1,236	578	34	133	7,002	1957
1957	2,036	888	34	137	7,979	1958
1958	1,486	794	42	122	8,507	1959
1959	1,481	903	55	198	8,831	1960
1960	1,631	987	46	188	9,240	1961
1961	1,343	768	34	183	9,592	1962
1962	1,740	1,130	50	206	9,941	1963
1963	<u>1,531</u>	<u>943</u>	<u>51</u>	<u>167</u>	<u>10,306</u>	1964
Totals	26,548	13,115	696	2,413	10,306	

Excess Interest

During the last biennium the Trust Funds earned more than 3%. The earned interest rate for 1962-63 was 4.20% and for 1963-64 was 4.21%.

The amount of interest in excess of 3% is shown in the following tables:

<u>Fiscal Year</u>	<u>Earned Interest Rate</u>	<u>Interest Earned</u>	<u>Interest Required</u>	<u>Excess Interest</u>
1962	4.20%	\$2,516,749.71	\$1,809,111.94	\$ 707,637.77
1963	4.21%	<u>2,863,451.26</u>	<u>2,055,810.13</u>	<u>807,641.13</u>
		\$5,380,200.97	\$3,864,922.07	\$1,515,278.90

The split of excess interest by general categories follows:

<u>Departments</u>	<u>Excess Interest</u>		
	<u>1962-63</u>	<u>1963-64</u>	<u>Total</u>
State Employees	\$352,614.27	\$400,175.03	\$752,789.30
Teachers	354,380.83	406,781.38	761,162.21
Maine Port Authority	<u>642.67</u>	<u>684.72</u>	<u>1,327.39</u>
Totals	\$707,637.77	\$807,641.13	\$1,515,278.90

The balance of the excess interest has been allocated to the funds of the Participating Local Districts.

Accrued Liability (Prior Service)

In general the Accrued Liability contribution rate is 3.97% of Annual Salaries for fiscal 1965-66 and 4.09% for fiscal 1966-67.

The table below shows the Accrued Liability contribution for each year of the biennium.

<u>Classification</u>	<u>Accrued Liability</u>	
	<u>1965-66</u>	<u>1966-67</u>
General Fund	\$1,023,544	\$1,054,482
Other Revenue Funds	<u>737,274</u>	<u>759,561</u>
Total State Employees	\$1,760,818	\$1,814,043
 MTRA	 \$2,038,697	 \$2,100,320
1913 Teachers	172,168	177,372
Amortization of Prior Lapses	1,770	1,770
Pre-1947 Teachers	240,000	228,000
\$100 Increase S.S. 1954	77,200	77,200
C-396 P.L. 1961	80,000	80,000
C-414 P.L. 1961	2,500	2,500
C-365 P.L. 1963	<u>105,050</u>	<u>105,050</u>
Grand Total	\$4,478,203	\$4,586,255

Normal Contribution 1965-67 (Membership)

For each year of the biennium the following contributions will be required for current service:

<u>Classification</u>	<u>Salaries</u>	<u>Rate</u>	<u>Cost</u>
General Fund	\$25,781,971	3.79%	\$977,137
Other Revenue Funds	<u>18,571,270</u>	<u>3.79%</u>	<u>703,851</u>
Total State Employees	\$44,353,241	3.79%	\$1,680,988
 MTRA	 \$51,352,565	 3.79%	 \$1,946,262
1913 Teachers	<u>4,336,734</u>	<u>3.79%</u>	<u>164,362</u>
Total Teachers	\$55,689,299	3.79%	\$2,110,624
 Grand Total	 \$100,042,540	 3.79%	 *\$3,791,612

*In addition, during the fiscal year 1965 the State needs to pay \$10,999 under the Military Leave Law and \$1,627 for the pre-1947 Teachers.

DEVELOPMENT OF 1965-67 COSTS

Summary of Data for Calculations

The actuarial calculations presented herein were based upon the following general statistics:

*Active Employees

<u>Classification</u>	<u>Number</u>	<u>Annual Payroll</u>
State Employees	10,306	\$ 44,353,241
Teachers MTRA	11,116	51,352,565
Teachers 1913	941	4,336,734
Total Teachers	<u>12,057</u>	<u>55,689,299</u>
Grand Total	22,363	\$100,042,540

*Any member who has left his contributions with the State, for purposes of enumeration, has been classified as active.

Retired Employees

<u>Classification</u>	<u>Number</u>	<u>Annual Allowance</u>
State Employees	1,767	\$ 2,056,929
Teachers MTRA	273	361,278
Teachers 1913	2,230	2,934,400
Total Teachers	<u>2,503</u>	<u>3,295,678</u>
Total Pensioners	4,270	\$ 5,352,607

STATE OVER-ALL
VALUATION BALANCE SHEET

JUNE 30, 1964

ASSETS

Members Contribution Fund		\$ 38,148,106
Retirement Allowance Fund		
Membership Service	\$27,219,250	
Prior Service	<u>3,494,127</u>	30,713,377
Present Value of Future Contribution For		
Membership Service	66,683,926	
Prior Service	<u>60,193,403</u>	<u>126,877,329</u>
Total Assets		\$195,738,812

LIABILITIES

Members Contribution Fund		\$ 38,148,106
Past Membership Service		
Active	\$32,853,934	
Retired	<u>18,959,570</u>	51,813,504
Prior Service Reserve		
Active	31,131,733	
Retired	<u>32,555,797</u>	63,687,530
Future Membership Reserve		<u>42,089,672</u>
Total Liabilities		\$195,738,812

NON-CONTRIBUTORY TEACHERS

VALUATION BALANCE SHEET

JUNE 30, 1964

ASSETS

Members Contribution Fund		\$ 2,464,991
Retirement Allowance Fund		
Membership Service	\$ 2,342,726	
Prior Service	<u>-9,514,010</u>	-7,171,284
Present Value of Future		
Contribution For		
Membership Service	9,868,718	
Prior Service	<u>37,234,262</u>	<u>47,102,980</u>
Total Assets		\$42,396,687

LIABILITIES

Members Contribution Fund		\$ 2,464,991
Past Membership Service		
Active	\$ 3,818,373	
Retired	<u>7,411,291</u>	11,229,664
Prior Service Reserve		
Active	8,176,166	
Retired	<u>19,544,086</u>	27,720,252
Future Membership Reserve		<u>981,780</u>
Total Liabilities		\$42,396,687

STATE EMPLOYEES
VALUATION BALANCE SHEET

JUNE 30, 1964

ASSETS

Members Contribution Fund		\$16,222,476
Retirement Allowance Fund		
Membership Service	\$13,779,464	
Prior Service	<u>2,623,869</u>	16,403,333
Present Value of Future		
Contribution For		
Membership Service	26,212,922	
Prior Service	<u>17,165,033</u>	<u>43,377,955</u>
Total Assets		\$76,003,764

LIABILITIES

Members Contribution Fund		\$16,222,476
Past Membership Service		
Active	\$13,162,817	
Retired	<u>9,516,146</u>	22,678,963
Prior Service Reserve		
Active	9,176,565	
Retired	<u>10,612,337</u>	19,788,902
Future Membership Reserve		<u>17,313,423</u>
Total Liabilities		\$76,003,764

TEACHERS - MTRA
VALUATION BALANCE SHEET

JUNE 30, 1964

ASSETS

Members Contribution Fund		\$19,460,639
Retirement Allowance Fund		
Membership Service	\$11,097,060	
Prior Service	<u>10,384,268</u>	21,481,328
Present Value of Future		
Contribution For		
Membership Service	30,602,286	
Prior Service	<u>5,794,108</u>	<u>36,396,394</u>
Total Assets		\$77,338,361

LIABILITIES

Members Contribution Fund		\$19,460,639
Past Membership Service		
Active	\$15,872,744	
Retired	<u>2,032,133</u>	17,904,877
Prior Service Reserve		
Active	13,779,002	
Retired	<u>2,399,374</u>	16,178,376
Future Membership Reserve		<u>23,794,469</u>
Total Liabilities		\$77,338,361

Survivor Benefits

The following table shows the present status of the
Survivor Benefits Fund:

Survivor Benefit Valuation 1964 (Recap)

	<u>Present Values</u>	
	<u>State Employees</u>	<u>Teachers</u>
Temporary Benefits	\$372,868	\$277,632
Deferred Benefits	310,889	181,078
Life Annuities	<u>958,359</u>	<u>351,225</u>
	\$1,642,116	\$809,935
<u>Annual Payments</u> (Pension)	\$159,900	\$94,500
<u>Survivor Benefit Fund</u>	\$903,006	\$1,193,428

REMARKS

We are now able to value the non-contributory teachers plan and make some estimates of the future liability.

About 10 years ago we predicted that pension payments under the non-contributory teachers plan would reach a peak between 1965 and 1970. It would appear that this will occur about 1967.

At that time there will be about 2600 pensioners and the annual pension payroll for this group will be about \$4,000,000.

This plan may serve as an example of the problems with a "pay as you go" system. The majority of the \$4,000,000 must be obtained through current payments as there were no funds developed in the early years of this plan which may now be used to offset these payments.

Contrast this with the rest of the fund which developed interest of over \$1,500,000, which will in part be used to offset pension payments.

The following table shows how the pension payments for the non-contributory teachers plan have increased during the last 10 years:

<u>Effective June 30</u>	<u>Annual Pensions</u>
1964	\$2,686,953
1963	2,248,731
1962	2,075,258
1961	1,808,683
1960	1,659,758
1959	1,444,691
1958	1,275,450
1957	1,007,469
1956	872,198
1955	773,589

Once the accrued liability has been liquidated then we can expect that future pension payments will be equally divided between interest and the membership service payment.

The survivor benefit fund is in a good position at this time. This is especially true of the teachers portion. We might suspect this to be true because of the larger proportion of females in the teachers plan. Greater female longevity plus large female teacher withdrawals in the early teaching years has a favorable effect on this fund.

MAINE STATE RETIREMENT SYSTEM

Comparative Balance Sheet
At June 30, 1964, Compared to June 30, 1963

				Increase or (Decrease)
	ASSETS			
	<u>1964</u>	<u>1963</u>		
Cash - Augusta	\$ 80,122.96	\$ 167,547.71	\$ (87,424.75)	
Cash - New York	7,175.41	296,212.95	(289,037.54)	
Accounts Receivable, Net	44,260.31	70,484.16	(26,223.85)	
Investments - Bonds - Note I	59,671,670.28	52,225,653.02	7,446,017.26	
Investments - Stocks - Note II	8,984,241.58	7,625,175.69	1,359,065.89	
Investments - Mortgage Loans - Note III	17,249,843.34	15,168,737.96	2,081,105.38	
Foreclosures	<u>8,003.32</u>	<u>3,198.77</u>	<u>4,804.55</u>	
TOTAL ASSETS	<u>\$86,045,317.20</u>	<u>\$75,557,010.26</u>	<u>\$10,488,306.94</u>	
	LIABILITIES, RESERVES, AND TRUST RESERVES			
Accounts Payable	\$ 313.12	\$ 143.65	\$ 169.47	
Suspense Account	4,781.81	14,526.47	(9,744.66)	
Reserve for Authorized Expense	<u>27,240.45</u>	<u>29,084.52</u>	<u>(1,844.07)</u>	
TOTAL LIABILITIES AND RESERVES	<u>\$ 32,335.38</u>	<u>\$ 43,754.64</u>	<u>\$ (11,419.26)</u>	
Members Contribution Fund - Current	\$40,651,801.11	\$36,490,091.39	\$ 4,161,709.72	
Members Contribution Fund - Prior	2,464,991.06	2,429,349.08	35,641.98	
Retirement Allowance Fund	39,863,524.34	34,056,824.27	5,806,700.07	
Survivor Benefit Fund	2,416,874.29	1,964,005.40	452,868.89	
Reserve Against Future Losses	<u>615,791.02</u>	<u>572,985.48</u>	<u>42,805.54</u>	
TOTAL TRUST RESERVES	<u>\$86,012,981.82</u>	<u>\$75,513,255.62</u>	<u>\$10,499,726.20</u>	
	<u>\$86,045,317.20</u>	<u>\$75,557,010.26</u>	<u>\$10,488,306.94</u>	

Note I - At cost less ratable amortization

Note II - At cost

Note III - At cost less principal received and 1/15th discount

MAINE STATE RETIREMENT SYSTEM

Statement of Trust Fund Balances and Number of Open Accounts by Activity

June 30, 1964

	Number Open Accounts	Members Contri- bution Fund	Retirement Allow. Fund	Survivors Benefit Fund
State Employees	11,584	\$16,192,589.74	\$16,377,787.08	\$ 898,844.59
Maine Port Authority	14	29,885.58	25,544.71	4,161.76
Teachers - Current	13,711	19,460,638.90	21,481,328.58	1,193,428.40
Teachers - Prior Service	3,883	2,464,991.06	(7,171,284.52)	
City of Portland	929	1,356,267.00	1,006,577.64	96,461.97
Town of Millinocket	11	35,800.14	105,005.83	2,596.06
City of Presque Isle	58	81,506.14	90,319.65	5,346.57
County of Cumberland	58	92,890.79	138,213.94	6,724.54
Town of Camden	26	17,503.84	57,009.20	
City of South Portland	237	315,948.98	300,544.18	1,669.25
Town of Houlton	56	89,544.48	158,546.27	5,927.34
County of Penobscot	24	50,050.96	165,859.59	
Kittery Water District	10	21,696.35	44,695.96	1,383.15
City of Ellsworth	64	29,206.22	55,470.40	(1,904.92)
Town of Kittery	19	19,332.75	46,152.89	4,185.43
Town of Bar Harbor	43	48,679.72	98,391.76	
Town of Mt. Desert	25	36,770.86	39,904.01	
Town of Fort Fairfield	20	35,810.37	59,764.26	7,306.14
City of Rockland	55	73,997.47	115,533.52	
Bath Water District	10	23,903.62	30,805.16	
City of Bangor	317	508,400.73	662,477.34	50,963.01
Boothbay Harbor Water System	5	5,968.07	17,201.48	
Bangor Public Library	38	53,015.71	136,247.56	
City of Augusta	164	245,238.47	330,963.89	31,113.76
City of Gardiner	36	35,367.47	54,712.46	1,220.77
Houlton Water Company	27	71,988.10	127,074.21	7,910.81
City of Auburn	179	198,941.66	343,841.95	28,450.32
Town of York	5	6,770.86	6,569.43	930.46
Kennebec Water District	21	20,462.30	32,246.68	
Livermore Falls Water District	4	5,635.01	12,657.89	992.67
County of Knox	21	24,501.95	52,992.84	
Augusta Water District	19	32,480.64	83,170.37	
City of Belfast	23	25,932.55	54,095.70	3,928.85
City of Calais	49	45,855.43	75,811.22	
County of York	31	32,390.77	62,438.99	
Maine Maritime Academy	57	69,207.38	40,760.10	
York Water District	5	19,314.27	29,461.41	1,816.20
County of Washington	21	29,640.00	59,277.62	
Portland Public Library	28	38,458.77	62,091.05	
Town of Brunswick	137	141,998.19	175,206.21	
Auburn Public Library	8	8,380.35	33,233.36	
Maine-New Hampshire Bridge Auth.	11	22,746.42	31,553.94	
Town of Jay	13	7,857.38	20,600.85	
County of Waldo	20	21,488.94	55,732.01	2,474.70
County of Kennebec	35	28,735.57	83,890.08	
City of Lewiston	293	362,367.20	387,564.39	
Maine Turnpike Authority	176	241,832.03	311,008.90	49,318.53
Auburn Sewerage District	7	11,314.97	15,037.76	
Auburn Water District	15	18,898.27	49,173.84	
Portland Renewal Authority	10	8,204.59	7,429.14	395.89
Town of East Millinocket	26	32,705.02	46,927.59	
Maine Municipal Association	3	6,385.30	7,272.55	
County of Hancock	20	15,813.48	73,361.83	
County of Oxford	27	19,213.13	46,488.07	
Falmouth Memorial Library	1	1,010.11	1,852.84	
Bangor Water District	25	46,398.37	71,232.89	
Town of Rumford - Police & Fire Dept.	24	37,202.68	65,160.94	5,567.46
Town of Orono	26	14,402.12	24,238.71	

Continued:

	Number Open Accounts	Members Contri- bution Fund	Retirement Allow. Fund	Survivors Benefit Fund
Kennebunk Light & Pwr. District	8	\$ 8,610.85	\$ 23,619.73	\$
City of Brewer	26	11,626.81	15,251.20	
Augusta Sanitary District	14	11,570.44	7,771.80	1,908.37
Rumford Water District	3	3,423.39	17,760.19	
City of Waterville - Police & Fire Dept.	21	16,558.57	15,228.05	1,083.40
County of Androscoggin	51	21,921.14	39,303.83	
Brewer Water District	8	5,006.55	8,166.11	
Town of Baileyville	9	4,732.77	5,669.09	
City of Westbrook - Police & Fire Dept.	26	11,362.03	13,525.33	2,182.51
Greater Portland Public Devel. Comm.	14	9,541.23	15,927.55	470.15
Brunswick Sewer District	3	914.90	1,587.24	
City of Bath	99	7,196.45	15,182.61	
Town of Mexico	6	1,949.63	2,164.76	
Mexico Free Public Library (9/1/63)	1	593.67	26.94	
Town of Lincoln (4/1/64)	23	3,590.24	1,767.00	
School Admin. Dist. #34 (4/18/64)	10	4,654.27	*	16.15
	33,086	\$43,116,792.17	\$37,160,179.63	\$2,416,874.29

*Exclusive of Earnings on Investments \$2,703,344.71

MAINE STATE RETIREMENT SYSTEM
Analysis of Changes in Reserves
For Year July 1, 1963, Through June 30, 1964

Balance July 1, 1963

\$75,513,255.62*

ADDITIONS

General Fund, State Employees	\$1,936,622.00
General Fund, Contributing Teachers	3,358,037.00
General Fund, Non-Contributing Teachers	899,204.00
Highway Funds	771,699.00
Special Revenue Funds	364,605.26
Bond Funds	38.00
Public Service Enterprises	127,302.00
Working Capital Funds	86,590.00
Participating Districts	991,816.90
Individuals	5,822,695.16
Social Security Entities	13,615.00
Due from other Funds	48,717.00
Dividend Received	395,021.70
Dedicated Revenue-Insurance Account	13,812.24
Reserve for Future Premiums	203,929.33
Reserve for Deficiency - Basic Insurance	10,000.00
Reserve for Deficiency - Suppl. Insurance	26,174.03
Earnings on Investments	3,354,952.43
Profit on Sale of Securities	42,805.54
From General Ledger Account	7,715.00
Administration Reserve	29,084.52
Adjustment of Balance Forward	<u>1,414.08</u>

TOTAL ADDITIONS

\$18,505,850.19

DEDUCTIONS

Pensions Paid

Council Order	\$ 19,912.97
Legislative Resolve	11,073.10
Retirement Full Benefits	5,023,292.72
Ordinary Disability	83,878.71
Option II	68,760.97
Automatic Option II	205,717.53
Option III	53,742.09
Option IV	4,870.44
Automatic Option IV	16,124.74
Service Incurred Disability	27,269.07
Service Incurred Death - Police & Firemen	1,974.24
15-Year Teachers	102,787.52
10-Year Vested Right	119,546.62
Service Incurred Death - Sheriffs & Deputies	<u>3,535.92</u>
	\$5,742,486.64

Survivor Benefits

Accidental Death - Service Incurred	\$ 8,100.00
Spouse - Age 60	55,800.00
Spouse - 10 Year Clause	27,750.00
Spouse - Children	124,675.00
Children	16,325.00
Parents	<u>16,200.00</u>
	\$ 248,850.00

Refunds

To Former Members	\$ 965,009.73
To Beneficiary of Deceased Members	24,628.38
To Survivor of Disability Pensioner	1,012.12
To Beneficiary of Deceased Option I	40,643.56
To Beneficiary of Deceased Option IV	<u>9,408.84</u>
	\$1,040,702.63

Other Deductions

Amortization of Premiums	\$ 25,011.72
Interest Accrued at Purchase, Bonds	26,687.12
Interest Accrued at Purchase, Mtg. Loans	6,408.41
Investment Costs	12,842.25
Administration Costs	167,957.47
Group Insurance Premiums	233,226.40

Analysis of Changes in Reserves - Continued:

DEDUCTIONS

<u>Other Deductions - Continued</u>		
Res. for Authorized Expenditures	\$	27,240.45
Res. for Future Premiums		264,055.27
Res. for Deficiency - Basic Insurance		15,000.00
Res. for Deficiency - Supplemental Ins.		115,517.79
Participating Districts Dividend	<u>80,137.84</u>	\$ 974,084.72
TOTAL DEDUCTIONS		<u>\$ 8,006,123.99</u>
BALANCE June 30, 1964		<u>\$86,012,981.82</u>

* Exclusive of Group Life and Administration Reserves

PENSION PAYROLL
Month of June, 1964, Man Count & Cost
Compared to Month of June, 1963, Man Count & Cost

	Number of Persons Receiving Benefits At		Increase or (Decrease)	Gross Pension Cost For Month Of		Increase or (Decrease)	Average Monthly Payment
	6-30-64	6-30-63		June, 1964	June, 1963		June, 1964
01 State	1,762	1,668	94	\$170,641.21	\$157,229.64	\$13,411.57	\$ 96.84
06 Maine Port Authority	5	5	0	769.54	769.54	-	153.90
02 City of Portland	127	125	2	10,307.58	9,412.60	894.98	81.16
03 Town of Millinocket	6	3	3	689.60	299.46	390.14	114.93
04 City of Presque Isle	2	2	0	265.85	265.85	-	132.92
05 County of Cumberland	27	29	(2)	2,440.87	2,812.53	(371.66)	90.40
07 Teachers - Contributory	273	196	77	30,106.49	20,411.15	9,695.34	110.28
25 Teachers - Non-Contributory	2,050	1,887	163	223,912.78	187,394.29	36,518.49	109.22
25 Teachers - Pensioned Prior to 1947	180	198	(18)	20,620.59	21,002.52	(381.93)	114.55
08 Town of Camden	8	7	1	435.30	421.15	14.15	54.41
09 City of South Portland	26	26	0	3,025.97	2,990.63	35.34	116.38
10 Town of Houlton	3	4	(1)	166.39	350.97	(184.58)	55.46
11 County of Penobscot	8	7	1	857.09	679.62	177.47	107.13
12 Kittery Water District	2	2	0	226.26	226.26	-	113.13
13 City of Ellsworth	8	5	3	278.54	119.19	159.35	34.82
14 Town of Kittery	3	4	(1)	163.77	173.11	(9.34)	54.59
15 Town of Bar Harbor	11	13	(2)	657.95	843.73	(185.78)	59.81
16 Town of Mt. Desert	3	3	0	124.97	124.97	-	41.66
17 Town of Fort Fairfield	2	2	0	75.89	75.89	-	37.94
18 Town of Rockland	11	9	2	632.25	551.81	80.44	57.47
19 Bath Water District	4	4	0	390.27	390.27	-	97.56
20 City of Bangor	35	33	2	2,703.34	2,580.65	122.69	77.24
21 Boothbay Harbor Water System	3	3	0	184.92	184.92	-	61.64
22 Bangor Public Library	6	6	0	712.67	730.07	(17.40)	118.77
23 City of Augusta	30	29	1	2,598.01	2,569.31	28.70	86.60
24 City of Gardiner	7	7	0	358.64	358.64	-	51.23
26 Houlton Water Company	9	9	0	896.56	896.56	-	99.61
27 City of Auburn	34	27	7	2,328.47	1,891.35	437.12	68.48
31 Kennebec Water District	1	1	0	192.96	192.96	-	192.96
32 Livermore Falls Water District	1	1	0	113.48	113.48	-	113.48
33 County of Knox	8	8	0	499.40	499.40	-	62.42
34 Augusta Water District	4	3	1	408.98	312.56	96.42	102.24
35 City of Belfast	4	5	(1)	198.22	233.39	(35.17)	49.55
36 City of Calais	9	8	1	317.70	232.44	85.26	35.30

Continued:

	Number of Persons Receiving Benefits At		Increase or (Decrease)	Gross Pension Cost For Month Of June, 1964	June, 1963	Increase or (Decrease)	Average Monthly Payment June, 1964
	6-30-64	6-30-63					
37 County of York	13	13	0	\$ 850.91	\$ 850.91	\$ -	\$ 65.45
38 Maine Maritime Academy	2	2	0	269.33	269.33	-	134.66
40 County of Washington	3	3	0	283.45	283.45	-	94.48
41 Portland Public Library	4	5	(1)	243.60	324.29	(80.69)	60.90
42 Town of Brunswick	14	10	4	862.67	515.80	346.87	61.61
43 Auburn Public Library	5	4	1	547.13	507.20	39.93	109.42
44 Maine-New Hampshire Bridge Authority	1	1	0	106.47	106.47	-	106.47
45 Town of Jay	6	6	0	291.07	291.07	-	48.51
46 County of Waldo	6	6	0	297.56	297.56	-	49.59
47 County of Kennebec	9	10	(1)	283.75	380.47	(96.72)	31.52
48 City of Lewiston	40	35	5	4,116.49	3,481.41	635.08	102.91
49 Maine Turnpike Authority	9	7	2	1,114.05	467.52	646.53	123.78
51 Auburn Sewerage District	1	1	0	46.15	46.15	-	46.15
52 Auburn Water District	4	3	1	515.63	356.13	159.50	128.90
54 Town of East Millinocket	4	2	2	421.85	236.89	184.96	105.46
56 County of Hancock	5	5	0	245.36	277.03	(31.67)	49.07
57 County of Oxford	7	6	1	578.42	567.16	11.26	82.63
59 Bangor Water District	5	3	2	868.24	136.90	731.34	173.64
60 Rumford Fire & Police	3	2	1	598.80	375.80	223.00	199.60
61 Town of Orono	1	2	(1)	78.10	125.57	(47.47)	78.10
62 Kennebunk Light & Power District	5	4	1	276.48	247.75	28.73	55.29
63 City of Brewer	1	1	0	31.85	31.85	-	31.85
65 Rumford Water District	1	0	1	173.80	-	173.80	173.80
67 County of Androscoggin	3	0	3	56.50	-	56.50	18.83
68 Brewer Water District	1	0	1	85.24	-	85.24	85.24
69 Town of Baileyville	2	2	0	106.95	106.95	-	53.48
71 Greater Portland Public Dev. Comm.	1	1	0	105.37	105.37	-	105.37
73 City of Bath	1	0	1	68.29	-	68.29	68.29
	4,829	4,473	356	\$491,826.02	\$427,729.94	\$64,096.08	\$101.85
SURVIVOR BENEFIT PAYROLL						SCHEDULE Vb	
01 State	122	102	20	\$ 13,325.00	\$ 10,550.00	\$ 2,775.00	
02 City of Portland	6	5	1	550.00	475.00	75.00	
05 Cumberland County	1	1	0	75.00	75.00	-	
07 Teachers	61	52	9	7,875.00	6,100.00	1,775.00	
10 Town of Houlton	2	2	0	225.00	225.00	-	

Continued:

	Number of Persons Receiving Benefits At		Increase or (Decrease)	Gross Pension Cost For Month Of		Increase or (Decrease)	Average Monthly Payment
	6-30-64	6-30-63		June, 1964	June, 1963		June, 1964
12 Kittery Water District	1	0	1	\$ 200.00	\$ -	\$ 200.00	
13 City of Ellsworth	3	2	1	350.00	150.00	200.00	
20 City of Bangor	1	0	1	175.00	-	175.00	
23 City of Augusta	2	2	0	225.00	225.00	-	
35 City of Belfast	1	1	0	75.00	75.00	-	
46 County of Waldo	1	1	0	75.00	75.00	-	
49 Maine Turnpike Authority	3	2	1	825.00	250.00	575.00	
60 Rumford - Police & Fire	0	1	(1)	-	75.00	(75.00)	
	<u>204</u>	<u>171</u>	<u>33</u>	<u>\$ 23,975.00</u>	<u>\$ 18,275.00</u>	<u>\$ 5,700.00</u>	

MAINE STATE RETIREMENT SYSTEM

Summary of
Reserve Against Future Losses
July 1, 1963, through June 30, 1964

Balance July 1, 1963

\$572,985.48

Profits:

Sale or Call or Maturity--Bonds

22M	Central RR of Georgia	\$ 442.65
	2 7/8% 8/1/63	
2M	Consolidated Natural Gas Co.	2.20
	4 7/8% 6/1/82	
19M	Melville Shoe Corp.	95.00
	4 7/8% 4/15/80	
25M	Southern Pacific RR ETC	376.34
	2 3/4% 9/1/63	
50M	Chic., Mil. & St. Paul RR ETC	250.94
	2 7/8% 10/1/63	
33M	Kansas City Terminal RR Co.	2,073.04
	2 7/8% 10/1/63	
50M	Phillips Petroleum Co.	1,598.99
	2 3/4% 2/1/64	
15M	Seaboard Airlines Ser L	213.05
	2 7/8% 12/1/63	
20M	Seaboard Airlines Ser M	228.55
	2 7/8% 12/1/63	
100M	Texas Co.	1,042.18
	3% 5/15/65	
5M	Alberta Municipal Finance	70.00
	5% 12/15/84	
15M	NY, New Haven & Hartford RR	236.37
	3% 1/1/64	
25M	New York Central RR	172.22
	3 3/8% 1/1/64	
6M	Montreal Boulevard Corp.	60.00
	5 5/8% 2/1/85	
2M	Brooklyn Union Gas Co.	.77
	4 3/8% 3/1/88	
8M	Central of Georgia RR	.12
	3 1/8% 3/1/64	
7M	Province of Nova Scotia	21.70
	5 1/8% 4/1/80	
25M	Chicago Mil. Pacific RR ETC	161.07
	2 7/8% 4/1/64	
4M	Southern California Gas	6.82
	5 3/8% 10/1/84	
5M	Alberta Municipal Finance	120.00
	4 3/4% 5/15/84	
10M	Denver, Rio Grande & Western	813.30
	RR ETC	
	2 3/8% 6/1/64	
60M	Washington Water Power Co.	2,625.00
	3 1/2% 6/1/64	
1M	National Steel Corp.	10.00
	4 5/8% 6/1/89	
2M	Alberta Municipal Finance	10.00
	4 7/8% 6/15/85	

Profit on Bonds

\$10,630.31

Sale or Call--Stocks

27 Shares	Springfield Insurance Co.	2,754.00
	6% Pfd.	
500 Shares	General Motors Corp.	14,240.00
SUB TOTAL		\$16,994.00

Summary of Reserve Against Future Losses - Continued:

<u>Mortgage Loans</u>			
Discount @ 1/15 - Mortgage Loans		<u>\$30,403.77</u>	
TOTAL PROFITS			\$ 58,028.08
Losses:			
<u>Call or Sale Bonds</u>			
242M	General Motors Corp.	\$14,665.20	
	3 1/4% 1/1/79		
6M	Grace Lines	14.50	
	4.20% due December 1, 1987	<u>\$14,679.70</u>	
Mortgage Loan - Forclosed		<u>542.84</u>	
TOTAL LOSSES			\$ 15,222.54
Balance June 30, 1964			\$615,791.02

MAINE STATE RETIREMENT SYSTEM

Income Derived From Investments
July 1, 1963, through June 30, 1964
On Accrual Basis

ADDITIONS:

Interest on Bonds	\$2,163,311.93	
Dividends on Stocks	380,212.39	
Interest on Mortgage Loans	<u>811,428.11</u>	
		\$3,354,952.43
Interest Accrued at June 30, 1964		<u>624,711.69</u>
TOTAL ADDITIONS		\$3,979,664.12

DEDUCTIONS:

Premiums Amortized		\$ 25,011.72
Investment Costs		
Postage	\$ 26.30	
Comm. Sh Ch, Registration	9,199.70	
Security Insurance	84.20	
Custody Charge	<u>3,532.05</u>	
		\$ 12,842.25
Accrued Interest at Purchase		33,095.53
Interest Accrued at June 30, 1963		559,328.42
Prior Year Adjustmant		<u>21,329.80</u>
TOTAL DEDUCTIONS		\$ 651,607.72
NET EARNINGS		<u>\$3,328,056.40</u>

Yield for 1963-64 4.2074%

MAINE STATE RETIREMENT SYSTEM

Administration Funds
July 1, 1963 to June 30, 1964

	Gen. Adm.	Part. Dist. Act. Serv.	Group Life Insurance	Social Security	Totals
Revenue					
General Fund	\$ 74,617.00		\$ 35,000.00		\$109,617.00
General Fund - SB	5,800.00				5,800.00
Highway Funds	8,583.00				8,583.00
Special Revenue Funds	4,249.00				4,249.00
Public Service Enterprises	1,582.00				1,582.00
Working Capital Funds	982.00				982.00
Participating Districts	15,647.65				15,647.65
Actuarial Services - P. D.		\$11,212.75			11,212.75
Members Social Security Program				\$13,615.00	13,615.00
Due From Other Funds			48,717.00		48,717.00
Members Ins. Program - P. D.			5,108.00		5,108.00
Dividend Received			395,021.70		395,021.70
Dedicated Revenue			13,812.24		13,812.24
TOTAL RECEIVED	\$111,460.65	\$11,212.75	\$497,658.94	\$13,615.00	\$633,947.34
Expenditures					
Salaries	\$ 81,540.83		\$ 22,537.25	\$11,305.80	\$115,383.88
Actuarial Services	3,758.70	\$11,212.75			14,971.45
Medical Services	601.00				601.00
Investment Consultant	5,256.13				5,256.13
Inspection & Investigation	407.07				407.07
Telephone & Telegraph	652.29		391.38	260.92	1,304.59
Travel Expense	1,227.80			88.44	1,316.24
Repairs to Equipment	1,187.88		593.92	197.98	1,979.78
Meter Postage	1,952.61		264.08	256.91	2,473.60
Printing & Binding	486.10		449.80	12.10	948.00
Office Supplies	2,277.82		1,047.20	174.53	3,499.55
Office Equipment	8,069.65		3,053.69	518.02	11,641.36
General Operating Expense	425.84		.68	33.30	459.82
Transfer - Retirement Costs	5,461.00		1,487.00	767.00	7,715.00
Emp. Ins. Prem. - Active			24,000.00		24,000.00
Emp. Ins. Prem. - Inactive			209,226.40		209,226.40
Participating Districts Dividend			80,137.84		80,137.84
TOTAL EXPENSE	\$113,304.72	\$11,212.75	\$343,189.24	\$13,615.00	\$481,321.71
Current Year Reserves	(1,844.07)		154,469.70		152,625.63
Previous Year Reserves	29,084.52		240,103.36		269,187.88
Balance of Reserves	\$ 27,240.45		\$394,573.06		\$421,813.51

SUMMARY OF RESERVES

	1963-64 Year	Previous Year	Balance
Reserve for Future Premiums	\$ 60,125.94	\$203,929.33	\$264,055.27
Reserve for Deficiency - Basic Insurance	5,000.00	10,000.00	15,000.00
Reserve for Deficiency - Supplemental Ins.	89,343.76	26,174.03	115,517.79
	\$154,469.70	\$240,103.36	\$394,573.06
 Reserve for Authorized Expenditures	 \$ (1,844.07)	 \$ 29,084.52	 \$ 27,240.45

MAINE STATE RETIREMENT SYSTEM

Retirement Allowance Fund at June 30, 1964

SCHEDULE VI

Page 1

	Net Balance - June 30, 1964		Total	Plan	Annual Payments Effective July 1, 1964 For 1964 - 1965 Year		
	Normal Contributions	Accrued Liability			Effective Normal Contributions	Accrued Liability	
State	\$13,745,081.55	\$ 2,632,705.53	\$16,377,787.08	-	7-1-42	\$ 1,606,083.00	\$ 1,487,521.00
Maine Port Authority	34,381.98	(8,837.27)	25,544.71	-	7-1-42	2,381.00	2,418.00
Teachers - Contributory	11,097,060.33	10,384,268.25	21,481,328.58	-	7-1-47	1,627,153.00	1,652,913.00
Teachers - Non-Contributory	2,342,725.95	(9,514,010.47)	(7,171,284.52)	-	7-1-47	197,488.00	733,709.00
City of Portland	1,082,182.76	(75,611.12)	1,006,577.64	New Law 1/70 PS	3-1-43	125,271.00	36,359.00
Town of Millinocket	77,313.68	27,692.15	105,005.83	B	7-1-43	6,409.00	2,627.00
City of Presque Isle	73,870.26	16,449.39	90,319.65	New Law B	1-1-43	10,188.00	780.00
County of Cumberland	140,006.37	(1,792.43)	138,213.94	A	1-1-45	14,302.00	11,679.00
Town of Camden	36,893.12	20,116.08	57,009.20	A	4-1-44	2,563.00	-
City of South Portland	268,377.20	32,166.98	300,544.18	B Accident P&F	9-1-44	35,261.00	15,312.00
Town of Houlton	104,864.78	53,681.49	158,546.27	A	1-1-45	8,766.00	3,511.00
County of Penobscot	81,727.67	84,131.92	165,859.59	A-NP1/70Ser.Dis.	1-1-45	6,669.00	5,182.00
Kittery Water District	25,828.01	18,867.95	44,695.96	A	2-1-46	1,977.00	1,807.00
City of Ellsworth	41,939.74	13,530.66	55,470.40	A-NP1/70	1-1-46	2,326.00	161.00
Town of Kittery	34,529.57	11,623.32	46,152.89	A SerDis	4-1-46	2,985.00	2,223.00
Town of Bar Harbor	67,583.91	30,807.85	98,391.76	A(10YrVR) P&F	4-1-46	6,597.00	8,654.00
Town of Mt. Desert	29,892.50	10,011.51	39,904.01	A	4-1-46	2,894.00	1,239.00
Town of Fort Fairfield	50,554.54	9,209.72	59,764.26	New Law	7-1-46	833.00	100.00
City of Rockland	96,031.30	19,502.22	115,533.52	New Law	11-1-46	6,671.00	2,216.00
Bath Water District	18,739.89	12,065.27	30,805.16	Old Law	12-1-46	1,104.00	5,423.00
City of Bangor	526,131.10	136,346.24	662,477.34	New Law	7-1-47	63,581.00	16,872.00
Boothbay Harbor Water System	8,772.72	8,428.76	17,201.48	Old Law	7-1-47	1,036.00	1,980.00
Bangor Public Library	86,252.31	49,995.25	136,247.56	New Law B	7-1-47	9,849.00	4,406.00
City of Augusta	306,424.35	24,539.54	330,963.89	New A-Acc. P&F	10-1-47	30,573.00	23,341.00
City of Gardiner	38,622.75	16,089.71	54,712.46	A Acc. P&F	9-1-47	4,493.00	4,865.00
Houlton Water Company	79,432.24	47,641.97	127,074.21	New Law A	1-1-48	5,544.00	5,316.00
City of Auburn	227,876.36	115,965.59	343,841.95	New Law A	1-1-48	25,832.00	19,500.00
Town of York	5,003.69	1,565.74	6,569.43	New Law A	7-1-48	815.00	536.00
Kennebec Water District	25,798.00	6,448.68	32,246.68	New Law B	1-1-49	2,898.00	1,196.00
Livermore Falls Water District	8,400.99	4,256.90	12,657.89	New Law A	3-1-49	1,023.00	718.00
County of Knox	36,614.53	16,378.31	52,992.84	A	7-1-49	4,582.00	3,846.00
Augusta Water District	40,444.60	42,725.77	83,170.37	A	7-1-49	3,272.00	4,570.00
City of Belfast	40,261.35	13,834.35	54,095.70	B-10Yr. VR	7-1-49	5,501.00	

SCHEDULE VI - Continued:

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Annual Payments Effective July 1, 1964
For 1964 - 1965 Year

Net Balance - June 30, 1964				Annual Payments Effective July 1, 1964 For 1964 - 1965 Year						
	Normal	Contributions	Accrued Liability	Total	Plan	Date	Effective	Normal	Contributions	Accrued Liability
City of Calais	\$ 46,607.96		\$ 29,203.26	\$ 75,811.22	A	7-1-49		\$ 5,137.00		\$ 3,599.00
County of York	40,783.72		21,650.27	62,438.99	A	10-1-48		4,311.00		8,189.00
Maine Maritime Academy	33,811.64		6,948.46	40,760.10	-	10-1-48		9,739.00		1,653.00
York Water District	14,788.40		14,673.01	29,461.41	A(10Yr.VR)Opt2	10-1-49		1,893.00		-
County of Washington	32,379.99		26,897.63	59,277.62	A	1-1-50		2,889.00		3,582.00
Portland Public Library	42,867.98		19,223.07	62,091.05	B	5-1-50		6,896.00		4,654.00
Town of Brunswick	145,784.14		29,422.07	175,206.21	B(10Yr.VR)NEI/70	7-1-50		21,966.00		3,724.00
Auburn Public Library	16,300.44		16,932.92	33,233.36	A	7-1-50		1,487.00		4,589.00
Maine-New Hampshire Bridge	19,048.57		12,505.37	31,553.94	A	8-1-50		2,048.00		1,392.00
Town of Jay	14,135.57		6,465.28	20,600.85	A	10-1-50		868.00		1,520.00
County of Waldo	23,200.06		32,531.95	55,732.01	A	1-1-51		2,805.00		907.00
County of Kennebec	42,413.37		41,471.71	83,890.08	B	7-1-51		4,069.00		3,749.00
City of Lewiston	315,686.22		71,878.17	387,564.39	A	7-1-51		52,533.00		29,016.00
Maine Turnpike Authority	260,329.97		50,673.93	311,008.90	A	9-1-52		31,178.00		6,054.00
Auburn Sewerage District	8,223.22		6,814.54	15,037.76	A	10-1-53		1,052.00		1,320.00
Auburn Water District	18,924.04		30,249.80	49,173.84	A	10-1-53		2,997.00		8,188.00
Portland Renewal Authority	7,429.14		-	7,429.14	B	10-1-55		1,453.00		-
Town of East Millinocket	29,779.77		17,147.82	46,927.59	A	1-1-56		5,224.00		4,079.00
Maine Municipal Association	4,123.99		3,148.56	7,272.55	A	11-1-56		825.00		412.00
County of Hancock	20,854.26		52,507.57	73,361.83	A	1-1-57		2,039.00		8,977.00
County of Oxford	25,102.85		21,385.22	46,488.07	A	7-1-57		4,231.00		6,463.00
Falmouth Memorial Library	937.73		855.11	1,852.84	B	1-1-57		150.00		132.00
Bangor Water District	57,155.49		14,077.40	71,232.89	A-1/2-30 Yr.	5-21-57		6,403.00		1,458.00
Town of Rumford - Fire&Police	25,537.38		39,623.56	65,160.94	A	2-10-58		4,631.00		10,754.00
Town of Orono Dept.	15,206.69		9,032.02	24,238.71	B	7-1-59		3,711.00		1,923.00
Kennebunk Light & Pwr. Dist.	11,150.63		12,469.10	23,619.73	B	8-30-59		2,038.00		5,724.00
City of Brewer	10,100.98		5,150.22	15,251.20	A	1-2-60		3,003.00		490.00
Augusta Sanitary District	6,529.28		1,242.52	7,771.80	A	1-4-60		1,352.00		-
Rumford Water District	4,557.76		13,202.43	17,760.19	A	4-1-60		952.00		3,398.00
City of Waterville-Fire&Police	11,423.82		3,804.23	15,228.05	Spec. P&F	2-1-61		4,624.00		841.00
County of Androscoggin Dept.	21,743.00		17,560.83	39,303.83	A	1-24-61		6,927.00		5,233.00
Brewer Water District	4,940.64		3,225.47	8,166.11	A	5-1-61		1,553.00		1,321.00
Town of Baileyville	3,419.69		2,249.40	5,669.09	B	4-1-61		1,180.00		2,478.00
City of Westbrook-Fire&Police Dept.	11,610.79		1,914.54	13,525.33	Spec. P&F	1-1-62		4,046.00		1,960.00

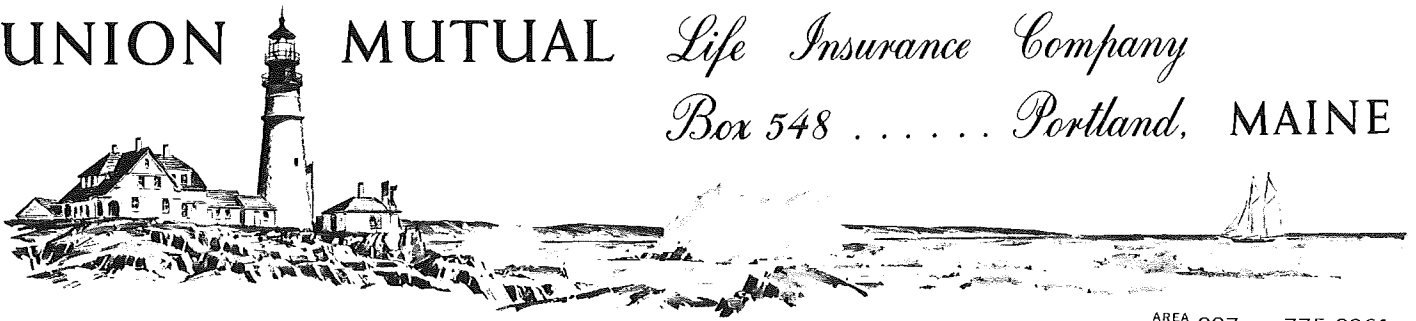
SCHEDULE VI - Continued:

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Net Balance - June 30, 1964					Annual Payments Effective July 1, 1964 For 1964 - 1965 Year		
	<u>Normal Contributions</u>	<u>Accrued Liability</u>	<u>Total</u>	<u>Plan</u>	<u>Effective</u>	<u>Normal Contributions</u>	<u>Accrued Liability</u>
Greater Portland Pub. Dev. Commission	\$ 8,581.01	\$ 7,346.54	\$ 15,927.55	A	1-1-62	\$ 2,634.00	\$ 3,721.00
Brunswick Sewer District	999.32	587.92	1,587.24	B	1-1-63	671.00	388.00
City of Bath	9,442.07	5,740.54	15,182.61	A	4-1-63	11,100.00	8,662.00
Town of Mexico	2,164.76	-	2,164.76	MS Only	3-1-63	1,220.00	-
Mexico Free Public Library	14.44	12.50	26.94	B	9-1-63	31.00	15.00
Town of Lincoln	883.75	883.25	1,767.00	B	4-1-64	3,553.00	2,455.00
School Admin. District # 34	-	-	-	MS Only	4-18-64	1,206.00	-
	<u>\$32,248,660.63</u>	<u>\$4,911,519.00</u>	<u>\$36,160,179.63</u>			<u>\$ 4,053,545.00</u>	<u>\$ 4,214,000.00</u>

UNION MUTUAL *Life Insurance Company*

Box 548 Portland, MAINE



AREA
CODE 207 775-2361

August 15, 1964

Board of Trustees of the Maine State Retirement System
and its Advisory Council on Group Life Insurance
Augusta, Maine

Gentlemen:

This is the report on the ninth dividend payable under the Maine State Group Life Insurance program. It covers the period from July 1, 1963 to June 30, 1964. It includes the State Employees and Teachers Regular plan, the State Employees and Teachers Supplemental plan and 84 Participating Local District plans.

The number of State Employees and Teachers covered by the Basic plan is 13,975. Total insurance including Supplemental is \$124,895,000. Exhibit B shows these figures in detail.

The total dividend payable to the State by Union Mutual Life Insurance Company is \$447,443.16. The split of the dividend is as follows:

<u>Classification</u>	<u>Amount</u>
State and Teachers (Regular)	\$259,825.52
State and Teachers (Supplemental)	94,806.53
City of Portland	10,646.53
City of Bangor	15,365.80
Pooled Districts	<u>66,798.78</u>
Total Dividend	\$447,443.16

L I F E • S I C K N E S S • A C C I D E N T • G R O U P

F O U N D E D 1 8 4 8

Board of Trustees of the Maine State Retirement System
and its Advisory Council on Group Life Insurance
August 15, 1964
Page 2

The balance of this report will present the detailed experience and methods used to compute dividends for all plans.

State Employees and Teachers Regular Plan

The premiums actually paid for this period:

State Contributions Active Employees and Teachers	\$24,000.00
State Contributions Retired Employees and Teachers	209,226.40
Employees and Teachers Contributions	<u>582,291.48</u>
	\$815,517.88

Claims

Claims for the policy year may be split into the following categories:

1. Paid Claims
2. Conversion Charges
3. Disability Claims

Paid Claims

During the 12 month period, actual paid claims were \$474,165.

Conversion Charges

During the 12 month period, employees and teachers converted \$73,500 of insurance. The charge at \$75/1000 amounted to \$5,512.50.

Disability Claims

During the 12 month period, 15 employees with insurance retired on disability and were still alive on June 30, 1964. During the same period, waiver of premium was approved for 1 person not retired on disability. The total amount of insurance for this group was \$80,000. At \$600 per 1000, the disability reserve charge was \$48,000.

Disability Recoveries

During the 12 month period 1 person with waiver of premium, not retired on disability, returned to work. This recovery released reserves of \$2,400.

Disabled Deaths

During the 12 month period, there were no disabled deaths.

Reduction in Disability Claims

During the 12 month period, the amount of insurance on 8 disability claimants was reduced by \$5,550. This releases reserves of \$3,330. In addition, 2 people previously reported as disabled were transferred to the regular retired group. This further reduces the insurance on disability claimants by \$9,000 and releases reserves of \$5,400.

Dividend Ninth Policy Year

Earned Premiums		\$815,517.88
Less: Paid Claims	\$474,165.00	
New reported and approved disability claims	48,000.00	
Conversion Charges	5,512.50	
Retention (4.8%)	<u>39,144.86</u>	<u>566,822.36</u>
Net		\$248,695.52
Plus: Disability Recoveries	2,400.00	
Reduction in Disability Claims	<u>8,730.00</u>	<u>11,130.00</u>
Ninth Year Dividend		\$259,825.52

State Employees and Teachers (Supplemental)

On March 5, 1962, a Supplemental plan for State Employees and Teachers became effective.

The premiums for the past policy year on this portion of the plan were \$403,578.29.

Disability Claims

During the 12 month period waiver of premium was approved for 1 person not retired on disability. The amount of insurance on this person was \$3,000. At \$600 per 1000, the reserve charge was \$1,800.

Disability Recoveries

During the 12 month period 1 person with waiver of premium, not retired on disability, returned to work. This released reserves of \$2,400.

"Social Security"

Fiscal Year 1963 - 1964

Administered by "State Agency" for Political Sub-divisions of the State of Maine

<u>No. of Reporting Units</u>	<u>Total Employees Covered</u>	<u>Total Amount Payrolls</u>	<u>Total Tax Reported</u>
505	11,031	\$27,668,933.00	\$2,005,996.00