

MAINE STATE LEGISLATURE

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PENSIONS, CIVIL

Maine



REPORT
of the
MAINE STATE RETIREMENT SYSTEM

for the

FISCAL BIENNIUM

ENDED JUNE 30, 1966

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STATE OF MAINE
AUGUSTA, MAINE

MAINE STATE RETIREMENT SYSTEM

BOARD OF TRUSTEES

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REPORT OF THE MAINE STATE RETIREMENT SYSTEM

FOR THE BIENNIUM ENDED JUNE 30, 1966

In accordance with the provisions of Maine Revised Statutes, Annotated, the report of the Maine State Retirement System for the biennium ended June 30, 1966, 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 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.

As this is 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 of benefits provided for under the law and to determine what appropriation requests shall be made of the Legislature to maintain the System in a solvent position. A Medical Board consisting of three non-members is also provided for under the law. The duty of this Board is to determine the validity of disability and service incurred disability claims.

In addition to administering the basic Retirement Law, the department is also charged with administering the Group Life Insurance Plan, the Survivor Benefit Plan, Retirement Allowance Adjustments, and the Federal Social Security Plan as it applies to political subdivisions.

At its inception the Retirement System covered State employees and employees of such political subdivisions as might elect to join the System. As a result of amendments to the law the coverage is now extended to all public school teachers, and the growth in the membership has reached a point where we are now handling more than 36,000 open accounts.

The appropriation requests will approximate \$10,000,000.00 for each year of the next biennium.

As of the close of the last fiscal year the total assets of the System were more than \$108,900,000.00.

The funds of the System are invested in securities that are legal for savings banks in the State of Maine. These include bonds, mortgages, and equities.

The current retirement pay rolls are running close to \$9,300,000.00 annually and the average monthly benefit being paid to retired State employees as of the end of June 1966 was \$135.62 and to teachers \$150.37.

The number of retired persons receiving benefits as of that date was 5,125.

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 14,300.

Total benefits paid to beneficiaries of insured persons as of the last fiscal year amounted to \$1,035,125.00.

The Survivor Benefit Plan paid, during the fiscal year ended June 30, 1966, approximately \$401,000.00.

The function of this department with respect to the Social Security Program is as an agent to enter into Agreements with political subdivisions of the State of Maine and the collection of FICA taxes. We are presently under agreement for this purpose with some 530 reporting units consisting of counties, cities, towns and other quasi-municipal agencies. The benefit side of the program is handled entirely by the Social Security Administration.

The cost of administering the Social Security Program is prorated to and collected from the units under contract.

Tabulations and schedules included in this Report reflect the financial status of the System and offer 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 23rd Annual Valuation Report of the Consulting Actuary of the System is also included.

BOARD OF TRUSTEES

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ASSISTANT EXECUTIVE SECRETARY

State of Maine

MAINE STATE RETIREMENT SYSTEM

AUGUSTA, MAINE 04330

December 15, 1966

Board of Trustees
Maine State Retirement System
Augusta, Maine

Gentlemen:

I submit herein the twenty-third valuation report of the actual and prospective Assets and Liabilities of the Maine State Retirement System as of June 30, 1966. Also a valuation of the Survivor Benefits provision.

The valuation covered 24,287 active and 5,075 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

ALL EMPLOYEES
VALUATION BALANCE SHEET

JUNE 30, 1966

ASSETS

Members Contribution Fund		\$ 45,992,584
Retirement Allowance Fund		
Membership Service	\$34,511,157	
Prior Service	<u>6,744,656</u>	41,255,813
Present Value of Future		
Contributions For		
Membership Service	88,607,241	
Prior Service	<u>65,472,300</u>	<u>154,079,541</u>
Total Assets		\$241,327,938

LIABILITIES

Members Contribution Fund		\$ 45,992,584
Past Membership Service		
Active	\$42,207,996	
Retired	<u>27,957,294</u>	70,165,290
Prior Service Reserve		
Active	32,017,248	
Retired	<u>40,199,708</u>	72,216,956
Future Membership Reserve		<u>52,953,108</u>
Total Liabilities		\$241,327,938

STATE EMPLOYEES
VALUATION BALANCE SHEET

JUNE 30, 1966

ASSETS

Members Contribution Fund		\$19,829,068
Retirement Allowance Fund		
Membership Service	\$17,173,252	
Prior Service	<u>4,726,902</u>	21,900,154
Present Value of Future		
Contributions For		
Membership Service	36,604,275	
Prior Service	<u>15,738,406</u>	<u>52,342,681</u>
Total Assets		\$94,071,903

LIABILITIES

Members Contribution Fund		\$19,829,068
Past Membership Service		
Active	\$17,975,154	
Retired	<u>12,793,250</u>	30,768,404
Prior Service Reserve		
Active	8,677,965	
Retired	<u>11,787,343</u>	20,465,308
Future Membership Reserve		<u>23,009,123</u>
Total Liabilities		\$94,071,903

TEACHERS - MTRA
VALUATION BALANCE SHEET

JUNE 30, 1966

ASSETS

Members Contribution Fund		\$ 23,692,857
Retirement Allowance Fund		
Membership Service	\$15,264,697	
Prior Service	<u>14,921,005</u>	30,185,702
Present Value of Future		
Contributions For		
Membership Service	39,887,393	
Prior Service	<u>7,589,122</u>	<u>47,476,515</u>
Total Assets		\$101,355,074

LIABILITIES

Members Contribution Fund		\$ 23,692,857
Past Membership Service		
Active	\$21,041,138	
Retired	<u>4,930,481</u>	25,971,619
Prior Service Reserve		
Active	17,521,361	
Retired	<u>4,988,766</u>	22,510,127
Future Membership Reserve		<u>29,180,471</u>
Total Liabilities		\$101,355,074

NON-CONTRIBUTORY TEACHERS

VALUATION BALANCE SHEET

JUNE 30, 1966

ASSETS

Members Contribution Fund		\$ 2,470,659
Retirement Allowance Fund		
Membership Service	\$ 2,073,208	
Prior Service	<u>-12,903,251</u>	-10,830,043
Present Value of Future		
Contribution For		
Membership Service	12,115,573	
Prior Service	<u>42,144,772</u>	<u>54,260,345</u>
Total Assets		\$45,900,961

LIABILITIES

Members Contribution Fund		\$ 2,470,659
Past Membership Service		
Active	\$ 3,191,704	
Retired	<u>10,233,563</u>	13,425,267
Prior Service Reserve		
Active	5,817,922	
Retired	<u>23,423,599</u>	29,241,521
Future Membership Reserve		<u>763,514</u>
Total Liabilities		\$45,900,961

DEVELOPMENT OF 1967-69 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	<u>11,239</u>	\$ <u>53,751,911</u>
Teachers MTRA	12,442	62,212,859
Teachers 1913	<u>606</u>	<u>3,067,223</u>
Total Teachers	<u>13,048</u>	<u>65,280,082</u>
Grand Total	<u>24,287</u>	<u>\$119,031,993</u>

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

*Retired Employees

<u>Classification</u>	<u>Number</u>	<u>Annual Allowance</u>
State Employees	<u>1,992</u>	\$ <u>3,241,773</u>
Teachers MTRA	495	882,833
Teachers 1913	<u>2,436</u>	<u>4,406,022</u>
Total Teachers	<u>2,931</u>	<u>5,288,855</u>
Total Pensioners	<u>4,923</u>	<u>\$ 8,530,628</u>

*Actual pension recipients as of June 30, 1966.

Normal Contribution 1967-69 (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	\$ 31,173,731	3.79%	\$1,181,484
Other Revenue Funds	<u>22,578,180</u>	<u>3.79%</u>	<u>855,711</u>
Total State Employees	<u>53,751,911</u>	<u>3.79%</u>	<u>2,037,195</u>
MTRA	62,212,859	3.79%	2,357,867
1913 Teachers	<u>3,067,223</u>	<u>3.79%</u>	<u>116,248</u>
Total Teachers	<u>65,280,082</u>	<u>3.79%</u>	<u>2,474,115</u>
Grand Total	<u>\$119,031,993</u>	<u>3.79%</u>	<u>*\$4,511,310</u>

*In addition, during the fiscal year 1967-68 the State needs to pay \$14,014 under the Military Leave Law.

Accrued Liability (Prior Service)

In general the Accrued Liability contribution rate is 4.21% of Annual Salaries for fiscal 1967-68 and 4.34% for fiscal 1968-69.

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

<u>Classification</u>	<u>Accrued Liability</u>	
	<u>1967-68</u>	<u>1968-69</u>
General Fund	\$1,312,414	\$1,352,940
Chap. 445 PL 1965	27,100	27,100
Other Revenue Funds	<u>1,271,226</u>	<u>1,300,575</u>
Total State Employees	<u>2,610,740</u>	<u>2,680,615</u>
MTRA	2,619,161	2,700,038
1913 Teachers	129,130	133,117
Amortization of Prior Lapses	1,770	1,770
Pre-1947 Teachers	201,900	180,264
\$100 Increase S.S. 1954	91,900	91,900
G-396 P.L. 1961	91,900	91,900
G-439 P.L. 1965		
G-414 P.L. 1961	56,160	56,160
G-365 P.L. 1963	105,680	105,680
G-509 P.L. 1966	<u>50,000</u>	<u>50,000</u>
Grand Total	<u>\$5,958,341</u>	<u>\$6,091,444</u>

Excess Interest

During the last biennium the Trust Funds earned more than 3%. The earned interest rate for 1964-65 was 4.32% and for 1965-66 was 4.44%.

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>
1964	4.32%	\$3,870,486.12	\$2,705,568.41	\$1,164,917.71
1965	4.44%	<u>4,475,359.34</u>	<u>3,043,250.69</u>	<u>1,432,108.65</u>
		\$8,345,845.46	\$5,748,819.10	\$2,597,026.36

The split of excess interest by general categories follows:

	<u>Excess Interest</u>		
<u>Departments</u>	<u>1964-65</u>	<u>1965-66</u>	<u>Total</u>
State Employees	\$496,248.72	\$613,578.09	\$1,109,826.81
Teachers	502,880.14	614,592.02	1,117,472.16
Maine Port Authority	<u>767.21</u>	<u>845.80</u>	<u>1,613.01</u>
Totals	\$999,896.07	\$1,229,015.91	\$2,228,911.98

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

Survivor Benefits

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

Survivor Benefit Valuation 1966 (Recap)

	<u>Present Values</u>	
	<u>State Employees</u>	<u>Teachers</u>
Temporary Benefits	\$613,542	\$546,800
Deferred Benefits	464,167	327,015
Life Annuities	<u>1,734,209</u>	<u>736,528</u>
Totals	\$2,811,918	\$1,610,343
Annual Payments (Pension)	\$254,400	\$148,200
Survivor Benefit Fund	\$1,151,998	\$1,700,468

REMARKS

The 1966 Bowles, Andrews & Towne Report to the Legislative Research Committee on the Maine State Retirement System showed the present actuarial assumptions to be favorable overall.

Suggestions were made that certain tables for active lives be changed and consideration be given to an increase in the interest rate. Due consideration to these suggestions will be made beginning with the 1967 valuations.

Because of the size of the System, it is suggested that consideration be given to the development of the actuarial records on punch cards so that future valuations and analysis of the State System may be made thru an EDP system.

The actual cost involved would be reasonable. However, the biggest consideration would be the speed in which the results may be obtained.

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	1,531	943	51	167	10,306	1964
*1964	1,700	1,054	52	176	10,709	1965
*1965	<u>1,782</u>	<u>955</u>	<u>52</u>	<u>229</u>	<u>11,239</u>	1966
Totals	30,030	15,124	800	2,818	11,239	

*Total transferred 1960-1966 = 49

MEMBERSHIP HISTORY

Progress of Membership - Contributory MTRA

<u>Year Commencing July 1</u>	<u>New Members</u>	<u>Withdrawal</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	1,217	537	21	66	9	11,116	1964
1964	1,629	901	22	101	8	11,713	1965
1965	<u>1,555</u>	<u>615</u>	<u>26</u>	<u>175</u>	<u>10</u>	<u>12,442</u>	1966
Totals	23,001	9,596	248	619	96	12,442	

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	75	7	10	193	1	941	1964
1964	85	8	3	244	3	768	1965
1965	<u>56</u>	<u>5</u>	<u>4</u>	<u>209</u>	<u>-</u>	<u>606</u>	1966
Totals	4,291	274	176	3,224	11	606	

RETIREMENT HISTORY

Prior to 1942 by Governor and Council
Experience of Retirees - 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	-	2	-	24	1964
1964	-	2	-	22	1965
1965	-	4	-	18	1966
Totals	132	110	4	18	

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	167	86	5	22	1,833	1964
1964	176	87	10	24	1,936	1965
1965	<u>229</u>	<u>92</u>	<u>1</u>	<u>23</u>	<u>2,095</u>	1966
Totals	2,818	938	94	309	2,095	

RETIREMENT HISTORY

Experience of Retired Teachers - Contributory MIRA

<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	-	-	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	66	4	8	5	302	1964
1964	101	12	4	5	392	1965
1965	<u>175</u>	<u>9</u>	<u>4</u>	<u>4</u>	<u>558</u>	1966
Totals	619	53	36	28	558	

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	193	73	15	12	-	2,137	1964
1964	244	89	13	6	-	2,285	1965
1965	<u>209</u>	<u>93</u>	<u>10</u>	<u>13</u>	<u>-</u>	<u>2,404</u>	1966
Totals	3,224	675	269	126	2	2,404	

MAINE STATE RETIREMENT SYSTEM

Comparative Balance Sheet
At June 30, 1966, Compared to June 30, 1965

	ASSETS		Increase or Decrease
	1966	1965	
Cash - Augusta	\$ 300,373.30	\$ 114,279.65	\$ 186,093.65
Cash - New York	29,629.36	24,067.19	5,562.17
Accounts Receivable, Net	38,674.11	40,870.05	(2,195.94)
Investments - Bonds - Note I	78,552,598.14	68,769,729.22	9,782,868.92
Investments - Stocks - Note II	9,851,472.62	10,191,412.03	(339,939.41)
Investments - Mortgage Loans - Note III	19,755,695.88	17,573,170.06	2,182,525.82
Investments - Conditional Sales Agreement - Note IV	391,072.49	391,072.49	
Foreclosures	4,903.25	5,378.77	(475.52)
TOTAL ASSETS	<u>\$108,924,419.15</u>	<u>\$ 97,109,979.46</u>	<u>\$11,814,439.69</u>

LIABILITIES, RESERVES, AND TRUST RESERVES

Accounts Payable	\$ 18,802.89	\$ 900.00	\$ 17,902.89
Suspense Account	7,713.73	12,948.41	(5,234.68)
Reserve for Authorized Expenses	35,090.60	32,316.99	2,773.61
TOTAL LIABILITIES AND RESERVES	<u>\$ 61,607.22</u>	<u>\$ 46,165.40</u>	<u>\$ 15,441.82</u>
Members Contribution Fund - Current	\$49,603,306.21	\$45,295,159.64	\$ 4,308,146.57
Members Contribution Fund - Prior	2,470,658.76	2,517,725.38	(47,066.62)
Retirement Allowance Fund	53,186,911.78	45,579,691.35	7,607,220.43
Survivor Benefit Fund	3,300,504.26	2,876,396.23	424,108.03
Retirement Allowance Adjustment Fund	(631,156.47)		(631,156.47)
Reserve Against Future Losses	932,587.39	794,841.46	137,745.93
TOTAL TRUST RESERVES	<u>\$108,862,811.93</u>	<u>\$ 97,063,814.06</u>	<u>\$11,798,997.87</u>
	<u>\$108,924,419.15</u>	<u>\$ 97,109,979.46</u>	<u>\$11,814,439.69</u>

Note I - At cost less ratable amortization
 Note II - At cost
 Note III - At cost less principal received and 1/15th discount
 Note IV - At cost

MAINE STATE RETIREMENT SYSTEM

Statement of Trust Fund Balances and
Number of Open Accounts by Activity
June 30, 1966

	Number Open Accounts	Members Contribution Fund	Retirement Allowance Fund	Retirement Allowance Adjustment Fund	Survivors Benefit Fund
State Employees	12,320	\$ 19,798,910.26	\$21,873,600.14	\$ (263,528.27)	\$1,151,997.79
Maine Port Authority	16	30,157.28	26,554.29	(1,947.90)	5,890.92
Teachers - Current	15,500	23,692,856.71	30,185,701.98	171,407.87	1,700,467.74
Teachers - Prior Service	3,749	2,470,658.76	(10,857,043.54)	(528,223.75)	
City of Portland	1,146	1,611,225.15	1,298,865.48		138,520.48
Town of Millinocket	24	52,930.01	119,838.67	(634.04)	5,992.58
City of Presque Isle	61	94,912.77	119,096.11		10,782.78
County of Cumberland	56	91,935.99	148,568.15	(1,482.51)	8,545.69
Town of Camden	25	18,325.77	56,122.78		
City of South Portland	252	379,168.74	388,298.96	(1,549.15)	5,298.54
Town of Houlton	56	87,349.96	201,858.40		9,248.90
County of Penobscot	13	41,748.39	192,657.59		
Kittery Water District	11	27,724.58	49,954.09	(201.20)	(3,302.54)
City of Ellsworth	67	42,844.92	64,164.47		(8,979.50)
Town of Kittery	29	26,856.82	59,656.24	(270.70)	5,804.65
Town of Bar Harbor	45	55,566.16	124,571.00		
Town of Mt. Desert	23	46,585.80	49,558.29		
Town of Fort Fairfield	16	28,249.58	66,057.29		9,858.35
City of Rockland	17	85,615.55	133,049.72		
Bath Water District	11	29,022.10	40,668.05		
City of Bangor	460	643,333.05	853,916.55		67,163.07
Boothbay Harbor Water System	5	8,391.09	22,275.63		
Bangor Public Library	41	69,084.22	160,994.94		
City of Augusta	167	259,929.56	416,416.24	(3,091.82)	40,922.35
City of Gardiner	37	42,979.38	73,258.28		3,436.24
Houlton Water Company	30	89,963.80	139,641.02	(509.07)	10,557.41
City of Auburn	239	232,765.94	424,209.92	709.25	41,896.36

	Number Open Accounts	Members Contribution Fund	Retirement Allowance Fund	Retirement Allowance Adjustment Fund	Survivors Benefit Fund
Town of York	19	\$ 10,447.53	\$ 9,895.24	\$ 152.30	\$ 1,415.96
Kennebec Water District	25	30,088.51	38,956.42	(111.29)	
Livermore Falls Water District	6	2,719.41	18,655.84	(223.92)	1,193.50
County of Knox	33	27,997.89	63,913.55		
Augusta Water District	21	42,289.50	96,402.45	(69.27)	
City of Belfast	28	32,600.87	59,988.88	(100.38)	5,284.07
City of Calais	46	41,008.44	99,678.33		
County of York	40	40,567.86	77,287.77	(404.38)	
Maine Maritime Academy	66	80,568.16	78,542.84		
York Water District	7	23,909.28	36,305.48		2,515.27
County of Washington	32	25,964.89	74,382.59	(102.59)	
Portland Public Library	32	49,052.29	87,605.73		
Town of Brunswick	159	195,578.84	231,837.50		
Auburn Public Library	7	11,801.63	36,834.84		
Maine - New Hampshire Bridge Authority	10	28,400.44	39,344.90		
Town of Jay	19	7,713.89	23,258.88		
County of Waldo	20	24,244.46	70,113.51	(324.79)	2,228.62
County of Kennebec	41	35,183.79	104,739.83	(51.65)	
City of Lewiston	296	435,629.94	503,530.39		2,401.63
Maine Turnpike Authority	196	306,537.30	417,184.35	338.14	59,171.14
Auburn Sewerage District	8	14,725.94	20,346.01	(60.23)	
Auburn Water District	14	23,881.68	63,502.75	(570.76)	
Portland Renewal Authority	11	15,701.22	12,268.62		1,139.70
Town of East Millinocket	34	49,145.90	63,894.81	(131.12)	
Maine Municipal Association	7	9,963.13	10,437.71		
County of Hancock	18	18,657.47	100,956.96		
County of Oxford	52	28,808.38	64,926.04		
Falmouth Memorial Library	1	1,358.06	2,725.24		
Bangor Water District	25	56,233.95	74,333.58		
Town of Rumford	95	59,947.22	115,713.50		9,727.30
Town of Orono	38	17,572.60	36,681.50		
Kennebunk Light & Power District	12	14,660.65	35,132.55	(253.21)	

	Number Open Accounts	Members Contribution Fund	Retirement Allowance Fund	Retirement Allowance Adjustment Fund	Survivors Benefit Fund
City of Brewer	35	\$ 17,996.58	\$ 22,773.52		
Augusta Sanitary District	12	16,436.55	12,289.49		2,476.50
Rumford Water District	3	5,510.43	24,220.28		
City of Waterville	25	27,372.40	29,057.73		2,045.82
County of Androscoggin	48	31,638.82	62,852.54	35.16	
Brewer Water District	9	9,389.04	12,714.14		
Town of Baileyville	7	6,939.60	12,546.78		
City of Westbrook - Police & Fire	39	21,481.40	27,403.12		4,034.66
Greater Portland Public Devel. Comm.	14	18,991.43	28,080.60		1,763.06
Brunswick Sewer District	4	2,579.84	3,553.78		
City of Bath	110	44,374.44	80,161.43		
Town of Mexico	8	3,876.56	4,644.69		
Mexico Free Public Library	1	706.17	121.18		
Town of Lincoln	25	9,767.33	12,615.09		
School Admin. Dist. # 34	44	7,819.51	7,289.87		1,005.22
School Admin. Dist. # 28	4	3,877.85	3,786.10	42.81	
Old Town Water District	7	1,963.83	2,859.14		
Town of Skowhegan	28	9,248.30	11,797.99		
Town of Topsham	9	1,444.42	2,634.95		
Town of Madawaska (9/1/65)	9	1,588.87	2,411.38		
Town of Sanford (1/1/66)	76	4,614.09	13,477.50		
Town of Kennebunk (4/1/66)	50	1,569.12	1,491.75		
Town of Cape Elizabeth (4/1/66)	87	1,436.31	1,297.00		
Town of Wilton (5/1/66)	7	209.44	374.00		
Town of Falmouth (5/1/66)	31	1,079.18	1,432.00		
TOTAL	36,526	\$52,073,964.97	\$49,583,775.38	\$ (631,156.47)	\$3,300,504.26

Excludes Act. 98 - Liberalize Credit - Out- of -State Service \$ 50,000.00
Excludes Act. 99 - Earnings on Investments 3,553,136.40

MAINE STATE RETIREMENT SYSTEM

Analysis of Changes in Reserves For Year July 1, 1965, through June 30, 1966

Balance July 1, 1965

\$97,063,814.06

ADDITIONS

General Fund, State Employees	\$2,126,775.00	
General Fund, Contributory Teachers	4,157,059.00	
General Fund, Non-Contributory Teachers	843,050.00	
General Fund, Other	182,639.00	
Highway Funds	930,060.98	
Special Revenue Funds	428,516.00	
Bond Fund	39.00	
Public Service Enterprises	149,185.00	
Working Capital Funds	100,963.00	
Participating Districts	1,159,287.33	
Individuals	7,462,008.19	
Social Security Entities	14,900.00	
Due from Other Funds	49,937.00	
Dividend Received	482,954.33	
Dedicated Revenue	32,828.70	
Reserve for Future Premiums	341,144.61	
Reserve for Deficiency-Basic Insurance	20,000.00	
Reserve for Deficiency-Supplemental Insurance	210,324.32	
Earnings on Investments	4,443,680.73	
Profit on Sale of Securities	137,745.93	
From General Ledger Account	8,954.00	
Administration Reserves	32,316.99	
Adjustment of Balance Forward	1,976.03	
TOTAL ADDITIONS		\$23,316,345.14

DEDUCTIONS

Pensions Paid -R.A.F.	Number	
Council Order	17	\$ 16,010.37
Legislative Resolve	11	11,310.12
Retirement Full Benefits	4338	6,261,014.85
Ordinary Disability	103	101,746.98
Option II	95	91,716.69
Automatic Option II	253	256,296.97
Option III	127	77,392.08
Option IV	13	7,972.14
Automatic Option IV	33	19,515.76
Service Incurred Disability	24	49,216.11
Service Incurred Death - P&F	2	6,620.78
15-Year Teachers	279	133,197.14
10-Year Vested Right	317	178,739.83
Service Incurred Death-Sheriffs		3,535.92
&Deputies 2		\$7,214,285.74
Pensions Paid -R.A.A.F.		
Council Order		\$ 7,207.35
Legislative Resolve		1,805.64
Retirement Full Benefits		966,808.25
Ordinary Disability		13,307.33
Option II		15,472.83
Automatic Option II		42,264.27
Option III		14,200.96
Option IV		1,186.37
Automatic Option IV		2,745.85
Service Incurred Disability		6,291.10
Service Incurred Death - Police & Fire		371.94
15-Year Teachers		12,898.22
10-Year Vested Right		21,777.95
		\$1,106,338.06
Survivor Benefit	Number	
Accidental Death -Service	8	
Incurred		\$ 14,950.00
Spouse - Age 60	87	90,650.00
Spouse - 10-Year Clause	60	60,725.00
Spouse & Children	79	191,100.00
Children	18	24,275.00
Parents	19	20,125.00
		\$ 401,825.00

Analysis of Changes in Reserves - Continued

DEDUCTIONS

Refunds

To Former Members	\$1,152,993.67
To Beneficiary of Deceased Members	78,381.04
To Survivors of a Disability Pensioner	6,524.06
To Beneficiary of Deceased - Option I	53,415.92
To Beneficiary of Deceased - Option IV	<u>8,543.72</u>
	\$1,299,858.41

Other Deductions

Amortization of Premiums	\$ 29,654.02
Interest Accrued at Purchase, Bonds	66,309.82
Interest Accrued at Purchase, Mtg. Loans	8,620.42
Investments Costs	21,239.82
Administration Cost	187,873.42
Employers Insurance Premiums	307,076.27
Res. for Authorized Expenditures	35,090.60
Res. for Future Premiums	390,529.60
Res. for Deficiency - Basic Insurance	25,000.00
Res. for Deficiency - Supplemental Insurance	330,384.05
Participating Districts Dividend	<u>93,262.04</u>
	\$1,495,040.06

TOTAL DEDUCTIONS \$11,517,347.27

BALANCE June 30, 1966 \$108,862,811.93

* Exclusive of Group Life & Administration Reserves

MAINE STATE RETIREMENT SYSTEM
RETIREMENT ALLOWANCE PAYROLL

Month of June 1966, Man Count & Cost, Compared to
Month of June 1965, Man Count & Cost

	Number of Persons Receiving Benefits At	6-30-65	Increase or (Decrease)	Gross Retirement Allowance Cost for Month of June 1966	June 1965	Increase or (Decrease)	Average Monthly Payment June 1966
	6-30-66						
State	1992	1860	132	\$270,147.82	\$186,402.35	\$ 83,745.47	\$ 135.62
Maine Port Authority	7	5	2	1,359.03	769.54	589.49	194.15
City of Portland	151	136	15	14,333.72	11,445.33	2,888.39	94.93
Town of Millinocket	8	6	2	1,525.76	689.60	836.16	190.72
City of Presque Isle	3	2	1	355.11	265.85	89.26	118.37
County of Cumberland	30	31	(1)	3,269.34	3,220.34	49.00	108.98
Teachers - Contributory	495	343	152	73,569.46	38,429.27	35,140.19	148.63
Teachers - Non Contributory	2302	2156	146	348,048.58	242,624.00	105,424.58	151.19
Teachers - Retired Prior to 1947	134	151	(17)	19,119.93	17,634.41	1,485.52	142.69
Town of Camden	8	9	(1)	406.37	445.13	(38.76)	50.80
City of South Portland	35	32	3	4,786.52	3,703.64	1,082.88	136.76
Town of Houlton	9	5	4	668.84	411.95	256.89	74.32
County of Penobscot	13	11	2	1,571.71	1,165.63	406.08	120.90
Kittery Water District	1	1	-	257.11	181.17	75.94	257.11
City of Ellsworth	9	9	-	300.48	300.48	-----	33.39
Town of Kittery	5	3	2	544.31	163.77	380.54	108.86
Town of Bar Harbor	12	12	-	592.64	740.17	(147.53)	49.39
Town of Mt. Desert	3	3	-	124.97	124.97	-----	41.66
Town of Fort Fairfield	3	2	1	145.76	75.89	69.87	48.59
Town of Rockland	13	13	-	810.39	810.39	-----	62.34
Bath Water District	3	3	-	304.36	304.36	-----	101.45
City of Bangor	39	35	4	3,325.84	2,641.77	684.07	85.28
Boothbay Harbor Water System	2	2	-	58.54	58.54	-----	29.27
Bangor Public Library	6	6	-	712.67	712.67	-----	118.78
City of Augusta	37	32	5	4,503.40	2,941.99	1,561.41	121.71
City of Gardiner	8	7	1	415.65	358.64	57.01	51.96
Houlton Water Company	9	9	-	1,197.05	896.56	300.49	133.01
City of Auburn	36	34	2	3,651.44	2,708.14	943.30	101.43
Kennebec Water District	1	1	-	262.80	192.96	69.84	262.80
Livermore Falls Water District	2	1	1	296.14	113.48	182.66	148.07
County of Knox	10	8	2	557.12	499.40	57.72	55.71

	Number of Persons Receiving Benefits At		Increase or (Decrease)	Gross Retirement Allowance Cost for Month of		Increase or (Decrease)	Average Monthly Payment June 1966
	6-30-66	6-30-65		June 1966	June 1965		
Augusta Water District	4	4	-	\$ 497.25	\$ 408.98	\$ 88.27	\$ 124.31
City of Belfast	3	4	(1)	293.16	198.22	94.94	97.72
City of Calais	12	10	2	480.72	338.31	142.41	40.06
County of York	13	12	1	1,071.66	774.23	297.43	82.44
Maine Maritime Academy	7	4	3	743.71	355.85	387.86	106.24
County of Washington	7	5	2	733.49	441.87	291.62	104.78
Portland Public Library	5	5	-	455.58	455.58	-----	91.12
Town of Brunswick	16	14	2	885.10	844.19	40.91	55.32
Auburn Public Library	4	4	-	406.68	406.68	-----	101.67
Maine-New Hampshire Bridge Authority	1	1	-	106.47	106.47	-----	106.47
Town of Jay	4	4	-	128.67	128.67	-----	32.17
County of Waldo	7	6	1	561.82	274.66	287.16	80.26
County of Kennebec	9	11	(2)	310.42	369.78	(59.36)	34.49
City of Lewiston	49	45	4	5,080.23	4,409.06	671.17	103.68
Maine Turnpike Authority	13	12	1	742.77	708.94	33.83	57.14
Auburn Sewerage District	1	1	-	65.50	46.15	19.35	65.50
Auburn Water District	4	4	-	622.87	515.63	107.24	155.72
Town of East Millinocket	5	4	1	700.75	421.85	278.90	140.15
County of Hancock	7	4	3	283.78	170.51	113.27	40.54
County of Oxford	11	8	3	683.29	615.44	67.85	62.12
Bangor Water District	5	5	-	868.24	868.24	-----	173.65
Town of Rumford	6	3	3	778.86	598.80	180.06	129.81
Town of Orono	3	2	1	208.83	147.28	61.55	69.61
Kennebunk Light & Power District	5	5	-	356.24	276.48	79.76	71.25
City of Brewer	1	1	-	31.85	31.85	-----	31.85
Rumford Water District	1	1	-	173.80	173.80	-----	173.80
County of Androscoggin	7	6	1	470.94	323.03	147.91	67.28
Brewer Water District	1	1	-	85.24	85.24	-----	85.24
Town of Baileyville	3	2	1	535.24	79.84	455.40	178.41
Greater Portland Public Dev. Comm.	1	1	-	105.37	105.37	-----	105.37
City of Bath	10	7	3	889.40	619.01	270.39	88.94
Town of Lincoln	1	1	-	45.99	45.99	-----	45.99
Town of Skowhegan	1	-	1	160.67	-----	160.67	160.67
Town of Madawaska	1	-	1	65.53	-----	65.53	65.53
	<u>5614</u>	<u>5125</u>	<u>489</u>	<u>\$776,852.98</u>	<u>\$536,378.39</u>	<u>\$240,474.59</u>	

MAINE STATE RETIREMENT SYSTEM
SURVIVOR BENEFIT PAYROLL
Month of June 1966, Man Count & Cost, Compared
to Month of June 1965, Man Count & Cost

	Number of Persons Receiving Benefits At		Increase or (Decrease)	Gross Cost for Month of		Increase or Decrease
	6-30-66	6-30-65		June, 1966	June, 1965	
State	156	142	14	\$21,200.00	\$14,075.00	\$7,125.00
City of Portland	11	7	4	1,550.00	700.00	850.00
Town of Millinocket	1	-	1	150.00	---	150.00
County of Cumberland	1	1	-	100.00	75.00	25.00
Teachers	74	68	6	12,350.00	7,800.00	4,550.00
City of South Portland	1	-	1	200.00	---	200.00
Town of Houlton	1	1	-	100.00	75.00	25.00
Kittery Water District	1	1	-	300.00	200.00	100.00
City of Ellsworth	3	3	-	500.00	350.00	150.00
City of Bangor	6	3	3	1,150.00	450.00	700.00
City of Augusta	4	3	1	500.00	375.00	125.00
City of Gardiner	1	-	1	100.00	---	100.00
City of Auburn	2	2	-	200.00	150.00	50.00
City of Belfast	1	1	-	100.00	75.00	25.00
County of Waldo	1	1	-	100.00	75.00	25.00
Maine Turnpike Authority	6	5	1	800.00	525.00	275.00
Town of Rumford	1	-	1	100.00	---	100.00
	<u>271</u>	<u>238</u>	<u>33</u>	<u>\$39,500.00</u>	<u>\$24,925.00</u>	<u>\$14,575.00</u>

MAINE STATE RETIREMENT SYSTEM

Retirement Allowance Fund at June 30, 1966

	Net Balance - June 30, 1966		Total	Plan	Date Effective	Annual Payments Effective July 1, 1966 For 1966-1967 Year	
	Normal Contributions -	Accrued Liability				Normal Contributions -	Accrued Liability
State	\$17,132,752.28	\$ 4,740,847.86	\$21,873,600.14	- -	7-1-42	\$ 1,946,577.12	\$ 1,814,043.00
Maine Port Authority	40,500.17	(13,945.88)	26,554.29	- -	7-1-42	2,974.00	3,209.00
Teachers Contributory	15,264,696.69	14,921,005.29	30,185,701.98	- -	7-1-47	1,946,262.00	2,100,320.00
Teachers Non-Contributory	2,073,207.67	(12,930,251.21)	(10,857,043.54)	- -	7-1-47	164,362.00	709,392.00
City of Portland	1,354,524.55	(55,659.07)	1,298,865.48	New Law 1/70PS3-	1-43	142,430.00	38,574.00
Town of Millinocket	90,540.59	29,298.08	119,838.67	B	7-1-43	9,256.00	3,440.00
City of Presque Isle	99,704.24	19,391.87	119,096.11	New Law B	1-1-43	11,063.00	671.00
County of Cumberland	162,694.68	(14,126.53)	148,568.15	A	1-1-45	14,807.00	11,331.00
Town of Camden	38,043.78	18,079.00	56,122.78	A	4-1-44	2,440.00	- - -
City of South Portland	351,680.25	36,618.71	388,298.96	B Accident P&F9-	1-44	48,159.00	16,272.00
Town of Houlton	142,051.89	59,806.51	201,858.40	A	1-1-45	6,121.00	1,157.00
County of Penobscot	107,048.54	85,609.05	192,657.59	A NP1/70Ser,Dis.			
				P&F	1-1-45	6,917.00	6,507.00
Kittery Water District	28,330.63	21,623.46	49,954.09	A	2-1-46	1,961.00	1,696.00
City of Ellsworth	49,484.01	14,680.46	64,164.47	A NP 1/70	1-1-46	8,400.00	383.00
Town of Kittery	45,082.30	14,573.94	59,656.24	A	4-1-46	2,780.00	1,863.00
Town of Bar Harbor	83,046.00	41,525.00	124,571.00	A(10YrVR)P&F			
				SER DIS	4-1-46	6,439.00	5,396.00
Town of Mt. Desert	36,991.02	12,567.27	49,558.29	A	4-1-46	3,964.00	1,366.00
Town of Fort Fairfield	54,515.62	11,541.67	66,057.29	New Law	7-1-46	1,235.00	- - -
City of Rockland	110,018.29	23,031.43	133,049.72	New Law	11-1-46	7,747.00	1,474.00
Bath Water District	20,907.83	19,760.22	40,668.05	Old Law	12-1-46	1,629.00	5,064.00
City of Bangor	679,917.55	173,999.00	853,916.55	New Law	7-1-47	75,203.00	14,369.00
Boothbay Harbor Water System	11,163.50	11,112.13	22,275.63	Old Law	7-1-47	1,259.00	- - -
Bangor Public Library	100,058.91	60,936.03	160,994.94	New Law B	7-1-47	10,989.00	4,275.00
City of Augusta	376,415.47	40,000.77	416,416.24	New Law A			
				Accident P&F 10-1-47		29,383.00	22,903.00
City of Gardiner	50,079.22	23,179.06	73,258.28	A (10YrVR) 1/70			
				Accident P&F 9-1-47		5,079.00	5,756.00

	Net Balance - June 30, 1966			Plan	Date Effective	Annual Payments Effective July 1, 1966 For 1966-1967 Year		
	Normal Contributions -	Accrued Liability	Total			Normal Contributions -	Accrued Liability	
Town of Rumford	\$ 48,814.64	\$ 66,898.86	\$ 115,713.50	P&F A	2-10-58	\$ 4,363.00	\$ 12,438.00	
Town of Orono	25,374.34	11,307.16	36,681.50	Town B	4- 1-65	9,596.00	12,429.00	
Kennebunk Light & Power District	15,517.43	19,615.12	35,132.55	B	7- 1-59	4,231.00	2,032.00	
City of Brewer	16,795.55	5,977.97	22,773.52	A	1- 2-60	3,542.00	238.00	
Augusta Sanitary District	10,639.23	1,650.26	12,289.49	A	1- 4-60	113.00	1,795.00	
Rumford Water District	6,332.12	17,888.16	24,220.28	A	4- 1-60	722.00	4,375.00	
City of Waterville P & F	22,667.49	6,390.24	29,057.73	Spec. P&F	2- 1-61	5,210.00	1,459.00	
County of Androscoggin	38,684.70	24,167.84	62,852.54	A	1-24-61	6,614.00	4,960.00	
Brewer Water District	8,036.98	4,677.16	12,714.14	A	5- 1-61	1,656.00	1,639.00	
Town of Baileyville	7,232.42	5,314.36	12,546.78	B	4- 1-61	1,412.00	2,489.00	
City of Westbrook P & F	20,672.18	6,730.94	27,403.12	Spec. P&F	1- 1-62	4,560.00	2,145.00	
Greater Portland Public Devel. Comm.	14,378.79	13,701.81	28,080.60	A	1- 1-62	2,854.00	6,526.00	
Brunswick Sewer District	2,148.72	1,405.06	3,553.78	B	1- 1-63	601.00	515.00	
City of Bath	46,386.47	33,774.96	80,161.43	A-Spec. P&F	4- 1-63	15,981.00	22,342.00	
Town of Mexico	4,644.69	- - -	4,644.69	M. S. only	3- 1-63	1,094.00	- - -	
Mexico Free Public Library	79.77	41.41	121.18	B	9- 1-63	47.00	- - -	
Town of Lincoln	7,549.11	5,065.98	12,615.09	B	4- 1-64	3,447.00	2,637.00	
School Admin. District #34	7,289.87	- - -	7,289.87	M. S. only	4-18-64	2,199.00	- - -	
School Admin. District #28	3,786.10	- - -	3,786.10	M. S. only	12- 2-64	647.00	- - -	
Old Town Water District	1,551.34	1,307.80	2,859.14	A	1- 1-65	1,040.00	865.00	
Town of Skowhegan	8,004.05	3,793.94	11,797.99	A	4- 1-65	3,881.00	3,419.00	
Town of Topsham	1,639.80	995.15	2,634.95	Police Town A	4- 1-65	1,787.00	1,276.00	
Town of Madawaska	1,308.43	1,102.95	2,411.38	A	9- 1-65	1,549.00	1,860.00	
Town of Sanford	7,511.50	5,966.00	13,477.50	A	1- 1-66	15,023.00	11,932.00	
Town of Kennebunk	977.75	514.00	1,491.75	A	4- 1-66	3,911.00	2,056.00	
Town of Cape Elizabeth	852.25	444.75	1,297.00	B-PS Limit				
				10 Yr	4- 1-66	3,409.00	1,779.00	
Town of Wilton	209.00	165.00	374.00	A	5- 1-66	1,254.00	989.00	
Town of Falmouth	1,008.00	424.00	1,432.00	B-PS Limit				
				10 Yr	5- 1-66	6,049.00	2,544.00	
Liberlized Credit Out-of-State Ser.	25,000.00	25,000.00	50,000.00			25,000.00	25,000.00	
	\$ 41,092,976.09	\$ 8,540,799.29	\$49,633,775.38			\$ 4,829,597.08	\$ 5,039,024.00	
Earnings on Investments			3,553,136.40					
			\$53,186,911.78					

MAINE STATE RETIREMENT SYSTEM

Income Derived From Investments

July 1, 1965, through June 30, 1966
On Accrual Basis

ADDITIONS:

Interest on Bonds	\$3,066,159.74	
Dividend on Stocks	458,198.89	
Interest on Mortgage Loans	901,137.22	
Interest on Conditional Sales	<u>18,184.88</u>	
		\$4,443,680.73
Interest Accrued at June 30, 1966		<u>922,232.94</u>
TOTAL ADDITIONS		\$5,365,913.67

DEDUCTIONS:

Premiums Amortized		29,654.02
Investment Costs:		
Postage	22.20	
Comm. Ship. Chge. Registration	17,706.29	
Security Insurance	84.20	
Custody Charge	<u>3,427.13</u>	
		\$ 21,239.82
Prior Year Adjustment		10.00
Accrued Interest at Purchase		74,930.24
Accrued Interest June 30, 1965		<u>764,720.25</u>
TOTAL DEDUCTIONS		<u>\$ 890,554.33</u>

NET EARNINGS		<u>\$4,475,359.34</u>
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YIELD FOR 1965-66	4.4431%
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MAINE STATE RETIREMENT SYSTEM

Summary of Reserve Against Future Losses July 1, 1965, through June 30, 1966

Balance July 1, 1965

\$794,841.46

Profits:

<u>Sale or Call or Maturity - Bonds</u>		
2M	Community Public Service Co. 4 1/2% 7/1/93	\$ 1.30
20M	Southern Pacific R.R. ETC 3 3/8% 9/1/65	49.04
25M	New York Central R.R. ETC 3 3/8% 9/15/65	103.66
5M	Consumers Power Co. 4 3/4% 10/1/87	27.50
10M	Seaboard Airlines R.R. ETC 3 3/4% 10/1/65	75.17
2M	National Steel Corp. 4 5/8% 6/1/89	20.00
8M	Alberta Municipal Finance 5% 12/15/84	112.00
25M	Southern Pacific R.R. ETC 4 1/4% 1/1/66	184.06
4M	National Fuel Gas Co. 4 7/8% 5/1/86	6.40
6M	Montreal Metropolitan Corp. 5 5/8% 2/1/85	200.00
25M	Pennsylvania R.R. ETC 3 3/4% 4/1/66	413.88
9M	Province of Nova Scotia 5 1/8% 4/1/80	27.90
8M	Melville Shoe Corp. 4 7/8% 4/15/80	40.00
110M	Pittsburgh & Lake Erie R.R. ETC 3% 3/15/66	9,193.18
Profit on Bonds		\$10,454.09

<u>Sale or Call - Stocks</u>		
800 Shares	Caterpillar Tractor Co.	16,982.50
778 Shares	Reliance Insurance Co.	3,755.77
300 Shares	Pittsburgh Plate Glass Co.	5,059.00
800 Shares	Owens- Illinois Glass Co.	6,587.00
500 Shares	Goodyear Tire & Rubber Co.	6,132.50
1,000 Shares	McGraw Edison Co.	16,675.00
500 Shares	Great American Insurance Co.	11,912.50
2,000 Shares	Public Service Co. of Indiana 4.32 Pfd.	1,000.00
2,000 Shares	Public Service Co. of Indiana 4.16 Pfd.	1,875.00
200 Shares	Dallas Power & Light Co. 4.24 Cum. Pfd.	875.00
2,000 Shares	Illinois Power Co. 4.70 Pfd.	5,500.00
550 Shares	Virginia Electric Power Co. 4.80 Cum. Pfd.	1,925.00
815 Shares	Hartford Electric Light Co. 4.96 Pfd.	1,630.00
500 Shares	Gulf States Utilities Co. 4.40 Pfd.	1,295.00
1,500 Shares	Boston Edison Co. 4.78 Pfd.	2,575.00
250 Shares	Gulf States Utilities Co. 5.08 Pfd.	871.25
500 Shares	Northern States Power Co. 4.10 Pfd.	3,750.00
500 Shares	Louisiana Power & Light Co. 5.16 Pfd.	1,286.00
400 Shares	California Packing Co.	2,250.00
238 Shares	Connecticut Light & Power Co. \$2.04 Pfd.	595.00
600 Shares	Warner- Lambert Pharmaceutical Co.	9,156.00
500 Shares	May Department Stores	13,485.00
200 Shares	Honeywell Inc.	2,075.50
500 Shares	Quaker Oates	6,870.00
500 Shares	General Telephone & Electronics	9,150.00
Profit on Stocks		\$133,268.02

Summary of Reserve Against Future Losses - Continued:

<u>Mortgage Loans</u>		
Write off 1/8 Discount		<u>\$ 29,448.45</u>
TOTAL PROFITS		<u>\$173,170.56</u>
Losses:		
<u>Call or Sale - Bonds</u>		
20M	Chicago, Rock Island & Pacific R.R.ETC 775.00	
	3 3/8% 11/1/67	
20M	Chicago, Rock Island & Pacific R.R.ETC 550.00	
	3 3/8% 5/1/67	
50M	Philadelphia Electric Co. 941.16	
	2 3/4% 11/1/67	\$ 2,266.16
<u>Sale of Stocks</u>		
1,000 Shares	Northern States Power Co. 3,150.00	
	4.16 Cum. Pfd.	
250 Shares	Niagara Mohawk Power Co. 375.00	
	4.85 Pfd.	
600 Shares	Massachusetts Electric Co. 3,995.40	
	4.44 Cum. Pfd.	
35 Shares	Central Maine Power Co. 550.00	
	6% Pfd.	
50 Shares	Maine Public Service Co. 187.50	
	4.75 Pfd.	
50 Shares	Central Maine Power Co. 331.82	
	4.60 Pfd.	
976 Shares	Bangor Hydro Electric Co. 12,724.00	
	7% Cum. Pfd.	
1,000 Shares	Southern California Edison Co. 2,875.00	
	4.24 Pfd.	
300 Shares	Public Service Co. of Indiana 5,760.00	
	3 1/2% Pfd.	
112 Shares	New England Power Co. 386.00	
	4.60 Pfd.	\$ 30,334.72
<u>Mortgage Loans - Foreclosed</u>		\$ 2,823.75
TOTAL LOSSES		<u>\$ 35,424.63</u>
Net Profit to Reserve		\$137,745.93
Balance June 30, 1966		\$932,587.39

MAINE STATE RETIREMENT SYSTEM

Administration Funds
July 1, 1965 to June 30, 1966

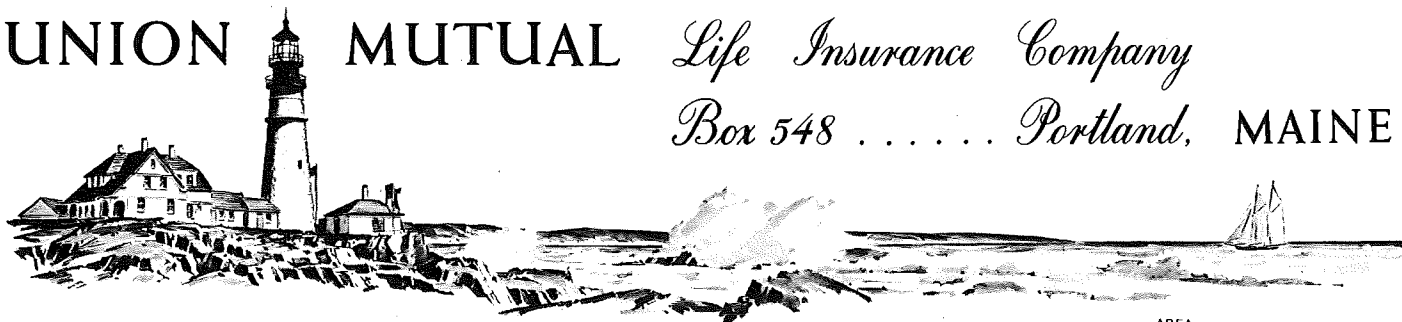
	Gen. Adm.	Part. Dist. Act. Serv.	Group Life Insurance	Social Security	Totals
<u>Revenue</u>					
General Fund	\$ 91,639.00		\$ 35,000.00		\$126,639.00
General Fund - SB	6,000.00				6,000.00
Highway Funds	9,578.00				9,578.00
Special Revenue Funds	4,755.00				4,755.00
Public Service Enterprises	1,750.00				1,750.00
Working Capital Funds	1,099.00				1,099.00
Participating Districts	17,204.76				17,204.76
Actuarial Services - P.D.		\$12,423.00			12,423.00
Members Social Security Program				\$ 14,900.00	14,900.00
Adjustment of Balance Forward	56.27				56.27
Due from other Funds			49,937.00		49,937.00
Members Ins. Program - P.D.			5,305.00		5,305.00
Dividend Received			482,954.33		482,954.33
Dedicated Revenue			32,828.70		32,828.70
TOTAL RECEIVED	\$132,082.03	\$12,423.00	\$606,025.03	\$ 14,900.00	\$765,430.06
<u>Expenditures</u>					
Salaries	96,340.36		\$ 25,395.00	\$ 12,029.00	\$133,764.36
Actuarial Services	3,832.40	\$12,423.00			16,255.40
Medical Services	736.00				736.00
Investment Consultant	5,200.00				5,200.00
Telephone & Telegraph	784.02		471.00	314.00	1,569.02
Travel Expense	1,264.58			87.72	1,352.30
Repairs to Equipment	1,866.54		932.00	311.00	3,109.54
Meter Postage	4,006.60		272.60	335.40	4,614.60
Printing & Binding	981.67		160.00	143.00	1,284.67
Office Supplies	3,083.55		1,102.40	220.38	4,406.33
Office Equipment	4,512.92		1,208.00	635.00	6,355.92
General Operating Expense	251.78			19.50	271.28
Transfer - Retirement Costs	6,448.00		1,701.00	805.00	8,954.00
Emp. Ins. Prem. - Active			24,000.00		24,000.00
Emp. Ins. Prem. - Inactive			283,076.27		283,076.27
Participating Districts Dividend			93,262.04		93,262.04
TOTAL EXPENSE	\$129,308.42	\$12,423.00	\$431,580.31	\$ 14,900.00	\$588,211.73
Current Year Reserves	2,773.61		174,444.72		177,218.33
Previous Years Reserves	32,316.99		571,468.93		603,785.92
Balance of Reserves	\$ 35,090.60		\$745,913.65		\$781,004.25

SUMMARY OF RESERVES

	1965-66 Year	Previous Years	Balance
Reserve for Future Premiums	\$ 49,384.99	\$341,144.61	\$390,529.60
Reserve for Deficiency - Basic Insurance	5,000.00	20,000.00	25,000.00
Reserve for Deficiency - Supplemental Ins.	120,059.73	210,324.32	330,384.05
	<u>\$174,444.72</u>	<u>\$571,468.93</u>	<u>\$745,913.65</u>
 Reserve for Authorized Expenditures	 <u>\$ 2,773.61</u>	 <u>\$ 32,316.99</u>	 <u>\$ 35,090.60</u>

UNION MUTUAL *Life Insurance Company*

Box 548 Portland, MAINE



AREA
CODE 207 775-2361

August 19, 1966

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 eleventh dividend payable under the Maine State Group Life Insurance program. It covers the period from July 1, 1965 to June 30, 1966. It includes the State Employees and Teachers Regular plan, the State Employees' and Teachers Supplemental plan and 91 Participating Local District plans.

The number of State Employees and Teachers covered by the Basic plan is 14,318. Total insurance including Supplemental is \$136,826,000. Exhibit C shows these figures in detail.

The total dividend payable to the State by Union Mutual Life Insurance Company is \$593,359.14. The split of the dividend is as follows:

<u>Classification</u>	<u>Amount</u>
State and Teachers (Regular)	\$312,981.23
State and Teachers (Supplemental)	158,793.49
City of Portland	8,476.91
City of Bangor	17,385.98
Pooled Districts (Regular)	79,675.00
Pooled Districts (Supplemental)	<u>16,046.53</u>
Total Dividend	\$593,359.14

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	283,076.27
Employees and Teachers Contributions	<u>653,112.31</u>
	\$960,188.58

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

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 \$564,595.

Conversion Charges

During the 12 month period, employees and teachers converted \$45,000 of insurance. The charge at \$75/1000 amounted to \$3,375.00.

Disability Claims

During the 12 month period, 16 employees with insurance retired on disability and were still alive on June 30, 1966. During the same period, waiver of premium was approved for 2 people not retired on disability. The total amount of insurance for this group was \$91,650. At \$600 per 1000, the disability reserve charge was \$54,990.

Disability Recoveries

During the 12 month period, there were no disability recoveries.

Disabled Deaths

During the 12 month period, 2 disabled people died releasing reserves of \$3,390.

Reduction in Disability Claims

During the 12 month period, the amount of insurance on 23 disability claimants was reduced by \$16,350. This releases reserves of \$9,810.

Dividend Eleventh Policy Year

Earned Premiums		\$960,188.58
Less: Paid Claims	\$564,595.00	
New reported and approved disability claims	54,990.00	
Conversion Charges	3,375.00	
Retention (3.9%)	<u>37,447.35</u>	<u>660,407.35</u>
Net		\$299,781.23
Plus: Reduction in Disability Claims	9,810.00	
Death of Disabled Claimants	<u>3,390.00</u>	<u>13,200.00</u>
Eleventh Year Dividend		\$312,981.23

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 \$454,181.57.

Conversion Charges

During the 12 month period, employees and teachers converted \$9,000 of insurance. The charge at \$75/1000 amounted to \$675.00.

Disability Claims

During the 12 month period there were no new disability claims.

Disability Recoveries

During the 12 month period there were no disability recoveries.

"Social Security"

Fiscal Year 1965- 1966

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>
530	12,519	\$32,503,783.00	\$2,464,311.00