

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from electronic originals
(may include minor formatting differences from printed original)



REPORT of the

MAINE STATE RETIREMENT SYSTEM

JK
2860
.P4
A3
1975

for the
FISCAL YEAR
ENDED JUNE 30, 1975

MAINE STATE RETIREMENT SYSTEM

BOARD OF TRUSTEES

John E. Menario, Chairman, Portland
Representing Maine Municipal Association

Fred M. Berry, Member, Augusta
Representing Retired Persons

Robert Bourgault, Member, Winthrop
Representing Maine Teachers' Association

Donald A. Brown, Member, Vassalboro
Representing Public

Wesley W. Chute, Member, Readfield
Representing Maine State Employees' Association

Mary L. Kurr, Member, Bangor
Representing Public

Mervin A. Rowe, Member, Gorham (Term Expired 4/22/75)
Alfred W. Perkins, Member, Brooksville (Term Began 7/9/75)
Representing Public

ACTUARY

Robert J. Towne, F.S.A., Towne & Associates

INVESTMENT ADVISORS

Alliance Capital Management Corporation
Massachusetts Financial Services, Inc.
Putnam Advisory Company, Inc.

INVESTMENT CUSTODIAN

Northeast Bank N.A. of Lewiston and Auburn

INVESTMENT EVALUATION CONSULTANT

Paine Webber Jackson & Curtis, Inc.

MEDICAL BOARD

Henry A. Brann, M.D., Chairman and Secretary, Augusta
Paul D. Giddings, M.D., Member, Augusta
Charles E. Towne, M.D., Member, Waterville

DISABILITY REVIEW CONSULTANT

Claims Service International, Inc.

.....

William G. Blodgett, Executive Director
Philip R. Gingrow, Assistant Executive Director

MAINE STATE REITRMENT SYSTEM
ORGANIZATION CHART

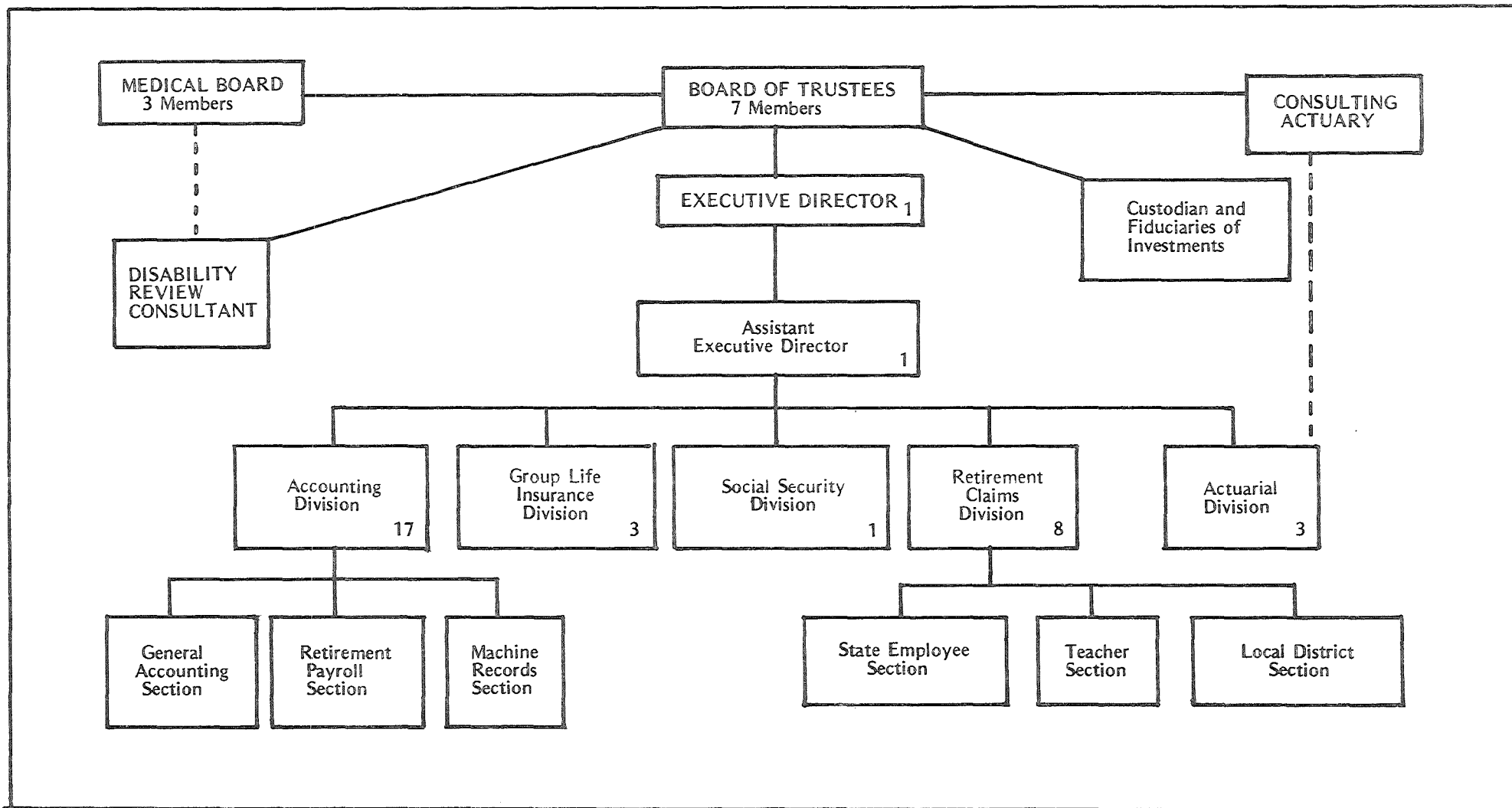


TABLE OF CONTENTS
REPORT OF THE TRUSTEES

	<u>Page(s)</u>
Letter of Transmittal.....	1-2
Report of the Executive Director.....	3-7
Graphs - Financial Highlights - Statistics.....	8-11
Report of the Actuary.....	12-42
Report of Investment Counsel.....	43-45
Financial Report:	
Balance Sheet.....	46
Investments:	
Bonds.....	47-49
Stocks.....	50-52
Mortgages	53-54
Time Deposits.....	54
Statement of Trust Fund Balances.....	55-60
Changes in Trust Fund Reserves.....	61-62
Retirement Allowance Payroll.....	63-66
Survivor Benefit Payroll.....	67
Investment Gains/Losses/Income.....	68
Summary of Investment Earnings.....	69
Administration	70
Group Life Insurance:	
Balance Sheet.....	71
Statement of Operations.....	72
Group Life Insurance Report:	
Union Mutual-Underwriter.....	73-87

WILLIAM G. BLODGETT, EXECUTIVE DIRECTOR
PHILIP R. GINGROW,
ASSISTANT EXECUTIVE DIRECTOR

CONSULTING ACTUARY
ROBERT J. TOWNE, F.S.A.,

Tel. 207 289-3481



BOARD OF TRUSTEES
JOHN E. MENARIO, CHAIRMAN
FRED M. BERRY
ROBERT BOURGAULT
DONALD A. BROWN
WESLEY W. CHUTE
MARY L. KURR
ALFRED W. PERKINS

State of Maine
MAINE STATE RETIREMENT SYSTEM
AUGUSTA, MAINE 04333

Honorable James B. Longley
Governor of Maine
State House, Augusta

Members, 107th Legislature

Dear Governor Longley and Members of the Legislature:

In accordance with the provisions of 5 M.R.S.A. Section 1005, the Trustees of the Maine State Retirement System herewith submit an annual report and review of the financial condition of the System for the fiscal year ending June 30, 1975. Also included are reports of the Actuary, the Executive Director, the Investment Consultant, and the Group Life Insurance Underwriter.

The System is administered by a Board of Trustees - seven in number: three members appointed by the Governor with the advice and consent of the Council; one member elected by the Maine Teachers' Association; one member elected by the Maine State Employees Association; one member appointed by the governing body of the Maine Municipal Association; one member, who is a recipient of a retirement allowance through the Maine State Retirement System, selected by the foregoing members of the Board.

Of continuing concern to the Board is the status of funding for the "non-contributory" teacher group. After an actuarial review of this situation, the Board voted to request funding through the Executive and Legislative Budgets; however, in both the Executive and Legislative Budgets this item was deleted.

Steps were taken during the year to strengthen the System's investment performance which resulted in the release of one investment manager, and a review has been started for the purpose of determining the type of managers and investment mix which will be employed. Subsequent to the close of the fiscal year, the Board did employ Massachusetts Financial Services, Inc. to manage a segment of the bond portfolio which heretofore had been managed by the Standard & Poor's InterCapital, Inc.

The Board of Trustees gives the highest attention to the management of the System's investments. Quarterly performance measurement reports are reviewed by the Board in detail with the investment evaluation representative, and semi-annual meetings are held with portfolio managers of the several segments of the fund, at which time the past performances are reviewed and the managers' investment strategies are explained.

Governor James B. Longley
Members, 107th Legislature
Page 2

The Trustees employed an independent actuarial firm (Towers, Perrin, Forster & Crosby, Inc.) for the purpose of reviewing the funding adequacy and the actuarial assumptions, which are presently being used for the System. This study and review was still in progress as of June 30, 1975.

Very truly yours,

A handwritten signature in black ink, appearing to read "William G. Blodgett". The signature is fluid and cursive, with the last name being particularly prominent.

William G. Blodgett,
Executive Director
For: Board of Trustees,
Maine State Retirement System

REPORT OF THE EXECUTIVE DIRECTOR

The Maine State Retirement System was created in 1947, and was the result of a merger of the Maine Teachers Retirement Association and the Maine State Employees Retirement System. Membership in the System is mandatory for all full-time public school teachers in the State, employees of the State of Maine, and employees of participating local districts which elect to provide the coverage for their employees. Participating local districts comprise cities, towns, counties, water districts, sewer districts, and other quasi-municipal corporations within the State of Maine. As of June 30, 1975, there were 54,072 open accounts of members, representing 18,609 State employees, 24,462 teachers, and 11,001 employees of participating districts, and were comprised of 41,923 active members.

In October of 1974, the Board of Trustees entered into an agreement with Northeast Bank N.A. of Lewiston & Auburn to provide custodial services for the System's investments. The Board terminated its agreement for investment management with Standard & Poor's InterCapital, Inc. in October, 1974, and transferred the equity segment of these assets to Alliance Capital Management Corporation, and the fixed income segment to Putnam Advisory Company, Inc. Termination of this agreement was directly related to the comparative performance of this firm with the other two investment managers.

In September of 1974, the Board entered into an agreement with Claims Service International, Inc. to provide review services in connection with disability retirement applications. This service will provide the Board with a more in-depth knowledge of the member's disability, and afford more adequate background material for the System's Medical Board in making a recommendation with respect to these applications for benefits.

The 107th Legislature passed major legislation affecting the Maine State Retirement System. This legislation is reflected in Chapter 622 of the Public Laws of 1975, and carries several effective dates with respect to its various provisions. The legislation applies to the State employee and teacher groups uniformly; however, certain provisions are optional with respect to participating districts.

The following are considered to be the major provisions of Chapter 622 of the Public Laws of 1975:

Earnable compensation, in the form of sick leave, vacation, etc., would be limited to 30 days which could be included in the salary base in computing the retirement benefit. At the present time, there is no limit to the amount of paid vacation, sick leave, etc. that can be included in this computation. (Effective 7/1/78)

Vacation and sick leave time not compensated at point of retirement will be added to member's service in determining retirement benefit. (Effective 1/1/76)

All retirement benefits would be computed under an "average final compensation" (highest 3 years salary averaged) rather than current annual salary or final years earnings as at present for certain law enforcement and protective forces. Police, other law enforcement members, would be granted time credit for service rendered after eligibility for retirement. (Effective 7/1/77)

A retired teacher would be named to the Board of Trustees by the Governor from a list of 3 retired teachers submitted by the Retired Teachers Association, in lieu of 1 of the 3 public members presently appointed by the Governor. (Effective 1/1/76)

Participating local districts have been redefined to include an incorporated association of employees of a state or local district, or an incorporated association of such local district. (Effective 1/1/76)

The priority on distribution of assets in the event of the cessation of a participating district as an employing unit has been spelled out; whereas the present statute does not address itself to this problem. (Effective 1/1/76)

The interest penalty on back contributions for any purpose has been strengthened to encourage faster paybacks and to discourage withdrawals from the System. (Effective 1/1/76)

Persons becoming members of the System after the effective date of this legislation would not be allowed to purchase credits for military service performed prior to employment or out-of-State service. (Effective 1/1/76)

Extensions of service for persons attaining age 70 would be subject to approval by the Governor and Council or Executive Body of the School System, as opposed to requiring Board of Trustee approval at the present time. (Effective 1/1/76)

Disability applications acted on by the Executive Director, and any member aggrieved by decision may appeal to the Board of Trustees within 30 days. (Effective 7/1/77)

All disability retirement allowances would be based on two-thirds average final compensation, eligibility to start at date of employment, as opposed to a present benefit of two-thirds for occupational disability and one quarter pay, 10 years of service required, for ordinary disability (Effective 7/1/77)

All members would be entitled to protection under the Survivor Benefit Plan for spouse, children, and parents upon employment, as opposed to the present requirement of 18 months of service within the last 42 month period before eligibility. (Effective 7/1/76)

Accidental death benefits for survivors are made uniform for all employees; whereas under the present law this was only available to survivors of members who were State Police, law enforcement officers of Fish and Game and Marine Resources Departments. (Effective 7/1/76)

Members must be separated 60 days before eligibility for a refund of contributions, as compared to immediate eligibility at present. (Effective 1/1/76)

Numerous administrative changes were made which would place these responsibilities under the Executive Director; whereas the present law now places these responsibilities with the Board of Trustees. This legislation also would provide that a person aggrieved by a decision of the Executive Director could request a hearing before the Board of Trustees. (Effective 1/1/76 and 7/1/77)

The Actuary has estimated that the general fund cost to implement this legislation will be \$161,000 for the year ending June 30, 1977, and \$1,151,000 for the year ending June 30, 1978. The area accounting for the major portion of this cost is in the disability retirement allowance benefits which become effective July 1, 1977.

The investment performance report is provided in a separate section and was furnished by the System's Investment Management Valuation Consultant, Paine Webber Jackson & Curtis, Inc. This report is prepared on a total return basis; that is, the appreciation or depreciation of the investments on a market value basis, as well as new monies received. The report includes only the equity and bond portfolios under management by the System's two money managers, Alliance Capital Management Corporation and Putnam Advisory Company, Inc. The unmanaged mortgage portfolio and short term investments in the Benefit Reserve Account are not included. For the year ending June 30, 1975, the report reflects a gain of 11.88% which compares with a loss of 11.80% in the previous fiscal year.

The situation with respect to funding for the so-called "non-contributory teacher" group was reviewed by the Board of Trustees during the past year, and a decision made to request funding through additional appropriations. Accordingly, an increase in the appropriation request for teacher retirement costs of approximately \$5,800,000 was made for each year of the biennium. This amount was deleted from the Executive Budget, and was not recognized in the Legislative Budget. The result of this position in the Executive and Legislative Budgets will mean that the funding period on the System's accrued liability will run for 29 years vs. the 21 years which had been scheduled heretofore.

As of June 30, 1975, there were 2,330 teachers in this category who were drawing benefits at the rate of approximately \$720,000 per month. Benefit payments in excess of funding provisions amounted to \$63,224,966.30 as of June 30, 1975. The Actuary of the System has estimated that these benefit payments to this group will approximately double those previously disbursed during the lifetime of the individuals drawing these benefits.

During the fiscal year ending June 30, 1975, there were 1,069 retirement allowances processed, as follows: State employees 305; teachers 513; local districts 251. On the June 30, 1975 retirement allowance payroll, there were 12,070 individuals paid retirement benefits (State employees 4,471; teachers 5,761; local districts 1,838). The amount of benefits paid on this payroll totaled \$3,776,451.54. In addition, there were benefit claims for survivors of members, whose death occurred prior to retirement, processed during the year totaling 37 (State employees 22; teachers 7; local districts 8). As of June 30, 1975, there were 627 individuals being paid benefits under this category (State employees 363; teachers 143; local districts 121).

Total reserves of the System as of June 30, 1975, were \$190,474,230.17, an increase of \$86,842.01 during the fiscal year. Contributions to the System by the State of Maine on account of State employees and teachers totaled \$25,123,515.01, of which \$12,365,095.00 was for teachers and \$12,758,420.01 was on account of State employees. Of the State contribution for State employees \$739,163 was appropriated in addition to normal costs for those groups with special retirement plans, such as; State Police, Inland Fisheries and Game Wardens, Marine Resources Wardens, Forest Rangers, Prison Guards, and Liquor Inspectors.

Participating local districts made contributions of \$6,080,308.26 on behalf of their employees.

Members of the System contributed \$22,241,103.87 during the year, of which \$10,180,391.20 was contributed by teachers, \$7,973,553.02 was contributed by State employees, and \$4,087,159.65 was contributed by employees of participating districts.

Retirement benefits paid during the year totaled \$44,817,112.17, including retirement allowance adjustment payments (cost-of-living) of \$9,802,983.18. These retirement benefits were paid to the following groups: State employees \$14,965,339.42; teachers \$25,242,469.65; participating districts \$4,609,303.10.

Payments to retired persons increased \$6,815,823.36 as compared with the previous fiscal year due in part to a 5½% cost-of-living increase granted to retired State employees, teachers and certain retired employees of participating districts, and in part to an increase in the number of retired persons.

Benefits paid during the year to survivors of deceased members totaled \$1,165,766.45.

GROUP LIFE INSURANCE

The Board of Trustees of the Maine State Retirement System administers the Group Life Insurance Program which is available on an optional basis to all State employees, teachers, and employees of those participating local districts which elect to provide this program for their employees. This program is made up of three parts: a basic plan; a supplemental plan; and a dependent plan. The basic plan provides for \$1,000 of coverage for each \$1,000 of the employee's annual salary, and the supplemental plan provides an equal amount of coverage and participation is optional. The dependent plan provides a coverage of \$2,000 on a spouse, \$500 and \$100 (under 6 months) on children, and is also optional as to participation by the member.

Assets of the Group Life Insurance fund totaled \$4,707,257.94 as of June 30, 1975, and were invested in U.S. Treasury Bills (\$2,194,977.38), a bank certificate of deposit (\$200,000), and in the State Treasurer's cash pool (\$2,257,730.57). Reserves on this fund increased \$921,200.57 over the previous year and was reflected in dividends received applicable to the previous year's operation in the amount of \$1,010,717.85 and earnings on investments of \$421,739.92.

Other reserves in the amount of \$726,718.04 consisted of April, May, and June premiums which were retained and applied against the dividend balance which will be received in October.

SOCIAL SECURITY

The Maine State Retirement System is the State agency designated by law to administer the agreement between the State of Maine and the Social Security Administration which provides F.I.C.A. benefits for employees of political subdivisions within the State. As of June 30, 1975, there were 589 agreements between the System and reporting units in force. This office administers only the collection of the F.I.C.A. tax, the benefit side of the program being under the jurisdiction of the Social Security Administration.

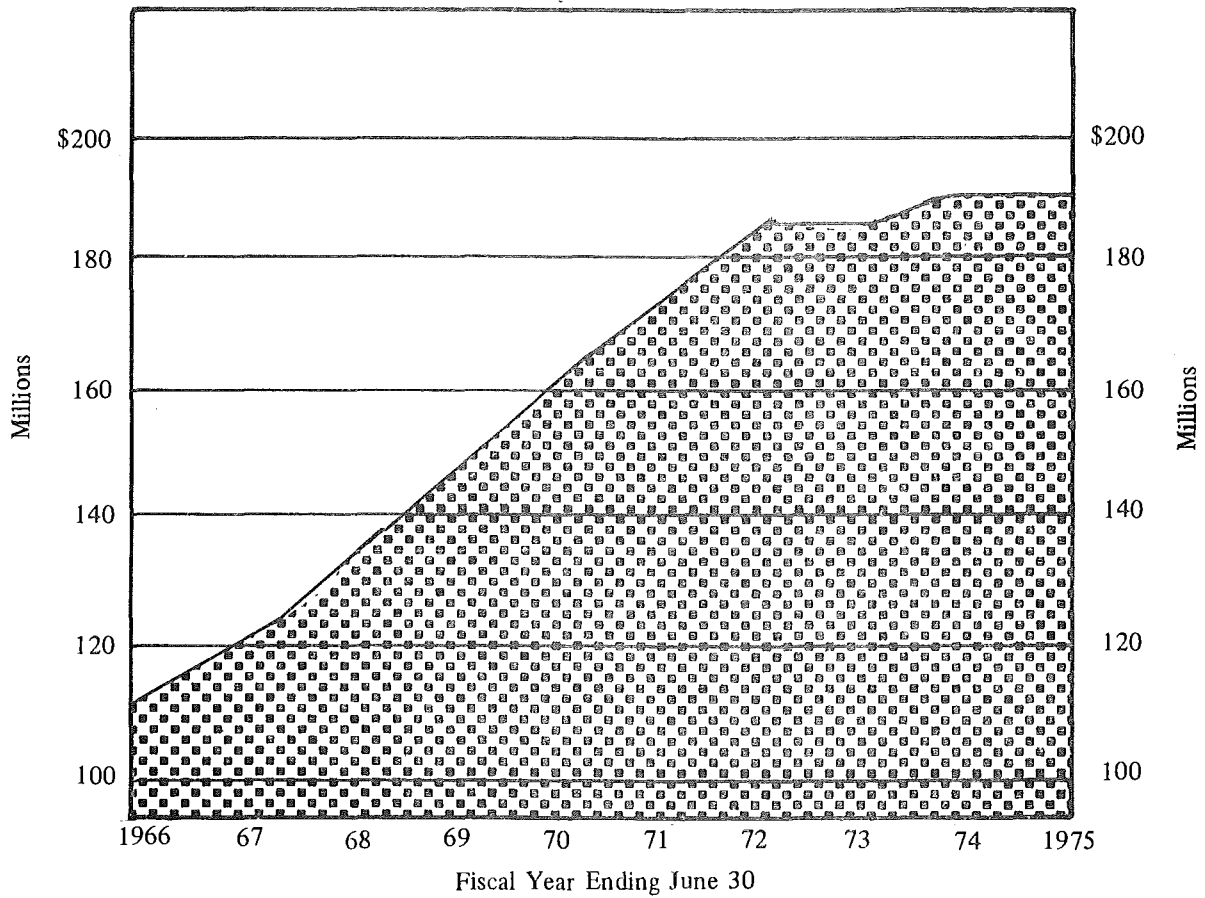
Administrative costs are financed from investment earnings and an assessment against the units participating in the Program when necessary. Earnings on these investments (short-term U.S. Government instruments) totaled \$81,262.87 during the fiscal year. Administrative costs on this activity amounted to \$33,068.45.

A handwritten signature in cursive script, reading "William G. Blodgett". The signature is written in dark ink and is positioned above a horizontal line.

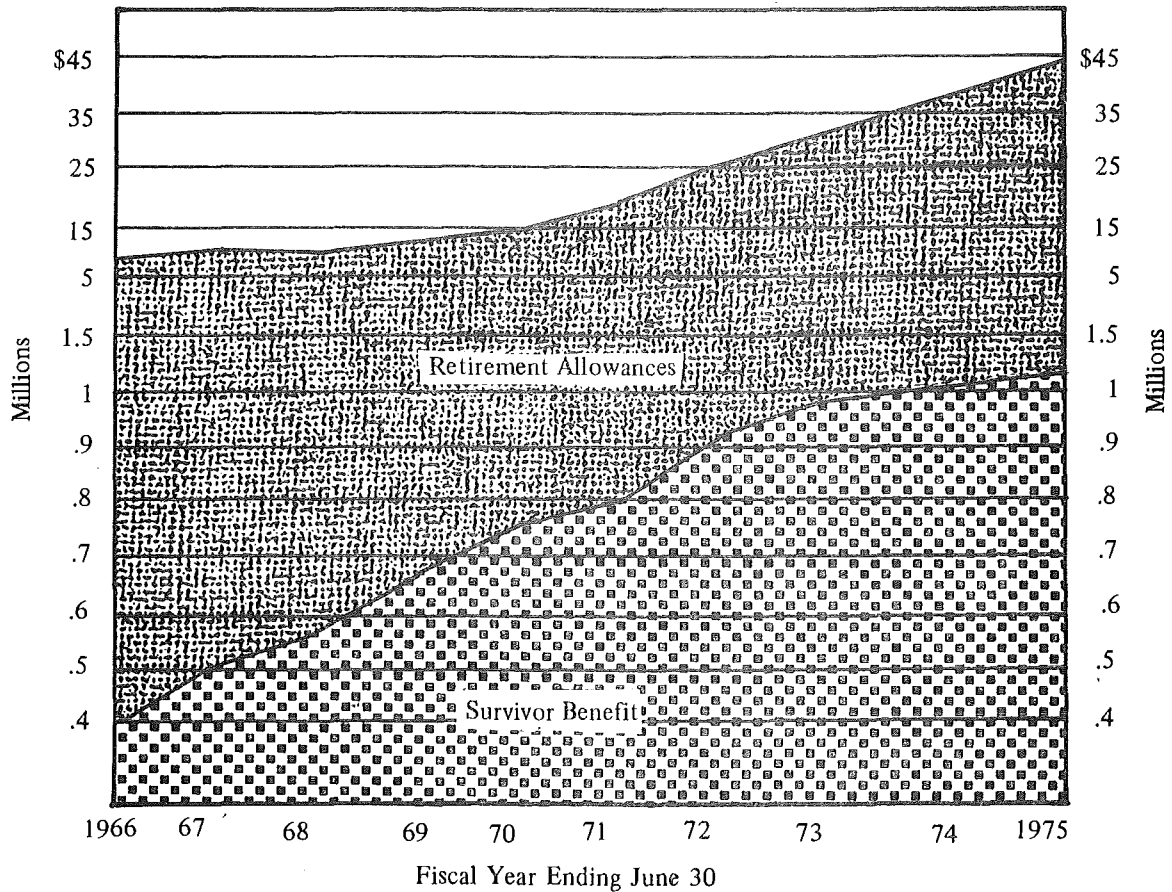
William G. Blodgett, Executive Director

MAINE STATE RETIREMENT SYSTEM

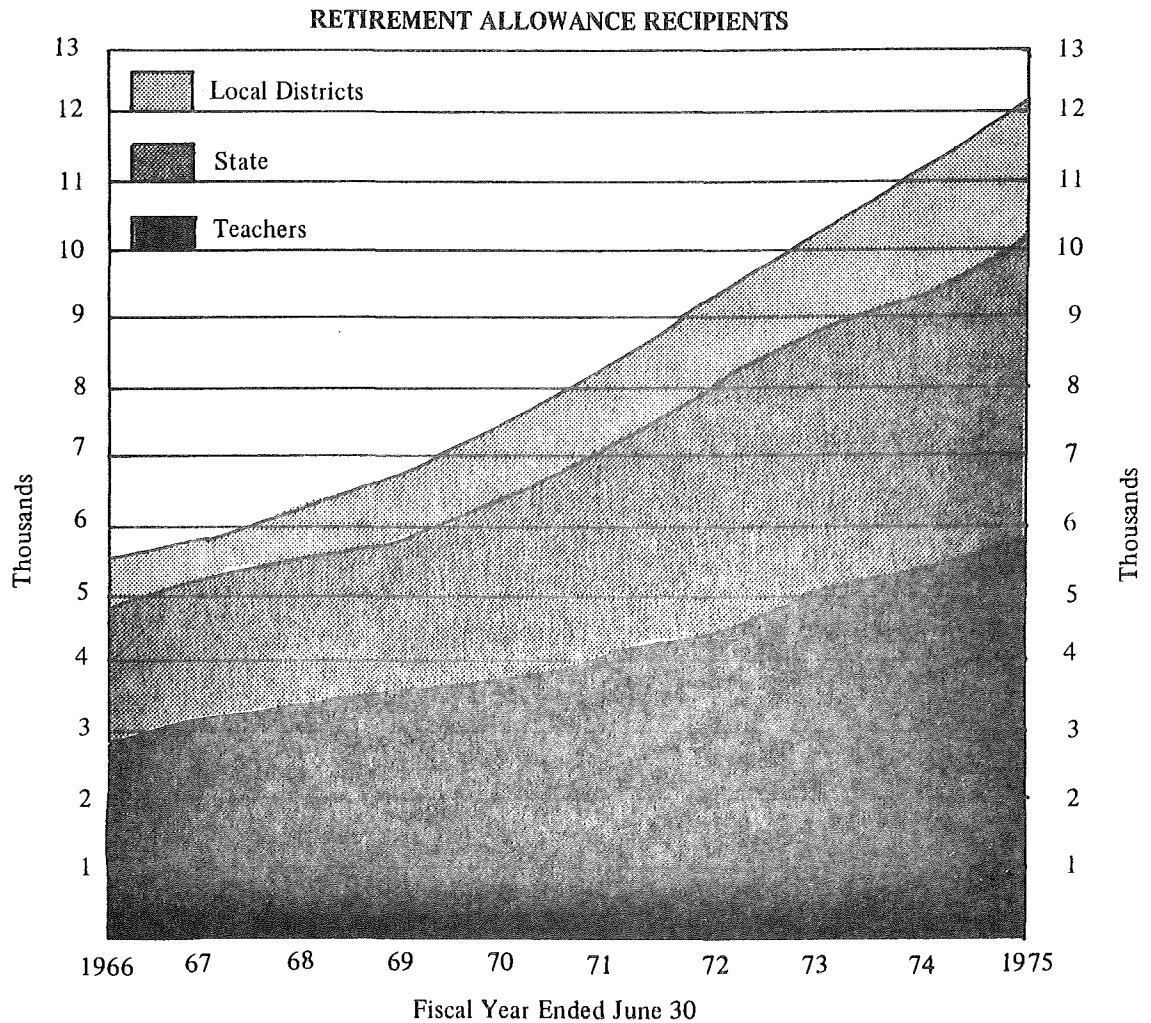
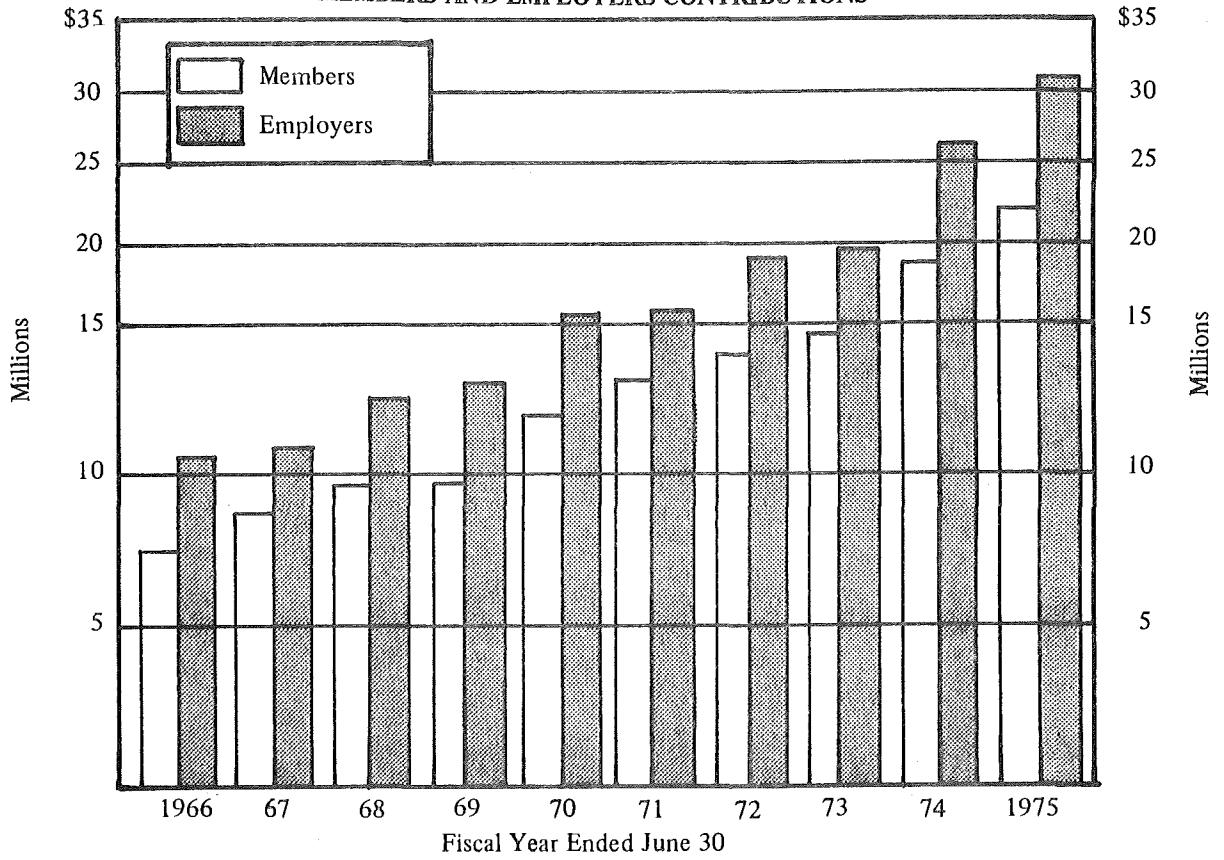
ASSETS OF FUND



RETIREMENT AND SURVIVOR PAYMENTS



MAINE STATE RETIREMENT SYSTEM **MEMBERS' AND EMPLOYERS CONTRIBUTIONS**



FINANCIAL HIGHLIGHTS

	<u>1975</u>	<u>1974</u>
Assets of the Fund at Year End	\$190,677,889	\$190,690,633
Earned Income on Investments	\$ 9,386,916	\$ 8,344,366
Year End Investments (Cost)	\$188,397,103	\$188,846,484
Year End Investments (Market)	\$193,791,992	\$170,627,572
Corporate Stock in Portfolio (Cost)	\$102,961,423	\$ 94,879,611
Percent of Portfolio	55%	50%
Bonds in Portfolio (Cost)	\$ 66,288,625	\$ 71,572,486
Percent of Portfolio	35%	38%
Mortgages in Portfolio (Cost)	\$ 11,793,055	\$ 13,104,386
Percent of Portfolio	6%	7%
Time Deposits in Portfolio (Cost)	\$ 7,354,000	\$ 9,290,000
Percent of Portfolio	4%	5%

RETIREMENT ALLOWANCES paid - June, 1975	<u>Value</u>	<u>Persons</u>	<u>Percent</u>
State Employees	\$1,278,561.15	4,471	37.0%
Teachers	2,084,929.67	5,761	47.7%
Participating Local Districts	<u>412,960.72</u>	<u>1,838</u>	<u>15.3%</u>
TOTAL	<u>\$3,776,451.54</u>	<u>12,070</u>	

SURVIVOR BENEFITS paid - June 1975	<u>Value</u>	<u>Persons</u>	<u>Percent</u>
State Employees	\$57,959.68	363	57.9%
Teachers	26,548.87	143	22.8%
Participating Local Districts	<u>16,628.27</u>	<u>121</u>	<u>19.3%</u>
TOTAL	<u>\$101,136.82</u>	<u>627</u>	

STATISTICS

MEMBERSHIP - June 30, 1975:	<u>Total</u>
State Employees	18,609
Teachers	24,462
Participating Local Districts	<u>11,001</u>
Total	<u>54,072</u>

<u>RETIREMENT ALLOWANCES</u> Processed Year Ended June 30, 1975:		<u>Percent</u>
State Employees	305	28.5%
Teachers	513	48.0%
Participating Local Districts	<u>251</u>	23.5%
Total	<u>1,069</u>	

<u>SURVIVOR BENEFITS</u> Processed Year Ended June 30, 1975:		<u>Percent</u>
State Employees	22	59.5%
Teachers	7	18.9%
Participating Districts	<u>8</u>	21.6%
Total	<u>37</u>	

<u>Participating Districts</u>	
Cities	22
Towns	90
Counties	16
Public Libraries	5
Sewer and Water Districts	33
SAD's	17
Miscellaneous	<u>30</u>
Total	<u>213</u>

TOWNE & ASSOCIATES

Actuaries

Management Consultants

EMPLOYEE BENEFIT PLANS

ROBERT J. TOWNE, F.S.A.
164 MAIN STREET
YARMOUTH, MAINE 04096
(207) 846-4204

TOWNE & EDDY
CLEVELAND, OHIO

SEAL & LOHSE
GARDEN CITY, NEW YORK
&
GENEVA, SWITZERLAND

EDWARD L. WALTER
AUGUSTA, MAINE

ROBERT E. AKER
BOSTON, MASSACHUSETTS

January 8, 1976

John E. Menario, Chairman
Board of Trustees
Maine State Retirement System

Dear Mr. Menario,

Enclosed is our report on the actuarial valuation, as of June 30, 1975, of the assets and liabilities of the funds of the Maine State Retirement System, which has been made in accordance with the provisions of the Maine State Retirement System Laws.

Respectfully submitted,
Towne & Associates

By



Robert J. Towne, President
Fellow, Society of Actuaries

TABLE OF CONTENTS

<u>SECTION</u>	<u>TITLE</u>	<u>PAGE</u>
A	<u>SUMMARY OF REPORT</u>	
	1. Scope of Report	1
	2. Financial Condition	2
	3. Actuarial Investigation	4
B	<u>VALUATION RESULTS</u>	
	1. Actuarial Balance Sheet	5
	2. Fiscal Year Experience	8
C	<u>EMPLOYEE STATISTICS AS OF JULY 1, 1975</u>	
	1. Distribution of Active Employees(State and Teachers)	12
	2. Distribution of Retired Employees(State and Teachers)	15
	3. Distribution of Participating District Employees	19
D	<u>ACTUARIAL ASSUMPTIONS</u>	
	1. Amount of Benefits	20
	2. Probability of Receipt of Benefits	20
	3. Investment Income	21
	4. Contributions	22
	5. Administrative Expenses	22
	6. Funding Method	22
E	<u>OUTLINE OF BENEFIT PROVISIONS</u>	
	I Bases for Benefits	24
	II Retirement Conditions	25
	III Benefit Formulas	26
	IV Optional Methods of Retirement Payment	27
	V Cost of Living Adjustments	27
	VI Death Benefits	28
	VII Termination of Employment Before Retirement	29
	VIII Employee Contributions	29

SECTION A
SUMMARY OF REPORT

1. Scope of Report

a) Purpose of actuarial valuation

The purpose of the actuarial valuation was to make the annual valuation of the assets and liabilities of the funds of the retirement system for the fiscal period from July 1, 1974 to June 30, 1975 as required in subsection 14 of section 1005 of the Maine State Retirement System Laws.

The actuarial valuation thus measured the amount of the prospective benefits under the Maine State Retirement System and determined the sufficiency of future contributions by the members of the system and the state, together with current invested assets of the system, in providing the funds for payment of the prospective benefits.

b) Employees covered

The valuation covered state employees and teachers. Separate actuarial valuations are also being made for 202 participating districts as a basis for employer contributions for the fiscal period 1976 - 7, and the results thereof are being submitted to them.

c) Benefits covered

The valuation covered all employee benefits provided by the system except those included in the group life insurance coverage.

d) Bases for valuation

The valuation was determined by using i) employee data as of June 30, 1975, which

is summarized in Section C hereof, ii) the actuarial assumptions adopted by the board or trustees, which are set forth in Section D hereof, and iii) the provisions of the 1974 Revision of the Maine State Retirement System Laws which are outlined in Section E hereof.

e) Period of report

This report is for an interim annual period of a biennium. It covers the financial condition of the retirement system for the annual period from July 1, 1974 through June 30, 1975. It does not include an evaluation of state contribution requirements since such requirements for the 1975 - 7 biennial fiscal period were presented in the report on the actuarial valuation as of June 30, 1974.

2. Financial Condition

a) Actuarial Balance Sheet

The actuarial balance sheet resulting from the actuarial valuation is presented in the next section. It shows the values of the various items of assets and liabilities that are involved in determining the funding requirements for retirement benefits of the system.

b) Funding of Costs of Benefits

The method of funding used to determine the contributions payable under the system will adequately provide, on an actuarial basis, for payment of the benefits of the system. Year to year experience fluctuations in the actuarial assumptions used in the funding determination will result in fluctuations in the accrued benefit contribution payment period. Also, contributions will be periodically adjusted when changes in the actuarial assumptions are made because of changes in future expectations.

The contributions determined from the actuarial valuation as of June 30, 1974 were paid for the fiscal period July 1, 1974 through June 30, 1975, except that the budget request for a contribution of \$5,823,191.00 for funding the Old System teachers benefits was not accepted.

The effect of experience fluctuations for the fiscal period on the financial condition of the system is summarized by the changes in the accrued benefit contribution payment period from that of the immediately preceding fiscal period, viz:

<u>Accrued Benefit Contribution Payment Period</u>		
	<u>1974 Actuarial Valuation</u>	<u>1975 Actuarial Valuation</u>
i) State Employees and MTRA Teachers	21.7 years	21.0 years
ii) All Employees (including OS Teachers)	28.8 years	27.7 years

The schedule of the accrued benefit funding is a reduction in the payment period by 1 year in each successive annual fiscal period. The net financial experience for the last fiscal period was slightly unfavorable to the extent that the payment period was reduced by less than 1 year for combined state employees and MTRA teachers. Except for adverse investment experience the payment period for combined state employees and MTRA teachers would have been 20.4 years and for all employees would have been 27.1 years. Also, payment of the requested contribution for funding the Old System teachers benefits would have reduced the payment period for all employees by .3 years.

3. Actuarial Investigation

The actuarial assumptions which were used in the actuarial valuation are those adopted by the board of trustees on December 14, 1972. An actuarial investigation is being made, as required by the retirement system laws, of the mortality, service, and compensation experience of the members and beneficiaries of the retirement system for the 5 year period 1970 - 4. Changes in the actuarial assumptions might be adopted by the board of trustees based on the results of such investigation.

SECTION B
VALUATION RESULTS

1. Actuarial Balance Sheet

An actuarial balance sheet presents the numerical results of the solution of the basic cost equation for benefits under a retirement system, viz:

$$\text{Contributions} + \text{Investment Income} = \text{Benefits}$$

The actuarial mathematical techniques used in solving the equation remove investment income as a separate item by combining it with contributions and benefits through a discounting process for a designated period of time. This changes the expression for the equation to:

$$\begin{aligned} &\text{Discounted Value of Future Contributions} + \\ &\text{Invested Assets (Balance of Accumulated Past Contributions)} = \\ &\text{Discounted Value of Future Benefits} \end{aligned}$$

In the actuarial balance sheet the items of the left hand side of the equation are designated as "assets" and those of the right hand side as "liabilities". However, an actuarial balance sheet is not a presentation of net worth as in an accounting balance sheet and, for example, there is no such item as surplus. Also, liabilities do not represent present amounts of debt but are merely measurements of future benefit payments determined under a given set of assumptions as to future occurrence.

The actuarial balance sheet for the June 30, 1975 actuarial valuation is presented on the next following page.

The contribution rates required to produce the present value of future contributions shown in asset item (2) of the balance sheet are those set forth in subsection 3 of Section B of the report on the actuarial valuation as of June 30, 1974.

Asset items (2) (b) and (2) (c) of the balance sheet are the present values of the future contributions that will be required for payment of accrued benefits, i.e. benefits measured by past membership service and prior service, not provided by current invested assets. These are commonly referred to as amounts of "unfunded liability".

It may be noted that the unfunded value of accrued benefits as shown in the balance sheet reflects the amount of such benefits projected by the salary scale and cost of living assumptions used in the actuarial valuation. Therefore, the amount of such accrued benefits is greater than the amount determined on salary experience to date of valuation, which would apply in the determination of the amount of accrued benefits applicable in the case of either employees terminating employment with vested benefits or termination of the plan. The "unfunded liability" is therefore not a proper measurement of past funding of accrued benefits for purposes not related to future contribution requirements under the retirement system, such as accrued benefit liabilities under the provisions of ERISA with respect to minimum vested benefits or plan termination insurance.

ACTUARIAL BALANCE SHEET - JUNE 30, 1975

<u>Assets</u> (expected income)	<u>State</u> <u>Employees</u>	<u>MTRA</u> <u>Teachers</u>	<u>Old System</u> <u>Teachers</u>	<u>All</u> <u>Employees</u>
(1) <u>Invested Assets</u>				
(a) Members contribution fund	\$ 48,982,528	\$ 63,391,159	\$ 816,914	\$113,190,601
(b) Retirement allowance fund	41,681,128	63,979,050	(66,969,056)	38,691,122
Value invested funds (a + b)	90,663,656	127,370,209	(66,152,142)	151,881,723
(2) <u>Future Contributions</u>				
(a) Future membership service	79,427,887	104,813,836	0	184,241,723
(b) Past membership service	155,967,050	164,392,936	44,468,621	364,828,607
(c) Prior service	19,825,631	28,316,510	82,875,552	131,017,693
Value contribution income (a + b + c)	255,220,568	297,523,282	127,344,173	680,088,023
(3) <u>Value Total Income</u> (1 + 2)	345,884,224	424,893,491	61,192,031	831,969,746
<u>Liabilities</u> (expected benefit payments)				
(1) <u>Active Employees</u>				
(a) Future membership service	79,427,887	104,813,836	0	184,241,723
(b) Past membership service	109,147,165	134,511,374	163,383	243,821,922
(c) Prior service	3,335,745	3,642,272	0	6,978,017
Value active benefits (a + b + c)	191,910,797	242,967,482	163,383	435,041,662
(2) <u>Retired Employees</u>				
(a) Past membership service	98,498,877	105,329,079	18,857,592	222,685,548
(b) Prior service	26,442,098	48,324,322	22,815,850	97,582,270
(c) Cost of living	29,032,452	28,272,608	19,355,206	76,660,266
Value retired benefits (a + b + c)	153,973,427	181,926,009	61,028,648	396,928,084
(3) <u>Value Total Benefits</u> (1 + 2)	345,884,224	424,893,491	61,192,031	831,969,746

2. Fiscal Year Experience

The experience during the fiscal period July 1, 1974 through June 30, 1975 as to items which affected the financial condition of the retirement system are discussed following in this subsection.

a) Investment Experience on Total Assets

i) Investment Rates

The rates of investment return for the fiscal period were as follows:

- (A) Fixed income - 8.04% on book basis
- (B) Stocks - 2.25% on book basis
- 3.56% with 5 year average market gains
- (C) All assets - 5.02% on book basis
- 5.67% on book plus 5 year average stock market gains, which is the asset base of the actuarial valuation.

ii) Capital Losses - \$13,243,412 book loss on sales of assets

The rate of investment return on all assets on a book basis plus 5 year average stock market gains, less the book loss on sales, was -1.26%.

b) Salary Scales

Average salaries increased 11.9% for state employees and 4.3% for teachers from the previous fiscal period, compared with the 3.5% actuarial assumption. Salaries used in the actuarial valuations are those for the preceding calendar year.

c) Retirement Age

The average retirement age decreased slightly during the fiscal period but was within 1 year of age 65 and the net financial effect was approximately the same as for the immediately preceding fiscal period.

d) Unfunded Accrued Benefit Reserve

The unfunded accrued benefit reserve as of June 30, 1975 was as follows:

<u>Employee Group</u>	<u>Unfunded Benefit Reserve(M)</u>	<u>Increase from 6/30/74(M)</u>	<u>Remaining Payment Period</u>
i) State	\$ 175,793	\$ 23,869	27.1 years
ii) MTRA Teachers	192,709	(2,758)	17.5
iii) State + MTRA Teachers	368,502	21,111	21.0
iv) OS Teachers	127,344	10,020	-
v) State + MTRA Teachers + OS Teachers	495,846	31,131	27.7

The increase in the state employees unfunded benefit reserve reflects the increased salary rate and investment losses. The unfunded reserve for MTRA teachers decreased slightly and would have decreased more except for investment losses.

The increase in the OS teachers unfunded reserve reflects the lack of contributions and investment charges on the asset deficit. However, the reserve for future payments to the retired OS teachers has commenced to decrease as there are no longer any additions to the number retired. If contributions to liquidate the OS teachers unfunded accrued benefit reserve over a 21 year period had commenced, as requested by the board of trustees, the remaining payment period for all employees would have been 27.4 years, a reduction of 1.4 years from the previous fiscal period.

It may be noted that, without any investment losses, the payment period for the unfunded accrued benefit reserve would have decreased by 1.3 years for state and MTRA teachers combined and by 1.7 years for all employees, as pointed out on page 3 hereof, which would have exceeded the 1 year actuarial assumption.

If the unfunded benefit reserve is determined for the purpose of evaluating the assets needed to provide for benefits based upon service and salaries to current date, i.e. vested benefits, the unfunded accrued benefit reserve indicated preceding would be reduced by approximately 1/3rd for combined state and MTRA teachers and by approximately 1/4th for all employees.

e) Survivor Benefits

Contributions are being made to the Survivor Benefit Fund to provide sufficient assets to meet the cost of benefits for persons currently in receipt of benefit. The experience for the last fiscal period did not change such contribution requirements.

SECTION CEMPLOYEE STATISTICS AS OF JULY 1, 1975

This section of the report presents certain compilations of the individual employee data which was used in the actuarial valuations.

1. Distribution of Active Employees (State and Teachers)

a) State Employees

Age Group	No.	Annual Salaries		Annual Retirement Benefits		Average Yrs. Serv. at Ret.
		Total	Average	Average	% Salaries	
i) <u>Males</u>						
65 & over	241	\$ 1,939,632	\$ 8,048	\$ 2,666	14 %	7
60 - 64	581	5,214,211	8,975	3,435	38	19
55 - 59	810	7,646,464	9,440	4,448	47	24
50 - 54	935	9,475,063	10,134	5,720	56	28
45 - 49	1071	10,943,998	10,218	6,569	64	32
40 - 44	961	9,709,361	10,103	6,955	69	34
35 - 39	833	8,064,796	9,682	7,194	74	37
30 - 34	1032	9,314,367	9,026	7,078	78	39
25 - 29	1198	8,363,178	6,981	5,791	83	41
24 & under	<u>744</u>	<u>2,810,874</u>	<u>3,778</u>	<u>3,343</u>	<u>88</u>	<u>44</u>
Total	8406	73,481,944	8,742	5,714	65	33
ii) <u>Females</u>						
65 & over	84	681,195	8,109	2,904	36	18
60 - 64	305	2,428,408	7,962	3,067	39	19
55 - 59	493	3,700,485	7,506	3,251	43	22
50 - 54	558	4,110,094	7,366	3,762	51	26
45 - 49	456	3,240,755	7,107	3,882	55	27
40 - 44	385	2,650,426	6,884	4,316	63	31
35 - 39	386	2,556,365	6,623	4,597	69	35
30 - 34	433	2,867,250	6,622	5,059	76	38
25 - 29	685	4,163,680	6,078	5,040	83	41
24 & under	<u>719</u>	<u>2,978,136</u>	<u>4,142</u>	<u>3,688</u>	<u>89</u>	<u>45</u>
Total	4504	29,376,794	6,522	4,081	63	31
iii) <u>All</u>						
65 & over	325	2,620,827	8,064	2,728	34	17
60 - 64	886	7,642,619	8,626	3,308	38	19
55 - 59	1303	11,346,949	8,708	3,995	46	23
50 - 54	1493	13,585,157	9,099	4,988	55	27
45 - 49	1527	14,184,753	9,289	5,766	62	31
40 - 44	1346	12,359,787	9,183	6,200	68	34
35 - 39	1219	10,621,161	8,713	6,371	73	37
30 - 34	1465	12,181,617	8,315	6,481	78	39
25 - 29	1883	12,526,858	6,653	5,518	83	41
24 & under	<u>1463</u>	<u>5,789,010</u>	<u>3,957</u>	<u>3,512</u>	<u>89</u>	<u>44</u>
Total	12910	102,858,738	7,967	5,144	65	32

b) Teachers

Age Group	No.	Annual Salaries		Annual Retirement Benefits		Average Yrs. Serv. at Ret.
		Total	Average	Average	% Salaries	
i) <u>Males</u>						
65 & over	41	\$ 391,373	\$ 9,546	\$ 4,140	43%	22
60 - 64	108	1,277,878	11,832	6,231	53	26
55 - 59	252	2,852,382	11,319	6,387	56	28
50 - 54	392	4,625,441	11,800	7,324	62	31
45 - 49	570	6,929,528	12,157	8,298	68	34
40 - 44	866	10,436,976	12,052	8,741	73	36
35 - 39	1062	11,994,887	11,295	8,661	77	38
30 - 34	1525	14,929,228	9,790	7,835	80	40
25 - 29	1923	14,653,434	7,620	6,342	83	42
24 & under	<u>413</u>	<u>2,305,521</u>	<u>5,582</u>	<u>4,783</u>	<u>86</u>	<u>43</u>
Total	7152	70,396,648	9,843	7,402	75	38
ii) <u>Females</u>						
65 & over	213	2,028,759	9,525	5,327	56	28
60 - 64	502	4,830,985	9,623	5,478	57	28
55 - 59	900	8,457,794	9,398	5,418	58	29
50 - 54	921	8,272,338	8,982	5,344	59	30
45 - 49	1036	8,836,529	8,529	5,335	63	31
40 - 44	1037	8,398,332	8,099	5,514	68	34
35 - 39	1137	9,251,339	8,137	6,034	74	37
30 - 34	1439	10,858,377	7,546	5,963	79	40
25 - 29	2900	20,126,236	6,940	5,806	84	42
24 & under	<u>1172</u>	<u>6,653,140</u>	<u>5,677</u>	<u>4,874</u>	<u>86</u>	<u>43</u>
Total	11257	87,713,829	7,792	5,589	72	36
iii) <u>All</u>						
65 & over	254	2,420,132	9,528	5,136	54	27
60 - 64	610	6,108,863	10,015	5,611	56	28
55 - 59	1152	11,310,176	9,818	5,630	57	29
50 - 54	1313	12,897,779	9,823	5,935	60	30
45 - 49	1606	15,766,057	9,817	6,387	65	33
40 - 44	1903	18,835,308	9,898	6,982	71	35
35 - 39	2199	21,246,226	9,662	7,303	76	38
30 - 34	2964	25,787,605	8,731	6,926	80	40
25 - 29	4823	34,779,670	7,211	6,020	83	42
24 & under	<u>1585</u>	<u>8,958,661</u>	<u>5,652</u>	<u>4,850</u>	<u>86</u>	<u>43</u>
Total	18409	158,110,477	8,589	6,293	73	37

c) Summary of All Active Employees

i)	Number of employees	31,319
ii)	Distribution by sex	50% male, 50% female
iii)	Annual salaries	\$ 260,969,215
iv)	Average annual salaries	\$ 8,333
v)	Average annual benefit	\$ 5,820
vi)	% benefits of salaries	70%
vii)	Average years service at retirement	35 years

2. Distribution of Retired Employees (State and Teachers)a) State Employees

Number of Employees		Average Annual Benefits			
		<u>Membership Service</u>	<u>Prior Service</u>	<u>Cost of Living</u>	<u>Total</u>
i) <u>Regular Benefits</u>					
F	899	\$ 1,847	\$ 464	\$ 625	\$ 2,935
M	1183	1,883	632	636	3,151
	<u>2082</u>	<u>1,867</u>	<u>559</u>	<u>631</u>	<u>3,058</u>
ii) <u>Option 1 Benefits</u>					
F	303	1,890	556	873	3,319
M	363	1,878	586	921	3,385
	<u>666</u>	<u>1,883</u>	<u>572</u>	<u>899</u>	<u>3,355</u>
iii) <u>Option 2 Benefits</u>					
F	326	1,688	618	812	3,118
M	427	1,953	588	452	2,993
	<u>753</u>	<u>1,838</u>	<u>601</u>	<u>608</u>	<u>3,047</u>
iv) <u>Option 3 Benefits</u>					
F	224	1,307	590	735	2,632
M	517	3,178	1,077	1,019	5,274
	<u>741</u>	<u>2,613</u>	<u>930</u>	<u>933</u>	<u>4,475</u>
v) <u>Option 4 Benefits</u>					
F	53	1,885	785	627	3,297
M	55	3,173	1,499	1,727	6,399
	<u>108</u>	<u>2,541</u>	<u>1,149</u>	<u>1,187</u>	<u>4,877</u>
vi) <u>Occupational Disability Benefits</u>					
F	11	2,076	283	1,113	3,472
M	40	3,810	75	1,110	4,994
	<u>51</u>	<u>3,436</u>	<u>120</u>	<u>1,110</u>	<u>4,666</u>
vii) <u>Regular Disability Benefits</u>					
F	20	2,260	111	429	2,800
M	59	2,536	199	500	3,243
	<u>79</u>	<u>2,466</u>	<u>176</u>	<u>482</u>	<u>3,125</u>
viii) <u>All Benefits</u>					
F	1836	1,767	526	713	3,006
M	2644	2,217	705	747	3,669
	<u>4480</u>	<u>2,033</u>	<u>632</u>	<u>733</u>	<u>3,398</u>

b) MTRA Teachers

<u>Number of Employees</u>		<u>Average Annual Benefits</u>			
		<u>Membership Service</u>	<u>Prior Service</u>	<u>Cost of Living</u>	<u>Total</u>
i) <u>Regular Benefits</u>					
F	2007	\$ 2,563	\$ 1,269	\$ 709	\$ 4,541
M	226	2,499	1,171	815	4,485
	<u>2233</u>	<u>2,557</u>	<u>1,259</u>	<u>720</u>	<u>4,535</u>
ii) <u>Option 1 Benefits</u>					
F	352	2,458	1,338	956	4,752
M	63	3,043	1,604	1,367	6,014
	<u>415</u>	<u>2,624</u>	<u>1,378</u>	<u>1,018</u>	<u>5,020</u>
iii) <u>Option 2 Benefits</u>					
F	154	2,318	1,110	729	4,157
M	168	3,225	1,294	728	5,247
	<u>322</u>	<u>2,791</u>	<u>1,206</u>	<u>728</u>	<u>4,725</u>
iv) <u>Option 3 Benefits</u>					
F	197	2,849	1,337	746	4,932
M	162	4,167	1,869	1,149	7,185
	<u>359</u>	<u>3,444</u>	<u>1,577</u>	<u>928</u>	<u>5,949</u>
v) <u>Option 4 Benefits</u>					
F	27	1,652	1,196	764	3,612
M	29	2,871	1,564	1,296	5,731
	<u>56</u>	<u>2,286</u>	<u>1,387</u>	<u>1,039</u>	<u>4,712</u>
vi) <u>Occupational Disability Benefits</u>					
F	4	899	1,947	2,018	4,865
M	2	5,835	-	926	6,762
	<u>6</u>	<u>2,545</u>	<u>1,298</u>	<u>1,654</u>	<u>5,497</u>
vii) <u>Regular Disability</u>					
F	49	2,540	622	493	3,655
M	18	4,125	158	444	4,727
	<u>67</u>	<u>2,966</u>	<u>497</u>	<u>480</u>	<u>3,943</u>
viii) <u>All Benefits</u>					
F	2790	2,556	1,262	743	4,561
M	668	3,208	1,398	937	5,543
	<u>3458</u>	<u>2,682</u>	<u>1,289</u>	<u>780</u>	<u>4,751</u>

c) Old System Teachers

<u>Number of Employees</u>		<u>Average Annual Benefits</u>			
		<u>Membership Service</u>	<u>Prior Service</u>	<u>Cost of Living</u>	<u>Total</u>
i) <u>Regular Benefits</u>					
F	1572	\$ 943	\$ 1,413	\$ 1,172	\$ 3,528
M	84	1,168	1,781	1,678	4,627
	<u>1656</u>	<u>955</u>	<u>1,432</u>	<u>1,198</u>	<u>3,572</u>
ii) <u>Option 1 Benefits</u>					
F	299	1,462	1,635	1,597	4,694
M	20	2,041	1,564	1,526	5,131
	<u>319</u>	<u>1,498</u>	<u>1,631</u>	<u>1,593</u>	<u>4,722</u>
iii) <u>Option 2 Benefits</u>					
F	93	1,131	1,295	1,178	3,604
M	40	715	921	881	2,517
	<u>133</u>	<u>1,005</u>	<u>1,183</u>	<u>1,089</u>	<u>3,277</u>
iv) <u>Option 3 Benefits</u>					
F	110	1,340	1,366	1,226	3,932
M	41	1,310	1,814	1,709	4,833
	<u>151</u>	<u>1,332</u>	<u>1,488</u>	<u>1,357</u>	<u>4,177</u>
v) <u>Option 4 Benefits</u>					
F	26	1,013	1,271	799	3,083
M	19	1,648	1,969	1,789	5,406
	<u>45</u>	<u>1,281</u>	<u>1,566</u>	<u>1,217</u>	<u>4,064</u>
vi) <u>Occupational Disability</u>					
F	1	1,691	2,991	1,128	5,810
M	-	-	-	-	-
	<u>1</u>	<u>1,691</u>	<u>2,991</u>	<u>1,128</u>	<u>5,810</u>
vii) <u>All Benefits</u>					
F	2101	1,049	1,436	1,231	3,716
M	204	1,238	1,615	1,523	4,376
	<u>2305</u>	<u>1,066</u>	<u>1,452</u>	<u>1,257</u>	<u>3,765</u>

d) Summary of All Retired Employees

i)	Number of employees	10,243
ii)	Annual benefits	\$40,329,082
iii)	Average annual benefit	\$3,937
iv)	Distribution by sex	males 34%, females 66%
v)	Distribution by option:	
-	no option	= 58%
-	option 1	= 14
-	option 2	= 12
-	option 3	= 12
-	option 4	= 2
-	occupational disability	= 1
-	regular disability	= 1
vi)	Distribution of benefit credits:	
-	membership credit	= 53%
-	prior service credit	= 27
-	cost of living benefits	= 20

The cost of living benefits have thus increased
the regular plan benefits by 25%.

3. Distribution of Participating District Employees

a) Number of districts	202
b) Number of active employees	9,759
c) Annual salaries	\$64,034,539
d) Average annual salary	\$6,562
e) Distribution of districts by membership credit:	
i) 1/50th	67% of districts
ii) 1/60th	31% of districts
iii) 1/70th	2% of districts
f) Districts with special benefits	16% of districts
g) Retired employees:	
i) Districts with retired employees	67% of districts
ii) Number of retired employees	1,848
iii) Average annual retirement benefit	\$2,634
iv) Retired employees with retirement allowance adjustments	73% of total retired
v) Percentage of retirement allowance adjustment of total benefits for employees with the adjustment.	18%

SECTION D
ACTUARIAL ASSUMPTIONS

The actuarial assumptions upon which the valuation as of June 30, 1975 was based were adopted by the board of trustees under date of December 14, 1972. The assumptions are presented following in this section of the report.

1. Amount of Benefits

a) Benefit formula

current law .

b) Salary scales

sample ratios of final salary to current salary:

<u>Age</u>	<u>Male</u>	<u>Female</u>
20	3.73	3.02
30	2.32	2.14
40	1.59	1.55
50	1.20	1.20
60	1.01	1.01

scales are compounded with cost of living adjustment and a net increase of $3\frac{1}{2}\%$ is used for all ages.

c) Cost of living adjustment

2% per year before and after retirement.

2. Probability of Receipt of Benefits

a) Mortality rates

a - 49 Mortality table with rates set ahead 2 years for males, set back 5 years for females before retirement and set ahead 2 years after retirement.

b) Disability rates

sample annual probabilities of disablement:

<u>Age</u>	<u>Probability</u>
20	.001
30	.002
40	.004
50	.010
60	.029

c) Withdrawal rates

sample annual probabilities of withdrawal for
5 or more years of service are as follows:

<u>Age</u>	<u>Rate of Withdrawal</u>
20	.08
30	.07
40	.05
50	.03
60	.00

d) Retirement age

65 or earliest normal retirement date for
special groups.3. Investment Incomea) Rates of future income

- i) new investments $6\frac{1}{2}\%$ for fixed income and equities.
- ii) current assets 8.04% for fixed income and $6\frac{1}{2}\%$ for equities

Based on the July 1, 1975 valuation, current assets constituted 19% of the value of total assets for all employees and new investments 81%. Fixed income investments were 46% of current assets. Therefore, the average yield assumption was 6.63%.

b) Value of investments

i) fixed income

book value

ii) equities

cost adjusted by spreading market gains
and losses over 5 years.

4. Contributionsa) Employees

6½% of compensation except 7½% for certain
special state employee groups.

b) State

normal cost plus accrued benefit contribution.
provided by additional employer contributions.

5. Administrative Expenses6. Funding Method

entry age cost method with liquidation of
accrued benefit liability over period of years.

SECTION E

OUTLINE OF BENEFIT PROVISIONS

An outline of the conditions under which benefits become payable in accordance with the provisions of the Retirement System is presented in this section of the report. Benefits become available when an employee's status is changed for the following reasons:

1. Retirement from employment under
 - a) Normal, mandatory or early conditions,
 - b) Ordinary disability conditions, or
 - c) Occupational disability conditions.
2. Death while
 - a) In active employment, or
 - b) After retirement; and
3. Termination of employment before retirement when
 - a) Retirement benefits are vested, or
 - b) No benefits except refund of employee contributions are payable.

The provisions are based upon the retirement system laws in effect July 1, 1975 and therefore do not reflect changes that have been enacted to become effective on or after January 1, 1976.

I - BASES FOR BENEFITS

Employee
Classification

Compensation

Years of Service Credits

- | | | |
|---|---|---|
| 1. State employees and teachers | average during 3 highest years, not necessarily consecutive | The following service credits are provided for state employees and teachers and may be chosen by any political subdivision: |
| 2. Political subdivision employees -regular benefits | same as 1 or may be 5 year average | 1. Service prior to commencement of system. |
| 3. Special early retirement benefits : | | 2. Service while member contributes. |
| a) State police | annual salary at retirement | 3. Out of state service - with any other state or political subdivision; members pay regular contributions or entire cost. |
| b) Law enforcement - Inland Fisheries and Game or Sea and Shore fisheries | same as a) | 4. Military service - members pay regular contributions or none. |
| c) Forest rangers | same as a) | 5. Federal employment service - members pay regular contributions. |
| d) Law enforcement - Maine State Prison | same as 1 | 6. Private and parochial school credit - members pay entire cost. |
| e) Airplane pilots | same as a) | |
| f) Liquor inspectors | may be same as a) or annual rate at retirement | |
| g) Political subdivisions | | |

II -

RETIREMENT CONDITIONS

Employee Classification					
	Normal Retirement	Mandatory Retirement	Early Retirement	Disability Retirement Regular	Disability Retirement Occupational
State employees and teachers	age 60	age 70, unless extended	25 yrs service before age 60	10 yrs service before age 60	anytime while in service
Special classifications					
a) State police	20 yrs	age 55, exceptions	same as normal	same as 1	same as 1
b) Law enforcement - Inland Fisheries and Game or Sea and Shore Fisheries	20 yrs	age 55 or later 20 yrs, exceptions	"	"	"
c) Forest rangers	25 yrs and age 50	age 60 or later 25 yrs up to age 63	"	"	"
d) Law enforcement - Maine State Prison	20 yrs and age 50	age 60, unless extended	"	"	"
e) Airplane pilots	25 yrs and age 55	age 60, unless extended	"	"	"
f) Liquor inspectors	25 yrs and age 55	age 65, exceptions to age 70	"	"	"
g) Political subdivisions - all or only policemen or firemen	20 to 25 yrs or may, for policemen or firemen, be 25 yrs and age 55	same as 1	"	"	"

III -

BENEFIT FORMULAS

Employee Classification					
	Normal Retirement	Mandatory Retirement	Early Retirement	Disability Retirement Regular	Occupational
a) State employees and teachers	2% of pay per yr service; e.g. - 10 yrs - 20% 20 40 25 50 35 70 50 100 - \$100 minimum, 10 yrs service	normal retirement formula	normal retirement formula, reduced by age, e.g. - 25 yrs service, 50% reduced to age % 55 44 50 39 45 35	90% normal retirement formula, with adjustments; e.g. age 25 at employment, age % 35 25 40 27 55 60	66-2/3% of average final pay, reduced by workmen's compensation benefits
- teachers only		1-2/3% for yrs before 1942			
b) Political subdivision employees - regular benefits	same as a) or 1-2/3% per yr or 1-3/7% per yr	same as a)	same as a) or 30 yrs service	same as a)	same as a)
c) Special classifications					
i) State group	50% of pay	normal retirement formula	same as normal	same as a)	same as a)
ii) Political subdivisions	50% of pay may be 66-2/3% for policemen or firemen	normal retirement formula	same as normal	same as a)	same as a)

IV -

OPTIONAL METHODS OF RETIREMENT PAYMENT

An employee may elect to receive his retirement allowance, normally payable only during his lifetime, under one of the following methods of payment:

- | | |
|----------------------------|--|
| 1. Cash refund option | a reduced allowance with refund at death if payments have not totalled employee contributions. |
| 2. 100% survivor option | a reduced allowance which is continued to another person after the employee's death. |
| 3. 50% survivor option | a reduced allowance 50% of which is continued to another person after the employee's death. |
| 4. Equivalent value option | benefits paid under some arrangement of equal value, as agreed to by the Board of Trustees. |

V -

COST OF LIVING ADJUSTMENTS

Upon each general adjustment in state employees' salaries the then amount of allowance being paid to a retired member or a beneficiary is increased or decreased by the percentage of salary adjustment.

These adjustments apply to all state and teacher employees and to participating district employees if elected by a district.

VI - DEATH BENEFITS

Conditions for
Death Benefits

Employee Contribution Refund	Group Life Insurance	Survivor Benefits
------------------------------------	----------------------	-------------------

1. Death In Active Employmenta) Before eligibility for
retirement

i) <u>Ordinary death</u>	yes	1 or 2 yrs salary	\$100 to \$300 per month, lieu of contribution refund
ii) <u>Service connected death</u> - all employees	yes	same as ordinary	same as ordinary plus contribution refund
- state police, fisheries and game,	no	same as ordinary	66-2/3% to 100% salary, lieu of other benefits
- policemen and firemen	yes	same as ordinary	50% of salary plus contribution refund, lieu of other benefits

b) After eligibility for retirement same as before eligibility for retirement except survivors benefits based on option 3 or 4 of retirement payment methods

2. Death After Retirementa) Regular retirement

- all employees	if elected under option	1 yrs salary reducing to 25% at age 70; 10 yrs service required, exceptions	if elected under option
- state police, fisheries and game, political subdivision election	no	same as above	50% of allowance to widow without option 3 reduction; political subdivision includes children

b) Ordinary disability

- all employees	yes	same as regular retirement	if elected under option
- special groups	no	same as regular retirement	same as regular retirement

c) Occupational disability

- all employees	no	same as regular retirement except benefits reduced after age 60 and no yrs of service required	if elected under option
- special groups	no	same as regular retirement	same as regular retirement

VII -

TERMINATION OF EMPLOYMENT BEFORE RETIREMENT



Members contributions with interest credits are refunded except no interest is credited for any period beyond 5 years after termination of employment.

Retirement benefits will commence at age 60 based upon credited service and compensation during employment, unless member withdraws contributions prior to the commencement of benefits.

VIII -

EMPLOYEE CONTRIBUTIONS

Employee contribution rates are currently as follows:

<u>Classification</u>	<u>Employee Contribution Rate</u>
Law enforcement officers, including state police, forest rangers, wardens and prison guards	7.5%
Other state groups and teachers	6.5
Political subdivisions	6.5, 5 or 8

PAINE
WEBBER
JACKSON
& CURTIS
INCORPORATED

Established 1879 Members New York Stock Exchange, Inc. and other Principal Exchanges

140 Broadway, New York, N.Y. 10005 (212) 437-2121

October 2, 1975

Board of Trustees
Maine State Retirement System
Capitol Building
Augusta, Maine 04330

Dear Board Member:

The fiscal year 1975 for the Maine State Retirement System saw, in retrospect, the bottom of the bear market as well as the current peak or near peak of its return. Postured as the portfolios were with relative equal weight to fixed income and equity, we tended to lag the upturn, but dampen the down cycle as well. The Board of Trustees feel, and properly so in our opinion, that long term equity representation in the portfolio is judicious in prudent proportions. As such, the Maine State Retirement System tends to reflect that policy.

In our role as consultant to the Board on matters relating to evaluation and monitoring of its investment managers, the following comparisons are presented:

	Total Annual Time Weighted Rates of Return on a Fiscal Year Basis Ending June 30	
	<u>1975</u>	<u>1974</u>
MSRS	11.88%	-11.80%
Treasury Bills	6.80	7.83
Salomon Bond Index	14.97	-7.25
Dow Jones Industrials	15.49	-6.26
Moody's Composite Bond Index	3.17	-4.87
S&P 500	16.10	-14.53
S&P 425	14.67	-13.80
*Wiesenberger Balanced Funds	15.08	-9.81
NYSE Composite	18.80	-15.17
*Wiesenberger Growth Current Income Funds	19.65	-12.69
*Wiesenberger Maximum Capital Gains Funds	25.10	-15.92

* The Wiesenberger base includes 185 mutual funds with assets exceeding \$25.5 billion.

October 2, 1975

The past year has been favorable to both stocks and bonds, and as such to the MSRS which was up almost 12 per cent. The future perspective of the Board favors in part, long term historic evidence that equity has outperformed fixed income. With recognition of the size of the assets as well as the degrees of responsibility, investment timing on a massive scale, good or bad, is not envisioned. As such, within constraints this means the fund will be positioned to participate in the United States economy of the years ahead. Short term monitoring is therefore tempered by a long term goal and desired results.

Sincerely,



William J. Crerend
Vice President

WJC/ms

cc: William Blodgett, Executive Director

MAINE STATE RETIREMENT SYSTEM

Investment Performance
Time Weighted Rates of Return on a Fiscal Year Basis
Year Ending June 30

	<u>1975</u>	<u>1974</u>
Alliance Capital		
Equity	10.12%	-11.92%
Fixed	11.47%	-5.71%
Total	10.65%	-9.78%
 Putnam Advisory Co.		
Equity	19.61%	-13.85%
Fixed	9.96%	-1.00%
Total	16.47%	-10.00%
 S&P/Alliance/Putnam		
Equity	10.41%	-19.40%
Fixed	5.00%	-7.97%
Total	8.42%	-15.57%
 Total Maine State	11.88%	-11.80%

MAINE STATE RETIREMENT SYSTEM
Comparative Balance Sheet
at June 30

		ASSETS		Increase or (Decrease)
		1975	1974	
Investments:				
Bonds	Note I	\$ 66,288,625.14	\$ 71,572,486.94	\$ (5,283,861.80)
Stocks				
Common	Note II	102,011,423.31	94,879,611.68	7,131,811.63
Preferred	Note II	950,000.00	-	950,000.00
		<u>102,961,423.31</u>	<u>94,879,611.68</u>	<u>8,081,811.63</u>
Mortgages	Note III	11,793,055.16	13,104,386.29	(1,311,331.13)
Cash - Time Deposits		<u>7,354,000.00</u>	<u>9,290,000.00</u>	<u>(1,936,000.00)</u>
Total Investments		<u>188,397,103.61</u>	<u>188,846,484.91</u>	<u>(449,381.30)</u>
Other Assets:				
Cash (Demand Deposit)		865,589.95	986,785.06	(121,195.11)
Cash (Fiduciary)		1,410,639.63	772,333.45	638,306.18
Emergency Refund Account		5,000.00	5,000.00	-
Accounts Receivable (Net)		<u>(443.36)</u>	<u>80,030.53</u>	<u>(80,473.89)</u>
Total Other Assets		<u>2,280,786.22</u>	<u>1,844,149.04</u>	<u>436,637.18</u>
Total Assets		<u>\$190,677,889.83</u>	<u>\$190,690,633.95</u>	<u>\$ (12,744.12)</u>

TRUST RESERVES AND LIABILITIES

Trust Reserves:				
Members Contribution Fund-Current		\$132,416,995.72	\$115,109,699.45	\$ 17,307,296.27
Members Contribution Fund-Prior		816,913.68	1,047,853.92	(230,940.24)
Retirement Allowance Fund		80,415,212.96	84,321,665.88	(3,906,452.92)
Survivor Benefit Fund		5,428,003.98	4,526,448.45	901,555.53
Retirement Allowance Adj. Fund		(1,779,009.74)	(1,037,805.13)	(741,204.61)
Reserve Against Future Losses		<u>(26,823,886.43)</u>	<u>(13,580,474.41)</u>	<u>(13,243,412.02)</u>
(Net Loss)				
Total Trust Reserves		<u>190,474,230.17</u>	<u>190,387,388.16</u>	<u>86,842.01</u>
Liabilities:				
Accounts Payable		147,010.57	231,103.91	(84,093.34)
Reserve for Expenditures		56,581.86	72,135.38	(15,553.52)
Blue Cross & Blue Shield		-	6.50	(6.50)
Due to other Funds		<u>67.23</u>	<u>-</u>	<u>67.23</u>
Total Liabilities		<u>203,659.66</u>	<u>303,245.79</u>	<u>(99,586.13)</u>
Total Trust Reserves and Liabilities		<u>\$190,677,889.83</u>	<u>\$190,690,633.95</u>	<u>\$ (12,744.12)</u>

Note I Cost less ratable amortization
Note II Cost
Note III Cost less principal received and 1/15 discount

Book Value of Investments per
Northeast Bank of Lewiston & Auburn, Maine \$189,551,411.11
DEDUCT:
Amortization of bond premiums 3,199.23
Trade-date Items not Settled 1,151,108.27

Book Value of Investments per Maine State Retirement System \$188,397,103.61

Market Value of Securities, June 30, 1975

	PUTNAM	ALLIANCE	NORTHEAST BANK	TOTAL
Bonds	\$39,299,438.55	\$20,278,898.75	\$ 5,206,000.00	\$ 64,784,337.30
Stocks-Common	40,432,225.00	68,411,250.12	-	108,843,475.12
Stocks-Preferred	1,017,125.00	-	-	1,017,125.00
Mortgages	-	-	*11,793,055.16	11,793,055.16
Cash-Time Deposits	-	4,450,000.00	2,904,000.00	7,354,000.00
Total	<u>\$80,748,788.55</u>	<u>\$93,140,148.87</u>	<u>\$19,903,055.16</u>	<u>\$193,791,992.58</u>

*Book Value - Market Value not Available/Custodial Service Only

¹Unfunded Accrued Benefits (Liability) as of June 30, 1975 \$495,846,300

²Included in the Unfunded Benefits (Liability ¹) is an amount of \$63,224,966.30, representing benefit payments to "non-contributory" teachers in excess of funding which is considered payable by the State of Maine.

MAINE STATE RETIREMENT SYSTEM

Investments - Bonds - By Issuer

June 30, 1975

Alliance Capital Management Corp.

<u>Par Value</u>	<u>Security</u>	<u>Market Value</u>	<u>Book Value</u>
	<u>U.S. GOVERNMENT</u>		
2,800M	U. S. Treasury Bonds	\$ 2,810,199.00	\$ 2,779,115.90
45	U. S. Treasury Bills	44,683.20	44,662.00
<u>2,845</u>	<u>TOTAL U. S. GOVERNMENT</u>	<u>2,854,882.20</u>	<u>2,823,777.90</u>
	<u>CORPORATE & OTHER</u>		
1,000	American Telephone & Telegraph Co.	838,750.00	862,815.00
500	Atlantic Richfield Co.	445,000.00	455,035.00
500	Bell Telephone Co. of Pa.	530,000.00	535,953.32
500	Beneficial Corp.	406,250.00	498,250.00
25	Chicago Rock Island & Pacific RR Co.	16,656.25	25,000.00
500	Chrysler Corp.	331,250.00	500,000.00
500	Cities Service Co.	370,000.00	372,701.00
500	Dow Chemical Co.	412,500.00	409,025.00
500	FMC Corp.	510,625.00	495,000.00
500	Federated Department Stores, Inc.	440,000.00	446,850.00
505	Ford Motor Credit Co.	505,000.00	505,000.00
750	General Motors Acceptance Corp.	750,000.00	749,062.50
135	General Electric Credit Corp.	135,000.00	135,000.00
750	Household Finance Corp.	626,250.00	606,892.50
300	Montreal Canada	209,625.00	253,410.00
500	Mountain States Telephone & Telegraph Co.	440,000.00	432,865.00
1,000	New Jersey Bell Telephone Co.	683,750.00	769,845.00
500	Northern States Power Co. of Minn.	350,625.00	427,750.00
750	Owens Ill., Inc.	650,625.00	721,825.86
1,000	Pacific Gas & Electric Co.	945,315.00	943,393.75
500	Philip Morris Inc.	500,625.00	498,750.00
350	Proctor & Gamble Co.	345,625.00	340,607.00
600	Public Service Co. of Colo.	480,378.00	579,385.00
250	Quebec Hydro Electric Comm.	267,500.00	250,000.00
100	Ryder System, Inc.	82,000.00	99,250.00
640	Seaboard Air Line RR Co.	403,200.00	468,593.25
1,250	South Central Bell Telephone Co.	1,165,000.00	1,137,820.00
500	Southern California Edison Co.	385,625.00	432,815.00
500	Southwestern Bell Telephone Co.	385,625.00	432,225.00
500	Southwestern Electric Power Co.	415,625.00	510,652.72
500	Standard Oil Co. of Ind.	491,250.00	495,000.00
750	Sun Oil Co.	630,000.00	604,395.00
250	Tenneco Inc.	254,062.50	250,000.00
500	Texaco Inc.	455,625.00	467,830.00
200	Texas Power & Light Co.	170,500.00	198,000.00
500	Union Oil Co. of Calif.	399,375.00	383,760.00
500	United States Gypsum Co.	455,000.00	448,210.00
<u>19,605</u>	<u>TOTAL CORPORATE & OTHER</u>	<u>16,884,236.75</u>	<u>17,742,966.90</u>
<u>22,450</u>	<u>TOTAL BONDS</u>	<u>19,739,118.95</u>	<u>20,566,744.80</u>

Alliance Capital Management Corp. - No. 2 Stock Account

	<u>U. S. GOVERNMENT</u>		
60	U. S. Treasury Bills	59,779.80	59,772.00
<u>60</u>	<u>TOTAL U. S. GOVERNMENT</u>	<u>59,779.80</u>	<u>59,772.00</u>
	<u>CORPORATE & OTHER</u>		
330	Ford Motor Credit Corp.	330,000.00	330,000.00
150	General Electric Credit Corp.	150,000.00	150,000.00
<u>480</u>	<u>TOTAL CORPORATE & OTHER</u>	<u>480,000.00</u>	<u>480,000.00</u>
<u>540</u>	<u>TOTAL BONDS</u>	<u>539,779.80</u>	<u>539,772.00</u>

The Putnam Advisory Co., Inc. - No. 2

<u>Par Value</u>	<u>Security</u>	<u>Market Value</u>	<u>Book Value</u>
	<u>CORPORATE & OTHER</u>		
250	Aluminum Co. of America	\$ 258,125.00	\$ 250,000.00
2,905	American Telephone & Telegraph Co.	1,809,675.00	2,015,227.00
150	Atlantic Richfield Co.	133,500.00	139,449.00
300	Baltimore Gas & Electric Co.	176,250.00	302,199.75
1,000	Bankamerica Corp.	888,750.00	908,330.00
500	CPC International, Inc.	387,500.00	395,050.00
750	Carolina Power & Light Co.	600,312.50	749,125.00
200	Chesapeake & Potomac Telephone Co.	168,000.00	169,926.00
1,000	Columbia Gas System, Inc.	1,010,000.00	960,000.00
1,000	Commonwealth Edison Co.	860,000.00	887,410.00
750	Consolidated Foods Corp.	660,000.00	646,890.00
650	Corning Glass Works	593,125.00	595,725.50
450	Du Pont E I De Nemours & Co.	456,187.50	450,000.00
500	Esmark, Inc.	498,125.00	497,500.00
500	Florida Power & Light Co.	505,625.00	481,250.00
58	Ford Motor Credit Co.	58,000.00	57,895.28
1,106	General Electric Credit Corp.	1,053,179.40	1,049,446.11
235	Household Finance Corp.	200,043.75	200,299.80
800	Kraftco Corp.	777,000.00	773,900.50
750	Michigan Wisconsin Pipe Line Co.	754,687.50	692,812.50
500	Mobil Oil Corp.	445,000.00	453,125.00
400	New York Telephone Co.	398,000.00	397,000.00
500	Pacific Northwest Bell Telephone Co.	300,000.00	411,750.00
900	Procter & Gamble Co.	810,000.00	775,327.00
700	Public Service Electric & Gas Co.	651,000.00	659,670.00
750	Richardson Merrell, Inc.	756,562.50	750,000.00
500	Rohm & Haas Co.	515,000.00	494,295.00
750	Sohio BP Trans Alaska	768,750.00	750,000.00
550	Southern California Edison Co.	511,846.50	500,343.00
275	Southern Countries Gas Co. of Calif.	179,437.50	257,748.30
750	Southwestern Bell Telephone Co.	518,437.50	557,167.50
750	Texas Electric Service Co.	789,375.00	748,125.00
750	Xerox Corp.	735,937.50	748,125.00
<u>21,929</u>	<u>TOTAL CORPORATE & OTHER</u>	<u>19,227,432.15</u>	<u>19,725,112.24</u>
<u>21,929</u>	<u>TOTAL BONDS</u>	<u>19,227,432.15</u>	<u>19,725,112.24</u>

The Putnam Advisory Co., Inc. - No. 1

	<u>U. S. GOVERNMENT</u>		
970	Government National Mortgage Assn.	901,930.34	893,698.84
<u>970</u>	<u>TOTAL U. S. GOVERNMENT</u>	<u>901,930.34</u>	<u>893,698.84</u>
	<u>STATE & MUNICIPAL</u>		
75	Biddeford & Saco Water Co.	65,250.00	75,000.00
<u>75</u>	<u>TOTAL STATE & MUNICIPAL</u>	<u>65,250.00</u>	<u>75,000.00</u>
	<u>CORPORATE & OTHER</u>		
200	Aluminum Co. of America	206,500.00	200,000.00
500	American Can Co.	427,815.00	444,385.00
1,050	Atlantic Richfield Co.	934,500.00	926,070.00
500	Bethlehem Steel Corp.	487,500.00	479,812.50
500	Cities Service Co.	370,000.00	385,435.00
700	Commonwealth Edison Co.	602,000.00	626,486.00
750	Corning Glass Works	684,375.00	730,147.50
500	Esmark Inc.	498,125.00	497,500.00
462	Ford Motor Credit Corp.	461,552.37	460,467.66
744	General Electric Credit Corp.	741,498.55	733,337.45
814	General Motors Acceptance Corp.	772,875.88	728,982.19
450	Gulf States Utilities Co.	393,187.50	407,754.00
900	Illinois Bell Telephone Co.	824,625.00	782,190.00
775	Kraftco Corp.	752,718.75	772,247.70
300	Lone Star Gas Co.	317,250.00	301,442.25
750	Louisiana Power & Light Co.	614,062.50	612,420.00
1,000	Mobil Oil Corp.	890,000.00	901,150.00
500	New Jersey Bell Telephone Co.	423,750.00	427,560.00

The Putnam Advisory Co., Inc. - No. 1 - continued

<u>Par Value</u>	<u>Security</u>	<u>Market Value</u>	<u>Book Value</u>
	<u>CORPORATE & OTHER</u>		
750	New York Telephone Co.	\$ 667,500.00	\$ 768,805.22
500	Northern States Power Co. of Minn.	460,625.00	463,150.00
300	Northern States Power Co. of Wis.	256,125.00	255,042.00
525	Owens Ill., Inc.	519,093.75	521,062.50
500	Pacific Power & Light Co.	395,625.00	422,765.00
500	Pfizer, Inc.	489,375.00	496,250.00
500	Philip Morris, Inc.	490,000.00	476,295.00
750	Procter & Gamble Co.	675,000.00	645,090.00
500	Rohm & Haas Co.	515,000.00	494,295.00
334	Sears Roebuck Accept. Corp.	332,154.26	316,128.29
750	Shell Oil Co.	552,187.50	568,810.00
700	South Central Bell Telephone Co.	567,875.00	588,397.00
300	Sperry Rand Corp.	267,000.00	267,930.00
400	Standard Oil Co. of Ind.	417,000.00	400,000.00
250	Texas Electric Service Co.	263,125.00	249,375.00
500	Texas Power & Light Co.	425,625.00	425,785.00
500	United States Gypsum Co.	455,000.00	475,625.00
500	United States Steel Corp.	450,000.00	456,105.00
500	Western Electric Inc.	450,000.00	490,000.00
84	Woodland Water & Electric	54,180.00	84,000.00
<u>21,038</u>	<u>TOTAL CORPORATE & OTHER</u>	<u>19,104,826.06</u>	<u>19,282,297.26</u>
<u>22,083</u>	<u>TOTAL BONDS</u>	<u>20,072,006.40</u>	<u>20,250,996.10</u>

Benefit Reserve Account

	<u>CORPORATE & OTHER</u>		
1,400	Ford Motor Credit Co.	1,400,000.00	1,400,000.00
2,178	General Electric Credit Corp.	2,178,000.00	2,178,000.00
1,128	General Motors Acceptance Corp.	1,128,000.00	1,128,000.00
500	Prullease Inc.	500,000.00	500,000.00
<u>5,206</u>	<u>TOTAL CORPORATE & OTHER</u>	<u>5,206,000.00</u>	<u>5,206,000.00</u>
<u>5,206</u>	<u>TOTAL BONDS</u>	<u>5,206,000.00</u>	<u>5,206,000.00</u>
<u>72,208</u>	<u>TOTAL BONDS ALL ACCOUNTS</u>	<u>\$64,784,337.30</u>	<u>\$66,288,625.14</u>

Detail of above holdings by issuer on file in the office of the Maine State Retirement System and is available upon request.

MAINE STATE RETIREMENT SYSTEM

Investments - Stocks

June 30, 1975

Alliance Capital Management Corp. No. 1

<u>Shares</u>	<u>Security</u>	<u>Market Value</u>	<u>Book Value</u>
	<u>Common Stocks</u>		
	<u>CREDIT RELATED</u>		
30,000	Citicorp	\$ 1,155,000.00	\$ 831,888.00
20,000	Communications Satellite Corp.	872,500.00	784,493.60
	TOTAL CREDIT RELATED	2,027,500.00	1,616,381.60
	<u>CONSTRUCTION</u>		
25,000	Georgia Pacific Corp.	1,131,250.00	946,290.01
15,000	Weyerhaeuser Co.	626,250.00	411,761.16
	TOTAL CONSTRUCTION	1,757,500.00	1,358,051.17
	<u>ENERGY</u>		
15,000	Exxon Corp.	1,387,500.00	1,361,869.00
15,000	Kerr McGee Corp.	1,370,625.00	880,252.80
16,000	Phillips Pete Co.	952,000.00	583,520.75
	TOTAL ENERGY	3,710,125.00	2,825,642.55
	<u>CONSUMER</u>		
25,000	General Mills, Inc.	1,253,125.00	878,294.62
16,000	Eastman Kodak Co.	1,652,000.00	2,059,783.30
32,000	Philip Morris, Inc.	1,708,000.00	1,989,209.58
30,000	CBS, Inc.	1,552,500.00	1,664,321.05
20,000	Gannett, Inc.	730,000.00	632,860.11
52,500	Kresge SS Co.	1,686,562.50	1,859,375.00
25,000	McDonalds Corp.	1,425,000.00	1,373,705.02
	TOTAL CONSUMER	10,007,187.50	10,457,548.68
	<u>DRUGS & MEDICAL</u>		
25,000	American Home Products Corp.	1,043,750.00	802,788.07
12,000	Lilly Eli & Co.	940,500.00	745,160.87
22,000	Schering Plough Corp.	1,281,500.00	1,644,546.74
10,000	Johnson & Johnson	973,750.00	836,458.32
	TOTAL DRUGS & MEDICAL	4,239,500.00	4,028,954.00
	<u>SCIENCE & TECHNOLOGY</u>		
16,000	Burroughs Corp.	1,712,000.00	1,776,201.00
12,000	International Business Machines Corp.	2,508,000.00	2,945,381.40
12,000	Texas Instruments, Inc.	1,333,500.00	827,308.92
10,667	Xerox Corp.	748,023.37	993,563.06
20,000	Minnesota Mining & Manufacturing Co.	1,345,000.00	958,449.16
	TOTAL SCIENCE & TECHNOLOGY	7,646,523.37	7,500,903.54
	<u>INTERMEDIATE & CAPITAL GOODS</u>		
30,000	Dow Chemical Co.	2,692,500.00	755,284.29
40,000	Nalco Chemical Co.	1,310,000.00	1,186,884.56
20,000	Amax, Inc.	1,107,500.00	674,373.24
14,666	Emerson Electric Co.	586,640.00	623,065.71
25,000	General Electric Co.	1,315,625.00	1,124,470.21
10,000	Caterpillar Tractor Co.	668,750.00	663,030.00
20,000	Browning Ferris Industries, Inc.	160,000.00	485,627.00
12,000	Research Cottrell, Inc.	256,500.00	684,846.38
	TOTAL INTERMEDIATE & CAPITAL GOODS	8,097,515.00	6,197,581.39
	TOTAL COMMON STOCKS	37,485,850.87	33,985,062.93

Alliance Capital Management Corp. No. 2

	<u>Common Stocks</u>		
	<u>CREDIT RELATED</u>		
12,500	Bankers Trust Corp. of New York	479,687.50	791,665.75
25,000	Citicorp	962,500.00	981,558.81
24,600	American Telephone & Telegraph Co.	1,251,525.00	1,167,098.70
	TOTAL CREDIT RELATED	2,693,712.50	2,940,323.26

Alliance Capital Management Corp. No. 2 - Continued

<u>Shares</u>	<u>Security</u>	<u>Market Value</u>	<u>Book Value</u>
	<u>CONSTRUCTION</u>		
15,000	Weyerhaeuser Co.	626,250.00	411,736.04
	TOTAL CONSTRUCTION	626,250.00	411,736.04
	<u>ENERGY</u>		
8,200	Atlantic Richfield Co.	848,700.00	715,659.87
15,900	Phillips Pete. Co.	946,050.00	889,011.62
6,700	Standard Oil Co. of Ohio	512,550.00	318,079.25
8,586	Aztec Oil & Gas Co.	184,599.00	209,635.13
14,500	Texas Eastern Transmission Corp.	563,687.50	726,594.30
	TOTAL ENERGY	3,055,586.50	2,858,980.17
	<u>CONSUMER</u>		
10,600	Ford Motor Co.	435,925.00	762,984.98
10,100	General Motors Corp.	492,375.00	799,069.49
12,000	Eastman Kodak Co.	1,239,000.00	945,158.34
20,000	Philip Morris, Inc.	1,067,500.00	903,318.19
24,000	Capital Cities Communications, Inc.	1,032,000.00	813,153.56
35,000	Kresge SS Co.	1,124,375.00	1,180,028.40
20,000	McDonalds Corp.	1,140,000.00	1,207,514.80
9,700	Safeway Stores, Inc.	457,112.50	376,046.73
15,000	Disney Walt Productions	757,500.00	793,178.07
	TOTAL CONSUMER	7,745,787.50	7,780,452.56
	<u>DRUGS & MEDICAL</u>		
15,000	Lilly Eli & Co.	1,175,625.00	1,037,863.04
24,200	Searle G. D. & Co.	499,125.00	795,570.23
10,000	Johnson & Johnson	973,750.00	842,108.52
11,900	Medtronic, Inc.	478,975.00	655,600.00
	TOTAL DRUG & MEDICAL	3,127,475.00	3,331,141.79
	<u>SCIENCE & TECHNOLOGY</u>		
9,200	Burroughs Corp.	984,400.00	995,862.50
7,600	Digital Equipment Corp.	909,150.00	754,616.18
8,733	International Business Machines Corp.	1,825,197.00	2,367,269.17
10,000	Texas Instruments, Inc.	1,111,250.00	676,803.54
17,400	Watkins Johnson Co.	582,900.00	478,394.79
14,666	Xerox Corp.	1,028,453.25	1,756,082.41
14,100	Minnesota Mining & Manufacturing Co.	948,225.00	675,705.83
	TOTAL SCIENCE & TECHNOLOGY	7,389,575.25	7,704,734.42
	<u>INTERMEDIATE & CAPITAL GOODS</u>		
10,000	Dow Chemical Co.	897,500.00	576,536.43
20,000	Mallinckrodt, Inc.	1,050,000.00	913,750.00
20,000	Union Camp Corp.	1,372,500.00	1,064,497.10
20,000	Amax, Inc.	1,107,500.00	655,278.85
23,200	Bethlehem Steel Corp.	849,700.00	784,703.61
15,100	Caterpillar Tractor Co.	1,009,812.50	918,170.35
	TOTAL INTERMEDIATE & CAPITAL GOODS	6,287,012.50	4,912,936.34
	TOTAL COMMON STOCKS	30,925,399.25	29,940,304.58

The Putnam Advisory Company, Inc.

	<u>Common Stocks</u>		
	<u>CREDIT RELATED</u>		
38,000	Citicorp	1,463,000.00	1,109,198.03
4,500	General Reins Corp. of Del.	756,000.00	955,215.00
24,000	Jefferson Pilot Corp.	879,000.00	913,170.03
13,300	American Express Co.	578,550.00	580,612.50
	TOTAL CREDIT RELATED	3,676,550.00	3,558,195.56
	<u>CONSTRUCTION</u>		
20,000	Georgia Pacific Corp.	905,000.00	845,327.50
	TOTAL CONSTRUCTION	905,000.00	845,327.50
	<u>ENERGY</u>		
20,000	Mobil Oil Corp.	950,000.00	1,191,612.94
11,000	Atlantic Richfield Co.	1,138,500.00	1,060,865.87

The Putnam Advisory Company, Inc. - continued

<u>Shares</u>	<u>Security</u>	<u>Market Value</u>	<u>Book Value</u>
	<u>ENERGY - continued</u>		
13,500	Kerr McGee Corp.	1,233,562.50	971,027.80
28,000	Standard Oil Co. of Ind.	1,382,500.00	1,202,372.75
8,900	Halliburton Co.	1,668,750.00	1,340,621.75
15,000	Schlumberger LTD	1,305,000.00	852,127.53
23,500	Mapco, Inc.	1,051,625.00	684,552.68
	<u>TOTAL ENERGY</u>	<u>8,729,937.50</u>	<u>7,303,181.32</u>
	<u>CONSUMER</u>		
34,000	Philip Morris, Inc.	1,814,750.00	1,848,562.32
37,000	Kresge SS Co.	1,188,625.00	1,516,265.77
35,000	McDonalds Corp.	1,995,000.00	1,842,325.82
19,000	Delta Air Lines, Inc. of Del.	703,000.00	705,406.00
27,000	Yellow Flight System, Inc.	850,500.00	843,875.00
	<u>TOTAL CONSUMER</u>	<u>6,551,875.00</u>	<u>6,756,434.91</u>
	<u>DRUGS & MEDICAL</u>		
22,000	Bristol Myers Co.	1,515,250.00	1,383,027.19
14,000	Merck & Co., Inc.	1,190,000.00	1,123,833.21
34,000	Baxter Labs, Inc.	1,576,750.00	1,676,845.86
8,000	Johnson & Johnson	779,000.00	852,659.22
22,200	Medtronic, Inc.	893,550.00	947,744.35
	<u>TOTAL DRUG & MEDICAL</u>	<u>5,954,550.00</u>	<u>5,984,109.83</u>
	<u>SCIENCE & TECHNOLOGY</u>		
18,800	Burroughs Corp.	2,011,600.00	2,013,504.15
13,000	Digital Equipment Corp.	1,555,125.00	1,174,456.74
4,500	International Business Machines Corp.	940,500.00	1,090,132.20
12,000	National Semiconductor Corp.	523,500.00	418,220.98
11,000	Texas Instruments, Inc.	1,222,375.00	928,579.18
11,700	Xerox Corp.	820,462.50	1,199,156.01
	<u>TOTAL SCIENCE & TECHNOLOGY</u>	<u>7,073,562.50</u>	<u>6,824,049.26</u>
	<u>INTERMEDIATE & CAPITAL GOODS</u>		
10,000	Betz Labs, Inc.	435,000.00	434,375.00
17,000	Dow Chemical Co.	1,525,750.00	1,061,076.85
18,000	Monsanto Co.	1,300,500.00	1,199,951.86
12,000	Union Carbide Corp.	742,500.00	735,832.50
52,000	Hoerner Waldorf Corp.	741,000.00	962,091.36
26,000	International Paper Co.	1,326,000.00	1,226,183.34
30,000	Aluminum Co. Amer	1,470,000.00	1,195,246.51
	<u>TOTAL INTERMEDIATE & CAPITAL GOODS</u>	<u>7,540,750.00</u>	<u>6,814,757.42</u>
	<u>TOTAL COMMON STOCKS</u>	<u>40,432,225.00</u>	<u>38,086,055.80</u>

The Putnam Advisory Co., Inc. - No. 1 Bond Account

	<u>PREFERRED STOCKS</u>		
5,000	Kansas City Power & Light Co. PFD \$10.70	507,500.00	500,000.00
	<u>TOTAL PREFERRED STOCKS</u>	<u>507,500.00</u>	<u>500,000.00</u>

The Putnam Advisory Co., Inc. - No. 2 Bond Account

	<u>PREFERRED STOCKS</u>		
4,500	Cleveland Electric Illuminum Co. PFD \$12.00	509,625.00	450,000.00
	<u>TOTAL PREFERRED STOCKS</u>	<u>509,625.00</u>	<u>450,000.00</u>
	<u>TOTAL STOCKS - ALL ACCOUNTS</u>	<u>\$109,860,600.12</u>	<u>\$102,961,423.31</u>

MAINE STATE RETIREMENT SYSTEM

Investment - Mortgages

June 30, 1975

Northeast Banks of Lewiston & Auburn

<u>SECURITY</u>	<u>BOOK VALUE</u>
Belfast Industrial Dev. Corp.	\$ 389,864.68
1st Mtg. Nt. Gtd. - with Mtg. Deed 7.875% 3/1/77	
Chandler Nursing Home, Inc.	161,991.65
1st Mtg. Nt. 5.50% 11/1/87	
Farmer Home Administration	669,282.23
Inds. Lns. - 5.00% Various Maturities	
Hancock Dev. Corp. Partic. Ctf.	51,459.02
1st Mtg. Nt. 6.00% 9/1/81	
Hillcrest Manor Partic. Ctf.	73,638.44
1st Mtg. Nt. 5.25% 4/1/87	
Misc. FHA & VA 5.25% Mtges.	642,541.93
Georgia, Final Mat. 1/1/94	
Misc. FHA & VA 5.50% Mtges.	165,950.81
Georgia, Final Mat. 6/1/92	
Misc. FHA & VA 5.75% Mtges.	192,750.43
Georgia, Final Mat. 6/1/92	
Misc. FHA & VA 5.25% Mtges.	90,127.75
New Jersey, Pa. & Va., Final Mat. 3/1/96	
Misc. FHA & VA 5.25% Mtges.	426,700.64
Mississippi, Final Mat. 1/1/94	
Misc. FHA & VA 5.50% Mtges.	178,381.24
Mississippi, Final Mat. 11/1/91	
Misc. FHA & VA 5.75% Mtges.	163,928.37
Mississippi, Final Mat. 9/1/91	
Misc. FHA & VA 4.50% Mtges.	22,336.34
Arizona, Final Mat. 11/1/87	
Misc. FHA & VA 5.00% Mtges.	11,966.32
Arizona, Final Mat. 11/1/87	
Misc. FHA & VA 5.75% Mtges.	294,006.66
Arizona, Final Mat. 11/1/90	
Misc. FHA & VA 5.25% Mtges.	415,671.23
North Carolina, Final Mat. 3/1/94	
Misc. FHA & VA 5.50% Mtges.	62,423.75
North Carolina, Final Mat. 2/1/92	
Misc. FHA & VA 5.75% Mtges.	368,299.77
North Carolina, Final Mat. 12/1/91	
Misc. FHA & VA 4.50% Mtges.	36,137.19
Conn., Final Mat. 1/11/86	
Misc. FHA & VA 4.50% Mtges.	123,517.41
Virginia, Final Mat. 5/1/87	
Misc. FHA & VA 5.00% Mtges.	73,793.44
Virginia, Final Mat. 9/1/87	
Misc. FHA & VA 5.25% Mtges.	2,512,729.30
Virginia, Final Mat. 4/1/96	
Misc. FHA & VA 5.50% Mtges.	236,113.28
Virginia, Final Mat. 7/1/96	
Misc. FHA & VA 5.75% Mtges.	148,524.08
Virginia, Final Mat. 12/1/96	
Misc. FHA & VA 6.00% Mtges.	149,283.83
Virginia, Final Mat. 9/1/97	
Misc. FHA & VA 4.50% Mtges.	31,228.02
California, Final Mat. 2/1/86	
Misc. FHA & VA 5.00% Mtges.	14,437.43
Arkansas, Final Mat. 4/1/88	
Misc. FHA & VA 5.25% Mtges. California	1,706,317.28
New Mexico, Okla. & Texas, Final Mat. 2/1/95	
Misc. FHA & VA 5.50% Mtges.	23,410.06
Texas, Final Mat. 5/1/93	
Misc. FHA & VA 5.75% Mtges.	684,589.91
California & Texas, Final Mat. 1/1/92	
Misc. FHA & VA 4.50% Mtges.	67,471.64
Florida & Georgia, Final Mat. 1/1/88	
Misc. FHA & VA 5.25% Mtges.	531,126.65
Florida, Final Mat. 1/1/94	

<u>SECURITY</u>		<u>BOOK VALUE</u>
Misc. FHA & VA 5.50% Mtges.		\$ 9,608.75
Florida, Final Mat. 5/1/92		
Misc. FHA & VA 5.75% Mtges		130,403.24
Florida, Final Mat. 2/1/92		
Centex - Winston Corp. Purchase Leaseback		933,042.39
Rec. Area & 3.6519% undivided interest in		
Common Elements - Winston Towers 200		
Condominium		
Net Annual Rental 11.50%		
TOTAL MORTGAGES		<u>\$11,793,055.16</u>

Note: Market Value not available

MAINE STATE RETIREMENT SYSTEM

Investments - Time Deposits
June 30, 1975

Alliance Capital Management Corp. - No. 1 Stock Account

<u>SECURITY</u>	<u>MARKET VALUE</u>	<u>BOOK VALUE</u>
Bankers Trust Co. 5.90% 8/26/75	\$ 235,000.00	\$ 235,000.00
Bankers Trust Co. 5.125% 7/14/75	300,000.00	300,000.00
Bankers Trust Co. 5.85% 7/31/75	200,000.00	200,000.00
Bankers Trust Co. 5.10% 7/1/75	200,000.00	200,000.00
First National City Bank 5.375% 7/3/75	400,000.00	400,000.00
TOTAL	<u>1,335,000.00</u>	<u>1,335,000.00</u>

Alliance Capital Management Corp. - No. 2 Stock Account

Bankers Trust Co. 5.05% 7/3/75	535,000.00	535,000.00
Bankers Trust Co. 5.10% 7/15/75	210,000.00	210,000.00
Bankers Trust Co. 5.90% 8/26/75	215,000.00	215,000.00
Bankers Trust Co. 5.125% 7/14/75	200,000.00	200,000.00
Bankers Trust Co. 5.30% 8/18/75	200,000.00	200,000.00
Bankers Trust Co. 5.40% 8/19/75	400,000.00	400,000.00
First National City Bank 4.75% 7/12/75	300,000.00	300,000.00
First National City Bank 5.25% 8/11/75	200,000.00	200,000.00
First National City Bank 4.75% 7/1/75	515,000.00	515,000.00
First National City Bank 4.75% 7/7/75	140,000.00	140,000.00
First National City Bank 4.75% 7/14/75	200,000.00	200,000.00
TOTAL	<u>3,115,000.00</u>	<u>3,115,000.00</u>

Benefit Reserve Account

Bankers Trust Co. 5.40% 8/29/75	800,000.00	800,000.00
Chase Manhattan Bank 5.375% 8/29/75	1,004,000.00	1,004,000.00
First National City Bank 5.875% 7/31/75	500,000.00	500,000.00
First National City Bank 5.50% 7/31/75	600,000.00	600,000.00
TOTAL	<u>2,904,000.00</u>	<u>2,904,000.00</u>

TOTAL ALL ACCOUNTS	<u>\$7,354,000.00</u>	<u>\$7,354,000.00</u>
--------------------	-----------------------	-----------------------

MAINE STATE RETIREMENT SYSTEM
Statement of Trust Fund Balances and
Open Accounts by Activity
June 30, 1975

Date Entered	Number of	Members	Retirement	Retirement Allowance	Survivor
System	Open Accounts	Contribution Fund	Allowance Fund	Adjustment Fund	Benefit Fund
State Employees	18,609	\$ 48,982,527.80	\$44,248,470.32	\$ -	\$ 942,827.39
Teachers- Membership Service	22,980	63,391,158.75	67,601,054.38	-	3,753,436.44
Teachers - Prior Service	1,482	816,913.68	(63,224,966.30)	-	-
Androscoggin County	1/24/61	61	130,532.15	(17,908.57)	5,370.80
Aroostook County	1/1/68	69	82,281.82	(2,902.66)	-
Auburn	1/1/48	354	680,983.35	(81,314.15)	90,432.15
Auburn Housing Authority	1/1/71	6	7,674.16	-	724.79
Auburn Public Library	7/1/50	8	20,110.51	-	-
Auburn Sewerage District	10/1/53	10	17,254.04	(6,471.09)	-
Auburn Urban Renewal Authority	3/1/69	2	9,572.06	-	-
Auburn Water District	10/1/53	14	36,168.97	(19,364.15)	-
Augusta	10/1/47	353	859,111.63	(126,833.24)	67,109.66
Augusta Sanitary District	1/4/60	23	49,551.82	-	9,067.83
Augusta Water District	7/1/49	22	79,196.09	(18,604.56)	-
Baileyville	4/1/61	21	30,741.39	-	-
Bangor	7/1/47	997	2,164,268.91	(153,362.49)	95,105.63
Bangor Public Library	7/1/47	35	77,989.93	(39,695.52)	2,286.76
Bangor Water District	5/21/57	25	96,833.63	-	-
Bar Harbor	4/1/46	53	105,069.87	-	-
Bath	4/1/63	146	301,005.99	(43,204.65)	26,268.04
Bath Water	12/1/46	13	60,648.30	(620.84)	-
Belfast	7/1/49	38	73,418.33	(7,357.77)	13,613.38
Belfast Water District	7/1/69	6	14,404.38	961.00	1,955.03
Berwick	4/1/68	16	17,412.92	-	-
Berwick Sewer District	11/4/74	1	468.75	-	-
Biddeford	1/1/72	231	189,356.96	-	-
Bingham Water District	1/1/72	4	817.51	-	-
Boothbay-Boothbay Harbor C. S. D.	7/1/74	2	1,003.64	-	-
Boothbay Harbor	3/1/71	27	23,277.31	-	-
Boothbay Harbor Water District	7/1/47	4	13,737.16	-	-
Bradford	4/1/74	1	816.11	-	-
Brewer	1/2/60	131	178,380.77	-	18,654.61
Brewer Water District	5/1/61	7	26,511.08	-	-

	Date Entered	Number of	Members	Retirement	Retirement Allowance	Survivor
	System	Open Accounts	Contribution Fund	Allowance Fund	Adjustment Fund	Benefit Fund
Bridgton	3/1/73	16	12,020.88	12,491.19	-	-
Brownville	4/5/73	12	5,377.91	2,897.93	-	-
Brunswick	7/1/50	200	450,027.44	630,271.08	-	-
Brunswick Sewer	1/1/63	5	12,342.16	30,363.96	-	-
Bucksport	7/1/69	58	63,757.18	68,512.13	-	-
Calais	7/1/49	54	87,224.24	147,937.46	-	-
Camden	4/1/44	40	72,152.32	82,189.21	-	-
Cape Elizabeth	4/1/66	128	128,700.02	142,994.12	-	-
Caribou Police Department	5/1/75	12	660.20	507.84	-	-
Chevrus High School	11/1/74	10	3,058.44	2,849.04	-	-
Corinna	4/1/75	-	-	-	-	-
Cranberry Isles	3/1/71	5	376.61	2,359.65	-	-
Cumberland	10/1/74	-	-	-	-	-
Cumberland County	1/1/44	85	131,096.53	287,191.28	(47,750.35)	17,513.82
Damariscotta	1/1/74	3	1,601.31	938.73	129.00	48.05
Dexter	3/1/67	20	25,481.27	50,599.27	-	-
Dixfield	4/1/74	11	5,756.97	5,276.61	-	-
Dover-Foxcroft	7/1/72	25	18,201.70	12,802.56	-	-
Dover-Foxcroft Water District	5/1/70	2	3,981.86	3,224.95	-	-
East Millinocket	1/1/56	40	145,459.03	134,585.72	(12,043.20)	10,553.81
Eliot	4/1/73	8	6,251.64	6,535.73	-	-
Ellsworth	1/1/46	131	118,018.19	162,774.49	(10,309.03)	(24,591.04)
Exeter	10/1/71	1	984.32	1,893.67	-	-
Falmouth	5/1/66	80	138,468.25	115,024.15	(4,962.46)	-
Falmouth Memorial Library	1/1/57	2	4,757.15	6,757.23	-	-
Farmington	4/1/67	24	40,597.07	48,298.61	-	-
Farmington Village Corp.	9/1/68	4	5,038.90	12,184.56	-	-
Fort Kent	1/1/67	19	29,528.84	31,819.36	-	-
Fort Fairfield	7/1/46	30	49,642.96	81,517.70	(5,236.49)	7,781.03
Fort Fairfield Utilities District	4/1/69	3	3,723.91	23,269.94	-	1,171.09
Franklin County	7/1/67	36	37,358.89	82,170.83	-	-
Freeport	9/1/70	30	37,027.65	19,453.61	-	-
Frenchville	7/1/74	2	668.82	762.73	-	-
Fryeburg	5/1/71	1	1,599.65	2,630.91	-	-
Gardiner	9/1/47	46	128,479.56	196,081.38	-	3,876.33
Garland	7/1/71	3	1,384.91	3,720.23	-	-
Glenburn	4/1/72	2	455.03	4,882.49	-	-
Gorham	9/1/69	41	51,070.09	24,325.50	-	2,905.68

	Date Entered	Number	Members	Retirement	Retirement Allowance	Survivor
	System	Open Accounts	Contribution Fund	Allowance Fund	Adjustment Fund	Benefit Fund
Gould Academy	1/1/75	9	1,344.84	27,326.99	-	-
Greater Portland Council of Govt.	7/1/74	14	15,059.75	3,916.61	-	126.12
Greater Portland Public Dev. Comm.	1/1/62	8	50,933.51	100,612.81	(4,136.42)	11,368.86
Greenville	5/1/68	7	7,545.00	9,672.54	-	810.47
Hallowell	4/1/72	8	8,046.83	8,362.99	-	-
Hampden	6/1/71	22	32,106.63	30,788.36	-	-
Hampden Water District	6/1/70	3	4,125.76	1,463.02	-	-
Hancock County	1/1/57	43	55,864.38	167,635.93	(5,149.16)	3,329.64
Hermon	5/1/71	30	18,461.08	12,628.35	-	-
Hodgdon	4/1/75	-	-	-	-	-
Houlton	1/1/45	69	154,470.52	334,429.54	-	(595.77)
Houlton Water District	1/1/48	32	184,514.90	236,292.65	(24,062.32)	9,530.61
Indian Township Passamaquoddy R.H.A.	1/1/73	20	3,256.04	1,815.90	-	-
Jay	10/1/50	52	64,878.79	64,345.22	-	-
Kennebec County	7/1/51	56	77,629.91	206,546.22	(12,626.11)	-
Kennebec Water District	1/1/49	30	52,078.14	70,539.20	(11,673.32)	1,097.25
Kennebunk	4/1/66	34	39,994.55	58,203.42	-	-
Kennebunk Light & Power	8/30/59	12	52,995.85	123,328.08	(10,196.79)	-
Kennebunkport	9/1/73	23	14,135.69	23,905.53	-	-
Kennebunk Sewer	8/1/74	1	405.96	1,226.92	-	-
Kittery	4/1/46	79	114,400.71	143,730.39	(14,714.06)	21,814.52
Kittery Water District	2/1/46	17	50,377.55	100,148.09	(10,329.95)	(40,628.72)
Knox County	3/1/49	25	52,268.94	126,217.26	(8,126.82)	-
Lebanon	3/10/73	7	1,653.90	8,138.80	-	-
Lewiston	7/1/51	585	1,361,311.98	1,561,217.06	(150,506.20)	1,616.47
Lewiston-Auburn Water Pol. C. A.	3/1/72	19	9,925.77	10,434.89	-	-
Lewiston Housing Authority	4/1/71	15	4,153.78	5,348.22	-	-
Limestone Water & Sewer	7/1/74	4	1,829.36	1,151.13	-	-
Lincoln	4/1/64	39	69,366.03	69,674.95	-	-
Lincoln Academy	9/1/69	3	3,631.34	1,490.86	-	-
Lincoln County	1/1/67	37	51,827.80	51,074.73	-	-
Lincoln Water District	1/1/74	3	2,417.55	2,997.38	-	51.21
Linneus	4/1/75	-	-	-	-	-
Lisbon	1/1/68	63	64,036.51	81,214.01	(134.67)	5,691.75
Livermore Falls	4/1/68	13	18,630.17	19,358.16	-	-
Livermore Falls Water	3/1/49	4	19,305.89	22,452.58	(5,957.74)	2,918.13
Lubec Water & Electric	7/1/66	7	17,782.49	44,018.53	-	-
Madawaska	9/1/65	22	49,247.97	35,922.45	-	-

	Date Entered	Number of	Members	Retirement	Retirement Allowance	Survivor
	System	Open Accounts	Contribution Fund	Allowance Fund	Adjustment Fund	Benefit Fund
Maine Housing Authority	6/20/72	37	36,377.75	3,909.42	-	-
Maine Maritime Academy	7/1/59	165	341,445.02	516,560.53	(5,814.93)	-
Maine Municipal Association	11/5/56	39	58,517.83	46,244.17	211.50	-
Maine Municipal Bond Bank	10/1/73	2	538.21	740.08	-	53.01
Maine-New Hampshire Bridge Authority	8/1/50	10	54,781.11	100,305.46	(2,570.10)	-
Maine Turnpike Authority	9/1/52	273	755,210.67	1,267,348.82	(42,613.22)	70,966.78
Mechanic Falls	4/1/68	18	20,604.77	18,711.61	-	-
Medway	3/1/74	9	3,095.08	(48.40)	-	-
Mexico	3/1/63	24	38,005.40	33,039.84	-	-
Mexico Library	9/1/63	1	268.03	2,518.70	-	-
Milford	7/1/73	7	3,192.85	2,023.10	-	-
Millinocket	7/1/43	63	158,822.94	255,618.03	(45,948.86)	4,294.43
Milo	1/1/68	20	27,743.33	30,520.85	-	-
Mount Desert	4/1/46	33	104,065.65	128,109.92	-	-
Mount Desert Regional School Dist.	8/1/68	18	12,072.03	20,493.45	-	-
Monson	7/1/73	3	1,450.15	736.57	-	-
Naples	5/1/70	1	1,565.41	2,662.96	-	-
New Canada Plantation	11/1/72	3	496.61	(833.58)	-	-
New Gloucester	4/1/75	5	359.72	271.73	-	-
Norway	4/1/69	21	34,066.21	41,572.57	-	-
Norway Water District	5/1/70	3	7,398.10	3,662.01	-	-
Old Orchard Beach	7/1/70	43	75,619.04	64,130.50	-	-
Old Town	1/1/68	130	171,237.75	176,438.33	-	-
Old Town Water	1/1/65	7	23,161.51	28,224.01	-	-
Orland	1/1/72	16	3,714.07	10,358.78	-	-
Orono	7/1/59	63	91,416.64	126,217.23	-	-
Orrington	5/1/75	10	273.91	88.91	-	-
Otisfield	10/1/73	5	292.28	424.14	-	-
Oxford	9/1/74	3	743.07	3,099.58	-	-
Oxford County	7/1/57	53	54,904.89	124,725.99	-	-
Paris	4/1/69	15	21,316.89	24,256.62	-	-
Paris Utilities District	1/1/72	9	6,640.59	8,870.61	-	-
Penobscot County	1/1/45	42	66,903.15	269,207.78	-	719.53
Phippsburg	7/1/74	4	676.06	755.87	-	-
Piscataquis County	1/1/69	40	31,107.78	20,612.22	-	-
Pittsfield	5/2/68	32	25,378.04	24,268.37	-	-
Pleasant Point Passamaquoddy R.H.A.	1/1/72	8	3,887.23	1,372.93	-	-
Portland	3/1/43	1760	3,691,808.21	2,254,248.36	(554,210.24)	126,511.57

	Date Entered	Number of	Members	Retirement	Retirement Allowance	Survivor
	System	Open Accounts	Contribution Fund	Allowance Fund	Adjustment Fund	Benefit Fund
Portland Housing Authority	7/1/73	32	35,411.21	27,419.77	-	-
Portland Public Library	5/1/50	44	100,840.26	213,343.65	(21,700.81)	-
Portland Renewal Authority	10/1/55	19	59,869.43	88,619.79	225.80	6,255.47
Presque Isle	1/1/43	100	271,110.68	257,324.67	-	16,853.63
Readfield	2/24/75	2	153.32	60.61	-	-
Richmond	5/1/75	4	162.21	56.90	-	-
Rockland	11/1/46	80	175,443.90	268,907.13	-	5,477.55
Rockport	4/1/72	14	15,373.99	11,764.65	-	-
Rumford	4/1/65	146	195,589.34	223,855.71	(16,187.02)	8,675.27
Rumford - Fire & Police	2/10/58	27	111,841.73	252,012.51	(38,393.95)	19,885.03
Rumford Water District	4/1/60	5	23,456.37	49,788.74	-	-
Sabattus	1/1/73	17	11,161.54	6,435.19	-	-
Saco	12/31/73	93	59,003.95	90,631.19	-	-
Sagadahoc County	1/1/67	31	30,643.62	73,177.96	-	-
St. Agatha	7/1/74	5	974.85	1,493.82	-	-
Sanford	1/1/66	203	299,818.69	278,273.70	-	-
Sanford Housing Authority	6/1/71	4	4,717.88	2,083.37	-	-
Sanford Sewerage District	11/1/66	10	16,103.54	33,533.07	-	-
Sanford Water District	11/1/72	16	14,057.26	12,873.54	-	-
Scarborough	5/1/71	97	103,322.50	73,786.64	-	-
School Administrative District #2	3/5/73	3	2,306.73	7,779.13	-	-
School Administrative District #9	9/1/68	45	71,742.50	33,646.79	-	4,419.35
School Administrative District #16	10/1/73	17	5,759.07	17,262.41	-	-
School Administrative District #21	7/1/75	-	-	-	-	-
School Administrative District #28	12/2/64	-	-	4,665.36	106.92	-
School Administrative District #29	9/1/72	13	10,076.17	9,902.33	52.15	-
School Administrative District #31	7/1/74	30	7,439.94	11,376.39	-	-
School Administrative District #34	4/18/64	128	84,787.98	58,947.61	(449.20)	10,867.78
School Administrative District #41	10/1/70	55	28,328.68	31,662.91	-	-
School Administrative District #49	4/1/73	22	12,079.23	16,694.34	-	-
School Administrative District #51	7/1/74	22	6,992.45	1,060.94	-	-
School Administrative District #53	9/15/69	13	9,503.65	12,173.87	-	-
School Administrative District #54	5/1/68	32	35,704.82	44,774.99	-	-
School Administrative District #60	7/1/73	49	11,486.44	13,339.76	-	-
School Administrative District #66	12/1/67	3	1,859.10	42,509.04	-	(3,836.24)
School Administrative District #67	7/1/68	78	45,159.38	29,411.78	-	-
School Administrative District #71	5/1/69	67	54,200.50	52,198.86	-	-
Searsport	4/1/68	10	8,356.29	13,909.97	-	-

	Date Entered System	Number of Open Accounts	Members Contribution Fund	Retirement Allowance Fund	Retirement Allowance Adjustment Fund	Survivor Benefit Fund
Searsport Water District	1/1/69	4	5,422.44	7,475.11	-	-
Skowhegan	4/1/65	55	67,824.04	74,304.34	-	-
Somerset County	7/10/67	38	31,510.17	57,871.36	-	-
South Berwick	7/1/70	15	11,111.00	13,015.36	-	-
South Berwick Water	11/1/72	2	1,271.40	1,522.18	-	-
South Portland	9/1/44	375	999,565.49	1,106,531.36	(147,133.79)	50,413.20
South Portland Housing Authority	1/1/75	1	255.00	285.22	-	-
Southern Kennebec Valley Reg. P.C.	1/1/70	7	9,282.28	3,658.01	-	285.36
State Principals Association	8/7/67	4	14,920.27	1,697.31	570.68	200.00
Thomaston	5/1/72	15	8,391.75	11,566.44	-	-
Topsham	3/1/65	13	17,705.04	37,594.03	(735.32)	-
Van Buren	6/1/73	3	2,292.83	2,773.31	-	-
Vassalboro	7/1/71	8	4,767.38	4,713.60	-	-
Waldoboro	6/1/74	13	7,654.82	5,837.26	-	-
Waldo County	1/1/51	32	42,120.31	117,687.14	(7,223.82)	6,910.17
Wallagrass Plantation	4/1/72	3	623.27	1,231.20	-	-
Washington County	1/1/50	40	37,548.00	127,638.99	(20,346.33)	-
Waterville - Fire & Police	2/1/61	50	279,553.92	173,666.48	-	(559.79)
Waterville - Urban Renewal Authority	4/1/74	1	1,675.77	1,032.55	-	71.36
Wells	1/1/68	71	81,554.98	88,818.59	338.35	5,499.19
Westbrook	3/1/69	100	164,200.73	166,746.32	(9,229.26)	-
Westbrook - Fire & Police	1/1/62	51	154,666.98	146,702.35	(643.95)	8,343.83
Wilton	5/1/66	25	21,467.36	25,709.64	-	-
Winslow	9/1/70	19	20,933.83	16,122.06	-	-
Winthrop	5/1/73	38	23,450.64	17,885.52	-	-
Yarmouth	4/1/68	101	106,446.68	114,432.43	(916.11)	-
York	7/1/48	38	48,631.37	68,593.06	3,157.89	8,971.45
York County	10/1/49	52	87,516.08	173,366.55	(12,934.19)	6,447.03
York Sewer District	5/1/70	4	9,255.97	15,002.99	-	-
York Water District	10/1/49	8	26,744.88	87,060.35	(2,157.15)	7,037.20

Adjustments:

Undistributed Earnings				8,312,080.05		
TOTALS	<u>54,072</u>	<u>\$133,233,909.40</u>	<u>\$80,415,212.96*</u>	<u>(\$1,779,009.74)</u>	<u>\$5,428,003.98</u>	

*Reserve Against Future Losses at June 30, 1975 of \$26,823,886.43 to be offset, on pro rata basis, in event any local district ceases to be an employing unit.

MAINE STATE RETIREMENT SYSTEM
ANALYSIS OF CHANGES IN TRUST FUND RESERVES
YEAR ENDING JUNE 30, 1975

Balance July \$190,387,388.16

ADDITIONS:

State Contributions:

General Fund, State Employees	\$ 5,546,844.43	
General Fund, Contributory Teachers	11,667,606.00	
General Fund, Non-Contributory Teachers	347,568.00	
Highway Funds	3,419,696.40	
Special Revenue Funds	2,640,107.01	
Public Service Enterprises	351,554.10	
Working Capital Funds	304,527.25	
Trust & Agency Funds	26,791.75	
Bond Funds	1,048.23	
		\$24,305,743.17
Participating Districts		6,080,308.26
Individuals		22,241,103.87
Earnings on Investments		9,834,964.31
Transfers from General Ledger		52.05

TOTAL ADDITIONS: 62,462,171.66

DEDUCTIONS:

<u>Retirement Allowance Paid</u>	<u>Number</u>	
Council Order	6	5,380.63
Legislative Resolves	13	32,759.71
Retirement Full Benefits	5446	16,666,659.14
Ordinary Disability	181	508,124.67
Option I	1580	4,621,152.92
Option II	951	2,755,303.69
Option III	1259	5,392,237.51
Option IV	126	607,709.73
Option II - Beneficiary	222	409,485.89
Automatic Option II -		
Beneficiary	407	860,021.92
Option III - Beneficiary	293	386,349.93
Option IV - Beneficiary	42	121,892.74
Automatic Option IV -		
Beneficiary	70	71,058.21
Service Incurred Disability	86	304,248.16
Service Incurred Death-P&F	5	19,995.79
15-year Teachers	199	195,704.26
10-year Vested Right	885	1,139,855.26
Service Incurred Death -		
Sheriffs & Deputies	3	17,502.07
20-year Teachers	47	43,455.89
Law Enforcement Officers -		
Sea & Shore Fisheries	14	55,528.60
Fish & Game	41	172,590.44
State Police	62	259,876.72
25-year Service-Age 55	15	61,437.84
Forest Rangers	2	7,987.20
Fire Fighters & Police		
Spec. Prov.-Sec. 1121	7	46,233.60
Spec. Prov.-Sec. 1092	17	83,809.16
Benefits by P&S Laws	82	124,316.63
Prison Guards-Sec. 1121		
Sub. Sec. 2F	9	43,450.68
		35,014,128.99

Retirement Allowance Adjustment Paid

Council Order	8,663.65	
Legislative Resolves	4,345.08	
Retirement Full Benefits	4,839,206.65	
Ordinary Disability	81,674.23	
Option I	1,647,145.47	
Option II	474,088.03	
Option III	1,186,577.69	
Option IV	197,830.29	

Analysis of Changes in Trust Fund Reserves - continued

DEDUCTIONS:

Retirement Allowance Adjustment Paid - con't

Option II - Beneficiary	163,363.04	
Automatic Option II - Beneficiary	315,643.14	
Option III - Beneficiary	197,831.24	
Option IV - Beneficiary	37,648.67	
Automatic Option IV - Beneficiary	28,142.37	
Service Incurred Disability	87,220.49	
Service Incurred Death - P & F	7,605.60	
15-year Teachers	79,814.05	
10-year Vested Right	256,719.05	
Service Incurred Death - Sheriffs & Deputies	4,275.42	
20-year Teachers	23,092.97	
Law Enforcement Officers		
Sea & Shore Fisheries	11,711.76	
Fish & Game	41,787.60	
State Police	61,122.03	
25-year Service - Age 55	16,055.52	
Forest Rangers	902.64	
Fire Fighters & Police		
Spec. Prov. - Sec. 1121	7,038.96	
Spec. Prov. - Sec. 1092	9,882.72	
Benefits by P & S Laws	9,893.30	
Prison Guards - Sec. 1121		
Sub. Sec. 2F	3,701.52	
		9,802,983.18

<u>Survivor Benefits</u>	<u>Number</u>	
Accidental Death -	10	
Service Incurred		22,913.44
Spouse - Age 60	210	282,527.05
Spouse - 10-year Clause	156	215,989.10
Spouse - Children	153	465,770.07
Children	69	138,746.33
Parents	29	39,820.46
		1,165,766.45

Refunds

To Former Members	2,595,427.45	
To Beneficiary of Deceased Members	111,114.75	
To Survivor of a Disability Pensioner	21,701.51	
To Beneficiary of Deceased - Option I	74,942.51	
		2,803,186.22

Other Deductions

Amortization of Premiums	3,199.23	
Custodial Fees	72,759.04	
Investment Advisors Fees	232,223.46	
Investment Evaluation Consultant Fees	36,750.00	
Miscellaneous Fees	418.75	
Adjustments of Balance Forward	502.31	
Loss on Sale of Securities	13,243,412.02	
		13,589,264.81

TOTAL DEDUCTIONS		62,375,329.65
Balance June 30		\$190,474,230.17

MAINE STATE RETIREMENT SYSTEM
RETIREMENT ALLOWANCE PAYROLL
June 30, 1975 and 1974

	Retired Persons		Increase or (Decrease)	Retirement Allowance Payroll		Increase or (Decrease)	Average Monthly Payment	
	June 1975	June 1974		June 1975	June 1974		June 1975	June 1974
State Employees	4471	4301	170	\$1,278,561.15	\$1,286,610.78	\$ (8,049.63)	\$285.97	\$299.14
Teachers - Contributory	3431	2970	461	1,356,355.92	1,158,216.17	198,139.75	395.32	389.97
Teachers - Non-Contributory	2306	2382	(76)	722,929.67	744,673.73	(21,744.06)	313.50	312.63
Teachers - Retired Prior to 1947	24	34	(10)	5,644.08	8,059.89	(2,415.81)	235.17	237.06
Androscoggin County	24	19	5	3,599.21	2,388.40	1,210.81	149.97	125.71
Aroostook County	10	9	1	1,748.19	1,388.63	359.56	174.82	154.29
Auburn	52	52	-	9,901.32	9,789.31	112.01	190.41	188.26
Auburn Public Library	6	6	-	1,070.84	765.88	304.96	178.47	127.65
Auburn Sewer District	4	5	(1)	749.69	936.70	(187.01)	187.42	187.34
Auburn Water District	7	8	(1)	1,868.84	2,102.40	(233.56)	266.98	262.80
Augusta	58	57	1	16,581.43	15,804.68	776.75	285.89	277.28
Augusta Sanitary District	3	3	-	328.55	234.12	94.43	109.52	78.04
Augusta Water District	9	9	-	3,323.22	3,082.32	240.90	369.25	342.48
Baileyville	6	6	-	1,030.04	1,030.04	-	171.67	171.67
Bangor	130	124	6	34,377.19	31,038.67	3,338.52	264.44	250.31
Bangor Public Library	21	19	2	6,369.30	5,297.97	1,071.33	303.30	278.84
Bangor Water District	10	10	-	1,900.70	1,934.31	(33.61)	190.07	193.43
Bar Harbor	13	12	1	1,775.66	1,460.67	314.99	136.59	121.72
Bath	38	37	1	10,678.04	11,012.82	(334.78)	281.00	297.64
Bath Water District	2	3	(1)	389.45	453.16	(63.71)	194.73	151.05
Belfast	9	11	(2)	725.16	1,098.66	(373.50)	80.57	99.88
Berwick	1	1	-	205.73	205.73	-	205.73	205.73
Biddeford	21	20	1	3,315.73	3,559.12	(243.39)	157.89	177.96
Bingham Water District	1	-	1	48.70	-	48.70	48.70	-
Boothbay Harbor Water District	5	5	-	556.40	556.40	-	111.28	111.28
Brewer	3	3	-	321.55	321.55	-	107.18	107.18
Brewer Water District	2	3	(1)	387.42	487.42	(100.00)	193.11	162.47
Bridgton	2	2	-	270.67	270.67	-	135.34	135.34
Brunswick	48	43	5	8,526.32	5,389.18	3,137.14	177.63	125.43
Brunswick Sewer District	2	1	1	349.31	44.12	305.19	174.66	44.12
Bucksport	2	1	1	96.06	33.06	63.00	48.03	33.06
Calais	16	17	(1)	1,364.66	1,498.65	(133.99)	85.29	88.16

	Retired Persons		Increase or (Decrease)	Retirement Allowance Payroll		Increase or (Decrease)	Average Monthly Payment	
	June 1975	June 1974		June 1975	June 1974		June 1975	June 1974
Camden	9	7	2	809.38	524.39	284.99	89.93	74.91
Cape Elizabeth	28	25	3	2,679.65	2,425.45	254.20	95.70	97.02
Cranberry Isles	2	1	1	138.38	83.23	55.15	69.16	83.23
Cumberland County	32	28	4	6,400.86	5,955.73	445.13	200.03	212.70
Dexter	7	4	3	877.03	399.80	477.23	125.29	99.95
Dover-Foxcroft	1	1	-	7.64	7.64	-	7.64	7.64
East Millinocket	9	10	(1)	1,484.59	1,559.87	(75.28)	164.95	155.99
Ellsworth	15	16	(1)	1,969.42	2,024.52	(55.10)	131.29	126.53
Falmouth	10	9	1	1,353.54	1,162.89	190.65	135.35	129.21
Falmouth Memorial Library	1	1	-	100.00	100.00	-	100.00	100.00
Farmington	3	1	2	789.74	171.59	618.15	263.25	171.59
Farmington Village Corp.	1	1	-	104.07	104.07	-	104.07	104.07
Fort Fairfield	5	5	-	675.97	532.63	143.34	135.19	106.53
Fort Fairfield Utilities District	1	-	1	369.78	-	369.78	369.78	-
Fort Kent	1	1	-	192.37	192.37	-	192.37	192.37
Franklin County	6	5	1	615.83	420.94	194.89	102.64	84.19
Gardiner	10	9	1	1,614.93	1,154.54	460.39	161.49	128.28
Glenburn	1	-	1	90.17	-	90.17	90.17	-
Greater Portland Public Development Comm.	5	3	2	2,037.95	1,037.22	1,000.73	407.59	345.74
Greenville	1	1	-	36.49	36.49	-	36.49	36.49
Hampden	2	2	-	248.70	248.70	-	124.35	124.35
Hancock County	12	13	(1)	1,824.49	1,846.98	(22.49)	152.04	142.08
Hermon	1	-	1	133.38	-	133.38	133.38	-
Houlton	18	16	2	3,041.00	2,607.40	433.60	168.94	162.96
Houlton Water District	10	10	-	3,374.45	3,374.45	-	337.45	337.45
Jay	9	7	2	451.37	400.08	51.29	50.15	57.15
Kennebec County	19	19	-	2,425.67	2,210.53	215.14	127.67	116.34
Kennebec Water District	10	8	2	2,024.03	1,784.37	239.66	202.40	223.05
Kennebunk	8	9	(1)	401.36	481.36	(80.00)	50.17	53.48
Kennebunk Light & Power	6	6	-	1,052.31	1,457.08	(404.77)	175.39	242.85
Kennebunkport	1	-	1	218.55	-	218.55	218.55	-
Kittery	8	8	-	1,496.55	1,496.55	-	187.07	187.07
Kittery Water District	3	3	-	1,217.02	1,217.02	-	405.67	405.67
Knox County	12	10	2	1,962.73	1,760.00	202.73	163.56	176.00
Lewiston	73	65	8	15,628.08	13,084.87	2,543.21	214.08	201.31
Lincoln County	4	4	-	373.92	373.92	-	93.48	93.48
Lincoln	3	3	-	411.74	377.32	34.42	137.25	125.77

	Retired Persons		Increase or (Decrease)	Retirement Allowance Payroll		Increase or (Decrease)	Average Monthly Payment	
	June 1975	June 1974		June 1975	June 1974		June 1975	June 1974
Lisbon	6	3	3	1,276.53	265.67	1,010.86	212.76	88.56
Livermore Falls	2	2	-	232.84	232.84	-	116.42	116.42
Livermore Falls Water District	1	1	-	296.91	270.99	25.92	296.91	270.99
Lubec Water & Electric	1	1	-	80.00	80.00	-	80.00	80.00
Madawaska	4	3	1	703.79	279.81	423.98	175.95	93.27
Maine Maritime Academy	27	23	4	6,210.90	3,424.62	2,786.28	230.03	148.90
Maine Municipal Association	1	1	-	179.12	179.12	-	179.12	179.12
Maine-New Hampshire Bridge Authority	3	3	-	889.10	889.10	-	296.37	296.37
Maine Turnpike Authority	61	54	7	12,163.15	11,098.96	1,064.19	199.40	205.54
Medway	3	-	3	232.44	-	232.44	77.48	-
Mexico	2	2	-	439.03	439.03	-	219.52	219.52
Mexico Free Public Library	1	1	-	17.90	17.90	-	17.90	17.90
Millinocket	17	15	2	6,934.78	5,384.13	1,550.65	407.93	358.94
Milo	4	4	-	526.78	461.48	65.30	131.70	115.37
Mount Desert	8	7	1	928.01	757.41	170.60	116.00	108.20
Mt. Desert Island Regional School District	1	1	-	14.66	14.66	-	14.66	14.66
New Canada Plantation	1	1	-	80.00	80.00	-	80.00	80.00
Norway	3	3	-	347.04	347.04	-	115.68	115.68
Old Orchard Beach	9	8	1	1,710.88	1,500.25	210.63	190.10	187.53
Old Town	14	14	-	1,437.09	1,573.29	(136.20)	102.65	112.38
Orland	4	4	-	404.97	404.97	-	101.24	101.24
Orono	6	4	2	1,152.68	798.98	353.70	192.11	199.75
Otisfield	1	1	-	21.89	80.00	(58.11)	21.89	80.00
Oxford County	17	17	-	1,845.77	1,847.72	(1.95)	108.57	108.69
Oxford	2	-	2	376.39	-	376.39	188.20	-
Penobscot County	20	19	1	3,901.90	2,789.38	1,112.52	195.10	146.81
Piscataquis County	2	2	-	33.39	33.39	-	16.70	16.70
Pittsfield	2	3	(1)	119.98	291.81	(171.83)	59.99	97.27
Portland	406	353	53	134,115.50	102,956.17	31,159.33	330.33	291.66
Portland Housing Authority	3	3	-	319.33	316.55	2.78	106.44	105.52
Portland Public Library	9	9	-	3,008.18	3,008.18	-	334.24	334.24
Portland Renewal Authority	5	4	1	1,057.10	1,284.79	(227.69)	211.42	321.20
Presque Isle	13	12	1	2,805.58	1,925.68	879.90	215.81	160.47
Rockland	18	17	1	2,837.13	1,720.81	1,116.32	157.62	101.22
Rumford - Fire & Police	13	11	2	5,209.59	3,933.35	1,276.24	400.74	357.58
Rumford	20	17	3	3,213.82	2,868.71	345.11	160.69	168.75
Rumford Water District	2	2	-	378.09	378.09	-	189.05	189.05

	Retired Persons		Increase or (Decrease)	Retirement Allowance Payroll		Increase or (Decrease)	Average Monthly Payment	
	June 1975	June 1974		June 1975	June 1974		June 1975	June 1974
Saco	2	1	1	315.92	168.80	147.12	157.96	168.80
Sagadahoc County	7	6	1	1,297.01	1,023.22	273.79	185.29	170.54
Sanford	33	31	2	3,790.60	3,802.99	(12.39)	114.87	122.68
Sanford Sewer District	2	2	-	305.57	305.57	-	152.79	152.79
Scarboro	11	11	-	922.62	989.08	(66.46)	83.87	89.92
School Administrative District #2	1	-	1	319.82	-	319.82	319.82	-
School Administrative District #9	1	1	-	14.29	14.29	-	14.29	14.29
School Administrative District #29	3	3	-	424.45	424.45	-	141.48	141.48
School Administrative District #34	2	2	-	146.31	146.31	-	73.16	73.16
School Administrative District #41	2	1	1	189.02	86.25	102.77	94.51	86.25
School Administrative District #49	2	1	1	126.03	55.36	70.67	63.02	55.36
School Administrative District #53	1	-	1	179.03	-	179.03	179.03	-
School Administrative District #54	5	4	1	351.42	204.47	146.95	70.28	51.12
School Administrative District #66	2	2	-	62.70	62.70	-	31.35	31.35
School Administrative District #67	1	1	-	49.80	42.85	6.95	49.80	42.85
School Administrative District #71	3	1	2	163.04	19.46	143.58	54.35	19.46
Searsport	2	1	1	88.73	21.57	67.16	44.37	21.57
Skowhegan	6	5	1	1,042.51	706.78	335.73	173.75	141.36
Somerset County	6	5	1	632.75	532.75	100.00	105.46	106.55
South Berwick	1	-	1	47.97	-	47.97	47.97	-
South Berwick Water District	1	-	1	100.00	-	100.00	100.00	-
South Portland	91	84	7	21,470.10	19,024.30	2,445.80	235.94	226.48
Topsham	3	3	-	454.16	424.23	29.93	151.39	141.41
Waldo County	9	9	-	1,274.93	1,112.24	162.69	141.66	123.58
Washington County	16	13	3	2,638.96	2,134.63	504.33	164.94	164.20
Waterville - Fire & Police	1	-	1	658.68	-	658.68	658.68	-
Wells	5	3	2	578.62	242.83	335.79	115.72	80.94
Westbrook	23	20	3	4,030.41	2,647.39	1,383.02	175.24	132.37
Westbrook - Fire & Police	2	3	(1)	579.42	727.81	(148.39)	289.71	242.60
Wilton	1	1	-	196.10	188.27	7.83	196.10	188.27
Winthrop	2	1	1	387.28	238.44	148.84	193.64	238.44
Yarmouth	3	3	-	346.64	346.64	-	115.55	115.55
York County	19	15	4	2,581.73	1,950.93	630.80	135.88	130.06
York	2	1	1	129.27	28.57	100.70	64.64	28.57
York Water District	3	3	-	1,070.07	1,070.07	-	356.69	356.69
	<u>12,070</u>	<u>11,346</u>	<u>724</u>	<u>\$3,776,451.54</u>	<u>\$3,541,037.34</u>	<u>\$235,414.20</u>	<u>\$312.88</u>	<u>\$312.10</u>

MAINE STATE RETIREMENT SYSTEM
SURVIVOR BENEFIT PAYROLL
June 1975 and 1974

	Persons Receiving Benefits		Increase or (Decrease)	Benefits Paid		Increase or (Decrease)
	June 1975	June 1974		June 1975	June 1974	
State	363	342	21	\$57,959.68	\$55,120.30	\$2,839.38
Teachers	143	136	7	26,548.87	23,500.09	3,048.78
Androscoggin County	2	1	1	400.00	100.00	300.00
Auburn	5	5	-	500.00	500.00	-
Augusta	4	4	-	400.00	500.00	(100.00)
Bangor	19	18	1	2,650.00	2,500.00	150.00
Bath	3	2	1	350.00	300.00	50.00
Cumberland County	2	2	-	200.00	200.00	-
East Millinocket	1	1	-	100.00	100.00	-
Ellsworth	2	2	-	200.00	200.00	-
Fort Fairfield	1	1	-	200.00	200.00	-
Gardiner	1	1	-	100.00	100.00	-
Greater Portland Public Dev. Comm.	1	1	-	100.00	100.00	-
Houlton	3	2	1	450.00	500.00	(50.00)
Houlton Water District	2	2	-	458.01	458.01	-
Kittery Water District	1	1	-	300.00	300.00	-
Lewiston	1	1	-	250.00	250.00	-
Maine Turnpike Authority	17	18	(1)	2,320.26	2,200.00	120.26
Millinocket	1	1	-	150.00	150.00	-
Portland	40	35	5	5,450.00	4,850.00	600.00
Presque Isle	4	4	-	500.00	500.00	-
Rumford	2	2	-	300.00	350.00	(50.00)
School Administrative District #66	1	1	-	100.00	100.00	-
South Portland	6	4	2	750.00	550.00	200.00
Waterville - Fire & Police	1	1	-	300.00	300.00	-
Westbrook - Fire & Police	1	1	-	100.00	100.00	-
TOTALS	<u>627</u>	<u>589</u>	<u>38</u>	<u>\$101,136.82</u>	<u>\$94,028.40</u>	<u>\$7,108.42</u>

MAINE STATE RETIREMENT SYSTEM

Summary of

Reserve Against Future Losses (Net Loss)

Year Ending June 30, 1975

Balance July 1, (\$13,580,474.41)

ADDITIONS:

Write-off 1/15 Discount on Mortgage Loans	\$ 16,303.13	
Profit on Mortgage Foreclosures	<u>1,307.03</u>	
		<u>17,610.16</u>

DEDUCTIONS:

Loss on Sale of Stocks	7,255,971.25	
Loss on Sale of Bonds	<u>6,005,050.93</u>	
		<u>13,261,022.18</u>

Balance June 30, (\$26,823,886.43)

Income from Investments

Fiscal Year Ending June 30, 1975

(Accrual Basis)

ADDITIONS:

INTEREST:

Time Deposits	\$1,079,570.59	
Bonds	6,033,081.84	
Mortgages	<u>704,069.52</u>	
		\$7,816,721.95
Dividends on Stocks		2,018,242.36
Accrued Interest at June 30, 1975		<u>1,074,836.93</u>

TOTAL ADDITIONS \$10,909,801.24

DEDUCTIONS:

Accrued Interest at June 30, 1974	1,177,533.78
Bond Premiums Amortized	3,199.23
Investment Costs:	
Custodial Fees	72,759.04
Investment Advisors Fees	232,223.46
Investment Evaluation Consultant Fees	36,750.00
Misc. Fees	<u>418.75</u>

TOTAL DEDUCTIONS 1,522,884.26

NET EARNINGS \$ 9,386,916.98

MAINE STATE RETIREMENT SYSTEM

Summary of Earnings

July 1, 1942 through June 30, 1975

Year Ending	Market Value of Investments	Book Value of Investments	Net Increase in Book Value of Investments for the year	Earnings During Year Accrual Basis	Rate of Return %
June 30, 1943	\$	\$ 576,142.97	\$ 318,000.00	\$ 1,884.35	
June 30, 1944		1,026,142.97	450,000.00	12,154.46	
June 30, 1945		1,486,142.97	460,000.00	25,560.90	
June 30, 1946		1,930,142.97	444,000.00	50,140.29	
June 30, 1947		2,489,142.97	559,000.00	52,522.09	2.590
June 30, 1948		7,263,648.72	4,774,505.75	159,487.91	2.517
June 30, 1949		9,038,648.72	1,775,000.00	206,934.14	2.566
June 30, 1950		11,023,648.72	1,985,000.00	256,668.07	2.578
June 30, 1951		12,934,768.72	1,911,120.00	317,497.98	2.649
June 30, 1952		15,432,488.89	2,497,720.17	386,620.65	2.722
June 30, 1953		17,823,719.34	2,391,230.45	464,578.19	2.799
June 30, 1954		21,346,256.29	3,522,536.95	576,314.21	2.953
June 30, 1955		24,801,155.43	3,454,899.14	713,411.34	3.095
June 30, 1956		29,012,312.28	4,211,156.85	820,511.51	3.068
June 30, 1957		33,137,935.09	4,125,622.81	1,014,162.82	3.3035
June 30, 1958		38,302,811.29	5,164,876.20	1,233,750.20	3.4975
June 30, 1959		44,511,070.88	6,208,259.59	1,473,324.30	3.609
June 30, 1960		50,880,174.72	6,369,103.84	1,781,368.02	3.787
June 30, 1961		57,633,773.71	6,753,598.99	2,145,427.31	4.0045
June 30, 1962		66,498,248.08	8,864,474.37	2,540,623.88	4.1582
June 30, 1963		75,022,765.44	8,524,517.36	2,925,300.13	4.2023
June 30, 1964		85,913,758.52	10,890,993.08	3,328,056.40	4.2074
June 30, 1965	94,667,062.00	96,930,762.57	11,017,004.05	3,870,496.12	4.3196
June 30, 1966	101,309,145.00	108,555,742.38	11,624,979.81	4,475,359.34	4.4431
June 30, 1967	106,476,959.00	120,564,775.29	12,009,032.91	5,070,389.31	4.5177
June 30, 1968	119,861,036.70	135,081,371.78	14,516,596.49	5,741,943.99	4.5899
June 30, 1969	126,512,881.54	150,501,422.09	15,420,050.31	6,103,338.79	4.3610
June 30, 1970	115,813,988.62	163,500,431.87	12,999,009.78	6,310,034.78	4.0939
June 30, 1971	158,897,761.53	175,261,654.19	11,761,222.32	6,357,344.92	3.8132
June 30, 1972	187,053,699.54	184,789,453.85	9,527,799.66	6,593,475.25	3.7203
June 30, 1973	186,239,980.28	185,867,989.22	1,078,535.37	6,651,554.76	3.6460
June 30, 1974	170,627,572.09	188,846,484.91	2,978,495.69	8,344,366.67	4.5292
June 30, 1975	193,791,992.58	188,397,103.61	(449,381.30)	9,386,916.98	5.0539

*Market Value data not available prior to 1965

MAINE STATE RETIREMENT SYSTEM
Administration Funds
Fiscal Year Ending June 1975 and 1974

	<u>General Administration</u>		<u>Participating Districts</u> <u>Actuarial Services</u>	
	<u>1975</u>	<u>1974</u>	<u>1975</u>	<u>1974</u>
Revenue:				
General Fund - State	\$128,894.78	\$187,252.68	\$	\$
General Fund - Teacher	163,421.00	163,421.00		
Highway Funds	76,468.02	38,469.99		
Special Revenue Funds	65,056.85	29,759.46		
Bond Funds	26.85	28.74		
Public Service Enterprises	9,004.96	3,960.83		
Working Capital Funds	7,800.38	3,617.27		
Trust & Agency Funds	686.26	316.04		
Participating Districts	69,737.68	57,178.92		
University of Maine & Indian Education	7,412.74	3,415.97		
Actuarial Services	-	270.00	50,035.15	27,147.50
Misc. Income	141.20	30.40		
Adjustments	-	6.80		
Total Revenue	<u>528,650.72</u>	<u>487,728.10</u>	<u>50,035.15</u>	<u>27,147.50</u>
Expenditures:				
Salaries	219,207.53	198,485.72		
Actuarial Services	17,828.74	10,309.03	50,035.15	27,147.50
Medical Services	1,196.84	1,249.01		
Data Processing	22,337.76	25,892.43		
Travel	4,176.46	3,639.51		
Telephone	3,489.85	3,275.73		
Rentals	1,814.64	2,035.71		
Repairs to Equipment	6,556.23	6,014.36		
Meter Postage	20,448.98	16,158.10		
Mailroom Costs	2,248.96	1,772.30		
Printing and Binding	9,171.48	4,669.54		
Office Supplies	6,433.34	3,735.93		
Office Equipment	20,877.41	2,065.81		
Retirement Costs	24,735.69	20,837.59		
Research & Legal Services	8,317.80	2,327.59		
Health Insurance - Active	2,201.33	2,146.93		
Health Insurance - Retirees	171,833.11	140,890.61		
General Operating Costs	1,328.09	715.39		
Total Expenditures	<u>544,204.24</u>	<u>446,221.29</u>	<u>50,035.15</u>	<u>27,147.50</u>
Current Year Reserves	(15,553.52)	41,506.81		
Prior Year Reserves	72,135.38	30,628.57		
Balance of Reserves	<u>\$ 56,581.86</u>	<u>\$ 72,135.38</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

MAINE STATE RETIREMENT SYSTEM

Comparative Balance Sheet Group Life Insurance At June 30, 1974, Compared to June 30, 1975

	<u>ASSETS</u>		Increase or (Decrease)
	1975	1974	
Investments:			
Bonds Note I	\$2,194,977.38	\$ -	\$2,194,977.38
Commercial Paper-Finance Co.	-	2,379,472.56	(2,379,472.56)
Cash (Time Deposits)	<u>200,000.00</u>	<u>1,300,000.00</u>	<u>(1,100,000.00)</u>
Total Investments	<u>2,394,977.38</u>	<u>3,679,472.56</u>	<u>(1,284,495.18)</u>
Other Assets:			
Cash (Demand Deposit) Note II	2,257,730.56	53,533.22	2,204,197.34
Accounts Receivable (Net)	4,550.00	5,363.50	(813.50)
Due From Other Funds	<u>50,000.00</u>	<u>50,000.00</u>	<u>-</u>
Total Other Assets	<u>2,312,280.56</u>	<u>108,896.72</u>	<u>2,203,383.84</u>
Total Assets	<u>\$4,707,257.94</u>	<u>\$3,788,369.28</u>	<u>\$ 918,888.66</u>

RESERVES, LIABILITIES AND WORKING CAPITAL

Reserves & Working Capital:			
Reserve for Future Premiums	\$1,943,745.43	\$1,259,094.38	\$ 684,651.05
Reserve for Deficiency - Basic	25,000.00	25,000.00	-
Reserve for Deficiency - Supplemental	1,959,794.47	1,723,244.95	236,549.52
Working Capital	<u>50,000.00</u>	<u>50,000.00</u>	<u>-</u>
Total Reserves & Working Capital	<u>3,978,539.90</u>	<u>3,057,339.33</u>	<u>921,200.57</u>
Liabilities:			
Group Life Insurance Deductions-Basic	488,969.57	454,980.43	33,989.14
Group Life Insurance Deductions-Supp.	212,639.52	250,426.54	(37,787.02)
Group Life Insurance Deductions-Dep.	25,108.95	22,670.56	2,438.39
Other Current & Accrued Liabilities	-	2,847.32	(2,847.32)
Accounts Payable	<u>2,000.00</u>	<u>105.10</u>	<u>1,894.90</u>
Total Liabilities:	<u>728,718.04</u>	<u>731,029.95</u>	<u>(2,311.91)</u>
Total Reserves, Liabilities & Working Capital	<u>\$4,707,257.94</u>	<u>\$3,788,369.28</u>	<u>\$ 918,888.66</u>

Note I - Cost

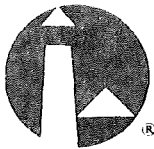
Note II - Invested in State Treasurer's "Cash Pool"

MAINE STATE RETIREMENT SYSTEM

Statement of Operations Group Life Insurance Fund Year Ending June 30, 1975

Available Funds:		
Premiums Collected (1973-74) Brought Forward		\$ 728,077.53
Premiums Collected (1974-75)		
Basic	\$1,887,454.17	
Supplemental	823,811.18	
Dependent	<u>92,450.71</u>	
		2,803,716.06
Dividend Received-		
State & Teachers	1,010,717.85	
Participating Districts	<u>220,622.80</u>	
		1,231,340.65
Appropriation from General Fund-		
Active Employees	24,000.00	
Retired Employees	<u>359,000.00</u>	
		383,000.00
Reimbursement of Administration Costs-		
State	26,000.00	
Participating Districts	<u>4,550.00</u>	
		30,550.00
Earnings on Investments-		
Interest on Bonds, Treasury Bills & Certificate of Deposits		421,739.92
TOTAL		<u>\$5,598,424.16</u>
Expenditures, Dividend Distribution and Addition to Reserves:		
Premiums Paid to Insurance-		
Active Employees:		
State Fund	\$ 24,000.00	
Employees & Employers Contributions		
Basic	1,853,465.03	
Supplemental	861,598.20	
Dependent	<u>90,012.32</u>	
		2,829,075.55
Retired Persons:		
Employees Insurance Premiums	<u>580,847.20</u>	
		3,409,922.75
Supplemental Distribution		289,410.00
Administration Expense		30,550.00
Dividend Distributed to Participating Districts-		
Cash Payments	216,903.52	
Retained for Administration Costs	<u>3,719.28</u>	
		220,622.80
Addition to Reserves:		
Reserve for Future Premiums	684,651.05	
Reserve for Deficiency - Supplemental	<u>236,549.52</u>	
		921,200.57
Premiums Collected April, May & June Note I		<u>726,718.04</u>
TOTAL		<u>\$5,598,424.16</u>

Note I - April, May & June premiums were withheld and applied against dividend to be paid in September.



November 12, 1975

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 twentieth dividend payable under the Maine State Group Life Insurance program. It covers the period from July 1, 1974 to June 30, 1975. It includes the State Employees and Teachers Regular plan, the State Employees and Teachers Supplemental plan and Participating Local District plans.

The total earned dividend is \$1,034,030.52 and is allocated as follows:

<u>Classification</u>	<u>Amount</u>
State and Teachers (Regular)	\$693,299.98
State and Teachers (Supplemental)	40,689.26
City of Portland	27,526.94
City of Bangor	16,139.76
Pooled Districts (Regular)	201,665.31
Pooled Districts (Supplemental)	<u>54,709.27</u>
Total Dividend	\$1,034,030.52

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

State Employees and Teachers Regular Plan

State Contributions Active Employees and Teachers	\$ 24,000.00
Retired Employees and Teachers Contributions	580,847.20
Employees and Teachers Contributions	1,300,864.06
Employees and Teachers Dependent Life Insurance	<u>66,686.22</u>
	\$1,972,397.48

Claims

Claims for the policy year are divided into three categories:

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

Paid Claims

During the 12 month period, actual paid claims were \$1,304,525.00.

Conversion Charges

During the 12 month period, employees and teachers converted \$65,000 of insurance. The charge at \$75/1000 amounted to \$4,875.00.

Disability Claims

During the 12 months period, 13 employees with insurance retired on disability and were still alive on June 30, 1975. During the same period, waiver of premium was approved for 3 people not retired on disability. The total amount of insurance for this group was \$136,650.00. At \$600 per 1,000, the disability reserve charge was \$81,990.00.

Disability Recoveries

During the 12 month period, there were 3 disability recoveries with insurance of \$19,600.00. This released reserves of \$11,760.00.

Disabled Deaths

During the 12 month period 14 disabled people died with \$84,900.00 of insurance. This released reserves of \$50,940.00.

Reduction in Disability Claims

During the 12 month period, the amount of insurance on disability claimants was reduced by \$210,860.00 thereby reducing reserves by \$126,516.00. These reductions are attributable to two factors: 1) regular reductions and 2) corrections submitted by Maine State Retirement System to the Retired, Disabled State Employees 11/74 bill.

DIVIDEND TWENTIETH POLICY YEAR

Earned Premiums		\$1,972,397.48
Less: Paid Claims	\$1,304,525.00	
New reported and approved disability claims	81,990.00	
Conversion Charges	4,875.00	
Retention (3.9%)	<u>76,923.50</u>	<u>1,468,313.50</u>
Net		\$504,083.98
Plus: Reduction in Disability Claims	126,516.00	
Disabled Deaths	50,940.00	
Disabled Recoveries	<u>11,760.00</u>	<u>189,216.00</u>
Twentieth Year Dividend		\$693,299.98

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 \$749,127.74.

Conversion Charges

During the 12 month period \$40,300.00 of insurance was converted. The charge at \$75/1000 amounted to \$3,022.50.

Disability Claims

During the 12 month period waiver of premium was approved for 1 person not retired on disability. The amount of insurance was \$9,000. At \$600 per \$1,000, the reserve charge was \$5,400.00.

Disability Recoveries

During the 12 month period there were no disability recoveries.

Disabled Deaths

During the 12 months period, three disabled people died releasing reserves of \$16,200.

DIVIDEND FOURTEENTH POLICY YEAR

Earned Premiums		\$749,127.74
Less: Paid Claims	\$687,000.00	
Conversion Charges	3,022.50	
Disability Claims	5,400.00	
Retention (3.9%)	<u>29,215.98</u>	<u>724,638.48</u>
Net		\$24,489.26
Plus: Reduction in Disability Claims	-0-	
Disabled Deaths	<u>16,200.00</u>	<u>16,200.00</u>
Fourteenth Year Dividend		\$40,689.26

Dividends for Participating Local Districts

During the year we received premiums for 115 Participating Local Districts.

Those districts having over 300 lives are kept separate as their experience is on an accumulative basis similar to the State Case. There are two such districts: the City of Portland and the City of Bangor.

The dividend calculation for these two districts follows; both districts have an advance discount of 15%:

City of Portland

Manual Premium		\$148,377.34
Less: Advance Discount	\$22,256.53	
Paid Claims	91,175.00	
5% Retention	<u>7,418.87</u>	<u>120,850.40</u>
Twentieth Year Dividend		\$27,526.94

Conversion Charges

During the 12 month period there were no conversions.

Board of Trustees of the Maine State Retirement System
and its Advisory Council on Group Life Insurance
November 12, 1975
Page 5

City of Bangor

Manual Premium		\$81,362.16
Less: Advance Discount	\$12,204.29	
Paid Claims	48,950.00	
5% Retention	<u>4,068.11</u>	<u>65,222.40</u>
Twentieth Year Dividend		\$16,139.76

Conversion Charges

During the 12 month period there were no conversions.

The experience of the other 113 districts was pooled, developing a dividend as follows:

Manual Premium		\$462,968.42
Less: Advance Discount	\$45,892.50	
Paid Claims	181,895.00	
Conversion Charge	2,737.50	
Disability Claims	3,000.00	
6% Retention	<u>27,778.11</u>	<u>261,303.11</u>
Twentieth Year Dividend		\$201,665.31

Conversion Charges

During the 12 month period, \$36,500.00 of insurance was converted. The charge at \$75/1000 amounted to \$2,737.50.

Disability Claims

During the 12 month period, there was one waiver of premium claim with \$5,000.00 of insurance. The charge at \$600/1000 amounted to \$3,000.00.

The dividend of \$201,665.31 has been allocated to the Local Districts, subject to the following two conditions:

1. Any Participating Local District having a loss ratio greater than the State will receive no dividend.
2. In no event shall claims plus dividend exceed 94% of earned premiums.

Board of Trustees of the Maine State Retirement System
and its Advisory Council on Group Life Insurance
November 12, 1975
Page 6

The State's loss ratio was calculated as follows:

$$\frac{1,202,174.00}{1,972,397.48} = 60.9\%$$

The following Participating Districts received no dividends because their loss ratio was greater than the State's:

<u>District</u>	<u>Net Premiums</u>	<u>Claims</u>	<u>Loss Ratio</u>
County of Cumberland	\$ 12,158.61	\$ 14,437.50	118.7
Town of Mt. Desert	3,935.90	8,525.00	216.6
Town of York	1,742.18	2,000.00	114.8
Kennebec Water District	3,549.59	6,000.00	169.0
Maine Maritime	17,865.70	12,000.00	67.2
County of Washington	4,640.22	9,000.00	194.0
Town of Brunswick	19,303.19	13,545.00	70.2
Auburn Sewerage	1,053.83	925.00	87.8
Town of East Millinocket	3,860.35	6,460.00	167.3
Maine Municipal	325.15	1,425.00	438.3
Town of Rumford P & F	4,000.74	11,000.00	274.9
County of Androscoggin	8,796.72	11,000.00	125.0
City of Bath	12,583.49	9,900.00	78.7
Sagadahoc County	3,235.93	2,000.00	61.8
Town of Norway	1,702.39	4,000.00	235.0
Waterville Sewerage	1,158.77	7,000.00	604.1
Town of Wiscasset	3,268.29	4,000.00	122.4
Town of Fairfield	4,376.99	6,000.00	137.1
SAD #17	1,753.23	4,420.00	252.1
SAD #50	715.42	2,550.00	356.4
Brunswick/Topsham Water	<u>1,765.50</u>	<u>6,780.00</u>	384.00
	\$111,792.19	\$142,967.50	

The following Districts received a reduced dividend under 2 above:

<u>District</u>	<u>Net Premiums</u>	<u>Claims</u>	<u>Dividend</u>
City of So. Portland	\$40,060.61	\$21,025.00	\$16,631.97
City of Augusta	28,099.45	13,850.00	12,563.48
Milo Water District	569.78	250.00	285.59
City of Belfast	3,236.40	1,150.00	1,892.22
Auburn Water District	2,173.20	750.00	1,292.81
Town of Bar Harbor	4,387.18	1,000.00	3,123.95
Town of Sanford	16,432.38	3,640.00	11,806.44
Bangor Water District	<u>5,051.98</u>	<u>1,050.00</u>	<u>3,698.86</u>
	\$100,010.98	\$42,715.00	\$51,295.32

Board of Trustees of the Maine State Retirement System
and its Advisory Council on Group Life Insurance
November 12, 1975
Page 7

The allocation of the dividend for the pooled districts was developed as follows:

	<u>Manual Premium</u>	<u>Advance Discount</u>	<u>Net Premium</u>	<u>Dividend</u>
Total for Pooled Districts	\$462,968.42	\$45,892.50	\$417,075.92	\$201,665.31
Less: Premiums - those districts not developing a dividend			\$111,792.19	-0-
Reduced District dividend			<u>100,010.98</u>	<u>51,295.32</u>
Net			\$205,272.75	\$150,369.99

Dividend Percentage of Premium

$$\frac{150,369.99}{205,272.75} = .73253751$$

Supplemental Life Plan

The following 31 districts have taken advantage of the Supplemental Group Life benefits:

County of Cumberland	Town of Thomaston
Kittery Water District	Maine Housing Authority
Houlton Water District	Town of Waldoboro
York Water District	Gould Academy
Maine Turnpike Authority	Waterville Sewerage
Town of Cape Elizabeth	Town of Anson
Town of Wilton	Hallowell Water District
Me. Municipal Bond Bank	Anson Water District
Greater Port Council of Govt.	Town of Mars Hill
Sagadahoc County	Maine State Employment Assoc.
State Principals Assoc.	Waldoboro Sewer District
County of Piscataquis	SAD #74
Town of Bucksport	SAD #52
Fort Fairfield Utilities	Kennebec Sanitary Treatment
So. Kennebec Valley RPC	Town of Wiscasset
Sanford Housing Authority	

Total premiums for the year ended June 30, 1975 amount to \$74,683.44.
There were \$15,000.00 paid in claims for the same period. The following table develops a dividend on the Supplemental plan equal to \$54,709.27.

Board of Trustees of the Maine State Retirement System
and its Advisory Council on Group Life Insurance
November 12, 1975
Page 8

Manual Premium		\$82,902.90
Less: Advance Discount	\$8,219.46	
Paid Claims	15,000.00	
6% Retention	<u>4,974.17</u>	<u>28,193.63</u>
Tenth Year Dividend		\$54,709.27

Disability Claims

During the 12 month period there were no waiver of premium claims.

The following Participating Districts received no dividends because their loss ratio was greater than the States:

	<u>Net Premium</u>	<u>Claims</u>	<u>Loss Ratio</u>
County of Cumberland	\$9,016.56	\$11,000.00	112.0%
Town of Wiscasset	<u>2,368.43</u>	<u>4,000.00</u>	168.9
	\$11,384.99	\$15,000.00	

The allocation of the dividend for the pooled districts was developed as follows:

	<u>Manual Premium</u>	<u>Advance Discount</u>	<u>Net Premium</u>	<u>Dividend</u>
Total for Pooled Districts	\$82,902.90	\$8,219.46	\$74,683.44	\$54,709.27
Less: Premiums - those districts not developing a dividend			<u>\$11,384.99</u>	<u>-0-</u>
Net			\$63,298.45	\$54,709.27

Board of Trustees of the Maine State Retirement System
and its Advisory Council on Group Life Insurance
November 12, 1975
Page 9

Dividend Percentage of Premium

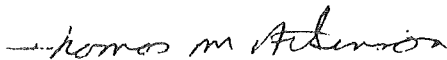
$$\frac{54,709.27}{63,298.45} = .86430663$$

Exhibit B lists the dividends in detail and they have been distributed on exactly the same basis as that used for the Participating Districts regular coverage.

On June 23, 1975, a revised dividend calculation under the Maine State Group Life program was submitted for the period July 1, 1973 to June 30, 1974. The adjustments were described in detail and it was agreed that any adjustments would be made on future dividend calculations by adding or subtracting the appropriate amounts. Because the Town of Fort Fairfield had promised to return any dividend earned to their employees, a check was issued for \$1,232.08.

The results of the adjustments made have been shown in detail on Exhibit A.

Respectfully submitted,



Thomas M. Atkinson
Manager
Underwriting Services
UNION MUTUAL LIFE INSURANCE COMPANY

Attachments

EXHIBIT AMAINE STATE RETIREMENT SYSTEM GROUP POLICY #2200TWENTIETH YEAR DIVIDEND 6-30-75

<u>District</u>	<u>Manual Premium</u>	<u>Experience & Advance Discount</u>	<u>Incurred Claims</u>	<u>Gross Dividend</u>	<u>1974 Dividend Adjustment</u>	<u>Net Dividend Deficit</u>
State & Teachers	\$2,788,837.88	\$ 816,440.40	\$ 12,021.74	\$ 693,299.98	\$ 5,500.00	\$ 698,799.98
Supplemental State & Teachers	1,256,232.53	507,104.79	679,222.50	40,689.26	-0-	40,689.26
City of Portland	148,377.34	22,256.53	91,175.00	27,526.94	-0-	27,526.94
City of Presque Isle	9,409.31	940.92	---	6,203.41	(27.10)	6,176.31
County Cumberland	13,509.55	1,350.94	14,437.50	-0-	(35.65)	(35.65)
Town of Camden	3,162.38	316.23	---	2,084.91	-0-	2,084.91
City of South Portland	44,511.73	4,451.21	21,025.00	16,631.97	(144.55)	16,487.42
Town of Houlton	6,859.36	685.92	---	4,522.28	-0-	4,522.28
County Penobscot	6,179.50	617.94	900.00	4,074.05	(17.12)	4,056.93
Kittery Water District	1,210.99	121.09	---	798.39	(3.69)	794.70
City of Ellsworth	5,185.92	518.58	---	3,419.00	(17.71)	3,401.29
Town of Bar Harbor	4,874.63	487.45	1,000.00	3,123.95	(2,144.36)	979.59
Town of Mount Desert	4,373.21	437.31	8,525.00	-0-	-0-	-0-
Town of Fort Fairfield	3,220.79	322.07	---	2,123.42	1,232.08	3,355.50
City of Rockland	7,777.96	777.78	900.00	5,127.89	(24.30)	5,103.59
City of Bangor	81,362.16	12,204.29	489.50	16,139.76	-0-	16,139.76
Boothbay Harbor Water District	922.55	92.25	---	608.23	(2.96)	605.27
Bangor Public Library	3,570.84	357.08	---	2,354.20	(13.42)	2,340.78
City of Augusta	31,221.57	3,122.12	13,850.00	12,563.48	(87.09)	12,476.39
City of Gardiner	4,136.23	413.61	---	2,726.96	(13.31)	2,713.65
Houlton Water District	4,816.16	481.61	---	3,175.22	(13.25)	3,161.97
Town of York	1,935.75	193.57	2,000.00	-0-	(7.45)	(7.45)
Limestone Water District	202.38	20.23	---	133.43	(.41)	133.02
Town of St. Agatha	669.57	66.95	---	441.44	(1.65)	439.79
Kennebec Water District	3,943.98	394.39	6,000.00	-0-	-0-	-0-
Livemore Falls Water District	568.11	56.81	---	374.54	-0-	374.54
County Knox	2,838.79	283.87	---	1,871.57	(9.15)	1,862.42
Augusta Water District	3,167.72	316.76	---	2,088.44	(10.71)	2,077.73
City of Belfast	3,595.99	359.59	1,150.00	1,892.22	-0-	1,892.22
Maine Maritime	19,850.75	1,985.05	12,000.00	-0-	-0-	-0-
York Water District	1,695.47	169.54	---	1,117.80	(3.93)	1,113.87
County Washington	5,155.79	515.57	9,000.00	-0-	(12.61)	(12.61)

EXHIBIT A (Continued)

<u>District</u>	<u>Manual Premium</u>	<u>Experience & Advance Discount</u>	<u>Incurred Claims</u>	<u>Dividend</u>	<u>1974 Dividend Adjustment</u>	<u>Net Dividend Deficit</u>
Portland Public Library	\$ 2,532.87	\$ 253.28	\$ ---	\$ 1,669.89	\$ -0-	\$ 1,669.89
Town of Brunswick	21,447.96	2,144.77	13,545.00	-0-	(62.81)	(62.81)
County Waldo	2,571.31	257.12	---	1,695.23	(10.10)	1,685.13
Me. Turnpike Authority	41,089.89	4,108.94	---	27,089.93	-0-	27,089.93
Auburn Sewerage	1,170.92	117.09	925.00	-0-	(3.02)	(3.02)
Auburn Water District	2,414.66	241.46	750.00	1,292.81	-0-	1,292.81
Town of E. Millinocket	4,289.27	428.92	6,460.00	-0-	(12.33)	(12.33)
Maine Municipal	325.15	---	1,425.00	-0-	-0-	-0-
Bangor Water District	5,613.30	561.32	1,050.00	3,698.86	(16.15)	3,682.71
Town of Rumford P & F	4,445.26	444.52	11,000.00	-0-	(14.62)	(14.62)
Town of Orono	3,326.00	332.59	---	2,192.79	(11.77)	2,181.02
Kennebec Light & Power	3,353.90	335.38	---	2,211.18	(10.82)	2,200.36
Augusta Sewerage	2,545.60	254.55	---	1,678.28	(8.51)	1,669.77
Rumford Water District	832.39	83.23	---	548.79	(2.22)	546.57
County Androscoggin	9,774.12	977.40	11,000.00	-0-	(33.41)	(33.41)
Brunswick Sewer District	1,121.65	112.16	---	739.49	(2.74)	736.75
City of Bath	13,981.63	1,398.14	9,900.00	-0-	-0-	-0-
SAD #34	2,832.95	283.29	---	1,867.72	(6.64)	1,861.08
SAD #28	213.47	21.34	---	140.74	(.77)	139.97
Town of Skowhegan	5,354.80	535.47	---	3,530.34	-0-	3,530.34
Town of Topsham	361.55	36.15	---	238.37	(.93)	237.44
Town of Sanford	18,258.17	1,825.79	3,640.00	11,806.44	(52.79)	11,753.65
Town of Kennebunk	2,758.85	275.88	---	1,818.87	-0-	1,818.87
Town of Cape Elizabeth	8,808.38	880.82	---	5,807.24	-0-	5,807.24
Town of Wilton	620.14	62.01	---	408.85	(1.51)	407.34
Town of Falmouth	6,967.24	696.71	---	4,593.40	(23.69)	4,569.71
Town of Rumford	6,875.04	687.49	---	4,532.61	(23.34)	4,509.27
Me. Municipal Bond Bank	190.86	19.08	---	125.84	(.05)	125.79
Greater Portland Council of Govt.	692.82	---	---	507.52	-0-	507.52
Sagadahoc County	3,595.47	359.54	2,000.00	-0-	-0-	-0-
Town of Frenchville	87.15	8.71	---	57.46	(.44)	57.02
Town of Milo	2,015.89	201.58	---	1,329.05	(6.24)	1,322.81
State Principals Association	288.05	---	---	211.01	-0-	211.01
SAD #54	2,414.81	241.47	---	1,592.05	(8.37)	1,583.68
Town of Yarmouth	3,191.59	319.15	---	2,104.17	(7.84)	2,096.33
County Piscataquis	1,686.05	168.60	---	1,111.59	-0-	1,111.59
Town of Norway	1,891.54	189.15	4,000.00	-0-	(6.81)	(6.81)
Town of Paris	1,350.62	135.06	---	890.44	(4.15)	886.29
SAD #71	2,280.48	228.04	---	1,503.49	(5.56)	1,497.93

EXHIBIT A (Continued)

<u>District</u>	<u>Manual Premium</u>	<u>Experience & Advance Discount</u>	<u>Incurred Claims</u>	<u>Dividend</u>	<u>1974 Dividend Adjustment</u>	<u>Net Dividend Deficit</u>
Town of Bucksport	\$ 7,424.75	\$ 742.46	\$ ---	\$ 4,895.03	\$ (23.11)	\$ 4,871.92
Fort Fiarlfied Utilities	1,027.36	102.73	---	677.33	(2.09)	675.24
Belfast Water District	789.06	78.90	---	520.22	(2.32)	517.90
Town of Gorham	7,465.16	746.50	---	4,921.67	-0-	4,921.67
So. Kennebec Valley RPC	200.45	20.04	---	132.16	(.48)	131.68
SAD #41	1,433.29	143.32	---	944.95	(2.85)	942.10
Auburn Housing Authority	800.39	80.03	---	527.69	(3.94)	523.75
Town of Hermon	1,682.69	168.26	---	1,109.38	(4.65)	1,104.73
Sanford Housing	354.81	35.48	---	233.92	(.55)	233.37
Paris Utility District	1,071.33	107.13	---	706.31	(2.50)	703.81
Town of Rockport	754.11	75.41	---	497.17	(2.52)	494.65
Lewiston/Auburn Water	2,453.64	245.36	---	1,617.65	(1.71)	1,615.94
Town of Thomaston	941.99	94.19	---	621.05	(1.30)	619.75
Town of Dover-Foxcroft	5,156.48	515.64	---	3,399.59	-0-	3,399.59
Me. Housing Authority	1,367.48	136.74	---	901.56	(4.99)	896.57
Town of Winthrop	1,867.35	186.73	---	1,231.12	(11.80)	1,219.32
Portland Housing Authority	2,490.45	---	---	1,824.35	-0-	1,824.35
Town of Waldoboro	570.22	57.02	---	375.94	(1.50)	374.44
SAD #51	833.75	83.37	150.00	549.68	(2.41)	547.27
Gould Academy	236.86	---	---	173.51	-0-	173.51
(84) Milo Water District	633.08	63.30	250.00	285.59	(1.78)	283.81
Waterville Sewerage	1,287.52	128.75	7,000.00	-0-	-0-	-0-
Town of Wiscasset	3,631.42	363.13	4,000.00	-0-	(12.09)	(12.09)
Town of Ashland	313.63	31.36	---	206.77	(1.81)	204.96
Town of Anson	706.28	70.62	---	465.64	(2.01)	463.63
Hallowell Water District	1,029.56	102.95	---	678.78	(1.37)	677.41
Town of Fairfield	4,863.31	486.32	6,000.00	-0-	(1,837.54)	(1,837.54)
Town of Lubec	162.43	16.24	---	107.09	(.86)	106.23
Town of Limestone	1,806.08	180.60	---	1,190.73	(824.83)	365.90
Presque Isle Water District	958.80	95.87	---	632.13	(2.67)	629.46
Town of West Paris	176.03	17.60	---	116.05	(.48)	115.57
Brunswick/Topsham Water District	1,961.66	196.16	6,780.00	-0-	(6.75)	(6.75)
Anson Water District	273.02	27.30	---	180.00	(.56)	179.44
SAD #17	1,948.03	194.80	4,420.00	-0-	(3.48)	(3.48)
Town of Mars Hill	398.19	39.81	---	262.53	(2.50)	260.03
SAD #36	1,104.26	110.42	---	728.02	(3.55)	724.47
Me. State Employees Association	903.97	90.39	---	595.98	(3.83)	592.15
SAD #40	348.89	34.88	---	230.02	(1.00)	229.02
SAD #50	794.91	79.49	2,550.00	-0-	-0-	-0-
SAD #1	4,421.96	442.19	---	2,915.33	(15.57)	2.899,76

EXHIBIT A (Continued)

<u>District</u>	<u>Manual Premium</u>	<u>Experience & Advance Discount</u>	<u>Incurred Claims</u>	<u>Dividend</u>	<u>1974 Dividend Adjustment</u>	<u>Net Dividend Deficit</u>
Presque Isle Sewer District	\$ 662.73	\$ 66.27	\$ ---	\$ 436.93	\$ (1.74)	\$ 435.19
Waldoboro Sewer	19.99	1.99	---	13.19	(.23)	12.96
SAD #68	1,087.77	108.77	---	717.15	(3.85)	713.30
SAD #74	1,234.00	123.39	---	813.56	(3.90)	809.66
SAD #52	842.73	84.27	---	555.60	(1.90)	553.70
Kennebunk Sanitary Treatment	337.77	33.77	---	222.69	(1.01)	221.68
GRAND TOTAL	\$4,737,778.33	\$1,403,898.51	\$2,209,154.00	\$ 979,321.25	\$ 1,000.00	\$ 980,321.25*

*\$1,232.08 was paid Town of Fort Fairfield 6-23-75.

EXHIBIT B

MAINE STATE RETIREMENT SYSTEM - GROUP POLICY #2200

SUPPLEMENTAL LIFE (DISTRICTS)

<u>District</u>	<u>Manual Premium</u>	<u>Experience & Advance Discount</u>	<u>Claims Incurred</u>	<u>Dividend</u>
County Cumberland	\$10,018.38	\$ 1,001.82	\$11,000.00	\$ -0-
Kittery Water District	878.37	87.83	---	683.27
Houlton Water District	4,256.81	425.67	---	3,311.28
York Water District	326.04	32.60	---	253.62
Me. Turnpike Authority	39,481.99	3,948.15	---	30,712.13
Town of Cape Elizabeth	5,257.74	525.76	---	4,089.88
Town of Wilton	538.94	53.89	---	419.23
Me. Municipal Bond Bank	171.13	17.11	---	133.12
Greater Portland Council of Govt.	207.84	---	---	179.64
Sagadahoc County	3,477.92	347.78	---	2,705.40
State Principals Association	280.31	---	---	242.27
County Piscataquis	1,137.63	113.76	---	884.94
Town of Bucksport	6,000.08	600.00	---	4,667.32
Fort Fairfield Utilities	579.72	57.97	---	450.95
So. Kennebec Valley RPC	189.21	18.92	---	147.18
Town of Thomaston	942.12	94.21	---	732.85
Me. Housing Authority	1,269.42	126.94	---	987.46
Town of Waldoboro	446.73	44.67	---	347.50
Gould Academy	218.14	---	---	188.54
Waterville Sewerage	1,100.22	110.02	---	855.84
Town of Wiscasset	2,631.58	263.15	4,000.00	-0-
Town of Anson	628.33	62.83	---	488.77
Hallowell Water District	805.76	80.57	---	626.79
Anson Water District	163.16	16.31	---	126.92
Town of Mars Hill	376.59	37.65	---	292.95
Me. State Employees Association	564.74	56.47	---	439.30
Waldoboro Sewer District	19.99	1.99	---	15.56
SAD #74	286.31	28.63	---	222.72
SAD #52	433.48	43.34	---	337.20
Kennebec Sanitary Treatment	214.22	21.42	---	166.64
GRAND TOTAL	\$82,902.90	\$ 8,219.46	\$15,000.00	\$54,709.27

DIVIDEND SUMMARY (ALL PLANS)

MAINE STATE RETIREMENT SYSTEM-GROUP POLICY NUMBER 2200

7/1/74 to 6/30/75

	<u>State Regular</u>	<u>State Supplementary</u>	<u>City of Portland</u>	<u>City of Bangor</u>	<u>Regular Districts</u>	<u>Supplementary Districts</u>	<u>Totals</u>
Premiums - Manual	\$2,788,837.88	\$1,256,232.53	\$148,377.34	\$81,362.16	\$462,968.42	\$82,902.90	\$4,820,681.23
Premiums - Discount	816,440.40	507,104.79	22,256.53	12,204.29	45,892.50	8,219.46	1,412,117.97
Net Premiums	1,972,397.48	749,127.74	126,120.81	69,157.87	417,075.92	74,683.44	3,408,563.26
Paid Claims	1,304,525.00	687,000.00	91,175.00	48,950.00	181,895.00	15,000.00	2,328,545.00
+Conversion Charges	4,875.00	3,022.50	-0-	-0-	2,737.50	-0-	10,635.00
+Disability Claims	81,990.00	5,400.00	-0-	-0-	3,000.00	-0-	90,390.00
-Disability Recoveries	11,760.00	-0-	-0-	-0-	-0-	-0-	11,760.00
-Disability Deaths	50,940.00	16,200.00	-0-	-0-	-0-	-0-	67,140.00
-Reduction in Disability Claims	126,516.00	-0-	-0-	-0-	-0-	-0-	126,516.00
Incurred Claims	1,202,174.00	679,222.50	91,175.00	48,950.00	187,632.50	15,000.00	2,224,154.00
Retention	76,923.50	29,215.98	7,418.87	4,068.11	27,778.11	4,974.17	150,378.74
Gross Dividend	693,299.98	40,689.26	27,526.94	16,139.76	201,665.31	54,709.27	1,034,030.52
1974 Adjustment	5,500.00	-0-	-0-	-0-	-4,500.00	-0-	1,000.00
Net Dividend	698,799.98	40,689.26	27,526.94	16,139.76	197,165.31	54,709.27	1,035,030.52*

*\$1,232.08 paid to Town of Fort Fairfield, June 23, 1975.

MAINE STATE RETIREMENT SYSTEM

For Employees of the
State of Maine
Participating Local Districts
and
Public School Teachers



Constitution of the State of Maine

All of the assets, and proceeds or income therefrom, of the Maine State Retirement System or any successor system and all contributions and payments made to the system to provide for retirement and related benefits shall be held, invested or disbursed as in trust for the exclusive purpose of providing for such benefits and shall not be encumbered for, or diverted to, other purposes.

Chapter 95 Resolves 1961

Voted, General Election, November 6, 1962

Proclaimed, November 21, 1962

Adopted and Effective December 21, 1962

