

State of Maine - State Employees
Fiscal Year Ended June 30, 2020 GASB Statement No. 75 Disclosure Information

Exhibit 1: Schedule of Changes in Net OPEB Liability

(All dollar amounts are in thousands)

	Discount Rate	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
June 30, 2019	6.75%	\$ 1,154,160	\$ 277,703	\$ 876,457
Service Cost		17,777		17,777
Interest Cost		76,742		76,742
Changes In Benefit Terms		-		-
Changes In Assumptions - Discount Rate		-		-
Changes In Assumptions - Others		-		-
Differences Between Expected And Actual Experience		3,008		3,008
Benefit Payments				
Explicit Subsidy	\$ (48,714)			
Implicit Subsidy	\$ (22,486)			
Total		(71,200)	(71,200)	-
Contributions - Employer and Nonemployer Contributing Entities				
Employer	\$ 48,714			
Implicit Subsidy	\$ 22,486			
Total			71,200	(71,200)
Contributions - Employee			-	-
Contributions - Retiree			-	-
Administrative Expenses			(3)	3
Net Investment Income				
Expected Investment Earnings	\$ 18,745			
Differences Between Projected And Actual Investment Earnings	\$ (4,886)			
Total			13,859	(13,859)
Net Change		\$ 26,327	\$ 13,856	\$ 12,471
June 30, 2020	6.75%	\$ 1,180,487	\$ 291,559	\$ 888,928
			June 30, 2020	June 30, 2019
Plan Fiduciary Net Position As A Percentage Of Total OPEB Liability			24.7%	24.1%
Covered Payroll			\$ 698,462	\$ 626,384
Net OPEB Liability As A Percentage Of Covered Payroll			127.3%	139.9%
Sensitivity of Net OPEB Liability to changes in Discount Rate			June 30, 2020	% Change
A one percentage point change in discount rate would have the following effect on Total OPEB Liability at June 30, 2020:				
One Percentage Increase (7.75%)			\$ (115,956)	-10%
One Percentage Decrease (5.75%)			\$ 139,332	12%
Net OPEB Liability at a one percentage point change in discount rate as of June 30, 2020 is as follows:				Net OPEB Liability
One Percentage Increase (7.75%)				\$ 772,972
One Percentage Decrease (5.75%)				\$ 1,028,260
Sensitivity of Net OPEB Liability to changes in Trend Rate			June 30, 2020	% Change
A one percentage point change in trend rate would have the following effect on Total OPEB Liability at June 30, 2020:				
One Percentage Increase (7.00% grading down to 5.29%)			\$ 173,574	15%
One Percentage Decrease (5.00% grading down to 3.29%)			\$ (142,536)	-12%
Net OPEB Liability at a one percentage point change in trend rate as of June 30, 2020 is as follows:				Net OPEB Liability
One Percentage Increase (7.00% grading down to 5.29%)				\$ 1,062,502
One Percentage Decrease (5.00% grading down to 3.29%)				\$ 746,392
Key Assumptions			June 30, 2020	June 30, 2019
Discount Rate			6.75%	6.75%
Investment Rate of Return			6.75%	6.75%
Inflation			2.75%	2.75%
Initial Medical Trend Rate ¹			6.00%	6.20%
Ultimate Medical Trend Rate ¹			4.29%	4.29%
Year Ultimate Trend Rate Reached			2075	2075

¹ Trend is limited to no more than inflation + 3% in any given year.

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Exhibit 2: Development of OPEB Expense for Year Ended 06/30/2020
(All dollar amounts are in thousands)

Components of OPEB Expense	Year Ended 06/30/2020
Service Cost	\$ 17,777
Interest	76,742
Expected Investment Earnings	(18,745)
Contributions - Employee	-
Administrative Expenses	3
Changes In Benefit Terms	-
Recognition of Current Period Deferred Outflows and (Inflows)	
Changes in assumptions	-
Differences between expected and actual experience	597
Differences between expected and actual investment earnings	977
Recognition of Beginning Deferred Outflows	3,536
Recognition of Beginning Deferred Inflows	(13,949)
OPEB Expense	\$ 66,938
Assumptions Used to Determine OPEB Expense	Year Ended 06/30/2020
Discount Rate as of Beginning of Year	6.75%
Investment Rate of Return	6.75%
Inflation	2.75%
Initial Medical Trend Rate ¹	6.20%
Ultimate Medical Trend Rate ¹	4.29%
Year Ultimate Trend Rate Reached	2075

¹ Trend is limited to no more than inflation + 3% in any given year.

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Exhibit 3: Schedule of Outflows/(Inflows)¹

(All dollar amounts are in thousands)

Measurement Date Established	Initial Amount	Deferred Outflows of Resources as of 06/30/2020	Deferred (Inflows) of Resources as of 06/30/2020 ²	Initial Years	Remaining Years	Outflows/(Inflows) Recognized in Year Ended 06/30/2020
Changes In Assumptions						
06/30/2017	\$ -	\$ -	\$ -	-	-	\$ -
06/30/2018	\$ -	\$ -	\$ -	-	-	\$ -
06/30/2019	\$ 517	\$ 317	\$ -	5.16	3.16	\$ 100
06/30/2020	\$ -	\$ -	\$ -	-	-	\$ -
Total	\$ -	\$ 317	\$ -	-	-	\$ 100
Differences Between Expected And Actual Plan Experience						
06/30/2017	\$ 9,854	\$ 2,214	\$ -	5.16	1.16	\$ 1,910
06/30/2018	\$ 7,872	\$ 3,294	\$ -	5.16	2.16	\$ 1,526
06/30/2019	\$ (51,593)	\$ -	\$ (31,595)	5.16	3.16	\$ (9,999)
06/30/2020	\$ 3,008	\$ 2,411	\$ -	5.04	4.04	\$ 597
Total	\$ -	\$ 7,919	\$ (31,595)	-	-	\$ (5,966)
Net Difference Between Projected And Actual Earnings On Investments						
06/30/2017	\$ (12,806)	\$ -	\$ (2,562)	5.00	1.00	\$ (2,561)
06/30/2018	\$ (5,436)	\$ -	\$ (2,175)	5.00	2.00	\$ (1,087)
06/30/2019	\$ (1,508)	\$ -	\$ (904)	5.00	3.00	\$ (302)
06/30/2020	\$ 4,886	\$ 3,909	\$ -	5.00	4.00	\$ 977
Total	\$ -	\$ 3,909	\$ (5,641)	-	-	\$ (2,973)
Balance as of 06/30/2020		\$ 12,145	\$ (37,236)			\$ (8,839)
Deferred Outflows And Deferred (Inflows) Of Resources Will Be Recognized In Expense As Follows:						
Year Ending:						Outflows/(Inflows)
06/30/2021						\$ (8,840)
06/30/2022						(7,885)
06/30/2023						(8,383)
06/30/2024						(6)
06/30/2025						23
Thereafter						-

¹ There will also be a Deferred Outflow for Contributions Made after the Measurement Date (TBD for fiscal year ending 6/30/2021).

² Deferred (Inflows) should be disclosed as positive numbers in the Comprehensive Annual Financial Report.

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Exhibit 4: 10-Year Schedule of Net OPEB Liability

(All dollar amounts are in thousands)

Year Ended	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (c)	Plan Fiduciary Net Position As A Percentage Of Total OPEB Liability (d)	Covered Payroll (e)	Net OPEB Liability As A Percentage Of Covered Payroll (f)
			(a)-(b)	(b)/(a)		(c)/(e)
June 30, 2016	\$1,147,800	\$203,088	\$944,712	17.7%	\$574,663	164.4%
June 30, 2017	\$1,175,459	\$233,596	\$941,863	19.9%	\$582,934	161.6%
June 30, 2018	\$1,199,512	\$256,860	\$942,652	21.4%	\$591,521	159.4%
June 30, 2019	\$1,154,160	\$277,703	\$876,457	24.1%	\$626,384	139.9%
June 30, 2020	\$1,180,487	\$291,559	\$888,928	24.7%	\$698,462	127.3%

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Exhibit 5: 10-Year Schedule of Employer Contributions

(All dollar amounts are in thousands)

Year Ended	Actuarially Determined Contributions¹ (a)	Contributions in Relation to Actuarially Determined Contributions (b)	Contribution Deficiency (Excess) (c)	Covered Payroll (d)	Contributions as a Percentage of Covered Payroll (e)
			(a)-(b)		(b)/(d)
June 30, 2016	\$88,000	\$67,142	\$20,858	\$574,663	11.7%
June 30, 2017	\$69,000	\$78,746	(\$9,746)	\$582,934	13.5%
June 30, 2018	\$71,179	\$80,612	(\$9,433)	\$591,521	13.6%
June 30, 2019	\$71,363	\$92,829	(\$21,466)	\$626,384	14.8%
June 30, 2020	\$56,241	\$71,200	(\$14,959)	\$698,462	10.2%

¹ Actuarially Determined Contributions for year ended June 30, 2016 and June 30, 2017 were calculated by the prior plan actuary.