

State of Maine - State Employees
Fiscal Year Ended June 30, 2024 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, 2023	6.50%	\$ 778,598	\$ 432,679	\$ 345,919
Service Cost		12,482		12,482
Interest Cost		48,779		48,779
Changes In Benefit Terms		-		-
Changes In Assumptions - Discount Rate		-		-
Changes In Assumptions - Others		-		-
Differences Between Expected And Actual Experience		30,006		30,006
Benefit Payments				
Explicit Subsidy		\$ (40,844)		
Implicit Subsidy		<u>(41,729)</u>		
Total			(82,573)	(82,573)
Contributions - Employer and Nonemployer Contributing Entities				
Discretionary/Prefunded		\$ 2,000		
Explicit Subsidy		40,844		
Implicit Subsidy		<u>41,729</u>		
Total			84,573	(84,573)
Contributions - Employee				-
Contributions - Retiree				-
Administrative Expenses			(2)	2
Net Investment Income				
Expected Investment Earnings		\$ 28,124		
Differences Between Projected And Actual Investment Earnings		<u>33,241</u>		
Total			61,365	(61,365)
Net Change		\$ 8,694	\$ 63,363	\$ (54,669)
June 30, 2024	6.50%	\$ 787,292	\$ 496,042	\$ 291,250
			June 30, 2024	June 30, 2023
Plan Fiduciary Net Position As A Percentage Of Total OPEB Liability			63.0%	55.6%
Covered Payroll			\$ 835,682	\$ 785,462
Net OPEB Liability As A Percentage Of Covered Payroll			34.9%	44.0%
Sensitivity of Net OPEB Liability to changes in Discount Rate			June 30, 2024	% Change
A one percentage point change in discount rate would have the following effect on Total OPEB Liability at June 30, 2024:				
One Percentage Increase (7.50%)		\$ (67,294)		-9%
One Percentage Decrease (5.50%)		\$ 79,077		10%
Net OPEB Liability at a one percentage point change in discount rate as of June 30, 2024 is as follows:			Net OPEB Liability	
One Percentage Increase (7.50%)		\$ 223,956		
One Percentage Decrease (5.50%)		\$ 370,327		
Sensitivity of Net OPEB Liability to changes in Trend Rate			June 30, 2024	% Change
A one percentage point change in trend rate would have the following effect on Total OPEB Liability at June 30, 2024:				
One Percentage Increase (2.14% - 29.21% grading down to 5.19%)		\$ 105,024		13%
One Percentage Decrease (0.14% - 27.21% grading down to 3.19%)		\$ (87,451)		-11%
Net OPEB Liability at a one percentage point change in trend rate as of June 30, 2024 is as follows:			Net OPEB Liability	
One Percentage Increase (2.14% - 29.21% grading down to 5.19%)		\$ 396,274		
One Percentage Decrease (0.14% - 27.21% grading down to 3.19%)		\$ 203,799		
Key Assumptions			June 30, 2024	June 30, 2023
Discount Rate		6.50%	6.50%	
Investment Rate of Return		6.50%	6.50%	
Inflation		2.75%	2.75%	
Initial Medical Trend Rate ¹		7.09% ²	-34.13% - 7.16%	
Ultimate Medical Trend Rate ¹		4.19%	4.19%	
Year Ultimate Trend Rate Reached		2075	2075	

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

² Adjusted to reflect preliminary premium increases from July 1, 2024 to July 1, 2025, which include the expected impact of IRA; 28.21% for Medicare Part A&B Premiums and 1.14% for Medicare Part B Only Premiums.

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Exhibit 2: Development of OPEB Expense for Year Ended 06/30/2024
(All dollar amounts are in thousands)

Components of OPEB Expense	Year Ended 06/30/2024
Service Cost	\$ 12,482
Interest	48,779
Expected Investment Earnings	(28,124)
Contributions - Employee	-
Administrative Expenses	2
Changes In Benefit Terms	-
Recognition of Current Period Deferred Outflows and (Inflows)	
Changes in assumptions	-
Differences between expected and actual experience	5,619
Differences between expected and actual investment earnings	(6,648)
Recognition of Beginning Deferred Outflows	30,918
Recognition of Beginning Deferred Inflows	(115,150)
OPEB Expense	\$ (52,122)
Assumptions Used to Determine OPEB Expense	Year Ended 06/30/2024
Discount Rate as of Beginning of Year	6.50%
Investment Rate of Return	6.50%
Inflation	2.75%
Initial Medical Trend Rate ¹	-34.13% - 7.16%
Ultimate Medical Trend Rate ¹	4.19%
Year Ultimate Trend Rate Reached	2075

¹ Trend applied to premium rates 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 06/30/2024		Deferred (Inflows) of Resources as of 06/30/2024 ²		Initial Years	Remaining Years	Outflows/(Inflows) Recognized in Year Ended 06/30/2024
		06/30/2024	06/30/2024 ²	Initial Years	Remaining Years			
Changes In Assumptions								
06/30/2019	\$ 517	\$ -	\$ -	5.16	-	\$ -		\$ 17
06/30/2020	-	-	-	-	-			-
06/30/2021	(77,919)	-	(16,079)	5.04	1.04			(15,460)
06/30/2022	-	-	-	-	-			-
06/30/2023	56,632	35,262	-	5.30	3.30			10,685
06/30/2024	-	-	-	-	-			-
Total		\$ 35,262	\$ (16,079)					\$ (4,758)
Differences Between Expected And Actual Plan Experience								
06/30/2019	\$ (51,593)	\$ -	\$ -	5.16	-	\$ -		\$ (1,598)
06/30/2020	3,008	23	-	5.04	0.04			597
06/30/2021	(67,383)	-	(13,903)	5.04	1.04			(13,370)
06/30/2022	15,541	6,745	-	5.30	2.30			2,932
06/30/2023	(359,371)	-	(223,759)	5.30	3.30			(67,806)
06/30/2024	30,006	24,387	-	5.34	4.34			5,619
Total		\$ 31,155	\$ (237,662)					\$ (73,626)
Net Difference Between Projected And Actual Earnings On Investments								
06/30/2020	\$ 4,886	\$ -	\$ -	5.00	-	\$ -		\$ 978
06/30/2021	(69,606)	-	(13,922)	5.00	1.00			(13,921)
06/30/2022	78,544	31,417	-	5.00	2.00			15,709
06/30/2023	(14,975)	-	(8,985)	5.00	3.00			(2,995)
06/30/2024	(33,241)	-	(26,593)	5.00	4.00			(6,648)
Total		\$ 31,417	\$ (49,500)					\$ (6,877)
Balance as of 06/30/2024	\$ 97,834	\$ (303,241)						\$ (85,261)
Deferred Outflows And Deferred (Inflows) Of Resources Will Be Recognized In Expense As Follows:								
Year Ending:								Outflows/(Inflows)
06/30/2025								\$ (85,233)
06/30/2026								(43,657)
06/30/2027								(60,264)
06/30/2028								(18,164)
06/30/2029								1,911
Thereafter								-

¹ There will also be a Deferred Outflow for Contributions Made after the Measurement Date (the amount will be provided with the GASB 74 results).

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

State of Maine - State Employees**Fiscal Year Ended June 30, 2024 GASB Statement No. 75 Disclosure Information****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		Net OPEB Liability As A Percentage Of Covered Payroll (f)
				Position As A Percentage Of Total OPEB Liability (d)	Covered Payroll (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%
June 30, 2021	\$1,057,381	\$382,842	\$674,539	36.2%	\$736,411	91.6%
June 30, 2022	\$1,077,787	\$331,180	\$746,607	30.7%	\$737,707	101.2%
June 30, 2023	\$778,598	\$432,679	\$345,919	55.6%	\$785,462	44.0%
June 30, 2024	\$787,292	\$496,042	\$291,250	63.0%	\$835,682	34.9%

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Exhibit 5: 10-Year Schedule of Employer Contributions
(All dollar amounts are in thousands)

Year Ended	Contributions in Relation to Actuarially Determined Contributions ¹			Contributions as a Percentage of Covered Payroll	
	Actuarially Determined Contributions ¹ (a)	Determined Contributions (b)	Contribution Deficiency (Excess) (c)	Covered Payroll (d)	(e)
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%
June 30, 2021	\$58,819	\$77,095	(\$18,276)	\$736,411	10.5%
June 30, 2022	\$52,922	\$82,158	(\$29,236)	\$737,707	11.1%
June 30, 2023	\$74,913	\$148,265	(\$73,352)	\$785,462	18.9%
June 30, 2024	\$27,551	\$84,573	(\$57,022)	\$835,682	10.1%

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