



MainePERS

PUBLIC EMPLOYEES RETIREMENT SYSTEM

Board of Trustees

Public Meeting Packet

September 11, 2025

MainePERS Board of Trustees
September 11, 2025
139 Capitol Street, Augusta

AGENDA

9:00 a.m. ¹	CALL TO ORDER		Dick Metivier
9:00 – 9:05 a.m.	1. <u>CONSIDERATION OF CONSENT CALENDAR</u> • Minutes of August 14, 2025 • Dismissal, J.T. Appeal • Consideration of Items Removed	ACTION	Dick Metivier
9:05 – 10:35 a.m.	2. <u>GOVERNANCE</u> • Best Practices in Board Governance • Board Self-Evaluation ➤ Executive Session pursuant to 1 M.R.S. §405(6)(A)	ACTION	Amy McDuffee, Mosaic Dick Metivier
10:35 – 10:50 a.m.	<u>BREAK</u>		
10:50 – 11:50 a.m.	3. <u>STRATEGIC ASSET ALLOCATION</u> • Proposed Portfolio Changes • Appendix 1 Redline • Liquidity Analysis		James Bennett Scott Lupkas Brian McDonnell, Cambridge Associates
11:50 a.m. – 12:05 p.m.	4. <u>RULEMAKING</u> • Public Hearings Amended Rule Chapters 406, 506, and 803 • Amended Rule Chapter 510	ACTION	Dick Metivier Nanette Ardry
12:05 – 12:15 p.m.	5. <u>INVESTMENT REVIEW</u> • Investment Monthly Review		James Bennett Scott Lupkas
12:15 – 12:20 p.m.	6. <u>PRIVATE MARKETS REVIEW</u> • Private Markets Activity • Meridiam Infrastructure Update		James Bennett Scott Lupkas
12:20 – 12:35 p.m.	7. <u>PROXY VOTING REVIEW</u> • FY 2025 Proxy Voting • Russell 1000 Proxy Report		James Bennett Scott Lupkas
12:35 – 1:05 p.m.	<u>LUNCH</u>		

¹ All times are estimated based upon the anticipated length of each presentation, hearing, discussion, and action. The presiding officer may take agenda items out of order for more efficient or effective conduct of the meeting. The rulemaking public hearings may be held as early as 11:30 a.m.

1:05 – 1:25 p.m.	8.	<u>FREEDOM OF ACCESS ACT EDUCATION</u>	Michael Colleran
1:25 – 1:35 p.m.	9.	<u>MaineSTART</u> • Quarterly Report	Michael Colleran Chip Gavin
1:35 – 1:55 p.m.	10.	<u>CEO REPORT</u> • Enterprise Risk Management • Mission Moment – Preliminary to Final Benefit	Dr. Rebecca M. Wyke Michael Colleran Chip Gavin Shelley O'Brian
1:55 – 2:05 p.m.	11.	<u>MEMBER SERVICES, FINANCE, AND OPERATIONS REPORT</u>	Chip Gavin Sherry Vandrell Michael Colleran
2:05 – 2:10 p.m.	12.	<u>LITIGATION UPDATE</u>	John Nichols
2:10 p.m.		<u>ADJOURNMENT</u>	Dick Metivier

MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM

Minutes

Board of Trustees
Board Meeting
August 14, 2025

MainePERS
Augusta
9:00 a.m.

The Board of Trustees met at MainePERS, 139 Capitol Street, Augusta, ME 04330 at 9:00 a.m. on August 14, 2025. Brian Noyes, Chair, presided. Other Trustees participating were: Dick Metivier, Vice Chair; Joe Perry, State Treasurer; John Beliveau; Shirrin Blaisdell; Nate Burnett; Kirk Duplessis; and John Kimball. Joining the Trustees were Dr. Rebecca Wyke, Chief Executive Officer; Michael Colleran, Chief Operating Officer and General Counsel; Sherry Vandrell, Chief Financial Officer; Chip Gavin, Chief Services Officer; Monica Gorman, Secretary to the Board of Trustees; and John Nichols, Assistant Attorney General and Board Counsel. The Board also was joined for select portions of the meeting by James Bennett, Chief Investment Officer; Scott Lupkas, Deputy Chief Investment Officer; Nanette Ardry, Associate General Counsel; Joy Childs, Director of Information Technology; Brian McDonnell and Will Boisseau, Cambridge Associates; Sean Crawford and Peter Sung, Albourne; George Bumeder, Cliffwater; and Gene Kalwarski and Greg Reardon, Cheiron.

Brian Noyes called the meeting to order at 9:00 a.m.

CONSIDERATION OF THE CONSENT CALENDAR

The presiding officer called for consideration of the Consent Calendar. The action items on the Consent Calendar were:

- Minutes of July 10, 2025
- Dismissal, W.F. Appeal

- Action. John Kimball made the motion, seconded by Shirrin Blaisdell, to approve the Consent Calendar. Unanimously voted in favor by eight Trustees (Beliveau, Blaisdell, Burnett, Duplessis, Kimball, Metivier, Noyes, and Perry).

PRIVATE MARKETS ACTION

Scott Lupkas presented the recommendations for four investments across three managers. Scott reported that investments in SurgoCap and Alyeska funds are unlikely to involve significant investment in stocks, securities, or other obligations of fossil fuel or for-profit prison companies, and are classified as incidental in terms of potential exposures. He shared the two KKR funds are also unlikely to involve significant investment in stocks, securities, or other obligations of for-profit prisons. However, the KKR funds are classified as within mandate regarding fossil fuels since the funds' investment mandates include sectors having the potential for fossil exposure.

- Action. Dick Metivier made the motion, seconded by Kirk Duplessis, to enter into executive session pursuant to 1 M.R.S. §405(6)(F); 5 M.R.S. §17057(4) to discuss trade secrets and private market investment information contained in non-public documents. Unanimously voted by eight Trustees (Beliveau, Blaisdell, Burnett, Duplessis, Kimball, Metivier, Noyes, and Perry).

The Board moved out of executive session.

SurgoCap Master Fund

- **Action.** Shirrin Blaisdell made the motion, seconded by John Kimball, that MainePERS make a commitment of up to \$100 million to SurgoCap Master Fund, subject to final due diligence, legal review and negotiations, and authorize the Chief Executive Officer, Chief Investment Officer, and General Counsel as signatories to execute documents in connection with this commitment. Unanimously voted in favor by eight Trustees (Beliveau, Blaisdell, Burnett, Duplessis, Kimball, Metivier, Noyes, and Perry).

Alyeska Master Fund

- **Action.** Dick Metivier made the motion, seconded by John Beliveau, that MainePERS make a commitment of up to \$150 million to Alyeska Master Fund, subject to final due diligence, legal review and negotiations, and authorize the Chief Executive Officer, Chief Investment Officer, and General Counsel as signatories to execute documents in connection with this commitment. Unanimously voted in favor by eight Trustees (Beliveau, Blaisdell, Burnett, Duplessis, Kimball, Metivier, Noyes, and Perry).

KKR Global Infrastructure Investors V and KKR Diversified Core Infrastructure Fund

- **Action.** John Beliveau made the motion, seconded by Kirk Duplessis, that MainePERS make a commitment of up to \$25 million to KKR Global Infrastructure Investors V, subject to final due diligence, legal review and negotiations, and authorize the Chief Executive Officer, Chief Investment Officer, and General Counsel as signatories to execute documents in connection with this commitment. Unanimously voted in favor by eight Trustees (Beliveau, Blaisdell, Burnett, Duplessis, Kimball, Metivier, Noyes, and Perry).
- **Action.** Joe Perry made the motion, seconded by Nate Burnett, that MainePERS make a commitment of up to \$100 million to KKR Diversified Core Infrastructure Fund, subject to final due diligence, legal review and negotiations, and authorize the Chief Executive Officer, Chief Investment Officer, and General Counsel as signatories to execute documents in connection with this commitment. Unanimously voted in favor by eight Trustees (Beliveau, Blaisdell, Burnett, Duplessis, Kimball, Metivier, Noyes, and Perry).

INVESTMENT REVIEW

Investment Monthly Review

Scott Lupkas reported that as of July 31, 2025, the MainePERS fund had a preliminary market value of \$21.1 billion, the preliminary return for the month was 0.2%, and the preliminary calendar year-to-date return was 5.7%.

Quarterly Rebalancing Report

Scott Lupkas summarized the rebalancing activity as of June 30, 2025, within the public market and risk diversifiers portfolios.

RHIT/GLI/OPEB Quarterly Report

Jim Bennett shared the RHIT/GLI/OPEB quarterly report as of June 30, 2025.

Investment Quarterly Review

Will Boisseau and Brian McDonnell presented the second quarter performance review and answered questions from the Trustees.

PRIVATE MARKETS REVIEW

Private Markets Activity

Scott Lupkas reviewed the table of private market funds and co-investments that had closed during the past 12 months. Scott shared there is no managers meeting for the month of August.

Cliffwater Quarterly Review

George Bumeder provided a presentation of the Private Equity and Alternative Credit portfolios as of March 31, 2025. George answered questions from the Trustees.

Albourne Quarterly Report

Sean Crawford and Peter Sung shared an overview of the Infrastructure, Natural Resources, and Real Estate portfolios as of March 31, 2025. Sean and Peter answered questions from the Trustees.

RISK DIVERSIFIERS QUARTERLY REVIEW

Brian McDonnell reviewed the Risk Diversifier quarterly report with the Trustees. Brian answered questions from the Trustees.

ASSET ALLOCATION

Jim Bennett provided Trustees with a presentation continuing the Strategic Asset Allocation Review process begun in June. The presentation focused on the results of the Asset-Liability Study conducted with Cheiron, and Scott Lupkas, Brian McDonnell, Gene Kalwarski, and Greg Reardon participated in the discussion with Trustees. The Asset-Liability Study considered eight potential portfolios with differing risk levels and demonstrated the likely impact of each portfolio's risk level on the level and volatility of future contribution rates, funded status, and cash outflows, for both State-Teacher and PLD plans. Based on these results, Jim informed Trustees that the Investment Team and Cambridge Associates believed that allocation changes decreasing the Fund's risk level by approximately 100 basis points would best enable the System to meet its investment objectives, and that these changes would be discussed at the September meeting.

RULEMAKING

Amended Rule Chapters 513 and 803

Nanette Ardry presented the proposed amendments to Rule Chapters 513 (Disability Retirement Compensation Limitations and Benefit Offsets) and 803 (Participating Local District Consolidated Retirement Plan).

- Action. Shirrin Blaisdell made a motion, seconded by Dick Metivier, that the Board adopt amended Rule Chapters 513 and 803 and their respective basis statements. Unanimously voted by eight Trustees (Beliveau, Blaisdell, Burnett, Duplessis, Metivier, Noyes, and Perry).

Public Hearing Proposed Amended Rule Chapter 510

Nanette Ardry summarized the proposed amendment to Rule Chapter 510 (Reduction of Disability Retirement Benefits Because of Lump-Sum Settlements of Benefits Payable Under the Workers' Compensation or Similar Law).

Brian Noyes reviewed the process for in-person and virtual attendees from the public to participate and comment during the public hearing on the proposed amendment. Comments were offered by Susan Hawes and Elizabeth O'Connor. Brian stated written public comments may be submitted until 4:00 p.m. on August 25, 2025.

FINANCE AND AUDIT COMMITTEE REPORT

Shirrin Blaisdell stated the Finance and Audit Committee was provided a presentation from the external auditors, BerryDunn, who reviewed their agenda for the audit. She shared internal auditor, CliftonLarsenAllen, provided their findings and recommendations in the actuarial and legislative audits. Shirrin shared the June 30, 2025 Administration and Investment Operations expense reports ended with surpluses.

ANNUAL COST OF LIVING ADJUSTMENT APPROVAL

Dr. Rebecca Wyke reported that the CPI-U as of June 30, 2025 was 2.7%. The COLA for the State-sponsored plans is capped at 3% of the first \$26,428.98 of benefits. The increase for the PLD Consolidated Plan is capped at 2.5% of the total benefit. The cap for withdrawn PLDs is 4% of the total benefit.

- Action. Dick Metivier made a motion, seconded by Nate Burnett, that the Board adopt cost-of-living adjustments of 2.7% of the COLA base for the State-sponsored plans, 2.5% for the PLD Consolidated Plan, and 2.7% for withdrawn PLD plans, effective September of 2025. Voted unanimously by eight Trustees (Beliveau, Blaisdell, Burnett, Duplessis, Kimball, Metivier, Noyes, and Perry).

CEO REPORT

Dr. Rebecca Wyke stated the Pension Administration System project continues to be on track for scope, schedule, resources, and budget.

Dr. Wyke shared the latest disability retirement experience survey completed in July.

Dr. Wyke introduced Joy Childs, who shared a presentation on the information technology security program at MainePERS with the Trustees. Joy answered questions from the Trustees.

Brian Noyes, on behalf of the Board of Trustees, read a sentiment recognizing and thanking Nate Burnett for his participation and contributions to the Board during his tenure.

MEMBER SERVICES, FINANCE, AND OPERATIONS REPORT

Chip Gavin thanked Retirement Services staff for their success in processing over 500 retirements during the annual summer surge in July. He shared as the member services metrics report begins a new fiscal year, work on updates to a more streamlined version is currently being undertaken.

Sherry Vandrell reported 95% of employers submitted payrolls on time in July. She shared staff continued to work on reducing the number of unreconciled transactions.

Michael Colleran reported that a formal process to implement legislation enacted this year has been initiated.

LITIGATION UPDATE

John Nichols shared in the Clopper FOA matter the case management conference was held in July. Oral arguments or a decision from the Superior Court is anticipated. John stated he will begin the process to respond to an appeal filed in Superior Court by Jennifer O'Bryon, who was denied disability retirement benefits.

ADJOURNMENT

Brian Noyes adjourned the meeting at approximately 1:25 p.m.

9/11/25
Date Approved by the Board

Dr. Rebecca M. Wyke, Chief Executive Officer

Date Signed

Board Governance & Self-Evaluation: Insights for Strategic Oversight

A Continuing Education Presentation for the MainePERS Board of Trustees
September 2025

Agenda

01

Governance Overview and Context

02

MainePERS Governance Best Practices Review

03

Discussion of 2024-2025 MainePERS Board Self-Evaluation Results





Governance Overview and Context

Why Governance Matters

- Governance ensures:
 - fiduciary responsibilities are met,
 - strategic goals are advanced, and
 - risks are managed.
- The quality of public pension fund governance is correlated with organizational performance.*



**The Pension Governance Deficit: Still With Us. By Ambachtsheer, Capelle, and Lum. Published Fall 2008 in the Rotman International Journal of Pension Management.*



U.S. Public Pensions: A Shared Governance Structure

Parties with
Involvement

- State Executive Branch
- Legislative Branch
- Board of Trustees
- CEO
- Members
- Key Member & Employer Groups

Where
involvement is
defined

- Applicable laws and rules
- Regulations, charters, policies



Type and Degree of Statutory Authority Varies

Budget

**Procurement
and contracting**

Actuarial matters

**Hiring Internal
Staff**

**Hiring outside
advisors**

**Determining
permissible
investments**

**Compensating
internal staff**

**Open meetings &
public records laws**

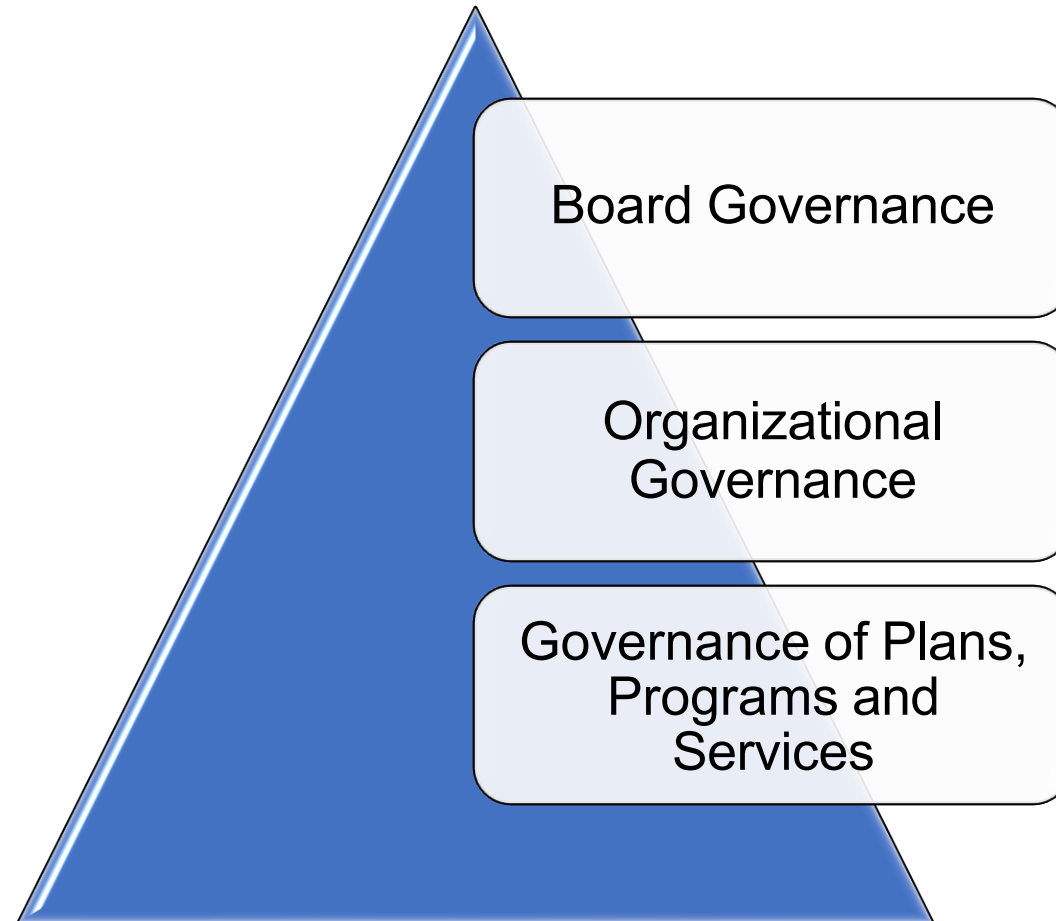
**Ethics laws &
policies**



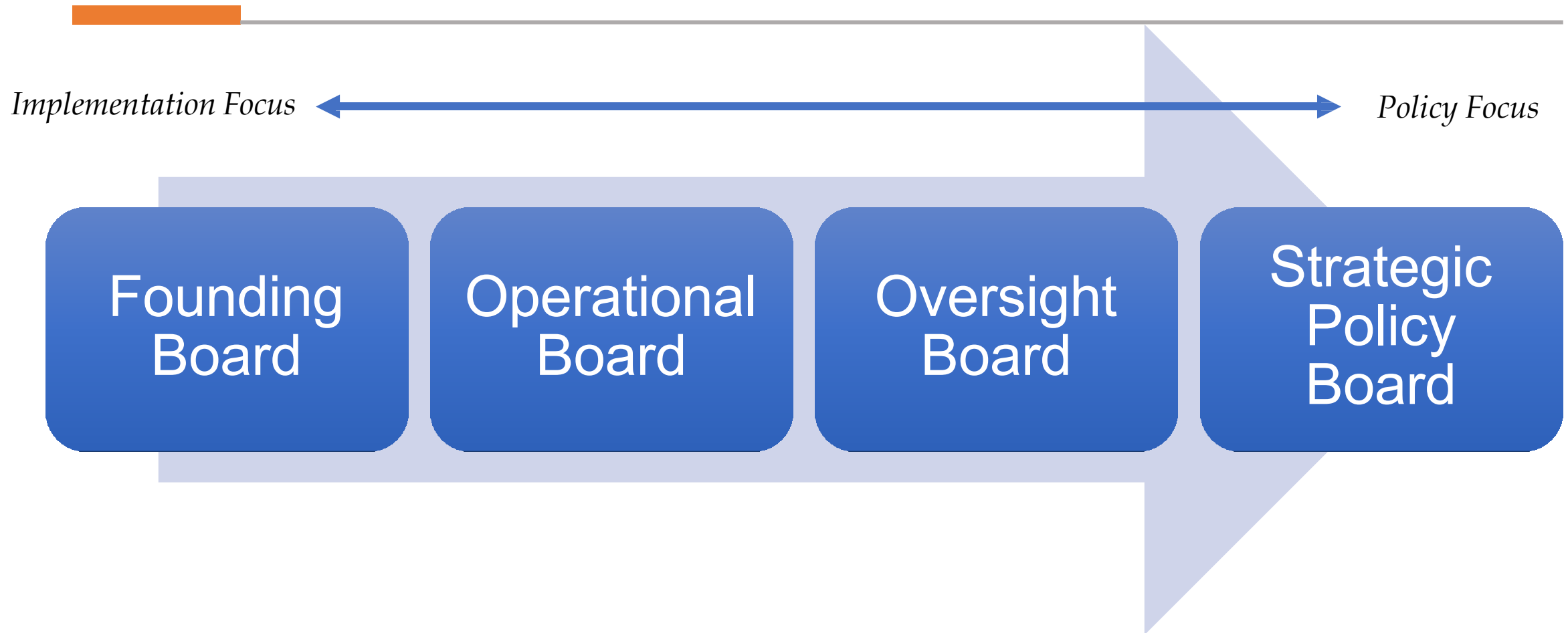
Public Pensions Compete



Common Scope of Board Decision-Making



Public Pension Board Evolution



The Role of a Strategic Policy Board

- Shape mission and strategic direction.
- Set appetite on key risks for the system and monitor/mitigate emerging risks.
- Ensure leadership, talent, and resources.
- Monitor and advocate for improved organizational outcomes.



Public Pension Challenges and Opportunities

Common Examples

- Lower expected return environment and shifting interest rates.
- Mature pension plans.
- Retirement policy pressures.
- Complexity and value demonstration.
- Increased competition for investment opportunities.
- Fragmented regulation and rapid change.
- Evolving member expectations.
- Pressure on sustainability principles.
- Cyber attacks.
- Governance of disruptive technologies.
- Evolving role of boards.
- Strategic foresight as a competency.



Agility: What the Best Public Pension Boards Are Striving for Today

- Maintain a strategic policy focus.
- Build deeper governance capacity (e.g., education, preparation, aligning meeting time).
- Engage appropriately with the CEO based on the situation (e.g., partner, mentor, passive, control).*
- Implement effective governance practices in a complex environment.

*[How the Best Boards Engage with Management](#), Harvard Business Review, January-February 2025. This article presents four modes of engagement - passive, mentor, partner, and control - along with the unique characteristics of each.





MainePERS Governance Best Practices Review

Overview of 2025 Governance Best Practices Review

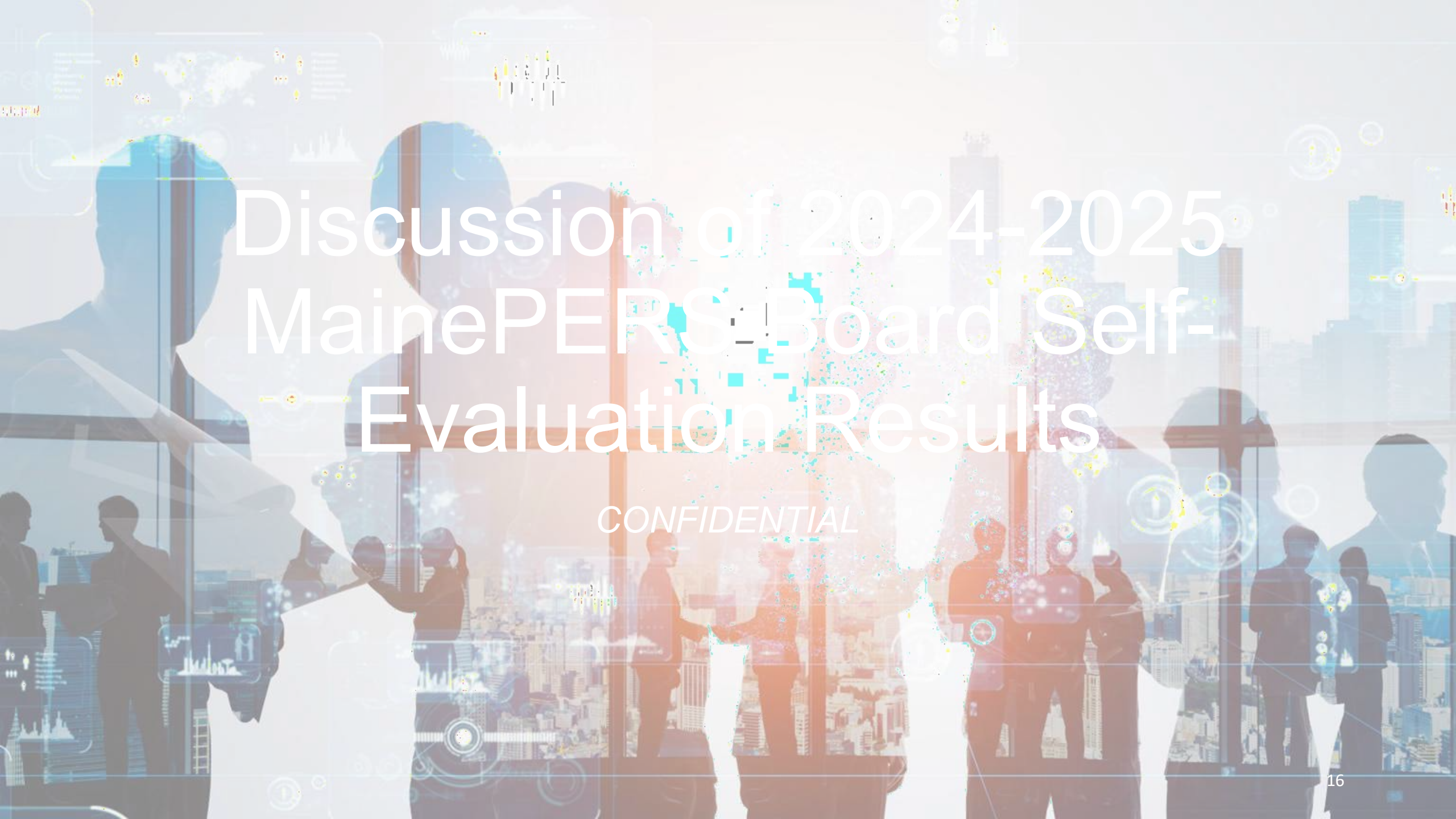
- Best practices review conducted by Mosaic in collaboration with MainePERS CEO.
- Reflects Mosaic's viewpoint on MainePERS authority and practices.
- Builds upon the 2022 baseline assessment of governance authority and practices.
- Provided for Board review and discussion.



Key Takeaways

- Good governance drives value for public pensions.
- MainePERS competes for investment opportunities, talent, and relevance.
- Agility is key to being effective in complex and rapidly changing situations.
- MainePERS statutory authority, governance practices, and strategic policy-focused board positions it well in today's rapidly changing environment.
- Sustaining good governance will require continued effort.



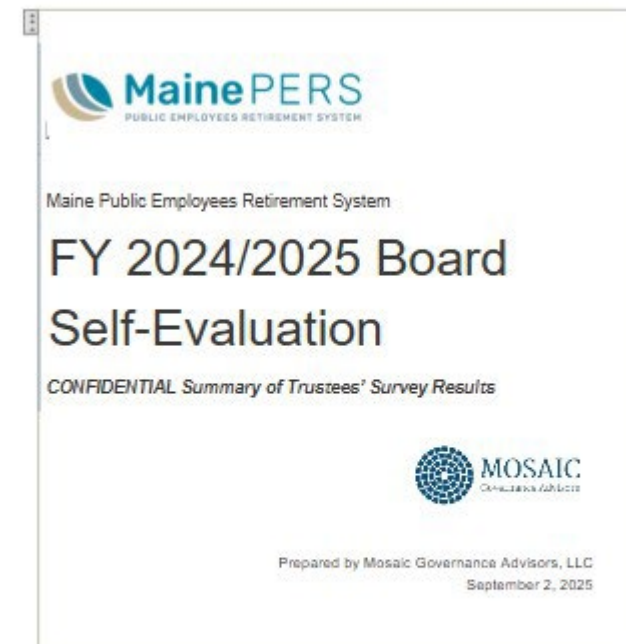


Discussion of 2024-2025 MainePERS Board Self- Evaluation Results

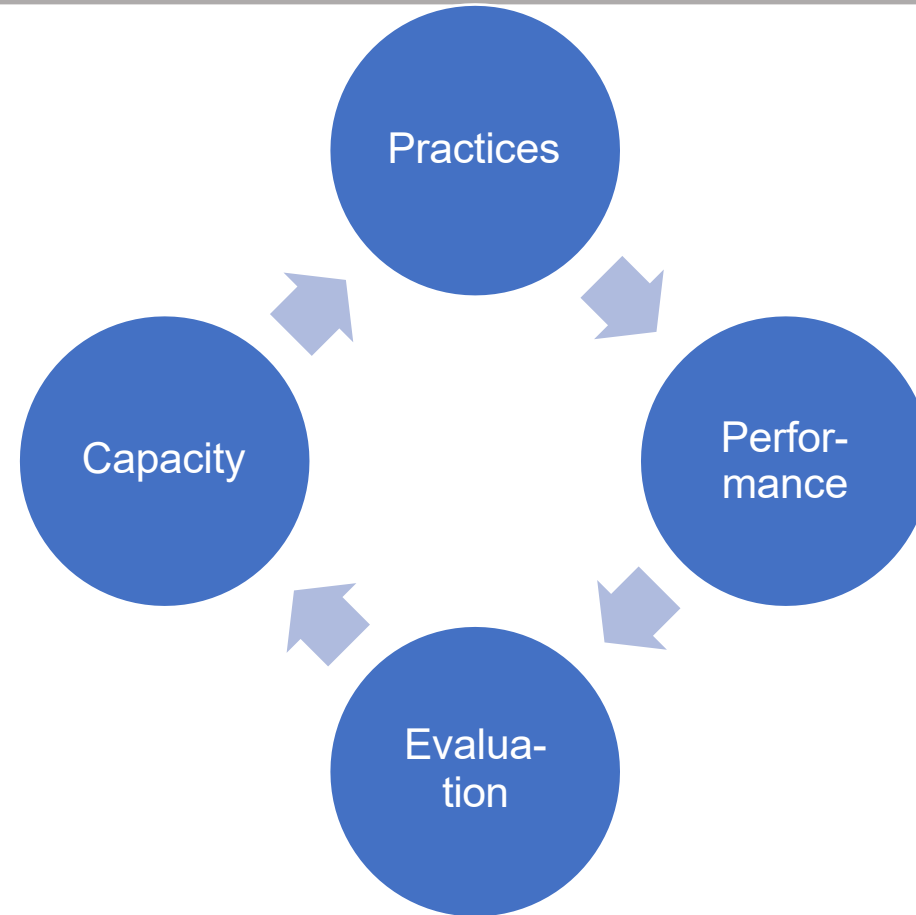
CONFIDENTIAL

FY 2024/2025 Board Self-Evaluation Results

- Board self-evaluation survey administered by Mosaic.
- 100% participation by the Board.
- Trustees offered comments and suggestions on overall board performance.
 - Builds upon the outcomes of the 2023-2024 board self-evaluation.
 - Incorporates continuing education self-assessment.
 - Provided for Board review and discussion.



The Practice of Board Self-Evaluation is a Continuous Improvement Loop



Thank you!

Amy McDuffee | Saba Hashmi
Mosaic Governance Advisors, LLC
www.MosaicGovernance.com



MOSAIC
Governance Advisors

Governance Best Practices Review

Maine Public Employees Retirement System (MainePERS)

September 2025

Purpose of the Review

This report presents the results of a 2025 governance review conducted by Mosaic Governance Advisors, LLC, the MainePERS board governance consultant, in collaboration with the MainePERS Chief Executive Officer. It builds upon a similar baseline assessment conducted in 2022 and is intended to provide the Board of Trustees (Board) with a clear, updated snapshot of MainePERS' governance authority and practices. The review supports the Board's ongoing commitment to fiduciary excellence, transparency, and proactive planning.

The methodology for this review involved Mosaic Governance Advisors providing a comprehensive checklist of governance authority and best practices to the CEO, who completed the profile. This checklist was identical to the one used in the 2022 review to ensure continuity and comparability over time. Mosaic interpreted the results of the completed profile, which are presented in this report. The assessment is designed to indicate where the authority lies and whether a governance practice is being addressed; it does not evaluate the quality or effectiveness of the authority or practice.

Why Governance Matters

Governance is the foundation upon which stakeholder trust, organizational performance, and long-term sustainability are built. For public pension funds like MainePERS, strong governance ensures that fiduciary responsibilities are met, strategic goals are advanced, and risks are identified and effectively managed. This review helps the Board understand:

- The statutory authority granted to the Board,
- Areas in which it functions under shared or limited authority, and
- How its current practices align with recognized governance best practices.

Assessment Framework

The review is organized into two primary components.

1. Governance Authority Review

Evaluates the areas where MainePERS Board has full, partial, or no authority based on its statutory mandate.

2. Governance Practices Review

Assesses the implementation of recognized good governance practices across three domains.

- a. Board Governance.
- b. Organizational Governance.
- c. Governance of Plans, Programs and Services, including the benefits and services and the investment program.

Each item was rated as Yes, Partial, or No, accompanied by an explanation of the improvements implemented since 2022. The Appendix provides a complete list of the authorities and practices evaluated. The following pages summarize significant areas covered since 2022.

Key Findings and Progress Since 2022

MainePERS has made measurable progress in strengthening its governance practices since 2022. The Board and executive leadership have demonstrated a clear commitment to aligning with best practices and enhancing transparency, accountability, and proactive planning.

Governance Authority

MainePERS continues to hold full authority in core operational areas such as budget, staffing, compensation, procurement, and hiring of key advisors (e.g., actuary, auditor, custodian). This is desirable administrative flexibility. This positions MainePERS to effectively compete for investments, talent, and relevance with members, employers, and the legislature.

Since 2022, there has been no change in statutory authority. Key areas where the Board's authority is shared or is subject to limitations are as follows.

- *External Legal Counsel:* Still requires Attorney General approval (partial authority); however, MainePERS has authority to hire an internal General Counsel.
- *Benefit Policy and Contribution Rates:* Remain governed by statute (partial authority).
- *Permissible Investments:* Subject to state divestment laws (partial limitation of authority).¹

These areas continue to be relevant for the Board to understand and monitor.

Board Governance Practices

Board Governance

Meaningful progress has been made in this area since 2022. Several practices that were previously informal or underdeveloped are now in place.

¹ Maine was the first state in the U.S. in 2021 to commit to fossil fuel divestiture through legislation. However, divestment is subject to the limitation that these actions be achieved "in accordance with sound investment criteria and consistent with fiduciary obligations."

Practice	2022 Status	2025 Status	Notes
Trustee orientation/onboarding	Partial	Yes	Now formalized and consistently implemented.
Continuing education & fiduciary training	Partial	Yes	Includes annual training and self-assessment.
Board self-evaluation	Partial	Yes	Conducted annually. Evaluation spans the board, committees, and individual trustees.
Annual board work plan	Not in place	Yes	An annual workplan is created by the CEO.

Organizational Governance Practices

MainePERS has maintained strong practices in this area and has made notable enhancements since 2022.

Practice	2022 Status	2025 Status	Notes
Cybersecurity reporting	Partial	Yes	Reporting to the Board has become more routine and structured.
Disaster recovery/business continuity	Partial	Yes	Reporting to the Board has become more routine and structured.
Enterprise risk assessment	Not in place	Yes	A risk assessment was developed. The Board recently received reporting (Sept. 2024).

Governance Practices Related to Plans, Programs and Services

Governance of plans, programs, and services remains a strength for MainePERS, with further refinements since 2022.

Practice	2022 Status	2025 Status	Notes
Investment policy review	Partial	Yes	Now reviewed annually.
Asset/liability modeling	Yes (5-year cycle)	Yes	Process remains the same but with frequency improvements. MainePERS is in the process of completing an A/L study. The last study was undertaken two years ago.

Appendix

Governance Best Practices Review 2025 Assessment

Governance Authority Review

No.	Areas of Authority	MainePERS Authority? (Yes, No, Partial)	Comments
1.	Budget	Y	
2.	Personnel/Staffing	Y	
3.	Compensation	Y	
4.	Procurement/Contracting	Y	
5.	Ability to hire advisors and service providers		
5.a	• Actuary	Y	
5.b	• Auditor	Y	
5.c	• Custodian.	Y	
5.d	• Legal counsel	P	Attorney General must approve
6.	Benefit Policy	P	State Law, PLD Advisory Comm
7.	Funding Policy	Y	
8.	Contribution Rate Setting	P	State Law
9.	Permissible Investments	P	State Law re: Divestment
10.	Open Meetings/Public Records (e.g., any exemptions or interpretations to allow the board to discuss investment transactions or strategy in closed session, etc.).	Y	
11.	Ethics Laws (e.g., ability for the board to set policy for itself and MainePERS, built upon the foundation of applicable State Ethics laws, which are appropriate for a fiduciary body of a financial institution).	Y	

Governance Practices Review

No.	Recognized Good Governance Practices <i>Board Governance</i>	MainePERS Practice? (Yes, No, Partial)
1.	Trustee orientation/onboarding	Y
2.	Board continuing education, including annual fiduciary training and self-assessment of continuing education needs	Y
3.	Board consultant/service provider evaluation	Y
4.	Annual self-evaluation of the board (overall board, committees, individual trustees)	Y
5.	Governance policy manual (e.g., all board policies housed in one, central location)	Y
6.	Annual board work plan of routine and forward-looking strategic policy items.	Y

No.	Recognized Good Governance Practices <i>Organizational Governance</i>	MainePERS Practice? (Yes, No, Partial)
1.	Strategic Planning	Y
2.	Board evaluation of the CEO's performance and any other direct reports	Y
3.	Succession planning for the CEO and any other direct reports	Y
4.	Annual financial statement audit	Y
5.	Annual Comprehensive Financial Report that complies with GFOA financial reporting standards	Y
6.	Routine internal audits based on a board-approved annual audit plan	Y
7.	Operating budget linked to the strategic plan	Y
8.	Compensation setting and adjustment for the CEO and any direct reports, if applicable	Y
9.	Annual attestation of adherence to ethical and legal standards (board and staff)	Y
10.	Routine cybersecurity reports regarding member data and system confidential information	Y
11.	Confirmation of routine tests of disaster recovery and business continuity plans	Y
12.	Enterprise-wide risk assessment reporting	Y

No.	Recognized Good Governance Practices <i>Plan Governance</i>	MainePERS Practice? <i>(Yes, No, Partial)</i>
1.	Investment policy statement for all plans; engage in an annual review	Y
2.	Routine monitoring of investment performance and expenses	Y
3.	Routine monitoring of administrative performance and expenses	Y
4.	Periodic asset/liability modeling (<u>at least every</u> 5 years, more often as needed)	Y
5.	Periodic actuarial experience study (every 3 to 5 years)	Y
6.	Funding policy or guidelines reflective of statutory considerations	Y
7.	Annual actuarial valuation	Y
8.	Periodic actuarial audit (every 5 years)	Y

MAINEPERS

BOARD OF TRUSTEES INVESTMENTS MEMORANDUM

TO: BOARD MEMBERS

FROM: JAMES BENNETT, CHIEF INVESTMENT OFFICER

SUBJECT: STRATEGIC ASSET ALLOCATION REVIEW: PROPOSED PORTFOLIO CHANGES

DATE: SEPTEMBER 2, 2025

At last month's Trustee meeting we continued the strategic asset allocation review process with a presentation and discussion covering the results of the Asset-Liability Study conducted by Cheiron. This study provided insight into the relationship between portfolio risk and liability-related risk measures, including contribution rate and funded status volatility. Specifically, the study examined eight portfolios of varying risk levels and used stochastic modeling to determine projected levels and volatilities of liability-related measures for future years through 2038 for both the PLD and State and Teacher plans. Based on an analysis of these results, we recommended a moderate reduction in the System's targeted portfolio-risk level to position the portfolio to best meet the System's investment objectives.

Following this memo are three documents:

- A presentation detailing the proposed allocation changes that discusses the rationale for the changes, the expected portfolio impacts, and the anticipated implementation process.
- A "redline" version of proposed changes to Appendix 1 of the Board's Investment Policy Statement. These proposed changes will be discussed, and a formal recommendation incorporating Trustee feedback will be brought for consideration at the October Trustee meeting.
- Cambridge Associate's analysis of the liquidity profile of the current and proposed allocations.

POLICY REFERENCE

[Board Policy 2.1 – Investment Policy Statement](#)



MainePERS
PUBLIC EMPLOYEES RETIREMENT SYSTEM

Strategic Asset Allocation Review September 11, 2025

Allocation Review Timeline

**July
2025**

- *Reviewed asset allocation process and current objectives*
- *Reviewed Asset-Liability Study methodology*
- *Reviewed asset classes and roles in the System's current strategic asset allocation*

**August
2025**

- *Reviewed and discussed Asset-Liability Study results*
- *Recommended reduction in portfolio target risk level*

**September
2025**

- **Present and discuss draft asset allocation changes**
- **Review proposed portfolio's liquidity profile**

**Oct. – Dec.
2025**

- **Discuss and recommend updates to the IPS**
- **Present and discuss asset class implementation plans**

Objectives for Today

Review proposed changes to strategic asset allocation

- Reduce portfolio risk level, consistent with asset-liability study discussion
- Discuss asset class attributes

Discuss diversification by underlying strategies, markets, and styles

- Review current “1-to-1” asset class to role construct
- Seek ways to enhance diversification and improve risk/return prospects

Discuss asset class convergence and prospective opportunities

- Flexibility of implementation
- Take advantage of scale
- Exploit Investment Team’s current expertise while promoting extension of knowledge

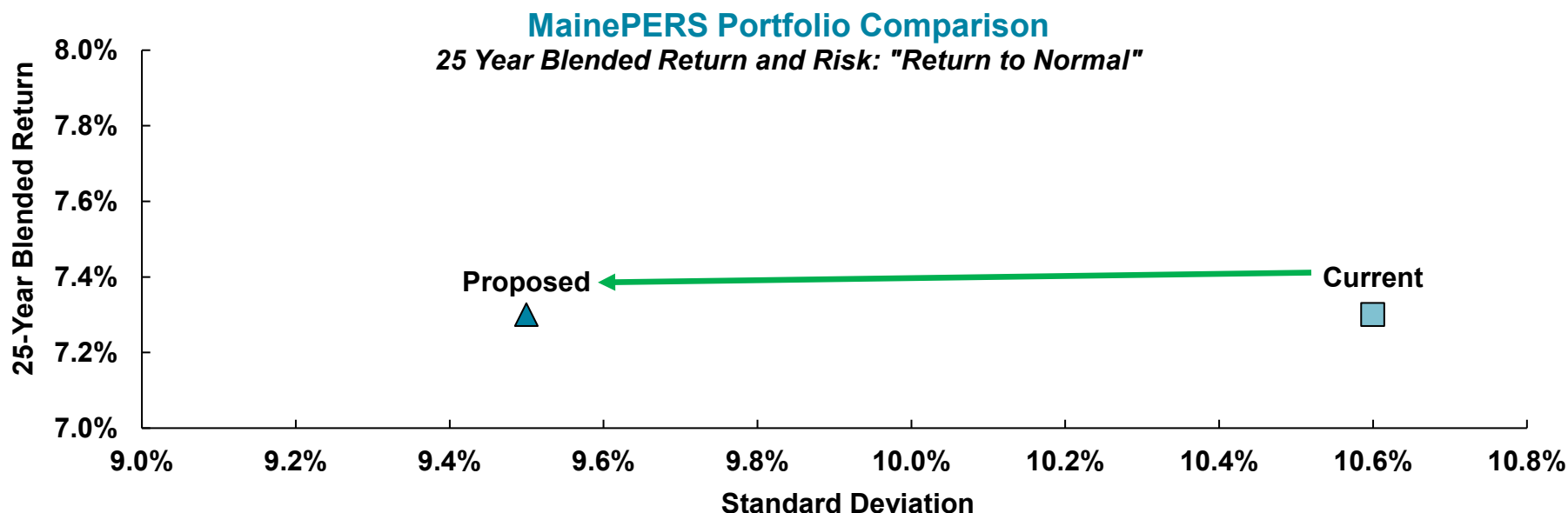
Discuss liquidity risk and portfolio’s liquidity profile

- Cambridge Associate’s analysis

Review of August Discussion

The Investment Team and Cambridge Associates recommended a moderate reduction in the Fund's risk level, to Portfolio E (i.e., "Proposed").

- We believe this portfolio appropriately balances the System's goals of generating investment returns while minimizing risk, and results in acceptable levels of contribution rate and funded status volatility.
- Larger reductions in risk generate less attractive expected outcomes, without providing the System with strong protection during poor market environments.
- The recommended portfolio is expected to generate returns in excess of the discount rate (7.3% vs. 6.5%), while reducing portfolio volatility by around 100 basis points from current levels.



How does **MainePERS achieve this objective?**

August Follow-up #1: S&T Plan - State Contributions

- Last month we discussed how funded status was fairly consistent across portfolios in the 10th decile of market outcomes (i.e., poor market outcomes).
- It was pointed out that this was at least partially due to higher contributions being made for higher risk portfolios during those market environments.
- Portfolio outcomes across market scenarios detailed below

Dollar Amounts of Contributions for Different Portfolios and Market Outcomes

Portfolio	Cumulative Contributions: 2027-2038				Annualized Contributions			
	Percentiles				Percentiles			
	10th	25th	50th	75th	10th	25th	50th	75th
A (Lowest Risk)	\$ 5,955	\$ 4,859	\$ 3,335	\$ 1,730	\$ 496	\$ 405	\$ 278	\$ 144
B	\$ 6,063	\$ 4,847	\$ 3,134	\$ 1,494	\$ 505	\$ 404	\$ 261	\$ 125
C	\$ 6,053	\$ 4,715	\$ 2,819	\$ 1,292	\$ 504	\$ 393	\$ 235	\$ 108
D	\$ 6,221	\$ 4,797	\$ 2,762	\$ 1,202	\$ 518	\$ 400	\$ 230	\$ 100
E (Proposed)	\$ 6,319	\$ 4,792	\$ 2,592	\$ 1,127	\$ 527	\$ 399	\$ 216	\$ 94
F	\$ 6,373	\$ 4,786	\$ 2,487	\$ 1,081	\$ 531	\$ 399	\$ 207	\$ 90
G (Current)	\$ 6,525	\$ 4,854	\$ 2,409	\$ 1,026	\$ 544	\$ 405	\$ 201	\$ 86
H (Highest Risk)	\$ 6,768	\$ 4,968	\$ 2,291	\$ 963	\$ 564	\$ 414	\$ 191	\$ 80

All figures in millions.

August Follow-up #2: Projected Full Funding Dates

Projected Year of Full Funded Status *Median Scenario for Each Portfolio*

Portfolio	S&T	PLD
A (Lowest Risk)	2036	2035
B	2034	2034
C	2030	2030
D	2030	2030
E (Proposed)	2029	2030
F	2029	2029
G (Current)	2029	2029
H (Highest Risk)	2029	2029

- Lower risk portfolios are expected to take longer to reach full funding
- Little difference between S&T and PLD plans

Goals for Proposed Asset Allocation

Risk Reduction

- Shift capital from equity-oriented to credit-oriented strategies
- Balance against return impact

Enhance Diversification

- Emphasize cross-asset class economic and risk exposures
- Diversify across additional return streams

Improve Liquidity

- Tilt toward shorter-lived and income-producing strategies within private markets
- Tilt toward income-producing assets within public markets

Implementation Flexibility

- Consolidate nine asset classes into six
- Increase ability to deploy capital to most attractive opportunities within asset classes

Capital Market Assumptions

As of June 30, 2025

	PROPOSED PORTFOLIO	LONG TERM GEOMETRIC	RTN BLEND GEOMETRIC	RTN GEOMETRIC	STANDARD DEVIATION
ASSET CLASSES					
PUBLIC EQUITY	27.5%	8.1%	5.9%	2.7%	15.6%
PRIVATE EQUITY	10.0%	10.4%	7.9%	4.2%	15.4%
RISK DIVERSIFIERS	7.5%	7.1%	7.1%	6.9%	4.1%
REAL ASSETS	22.5%	8.1%	8.4%	8.8%	10.3%
ALTERNATIVE CREDIT	15.0%	8.9%	9.0%	9.0%	9.3%
PUBLIC FIXED INCOME	17.5%	4.9%	5.1%	5.3%	5.0%

NOMINAL GEOMETRIC RETURN	8.0%	7.3%	6.1%
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STANDARD DEVIATION	9.5%	9.5%	9.5%
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NOMINAL GEOMETRIC RETURN - CURRENT POLICY	8.2%	7.3%	5.9%
--	------	------	------

STANDARD DEVIATION - CURRENT POLICY	10.6%	10.6%	10.6%
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Note(s): Assumes 6/30/25 Cambridge Associates' capital market assumptions. RTN is a variation of Cambridge Associates' 10-year capital markets assumptions. Long Term returns are Cambridge Associates' Long Term (formerly Equilibrium) capital markets assumptions. Blended return assumes 10 years of expected returns and 15 years of Long -Term Returns.

Summary Recommendation

Actions		Proposed		Key Strategies		Current	
		Asset Class	Weight			Asset Class	Weight
• Reduce Allocation by 2.5%	➔	Public Equity	27.5%	• Global Equity	↔	Public Equity	30.0%
• Reduce Allocation by 2.5%	➔	Private Equity	10.0%	• Buyout • Growth • Venture • Other Strategies	↔	Private Equity	12.5%
• No change	➔	Risk Diversifiers	7.5%	• Global Equity Hedged • Credit-Driven • Global Opportunistic • Multi-Strategy	↔	Risk Diversifiers	7.5%
• Consolidate asset classes • Reduce allocation by 2.5%	➔	Real Assets	22.5%	• Real Estate • Infrastructure • Natural Resources • Other Tangible Assets	↔	Real Estate	10.0%
						Infrastructure	10.0%
						Natural Resources	5.0%
• Increase allocation by 5% • Expand strategies to include higher return/risk opportunistic segment	➔	Alternative Credit	15.0%	• Private Credit • Opportunistic Credit	↔	Alternative Credit	10.0%
• Consolidate asset classes • Increase allocation by 2.5%	➔	Public Fixed Income	17.5%	• Traditional Credit • US Gov • TIPS	↔	Traditional Credit	5.0%
						US Government	10.0%

Transition to Proposed Asset Allocation

<i>Proposed</i>		<i>Key Strategies</i>	<i>Implementation</i>
<i>Asset Class</i>	<i>Weight</i>		
Public Equity	27.5%	Global Equity	- Reduce allocation by 2.5% - Phase in over several months - No change to strategy composition or indexing approach
Private Equity	10.0%	- Buyout - Growth - Venture - Other Strategies	- Adjust pacing plan to reflect 2.5% reduction - Expect 3+ years to reach target, reflected in interim policy weight
Risk Diversifiers	7.5%	- Global Equity Hedged - Credit-Driven - Global Opportunistic - Multi-Strategy	- No change in approach - Continue with strategic objectives
Real Assets	22.5%	- Real Estate - Infrastructure - Natural Resources - Other Tangible Assets	- Adjust pacing plan to reflect 2.5% reduction - Expect 3+ years to reach target, interim policy weight - Continued emphasis on Core/Core+ strategies - Deemphasize natural resources
Alternative Credit	15.0%	- Private Credit - Opportunistic Credit	- Increase allocation from 10% to 15%, employ interim policy weights - Split increase between existing strategies (“Private Credit”) and introduce riskier opportunistic strategies
Public Fixed Income	17.5%	- Traditional Credit - US Gov - TIPS	- Phase in 2.5% allocation increase over several months by adding to Traditional Credit - No change to strategy composition or indexing approach

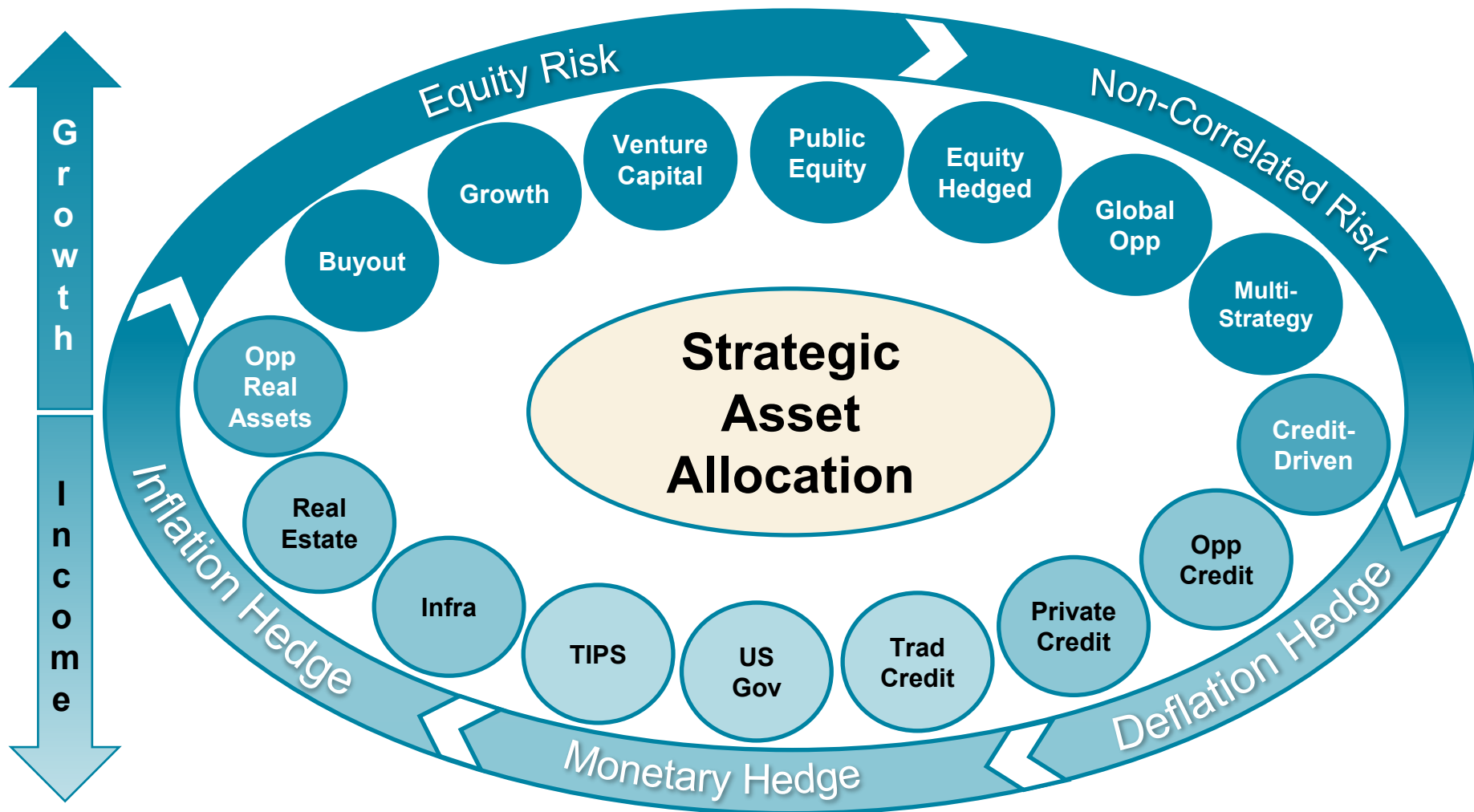
Diversity of Asset Class Roles

- Asset classes typically span multiple roles
- Varying levels of economic exposure and risk characteristics for each asset class
- Evaluate attributes cross-sectionally and relative to total portfolio impact
- Individual investments assessed relative to asset class and total portfolio contribution

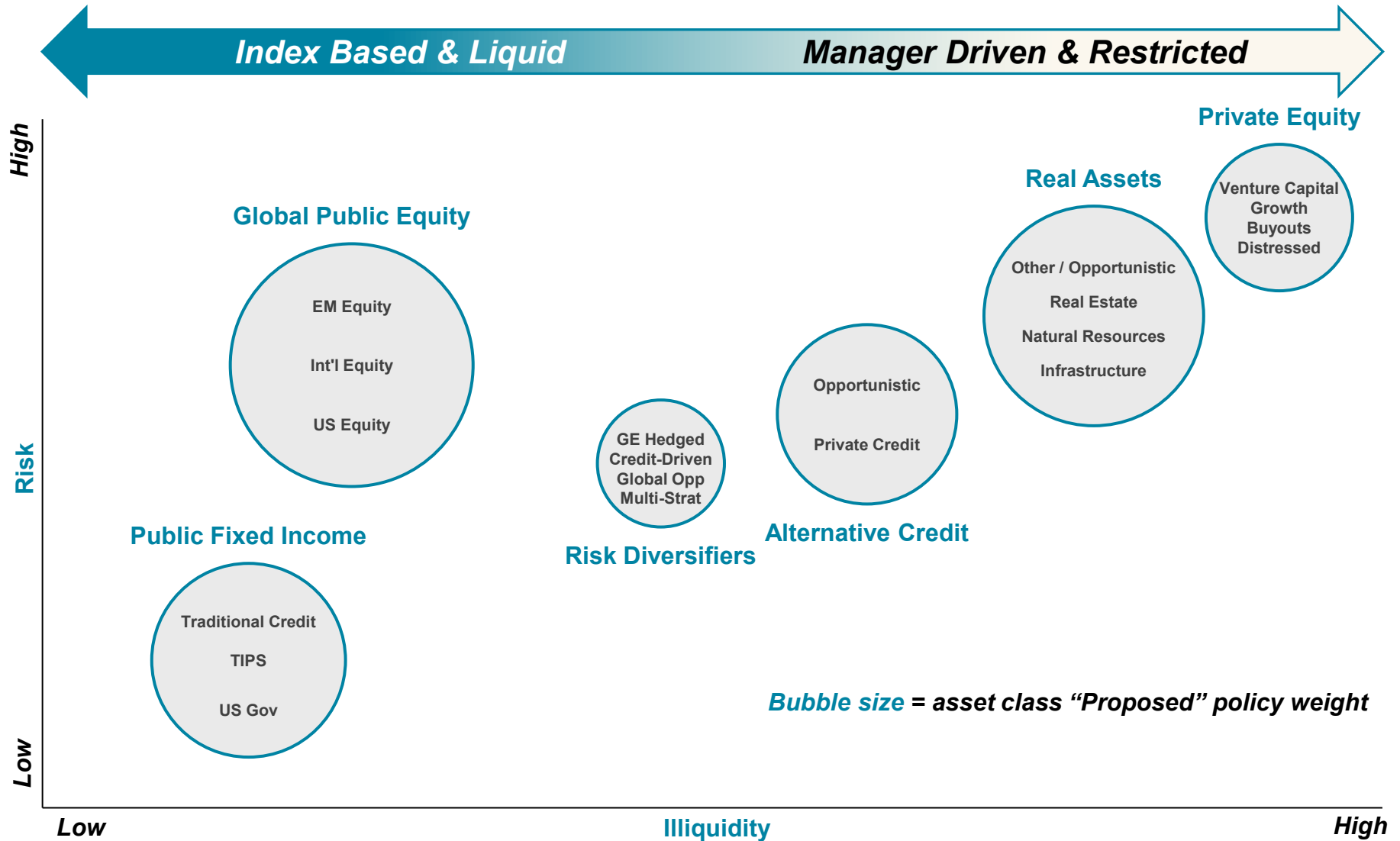
Asset Class	<i>Economic Exposure and Risk Framework</i>				
	Equity Risk	Non-Correlated Risks	Inflation Hedge	Deflation Hedge	Monetary Hedge
Public Equity					
Private Equity					
Risk Diversifiers					
Real Assets					
Alternative Credit					
Public Fixed Income					
<i>Total</i>					



Balanced Growth and Income Drivers



Managing Liquidity Holistically



Develop Asset Class Strategies

- Enhance management and monitoring of asset classes
- Investment Team will work with consultants to develop asset class portfolio construction and implementation plans
- Plans will be presented to Trustees as part of this allocation review process
- Ongoing annual reporting and review
- Comparable to Risk Diversifiers review in January/February 2025

Risk Diversifiers Allocation Review

Objectives

- Deliver long-term expected returns aligned with the total plan's 6.5% discount rate
- Provide diversification benefits away from growth assets with low correlation to rising or falling markets over full cycles
- Exposure to return streams that differ from those available in passive public market investments
- Serve as a volatility dampener for the total plan while meeting overall return objectives
- Not expected to consistently outperform equity markets

Target Allocations



Construction

Multi-Strategy: 35% target / 25 – 45% range

- Actively allocates capital across range of sub-strategies
- Event-Driven, merger arbitrage, fixed income, volatility

Global Opportunistic: 25% target / 15 – 35% range

- Invests based on macroeconomic factors and trends
- Strategies may be discretionary or fully systematic
- Generate returns from pricing dislocations in both upward and downward trending markets

Credit-Driven: Target 25% / 15 – 35% range

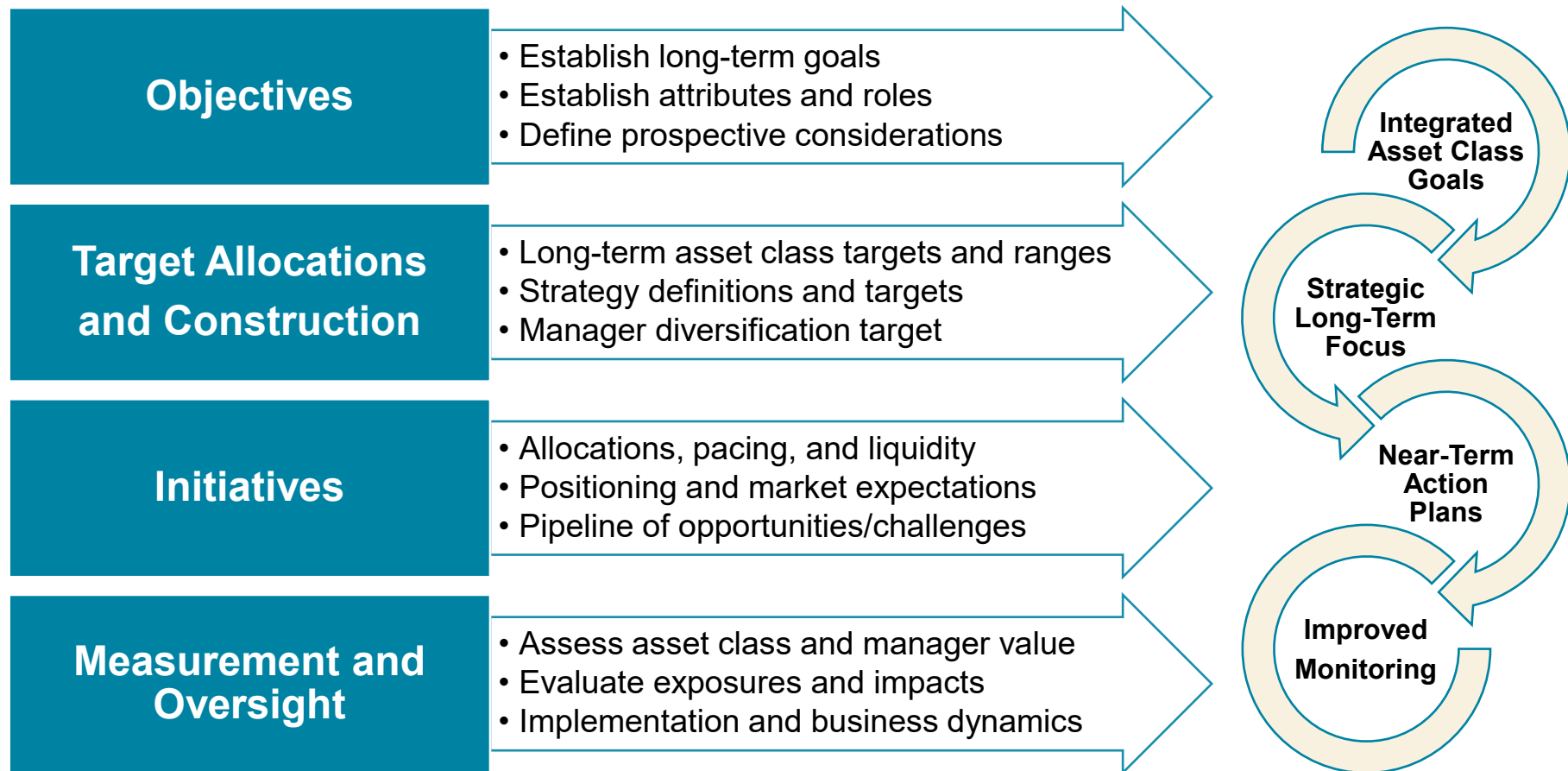
- Generate returns based on fundamental credit research
- Structured investments, potentially in stressed situations

Global Equity Hedged: Target 15% / 5 – 25% range

- Profit from market inefficiencies that cause specific publicly traded equities to be over- or underpriced
- Aims to profit from both rising and falling stock prices
- May result in concentrated portfolio positioning

Components of Asset Class Strategies

- Guided by IPS objectives, definitions, and benchmarks
- “Business plan” for each individual asset class
- Balance long-term goals, current positioning, and market environment



Asset Class Strategies Framework

- Asset Class Strategies timeline
 - Real Assets: October 2025
 - Remaining asset classes to follow
- Annual Reviews
 - Rotate across asset classes quarterly
 - Begin with Risk Diversifiers in January 2026
- Consultant quarterly performance reviews will continue

IPS Revisions

- Appendix 1 to Board Policy 2.1 – Investment Policy Statement defines asset classes and target weights and ranges.
- A “redline” version of this appendix showing proposed changes follows this presentation, for discussion purposes.
 - Pending today’s discussion, a recommendation to adopt these changes will be brought to Trustees in October.
- Changes include:
 - Updated policy weights, as discussed above
 - More detailed descriptions of asset classes
 - Removal of “Roles in Fund” descriptions
- We anticipate continuing this process for other sections of the IPS at subsequent meetings.

Appendix

Cambridge Associates Asset Allocation Review

MAINEPERS

ASSET ALLOCATION REVIEW

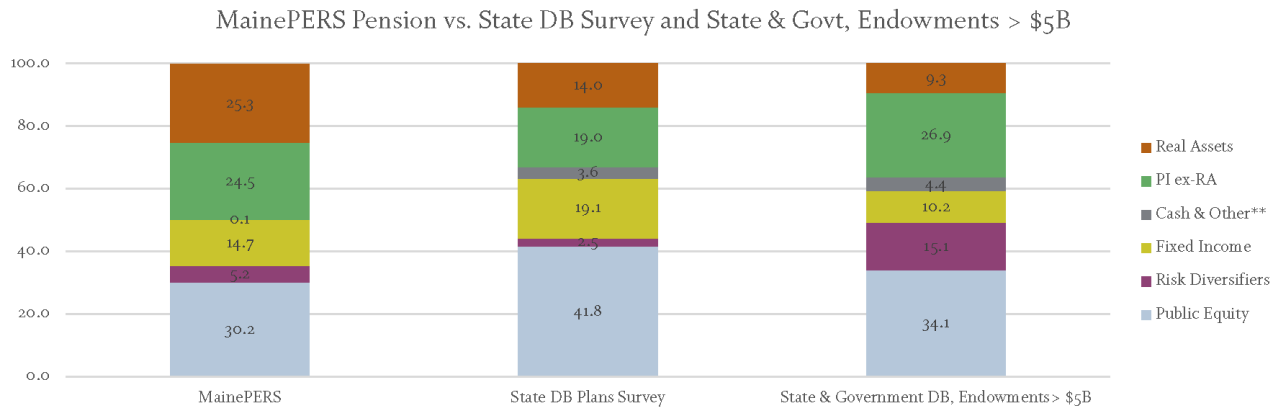


Peer AA Summary

- As part of the Strategic Asset Allocation process, observing peer allocations can be a useful exercise to foster critical evaluation
- Notable asset allocation differences persist between DB plans of different sizes. The most apparent difference is the allocation to private investments
 - Smaller plans (<\$1B) tend to have significantly more exposure to public equities and fixed income
- Larger plans have, on average, generated higher returns with lower risk than smaller peers over the medium and long term
 - Smaller plans with larger public asset weightings have done well over the past 3 years with a backdrop of strong equities and a soft market for distributions in private investments
- MainePERS' allocation to real assets is higher than peers. This relative overweight is the main driver to the plan's higher than average allocation to overall private investments
 - Compared to large DB plans and E&F, MainePERS has less public equity and diversifiers exposure
 - Compared to smaller DB plans, MainePERS has less public equity and fixed income exposure

CA

AA Comparison vs. Public Plans



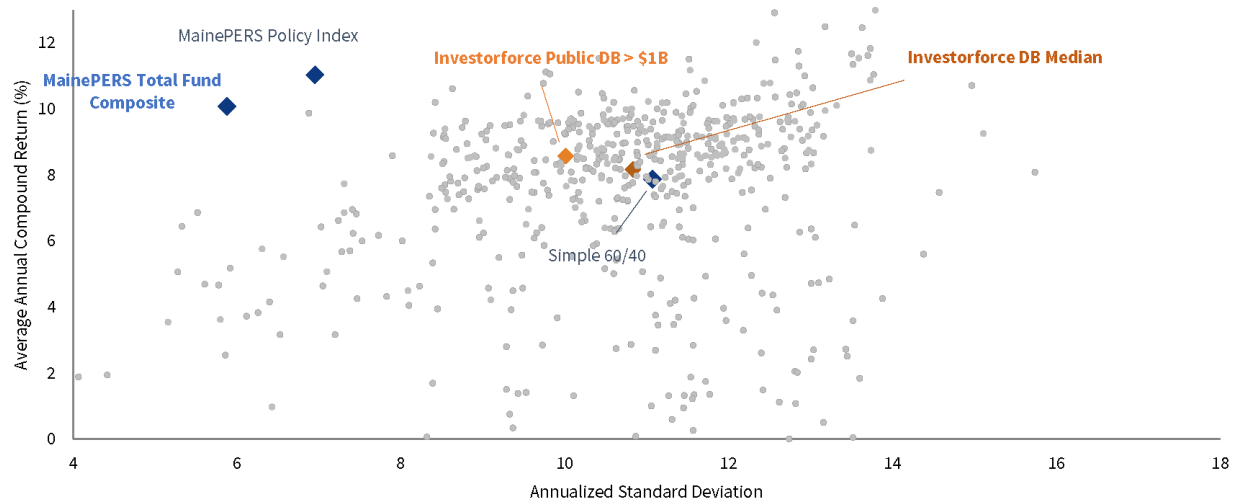
Q2 2025 ASSET ALLOCATION (%)						
INSTITUTION	PUBLIC EQUITY	RISK DIVERSIFIERS	FIXED INCOME	CASH & OTHER**	PI EX-RA	REAL ASSETS
MAINEPERS	30.2	5.2	14.7	0.1	24.5	25.3
STATE DB PLANS SURVEY* N=64	41.8	2.5	19.1	3.6	19.0	14.0
STATE & GOVT DB, ENDOWMENTS > \$5B N=33	34.1	15.1	10.2	4.4	26.9	9.3



*Source: Cliffwater annual survey, March 2025. **Includes allocations to multi-asset

MainePERS Risk/Return – 5 Years

Larger vs. Smaller Plans



	Average Annual Compound Return	Annualized Standard Deviation	Sharpe Ratio ¹	Beta vs. MSCI ACWI
MainePERS - Total Fund Composite	10.1	5.9	1.2	0.32
MainePERS - Policy Index	11.0	7.0	1.2	0.38
Simple 60/40	7.9	11.1	0.5	0.71
Investorforce Public DB Plan > \$1B Median	8.6	10.0	0.6	---
Investorforce DB Median	8.2	10.8	0.5	---
Indices				
MSCI All Country World Index (Net)	13.7	15.4	0.7	--
Bloomberg Barclays Aggregate Bond Index	-0.7	6.4	-0.5	0.27



Note: Calculations are based on monthly data, net of fees.

¹The Sharpe Ratio represents the excess return generated for each unit of risk. To calculate this number, subtract the average T-Bill return (risk-free return) from the manager's average return, then divide by the manager's standard deviation. The Investor Force data uses the median return and standard deviations are based on monthly data, net of fees.

² Simple 60/40 is 60% MSCI ACWI and 40% BBG Aggregate US Bond Index.

³ Net Investor Force Median data reflects median of 5-year returns and the standard deviations as reported by institutions with over \$100m in assets to Investor Force.



**CAMBRIDGE
ASSOCIATES**

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Board Responsibilities – Investment Policy

Appendix 1: Asset Classes, Policy Weights and Ranges

Date Adopted: June 9, 2016

Date Amended: June 8, 2017; September 14, 2017; January 14, 2021; May 12, 2022

The System's assets are invested across ~~nine~~six Asset Classes that play a number of roles ~~four distinct Roles~~ in the overall Fund. The Trustees define these ~~Roles and~~ Asset Classes and set target policy weights and ranges below.

	Weights		
	Minimum	Policy	Maximum
GROWTH	35%	42.5%	55%
Public Equity	20%	30%	40%
Private Equity	5%	12.5%	20%
RISK DIVERSIFIERS	0%	7.5%	12.5%
HARD ASSETS	15%	25%	35%
Real Estate	5%	10%	15%
Infrastructure	5%	10%	15%
Natural Resources	0%	5%	10%
CREDIT	5%	15%	20%
Traditional Credit	0%	5%	10%
Alternative Credit	0%	10%	15%
MONETARY HEDGE	5%	10%	15%
US Government Securities	5%	10%	15%
Cash	0%	0%	10%

	Policy	Range
Public Equity	27.5%	20.0% – 35.0%
Private Equity	10.0%	5.0% – 20.0%
Risk Diversifiers	7.5%	5.0% – 10.0%
Real Assets	22.5%	15.0% – 25.0%
Alternative Credit	15.0%	10.0% – 20.0%
Public Fixed Income	17.5%	12.5% – 25.0%
Cash	0.0%	0.0% – 5.0%

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Asset Class Definitions

The below Asset Class definitions ~~are simplified and~~ are intended to convey the general characteristics of investments held within each class. Some investment strategies involve assets and securities that span multiple asset classes.

Public Equity

~~Investments in publicly traded shares of companies. May include different classes of common stock, shares of REITs, and MLPs.~~

The Public Equity asset class consists of ownership interests in companies traded on global stock exchanges in U.S., developed international, and emerging markets. It may include different classes of common stock as well as interests in REITs, MLPs, and other structures. Its primary role is long-term capital appreciation, and the asset class features higher short-term volatility and drawdown risk relative to other liquid assets. Public Equity is characterized by a high level of liquidity to meet operational needs as well for efficient portfolio rebalancing.

Private Equity

~~Investments in non-publicly traded shares of companies. Investments are typically made via private limited partnerships, and may include both equity and debt securities.~~

The Private Equity asset class consists of ownership interests in companies and assets that are not publicly traded and accessed primarily through commingled limited partnerships and other specialized structures. Private Equity may include venture capital, growth equity, buyouts, distressed assets, and other similar strategies. It seeks to generate superior long-term returns relative to public equity markets by exploiting illiquidity premia, active ownership, and operational value creation. Private Equity is characterized by long investment horizons, limited liquidity, and higher dispersion of returns across investments. Diversification across strategies, vintage years, industries, and geographies is emphasized to mitigate risk.

Risk Diversifiers

~~Investments typically made through private funds that generally invest in listed assets such as stocks, bonds, and commodities, via strategies that are expected to have little correlation with declining or rising stock markets.~~

The Risk Diversifier asset class seeks exposure to return streams that are not available through traditional public market investments, with an emphasis on risk-adjusted performance with minimal exposure to broad market returns. Investments are typically accessed through commingled limited partnerships or other pooled vehicles. The allocation may include a variety of globally diverse strategies including long-short equity, credit oriented, opportunistic, and

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multi-strategy approaches. These underlying strategies are designed to provide attractive standalone returns as well as diversification benefits away from traditional growth assets, and are expected to maintain low correlation to both rising and falling markets over full market cycles. Liquidity provisions vary by strategy and manager, and typically feature periodic redemption windows and initial lockups.

Real Estate

~~Investments providing direct exposure Real Estate, including investments through private funds.~~

Infrastructure

~~Investments typically made through private funds that generally invest in assets that meet most or all of the following criteria: provide essential public services, possess monopoly-like characteristics, provide long term contracted cash flows, and bear limited volumetric and price risk.~~

Natural Resources

~~Investments in private funds that generally invest in businesses focused on natural resources such as timberland, agriculture, and mining. Private energy investments will generally be included in Private Equity, rather than Natural Resources.~~

Real Assets

Real Assets is a private market asset class that serves as a diversifier to equity, credit, and fixed income, offering potential for stable income, capital appreciation, and inflation protection. It includes investments in real estate, infrastructure, natural resources, and other investment opportunities that derive value from their physical and enduring characteristics. A substantial portion of asset class returns is expected to come from ongoing cash flows. Real Assets investments are illiquid and typically accessed through commingled limited partnerships or other pooled vehicles, and may be open- or closed-ended. Diversification across asset types, sectors, geographies, and return sources (e.g., income versus capital appreciation) is emphasized to manage risk.

Alternative Credit

~~Investments in debt instruments issued by non-investment grade and unrated entities. This may include, but is not limited to high yield debt, bank loans, structured debt, and asset-backed debt. Alternative credit investments are expected to pay or accrue periodic interest and to return principal at maturity. Distressed debt and other debt or yield-oriented securities that include equity-like exposures are considered Private Equity, not Alternative Credit.~~

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The Alternative Credit asset class plays a role in enhancing portfolio income, diversifying fixed income exposures, and capturing illiquidity and complexity premia, while recognizing that investments may carry elevated credit, structural, and liquidity risks. It consists of investments in debt instruments issued primarily by non-investment grade and unrated entities. Typical investments are unrated debt, bank loans, structured credit, and asset-backed debt. Strategies may encompass direct lending and other opportunistic credit approaches that provide exposure to less liquid markets and higher yields than traditional investment grade fixed income. Investments are typically accessed through commingled limited partnerships or other pooled vehicles. Diversification across borrower types, sectors, geographies, structures, and vintage years is emphasized to manage risk.

Traditional Credit

~~Investments in investment-grade debt instruments that are not issued by the U.S. Government. Such debt may or may not be registered for sale to the general public.~~

Monetary Hedges

~~Investments in debt instruments issued by the U.S. Government, including nominal Treasury securities and Treasury Inflation Protected Securities (TIPS), held in approximately equal proportions.~~

Public Fixed Income

The Public Fixed Income asset class consists of debt instruments issued or guaranteed by sovereign or investment grade corporate entities, including U.S. Treasuries, Treasury Inflation-Protected Securities (TIPS), and investment grade corporate bonds. The asset class seeks to provide stable income, preserve capital, and reduce overall portfolio volatility. Public Fixed Income is highly liquid, allowing for a high level of liquidity to meet operational requirements and efficient portfolio rebalancing.

~~Roles in the Overall Fund~~

~~Each of the above asset classes fills a specific Role in the overall portfolio. These Roles are defined below.~~

~~Growth Assets~~

~~Growth Assets are intended to reduce the system's funding needs in the long term by appreciating in value. Growth Assets possess inherently higher expected returns than other asset classes. Growth Assets also have higher expected volatility than other asset classes, and are expected to increase funding volatility in the short run.~~

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Risk Diversifiers

~~Risk Diversifiers are investments that primarily derive their return from alpha (or active manager skill) as opposed to market directionality. Risk Diversifiers are expected to provide significant risk diversification benefits away from Growth Assets.~~

Hard Assets

~~Investments in the Hard Assets category provide exposure to long-lived “real” assets, such as real estate, timber, agricultural, and infrastructure assets. Expected return levels of Hard Assets are lower than those of Growth Assets, and a substantial portion of such returns is expected to come from ongoing cash flows. Hard Assets are expected to provide inflation protection, to have low correlation with Growth Assets, and to provide diversification benefits.~~

Credit Assets

~~Credit investments provide capital to end-users via loans and the purchase of debt securities. Such investments provide for contractual returns (interest) and repayment of principal. Credit investments possess lower risk and expected returns than equity investments, but have higher risk and expected returns than monetary hedges. Credit investments are expected to provide diversification away from Growth Assets.~~

Monetary Hedges

~~The role of Monetary Hedges in the portfolio is to provide liquidity and a safe harbor in times of turbulence. These investments are cash and obligations of the U.S. Government, and are considered to be free of default risk.~~

MAINEPERS

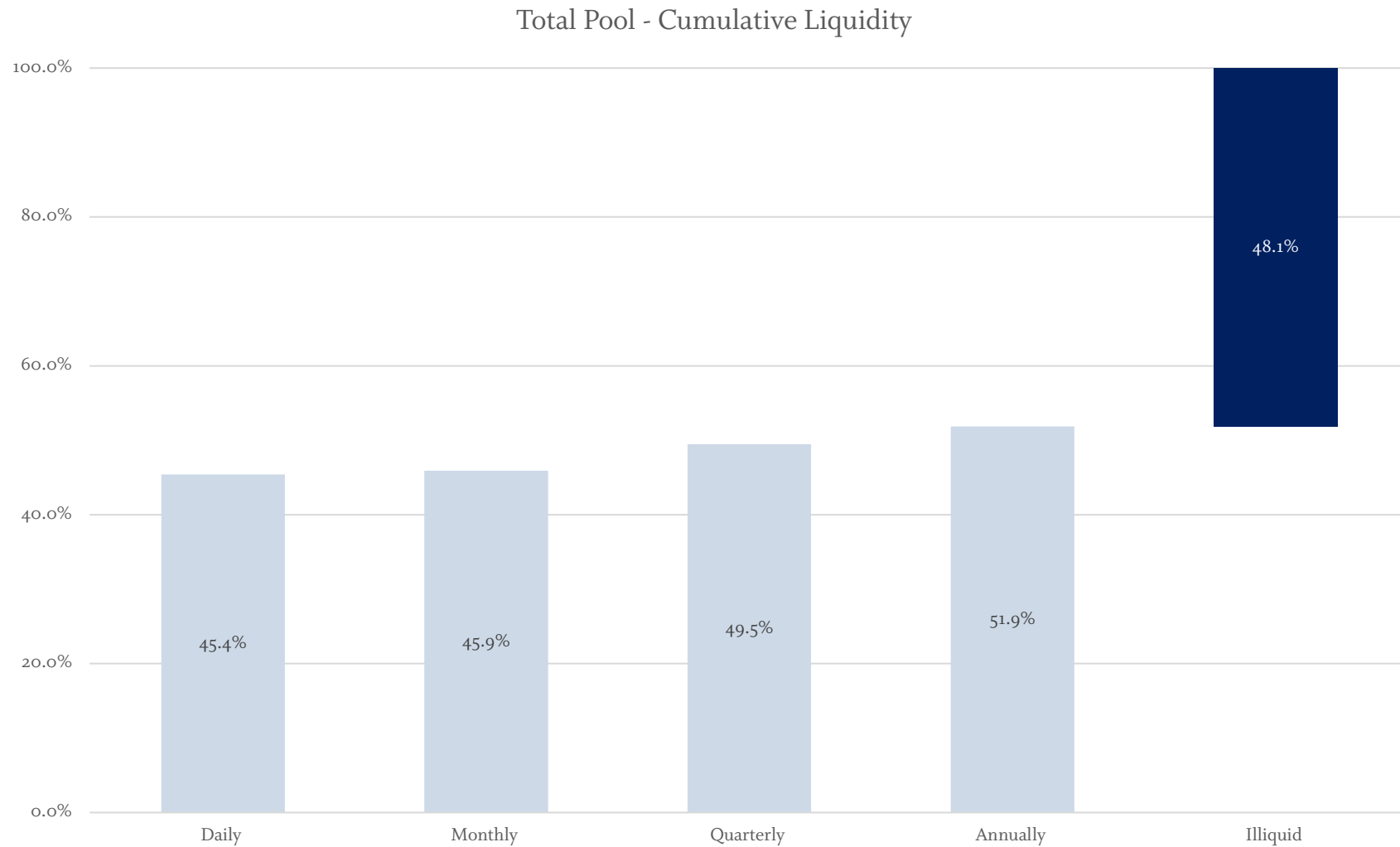
LIQUIDITY ANALYSIS



Plan Liquidity

- Plan liquidity and illiquidity tolerance is a critical component of designing a long-term Strategic Asset Allocation
- With MainePERS' pursuit of private investments over the past decades, understanding the current and future cashflow profile is doubly important to establish illiquidity thresholds
- The portfolio's current liquidity profile suggests that 52% of the Plan can be liquidated within one year compared to 3.5% of the plan paid out in net benefit payments, post-UAL
 - This 15x coverage ratio of liquid assets to cash outflows suggests meaningful headroom in a normal course environment
- As the Plan's net benefit payments as a proportion of assets increase in the coming years, MainePERS should consider that while liquidity can appear to have sufficient margin of safety in normal times, it is important to understand what a stress case could look like
 - An analysis suggests that even in an extreme, GFC type stress event, the Plan would have sufficient liquid asset coverage (7x) to continue benefit payments uninterrupted for an extended period

General Liquidity Schedule

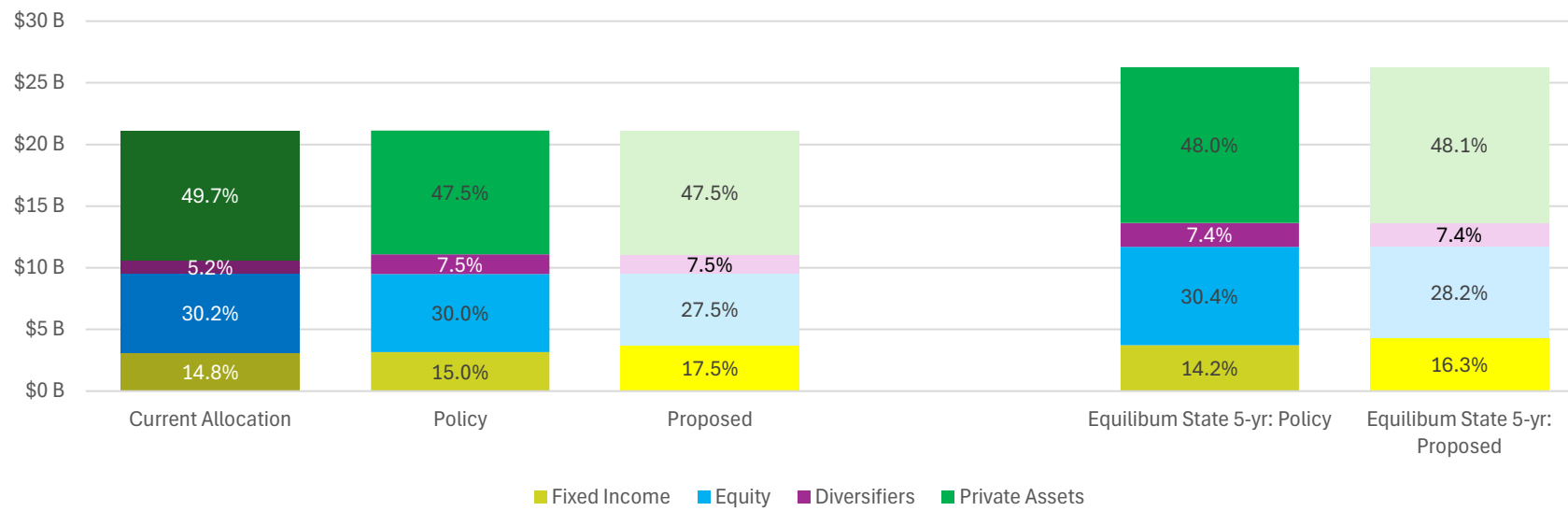


Liquidity Coverage in Normal Conditions

Current vs. Proposed

- Under normal conditions, the pool has ample liquidity to cover benefit payments. This holds true for both the current portfolio and the proposed portfolio
- This base case shows a slight increase in the portion of private investments over time, but the nominal value of liquid assets increases such that benefit coverage improves
 - Coverage ratios remain high despite higher net benefit payments beginning in 2029

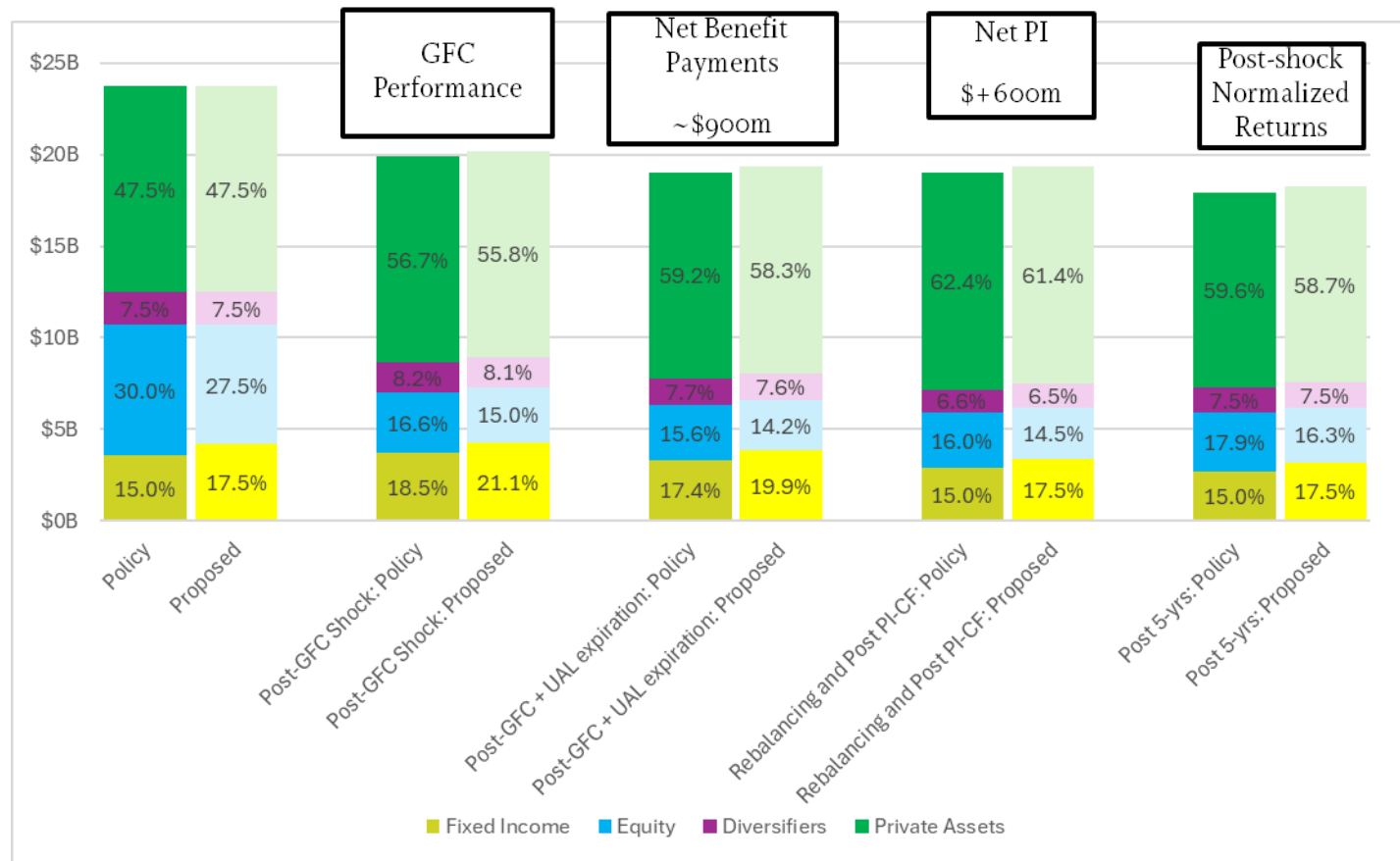
PHASE	2026	2030 POST UAL PROJECTIONS
POLICY: BENEFIT COVERAGE RATIO	10.9X	13.4X
PROPOSED: BENEFIT COVERAGE RATIO	10.9X	13.4X



Liquidity Coverage in Stressed Conditions

Current vs. Proposed

PHASE	POLICY ALLOCATION	POST-GFC SHOCK	POST-GFC + UAL EXPIRATION	REBALANCING AND POST PI-CF	POST 5-YRS
POLICY: BENEFIT COVERAGE RATIO	12.3X	8.0X	7.2X	6.8X	6.8X
PROPOSED: BENEFIT COVERAGE RATIO	12.3X	8.4X	7.6X	7.1X	7.1X



APPENDIX



Liquidity Schedule Methodology

- Net distributions from the PI program are assumed to be \$340M annually. A proportionate amount of these distributions is allocated to monthly and quarterly liquidity
- Assumes NAVs for all funds remain unchanged over the course of a year

Liquidity Stress Test Methodology

- We assess the Plan's liquidity after the effects of a broad market stress event and structurally lower plan contributions. We perform the same test on the proposed portfolio
- Benefit Coverage Ratios use only Equities and Fixed Income in the numerator
- The results on the following page are based on the following inputs:
 - GFC Event defined as a 54% drop in equities; diversifiers drop 8%; and fixed income rises 4%. Private assets (inclusive of Alternative Credit) returns are zero throughout the entire shock.
 - Redemptions include \$1,600m¹ of benefit payments and contributions of \$700m¹. These figures are 5-year averages of benefit payments and contributions for the years 2029-2033
 - The plan is then rebalanced to move back toward policy targets
 - After these events, a net \$600m of commitments are called by private managers, funded from public equities and diversifiers
- For the next 5 years, we assume an average net pool growth rate of -1.2%. Liquid assets grow at their equilibrium rates, while private investments decline by \$1,063 from net disbursements and appreciate at 0%, which yields an asset growth rate of ~2.3%. Net benefit payments are assumed to be 3.5%
- Both the current policy portfolio and proposed experience similar drawdowns, though the proposed maintains a slightly higher liquidity profile due to an increase in fixed income funded via public equities.



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MAINEPERS

BOARD OF TRUSTEES RULEMAKING MEMORANDUM

TO: BOARD MEMBERS
FROM: NANETTE ARDRY, ASSOCIATE GENERAL COUNSEL
SUBJECT: RULEMAKING UPDATE
DATE: SEPTEMBER 3, 2025

I. Notices

We do not plan to publish notices to amend additional rules this month.

II. Public Hearings

The September Board meeting also will include public hearings on:

- A proposed amendment to **Rule Chapter 406** (Payment or Repayment of Contributions and Interest for the Purchase of Service Credit). The proposed amendment to the rule allows MainePERS members of the State Employee and Teacher Retirement Program and the Participating Local District Consolidated Plan with prior non-military federal employment to purchase up to five years of service credit at actuarial cost consistent with recently passed legislation.
- A proposed amendment to **Rule Chapter 506** (Eligibility for Disability Retirement Benefits). This rule sets forth the standards and processes for determining eligibility for disability retirement benefits. The proposed amendments to the rule eliminate the requirement for continuous service before a member can be eligible for disability retirement without meeting pre-existing condition criteria and simplify continued eligibility for disability retirement benefits consistent with statute.
- A proposed amendment to **Rule Chapter 803** (Participating Local District Consolidated Retirement Plan). This rule establishes a consolidated retirement plan as required by 5 M.R.S. §18801 et seq. for local districts that are participating local districts under 5 M.R.S. Chapter 425 and Chapter 427. The proposed amendments include two changes consistent with recently passed legislation: first, to allow PLD members with prior non-military federal service to purchase up to five years of service credit at actuarial cost; and second, to allow the chief administrative office of a PLD to clarify ambiguities in actions taken by the governing body regarding plan participation. The proposed amendments also

ensure that 401(a) defined contribution plan elections conform with federal plan qualification requirements and remove an infrequently used and inefficient provision that permits a member retiring early to forgo cost-of-living adjustments (COLA) until they attain normal retirement age.

A public hearing is an opportunity for the public to comment on the proposed rulemaking. It is not the time for the Board to make any decisions or provide responses to any comments or questions. Comments from the public may also be submitted in writing until 4:00 pm on September 22, 2025. We then will consider all comments, make any revisions we think appropriate in response to the comments, and bring a recommendation to the Board for action as soon as the October meeting. Copies of the proposed amended rules are included.

III. Adoptions

The September Board meeting will include Board consideration of proposed amendment to **Rule Chapter 510** (Reduction of Disability Retirement Benefits Because of Lump-Sum Settlements of Benefits Payable Under the Workers' Compensation or Similar Law) to remove reference to Social Security offsets.

A public hearing was held at the August meeting, at which two members of the public provided comments. Written comments on the proposed amendment were received from nine members of the public, including from the two members who commented at the public hearing. A copy of the proposed amendment and the basis statement are provided in the Board materials along with the written comments received.

POLICY REFERENCE

[Board Policy 2.3 -- Rulemaking](#)

[Board Policy 4.5 – Board/Staff Relations](#)

[Board Policy 4.6 – Communications and Support to the Board](#)

RECOMMENDATION

That the Board adopt amended Rule Chapter 510 and its basis statement.

94-411 MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM**Chapter 406: PAYMENT OR REPAYMENT OF CONTRIBUTIONS AND INTEREST FOR THE PURCHASE OF CREDITABLE SERVICE**

SUMMARY: This Chapter provides the requirements for members to pay or repay contributions and applicable interest for the purchase of creditable service and sets the basis for granting creditable service when a member has made the required payment.

SECTION 1. DEFINITIONS

1. **Current employer.** “Current employer” means:
 - A. The same Maine Public Employees Retirement System (“MainePERS”) employer as the one by which the member is currently employed; or
 - B. For State employees and teachers (as defined in 5 M.R.S. §§ 17001(40) and 17001(42), respectively), the State of Maine or a Maine public school; or
 - C. For a Legislator, as defined in 3 M.R.S. §701(11), the Legislature; or
 - D. For a Judge, as defined in 4 M.R.S. §1201(12), the Maine Judicial Branch; or
 - E. For a participating local district (PLD) employee employed in a PLD in the Consolidated Plan, any PLD that is in the Consolidated Plan.
2. **Previous employer.** “Previous employer” means any employer who is not the “current employer” as defined in subsection 1.
3. **Lump sum payment.** “Lump sum payment” means a one-time payment made by a member in an amount that is equal to the total amount owed for all service available in a given category, as set forth in Section 2.
4. **Partial payment.** “Partial payment” means a payment made by a member in an amount that is less than the total amount owed for all service available in a given category, as set forth in Section 2.

SECTION 2. CATEGORIES OF CREDITABLE SERVICE

The categories of creditable service are:

1. Back time, which is service with an employer, as a state employee, teacher, or participating local district employee, when the employee was not a member of the System and, therefore, did not make contributions.

2. Refunded contributions from “current employer,” which is service with a member's “current employer” when the employee was a member of the System and made contributions that were refunded when the member terminated employment or membership.
3. Refunded contributions from “previous employer” or employers, which is service with a member's previous employer or employers when the employee was a member of the System and made contributions that were refunded when the member terminated employment or membership. If a member has had refunds representing contributions for service with more than one “previous employer”, the refund relating to each “previous employer” is a separate category for the purposes of this chapter. A member who is eligible to purchase creditable service under Category 2 (“current employer” refund) must purchase that service before purchasing service under this category.
4. Service in the armed forces, which is service in the armed forces of the United States before becoming a member of the System.
5. Out-of-state service, which is service by a member in another state in a category of employment that is eligible for membership in the public employee or teacher retirement system of that state.
6. Other service, which is several other categories of creditable service available for purchase, all of which require that the cost of purchasing the service is the amount of the actuarial equivalent, at the effective date of the retirement benefit, of the additional benefit attributable to the additional creditable service to be purchased, as follows:
 - A. Out-of-state service of a member that is not allowed under 5 M.R.S. §§ 17754(1) and 18354(1), but is allowed under 5 M.R.S. §§ 17754(2) and 18354(2);
 - B. Service as a teacher in a private or parochial school that is not allowed under 5 M.R.S. §§ 17763(1) and 18362(1), but is allowed under 5 M.R.S. §§ 17763(4) and 18362(1-A);
 - C. Service in Vista, the Peace Corps, the Fulbright Exchange Program or the Head Start Program in Maine;
 - D. Service as a teacher in schools for children of U.S. Foreign Service Corps or U.S. Armed Forces personnel outside the continental United States;
 - E. Employment as a teacher’s aide or Educational Technician I, whether or not such employment was as a MainePERS member and when, subsequent to such employment, the person becomes a teacher member;
 - F. Unused accrued or accumulated sick leave, unused vacation leave, or a combination of both, which exceeds 90 days and for which the member is credited on termination of service;
 - G. The period of service during which a member took an unpaid or partially paid educational leave pursuant to the Maine Educational Leave Act;

- H. CETA service of a member that is not allowed under 5 M.R.S. §§ 17707(4)(C) and 18308(4)(C), but is allowed under 5 M.R.S. §§ 17707(4)(D) and 18308(4)(D);
 - I. The period of service during which an elected official, an official appointed for a fixed term, or a substitute teacher who began membership after December 31, 1985, elected not to be a member of the MainePERS; and
 - J. The period of service prior to July 1, 1976 during which a member performed any work as a teacher of a child with a disability.
 - K. Service in the armed forces that is allowed under 5 M.R.S. §§ 17760(5) and 18360(2)(I).
 - L. Service as a full time law enforcement officer prior to becoming a MainePERS member that is allowed under 5 M.R.S. §§ 17767 and 18363.
 - M. Service as a nonmilitary public employee of the United States government prior to becoming a MainePERS member that is allowed under 5 M.R.S. §§ 17759-A and 18364.
- 7. Service while receiving Workers' Compensation benefits, which is service during the period in which a member who was employed in a MainePERS-covered position received Workers' Compensation benefits from which MainePERS contributions were not deducted.
 - 8. Service in a parochial school or public or private academy.
 - 9. Service for days off without pay that result from employer budgetary actions.
 - 10. Service of a Participating Local District member who is in service when district participation begins.

SECTION 3. METHOD OF PAYMENT

The member must designate which category of creditable service is to be purchased. A member purchasing creditable service through partial payments who is eligible to purchase creditable service in more than one category must complete payment for the first designated category before beginning payment on the next category.

A member may purchase creditable service by lump sum or through partial payments as follows:

- 1. **Lump sum payment.** By making a single lump sum payment to the MainePERS at any time, subject to the provisions of subsection 3, of all principal and interest owed for all creditable service the member is eligible to purchase in any category of creditable service; or
- 2. **Partial Payments**
 - A. **Payroll Deduction.** By making an increased rate of contribution to MainePERS through payroll deduction, subject to the following provisions:

- (1) The minimum payroll deduction amount is \$50.00 per month, or the amount as established in subparagraph (2), whichever is greater.¹
- (2) The cost for the purchase of creditable service through payroll deduction will be amortized over a period ending on a date determined by the member, not to exceed ten years, or on the last day of the month preceding the normal retirement age of the member, or on the last day of the month preceding the member's anticipated retirement date, whichever is earlier.
- (3) The member may change the specific payroll deduction amount, to an amount that is not less than the minimum payment amount as established in subparagraph (1), no more than once quarterly. The System will adjust either the amortization schedule or the amount of creditable service accordingly.
- (4) In the event of a change in the rate of regular interest applied to the amount due, the System will:
 - (a) in the case of a decrease in the interest rate, adjust the amortization period accordingly; or
 - (b) in the case of an increase in the interest rate, adjust the amount of creditable service purchased accordingly, based on the original amortization period.
- (5) The member may start or stop a payroll deduction authorization no more than once quarterly. If the member elects to stop an authorized payroll deduction, and subsequently elects to restart the payroll deduction, the member must submit a new authorization. The required payroll deduction will be recalculated under this paragraph to include any additional interest that has accrued.
- (6) The member may also make periodic payments under the provisions of paragraph B toward the same category of service for which the member is making payments through payroll deduction.

B. **Periodic Payments.** By making a payment to MainePERS at any time of a portion of the principal and interest owed for all creditable service the member is eligible to purchase in any category of creditable service.

- (1) The minimum periodic payment is \$50.00 or, if the member is making payment only through periodic payments as provided in this paragraph, the amount as established in subparagraph (3), whichever is greater.
- (2) Periodic payments may be made no more than once per month.

¹ For members purchasing creditable service through payroll deduction prior to the effective date of this rule, the minimum payroll deduction amount is \$25.00 per month.

- (3) The cost for the purchase of creditable service through periodic payments will be amortized over a period ending on a date determined by the member, not to exceed ten years, or on the last day of the month preceding the normal retirement age of the member, or on the last day of the month preceding the member's anticipated retirement date, whichever is earlier.
- (4) The member may change the periodic payment amount, to an amount that is not less than the minimum amount as established in subparagraph (1), no more than once quarterly. The System will adjust the amortization schedule or creditable service, accordingly.
- (5) In the event of a change in the rate of regular interest applied to the amount due, the System will adjust the amortization period or amount of creditable service accordingly.
 - (a) in the case of a decrease in the interest rate, adjust the amortization period accordingly; or
 - (b) in the case of an increase in the interest rate, adjust the amount of creditable service purchased accordingly, based on the original amortization period.
- (6) The member may also make payroll deductions under the provisions of paragraph A toward the same category of service for which the member is making periodic payments.

3. Time Limits

Principal and interest payments for the purchase of creditable service must be made prior to the date the retirement allowance becomes effective, or credit will be granted for only the portion of time paid.

Payments may be made after the effective date of retirement provided that:

- A. The member initiates a cost inquiry prior to retirement, but MainePERS has not received sufficient information to verify the service prior to the effective date of retirement; and
- B. Payment is made within ten (10) business days of written notification to the member of the availability of the additional service. MainePERS will adjust the amount of the retirement allowance as of the first day of the month following the date on which MainePERS receives the payment.

SECTION 4. NO RECISSION OF PURCHASE OF CREDITABLE SERVICE

A member who purchases creditable service may not rescind the purchase of that service nor receive a refund of the payment or payments made towards that purchase unless the member takes a refund of all member contributions under the provisions of 3 M.R.S. §805-A, 4 M.R.S. §1305-A, or 5 M.R.S. §§ 17705-A or 18306-A.

SECTION 5. NO PAYMENT BY BENEFICIARY

After the death of a member, no payment may be made by a beneficiary of the member to purchase additional creditable service.

SECTION 6. GRANTING OF CREDITABLE SERVICE

1. When a member requests the cost to purchase creditable service in any category of creditable service except Category 6, "Other service," the System will determine the contributions and applicable interest required to purchase all creditable service that the member is eligible to purchase in each selected category. At the time the balance due is determined, the total creditable service the member is eligible to purchase in each category will also be determined and recorded. Upon making a payment under Section 3, the member will be granted creditable service as follows:
 - A. **Lump Sum Payment.** When a member makes a lump sum payment, the member will be granted all of the creditable service in the selected category.
 - B. **Partial Payments.** Calculation and granting of creditable service based upon partial payments will be as follows:
 - (1) When a member makes a partial payment, the payment will first be applied toward any applicable Survivor Benefit and Retirement Allowance Adjustment contributions due. In order to determine the amount of creditable service to be granted to the member as a result of the payment, the percentage of the balance of the employee contributions due that the payment represents will be determined and the same percentage will be applied to the total creditable service available for purchase.
 - (2) Upon request by the member, the System will provide the member with a statement that includes the remaining balance due, the total creditable service the member is eligible to purchase and the amount of creditable service that the member has purchased.
2. When a member requests the cost to purchase creditable service in Category 6, "Other service," a calculation will be made to estimate the actuarial cost of purchasing all creditable service in that category. At the time the balance due is determined, the total creditable service the member is eligible to purchase will also be determined and recorded. Upon making a payment under Section 3, the member will be granted creditable service as follows:
 - A. **Lump Sum Payment.** If, prior to the final calculation of a retirement benefit, a member makes a single lump sum payment in an amount equal to the total estimated amount owed, as determined in subsection 2, the member will be notified that the cost will be recalculated as of the member's retirement date, and the member will be notified in writing if there is an additional amount due at retirement. The member will have a choice of paying the additional amount or receiving pro rata credit.

- B. **Partial Payments.** Calculation and granting of creditable service based upon partial payments will be as follows:
- (1) When a member makes a partial payment, the new balance due will be determined, but no creditable service will be granted at that time.
 - (2) The cost will be recalculated as of the member's retirement date, and the member will be notified in writing if there is an additional amount due. The member will have a choice of paying the additional amount or receiving pro rata credit.
- C. Creditable service purchased under Section 2 will be granted upon the member's retirement.
- D. Upon request by the member, the System will provide the member with a statement that includes the estimated remaining balance due.
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STATUTORY AUTHORITY:

3 M.R.S. §805-A, 4 M.R.S. §1305-A, 5 M.R.S. §§ 17103(4), 17657, 17658, 17701, 17703, 17704-C, 17705-A, 17707, 17752, 17753, 17754, 17756, 17757, 17759, 17760, 17761, 17763, 17763-A, 17764, 17765, 17766, 17767, 18301, 18305-B, 18306-A, 18308, 18353, 18354, 18357, 18358, 18360, 18362, and 18363.

EFFECTIVE DATE:

March 12, 1983

AMENDED:

September 2, 1990
October 7, 1991 (EMERGENCY - expired January 5, 1992)
April 1, 2001

EFFECTIVE DATE (ELECTRONIC CONVERSION):

May 5, 1996

NON-SUBSTANTIVE CORRECTIONS:

October 2, 1996 - minor spelling and format.

REPEALED AND REPLACED:

August 30, 2010 – filing 2010-376

AMENDED:

November 4, 2019 – filing 2019-188

APAO WORD VERSION CONVERSION (IF NEEDED) AND ACCESSIBILITY CHECK: July 17, 2025

94-411 MAINE STATE RETIREMENT SYSTEM

Chapter 506: ELIGIBILITY FOR DISABILITY RETIREMENT BENEFITS

SUMMARY: This chapter sets forth the standards and processes for determining eligibility for disability retirement benefits.

SECTION 1. DEFINITIONS

1. **Consistent with the person's training, education, or experience.** "Consistent with the person's training, education, or experience" has the same meaning as "qualified by training, education or experience." A member may be qualified by training, education, or experience to engage in an activity even if the member has not previously engaged in it or has not engaged in it for pay. The fact that the member may need additional training for a specific position does not mean that the position is inconsistent with the member's training, education, or experience.
- ~~2. **Continuous creditable service.** "Continuous creditable service" means a period of membership service that occurs without any break in excess of 30 days. A period of leave under the federal Family Medical Leave Act where the member returned to the employment position at the end of the leave period does not constitute a break in membership service.~~
- ~~3.2.~~ **Date of incapacity.** "Date of incapacity" means the date when a member stopped performing the essential functions of the member's employment position due to functional limitations caused by a mental or physical condition.
- ~~4.3.~~ **Earnings.** "Earnings" means wages, tips, and other compensation from employment that is reported as Medicare wages and tips on federal W-2 tax forms and income that is reported on federal self-employment tax schedules as subject to self-employment tax.
- ~~5.4.~~ **Employment position.** "Employment position" means the position in which the member is employed at the time the member becomes incapacitated or a position that is made available to the member by the member's employer that is of comparable stature and equal or greater compensation and benefits and located within a reasonable commuting distance from the member's residence.
- ~~6.5.~~ **Existed before membership.** A condition "existed before membership" if, as of the member's initial membership date, the condition:
 - A. Had been diagnosed by a health care provider;
 - B. Reasonably should have been diagnosed by a health care provider based on the member's medical records and symptoms and the results of any additional tests the provider reasonably should have requested;
 - C. Had exhibited some, but not all signs and symptoms necessary for a diagnosis, but later manifested all such signs and symptoms and was diagnosed; or

- D. Was directly caused by another condition that was diagnosed or reasonably should have been diagnosed before membership.

7.6. Incapacity. “Incapacity” means unable to perform the essential functions of the member’s employment position with reasonable accommodation due to functional limitations caused by a mental or physical condition.

8.7. In service. A member is “in service” if the member has not terminated employment and is receiving compensation for rendering services, including through the use of the member’s own accrued leave time.

9.8. Mental or physical condition. A “mental or physical condition” is a condition affecting the member mentally or physically that is medically diagnosable.

10.9. Permanent. “Permanent” means:

- A. the incapacity is likely to continue for the foreseeable future;
- B. the member has reasonably pursued appropriate treatment options; and
- C. those treatment options have not resolved the incapacity.

11.10. Reasonable accommodation. “Reasonable accommodation” has the same meaning as that phrase does under the federal Americans with Disabilities Act, 42 U.S.C. §12111(9).

12.11. Reasonable commuting distance. “Reasonable commuting distance” means a distance of less than 60 miles that would be reasonable for the member to commute based on the facts and circumstances, including the cost of commuting, the compensation of the employment position, the member’s commuting history, and typical commuting distances where the member resides.

13.12. Substantially gainful activity. “Substantially gainful activity” means any combination of activities, tasks, or efforts, with any reasonable accommodations, for which the member is qualified by training, education, or experience that would generate annual income in an amount in excess of the substantially gainful activity amount in the labor market for the member’s state of residence.

14.13. Substantially gainful activity amount. “Substantially gainful activity amount” means \$20,000 or 80% of the member’s average final compensation, whichever is greater, adjusted by any cost of living adjustments required by statute or rule.

SECTION 2. INITIAL ELIGIBILITY

1. **Standards.** A member is eligible for disability retirement benefits if the member has a permanent incapacity while in service, subject to the following additional requirements where applicable:

- A. If the member had less than five years of ~~continuous~~ creditable service as of the member’s last date in service, the incapacity must not result from a condition that existed before membership unless the incapacity has been caused or substantially aggravated by

an injury or accident received in the line of duty from events or circumstances not usually encountered within the scope of the member's employment.

- (1) Events or circumstances are usually encountered within the scope of the member's employment if they are described in the job description for the member's position or are otherwise typically encountered one or more times during the career of a person in a position like the member's.

- B. If at least two years have passed since the member's date of incapacity, the member must be unable to engage in any substantially gainful activity due to functional limitations caused by the mental or physical condition.

2. Use of the medical review service provider and independent medical examinations

- A. The permanent incapacity may be revealed by an independent medical examination (IME), but the Chief Executive Officer may grant benefits without an IME and, if qualification is clear to a lay person, may grant benefits without use of the medical review service provider.
- B. The Chief Executive Officer may deny benefits without use of the medical review service provider or an independent medical examination on non-medical grounds, including:
 - (1) The applicant was not in service at the time the applicant claims the incapacity began;
 - (2) The applicant is in an age-restricted plan and performed the essential functions of the employment position after normal retirement age;
 - (3) The claimed incapacity has existed for more than two years and the applicant has earned more than the substantially gainful activity amount in one or more years during this time;
 - (4) The applicant is uncooperative or unresponsive in providing essential information needed to process the application; or
 - (5) The applicant has already been denied benefits on the same condition and last date in service.
- C. The Chief Executive Officer may not otherwise deny benefits without an IME unless the IME is waived by the applicant.

3. Determination of inability to perform the essential functions of the employment position with reasonable accommodation

- A. A member is not unable to perform the essential functions of the employment position if the member could do so with one or more reasonable accommodations.
- B. When a member is incapacitated by more than one mental or physical condition, any permanent functional limitations caused by the conditions will be considered in totality as part of a whole-person approach to determine whether the limitations make the member

unable to perform the essential functions of the employment position with reasonable accommodation.

- C. If MainePERS determines that one or more reasonable accommodations would more likely than not allow a member to perform the essential functions of the employment position, MainePERS will communicate the reasonable accommodations in writing to the member and the employer prior to issuing a decision on eligibility for disability retirement, including, where applicable, a request to the employer that it provide the identified reasonable accommodations.
 - (1) **Employer acceptance or refusal.** The employer shall inform MainePERS whether it will provide the requested reasonable accommodations. If the employer refuses because the member no longer is employed, the employer shall inform MainePERS whether the employer offered or would have provided the reasonable accommodations if requested during employment. MainePERS will communicate any information received from the employer to the member, and the member will be provided an opportunity to rebut the employer's information.
 - (2) **Member acceptance or refusal.** If the member has not terminated employment and the employer will provide the reasonable accommodations, the member shall inform MainePERS whether the member will attempt to perform the essential functions of the employment position with the reasonable accommodations. The member may provide evidence to MainePERS that the employer has refused to make the reasonable accommodations or that they would not permit the member to perform the essential functions of the employment position.
 - (3) **Final determination.** After employer or member refusal or the failure of a good faith attempt to perform the essential functions of the employment position with reasonable accommodation, MainePERS shall make a decision on the member's application for disability retirement.
4. **Application of disabled veteran presumption.** A member seeking application of the disabled veteran presumption pursuant to 5 M.R.S. §§ 17924 or 18524, based on a determination of individual unemployability must authorize release of information from the U.S. Department of Veterans Affairs as requested by MainePERS in addition to cooperating in providing other essential information needed to process the disability retirement application.

SECTION 3. REVIEWS FOR CONTINUING ELIGIBILITY

1. **Scheduling of reviews.** A disability retiree may be reviewed for continuing eligibility for disability retirement benefits in the following circumstances:
 - A. The retiree has not yet had a determination that they are unable to engage in any substantially gainful activity for which they are qualified by training, education or experience and at least two years have passed since the date of the determination that the retiree is eligible for disability retirement benefits; or
 - B. Earnings or other information about a retiree's activities received by MainePERS show that the retiree may have capacity to engage in substantial gainful activity and at least one year has passed since any previous review.

2. **Cooperation with review.** A retiree subject to review under subsection 1 must cooperate in providing information to MainePERS, including providing medical records and releases permitting health care providers to provide medical records. An unjustified failure to cooperate will result in the discontinuance of benefits. If the failure continues for one year, it will result in permanent cessation of benefits.
 3. **Standard on review.** The retiree's eligibility for retirement benefits continues if the retiree is unable to engage in any substantially gainful activity due to functional limitations caused by ~~the one or more~~ mental or physical conditions ~~that were the basis for the initial eligibility determination or by one or more new conditions that arose from the conditions that were the basis for the initial eligibility determination.~~
 4. **Rebuttable presumption.** A retiree is presumed to be no longer eligible for retirement benefits if the retiree has earned more than the substantially gainful activity amount in one or more years while receiving disability retirement benefits. This presumption may be rebutted by information showing that the standard in subsection 3 is met notwithstanding these earnings.
 5. **Use of the medical review service provider and independent medical examinations**
 - A. The Chief Executive Officer may determine that the retiree continues to be eligible without an IME and, if continuing eligibility is clear to a lay person, may determine that the retiree continues to be eligible without use of the medical review service provider.
 - B. The Chief Executive Officer may not determine that the retiree is no longer eligible for retirement benefits without an IME unless the IME is waived by the retiree.
 - C. IMEs under this Section are subject to the same reimbursement and waiver requirements as IMEs under Section 2.
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STATUTORY AUTHORITY:
5 M.R.S. §§ 17103(4)

EFFECTIVE DATE:
March 1, 2023 – filing 2023-030

AMENDED:
July 31, 2024 – filing 2024-164

94-411 MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM

Chapter 803: PARTICIPATING LOCAL DISTRICT CONSOLIDATED RETIREMENT PLAN

SUMMARY: This chapter establishes a consolidated retirement plan, as required by 5 M.R.S. §18801 *et seq.* for local districts that are participating local districts under 5 M.R.S., Chapter 425 before the date the plan is put into operation and for local districts that enter into agreements for the participation of their employees in the Maine Public Employees Retirement System after The Plan is put into operation.

NOTE: 5 M.R.S., Chapter 421, *General Provisions*, is applicable to all activities relating to the Maine Public Employees Retirement System, including the subject matter of this chapter of the rules of the Board of Trustees ("Board"). 5 M.R.S., Chapter 427, *Participating Local Districts Consolidated Plan*, is the statute from which this chapter of the rules of the Board derives its authority and is applicable to all activity based upon this chapter.

SECTION 1. DEFINITIONS

1. **Local District.** "Local district" means:
 - A. Any county, municipality, quasi-municipal corporation or incorporated instrumentality of the State or of one or more of its political subdivisions;
 - B. Any incorporated association of employees of the State or employees of any of the entities set out in paragraph A;
 - C. Any incorporated association of any of the entities set out in paragraph A;
 - D. Any entity eligible to become a participating local district before January 1, 1976;
 - E. Any entity participating in the Retirement System before January 1, 1976; or
 - F. Any educational institution in the State teaching courses equivalent to or higher than secondary institutions.
 - G. Any public charter school, as authorized by Title 20-A, chapter 112.
2. **"Consumer Price Index"** means:
 - A. The Consumer Price Index for All Urban Consumers, CPI-U, as compiled by the Bureau of Labor Statistics, United States Department of Labor; or
 - B. If the index described in paragraph A is revised or superseded, the Board must employ the Consumer Price Index compiled by the Bureau of Labor Statistics, United States Department of Labor that the Board finds to be most reflective of changes in the purchasing power of the dollar for the broadest population of consumers, including retired consumers.

3. **"Current Employer"** means the employer who is the member's employer at the time the member becomes a member under The Plan.
4. **"Member"** means any employee included in the membership of The Plan.
5. **"Normal Retirement Age"** means the specified age, the years of service requirement or any combination of age and years of service requirements at which a member becomes eligible for an unreduced retirement benefit.
6. **"Participant"** means any employee included in the defined contribution plan under this chapter.
7. **"Participating Local District"** means a local district which has approved the participation of its employees in the Retirement System under 5 M.R.S. §18201 or §18804.
8. **"The Plan"** means the defined benefit plan under the consolidated retirement plan for local districts established by 5 M.R.S., Chapter 427 (§18801 *et seq.*) and this chapter.
9. **Other Terms.** All other terms used in this chapter, unless the context otherwise indicates, shall have the same definitions as in 5 M.R.S. §17001.

SECTION 2. LOCAL DISTRICT PARTICIPATION

1. **Participating Local District Election.** Before July 1, 1996, the executive body or legislative body of each local district that is a participating local district under 5 M.R.S., Chapter 425 (§18201 *et seq.*) must, by resolution or order, elect one of the following options. Failure to make an election will have the same effect as electing paragraph B.
 - A. **To Join The Plan.** A participating local district may elect to participate in The Plan in accordance with the requirements of 5 M.R.S. §18804. Upon receipt of the certified copy of the resolution or order and record of the vote, the Executive Director shall prepare an agreement, to be signed by the authorized representative of the district and the Executive Director, specifying the parts of The Plan applicable to the district and the duties and rights of the district and the Retirement System. The resolution or order shall include:
 - (1) Approval of the participation in The Plan;
 - (2) The regular service retirement benefit plan and, if applicable, the special service retirement benefit plan elected from those provided by this chapter for the district's employees; and
 - (3) The name or title of the person authorized to sign the agreement on behalf of the local district.
 - B. **To Be Transferred to The Plan.** A participating local district may elect to have its participation in the Retirement System transferred to The Plan without electing the retirement benefit plan or plans for the district's employees.

- (1) The Retirement System will transfer the district's employees to the plan or plans with the benefit level or levels closest to the district's current plan or plans.
 - (2) The resolution or order shall include the same information as that required under paragraph A, except that it shall state that the Retirement System is to determine the retirement benefit plan or plan that apply to the district's employees.
 - (3) The agreement as prepared by the Executive Director shall be as provided in paragraph A.
- C. **To Withdraw from the Maine Public Employees Retirement System.** Subject to 5 M.R.S. §18203, a participating local district may withdraw from participation in the Retirement System. The effect of withdrawal on the district's employees is governed by 5 M.R.S. §18254.
2. **Local District May Enter into Agreement for The Plan.** Any local district that is not a participating local district before July 1, 1993, may enter into an agreement for participation of its employees in the Retirement System only under The Plan and in the manner provided by 5 M.R.S. §18804, sub-§1 or 2. Upon receipt of the certified copy of the resolution or order and record of the vote, the Executive Director shall prepare an agreement specifying the parts of The Plan applicable to the district and the duties and rights of the district and the Retirement System. The resolution or order shall include:
 - A. Approval of the participation in The Plan;
 - B. The regular service retirement benefit plan and, if applicable, the special service retirement benefit plan elected from those provided by this chapter for the district's employees;
 - C. A list of classes, and a list by name and social security number, of any employees who are excluded from membership based upon their being provided for by local pension provisions;
 - D. Any limitations on the granting of service credits to employees for service before the beginning date of the participation of its employees in The Plan; and
 - E. The name or title of the person authorized to sign the agreement on behalf of the local district.
3. **Effective Date; Date of Operation; Date of Participation**
 - A. **Effective Date.** July 1, 1993, is the effective date of The Plan. Participating local districts and other local districts may enter into an agreement to participate in The Plan on and after that date.
 - B. **Date the Plan Goes into Operation.** The Plan will be put into operation as of July 1 immediately following the date when:

- (1) The number of local districts that have entered into agreements for participation in The Plan with an election of regular service retirement benefits for their employees exceeds 3% of the districts which as of that date are participating in the Retirement System in regular service retirement benefit plans;
- (2) The number of local districts that have entered into agreements for participation in The Plan with an election of special service retirement benefits for their employees exceeds 3% of the districts which as of that date are participating in the Retirement System special service retirement benefit plans; and
- (3) In each instance the total number of members employed by districts that have entered agreements exceeds 5% of the total of all participating local district members in each category as of that date.

C. **Date of Participation.** The date of participation in The Plan for a participating local district is the first day of the month that most immediately follows the date on which the agreement for participation is signed by the Executive Director and the authorized representative of the participating local district or such later date stated in the agreement or amendment, unless The Plan is not then in operation, in which case, the date of participation is the date on which The Plan goes into operation.

4. **Full Withdrawal from The Plan.** A participating local district may fully withdraw from participation in The Plan by filing with the Board of Trustees a duly certified copy of the withdrawal vote of the body entitled to approve participation under 5 M.R.S. §18804, sub-§1 or 2. The withdrawal date is the later of the last day of the month following the month in which the certified notice is received by the Board or the last day of a later month specified in the notice. The effect of withdrawal on the district's employees is governed by 5 M.R.S. §18254, sub-§1 through 4.

1. A participating local district that withdraws from participation in The Plan must continue to make payments as required under Section 5, subsection 2.
2. Additionally, the withdrawing participating local district must make a withdrawal liability payment determined as follows:
 - (1) The System's actuary will calculate the pooled unfunded actuarial liability of The Plan as of the most recent valuation date that precedes the withdrawal date. The actuary will allocate a portion of the pooled unfunded actuarial liability to the withdrawing participating local district on the basis of the proportion of the withdrawing participating local district's total covered payroll to the total covered payroll of The Plan as of the valuation date.
 - (2) Unless otherwise agreed under subparagraph 3, the actuary will subtract from the withdrawing participating local district's portion calculated under subparagraph 1 the present value, as of the withdrawal date, of pooled unfunded actuarial liability payments the participating local district has made since the valuation and pooled unfunded actuarial liability payments the participating local district is expected to pay through the payment of employer contributions after withdrawal on those employees who remain active members. The difference is the withdrawal liability payment amount.

- (3) As an alternative to subparagraph 2, the Executive Director and the withdrawing participating local district may agree that the withdrawal liability payment amount is the withdrawing participating local district's portion as calculated under subparagraph 1, reduced only by the present value, as of the withdrawal date, of any pooled unfunded actuarial liability payments the participating local district has made since the valuation. In that case, the withdrawing participating local district's obligations under paragraph A do not include payments under Section 5, subsection 2, paragraph C.
 - (4) The withdrawing participating local district may pay this withdrawal liability amount in a lump sum or amortize it over a period of up to 30 years at the actuarial assumed rate of return used in the most recent valuation that precedes the withdrawal date.
3. The withdrawing participating local district remains a participating local district subject to this rule until it has no remaining active members and all of its liabilities for inactive vested members, retired members and beneficiaries of retired members have been satisfied according to the requirements of federal and state law, and rules and policies governing satisfaction of liabilities.
- 4-1. **Partial Withdrawal from The Plan.** For purposes of this subsection, a partial withdrawal occurs when a participating local district elects a change under subsection 7 that excludes a category of employees from membership who would have been eligible for membership absent the change. In the case of a partial withdrawal, the participating local district must make a withdrawal liability payment calculated and paid in the same manner as set forth in subsection 4, paragraph B, except that the portion of The Plan's pooled unfunded actuarial liability that will be allocated to the partially-withdrawing participating local district will be based on the proportion of the district's covered payroll for that category of employees to the total covered payroll of The Plan as of the valuation date.
5. **Resumption of Participation after Withdrawal.** A participating local district that has withdrawn from The Plan under subsection 1, paragraph C or subsection 4 may resume participation in The Plan by taking the actions required by subsection 2.
 - A. A participating local district which has resumed participation and which thereafter again withdraws may not subsequently again resume participation before 3 years from the date of its immediately prior withdrawal.
 - B. A local district may resume participation only under the consolidated plan. The retirement benefit plan adopted by the local district on resumption is applicable to all current and future employees who are members if the plan results in a higher level of benefits for the district's employees. The plan adopted on resumption is applicable only to new employees if the plan results in a lower level of benefits for the district's employees or results in a change from a plan with cost of living adjustments to a plan without cost of living adjustments.
 - C. **Effect on employees.** Except as set forth below in this paragraph C, employees of a local district which resumes participation in the Retirement System are eligible for membership in the System on the same basis as employees of a local district upon initial participation.

- (1) Employees who did not withdraw from membership when the local district withdrew from participation in the System may continue membership on the same basis as before the resumption of participation and are entitled to any additional benefit provisions selected and any increase in the level of benefits provided under The Plan.
 - (2) Employees for whom membership was compulsory who withdrew from membership when the local district withdrew from participation in the System must resume membership in the System if membership with the local district remains compulsory upon the resumption of participation by the local district.
 - (a) These employees may receive service credits for previous membership service upon repayment of withdrawn accumulated contributions and applicable interest.
 - (b) These employees may not purchase service credits for periods of employment between withdrawal from membership and resumption of participation by the local district.
 - (3) Employees for whom membership was not compulsory and who elected not to become or remain a member may not be a member as an employee of that local district unless the employee is electing to rejoin The Plan and:
 - (a) The employee is covered by a plan provided by the employer under section 5 M.R.S. §18252-B with an employee contribution rate that is not lower than the employee contribution rate for the applicable plan under The Plan; and
 - (b) Employee contributions after rejoining The Plan qualify for treatment as pick-up contributions for federal tax purposes and the person's membership otherwise complies with the United States Internal Revenue Code as applicable to governmental qualified defined benefit plans.
 - (4) The participating local district may allow current employees who began service with the district after the district withdrew from participation to purchase service credits for service rendered from the time of hire to the resumption of participation. The purchase of such service credits is governed by 5 M.R.S. §18253, sub-§2, paragraphs A and B.
 - (5) If the district grants prior service credits, those service credits shall be based only upon the employee's employment with the district before the district's initial date of participation.
 6. **Disbanded or Dissolved Districts.** The effect of the disbanding or dissolution of a district that participates in The Plan on the membership and benefits of its employees is governed by 5 M.R.S. §18255 and §18408.
 7. **Change of Service Retirement Benefit Plan or Plans.** After beginning participation in The Plan, a participating local district may elect to change the service retirement benefit plan or plans which apply to the district's employees by following the same process set forth in Section 2 for participation in The Plan. The change is applicable to all current and future

employees who are members, if the change results in a higher level of benefits for the district's employees. The change is applicable to new employees only, if the change results in a lower level of benefits for the district's employees or results in a change from a plan with cost of living adjustments to a plan without cost of living adjustments.

The Executive Director shall prepare either a new agreement or an amendment to the district's agreement which will be signed by the authorized representative of the district and the Executive Director. The effective date of the change is the first day of the month that most immediately follows the date the new agreement or amendment to the agreement is signed by the authorized representative of the district and the Executive Director or such later date stated in the agreement or amendment.

8. If the retirement system determines that a certified action received under Section 2 is unclear, the chief administrative officer of the participating local district may clarify in writing any ambiguity in the certified action, and the retirement system may rely on that clarification.

SECTION 3. MEMBERSHIP

1. **Compulsory Membership.** Membership is compulsory for all employees who are in the service of a participating local district on the date when participation of the employees of that district in The Plan begins and who are members of the System on that date and for all employees entering the service of that district after that date, except as provided under subsection 2 and 3. A local district that is not a participating local district before July 1, 1993, shall designate in its resolution or order approving participation any class of employees otherwise provided for by local pension provisions who are excluded from membership in The Plan as provided under 5 M.R.S. §18804, sub-§3.
2. **Optional Membership.** Optional membership under The Plan for employees of participating local districts is governed as follows:
 - A. **Member When Participation of Employees Begins.** Membership is optional for employees in the service of a local district on the date when the participation in the Retirement System of the employees of the local district first begins, whether under 5 M.R.S., Chapters 425 or 427.
 - B. **Elected or Appointed Officials.** Membership is optional for elected officials and officials appointed for a fixed term.
 - C. **Trustees of Water, Sanitary and Sewer Districts.** Membership of trustees of water, sanitary and sewer districts is subject to the following:
 - (1) **Water districts.** Membership of trustees of a water district is governed by 35-A M.R.S., §6410, subsection 8;
 - (2) **Sanitary districts.** Membership of trustees of a sanitary district is governed by 38 M.R.S. §1104.
 - (3) **Sewer districts.** Membership of trustees of a sewer district is governed by 38 M.R.S. §1036.

- D. **Employees Covered by Social Security.** Membership is optional for an employee of a participating local district who is covered under the *United States Social Security Act*. Except as provided by paragraph H, optional membership for those employees is subject to 5 M.R.S. §18252.
 - E. **Employees Not Covered by Social Security.** Membership is optional for any employee of a participating local district that does not provide Social Security coverage provided that the district offers an alternative plan that meets the requirements of 5 M.R.S. §18252-B, and provided that the employee participates in the alternative plan. Optional membership for those employees is subject to 5 M.R.S. §18252-A as amended by PL 2021, c. 90.
 - F. **Chief Administrative Officer.** Membership is optional for a chief administrative officer of a participating local district, whether appointed for a fixed term or whether appointed with tenure.
 - G. **Employees Not Subject to Municipal Public Employees Labor Relations Law.** Membership is optional for those employees who are not subject to the municipal public employees labor relations laws contained in 26 M.R.S., Chapter 9-A.
 - H. Membership for employees of a participating local district that provides a plan under 5 M.R.S. §18252-B is governed by 5 M.R.S. §18252-A as amended by PL 2021, c. 90.
 - I. The provisions of 5 M.R.S. §18252-C apply only to employees of participating local districts who specifically adopt them in their participation agreement.
3. **Part-Time, Seasonal or Temporary Employees.** Membership of part-time, seasonal and temporary employees, as defined by Chapter 802 (94-411 CMR 802) of the rules of the Board is determined by the election made by each participating local district under Section 2.
 4. **Cessation of Membership.** A member ceases to be a member of the Retirement System if the member:
 - A. **Withdrawal.** Withdraws accumulated contributions;
 - B. **Beneficiary.** Becomes a beneficiary as a result of the member's own retirement; or
 - C. **Death.** Dies.
 5. **Service in the Armed Forces.** The membership of the following members under The Plan is considered to have continued during the period of the member's service in the Armed Forces of the United States:
 - A. Any member entering a class of service in the Armed Forces of the United States approved by resolution of the Board, if the member does not withdraw accumulated contributions;
 - B. Any member who enlists in or is inducted or drafted into the service of the Armed Forces of the United States; and
 - C. Any member who enlists in or is inducted or drafted into the service of the Armed Forces of the United States while the *United States Selective Service Act of 1948*, Public Law 759, or any of its amendments or extensions is in effect.

SECTION 4. PORTABILITY OF SERVICE CREDITS; ELIGIBILITY TO RETIRE, COMPUTATION OF BENEFIT

1. **Two or More Employers under The Plan.** A member's benefits are based upon all creditable service with all participating employers while a member under The Plan, and creditable service with the member's employer on the date the member began participation under The Plan. When a member under The Plan terminates employment and is subsequently reemployed by another employer whose employees participate in The Plan, the member is not considered to be reemployed by a new employer. If the member is reemployed by the subsequent employer as of the first work day following termination of employment with the previous employer, for the purpose of determining eligibility for benefits, the member is considered to have continuous membership and creditable service.
2. **Previous Employer Not under The Plan; Subsequent Employer under The Plan.** When a member either terminates employment with an employer that has withdrawn from the System, or terminates employment with another employer under the System whose employees are not covered by The Plan, and is employed by a subsequent employer whose employees are members under The Plan, the member's creditable service with the previous employer is used in determining eligibility to retire under the subsequent employer's regular service retirement benefit plan under Section 7. Benefits for service with the previous employer are based upon creditable service and earnable compensation with the previous employer and the provisions of 5 M.R.S., Part 20 in effect with respect to the previous employer at the date of termination of service by the member. A county or municipal law enforcement officer or a municipal firefighter who is eligible under 5 M.R.S. §18253, sub-§1, paragraph E, and who elects to make the contribution necessary under Section 5, subsection 1, paragraph K may include all or part of the creditable service earned with a previous employer with service earned with the new employer both for the purpose of qualification for a service retirement benefit and for the benefit computation.
3. **Previous Employer under The Plan; Subsequent Employer Not under The Plan.** Membership, creditable service and benefits of a member under The Plan who terminates employment and is reemployed as a state employee or teacher are governed by 5 M.R.S. §17656, sub-§1. Until July 1, 1996, membership, creditable service and benefits of a member under The Plan who terminates employment and is reemployed by a participating local district whose employees do not participate in The Plan are governed by 5 M.R.S. §18253, sub-§1. As required by Section 2, paragraph 1, as of July 1, 1996, each local district that is a participating local district must have either entered into an agreement to participate in The Plan or have withdrawn from participation in the Retirement System.
4. **Service under Two or More Special Service Retirement Benefit Plans; Eligibility to Retire.** If a member accrues service credits under more than one special service retirement benefit plan in The Plan, whether with the same employer or more than one employer, credit from service under other special plans toward meeting the retirement eligibility requirements of the special plan from which the member retires is transferred based upon the percentage of the eligibility requirements for the previous plan or plans which were met while under the previous plan or plans. For example, a member who accrues 10 years of creditable service under Special Service Retirement Benefit Plan 1 (1/2 of AFC after 20 years) would have completed 50% of the eligibility requirement under that plan and upon transferring to employment under Special Service Retirement Benefit Plan 2 (1/2 of AFC after 25 years) would be entitled to 50% of the eligibility requirements for that plan; i.e., 12.5 years. The

member's benefit would be calculated at 2.5% of AFC for each year under Plan 1 and at 2% for each year under Plan 2.

5. **Service under Two or More Service Retirement Benefit Plans – One Regular and One Special; Eligibility to Retire**

A. **Regular Service before Special Service.** If a member under The Plan accrues service credits under a regular service retirement plan before accruing service credits under a special service retirement benefit plan, whether with the same employer or more than one employer,

(1) the member may retire at any time after the member qualifies for a special service retirement benefit under Section 8. The regular plan service credits may be used toward qualifying to retire under a special service retirement benefit as provided in Section 8. The regular plan service credits used towards qualification for a special service retirement benefit are considered to be special plan service credits for the purpose of computation of the special service retirement benefit as provided in Section 8. If the application of the provisions of Section 4, subsection 6 would result in a greater service retirement benefit, then the benefit will be computed under that section.

(2) A member who does not qualify to retire under a special service retirement plan may retire under a regular service retirement plan at any time after the member qualifies under Section 7. The service retirement benefit for all service is computed as provided in Section 7.

B. **Special Service before Regular Service.** If a member under The Plan accrues service credits under a special service retirement benefit plan before accruing service credits under a regular service retirement benefit plan, whether with the same employer or more than one employer,

(1) before qualifying to retire under a special service retirement plan, the member may retire at any time after completing 25 years total service or reaching normal retirement age with at least one year of service. The service retirement benefit for all service is computed as provided in Section 7.

(2) after qualifying to retire under a special service retirement plan, the member may retire at any time. The portion of the benefit that is based upon service credits under a regular service retirement benefit plan is subject to early retirement reduction if retirement is before normal retirement age. The portion of any benefit paid to a member that is based upon service credits under Special Service Retirement Benefit Plan 4 is also subject to early retirement reduction, if retirement is before age 55.

6. **Service under Two or More Service Retirement Benefit Plans; Computation of Benefits.** When a member has creditable service under two or more service retirement benefit plans, the appropriate benefit formula is applied to each period of service as provided by Section 7, “Regular Service Retirement Benefits Plans” and Section 8, “Special Service Retirement Benefit Plans”. All benefits based upon creditable service under The Plan are based upon one calculation of average final compensation.

SECTION 5. CONTRIBUTIONS

1. Member contributions

- A. **Active Member.** Each member under The Plan shall contribute to the Retirement System or have pick-up contributions made by the employer at a rate provided by Sections 7, 8, and 9. The contribution rate for a member is the rate assigned to the retirement benefit plan under which the member is accruing service credits.
- B. **Former Members; Service under The Plan.** Any former member who, after having terminated service while a member under The Plan and having withdrawn accumulated contributions, again becomes a member under The Plan may repay the withdrawn contributions to the Members' Contribution Fund under the following conditions:
 - (1) **Time.** The repayment must be made before the date any retirement benefit becomes effective for the member.
 - (2) **Manner of Repayment.** The repayment must be made to the Retirement System consistent with Chapter 406 (94-411 CMR 406) of the rules of the Board.
 - (3) **Amount of Repayment.** The amount of repayment must be equal to the withdrawn accumulated contributions plus interest on the amount of those accumulated contributions, beginning on the date of withdrawal to the date the repayment or repayments are made, at a rate to be set by the Board not to exceed regular interest by 5 or more percentage points.
 - (4) **Credit under The Plan.** Except as provided in paragraph C, only withdrawn contributions relating to creditable service under The Plan may be repaid for service credit under The Plan.
- C. **Service Not under The Plan**
 - (1) **Withdrawn Contributions**
 - (a) Any member who had service while not a member under The Plan and having withdrawn contributions relating to that service may repay the withdrawn contributions to the Members Contribution Fund under the conditions specified in paragraph B, subparagraphs 1 to 3. Creditable service related to these repaid contributions is used in determining eligibility to retire under the applicable regular service retirement benefit plan under Section 7. Benefits for that service are calculated based on that service and on earnable compensation related to that service in accordance with applicable provisions of 5 M.R.S., Part 20 in effect with respect to the previous employer's regular service retirement plan immediately before that employer's employees became members under The Plan. The additional liability relating to the service credits granted under this division becomes part of the previous employer's unpooled unfunded actuarial liability as provided in subsection 2, paragraph A, subparagraph 2.
 - (b) Any member who had service while not a member under The Plan and having withdrawn contributions relating to that service may

repay the withdrawn contributions to the Members Contribution Fund under the conditions specified in paragraph B, subparagraphs 1 to 3. Creditable service related to these repaid contributions is used in determining that a member is qualified to retire and in the computation of retirement benefit under the applicable service retirement benefit plan under Section 7 or Section 8. Unless the service was with the same employer that is the member's employer at the time the contributions are repaid, the contributions provided for under this subparagraph may be repaid only after the participating local district that is the member's employer at the time the contributions are repaid agrees to assume the additional liability incurred as part of the district's unpooled unfunded actuarial liability as provided in subsection 2, paragraph A, subparagraph 2.

(2) **Non-member Service**

- (a) Subject to the personnel rules or policies of the member's employer at the time of the service; provided the member has continued to be employed by that employer; and subject to 5 M.R.S. §18305-B, a member who had service as an employee of a participating local district for which contributions were not made may receive service credit for that service upon paying the appropriate contributions to the Members Contribution Fund under the conditions specified in paragraph B, subparagraphs 2 and 3. Creditable service related to these contributions is used in determining that a member is qualified to retire and in the computation of retirement benefit under the applicable service retirement benefit plan under Section 7 or Section 8. The additional liability relating to the service credits granted under this division becomes part of the district's unpooled unfunded actuarial liability as provided in subsection 2, paragraph A, subparagraph 2.
- (b) Subject to 5 M.R.S. §18305-B, a member who had service as an employee of any participating local district for which contributions were not made may receive service credit for that service upon paying the appropriate contributions to the Members Contribution Fund under the conditions specified in paragraph B, subparagraphs 2 and 3. Creditable service related to these contributions is used in determining that a member is qualified to retire and in the computation of retirement benefit under the applicable service retirement benefit plan under Section 7 or Section 8. The contributions provided for under this subparagraph may be made only after the participating local district that is the member's employer at the time the contributions are made and the service credits are granted agrees to assume the additional liability incurred as part of the district's unpooled unfunded actuarial liability as provided in subsection 2, paragraph A, subparagraph 2.

D. **Optional Members with non-member service.** The purchase of service credit for a member for whom membership is optional under Section 3, subsection 2 who had service as an employee of a participating local district for which contributions were not made is governed by 5 M.R.S. §18305-B, provided that the member has

continued to be employed by the same employer as that during which no contributions were paid.

- E. **Former Member; Withdrawal by Employees Not Covered by Social Security.** In addition to paragraphs B and C, the repayment of contributions that were withdrawn by a member who is an employee of a participating local district that is not covered under a Social Security Section 218 agreement but that has a plan that meets the requirements of 5 M.R.S. §18252-B is subject to the provisions of 5 M.R.S. §18252-A as amended by PL 2021, c. 90.
- F. **Service in the Armed Forces before Becoming a Member.** A member who qualifies under Section 6, subsection 4, paragraph B, sub-paragraphs 1 through 4, shall contribute to the Retirement System for the period of service in the Armed Forces under the following terms and conditions:
 - (1) Contributions are calculated at the percentage rate required of active members during the period of time covered by the service in the Armed Forces applied to the member's earnable compensation during the first year as an employee subsequent to service in the Armed Forces under the following terms and conditions:
 - (a) The payment may not be made until the member has accumulated at least 15 years of creditable service and must be made before the date any retirement benefit becomes effective for the member;
 - (b) If 2 or more percentage rates were in effect during the period of service in the Armed Forces, the highest percentage rate is used;
 - (c) The minimum rate is 5%; and
 - (d) Interest at a rate set by the board not to exceed regular interest by 2 or more percentage points is paid on the unpaid balance beginning January 1, 1976, or the date of attaining 15 years of creditable service, if later, to the date payment is made.
 - (2) **Manner of Repayment.** The repayment must be made to the Retirement System consistent with Chapter 406 (94-411 CMR 406) of the rules of the Board.
- G. **Service in the Armed Forces after Becoming a Member.** For members who qualify to have their membership in the Retirement System continued under Section 3, subsection 5 because of service in the Armed Forces of the United States, the participating local district shall contribute to the Members' Contribution Fund the same amount that the member would have been required to contribute if the member had been serving the district during the period of service in the Armed Forces in the same capacity in which the member was serving at the time the member joined the Armed Forces. Any member whose contributions to the Members' Contribution Fund are paid by the district under this subsection, who withdraws or ceases to be a member of the Retirement System, may not withdraw any of the contributions made by the district under this subsection. Upon receiving written certification and substantiation from the member's employer that a member has met the requirements of Section 3, subsection 5 and Section 6, subsection 4, paragraph A, the System shall calculate the member contributions applicable to the period of service in the Armed

Forces. The participating local district by which the member is employed is responsible for those contributions and will be billed by the System.

- H. **Out-of-state Service.** A member who qualifies under Section 6, subsection 5, must make contributions into the Members' Contribution Fund for the years of out-of-state service under the following terms and conditions:

- (1) Contributions are calculated on the same basis as the member would have made contributions had the service been in the State;
 - (a) The payment may not be made until the member has accumulated at least 20 years of creditable service in the Retirement System and must be made before the date any retirement benefit becomes effective for the member; and
 - (b) Interest at a rate, to be set by the Board, not to exceed regular interest by 5 or more percentage points is paid on the unpaid balance. Interest shall be computed from the end of the year when those contributions would have been made, if the service had been in the State, to the date of payment.
- (2) **Manner of Payment.** The payment must be made to the Retirement System consistent with Chapter 406 (94-411 CMR 406) of the rules of the Board.

- I. **Refund of Contributions.** Refunds of contributions to members under The Plan are subject to 5 M.R.S. §§ 18306-A and 18307-A.

- J. **Teachers in Private, Parochial and Other Schools.** A member who qualifies under Section 6, subsection 8, must make contributions into the Members' Contribution Fund for the years of private, parochial or other school service under the following terms and conditions:

- (1) Contributions are calculated on the same basis as the member would have made contributions had the service been as a state employee or teacher in the State. The member's earnings for the years of private or parochial teaching must be assumed to have been the same as the average salary for teachers in the State as determined by the Department of Education for each of the years when the private or parochial school teaching took place.
 - (a) The payment may not be made until the member has accumulated at least 20 years of creditable service in the Retirement system as a member of the participating local district and must be made before the date any retirement benefit becomes effective for the member;
 - (b) Interest at a rate, to be set by the Board, not to exceed regular interest by 5 or more percentage points is paid on the unpaid balance. Interest shall be computed from the end of the year when those contributions would have been made, if the service had been as a state employee or teacher in the State, to the date of payment.
- (2) **Manner of Payment.** The payment must be made to the Retirement System consistent with Chapter 406 (94-411 CMR 406) of the rules of the Board.

- K. **Portability of Service.** A member who elects under 5 M.R.S. §18253, sub-§1, paragraph E to include all or part of the creditable service and earnable compensation from a prior plan with service earned under The Plan may do so under the following terms and conditions:
- (1) Before any retirement benefit becomes effective for that member, the member must pay into the Members' Contribution Fund an amount that, together with regular interest on that amount, is the actuarial equivalent, at the effective date of the retirement benefit, of the portion of the retirement benefit based on the inclusion of the prior plan creditable service and earnable compensation with service earned under The Plan.
 - (2) **Manner of Payment.** The payment must be made to the Retirement System consistent with Chapter 406 (94-411 CMR 406) of the rules of the Board.
- L. **Back contributions for certain days off without pay.** A member who elects under 5 M.R.S. §18305-C to include compensation that would have been paid for days off without pay in order to include those earnings in the calculation of the member's average final compensation as provided in 5 M.R.S. §17001, sub-§4, paragraph A, may do so under the following terms and conditions:
- (1) **Election.** If the retirement system determines at the time a member retires that the member's benefit would be increased as a result of the inclusion of compensation that would have been paid for days off without pay, the retirement system shall advise the member of that result and shall allow the member to elect to have that compensation included in the calculation of the member's benefit and to make payments as set forth in subsection 2.
 - (2) **Payment.** The amount that a member who makes the election permitted in subsection 1 must pay is the amount equal to the employee contribution that member would have made on compensation that would have been paid to that member on the days off without pay, plus interest at the same rate as that required for repayment of withdrawn contributions pursuant to section 18304. If the member elects to make the payment, the retirement system shall withhold the required amount from the member's first retirement benefit check.
 - (3) **Benefit calculation.** If a member fails to make the election within 31 days of the notification provided under subsection 1, the retirement system shall calculate the member's retirement benefit without inclusion of the compensation that would have been paid for the days off without pay.
- M. **Law enforcement service before becoming a member.** A member who qualifies under Section 6, subsection 10 must make contributions into the Members' Contribution Fund for the period of law enforcement service under the following terms and conditions:
- (1) Before any retirement benefit becomes effective for that member, the member must pay into the Members' Contribution Fund an amount that, together with regular interest on that amount, is the actuarial equivalent, at the effective date of the retirement benefit, of the portion of the retirement benefit based on the inclusion of the prior law enforcement service credit with service earned under The Plan.

- (2) **Manner of Payment.** The payment must be made to the Retirement System consistent with Chapter 406 (94-411 CMR 406) of the rules of the Board.

N. Nonmilitary public employee of the United States Government service before becoming a member. A member who qualifies under Section 6, subsection 11 must make contributions into the Member's Contribution Fund for the period of nonmilitary public employment with the United States Government under the following terms and conditions:

- (1) Before any retirement benefit becomes effective for that member, the member must pay into the Member's Contribution Fund an amount that, together with regular interest on that amount, is the actuarial equivalent, at the effective date of the retirement benefit, of the portion of the retirement benefit based on the inclusion of the prior nonmilitary public employment with the United States Government service credit with service earned under The Plan.
- (2) **Manner of Payment.** The payment must be made to the Retirement System consistent with Chapter 406 (94-411 CMR 406) of the rules of the Board.

2. **Employer Contributions.** Contributions by participating local districts whose employees are members under The Plan are subject to 5 M.R.S. §18303, except that contributions and pickup contributions are to be calculated according to Sections 7, 8, and 9, and the following:

A. Unpooled Unfunded Actuarial Liability Contribution. Each participating local district with employees who are members under The Plan shall make a contribution known as the "Unpooled Unfunded Actuarial Liability Contribution" based upon:

- (1) its Initial Unpooled Unfunded Actuarial Liability, which is the excess of projected liabilities allocated to future benefit payments to current recipients of benefits and to current members as of the date its employees begin participation under The Plan over the sum of the participating local district's assets on hand as of that date and its future employer and member normal contributions. The rate for this portion of Unpooled Unfunded Actuarial Liability Contribution shall be determined by a valuation made by the System's actuary for each participating local district with employees who are members under The Plan; and
- (2) any adjustments to the Initial Unpooled Unfunded Actuarial Liability attributable to that district separately. The rate for this portion of the Unpooled Unfunded Actuarial Liability Contribution shall be added to or subtracted from the rate determined under a.
- (3) if the calculation required by (1) or (2) above results in a credit balance, the balance may, at the discretion of the participating local district, be applied as an offset against the monthly contribution required in an amount no greater than the total amount of the monthly contribution against which the offset is applied.

B. Normal Contribution. Each participating local district with employees who are members under The Plan, along with those members pursuant to Sections 7, 8, and 9, shall make a contribution known as a "Normal Contribution" based upon the portion

of projected liabilities attributable to service of all members under the several benefit plans under The Plan for the year following the valuation. The rate of this contribution shall be determined annually by a valuation made by the System's actuary based upon the membership data relating to all members under each benefit plan under The Plan and in accordance with Sections 7, 8, and 9.

- C. **Pooled Unfunded Actuarial Liability Contribution.** Each participating local district with employees who are members under The Plan, along with those members pursuant to Sections 7, 8, and 9, shall make a contribution known as the "Pooled Unfunded Actuarial Liability Contribution" based upon the Pooled Unfunded Actuarial Liability. This liability is equal to the present value of all projected benefits for current and future members, including employer contributions related to military service credit under The Plan, less the present value of future member and employer normal contributions, the assets of The Plan and the present value of all Unpooled Unfunded Actuarial Liability contributions. This rate of this contribution shall be determined annually in accordance with Sections 7, 8, and 9.
- D. **Disability Benefit Contribution.** Each participating local district with employees who are members under The Plan shall make a contribution known as a "disability benefit contribution" based upon the expected value of future disability benefits to be paid to those employees, and to employees who are participants in the defined contribution 401(a) plan under this chapter but who are not members under The Plan, as a result of disablements occurring during the year following the valuation date. The rate of this contribution shall be determined annually by a valuation made by the System's actuary based upon the membership data relating to all members under each benefit plan under The Plan and participants in the defined contribution 401(a) plan under this chapter who are not members under The Plan.
- E. **Death Benefit Contribution.** Each participating local district with employees who are members under The Plan shall make a contribution known as a "death benefit contribution" based upon the expected value of future death benefits to be paid to beneficiaries of those employees and to beneficiaries of employees who are participants in the defined contribution plan under this chapter as a result of deaths occurring during the year following the valuation date. The rate of this contribution shall be determined annually by a valuation made by the System's actuary based upon the membership data relating to all members under each benefit plan under The Plan and participants in the defined contribution plan under this chapter.

SECTION 6. CREDITABLE SERVICE

- 1. **Determination of Service Credits.** The determination of service credits for members under The Plan is subject to Chapter 401 (94-411 CMR 401) of the rules of the Board.
- 2. **Prior Service; Service Before Effective Date of District's Participation.** Service credit for service as an employee of a local district before the beginning date of the participation of the employees of a participating local district in the Retirement System shall be granted upon certification by the district, subject to limitations in the district's agreement as provided by Section 2, subsection 2, paragraph D and statutes and rules in effect at the time the service was rendered.
- 3. **Former Member**

- A. **Member who Terminated Service.** Upon complete payment of the withdrawn contributions under Section 5, subsection 1, paragraph B, a member shall be granted service credit for the period of time for which the contributions have been repaid. Upon making partial payment of the withdrawn contributions under Section 5, the member shall be granted service credit on a pro rata basis in accordance with rules adopted by the Board.
 - B. **Service Not under The Plan.** Upon complete payment of the contributions under Section 5, subsection 1, paragraph C, a member shall be granted service credit for the period of time for which the contributions have been paid. Upon making partial payment of the contributions under Section 5, the member shall be granted service credit on a pro rata basis in accordance with rules adopted by the Board.
 - C. **Contributions Withdrawn by Employees Not Covered by Social Security.** The granting of creditable service upon repayment of contributions, under section 5, subsection 1, paragraph E, that were withdrawn by a member who is an employee of a participating local district that is not covered under a Social Security Section 218 agreement but that has a plan that meets the requirements of 5 M.R.S. §18252-B is subject to the provisions of 5 M.R.S. §18252-A as amended by PL 2021, c. 90.
4. **Service in the Armed Forces.** Service credit for service in the Armed Forces of the United States is governed as follows:
- A. **Service after Becoming a Member.** A member is entitled to service credit for the period of time during which the member's membership is continued under Section 3, subsection 5 under the following terms and conditions. Except as provided in subparagraph 3, service credit under this subsection is limited to 5 years.
 - (1) A member's separation from service in the Armed Forces of the United States must be under conditions other than dishonorable.
 - (2) A member is not entitled to service credit for military leave if the member's return to membership service is delayed beyond 90 days after separation from the service in the Armed Forces, unless the delay is caused by an illness or disability incurred in the service in the Armed Forces.
 - (3) A member may not receive service credit for military leave beyond the end of the period of first enlistment or induction or beyond 5 years from the date of original call to active duty in the Armed Forces, whichever is less, unless:
 - (a) The member's return to active duty in the Armed Forces or the extension of the period of service beyond 5 years is required by some mandatory provision; and
 - (b) The member presents proof of the return to or extension of service satisfactory to the Board.
 - B. **Service before Becoming a Member.** A member who served as a full-time active duty member of the Armed Forces of the United States before becoming a member of the Retirement System is entitled to service credit for the period of time the member served in the Armed Forces, under the following terms and conditions. Service credit under this subsection is limited to 4 years.

- (1) Except as provided in paragraph 6, on the date of retirement, the member must have at least 15 years of creditable service.
 - (2) The member must have separated from the Armed Forces under conditions other than dishonorable.
 - (3) Except as provided in subparagraph 4, the member must have begun membership before January 1, 1976.
 - (4) Except as provided in paragraph 6, a member who served in the Armed Forces during any federally recognized period of conflict, as defined in 5 M.R.S. §18360(2)(E), is entitled to service credit under this paragraph.
 - (5) Upon complete payment of the back contributions under Section 5, subsection 1, paragraph F, the member shall be granted service credit for the period of time for which the contributions have been made. Upon making partial payment of the back contributions under Section 5, the member shall be granted service credit on a pro rata basis in accordance with rules adopted by the board.
 - (6) **Alternative.** A member who fails to meet one or more of the terms and conditions required under paragraphs 1, 3 and 4 may purchase service credit as provided in this paragraph. The member must have at least 5 years of creditable service and, before any retirement benefit becomes effective for that member, must pay into the Members' Contribution Fund, an amount that, together with regular interest on that amount, is the actuarial equivalent, at the effective date of the retirement benefit, of the portion of the retirement benefit based on the additional creditable service. Any member who purchases service credit under this paragraph who subsequently, without inclusion of the purchased service credit and prior to retirement, meets the terms and conditions of paragraphs 1, 2 and 4 is entitled to purchase the service credit under Section 5, subsection 1, paragraph F and to receive a refund of the amount paid under this paragraph that exceeds the cost to purchase the service under Section 5.
5. **Out-of-state Service.** For members who began membership before January 1, 1976, additional service credit shall be allowed for out-of-state service, subject to the following conditions.
- A. **20 Years of Creditable Service.** The member must have creditable service in the Retirement System of at least 20 years in the aggregate;
 - B. **Last 10 Years in Maine; 10 Year Limit.** The member's last 10 years of creditable service before the date of retirement must be in the State and no more than 10 years of service credit may be allowed for out-of-state service; and
 - C. **Payment of Contributions.** Upon complete payment of the back contributions under Section 5, subsection 1, paragraph H, subparagraph 2, the member shall be granted service credit for the period of time for which the contributions have been made. Upon making partial payment of the back contributions under Section 5, subsection 1, paragraph H, subparagraph 2, the member shall be granted service credit on a pro rata basis in accordance with rules adopted by the board.

- D. **Alternative.** If service credit for out-of-state service is not allowed under paragraph A and B, service credit for out-of-state service shall be allowed if the member, before any retirement benefit becomes effective for that member, pays into the Members' Contribution Fund, an amount that, together with regular interest on that amount, is the actuarial equivalent, at the effective date of the retirement benefit, of the portion of the retirement benefit based on the additional creditable service. Payments must be made consistent with Chapter 406 (94-411 CMR 406) of the rules of the Board.
- (1) Additional amounts paid under this subsection shall become a part of the member's accumulated contributions.
 - (2) If any retirement benefit becomes effective before the completion of the payment under this subsection, the member is entitled to service credit for that portion of the additional creditable service that the total amount of payments actually made, plus regular interest on those payments to the date the retirement benefit becomes effective, bears to the actuarial equivalent of the total portion of the retirement benefit based on the additional creditable service.
- E. **Service Credit not to be Used in Another State.** Any application for a retirement benefit for which out-of-state service credit is to be granted must be accompanied by a certified statement from the appropriate retirement system that the out-of-state service credit granted has not been or will not be used to obtain benefits in another state.
6. **Disability Retirement Service Credit.** A recipient of a disability retirement benefit shall receive service credit for the purpose of determining benefits under The Plan for the period of time following termination of service during which disability retirement benefits are being received under 5 M.R.S. Chapter 425, subchapter V, article 3-A.
7. **Unused Sick Leave or Vacation Leave**
- A. **Earnable Compensation.** A member's earnable compensation does not include payment for unused accumulated or accrued sick leave, unused vacation time, or a combination of both, or any other payment that is not compensation for actual services rendered or that is not paid at the time the actual services are rendered, except that for a member with at least 20 years of creditable service under The Plan at the effective date of the member's retirement, and for a recipient of a disability retirement benefit, earnable compensation includes payment for unused accumulated or accrued sick leave, unused vacation time, or a combination of both, up to a maximum of 30 days, if paid upon the member's last termination before the member applies for retirement benefits.
 - B. **Service Credit.** A member may not receive service credit for unused accumulated or accrued sick leave, unused vacation leave, or a combination of both, for which a member is credited on termination of service, but for which the member does not receive payment, except under the following conditions.
 - (1) Leave, up to a lifetime maximum of 90 days, qualifies for service credit for a member with at least 20 years of creditable service under The Plan, before the application of this sub-paragraph, at the effective date of the member's retirement.

- (2) Leave, up to a lifetime maximum of 90 days, qualifies for service credit for a recipient of a disability retirement benefit, at the effective date of the member's disability retirement.
 - (3) Leave, including leave beyond 90 days, may qualify for service credit, up to the maximum number of days of leave, set by personnel rules or by contract, that a person is allowed to accumulate, if, the member, before any retirement benefit becomes effective for the member, pays into the Members' Contribution Fund, a single payment which is the actuarial equivalent, at the effective date of the member's retirement benefit, of the portion of the member's retirement benefit based on the additional creditable service beyond 90 days.
8. **Teachers in Private, Parochial and Other Schools.** A member who taught in a parochial school or in a public or private academy may purchase up to 10 years of service credit for that service under the following conditions.
 - A. The member must have taught in a school approved by the Department of Education or the education department of another state while holding an appropriate teaching certificate;
 - B. **20 Years of Creditable Service.** The member must have 20 years of creditable service as a member of the participating local district;
 - C. **Membership before January 1, 1976.** The member must have begun membership before January 1, 1976;
 - D. **Last 10 Years in Participating Local District.** The member's last 10 years of creditable service before the date of retirement must be as a member of the participating local district; and
 - E. **Payment of Contributions.** Upon complete payment of the back contributions under Section 5, subsection 1, paragraph K, subparagraph 2, the member shall be granted service credit for the period of time for which the contributions have been made. Upon making partial payment of the back contributions under Section 5, subsection 1, paragraph K, subparagraph 2, the member shall be granted service credit on a pro rata basis in accordance with rules adopted by the board.
 - F. **Alternative.** If service credit for private, parochial or other school service is not allowed under paragraphs B and C, additional service credit is allowed for any member who meets the requirements of paragraphs A and D, if the member, before any retirement benefit becomes effective for that member, pays into the Members' Contribution Fund an amount that, together with regular interest on that amount, is the actuarial equivalent, at the effective date of the retirement benefit, of the portion of the retirement benefit based on the additional creditable service. Payments must be made consistent with Chapter 406 (94-411 CMR 406) of the rules of the Board.
 - (1) Additional amounts paid under this subsection shall become a part of the member's accumulated contributions.
 - (2) If any retirement benefit becomes effective before the completion of the payment under this subsection, the member is entitled to service credit for that portion of the additional creditable service that the total amount of payments actually made, plus regular interest on those payments to the date the retirement

benefit becomes effective, bears to the actuarial equivalent of the total portion of the retirement benefit based on the additional creditable service.

9. **Other Schools and Programs.** A member who terminates service in the State and teaches under the Volunteers in Service to America Program, the Fulbright Exchange Program or the Peace Corps, foreign or domestic, or teaches children of United States Foreign Corps personnel outside the continental limits of the United States is entitled to service credit for that service under the following conditions.
 - A. **2 Year Limit.** The service credit may not exceed 2 years.
 - B. **Return to Active Service.** The member must return to active service as a member of the retirement system within one year of the completion of the teaching outside of the State described in this section.
 - C. **Payment of Contributions.** The member, before any retirement benefit becomes effective for that member, must pay into the Members' Contribution Fund an amount that, together with regular interest on that amount, is the actuarial equivalent, at the effective date of the retirement benefit, of the portion of the retirement benefit based on the additional creditable service. Payments must be made consistent with Chapter 406 (94-411 CMR 406) of the rules of the Board.
10. **Law enforcement service before becoming a member.** A member who served as a full-time law enforcement officer with a federal, state, county or local law enforcement agency before becoming a member, and who did not decline membership under section 3, subsection 2, during the period of prior law enforcement service, is entitled under this subsection to purchase service credit for the period of time that the member served as a law enforcement officer under the following conditions:
 - A. **15 years of creditable service.** The member must have at least 15 years of creditable service at the time of retirement.
 - B. **4 year limit.** Service credit purchased under this subsection is limited to 4 years.
 - C. **Service credit not to be used for other benefits.** The member must provide a certified statement from the appropriate retirement system that the service credit to be granted has not been and will not be used to obtain other retirement benefits.
 - D. **Payment of contributions.** The member must complete payment of contributions as required by Section 5, subsection 1, paragraph M.
 - (1) Additional amounts paid under this subsection shall become a part of the member's accumulated contributions.
 - (2) If any retirement benefit becomes effective before the completion of the payment under this subsection, the member is entitled to service credit for that portion of the additional creditable service that the total amount of payments actually made, plus regular interest on those payments to the date the retirement benefit becomes effective, bears to the actuarial equivalent of the total portion of the retirement benefit based on the additional creditable service.

11. **Nonmilitary public employee of the United States government service.** A member who served as a nonmilitary public employee of the United States Government before becoming a

member is entitled under this subsection to purchase service credit for the period of time that the member served as a nonmilitary public employee of the United States Government under the following conditions:

A. 5 year limit. Service credit purchased under this subsection is limited to 5 years.

B. Payment of contributions. The member must complete payment of contributions as required by Section 5, subsection 1, paragraph N.

(2) Additional amounts paid under this subsection shall become a part of the member's accumulated contributions.

(2) If any retirement benefit becomes effective before the completion of the payment under this subsection, the member is entitled to service credit for that portion of the additional creditable service that the total amount of payments actually made, plus regular interest on those payments to the date the retirement benefit becomes effective, bears to the actuarial equivalent of the total portion of the retirement benefit based on the additional creditable service.

SECTION 7. REGULAR SERVICE RETIREMENT BENEFIT PLANS

Payment of benefits to members under The Plan is subject to the provisions of 5 M.R.S. §§ 18403 – 18405-A, 18409 - 18413.

1. **Regular Benefit Plan AC.** Regular Benefit Plan AC may be elected by any participating local district or local district.

A. **Contribution Rate.** Subject to Section 15, subsection 1, and the rate caps under Section 9, employer and employee contributions shall be set annually by the Board based on the recommendations of the System's actuary in accordance with the following:

- (1) The Plan's unfunded actuarial liability as of June 30, 2018, shall be paid in an actuarially sound manner and allocated between the employer and employee in a ratio approved by the Board based on the recommendation of the Participating Local District Advisory Committee;
- (2) Any Plan unfunded actuarial liability created beginning July 1, 2018, shall be paid through employer and employee contributions allocated 58% to the employer and 42% to the employee;
- (3) The normal cost shall be paid through employer and employee contributions allocated 58% to the employer and 42% to the employee.; and
- (4) Rates shall reflect any differences in actuarial assumptions and experience and shall be based on whether the member is subject to paragraphs B or B-1.

B. **Qualification for Benefit Prior to July 1, 2014.** A member of The Plan prior to July 1, 2014 qualifies for a service retirement benefit under this paragraph when one of the following occurs:

- (1) The member is in service when reaching 60 years of age, or is in service after reaching 60 years of age, and has been in service for a minimum of one-year immediately before retirement or except as provided in sub-paragraph 4 has at least 10 years of creditable service, which may include creditable service as a member of the Legislative Retirement Program under 3 M.R.S. §701, sub-§8;
- (2) The member is not in service when reaching 60 years of age, and except as provided in sub-paragraph 4 has at least 10 years of creditable service, which may include creditable service as a member of the Legislative Retirement Program under 3 M.R.S. §701, sub-§8; or
- (3) The member has completed 25 or more years of creditable service, which may include, for the purpose of meeting eligibility requirements, creditable service as a member of the Legislative Retirement Program under 3 M.R.S. §701, sub-§8.
- (4) The member has at least 5 years of creditable service, which, for the purpose of determining completion of the 5-year requirement, may include creditable service as a member of the Legislative Retirement Program, and:
 - (a) Was in service on October 1, 1999;
 - (b) Had left prior to October 1, 1999 with or without withdrawing contributions and on or after October 1, 1999 returned to service; or
 - (c) Was first in service on or after October 1, 1999.

B-1. Qualification for Benefit after July 1, 2014. A member who was not covered by The Plan prior to July 1, 2014 qualifies for a service retirement benefit under this paragraph when one of the following occurs:

- (1) The member is in service when reaching 65 years of age, or is in service after reaching 65 years of age, and has been in service for a minimum of one year immediately before retirement or has at least 5 years of creditable service, which may include creditable service as a member of the Legislative Retirement Program under 3 M.R.S. §701, sub-§8;
- (2) The member is not in service when reaching 65 years of age and has at least 5 years of creditable service, which may include creditable service as a member of the Legislative Retirement Program under 3 M.R.S. §701, sub-§8; or
- (3) The member has completed 25 or more years of creditable service, which may include, for the purpose of meeting eligibility requirements, creditable service as a member of the Legislative Retirement Program under 3 M.R.S. §701, sub-§8.

C. Computation of Benefit - Retirement at Normal Retirement Age or Later.

Subject to the requirements of Section 4, subsection 6, the total amount of the service retirement benefit for a member qualified under paragraph B, subparagraphs 1, 2 or 4 or under paragraph B-1, equals:

- (1) 1/50 of the member's average final compensation multiplied by the number of years of creditable service under The Plan; and

- (2) If the member had creditable service, with the member's current employer before that employer's employees were under The Plan, the benefit for that creditable service is calculated on the basis of:
 - (a) $\frac{1}{50}$ of the member's average final compensation multiplied by the number of years of creditable service, if, before being under The Plan, the service retirement benefit for that employer's employees was based upon the $\frac{1}{50}$ formula;
 - (b) $\frac{1}{60}$ of the member's average final compensation multiplied by the number of years of creditable service, if, before being under The Plan, the service retirement benefit for that employer's employees was based upon the $\frac{1}{60}$ formula;
 - (c) $\frac{1}{70}$ of the member's average final compensation multiplied by the number of years of creditable service, if, before being under The Plan, the service retirement benefit for that employer's employees was based upon the $\frac{1}{70}$ formula;
- (3) If the member had creditable service with an employer other than the member's current employer before becoming a member under The Plan for which the member's current employer has not accepted liability, and for which the member has not made the election under 5 M.R.S. §18253, sub-§1, paragraph E, the benefit for that creditable service is calculated on the basis of creditable service and earnable compensation with the previous employer and in accordance with the previous employer's regular service retirement plan immediately before the previous employer's employees became members under The Plan or the previous employer withdrew from the System. If the previous employer has neither begun participation in The Plan nor withdrawn from the System, the benefit is calculated on the basis of the previous employer's plan at the time of the member's retirement.
- (4) If the member has prior service credit, the benefit for that service is calculated on the basis of the applicable formula of paragraph C (2) above, as adopted by the district for prior service credit.

D. Computation of Benefit - Retirement before Normal Retirement Age - With Creditable Service of 25 Years or More. Subject to the requirements of Section 4, subsections 5 and 6, the amount of the service retirement benefit for a member who retires prior to normal retirement age shall be computed as follows:

- (1) The amount of the service retirement benefit for a member qualified under paragraph B, subparagraph 3, who has 20 or more years of creditable service under The Plan as of July 1, 2019, shall be computed in accordance with paragraph C, except that:
 - (a) The amount arrived at under paragraph C shall be reduced by applying to that amount the percentage that a life annuity due at age 60 bears to the life annuity due at the age of retirement.

- (b) For the purpose of making the computation under division a, the Board-approved tables of annuities in effect at the date of the member's retirement shall be used.
- (2) The amount of the service retirement benefit for a member qualified under paragraph B-1, subparagraph 3, who, pursuant to Title 5, Section 18253, has 20 or more years of creditable service under The Plan as of July 1, 2019, shall be computed in accordance with paragraph C, except that the benefit is reduced by 6% for each year that the member's age precedes 65 years of age.
- (3) The amount of the service retirement benefit for all other members shall be computed in accordance with paragraph C, except that the amount arrived at under paragraph C shall be reduced to reflect the full actuarial impact of the early retirement. ~~At the election of the member, any cost of living adjustments pursuant to Section 9 shall not be applied until the member has reached age 60, for a member to whom paragraph B applies, or age 65, for a member to whom paragraph B-1 applies, and the actuarial impact shall reflect this election.~~
- E. **Cost of Living Adjustments.** ~~Subject to paragraph D, subparagraph 2, a~~ All benefits based upon creditable service under this service retirement benefit plan are subject to cost of living adjustments as provided by Section 9. Benefits based upon creditable service earned before a member was under The Plan will be subject to cost of living adjustments only if the employer's plan provided for cost of living adjustments.
2. **Regular Benefit Plan AN.** Regular Benefit Plan AN may be elected by any participating local district or local district.
- This benefit plan is the same as Regular Benefit Plan AC, except that there is no provision for cost of living adjustments.
3. **Regular Benefit Plan BC.** Regular Benefit Plan BC may be elected by any participating local district or local district which covers its employees under the Federal Social Security program under a Section 218 Agreement. Any current employee who was a member under a plan which provided benefits under the 1/50 or 1/60 formula with a cost of living adjustment may elect to be under Regular Benefit Plan A and any current employee who was under a plan which provided benefits under the 1/50 or 1/60 or 1/70 formula without cost of living adjustments may elect to be under Regular Benefit Plan AN. Regular Benefit Plans AC and AN require that members make contributions at the rate as set forth in subsections 1 and 2. For the purposes of this subsection, "current employee" means a person whose employment with a participating local district began prior to the date on which participation in The Plan for that district's employees begins and who is a member as an employee of that district on that date.
- A. **Contribution Rate.** Employer and employee contribution rates are set in the same manner and subject to the same requirements as Regular Benefit Plan AC.
- B. **Qualification for Benefit.** The requirements for a member to qualify for a service retirement benefit under this paragraph are exactly the same as under Regular Benefit Plan AC - subsection 1, paragraphs B and B-1.
- C. **Computation of Benefit - Retirement at Normal Retirement Age or Later.** Subject to the requirements of Section 4, subsection 6, the total amount of the service

retirement benefit for a member qualified as specified in subsection 1, paragraph B, subparagraph 1, 2 or 4 or under subsection 1, paragraph B-1 equals:

- (1) 1/100 of the member's average final compensation multiplied by the number of years of membership service under The Plan; and
- (2) If the member had creditable service, with the member's current employer before that employer's employees were under The Plan, the benefit for that creditable service is calculated on the basis of:
 - (a) 1/50 of the member's average final compensation multiplied by the number of years of creditable service, if, before being under The Plan, the service retirement benefit for that employer's employees was based upon the 1/50 formula;
 - (b) 1/60 of the member's average final compensation multiplied by the number of years of creditable service, if, before being under The Plan, the service retirement benefit for that employer's employees was based upon the 1/60 formula;
 - (c) 1/70 of the member's average final compensation multiplied by the number of years of creditable service, if, before being under The Plan, the service retirement benefit for that employer's employees was based upon the 1/70 formula;
- (3) If the member had creditable service with an employer other than the member's current employer before becoming a member under The Plan for which the member's current employer has not accepted liability, and for which the member has not made the election under 5 M.R.S. §18253, sub-§1, paragraph E, the benefit for that creditable service is calculated on the basis of creditable service and earnable compensation with the previous employer and in accordance with the previous employer's regular service retirement plan immediately before the previous employer's employees became members under The Plan or the previous employer withdrew from the System. If the previous employer has neither begun participation in The Plan nor withdrawn from the System, the benefit is calculated on the basis of the previous employer's plan at the time of the member's retirement.
- (4) If the member has prior service credit, the benefit for that service is calculated on the basis of the applicable formula of paragraph C (2) above, as adopted by the district for prior service credit.

D. **Computation of Benefit - Retirement before Normal Retirement Age - With Creditable Service of 25 Years or More.** Subject to the requirements of Section 4, subsections 5 and 6, the amount of the service retirement benefit for a member who retires prior to normal retirement age shall be computed as follows:

- (1) The amount of the service retirement benefit for a member qualified as specified in subsection 1, paragraph B, subparagraph 3, who has 20 or more years of creditable service under The Plan as of July 1, 2019, shall be computed in accordance with paragraph C, except that:

- (a) The amount arrived at under paragraph C shall be reduced by applying to that amount the percentage that a life annuity due at age 60 bears to the life annuity due at the age of retirement.
 - (b) For the purpose of making the computation under subparagraph 1, the board-approved tables of annuities in effect at the date of the member's retirement shall be used.
 - (2) The amount of the service retirement benefit for a member qualified under subsection 1, paragraph B-1, subparagraph 3, who, pursuant to Title 5, Section 18253, has 20 or more years of creditable service under The Plan as of July 1, 2019, shall be computed in accordance with subsection 1, paragraph C, except that the benefit is reduced by 6% for each year that the member's age precedes 65 years of age.
 - (3) The amount of the service retirement benefit for all other members shall be computed in accordance with paragraph C, except that the amount arrived at under Paragraph C shall be reduced to reflect the full actuarial impact of the early retirement. ~~At the election of the member, any cost of living adjustments pursuant to Section 9 shall not be applied until the member has reached age 60, for a member to whom subsection 1, paragraph B applies, or age 65, for a member to whom subsection 1, paragraph B-1 applies, and the actuarial impact shall reflect this election.~~
- E. **Cost of Living Adjustments.** ~~Subject to paragraph D, subparagraph 2, a~~ All benefits based upon creditable service under this service retirement benefit plan are subject to cost of living adjustments as provided by Section 9. Benefits based upon creditable service earned before a member was under The Plan will be subject to cost of living adjustments only if the employer's plan provided for cost of living adjustments.
4. **Minimum Benefit.** Any member under The Plan who has 10 or more years of creditable service at retirement is entitled to a minimum service retirement benefit of \$100 per month.

SECTION 8. SPECIAL SERVICE RETIREMENT BENEFIT PLANS

Payment of benefits to members under The Plan is subject to the provisions of 5 M.R.S. §§ 18403 – 18405-A, 18409-18413. If, upon electing to participate in The Plan, a participating local district elects a special benefit plan other than the special benefit plan that a member is then covered under, the member may elect to continue under the special benefit plan under which the member is then covered. The member's election must be made as of the date on which the district's participation in The Plan begins and may not be changed thereafter. Members having membership service under special plans prior to July 1, 1977, are entitled to the alternative benefit computation based on that service in accordance with the applicable provision of 5 M.R.S. §18453. A member who does not qualify to retire under a special service retirement plan may retire under a regular service retirement plan at any time after the member qualifies under Section 7. The service retirement benefit for all service is computed as provided in Section 7.

- 1. **Special Benefit Plan 1C.** Special Benefit Plan 1C may be elected by any participating local district or local district for police officers, firefighters, sheriffs, full-time deputy sheriffs, county corrections employees who are employed at a county jail and whose duties include contact with prisoners or juvenile detainees, and emergency medical services persons as

defined in Title 32 M.R.S. §83, sub-§12, including but not limited to first responders, emergency medical technicians, advanced emergency medical technicians and paramedics.

- A. **Contribution Rate.** Subject to Section 15, subsection 1, and to the rate caps under Section 9, employer and employee contributions shall be set annually by the Board based on the recommendations of the System's actuary in accordance with the following:
- (1) The Plan's unfunded actuarial liability as of June 30, 2018, shall be paid in an actuarially sound manner and allocated between the employer and employee in a ratio approved by the Board based on the recommendation of the Participating Local District Advisory Committee;
 - (2) Any Plan unfunded actuarial liability created beginning July 1, 2018, shall be paid through employer and employee contributions allocated 58% to the employer and 42% to the employee; and
 - (3) The normal cost shall be paid through employer and employee contributions allocated 58% to the employer and 42% to the employee.
- B. **Qualification for Benefit**
- (1) A member qualifies for a service retirement benefit under this subsection when the member has completed 20 years of creditable service as an employee in one or more of the types of employment specified in this subsection and specified by the district as covered under this plan. If the member had creditable service under a special plan with the member's current employer before that employer's employees became members under The Plan, that creditable service is counted when determining the member's qualification for this benefit;
 - (2) A member who has accrued service credits under a regular service retirement plan before accruing service under this plan, and for whom the regular plan service credits are considered service under The Plan as provided by Section 4, subsection 1, may use those service credits toward qualifying to retire under this plan at the rate of one year of special plan service credit for each two years of regular plan service credit; and
 - (3) Except for employees who are entitled, under the current employer's plan in effect before the employer's employees become members under The Plan, to use military service credits to qualify for service retirement benefits, service credits for service in the Armed Forces before becoming a member, under Section 6, subsection 4, paragraph B, apply only to additional retirement benefits under this plan and the service credits do not apply to service requirements to qualify for retirement benefits.
 - (4) Service credits for law enforcement service before becoming a member, under Section 6, subsection 10, apply only to additional retirement benefits under this plan and the service credits do not apply to service requirements to qualify for retirement benefits.
- C. **Computation of Benefit.** Subject to the requirements of Section 4, subsections 5 and 6, the total amount of the service retirement benefit for a member qualified under

paragraph B, equals 1/2 of the member's average final compensation and, subject to the limitations of subsection J, an additional 2% of the member's average final compensation for each year of creditable service not included in determining qualification under paragraph B.

- (1) If the member had creditable service under a special plan, with the member's current employer, before that employer's employees became members under The Plan, that creditable service is used when calculating the benefit under this paragraph.
- (2) If the member had creditable service with an employer other than the member's current employer before becoming a member under The Plan for which the member's current employer has not accepted liability, and for which the member has not made the election under 5 M.R.S. §18253, sub-§1, paragraph E, the benefit for that creditable service is calculated on the basis of creditable service and earnable compensation with the previous employer and in accordance with the previous employer's regular service retirement plan immediately before the previous employer's employees became members under The Plan or the previous employer withdrew from the System. If the previous employer has neither begun participation in The Plan nor withdrawn from the System, the benefit is calculated on the basis of the previous employer's plan at the time of the member's retirement.

D. **Cost of Living Adjustments.** All benefits based upon creditable service under this service retirement benefit plan are subject to cost of living adjustments as provided by Section 9. Benefits based upon creditable service earned before a member was under The Plan will be subject to cost of living adjustments only if the employer's plan provided for cost of living adjustments.

2. **Special Benefit Plan 1N.** Special Benefit Plan 1N may be elected by any participating local district or local district.

This benefit plan is identical to Special Benefit Plan 1C, except that there is no provision for cost of living adjustments.

3. **Special Benefit Plan 2C.** Special Benefit Plan 2C may be elected by any participating local district or local district for police officers, firefighters, sheriffs, full-time deputy sheriffs, county corrections employees who are employed at a county jail and whose duties include contact with prisoners or juvenile detainees, emergency medical services persons as defined in Title 32 M.R.S. §83, sub-§12, including but not limited to first responders, emergency medical technicians, advanced emergency medical technicians and paramedics, and dispatchers as defined in 5 M.R.S. §18313, sub-§1. A district may also elect this plan for all of its employees.

A. **Contribution Rate.** Subject to Section 15, subsection 1, and to the rate caps under Section 9, employer and employee contributions shall be set annually by the Board based on the recommendations of the System's actuary in accordance with the following:

- (1) The Plan's unfunded actuarial liability as of June 30, 2018, shall be paid in an actuarially sound manner and allocated between the employer and employee in a ratio approved by the Board based on the recommendation of the Participating Local District Advisory Committee;

- (2) Any Plan unfunded actuarial liability created beginning July 1, 2018, shall be paid through employer and employee contributions allocated 58% to the employer and 42% to the employee; and
- (3) The normal cost shall be paid through employer and employee contributions allocated 58% to the employer and 42% to the employee.

B. Qualification for Benefit

- (1) A member qualifies for a service retirement benefit under this subsection when the member has completed 25 years of creditable service as an employee in one or more of the types of employment specified in this subsection and specified by the district as covered under this plan. If the member had creditable service under a special plan with the member's current employer before that employer's employees became members under The Plan, that creditable service is counted when determining the member's qualification for this benefit; and
- (2) A member who has accrued service credits under a regular service retirement plan before accruing service under this plan, and for whom the regular plan service credits are considered service under The Plan as provided by Section 4, subsection 1, may use those service credits toward qualifying to retire under this plan at the rate of two years of special plan service credit for each three years of regular plan service credit.

C. Computation of Benefit. Subject to the requirements of Section 4, subsections 5 and 6, the total amount of the service retirement benefit for a member qualified under paragraph 2, equals 1/2 of the member's average final compensation and, subject to the limitations of subsection J, an additional 2% of the member's average final compensation for each year of creditable service not included in determining qualification under paragraph B.

- (1) If the member had creditable service under a special plan, with the member's current employer, before that employer's employees became members under The Plan, that creditable service is used when calculating the benefit under this paragraph.
- (2) If the member had creditable service with an employer other than the member's current employer before becoming a member under The Plan for which the member's current employer has not accepted liability, and for which the member has not made the election under 5 M.R.S. §18253, sub-§1, paragraph E, the benefit for that creditable service is calculated on the basis of creditable service and earnable compensation with the previous employer and in accordance with the previous employer's regular service retirement plan immediately before the previous employer's employees became members under The Plan or the previous employer withdrew from the System. If the previous employer has neither begun participation in The Plan nor withdrawn from the System, the benefit is calculated on the basis of the previous employer's plan at the time of the member's retirement.

D. Cost of Living Adjustments. All benefits based upon creditable service under this service retirement benefit plan are subject to cost of living adjustments as provided

by Section 9. Benefits based upon creditable service earned before a member was under The Plan will be subject to cost of living adjustments only if the employer's plan provided for cost of living adjustments.

4. **Special Benefit Plan 2N.** Special Benefit Plan 2N may be elected by any participating local district or local district.

This benefit plan is identical to Special Benefit Plan 2C, except that there is no provision for cost of living adjustments.

5. **Special Benefit Plan 3C.** Special Benefit Plan 3C may be elected by any participating local district or local district for police officers, firefighters, sheriffs, full-time deputy sheriffs, county corrections employees who are employed at a county jail and whose duties include contact with prisoners or juvenile detainees, emergency medical services persons as defined in Title 32 M.R.S. §83, sub-§12, including but not limited to first responders, emergency medical technicians, advanced emergency medical technicians and paramedics, and dispatchers as defined in 5 M.R.S. §18313, sub-§1.

- A. **Contribution Rate.** The contribution rate for members under Special Benefit Plan 3C is as set out below until the completion of 25 years of creditable service under this special benefit plan, after which the members contribute at the same rate of earnable compensation as paid by members who contribute under Regular Plan AC as set forth in Section 7, subsection 1, paragraph A. Subject to Section 15, subsection 1, and to the rate caps under Section 9, employer and employee contributions shall be set annually by the Board based on the recommendations of the System's actuary in accordance with the following:

- (1) The Plan's unfunded actuarial liability as of June 30, 2018, shall be paid in an actuarially sound manner and allocated between the employer and employee in a ratio approved by the Board based on the recommendation of the Participating Local District Advisory Committee;
- (2) Any Plan unfunded actuarial liability created beginning July 1, 2018, shall be paid through employer and employee contributions allocated 58% to the employer and 42% to the employee; and
- (3) The normal cost shall be paid through employer and employee contributions allocated 58% to the employer and 42% to the employee.

- B. **Qualification for Benefit**

- (1) A member qualifies for a service retirement benefit under this subsection when the member has completed 25 years of creditable service as an employee in one or more of the types of employment specified in this subsection and specified by the district as covered under this plan. If the member had creditable service under a special plan with the member's current employer before that employer's employees became members under The Plan, that creditable service is counted when determining the member's qualification for this benefit; and
- (2) A member who has accrued service credits under a regular service retirement plan before accruing service under this plan, and for whom the regular plan service credits are considered service under The Plan as

provided by Section 4, subsection 1, may use those service credits toward qualifying to retire under this plan at the rate of two years of special plan service credit for each three years of regular plan service credit.

- C. **Computation of Benefit.** Subject to the requirements of Section 4, subsections 5 and 6, the total amount of the service retirement benefit for a member qualified under paragraph 2, equals $\frac{2}{3}$ of the member's average final compensation and, subject to the limitations of subsection J, an additional 2% of the member's average final compensation for each year of creditable service not included in determining qualification under paragraph B.
- (1) If the member had creditable service under a special plan, with the member's current employer, before that employer's employees became members under The Plan, that creditable service is used when calculating the benefit under this paragraph.
 - (2) If the member had creditable service with an employer other than the member's current employer before becoming a member under The Plan for which the member's current employer has not accepted liability, and for which the member has not made the election under 5 M.R.S. §18253, sub-§1, paragraph E, the benefit for that creditable service is calculated on the basis of creditable service and earnable compensation with the previous employer and in accordance with the previous employer's regular service retirement plan immediately before the previous employer's employees became members under The Plan or the previous employer withdrew from the System. If the previous employer has neither begun participation in The Plan nor withdrawn from the System, the benefit is calculated on the basis of the previous employer's plan at the time of the member's retirement.
- D. **Cost of Living Adjustments.** All benefits based upon creditable service under this service retirement benefit plan are subject to cost of living adjustments as provided by Section 9. Benefits based upon creditable service earned before a member was under The Plan will be subject to cost of living adjustments only if the employer's plan provided for cost of living adjustments.
6. **Special Benefit Plan 3N.** Special Benefit Plan 3N may be elected by any participating local district or local district.
- This benefit plan is identical to Special Benefit Plan 3C, except that there is no provision for cost of living adjustments.
7. **Special Benefit Plan 4C.** Special Benefit Plan 4C may be elected by any participating local district or local district for police officers, firefighters, sheriffs, full-time deputy sheriffs, county corrections employees who are employed at a county jail and whose duties include contact with prisoners or juvenile detainees, emergency medical services persons as defined in Title 32 M.R.S. §83, sub-§12, including but not limited to first responders, emergency medical technicians, advanced emergency medical technicians and paramedics, and dispatchers as defined in 5 M.R.S. §18313, sub-§1.
- A. **Contribution Rate.** The contribution rate for members under Special Benefit Plan 4C is as set out below until the completion of 25 years of creditable service under this special benefit plan, after which the members contribute at the same rate of earnable compensation as paid by members who contribute under Regular Plan AC

as set forth in Section 7, subsection 1, paragraph A. Subject to Section 15, subsection 1, and to the rate caps under Section 9, employer and employee contributions shall be set annually by the Board based on the recommendations of the System's actuary in accordance with the following:

- (1) The Plan's unfunded actuarial liability as of June 30, 2018, shall be paid in an actuarially sound manner and allocated between the employer and employee in a ratio approved by the Board based on the recommendation of the Participating Local District Advisory Committee;
- (2) Any Plan unfunded actuarial liability created beginning July 1, 2018, shall be paid through employer and employee contributions allocated 58% to the employer and 42% to the employee; and
- (3) The normal cost shall be paid through employer and employee contributions allocated 58% to the employer and 42% to the employee.

B. Qualification for Benefit

- (1) A member qualifies for a service retirement benefit under this subsection when the member has completed 25 years of creditable service as an employee in one or more of the types of employment specified in this subsection and specified by the district as covered under this plan. If the member had creditable service under a special plan with the member's current employer before that employer's employees became members under The Plan, that creditable service is counted when determining the member's qualification for this benefit; and
- (2) A member who has accrued service credits under a regular service retirement plan before accruing service under this plan, and for whom the regular plan service credits are considered service under The Plan as provided by Section 4, subsection 1, may use those service credits toward qualifying to retire under this plan at the rate of two years of special plan service credit for each three years of regular plan service credit.

C. Computation of Benefit. Subject to the requirements of Section 4, subsections 5 and 6, the total amount of the service retirement benefit for a member qualified under paragraph B, equals:

- (1) If the member retires after reaching age 55, $1/50$ of the member's average final compensation multiplied by the number of years of creditable service;
- (2) If the member retires before reaching age 55, $1/50$ of the member's average final compensation multiplied by the number of years of creditable service reduced as follows:
 - (a) For a member who was covered by The Plan prior to July 1, 2014, who has 20 or more years of creditable service under The Plan as of July 1, 2019, the benefit is reduced by applying to that amount the percentage that a life annuity due at age 55 bears to the life annuity due at the age of retirement.

- (b) For a member who was not covered by The Plan prior to July 1, 2014, but who, pursuant to Title 5, Section 18253, has 20 or more years of creditable service under The Plan as of July 1, 2019, the benefit is reduced by 6% for each year that the member's age precedes 55 years of age.
 - (c) For all other members, the benefit is reduced to reflect the full actuarial impact of the early retirement. ~~At the election of the member, any cost of living adjustments pursuant to Section 9 shall not be applied until the member has reached age 55, and the actuarial impact shall reflect this election.~~
 - (3) If the member had creditable service under a special plan, with the member's current employer, before that employer's employees became members under The Plan, that creditable service is used when calculating the benefit under this paragraph.
 - (4) If the member had creditable service with an employer other than the member's current employer before becoming a member under The Plan for which the member's current employer has not accepted liability, and for which the member has not made the election under 5 M.R.S. §18253, sub-§1, paragraph E, the benefit for that creditable service is calculated on the basis of creditable service and earnable compensation with the previous employer and in accordance with the previous employer's regular service retirement plan immediately before the previous employer's employees became members under The Plan or the previous employer withdrew from the System. If the previous employer has neither begun participation in The Plan nor withdrawn from the System, the benefit is calculated on the basis of the previous employer's plan at the time of the member's retirement.
- D. **Cost of Living Adjustments.** ~~Subject to paragraph C, subparagraph 2, a~~ All benefits based upon creditable service under this service retirement benefit plan are subject to cost of living adjustments as provided by Section 9. Benefits based upon creditable service earned before a member was under The Plan will be subject to cost of living adjustments only if the employer's plan provided for cost of living adjustments.
8. **Special Benefit Plan 4N.** Special Benefit Plan 4N may be elected by any participating local district or local district prior to February 1, 2024.
- This benefit plan is identical to Special Benefit Plan 4C, except that there is no provision for cost of living adjustments.
9. **Transfer from Special Plan Position to Non-Special Plan Position Due to Disability.** A member who has not completed the service requirements for retirement under a special service retirement benefit plan, upon becoming disabled as defined in section 18521, and upon becoming reemployed in a position not under a special service retirement benefit plan shall upon retirement receive retirement benefits as follows:
- A. The part of the member's service retirement based upon membership service before becoming disabled shall be computed according to the formula for computing benefits under the member's previous special plan.

- B. The part of the member's service retirement based upon membership service after becoming reemployed in a position not under a special plan shall be computed according to the formula for computing benefits under the member's previous special plan.
 - C. If the member is found to be no longer disabled, as defined in section 18521, the member may:
 - (1) Return to a position in the member's previous special plan; or
 - (2) Remain in the position which is not under a special plan and have the part of the member's service retirement benefit based upon post-disability service computed in accordance with the applicable regular service retirement benefit plan under Section 7.
 - D. The executive director may require that a member subject to this subsection submit records and undergo medical examinations or tests to determine the member's disability for purposes of paragraph C.
 - (1) If the member refuses to submit records or undergo the examination or tests under this paragraph, the member's retirement benefit shall be based upon the applicable regular service retirement benefit plan under Section 7 until the member withdraws the refusal.
 - (2) If the member's refusal under subparagraph 1 continues for one year, all the member's rights to any further benefit under this subsection shall cease.
10. **Additional 2% Benefit.** The additional 2% of average final compensation benefit provided to members under the special service retirement plans in this section is applicable only to service credits earned with relation to service rendered after a member becomes a member under The Plan. A member is also entitled to this benefit for service rendered before becoming a member under The Plan to the extent that the member was entitled to the benefit under the member's current employer's retirement plan that was in effect immediately before the employer's employees became members under The Plan.

SECTION 9. COST OF LIVING ADJUSTMENTS; CONTRIBUTION CAPS

- 1. **Cost of Living Adjustments.** Subject to subsections 2, 3, 4 and 5, the cost-of-living adjustment shall be determined as follows.
 - A. Except as provided in subsections 2, 3 and 4, whenever there is a percentage increase in the Consumer Price Index from July 1 of the previous year to June 30 of the current year, the Board shall automatically make an equal percentage increase in retirement benefits, beginning in September, up to a maximum annual increase of 2.5%.
 - B. If there is a percentage decrease in the Consumer Price Index from July 1st to June 30th, the Board shall set the percentage change at 0% for that September. The adjustment for the following year must be set based on the actuarially compounded Consumer Price Index for both years in a cost-neutral manner. If the Consumer Price Index in the subsequent year or years is not sufficient to allow for the adjustment to be cost-neutral for the 2 years, then the adjustment needed for cost-neutrality must continue to be applied to following years until such time as the cost-neutrality requirement is met.

- C. The Board shall determine the costs of the adjustments under this Section and shall include those costs in the annual valuation.
- D. Cost-of-living adjustments under this Section shall be applied to the retirement benefits of retirees as follows:
 - (1) For retirees who retire prior to September 1, 2019, a cost-of-living adjustment is applied if the retiree has been retired for at least 12 months before the date that the adjustment becomes payable.
 - (2) For retirees who retire on or after September 1, 2019, a cost-of-living adjustment is applied if the retiree has been retired for at least 24 months before the date that the adjustment becomes payable. Beneficiaries of deceased retirees shall be eligible for the cost-of-living adjustment at the same time the deceased retiree would have become eligible.
- 2. **Contribution Caps.** The employer and employee contribution rates, as calculated in the aggregate across all benefit plans in The Plan, are capped at 12.5% and 9%, respectively. If the rates calculated by the System's actuary would exceed the caps for a particular year, the following shall occur:
 - A. The aggregated employer and employee rates will be reduced to the cap amounts, and the Board will set individual benefit plan rates based on the System's actuary's recommendation for allocating the reductions.
 - B. The cost of living adjustment calculated under subsection 1 shall be reduced to maintain cost-neutrality, but not below zero. If the reduction otherwise would have been below zero, then an adjustment will be applied to contribution rates, up to the caps set forth in this subsection, and the cost of living adjustment, but not below zero, in following years until such time as cost-neutrality is achieved.
- 3. Notwithstanding subsection 1, paragraph A, the cost-of-living adjustment for the period from September 1, 2021 through August 31, 2022 shall be 3.5%.
- 4. Notwithstanding subsection 1, paragraph A, the cost-of-living adjustment for the period from September 1, 2022 through August 31, 2023 shall be 3.5%.
- 5. In addition to the cost-of-living adjustment under subsection 1, paragraph A, a one-time noncumulative cost-of-living adjustment payment equal to 0.5% of retirement benefits will be paid to those eligible for a cost-of-living adjustment for the period from September 1, 2023 through August 31, 2024.

SECTION 10. DISABILITY BENEFITS

- 1. **Members of The Plan.** Disability retirement benefits for members under The Plan are subject to 5 M.R.S., Chapter 425, subchapter V, *Benefits*, Article 3-A, *Disability Retirement Benefits After September 30, 1989*, as amended by PL 2025, chapters [221](#) and [270](#), except section 18534.
- 2. **Election Regarding Age-limit or No-age-limit Disability.** The election made by each member under PL 1991, c. 887 whether to be covered under age-limit or no-age-limit

disability remains in effect after a member's participation in The Plan begins. Depending upon a member's election, the member is covered under the age-limit or no-age-limit version of the disability plan specified in this Section.

3. **Current Recipients of Disability Benefits.** After having begun to participate in The Plan, a participating local district which before participating in The Plan did not have as part of its plan 5 M.R.S., Chapter 425, subchapter V, *Benefits*, Article 3-A, *Disability Retirement Benefits After September 30, 1989*, may elect to adopt 5 M.R.S. §18534, thereby allowing its former employees who are recipients of disability retirement benefits under prior law the option of being governed by disability retirement provisions applicable to members under The Plan. Any former employee of a district which adopts §18534 who is a recipient of a disability retirement benefit under 5 M.R.S., Article 3, as in effect immediately before October 1, 1989, or under section 1122 of the former retirement system law, as in effect immediately before July 1, 1977, may elect to be governed by 5 M.R.S., Chapter 425, subchapter V, *Benefits*, Article 3-A, by making written application to the executive director within 6 months after adoption of this provision by the participating local district. If the disability retirement benefit recipient makes the election, Article 3-A shall apply from the date of the recipient's original eligibility for disability retirement, but any increase in benefits may only be granted from the date of election by the recipient. The district's adoption and the recipient's election are irrevocable. The additional liability resulting from the adoption of this provision will be included in the district's Additional Unpooled Unfunded Actuarial Liability.

SECTION 11. ORDINARY DEATH BENEFITS

Ordinary death benefits for members under The Plan are subject to 5 M.R.S., Chapter 425, subchapter V, *Benefits*, Article 4, *Ordinary Death Benefits*.

SECTION 12. ACCIDENTAL DEATH BENEFITS

1. **Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.
 - A. **Professional firefighter.** "Professional firefighter" means an employee of a municipal fire department who is a member of the Participating Local District Retirement Program or who is a participating member under chapter 425 and who aids in the extinguishment of fires, whether or not the employee has other administrative duties.
 - B. **Qualifying member.** "Qualifying member" means:
 - (1) A member who dies as a result of an injury arising out of and in the course of employment as an employee;
 - (2) After October 31, 2004, an active member who is a professional firefighter who dies as a result of an injury or disease as described in Title 39-A, section 328 if the injury or disease that causes the death is the result of a condition that develops within 30 days of the active member's participating in firefighting or training or a drill that involves firefighting. If the professional firefighter dies after 30 days but within 6 months of participating in firefighting or training or a drill that involves firefighting, there is a rebuttable

presumption that the death is the result of an injury arising out of and in the course of employment as a professional firefighter; or

- (3) A former member receiving a disability retirement benefit who dies as a result of an injury arising out of and in the course of employment as an employee.
2. **Qualification for Benefit.** The beneficiary of a qualifying member shall receive a benefit in accordance with section 18603.
 3. **Computation of Benefit.** Benefits under this section are determined as follows:
 - A. **Surviving spouse; no dependent children.** If the qualifying member is survived by a spouse and no dependent child, the surviving spouse shall be paid 2/3 of the average final compensation of the qualifying member.
 - B. **Surviving spouse having care of dependent children.** If the qualifying member is survived by a spouse who has the care of the dependent child or dependent children of the qualifying member, the surviving spouse shall be paid an annual sum equal to the average final compensation of the qualifying member.
 - C. **Surviving spouse not having care of dependent children.** If the qualifying member is survived by a spouse who does not have the care of the dependent child or dependent children of the qualifying member, the surviving spouse shall share with the dependent child or dependent children an annual sum equal to the average final compensation of the qualifying member, the benefit to be divided equally among the surviving spouse and the dependent child or dependent children.
 - D. **No surviving spouse.** If no spouse survives the qualifying member, the dependent child or dependent children shall be paid an annual sum equal to the average final compensation of the qualifying member.
 4. **Method of Payment.** All benefits paid under this section shall be paid in equal monthly installments beginning the first month after the death of the qualifying member.
 5. **Adjustment of Benefits.** Benefits under this section are subject to the following adjustments:
 - A. **Cessation of eligibility.** When a person sharing benefits under section 18603 ceases to be eligible to receive benefits, the subsequent benefits of the remaining beneficiaries shall be recalculated as if the remaining beneficiaries had been the only beneficiaries to survive the qualifying member.
 - B. **Workers' compensation or similar law.** The amount payable under this section must be reduced by any amount received by the surviving spouse and dependent child or dependent children under former Title 39, the *Workers' Compensation Act* or Title 39-A, Part 1, the *Maine Workers' Compensation Act of 1992*, or a similar law.
 - (1) Lump-sum settlements of benefits that would reduce the accidental death benefits under this subsection must be prorated on a monthly basis in an equitable manner prescribed by the board.
 - (2) The prorated lump-sum settlement amounts must reduce the accidental death benefits payable monthly under this section.

- C. **Cost-of-living adjustments.** Benefits under this section are subject to adjustment as provided in section 9.
- 6. **Termination of Benefits.** The benefits under this section shall be paid to:
 - A. **Surviving spouse.** The surviving spouse until the spouse dies; and
 - B. **Dependent children.** The dependent child or dependent children until they die or until they no longer meet the definition of “dependent child” under section 17001, subsection 12.

SECTION 13. DEFINED CONTRIBUTION/DEFERRED COMPENSATION PLANS

- 1. **Defined Contribution/Deferred Compensation Plans.** A participating local district may provide for the participation of its employees in a defined contribution and/or deferred compensation plan or plans for which the System is The Plan Sponsor. To provide for its employees’ participation, the participating local district employer must comply with the procedure for adoption set out in paragraph 6.
- 2. **District is Employer.** For all purposes related to such a plan or plans, the participating local district is the employer of its employees who participate in the plan or plans.
- 3. **Federal Law Requirements.** The plan or plans for which the System is Plan Sponsor must meet all applicable federal law requirements.
- 4. **Terms and Requirements of Plan.** The rights, obligations, conditions and terms of each plan or plans for which the System is Plan Sponsor are those provided in the relevant Plan Document, as revised or amended from time to time.
- 5. **Plan under 5 MRSA Section 18252-B.** Adoption of a plan or plans under this section does not by itself satisfy the requirements of 5 M.R.S. §18252-B. A participating local district that intends a plan or plans that it adopts under this section to comply with 5 M.R.S. §18252-B must also meet that section’s requirements.
- 6. **Procedure for Adoption**
 - A. **Adoption Agreement.** A participating local district that acts to adopt a plan or plans under this section must complete the relevant Adoption Agreement or Agreements in a form provided or authorized by the System. An Adoption Agreement constitutes documentation of the participating local district’s decision to adopt the plan to which the Agreement applies and signifies its understanding and acceptance of the provisions of the plan as set out in The Plan Document.
 - B. **401(a) Plan: Contribution Rates.** In the case of a plan established in accordance with the requirements of Section 401(a) of the United States Internal Revenue Code of 1986, as amended,
 - (1) the Adoption Agreement must specify the required employee contribution as established by the participating local district employer and the employer contribution, if any; and

- (2) the participating local district may change the amount of the required employee contribution annually, effective July 1 immediately following its decision to change the amount. The participating local district must document the change by amending its Adoption Agreement to state the new required employee contribution amount. An employee already participating in the district's 401(a) plan at the time the required employee contribution amount is changed ~~must have the right to continue his/her employee contribution in the amount previously required or to~~ change to the new required contribution amount.

7. **Disability Retirement Benefits: Participants in a 401(a) Plan who are Not Members under The Plan**

- A. **Applicability.** Employees who are participants in a 401(a) plan under this section and who are not members under The Plan are covered in the event of disability as set out in paragraph B.
- B. **Disability Retirement Program.** The disability retirement program established under this paragraph is that established by section 18521 *et seq.* and implemented by the System's related rules and policies, including but not limited to the disability application, determination and review processes, and standards for benefit eligibility and standards for continuation of benefits.
 - (1) Title 5 M.R.S. §18524, sub-§2, applies to an employee with fewer than 5 years of participation in the 401(a) plan.
 - (2) Except as provided in subparagraph 3, the amount of the disability retirement benefit is 60% of the participant's annual compensation being paid at the time the participant became disabled, subject to adjustment as provided by 5 M.R.S. §18407 and this chapter.
 - (3) A participant who is found eligible for a disability retirement benefit and who terminates employment may elect to withdraw the balance of the participant's 401(a) account. If such a withdrawal includes employer contributions made on behalf of the participant, the disability retirement benefit will be actuarially adjusted so that the participant receives a disability retirement benefit of not more than the amount specified in subparagraph 2.
 - (4) Benefits cease if the participant is found no longer eligible under the applicable statute, or on the date that the participant is required to receive a Required Minimum Distribution under federal law, whichever is earlier.

SECTION 14. RETIRING AND RETURNING TO WORK

If a person who is a recipient of a service retirement benefit under The Plan returns to employment by a participating local district of The Plan in a position for which membership would be mandatory or optional for a new hire, the person continues to receive the service retirement benefit and does not re-enter The Plan as a member. During the period that a retiree is returned to employment, contributions must be remitted to the System by the participating local district in the amount of the greater of (i) 5% of the person's earnable compensation, or (ii) the equivalent of employer and employee unfunded actuarial liability contributions at the aggregate rate on the person's earnable compensation. For

purposes of this section, earnable compensation does not include Workers' Compensation earnings paid to the person.

SECTION 15. TRANSITION

1. **Rates.** Employer and employee rates for July 1, 2018, through June 30, 2019, shall be the rates set under this Rule prior to the amendment effective July 1, 2018. The transition from those rates to the rates calculated pursuant to Sections 7 and 8 shall be accomplished by smoothing in the new rates over an actuarially sound period.
 2. **Unused Sick Leave or Vacation Leave.** Section 6, subsection 7, applies to those with a retirement effectiveness date on or after August 1, 2019.
 3. **Retiring and Returning to Work.** Section 14 does not apply to a retiree employed by a participating local district on October 1, 2018, until the earlier of termination of employment or June 30, 2021.
 4. **Membership Election.** The one-time election to join The Plan by November 1, 2021 under PL 2021, c. 286, § 6 applies only to employees of participating local districts who specifically adopt that provision in their participation agreement prior to November 1, 2021, or at the next meeting of the participating local district's executive or legislative body, whichever is later. For participating local districts adopting the provision on or after November 1, 2021, the one-time election date shall be such later date stated in the amended participation agreement.
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STATUTORY AUTHORITY:

5 M.R.S. §§ 17103(4), 18200 *et seq.*, 18801 *et seq.*

EFFECTIVE DATE:

May 11, 1993

AMENDED:

July 20, 1993
May 6, 1995
April 1, 2001
September 28, 2002
January 17, 2004
October 12, 2004
October 29, 2005 – filing 2005-449
October 9, 2006 – filing 2006-433
February 1, 2011 – filing 2011-45
December 9, 2013 – filing 2013-295 (header corrected March 7, 2016)
June 5, 2016 – filing 2016-099
August 30, 2017 – filing 2017-133
May 26, 2018 – filing 2018-082
September 19, 2018 – filing 2018-188
June 24, 2019 – filing 2019-101
November 4, 2019 – filing 2019-189
July 18, 2020 – Section 16 added, filing 2020-160
November 25, 2020 – filing 2020-236
October 4, 2021 – filing 2021-197

July 23, 2022 – filing 2022-137
January 24, 2023 – filing 2023-011

94-411 MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM

Chapter 510: **REDUCTION OF DISABILITY RETIREMENT BENEFITS BECAUSE OF LUMP-SUM SETTLEMENTS OF BENEFITS PAYABLE UNDER THE WORKERS' COMPENSATION OR SIMILAR LAW ~~OR THE UNITED STATES SOCIAL SECURITY ACT~~**

SUMMARY: This chapter sets forth the methodology by which disability retirement benefits are reduced when a beneficiary of such benefits receives a lump-sum settlement of benefits payable under the workers' compensation or similar law ~~or the United States Social Security Act.~~

SECTION 1. DEFINITIONS

1. **Accumulated Contributions.** The term “accumulated contributions” as used in this Chapter means the amount of “accumulated contributions” calculated pursuant to the provisions of the applicable Retirement System plan, as of the effective date of the recipient’s entitlement to Retirement System disability retirement benefits.
2. **Actuarial Equivalent of Accumulated Contributions.** “Actuarial Equivalent of Accumulated Contributions” as used in this Chapter means the recipient’s accumulated contributions at the time of his or her disability retirement divided by the “annuity factor for recipient’s age at retirement” as calculated pursuant to Section 5.2, and then converted to a monthly amount by dividing by twelve.
3. **Actuarial Equivalent of the Lump-Sum Settlement.** “Actuarial Equivalent of the Lump Sum Settlement” as used in this Chapter means the amount of the “lump-sum settlement” divided by the “annuity factor for recipient’s age at effective date of lump-sum settlement” calculated pursuant to Section 5.3, and then converted to a monthly amount by dividing by twelve.
4. **Average Annual Earnings.** “Average Annual Earnings” means the total of the person’s average final compensation plus other wages and earnings from employment for the calendar year in which the person has the highest total of other wages and earnings from employment during the 5 years immediately preceding the year in which the person became disabled.
5. **Average Final Compensation.** “Average Final Compensation” as used in this Chapter means the amount of “average final compensation” calculated pursuant to the provisions of the applicable Retirement System plan, as of the effective date of the recipient’s entitlement to Retirement System disability retirement benefits.
6. **Initial Disability Retirement Benefit.** “Initial disability retirement benefit” as used in this Chapter means the monthly disability retirement benefit, not reduced because of disability benefits received under other laws, payable to the recipient as of the effective date of his or her entitlement to Retirement System plan disability retirement benefits, calculated pursuant to the applicable Retirement System plan provisions.

7. **Lump-Sum Balance.** “Lump-Sum Balance” as used in this Chapter in a given month means the sum of the lump-sum settlement and interest for that month and all prior months subject to reduction pursuant to this Chapter less the reduction amount determined pursuant to Section 4.1 for that month and all prior months subject to reduction pursuant to this Chapter.
8. **Lump-Sum Settlement.** “Lump-sum settlement” as used in this Chapter means the amount paid or to be paid pursuant to a settlement agreement under the workers’ compensation law and/or similar law ~~and/or the United States Social Security Act~~ for the same disability for which Retirement System plan disability retirement benefits are awarded, but not including any part of the lump-sum settlement amount attributable to vocational rehabilitation, attorneys’, physicians’, nurses’, hospital, medical, surgical or related fees or charges or any amount paid or payable under former Title 39, section 56-B for permanent impairment or under Title 39-A, section 212, subsection 3 for specific loss benefits. ~~“Lump-sum settlement” includes amounts paid or to be paid under the United States Social Security Act only if the employment for which Retirement System creditable service with the employer is allowed was also covered under that Act at the date of disability retirement.~~
9. **Lump-Sum Settlement Agreement.** A “Lump-Sum Settlement Agreement” as used in this Chapter is an agreement, signed or otherwise approved by the approving authority, describing payment of the lump-sum settlement.
10. **Retirement System Plan.** “Retirement System plan” as used in this Chapter means a benefit plan of the Maine Legislative Retirement System, Maine Judicial Retirement System, or the Maine State Retirement System. Benefit plans of the Maine State Retirement System include benefits for eligible state employees, teachers, and Participating Local District (“PLD”) members.

SECTION 2. APPLICABILITY

This Chapter applies to any disability retirement benefit recipient who enters into a lump-sum settlement agreement or otherwise receives a lump sum settlement under the workers’ compensation or similar law ~~or the United States Social Security Act~~ for the same disability for which disability retirement benefits were awarded pursuant to a Retirement System plan.

SECTION 3. MAKING THE REDUCTION

1. When a disability retirement benefit recipient enters into a lump-sum settlement agreement, the monthly Retirement System disability retirement benefit shall be reduced by an amount determined pursuant to the provisions of this Chapter.
2. The reduction amount determined pursuant to the provisions of this Chapter shall be deducted from Retirement System disability retirement benefits payable to the recipient, beginning the first day of the month following the effective date of the lump-sum settlement. For purposes of this Chapter, the effective date of the lump-sum settlement is the date that the settlement agreement is signed by the approving authority.

3. That same reduction amount determined pursuant to the provisions of this Chapter shall continue to be deducted from the monthly disability retirement benefit otherwise payable for the length of time that the recipient receives a Retirement System disability retirement benefit. If, for periods of time prior to the effective date of the lump-sum settlement during which Retirement System disability retirement benefits are payable to the recipient, the recipient is also paid benefits under the workers' compensation or similar law ~~or the United States Social Security Act~~, subject to the same limitations described in Section 1.7, then the recipient's disability retirement benefits shall also be reduced by amounts equal to those benefits unless the applicable statute bars any reduction or requires a smaller reduction.
4.
 - A. Notwithstanding Section 3.3, reductions pursuant to this Chapter for a recipient who continues to be entitled to receive disability retirement benefits pursuant to a Retirement System plan that provides for cost-of-living adjustments ("COLAs") shall cease when the sum of the reduction amount equals the amount of the lump-sum settlement plus monthly interest on the lump-sum balance calculated at the annual rate of four percent (4%);
 - B. Notwithstanding Section 3.3, reductions pursuant to this Chapter for a recipient pursuant to a Retirement System plan that does not provide for COLAs shall cease under the same circumstances as for Section 3.4.A except that monthly interest on the lump-sum balance shall be calculated at the annual rate of six percent (6%).
5. To determine when the sum of the reduction amounts will equal the lump-sum settlement plus interest calculated monthly at the annual rate specified in Section 3.4.A and 3.4.B as applicable:
 - A. Calculate the interest for the first month subject to reduction by multiplying the lump-sum settlement by the specified annual interest rate and then dividing the product by 12.
 - B. Determine the lump-sum balance in the given month.
 - C. Calculate the interest for each month after the first month subject to reduction by multiplying the lump-sum balance for the previous month by the specified annual interest rate and then dividing the product by 12.
6. The month in which the lump-sum balance is zero is the last month of disability retirement benefits that will be reduced pursuant to Sections 3.4.A and 3.4.B.
7. If there is no month in which the lump-sum balance is zero, then the last month of disability retirement benefits that will be reduced pursuant to Sections 3.4.A and 3.4.B is the first month in which the lump-sum balance is a negative number. In such case, the reduction amount required for the last month shall be equal to the lump-sum balance for the previous month plus interest.
8. Notwithstanding Sections 3.3, 3.4 and 3.5, the reduction amount shall be recalculated pursuant to the provisions of this Chapter if the recipient enters into a subsequent lump-sum settlement agreement.

9. The amount payable to the disability retirement recipient after the reduction amount is applied will be adjusted by any cost-of-living adjustments (“COLAs”) according to the provisions of the applicable Retirement System plan.

SECTION 4. DETERMINING THE REDUCTION AMOUNT, IF ANY

1. The reduction amount that is to be applied to the recipient’s monthly disability retirement benefit is determined as follows:
 - A. For members of the State Employee and Teacher, Legislative and Judicial Retirement Program, by subtracting the figure representing 80% of average final compensation, converted to a monthly amount by dividing by twelve, from the amount represented by the sum of the initial disability retirement benefit and actuarial equivalent of the lump sum settlement.
 - B. For members of the Participating Local District Retirement Program, by subtracting the figure representing 80% of average annual earnings, converted to a monthly amount by dividing by twelve, from the amount represented by the sum of the initial disability retirement benefit and actuarial equivalent of the lump sum settlement.
2. If the result obtained in Section 4.1 is zero or a negative number, then no reduction is applied to the monthly disability retirement benefits.
3. If the reduction amount calculated in Section 4.1 causes the initial disability retirement benefit to be reduced to an amount that is less than the “actuarial equivalent of accumulated contributions”, then the full reduction amount calculated in Section 4.1 may not be applied. Instead, the recipient shall receive the “actuarial equivalent of accumulated contributions” in lieu of the amount obtained by applying the full reduction described in section 4.1.

SECTION 5. DETERMINING THE ANNUITY FACTORS TO BE USED FOR SECTION 4

1. **Selecting the Applicable Table.** To determine the “annuity factor at age of retirement” or the “annuity factor at age at effective date of lump-sum settlement,” use Table AA of Chapter 303.

NOTE: As of the effective date of this rule, judicial retirement, legislative retirement, and Maine State Retirement System plans for state employees and teachers all include COLAs. Some Participating Local District (“PLD”) plans include COLAs and others do not.

2. **Determining the “Annuity Factor for Recipient’s Age at Retirement.”** To determine the “annuity factor for recipient’s age at retirement,” use the applicable Table to locate the annuity factor that corresponds to the recipient’s attained age as of the first day of the first month for which he or she received Retirement System plan disability benefits. If the recipient’s previous birthday was six months or more prior to the first day of the first month for which he or she received Retirement System plan disability retirement

benefits, then use the recipient's age at his or her next birthday to locate the applicable annuity factor.

3. **Determining the "Annuity Factor for Recipient's Age at Effective Date of Lump-Sum Settlement.** To determine the "annuity factor for recipient's age at effective date of lump-sum settlement, use the applicable Table to locate the annuity factor that corresponds to the recipient's attained age as of the effective date of the lump-sum settlement. If the recipient's previous birthday was six months or more prior to the effective date of the lump-sum settlement, then use the recipient's age at his or her next birthday to locate the applicable annuity factor.

SECTION 6. DETERMINING THE AMOUNT OF THE "LUMP-SUM SETTLEMENT" IF THE SETTLEMENT PROVIDES FOR PAYMENT IN A MONTH OR MONTHS FOLLOWING THE DATE THAT THE SETTLEMENT AGREEMENT IS SIGNED BY THE APPROVING AUTHORITY

1. If the lump-sum settlement is to be paid in a single payment but at a date subsequent to the effective date of the settlement agreement, then the single settlement payment must be converted into a single present value amount using the methodology of Section 6.5.B. The resulting present value shall be used as the amount of the lump-sum settlement for purposes of this Chapter.
2. If the lump-sum settlement is to be paid not as a single settlement payment, but instead is to be paid in installments, then the installment amounts must be converted into a single present value amount pursuant to the provisions of this Section. The resulting single present value shall be used as the "lump-sum settlement" for purposes of this Chapter.
3. The provisions of this Chapter do not apply if all of the installments to be paid pursuant to the lump-sum settlement agreement are to be paid in scheduled increments such that the total paid each month is less than or equal to the recipient's disability retirement benefit for that month in the absence of any reduction because of benefits payable under the workers' compensation or similar law ~~or the United States Social Security Act.~~ Instead, the recipient's disability retirement benefits shall be reduced in the same manner as if there had been no lump-sum settlement agreement.
4. Any part of the lump-sum settlement payment amounts attributable to vocational rehabilitation, attorneys' fees, physicians, nurses, hospital, medical, surgical or related fees or charges of any amount paid or payable under former Title 39, section 56-B for permanent impairment or under Title 39-A, section 212, subsection 3 for specific loss benefits shall not be included in any of the payment amounts for purposes of this Section.
5. The single present value of the settlement paid in installments shall be calculated as follows:
 - A. Determine the amount of the first installment payment if the first payment is scheduled to be issued in the same month or in the month immediately following the month that the settlement agreement is signed or otherwise approved by the approving authority.

- B. To determine the present value of any payment to be issued in a subsequent month, except for any installment amount to be paid for a “term certain and life thereafter,” apply an effective (“real”) interest rate of 7.75% per year.
- C. Determine the present value, using an effective (“real”) interest rate of 7.75% per year of any settlement installment amount to be paid for a certain term of years (“term certain”) and life thereafter as follows:
- (1) Add the recipient’s age as used in Section 5.3 to the number of years in the term certain.
 - (2) Using the sum obtained in Section 6.5.C.1, locate on Table X the corresponding figure in Column B.
 - (3) Divide the amount obtained in Section 6.5.C.2 by the figure in Column A in Table X corresponding to the recipient’s age as used in Section 5.3.
 - (4) Add the result in Section 6.5.C.3 to the annuity factor on Table Y corresponding to the number of months in the term certain.
 - (5) Multiply the result obtained in Section 6.5.C.4 by the installment amount to be paid annually for the term certain and life thereafter.
- D. Add the total results obtained in Sections 6.5.A, 6.5.B and 6.5.C.A to obtain the single value amount to be used as the amount of the “lump-sum settlement” for purposes of this Chapter.

The attached TABLES are an integral part of this Chapter:

TABLE ‘X’: Annuity Factors for use with installment settlement

TABLE ‘Y’: Annuity Factors (for installment settlements) corresponding with the number of months in term certain.

APA Office Note: the tables are available from the Maine Public Employees Retirement System.

STATUTORY AUTHORITY:

3 M.R.S.A. §853; 4 M.R.S.A. §1353(6); 5 M.R.S.A. §§ 17930(4) and 18530(4)

EFFECTIVE DATE

July 6, 1999

AMENDED:

June 21, 2006 – filing 2006-269

March 1, 2023 – filing 2023-033

BASIS STATEMENT FOR ADOPTION SEPTEMBER 11, 2025/STATEMENT OF COMMENTS

Notice of this proposed rulemaking was published July 23, 2025. This rule sets forth the methodology by which disability retirement benefits are reduced when a recipient receives a lump-sum settlement of benefits under the workers' compensation or similar act. The proposed amended rule removes language made obsolete by legislation effective September 24, 2025, that eliminates the reduction of disability retirement benefits for Social Security benefits.

A public hearing was held August 14, 2025. Two members of the public attended the hearing, one in-person¹ and the other remotely.² Both also offered written comments. Seven other members of the public offered written comments on the proposed amended rule.³ Comments offered were in support of the proposed amended rule⁴ or did not support, oppose, or suggest changes to the proposed amended rule. Two commenters suggested that the Board rename the rule to eliminate the reference to "similar law" for clarity.⁵ Commenters voiced concerns about transparency, actuarial assumptions, and Board education;⁶ described personal experiences;⁷ and advocated for further retroactive payments to some of those who had their benefits reduced under then-existing law.⁸

The statutory language will continue to refer to workers' compensation or similar laws, so it is appropriate for the title of the rule to include that reference. *See, e.g.*, 5 M.R.S. §19730(4)(A)(1). Further retroactive payments are beyond the scope of the proposed amended rule, are contrary to the legislation that led to the proposed amendment, P.L. 2025, ch. 270, and would result in increased costs to the trust fund.

Based on consideration of the comments received, staff recommends no changes to the proposed amended rule.

The Board concurs with this recommendation.

At the Board's regular meeting held on September 11, 2025, _____ made the motion, seconded by _____ to adopt the amendment to the rule and its basis statement. Voted _____.

¹ Susan Hawes, Portland

² Elizabeth O'Connor, Springvale

³ Melinda McKechnie, Fairfield; Rene Gagnon, Sanford; Wendy Fenderson, Limerick; Mark Evers, Millinocket; Anthony Pasquale, South Portland; Ronald Cole, Greenwood; Star Pelsue, Portland

⁴ Susan Hawes, Portland; Elizabeth O'Connor, Springvale; Melinda McKechnie, Fairfield; Rene Gagnon, Sanford; Wendy Fenderson, Limerick; Mark Evers, Millinocket

⁵ Susan Hawes, Portland; Rene Gagnon, Sanford

⁶ Susan Hawes, Portland; Elizabeth O'Connor, Springvale

⁷ Susan Hawes, Portland; Melinda McKechnie, Fairfield; Rene Gagnon, Sanford; Wendy Fenderson, Limerick; Mark Evers, Millinocket; Anthony, Pasquale, South Portland; Ronald Cole, Greenwood

⁸ Susan Hawes, Portland; Elizabeth O'Connor, Springvale; Melinda McKechnie, Fairfield; Rene Gagnon, Sanford; Wendy Fenderson, Limerick; Mark Evers, Millinocket; Anthony Pasquale, South Portland, Ronald Cole, Greenwood, Star Pelsue, Portland

Susan Hawes
Portland, Maine

**Rulemaking Comments in Response to
Maine Public Employee Retirement System 2025-P107
94-411, Chapter 510: “Reduction of Disability Retirement Benefits Because of
Lump-Sum Settlements of Benefits Payable under the Workers’ Compensation or
Similar Law or the United States Social Security Act”**
*(Calculation Procedures for the MainePERS Workers’ Compensation Offset
and MainePERS Social Security Disability Offset)*

Public Hearing Held August 14, 2025

My name is Sue Hawes. My husband was 48 in 2018 when lifelong epilepsy and resulting dementia ended his ability to work. After eleven years as a Corrections Officer and later Deputy Sheriff at the Cumberland County Jail, he was approved for MainePERS disability benefits. According to MainePERS, at age 70 in the year 2040, he will cross over from the disability program to regular service retirement.¹

My husband earned and contributed, along with his employer (the taxpayers of Cumberland County), toward the statutory disability defined benefit of 59% of his Average Final Compensation. To the contrary, since his disability effective date, he received less than that prefunded defined benefit amount—about \$75,000 less than he and his employer paid for in the defined benefit pension plan.

MainePERS had applied its Social Security Disability offset (“the offset”) without disclosing to him that the offset reduced his MainePERS benefit by \$900/month. Nor did they disclose that the offset reduces his annual COLAs. Ours was not a unique experience. Other disabled retirees say they too were not informed about the offset. As heard during testimony on LD 1638, some found out about the offset when they had to hand over to MainePERS most of their Social Security disability backpay due to the offset or when they were suddenly informed years later that they were indebted to MainePERS, thousands and thousands of dollars, via MainePERS clawing back claimed “overpayments” of benefits. The about \$50,000 in monthly

¹ With the recent repeal of MainePERS’s Social Security offset via PL 2025 Ch. 270, this date resets into the future. Pursuant to remaining statutes as exists in 2025, MainePERS disability department will “administer” his monthly check and monitor his “eligibility” for disability retirement even further into his old age. The department’s annual budget charges the system well over \$1,000/year in “operating” expenses per disabled retiree.

disability benefits withheld from these Maine workers and retained in the trust fund are documented by individual in the August 14, 2025, public Board meeting packet, page 265 of 343, column 5 “Amount Offset.”²

Only about 50 current retirees remained subject to this offset in 2025, all in the Participating Local District (PLD) plan. These members are a scant fraction of the over 150,000 total MainePERS members, and the PLD plan is funded entirely by PLD employers and employees—not the State of Maine.³

While I support the proposed Chapter 510 rulemaking beginning on page 177 in the Board’s August 14, 2025, public meeting packet, I make two requests of the Board:

1. Retitle the remaining rule for member-centric transparency and clarity to something along the lines of “Calculating the MainePERS Workers’ Compensation Offset.”⁴
2. Continuing the conversation which began during the July 10, 2025, Ch. 513 rulemaking public hearing, also regarding the repeal of the MainePERS Social Security offset, the Board of Trustees must release to the current 50 disabled retirees their disability benefits withheld in the retirement trust fund due to the MainePERS Social Security Disability offset.

This rulemaking implements the Legislature’s unanimous, bipartisan approval of LD 1638 (132nd), now Public Law 2025 Ch. 270, repealing the MainePERS Social Security offset. The

² Page 265 of 343 in today’s public Board meeting packet, contain the offset amounts provided to the actuary by MainePERS and to Ms. Hawes via FOAA. The data received by Ms. Hawes has an additional name OFFORD on the list of those disabled retirees with both the Workers Compensation (WC) offset and the MainePERS Social Security (SS) offset. MainePERS claims that no one with a last name alphabetically of P-Z has both offsets reducing the individual’s disability benefits. Improbably, the record provided thus far reports that fourteen (14) retirees impacted by both WC and SS offsets have surnames beginning with the letters between A-O and ZERO retirees with surnames beginning with the letters P-Z.

³ PLDs include a wide variety of employers—not just “municipal and local government” as often stated. The full list of participating PLD employers is at the end of each Annual Comprehensive Financial Report (ACFR). For example, MainePERS is a PLD employer. MainePERS employees are not in the state employee retirement plan. However, since they are state employees, they do not pay into Social Security. Therefore, the MainePERS Social Security offset would not be triggered to reduce the benefits of a MainePERS employee.

⁴ After Ch. 510 rulemaking is complete, the remaining rule content contains the MainePERS Workers’ Compensation Offset which similarly reduces disability benefits but when a public service employee is injured at work and permanently disabled and then settles with Workers Compensation or is receiving Workers Compensation benefits.

Legislature recognized this offset as inequitable, much like Congress's recent bipartisan repeal of Social Security's WEP and GPO offsets under the leadership of U.S. Senator Susan Collins.⁵

The MainePERS offset was even less defensible: affected members and their employers fully paid into both MainePERS and Social Security through the same public service job. Yet the offset reduced benefits only for members with Social Security-covered service, creating two classes of retirees with identical contribution histories:

- **With Social Security-covered service:** Received reduced MainePERS benefits if receiving Social Security disability (SSDI) income.
- **Without Social Security-covered service:** Received the full benefit.

As evidenced in the communications between the agency and its actuary cited below, the offset was not used to lower contribution rates in anticipation of paying less to this subset of disabled retirees. The revenue generated to MainePERS by withholding disability benefits due to the offset is unacknowledged but sits on MainePERS's balance sheet within the growing balance of the retirement trust fund.⁶

Belatedly disclosed by the agency, its longtime actuary, Cheiron, confirms what is clear over decades in the agency's Annual Comprehensive Financial Reports (ACFRs)--there exists **no actuarial assumption** for the MainePERS Social Security offset.⁷ See agency-actuary communications in the August 14, 2025, public Board packet PDF pages 225-266 of 343. I'll also note today's Ch. 510 rulemaking on pages 314-319 of 343.⁸

⁵ The Social Security Administration's two offsets reduced SS benefits for individuals receiving MainePERS retirement benefits earned through jobs where the employee did not pay into SS. The retirees impacted by the MainePERS SS offset fully paid into both retirement systems at the same public service job. Sen. Collins titled her bill the "Social Security Fairness Act."

⁶ In 2020, the trust fund value was \$15.6 billion. It reached \$21 billion in 2025. The funds historically underpaid to disabled public service retirees due to the offset account for some of the growth of the retirement trust fund.

⁷ Further background provided in Rulemaking 94-411 Ch. 513, 2025-P091, Hawes Ch. 513 Comments on July 16, 2025, and Additional Comments-Revised July 20, 2025, as well as the records attached to Wendy Fenderon's Ch. 513 comments. Also Hawes's LD 1638 testimony in the August 14, 2025, public Board Meeting packet on pages 198-206 of 343.

⁸ These pages include only the agency's text markup of rule Ch. 510 to remove the Social Security language. The rulemaking notice and fact sheet are not included in the board packet and worse, the Basis Statement is withheld from the public by the agency until just a handful of days before the public hearing. The Basis Statement is first

- **FOAA records (July 17, 2025)** – The records of communications with the actuary in your August 14, 2025, public Board meeting packet were released to the public July 17, 2025, and provided attached to Ms. Fenderson’s July 18 Ch. 513 rulemaking comments. These communications prove contribution rates were calculated as if these retirees were receiving the full 59% AFC benefit. See pages 225-266 of 343.

- **Unaccounted revenue from offset:** Approximately \$600,000 in disability benefits annually withheld from disabled retirees sits in the trust fund earning investment returns, representing about half of the FY 2026 MePERS disability unit’s annual budget.

- **March 1, 2025 Independent Audit:** Identified deficiencies in MainePERS’s actuarial process—such as the absence of actuarial process documentation and oversight. This March 1 actuarial audit was also belatedly released publicly and found in the separate MainePERS Board of Trustees Finance and Audit Committee (FAC) August 14, 2025, public meeting packet.⁹ Was the March audit report shared by MainePERS staff with the Legislature before the legislators relied on MainePERS’s rudimentarily flawed actuarial “cost” data during its deliberations on LD 1638 in April and May? See today’s public Board packet pages 187-192 of 343 containing the information provided to the legislature by MainePERS.

If the offset didn’t matter when setting contribution rates, it cannot be claimed by the actuary to create a “cost” when paying the defined benefits without the offset. **There is no legitimate actuarial or funding basis for withholding underpayments because the plan was funded as if the offset never existed.** The Board’s fiduciary duty requires it to

made available when the Board Clerk posts online the Board of Trustees’ public board meeting packet ahead of the Thursday meetings.

⁹ The August release of the March actuarial audit was 6 weeks after the July 1 retirement of the MainePERS Director of Actuarial and Legislative Affairs who reportedly served for 38 years in the role.

release the funds—which belong to the retirees—to restore them to the benefit level they and their employers paid for and were promised.¹⁰

Under 5 M.R.S. §17103, Trustees must act “solely in the interest of the participants and beneficiaries.” These fiduciary duties are not aspirational—they are statutory obligations that require the Board to ensure plan assets are used solely for the benefit of members. Retaining the remaining funds generated by the offset violates:

- **Violates Duty of Loyalty:** Funds withheld from monthly disability benefits due to the offset in the trust fund along with the unapplied COLAs amounts and associated investment earnings belong to the beneficiaries, not the System.
- **Violates Duty of Fairness:** Identical contributors must receive identical benefits in a defined benefit plan.
- **Violates Equity Principles:** Retaining these funds constitutes unjust enrichment at the expense of 50 of Maine’s most medically vulnerable public service retirees. Furthermore, by underpaying disability benefits, MainePERS shifts costs to taxpayer-funded social welfare programs instead of using the benefits already prefunded by taxpayers through their contributions to the system as public employers.

¹⁰ The absence of an assumption could lead to inaccurate calculations of the pension plan's liabilities and assets. By the actuary never evaluating the experience with the offset for use by the agency’s contribution rate setting bodies (Board of Trustees and PLD Advisory Committee), the actuary will underestimate or overestimate the funding required to meet future obligations. This writer’s June 6, 2025, FOAA for the Social Security and Workers Compensation data and information provided by MainePERS to the actuary for the most recent five-year experience report (2015-2020). This writer suspects the FOAA remains unfulfilled three months later because there are no “records, information, and communications specific to the workers compensation offset and Social Security offset provided [by MainePERS] to the actuary for the 2015 - 2020 experience study...” I believe, had any existed, Ms. Morin would have resolved the June 6th FOAA before retiring on July 1st.

I urge the Board to:

1. **Pay out the underpayments, with interest and COLAs, back to each of the 50 current retirees' disability effective date.**
2. **At minimum, provide 10-15 years of retroactivity**, which would capture most of the harm.

These remedies are fiscally minimal given the small number of affected retirees, but their impact will be life changing as described in the individual testimony given at the April 22nd LD 1638 public hearing. Much of the LD 1638 testimony is in the August 14, 2025, public Board meeting packet on pages 207-217 of 343, and this writer's testimony on pages 198-206.

The repeal of the offset through LD 1638 was a necessary first step toward fairness. But the Legislature's limitation of repayment to return only the benefits withheld since January 1, 2024, rests on flawed actuarial opinion and data provided to the legislators by MainePERS.

The Board now has the opportunity—and fiduciary duty—to correct this wrong in full. Paying out their underpayments to the 50 harmed disabled public servants will:

- Honor statutory promises
- Fulfill the Board's legal and fiduciary obligations
- Demonstrate member centric transparency and fairness in MainePERS governance
- Restore trust in the retirement system for members and taxpayers alike

In closing, these 50 retirees worked the same public service jobs, paid the same contributions, and should receive the same benefits. Anything less perpetuates inequity.

Thank you for your attention to these matters impacting the lives of your most vulnerable members.

My name is Elizabeth O'Connor and I live in Springvale, Maine. I am in support of today's rulemaking—the final rule change necessary to put into place the unanimous bipartisan decision of the Legislature to eliminate the MainePERS Social Security disability offset.

However, I request the MainePERS Board of Trustees find a way to make whole the 50 current disabled retirees underpaid by MainePERS about \$4 million dollars in disability benefits. The \$21 billion retirement trust fund has profited from the offset for fifty years. The \$4 million belongs to these retirees and the underpayments should be released to them.

I retired in 2019 from the City of Sanford, after 39 years as an administrative assistant. I am grateful to be here today to be able to give public comments in support of the 50 disabled retirees who are detrimentally financially impacted by the MainePERS Social Security disability offset.

I am not one of them. And not one on the list would have chosen to be on the list. Those of us who are able to get up and go to work and support ourselves and our families have much to be grateful for. As a retired union member, I always told fellow members, "We are the lucky ones! We have contracts, we have a voice!" Myself and all those on the list worked for employers paying into a system to protect us and our loved ones in case of disability. And we public service employees paid into it ourselves.

On June 11, 2025, a long persisting and terrible wrong was "righted" on a unanimous bipartisan vote. LD 1638 repealing the MainePERS Social Security offset was signed by Gov. Janet Mills. But a small number of our brothers and sisters in Maine are left behind. Through no fault of their own, through sickness or injury, they are no longer able to work. A "protection plan," MainePERS, was in place for these public employees. But this value of this protection plan has been unfairly diminished for these 50 people due to the MainePERS Social Security disability offset. These specific retirees have been unfairly penalized. Without action by the Board, this financial penalty could be permanent.

Listening to their stories I learned that these folks have had to adapt to their new normal—not being able to work and provide for themselves and their families. They, these 50, are dealing with debilitating illnesses, including multiple sclerosis, heart disease, cancer, organ failure, mental illnesses, Alzheimer's, epilepsy, and unescapable pain. Any of these illnesses could have happened to any of us.

They have had to face the fact that they can't provide for themselves or their families as they had planned. They have to face the fact that their spouses will not benefit from planned retirements through their employers as they had planned due to becoming disabled. You, the MainePERS Board of Trustees are their only source of correction. You are their only hope for justice and to be made whole.

Here, at this time, I am speaking from my own experience and observation. In very early training as a union representative, at a week-long training session at UConn, sponsored by AFSCME, a man with the last name of McCarthy emphasized to our class the very depth of the word fiduciary and the heaviness of the responsibility it carries. In the March 2025 Actuarial process audit, there is a box referencing **Organization Resilience, a Fiduciary Educational Program for Board of Trustees on Actuarial Practices, such as actuarial cost analysis.** Those of us who paid and those who continue to pay into MePers, have and some still do trust that MePers is looking out for our investment into our future. But actually under **Review and Assessment Results – Executive Summary**, the reference to fiduciary education program is stated word for word twice on pages 6 and 8. Has anyone on the Board of Trustees ever actually attended a “fiduciary education program for the Board of Trustees” on actuarial practices? Who is trained on actuarial science at the agency? Further, on the audit report, in response to the audit findings, “MainePERS has adopted a fiduciary education program for the Board of Trustees to receive training/education on actuarial practices annually” for the first time.

In closing, you may already have heard their stories. If not, please read the testimony attached to LD 1638 from the hour and a half long public hearing on the matter. Please listen and fix this. Do not leave these 50 Mainers permanently harmed. Thank you.

From: [REDACTED]
To: [RuleMaking](#)
Subject: CH 510 rule making
Date: Monday, August 25, 2025 3:53:08 PM

EXTERNAL EMAIL

This message was received from outside the MainePERS network. Extra caution should be used before clicking on any links or opening any attachments.

Melinda McKechnie

Fairfield, Maine

**Rulemaking Comments in Response to
Maine Public Employee Retirement System 2025-P107
94-411, Chapter 510: "Reduction of Disability Retirement Benefits
Because of Lump-Sum Settlements of Benefits Payable under the
Workers' Compensation or Similar Law or the United States Social
Security Act"**

(MainePERS Social Security Disability Offset)

Public Hearing Held August 14, 2025

My name is Melinda McKechnie. I live in Fairfield and have been receiving a MainePERS disability pension since 2014.

While I support the proposed rulemaking, I urge the MainePERS Board of Trustees to release my MainePERS Social Security offset underpayments in full and pay out my those benefits withheld from my pension since 2014. I paid for a 59% defined disability benefit. However, I have never received the entire benefit I and my employer paid for.

Moreover, I was approved for Social Security Disability a few months after I was approved for MainePERS disability retirement. Even though I notified MainePERS, they did not apply the MePERS Social Security offset until TWO YEARS later! MainePERS suddenly informed me that I owed back \$14,000 and I would receive no income from MainePERS until the amount was paid back. Thankfully I found an attorney who would represent me against MainePERS. The resulting agreement was a reduction in my monthly benefit spread out over 48 months. So with the monthly payback and the reduction of the offset for 48 months my income dropped about \$750 a month this had created much hardship in my financial situation.

I have had to apply for welfare benefits which I receive. This offset had put me below the poverty line. I and 50 others have been affected deeply by this offset. Please return my money to me. I need it.

Sent from AOL Mobile Mail

Rene Gagnon
Sanford, Maine

**Comments in Response to Maine Public Employee Retirement System Rulemaking 2025-P107 94-411,
Chapter 510: Reduction of Disability Retirement Benefits Because of Lump-sum Settlements of
Benefits Payable under the Workers' Compensation or Similar Law or the United States Social Security
Act (MainePERS Workers Compensation Offset and MainePERS Social Security Disability Offset)**

My name is Rene Gagnon and I live in Sanford. I am 63 years old. Thank you for the opportunity to offer public comments in support of this rulemaking which eliminates the MainePERS Social Security offset. However, in addition to suggesting you simplify the title to reflect the rule as it remains, containing the MainePERS Workers Compensation Offset, the Board needs to do more to reduce the harm the offset is causing to the 50 impacted retirees including me.

Prior to leaving my employment due to my medical condition, I worked as a truck driver for the City of Sanford for seventeen years. In 2013 I was removed from employment with the City as they deemed it unsafe for me to be driving and working around heavy equipment.

After approving my disability retirement application, MainePERS did not inform me or I did not understand that they were taking about \$700/month because of an offset. At the time my Average Final Compensation was \$38,559.10. Therefore my 59% disability benefit should have been a monthly benefit of about \$1900/month but instead I was started at \$1228/month in September 2014.

I was battling liver disease and was progressively becoming weaker and weaker. My medications alone cost me over \$800.00 monthly. My wife, Lisa, took a position at a local convenience store which allowed her the flexibility needed to take me back and forth to medical appointments, but also, at the same time, limited her income. We struggle to pay for our mortgage, property taxes, utilities, my life-sustaining medications plus to purchase food!

In 2015 I underwent a liver transplant which saved my life. My wife lost still more hours as her employer continued to allow her the time she needed to be there for me. Then 2024 came and I had to have a kidney transplant. Lisa had returned to working at a local branch of People's Bank. She again had to take

several weeks off because I needed someone with me around the clock for the first three weeks after the transplant. And I wish to let it be known, that throughout my son's adult life, so many times we would have lost our home, had he not stepped in and helped us both financially, physically and emotionally. It has been a hardship for us all.

We are still struggling and the mortgage is still there!!! The costs of everything are rising, including property taxes, heat, food and medication. Eliminating the Maine PERS Social Security Offset is the right thing to do. I am asking the Board to commit to making whole myself and the others on the list of 50 current disabled retirees detrimentally impacted. It is the right thing to do. I need the \$700/month that has been underpaid to me by MainePERS. In total I estimate MainePERS has underpaid about \$95K of my defined benefit.

It is not fair to leave my money continuing to benefit MainePERS. Receiving our withheld benefits is a huge deal for me. With all of the worries we have been dealing with, it would be a great comfort to me to know that things can be a little easier for us with the offset amount restored to my monthly benefits and receiving the underpayment—especially for my wife who has worked so hard to hold our home together and take care of me.

Thank you for your consideration of this critical request to the MainePERS Board of Trustees which will mean a lot to the 50 disabled retirees.

From: [Wendy Fenderson](#)
To: [RuleMaking](#)
Subject: Re: 2025- P107 Ch. 510 Rulemaking
Date: Tuesday, August 26, 2025 3:42:52 PM

EXTERNAL EMAIL

This message was received from outside the MainePERS network. Extra caution should be used before clicking on any links or opening any attachments.

Dear Mr. Brown,

Thank you for your acknowledgment of my comment on the proposed rule.

I want to emphasize the seriousness of this matter. The proposed rule is not a mere technical adjustment; it carries significant consequences for the rights and benefits of MainePERS members. Rules adopted by the Board of Trustees must be consistent with the governing statutes and the Maine Constitution. To the extent that this rule attempts to extend or reinterpret statutory authority in ways not expressly authorized by law, it risks creating both legal and constitutional conflict.

This is why I urge the Board to give the utmost consideration to the concerns raised in public comments. The process of rulemaking must not be treated as a formality, but as a safeguard to ensure that members' rights are protected, that statutory boundaries are respected, and that constitutional obligations are met.

Sincerely,

Wendy L Fenderson

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From: RuleMaking <RuleMaking@mainepers.org>
Sent: Tuesday, August 26, 2025 3:29:54 PM
To: Wendy Fenderson [REDACTED]

Cc: RuleMaking <RuleMaking@mainepers.org>

Subject: RE: 2025- P107 Ch. 510 Rulemaking

Dear Wendy Fenderson,

Thank you for commenting on the proposed rule. Your comments and other comments we receive will be considered by the Board of Trustees when deciding whether to adopt the proposed rule.

Sincerely,
Bill Brown

Bill Brown
Director of Actuarial and Legislative Affairs
MainePERS
139 Capitol Street
P.O. Box 349
Augusta, ME 04332-0349
c 207.242.9656
o 207.512.3109

From: Wendy Fenderson [REDACTED]
Sent: Monday, August 18, 2025 9:12 PM
To: RuleMaking <RuleMaking@mainepers.org>
Subject: Re: 2025- P107 Ch. 510 Rulemaking

EXTERNAL EMAIL

This message was received from outside the MainePERS network. Extra caution should be used before clicking on any links or opening any attachments.

“What MainePERS has done to disabled state workers for decades is astonishing. Even after reform requests in 2020, we are now in 2025 and the same patterns persist—arbitrary reductions, inconsistent rules, and gamesmanship that target the most vulnerable public servants. Too often, these harms are ignored by oversight bodies, leaving disabled retirees and their families to navigate a system stacked against them. This rulemaking provides an opportunity not just to correct a single policy, but to confront a long-standing institutional failure and restore accountability.”

Wendy L Fenderson

Limerick, Maine

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From: Wendy Fenderson [REDACTED]
Sent: Saturday, August 16, 2025 7:24:55 PM

To: RuleMaking@mainepers.org <rulemaking@mainepers.org>

Subject: 2025- P107 Ch. 510 Rulemaking

Wendy Fenderson

Limerick, Maine

Rulemaking Comments in Response to

Maine Public Employees Retirement System 2025-P107

94-411, Chapter 510: Reduction of Disability Retirement Benefits Because of Lump-Sum Settlements of Benefits Payable under the Workers' Compensation or Similar Law, or the United States Social Security Act

(Content Remaining in Rule after Proposed Rulemaking: Calculation Procedures for the MainePERS Workers' Compensation Offset)

Public Hearing Held August 14, 2025

To the MainePERS Board of Trustees:

I write in strong support of the proposed amendment to Chapter 510, which would finally repeal the use of the MainePERS Social Security Disability Insurance (SSDI) offset in calculating MainePERS disability retirement benefits. This change is long overdue and essential to restoring fairness and justice to those who have suffered under a harmful and now-repealed policy.

Although I was not directly affected by the SSDI offset, I waited nearly five years for MainePERS to complete my disability determination. That delay deprived me of income, stability, and the ability to plan for my future

—with no interest paid and no formal accountability. The harm may not have been financial in the same way, but it was deeply personal and life-altering.

For many others, the harm was both prolonged and financial. MainePERS' own data show that more than 50 disabled retirees had their pensions reduced by an average of \$975 per month—some by over \$1,300—simply because they received SSDI, a federal benefit earned through payroll contributions. These reductions were not only unjust and non-transparently administered by MainePERS, they imposed the harshest version of the policy on disabled public servants who had no choice but to depend on both SSDI and MainePERS.

SSDI is a federal insurance program, funded by payroll taxes. Reducing MainePERS pensions because of SSDI receipt effectively punished retirees for having paid into a safety net that was never intended to relieve MainePERS of its own obligations. MainePERS' own actuary confirmed that the SSDI offset had no measurable financial benefit to the trust fund. It failed actuarially—and ethically.

This is not just about ending one bad policy. It reflects a broader institutional mindset that treats any external support—whether SSDI, legal settlements, or private insurance—as an excuse to reduce what Maine has already promised its workers. That is fundamentally wrong.

Accordingly, I respectfully request the following:

1. Disclosure of the titles and professional credentials of all MainePERS staff involved in SSDI offset enforcement, FOAA compliance, and the legal interpretation of Chapter 510 before and after its repeal.
2. An explanation of the statutory authority MainePERS relied on to continue applying the SSDI offset to PLD members after the

Legislature repealed that authority for state and teacher members in 1995.

3. Confirmation that MainePERS will return all withheld SSDI offset amounts, retroactive to each retiree's original date of disability, not merely January 2024.

I further urge the Board to:

- Adopt the proposed repeal of Chapter 510 and end the MainePERS SSDI offset once and for all;
- Commit to full retroactive repayment for affected PLD members;
- Prohibit any future policy or interpretation that reduces earned pension benefits based on federal, private, or legal income sources unrelated to MainePERS.

You are stewards of a trust—not only of funds, but of lives lived in public service. That trust has been broken for too long. This rule change is a long-awaited step in the right direction.

Now finish the work.

Respectfully submitted,

Wendy L Fenderson

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Note: Regular e-mail communications are not secure. In order to safeguard sensitive information, we recommend using secure e-mail when sending Social Security Numbers, account numbers and other detailed financial information via e-mail. Please contact a MainePERS representative to enable secure e-mail. You may reach MainePERS at 1-800-451-9800 between 8:00 a.m. and 4:00 p.m., Monday through Thursday.

From: [HEIDI OSGOOD-EVERS](#)
To: [RuleMaking](#)
Subject: Ch. 513 rulemaking comments
Date: Saturday, August 23, 2025 8:02:44 AM

EXTERNAL EMAIL

This message was received from outside the MainePERS network. Extra caution should be used before clicking on any links or opening any attachments.

My name is Mark Evers. I live in Millinocket where I worked as a Fire Fighter/Paramedic for nearly 30 years. I have been a MainePERS disabled retiree since I was injured at work and forced to retire in July of 2022. I support the rulemaking proposed for Ch. 510, repealing the MainePERS Social Security disability offset. However, I ask the Board of Trustees to pay out my withheld benefits in total, I believe about \$33,000.

Becoming disabled from a workplace injury greatly affected my quality of life. I am unable to perform many daily tasks. My monthly MainePERS disability pension is \$1991.40/month because of the Social Security offset and the Workers Compensation offset. I need to pay someone to do home repairs, vehicle maintenance, even cutting the grass.

Having paid into both MePERS and Social Security in my "Social Security covered job" in the Participating Local District retirement plan, it is very disheartening to not receive earned benefits from my contributions. Even the cost of health insurance, Medicare, a supplemental plan, and drug coverage is significantly more than I ever paid while working.

All these added costs associated with being disabled, the burden would be greatly lessened if I was to receive all of the retirement income which I earned but was withheld in the trust fund.

When going to work, day after day, over the years, you are contributing to what you believe to be programs that will take care of you when you retire or if something should happen. In reality, it is just an illusion. With the offsets, you are not receiving the benefits you paid for and perceived would be there. In reality you are held to a figure of 80% of income which is inadequate, considering all the added expenses that come with being disabled. According to the National Disability Institute, "Households with an adult experiencing a work-limiting disability require approximately 28% more income, which equates to about \$17,690 extra per year at the median income level." See "The Extra Costs of Living with a Disability--Resetting the Policy Table," National Disability Institute, October 2020.

This proposed rule repeals the MePERS Social Security disability offset but only partially restores to me the money MainePERS deducted from my monthly check. I urge the MainePERS Board of Trustees to do the right thing and take the steps necessary to release these funds in full to the 50 current disabled retirees harmed by the offset.

Respectfully submitted,
Mark Evers

From: [Tony Pasquale](#)
To: [RuleMaking](#)
Subject: Ch510 rule making comments
Date: Sunday, August 17, 2025 3:11:36 PM

EXTERNAL EMAIL This message was received from outside the MainePERS network. Extra caution should be used before clicking on any links or opening any attachments.

Anthony Pasquale
South Portland, Maine

August 14, 2025

Comments in Response to Maine Public Employee Retirement System Rulemaking 2025-P107
94-411 Chapter 510: REDUCTION OF DISABILITY RETIREMENT BENEFITS BECAUSE OF LUMP-SUM SETTLEMENTS OF BENEFITS PAYABLE UNDER THE WORKERS' COMPENSATION OR SIMILAR LAW

My name is Anthony Pasquale. I worked as a Public Safety Dispatcher for the City of South Portland for about 23 years. I was an active call company firefighter/EMT for over thirty years as well. I have been a MainePERS disabled retiree since a MS diagnosis and its progression forced me into retirement in 2022 at age 52.

This spring the legislature repealed the MePERS Social Security disability offset and as I understand it, restored to me about \$1,200/month, the monthly disability benefits I have been unfairly underpaid by MainePERS due to the MePERS Social Security offset. Now, I understand that MainePERS is only restoring about half of what is 100% mine. I am outraged. This is unacceptable. Albeit something is better than nothing, this is still wrong.

MPERS, in my eyes, is stealing from me and holding monies that belong to me, that I desperately need to live on. I estimate my underpayment is over \$50K. Our underpayments do not belong to you. I expect and demand that you do what is right, do what you were sent there to do, represent, protect, and do the right thing as the fiduciaries. I can only imagine that if you or a loved one was a victim of this same situation that you would be as angry and frustrated as we are.

The system has been stealing from some of us among those who are unfortunately now disabled and unable to earn income due to our disability. Allow us to collect the benefits we earned and paid for with our contributions at 100%, it's our money not yours.

WE need this as a matter of survival day to day, week to week, month to month. Allowing us to collect what is rightfully ours at 100% is not going to make any of us richer, it's only going to allow us to better afford the necessities needed for us to live.

Sadly, even collecting our monies at 100% I fear we will still be falling short with the current cost of living, but at least the gap will be less than what we are facing with only a fraction of freeing up the monies that are ours. Please do what is necessary to make us whole rather than left permanently financially penalized for becoming disabled into the future.

These monies are not impacting the states budget at all. These monies are not tax dollars from the general public. These monies represent the defined benefit we paid for and earned from OUR contributions from OUR paychecks when we were able to work.

MPERS withholding any of these monies is wrong. The system has no right to steal from us. Please do the right thing and restore us to 100% of our monies. Thank you.

Sent from my iPhone

From: [Ronald Cole](#)
To: [RuleMaking](#)
Subject: Chapter 510 Rule making MEPERS
Date: Tuesday, August 19, 2025 9:06:14 AM

EXTERNAL EMAIL

This message was received from outside the MainePERS network. Extra caution should be used before clicking on any links or opening any attachments.

Ronald Cole
Greenwood, Maine

Comments in Response to
Maine Public Employee Retirement System
Rulemaking 2025-P107
94-411, Chapter 510: REDUCTION OF DISABILITY RETIREMENT
BENEFITS BECAUSE OF LUMP-SUM SETTLEMENTS OF
BENEFITS PAYABLE UNDER THE WORKERS' COMPENSATION
OR SIMILAR LAW
(aka "MainePERS Workers Compensation Offset" and
"MainePERS Social Security Disability Offset")

Public Hearing Held August 14, 2025

My name is Ronald Cole. I live in Greenwood, Maine, and I support the proposed rulemaking for Ch. 510.

I have been receiving a MainePERS disability pension since January 2016. My MEPERS disability benefit is \$250/month.

I was approved for MEPERS disability retirement in 2015. Originally my MEPERS monthly benefit was \$1,136.00 more or less, then it was cut to \$250 with \$800 going to my ex-wife. After I called and questioned why, I was informed MainePERS made a mistake.

Suddenly, after approximately 2 to 3 years, MEPERS informed me that I owed \$8,600 from them overpaying me and I would have all

my monthly benefits withheld—all but \$5.50/month from MainePERS until the amount was paid back. After the overpayment was completed, my benefit was \$250 per month.

So with the monthly pay back, the reduction of my benefits for 36 months my income dropped about \$850 a month, or approximately 47% of my total income. This created such a financial hardship; I had to file for bankruptcy which added to an already difficult situation. My bankruptcy attorney, who I provided copies of the documents from MEPERS questioned the low amount of the benefit but said it would cost more to fight it in court with the attorney fees and continuances that no doubt would occur.

The MainePERS Social Security and Workers Compensation offsets have put me below the poverty line. My income is low enough that I don't have to file taxes, however I do anyway.

This offset is wrong and the underpayments of our benefits should be paid to us by the Board of Trustees. I and 50 other current MainePERS disabled retirees have been harmed by this offset.

SINCERELY,
Ronald Cole

From: [Star Pelsue](#)
To: [RuleMaking](#)
Subject: Rulemaking Ch. 510 – Make Harmed Disabled Retirees Whole
Date: Monday, August 25, 2025 12:05:16 PM

EXTERNAL EMAIL

This message was received from outside the MainePERS network. Extra caution should be used before clicking on any links or opening any attachments.

Dear MainePERS Board of Trustees,

On April 22, 2025, the Committee on Labor held a hearing on LD 1638, *An Act Regarding Disability Retirement Benefits Under the Maine Public Employees Retirement System*, sponsored by Senator Jill Dusen. I participated in that hearing and was deeply moved by the testimony from Maine residents who dedicated their lives to public service—firefighters, dispatchers, custodians, school support staff, corrections officers, sheriff’s deputies, and many more. These 50 disabled retirees represent the backbone of our communities, and yet their benefits were withheld unjustly.

I was grateful to see Governor Mills sign LD 1638 into law. Now it is time for MainePERS to do its part by returning the full amount of the funds owed to these retirees, rather than continuing unjust enrichment at their expense.

It was my honor to speak on behalf of Anthony Pasquale, a longtime South Portland Public Safety Dispatcher and firefighter/EMT for over thirty years. His story is just one among many that demonstrate how urgently this injustice must be corrected.

As a former Maine educator, I am grateful that our Congressional delegation stood united to pass the Social Security Fairness Act, knowing it was the right thing to do. The same principle applies here—neighbors helping neighbors, restoring what was wrongfully withheld, and making these retirees whole.

Please stand with these disabled retirees and ensure fairness by returning the full benefits that are rightfully theirs. This is MainePERS fiduciary responsibility, and it's time to act.

Respectfully,
Star Pelsue
Portland, Maine



MainePERS
PUBLIC EMPLOYEES RETIREMENT SYSTEM

Comments Received
Proposed Rule Chapter 510
September 11, 2025

Rule 510 Comments

- The proposed rule change merely deletes obsolete language.
- The elimination of Social Security offsets retroactively has already been addressed.
- No commenter opposed the proposed language deletions.
- Two commenters proposed changing the title of Rule 510, but we believe the title accurately reflects the law being administered.
- Other comments did not address proposed rulemaking.

Rule 510 Comments

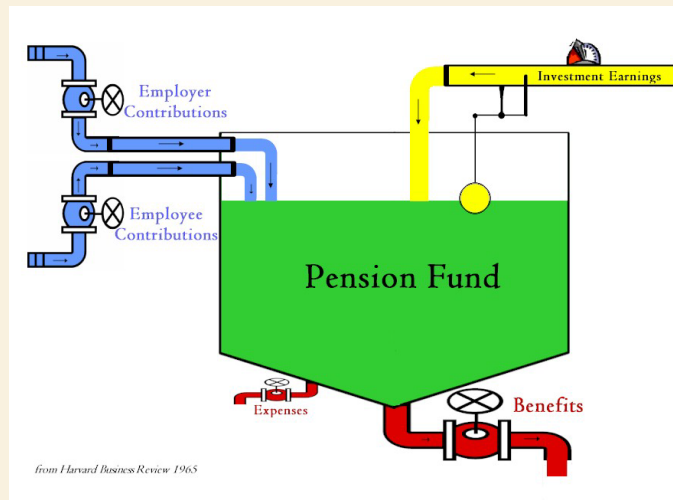
- Background on Social Security Offsets
 - Offsets were not a MainePERS policy or creation.
 - They were adopted in statute by the Legislature in 1975 after a two-year commission study of disability retirement.
- How they Worked
 - The law required disability benefits be reduced if the combination of disability retirement and Social Security disability benefits exceeded 80% of pre-disability earnings (MainePERS-covered and other).
 - The original legislative proposal in 1975 was a dollar-for-dollar reduction.
 - Similarly, the Social Security Administration reduces their disability benefits to a similar 80% of pre-disability earnings if certain other disability benefits are received (but not MainePERS disability retirement benefits).
 - Other states vary from no reduction to dollar-for-dollar.

Rule 510 Comments

- LD 1638 – Elimination of Social Security Offsets
 - As originally proposed, the bill would have eliminated offsets and paid retroactive benefits plus COLAs and interest (at 10.5%) to certain members – those currently being offset.
 - Retroactive to when benefits first offset – in some cases, more than two decades ago
 - Analogized to federal repeal of WEP/GPO
 - Law as enacted followed WEP/GPO model – elimination was retroactive to 1/1/2024 without elevated interest.
 - The Board adopted this legislation into the PLD Consolidated Plan by rulemaking last month at the recommendation of staff and the PLD Advisory Committee.

Rule 510 Comments

- Comments Seeking Further Retroactive Payments
 - The figure of \$4 million is given – that was the cost for paying retroactive benefits under the original version of LD1638, which was rejected by the Legislature.
 - The total cost with COLAs and interest at 10.5% was more than \$10 million
 - The comment that paying further retroactive amounts would not affect funding is not accurate.
 - Paying money out of the trust fund reduces assets, which impacts funding.



Rule 510 Comments

- Comments Seeking Further Retroactive Payments
 - It is not accurate to say disability retirees paid for a benefit they did not get.
 - They paid for benefits provided in the existing plan laws and rules (which included an offset).
 - Although members in the same plan pay the same rates, no two members end up with the same benefit experience – that is fundamental to defined benefit plans.
 - Like the service retiree who outlives their life expectancy, a member on disability retirement likely will receive benefits in excess of what was funded by their and their employer's contributions.
- The new law represents a change in policy by the Legislature, which they have chosen to make effective 1/1/2024.

Rule 510 Comments

- Other Comments
 - Disclosure of Offsets
 - MainePERS has regularly advised applicants regarding offsets.
 - This is covered during intake and in written information provided to the retiree.



Disability Retirement Program Frequently Asked Questions

○ Workers' Compensation and Social Security Benefits

You may receive Workers' Compensation or Social Security disability benefits concurrently with disability retirement. However, your MainePERS payment will be reduced (i.e. offset) by the amounts received from other sources if they are being paid for the same incapacitating condition.

Rule 510 Comments

- Other Comments
 - Internal Audit of Actuarial Practices
 - No critical or major deficiencies found.
 - No finding or observation of any inaccuracy in any actuarial reports.
 - Three weaknesses were observed, all limited to not having formal documentation of existing practices and controls in place.
 - The auditors noted no improvement needed in Board actuarial education.
 - Cheiron presents annual education, most recently at the June 2025 meeting.

MAINEPERS

BOARD OF TRUSTEES INVESTMENTS MEMORANDUM

TO: BOARD MEMBERS
FROM: JAMES BENNETT, CHIEF INVESTMENT OFFICER
SUBJECT: MONTHLY INVESTMENT REVIEW
DATE: SEPTEMBER 2, 2025

Following this memo is the Monthly Investment Review for August.

POLICY REFERENCE

[Board Policy 2.1 – Investment Policy Statement](#)

[Board Policy 4.5 – Board/Staff Relations](#)

[Board Policy 4.6 – Communication and Support to the Board](#)

MONTHLY INVESTMENT REVIEW: HIGHLIGHTS AND OBSERVATIONS

Preliminary Fund results for the month include:

- Month-end fund value of \$21.3 billion.
- Monthly return of 0.9%.
- Calendar year-to-date return of 6.7%.
- Fiscal year-to-date return of 1.2%.



MainePERS
PUBLIC EMPLOYEES RETIREMENT SYSTEM

Investment Review

September 11, 2025

Investment Policy Objective

Investment Objective

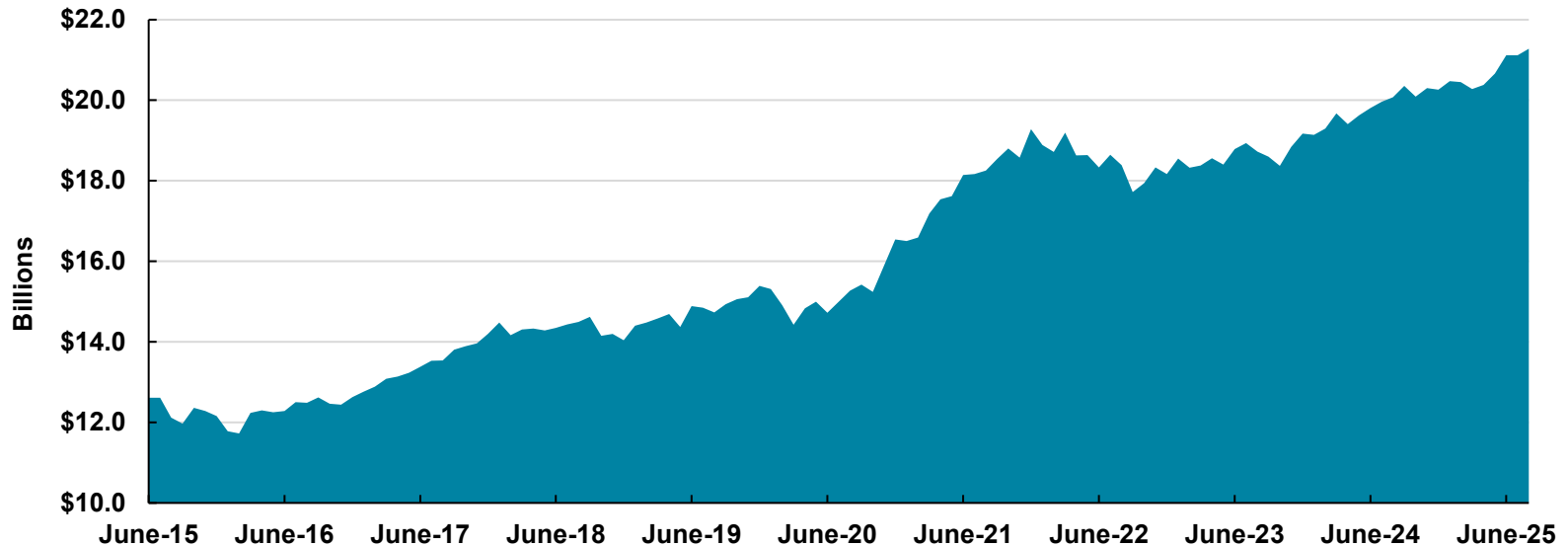
MainePERS' investment objectives balance the System's twin goals of generating investment returns (to ensure growth of the trust funds) and minimizing investment risks (loss of capital and cash flow shortfalls).

The Board recognizes and accepts that these goals are in opposition, and that a trade-off exists between expected risk and return. The Board balances these goals by seeking to optimize portfolio returns consistent with an established targeted portfolio risk level.

Additionally, by optimizing investment returns on trust assets, rather than attempting to maximize them, the Board seeks to maintain contribution rate and funding level volatility at acceptable levels that have been determined from time to time during strategic asset allocation planning and asset/liability reviews.

August 2025 Performance (Preliminary)

The **preliminary** fund value at the end of August is \$21.3 billion.

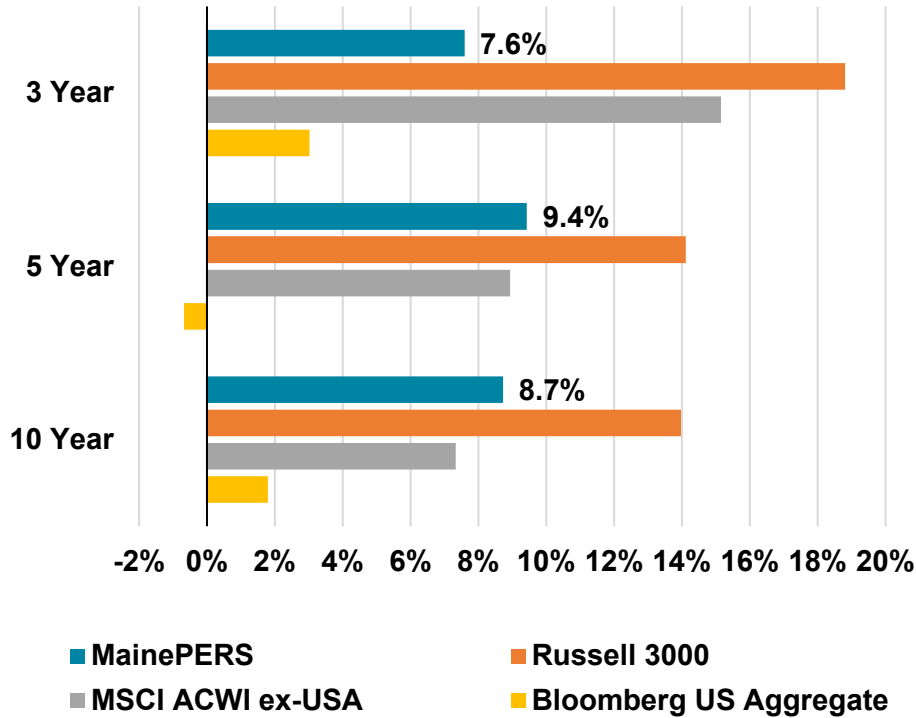


Fund and Benchmark Returns

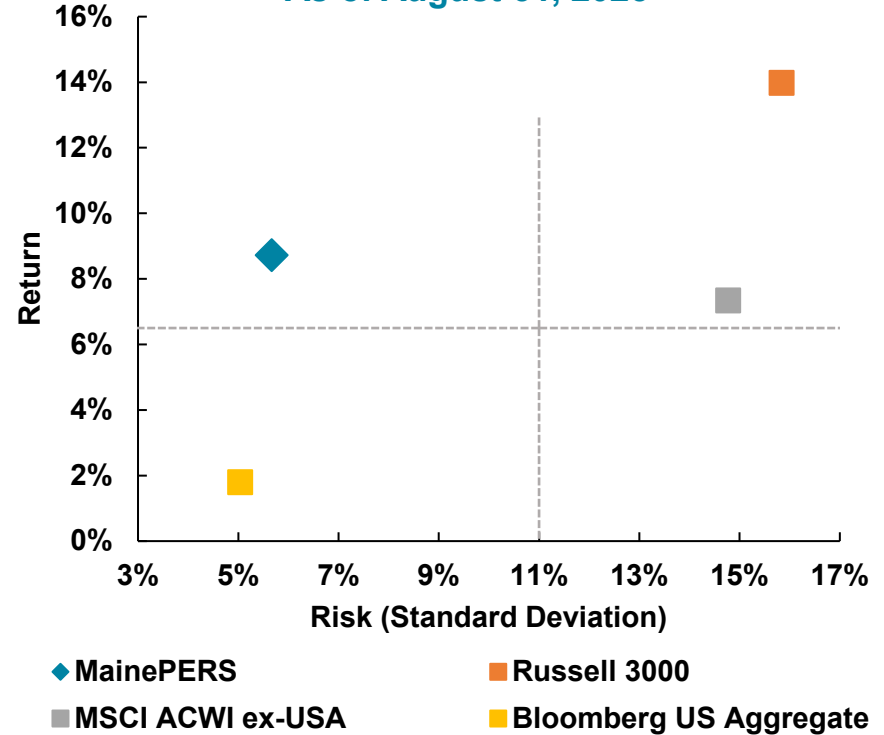
	August 2025	CYTD 2025	FYTD 2025	1 Year
MainePERS	0.9%	6.7%	1.2%	8.9%
Russell 3000	2.3%	10.6%	4.6%	15.8%
MSCI ACWI ex-USA	3.5%	21.6%	3.2%	15.4%
Bloomberg US Aggregate	1.2%	5.0%	0.9%	3.1%

Long-Term Performance & Risk

Annualized Performance
as of August 31, 2025



Ten-Year Annualized Risk & Return
As of August 31, 2025



- Fund returns have exceeded the System's discount rate over the long term
- U.S. allocations buoyed MainePERS performance over all periods
- Diversification has resulted in strong risk/return profile over trailing 10 years
 - Substantially lower risk than global equity markets

August 2025 Asset Allocation (Preliminary)

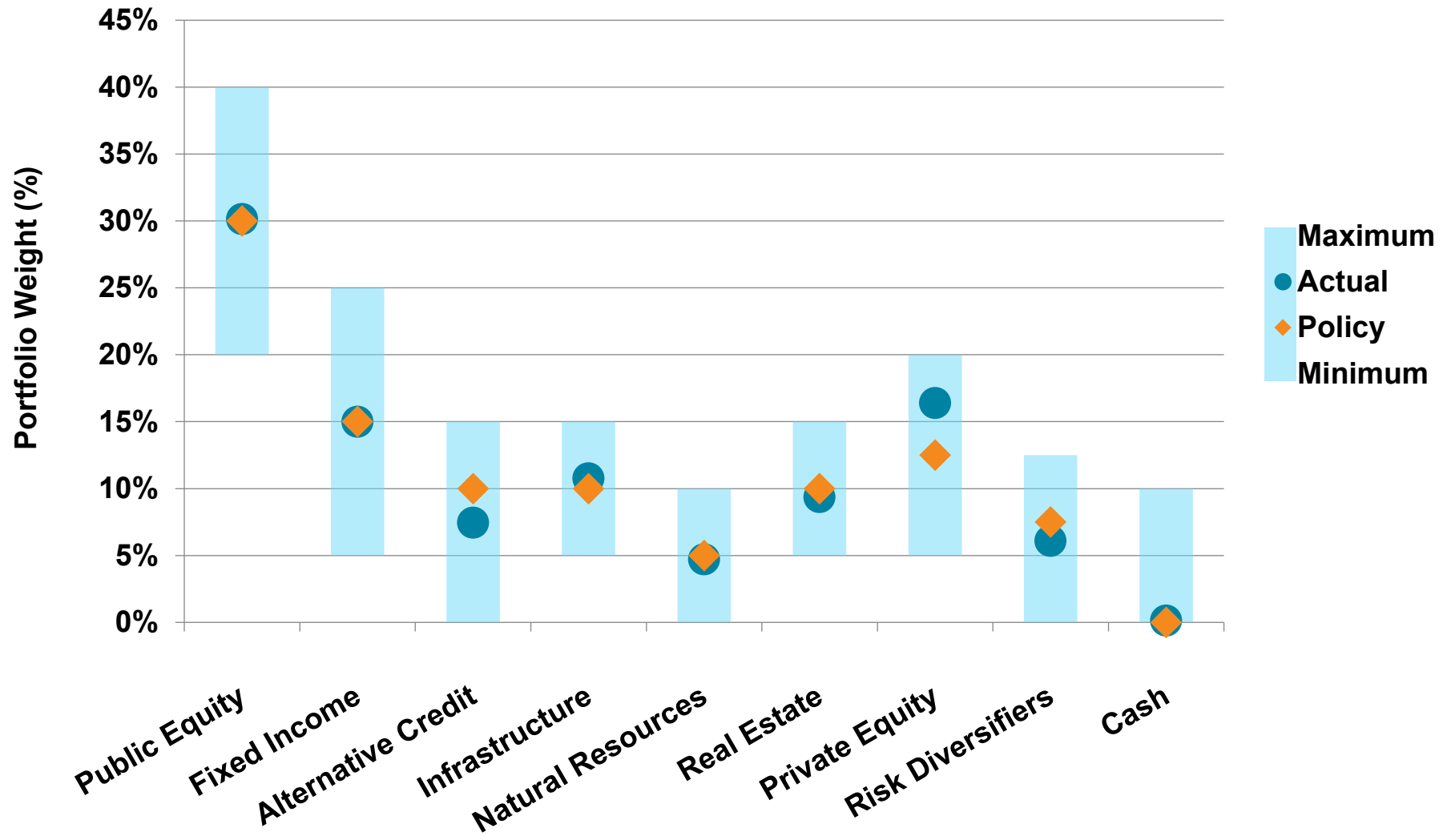
Assets (Millions)	Value	% of Fund	Policy %
MainePERS Portfolio	\$21,279	100.0%	100.0%
<i>Domestic Equity</i>	\$ 4,182	19.7%	19.5%*
<i>International Equity</i>	\$ 2,232	10.5%	10.5%*
Public Equity	\$ 6,414	30.1%	30.0%
Fixed Income	\$ 3,191	15.0%	15.0%
Alternative Credit	\$ 1,583	7.4%	10.0%
Infrastructure	\$ 2,289	10.8%	10.0%
Natural Resources	\$ 1,002	4.7%	5.0%
Private Equity	\$ 3,488	16.4%	12.5%
Real Estate	\$ 1,990	9.4%	10.0%
Risk Diversifiers	\$ 1,294	6.1%	7.5%
Cash	\$ 27	0.1%	0.0%

* Allocation between Domestic Equity and International Equity corresponds to MSCI ACWI weights.

Portfolio weights for most asset classes remain near MainePERS Investment Policy asset allocation weights.

Private equity remains overweight at ~16.4% of Fund value, and private markets assets in aggregate comprise 48.7% of the overall portfolio, above the 47.5% policy weight.

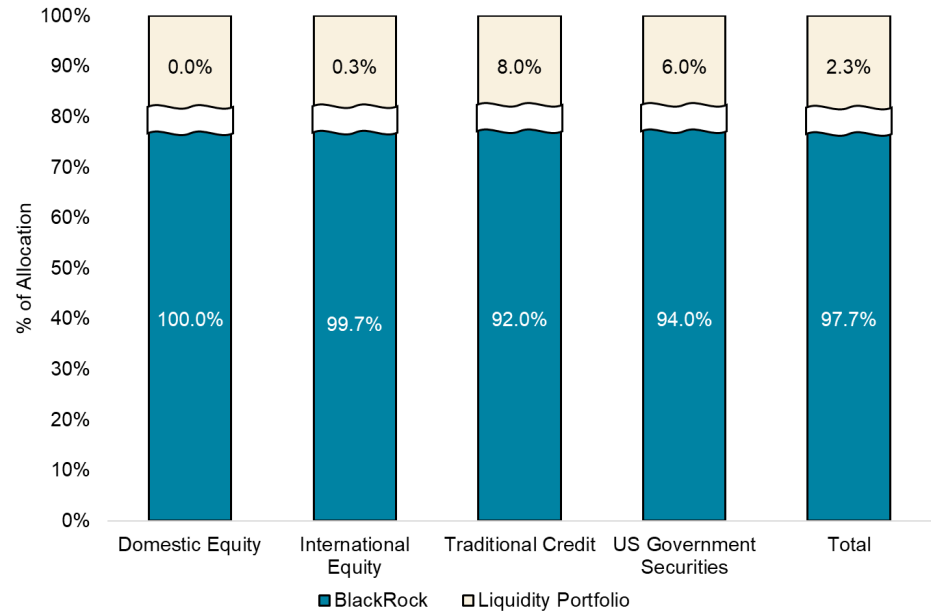
August 2025 Asset Allocation (Preliminary)



Public Securities: Liquidity Portfolio

At the end of August, 1.0% of Fund assets were invested via ETFs and futures contracts in accounts managed by Parametric Associates.

The Liquidity Portfolio accounts for 2.3% of MainePERS' total exposure to public securities.



MainePERS Liquidity Portfolio	Market Value (Millions)	Exposure Type
Parametric Domestic Equity	\$0.0	Futures
Parametric International Equity	\$7.7	Futures
Parametric Traditional Credit	\$85.9	ETFs
Parametric US Government Securities	\$126.4	Futures
Total Liquidity Portfolio	\$220.0	

Derivatives and Leverage

MainePERS has **exposure to derivatives** in the following areas:

- Public Equities, Public Fixed Income, and Risk Diversifiers

MainePERS has **financial leverage** (borrowing and investing) in the following areas:

- BlackRock – Financial leverage in securities lending
- JP Morgan – Financial leverage in securities lending
- Alternative Credit
- Infrastructure
- Natural Resources
- Private Equity
- Real Estate

Investment Related Fees: August 2025

Description	FY 26	FY 25	FY 24	FY 23	FY 22
Investment Mgmt. Fees	\$21,531,773	\$129,190,635	\$131,940,081	\$135,770,817	\$130,884,088
Securities Lending Fees ¹	83,425	1,100,903	1,356,735	1,303,543	1,744,317
Consulting Fees	202,500	1,215,000	1,215,000	1,193,543	1,120,000
Broker Commissions ²	14,934	120,217	77,495	136,039	77,558
Placement Agent Fees	0	0	0	0	0
Total	\$21,832,632	\$131,626,755	\$134,589,311	\$138,403,942	\$133,825,963
Percentage of Fund ³	0.62%	0.62%	0.68%	0.74%	0.73%

1. Securities Lending Fees are through 7/31/2025
2. Actual paid commissions reported by JP Morgan
3. For FY26: Total fees projected for the full fiscal year (\$130,995,790) divided by current Fund value.
For prior FY: Total fees divided by FYE Fund value.

Securities Lending: July 2025

	Average Lendable Assets	Average Assets On Loan	Total Sec Lending Revenue	Revenue Split	MainePERS Net Income	MainePERS Net Income, FYTD
BlackRock						
Fixed Income	\$2,453,990,208	\$1,434,655,913	\$122,187	60%/40%	\$73,312	\$73,312
Total Equity	\$2,016,866,822	\$192,971,633	\$88,312	60%/40%	\$57,314	\$57,314
Total Blackrock	\$4,470,857,030	\$1,627,627,546	\$210,499		\$130,626	\$130,626
JP Morgan						
Domestic Equities	\$3,883,727,768	\$156,048,593	\$23,697	85%/15%	\$20,144	\$20,144
Total JP Morgan	\$3,883,727,768	\$156,048,593	\$23,697		\$20,144	\$20,144
Total	\$8,354,584,798	\$1,783,676,139	\$234,196		\$150,770	\$150,770
Total Annualized Securities Lending Income, FY 2026:						
				\$1,809,246 (0.01%, or 0.8 bps)		
Total Actual Securities Lending Income, FY 2025:						
				\$1,945,362 (0.01%, or 0.9 bps)		

Liquidity Schedule: August 2025

Term	Market Value	Percent of Portfolio
Liquid ¹	\$9,632m	45.3%
Semi-Liquid ²	\$2,291m	10.8%
Illiquid ³	\$9,355m	44.0%
Total	\$21,279m	100.0%

<u>Sources and Uses of Liquidity</u>		
	Last 12 Months Actual	Next 12 Months Projection
Private Markets Activity		
Capital Contributions	-\$1,019m	-\$790m
Distributions	\$1,705m	\$1,520m
Net Private Markets Activity	\$686m	\$730m
Benefit Payments	-\$480m	-\$480m
Net Cash Flows	\$206m	\$250m

¹Liquid assets includes public equities and public fixed income

²Semi-liquid assets includes risk diversifiers, open-end real estate investments, and listed alternative credit funds

³Illiquid assets includes closed-end alternative credit, infrastructure, natural resources, private equity, real estate funds and risk diversifiers

MainePERS Alternative Investments Summary

<i>as of 08/31/2025</i>	# of Funds	# of GP Relationships
Alternative Credit	28	13
Infrastructure	36	11
Natural Resources	16	10
Private Equity	135	36
Real Estate	36	18
Risk Diversifiers	13	12
Total*	264	91

*GP Total may not add due to overlapping relationships

Currently, MainePERS is invested in 264 funds, and has 91 distinct manager relationships.

MainePERS Alternative Investments Summary

(in \$millions) as of 08/31/2025	Current Market Value			Unfunded Commitment	
	Dollars	% of Fund	Policy %*	Dollars	% of Fund
Alternative Credit	\$ 1,583	7.4%	10.0%	\$ 1,043	4.9%
Infrastructure	\$ 2,289	10.8%	10.0%	\$ 408	1.9%
Natural Resources	\$ 1,002	4.7%	5.0%	\$ 220	1.0%
Private Equity	\$ 3,488	16.4%	12.5%	\$ 1,031	4.8%
Real Estate	\$ 1,990	9.4%	10.0%	\$ 221	1.0%
Risk Diversifiers	\$ 1,294	6.1%	7.5%	\$ 64	0.3%
Total Alternatives	\$ 11,647	54.7%	55.0%	\$ 2,988	14.0%

For more details please see Private Markets Investment Summary at <http://www.mainebers.org/Investments/>

*Investment Policy weights approved by the Board of Trustees effective May 2022

Note: Market values shown above are preliminary estimates. Private market asset values are based on 03/31/2025 values, adjusted for subsequent cash flows.

(in \$millions) as of 08/31/2025	Private Market Commitments by Vintage Year				3-Year Average ¹
	2022	2023	2024	2025	
Alternative Credit	\$ 550	\$ 80	\$ 175	\$ 518	\$ 268
Infrastructure	\$ 200	\$ 50	\$ 25	\$ 100	\$ 92
Natural Resources	\$ 30	\$ 40	\$ -	\$ -	\$ 23
Private Equity	\$ 218	\$ 71	\$ 274	\$ 73	\$ 188
Real Estate	\$ 180	\$ 50	\$ 35	\$ 35	\$ 88
Total Commitments	\$ 1,178	\$ 291	\$ 509	\$ 726	\$ 659

¹3-Year Average: 2022-2024

MainePERS Private Market Investments Summary: 03/31/2025

Asset Class Summary	Commitment (A)	Amount Contributed (B)	Total Distributions (C)	Current Market Value (D)	Total Value (C+D)	Interim Net IRR
Alternative Credit	\$ 2,961,090	\$ 2,415,840	\$ 1,561,691	\$ 1,411,584	\$ 2,973,275	7.9%
Infrastructure	\$ 3,462,815	\$ 3,788,140	\$ 3,350,505	\$ 2,314,939	\$ 5,665,444	10.9%
Natural Resources	\$ 1,060,500	\$ 1,146,603	\$ 497,689	\$ 1,015,469	\$ 1,513,158	5.5%
Private Equity	\$ 5,192,474	\$ 5,301,976	\$ 5,023,081	\$ 3,647,179	\$ 8,670,260	14.5%
Real Estate	\$ 2,812,389	\$ 3,077,851	\$ 2,088,036	\$ 2,017,705	\$ 4,105,741	5.7%
Total	\$ 15,489,267	\$ 15,730,410	\$ 12,521,002	\$ 10,406,875	\$ 22,927,877	9.7%

Note: This Asset Class Summary table includes all private market investments: both fund investments and co-investments.

Co-Investment Summary	Commitment (A)	# of Co- Investments	Amount Contributed (B)	Total Distributions (C)	Current Market Value (D)	Total Value (C+D)	Interim Net IRR
Alternative Credit Co-Investments	\$ 364,035	42	\$ 345,569	\$ 200,443	\$ 224,656	\$ 425,100	10.5%
Infrastructure Co-Investments	\$ 218,588	11	\$ 216,199	\$ 339,315	\$ 63,205	\$ 402,520	14.2%
Natural Resources Co-Investments	\$ 32,500	2	\$ 32,770	\$ 37	\$ 69,077	\$ 69,115	14.4%
Private Equity Co-Investments	\$ 392,965	36	\$ 389,497	\$ 318,610	\$ 281,079	\$ 599,689	11.6%
Real Estate Co-Investments	\$ 70,778	6	\$ 65,853	\$ 9,642	\$ 41,444	\$ 51,086	-6.6%
Total	\$ 1,078,866	97	\$ 1,049,888	\$ 868,048	\$ 679,462	\$ 1,547,509	11.6%

Note: This table contains values for the co-investment portion of the private market portfolio.

MainePERS Private Market Investments Summary: 03/31/2025

Alternative Credit

Fund Name	Commitment (A)	Date of Commitment	Amount Contributed (B)	Total Distributions (C)	Current Market Value (D)	Total Value (C+D)	Interim Net IRR
Angelo Gordon Direct Lending Fund II	\$ 25,000	3/31/2020	\$ 23,749	\$ 25,328	\$ 9,313	\$ 34,641	16.4%
Angelo Gordon Direct Lending Fund III	\$ 100,000	7/20/2018	\$ 103,520	\$ 99,055	\$ 46,776	\$ 145,830	9.7%
Participation Agreement #1	\$ 7,500	10/11/2019	\$ 7,479	\$ 3,684	\$ 7,184	\$ 10,868	9.8%
Participation Agreement #2	\$ 5,000	10/11/2019	\$ 4,994	\$ 5,422	\$ -	\$ 5,422	8.8%
Participation Agreement #3	\$ 5,000	10/11/2019	\$ 5,000	\$ 5,700	\$ -	\$ 5,700	7.3%
Participation Agreement #4	\$ 10,000	10/18/2019	\$ 9,889	\$ 13,886	\$ -	\$ 13,886	10.6%
Participation Agreement #5	\$ 5,000	12/6/2019	\$ 5,000	\$ 6,824	\$ -	\$ 6,824	9.9%
Participation Agreement #6	\$ 10,000	12/6/2019	\$ 9,991	\$ 4,394	\$ 9,614	\$ 14,008	10.4%
Participation Agreement #7	\$ 5,000	12/11/2019	\$ 5,000	\$ 7,263	\$ -	\$ 7,263	9.6%
Participation Agreement #8	\$ 5,000	8/13/2020	\$ 4,866	\$ 6,689	\$ -	\$ 6,689	10.0%
Participation Agreement #9	\$ 7,500	4/9/2021	\$ 7,407	\$ 3,447	\$ 6,862	\$ 10,309	11.2%
Participation Agreement #10	\$ 10,000	4/20/2021	\$ 9,955	\$ 2,851	\$ 9,341	\$ 12,192	10.2%
Participation Agreement #11	\$ 5,000	5/5/2021	\$ 5,156	\$ 1,723	\$ 3,953	\$ 5,676	3.1%
Angelo Gordon Direct Lending Fund IV	\$ 100,000	1/24/2020	\$ 98,709	\$ 55,677	\$ 80,098	\$ 135,774	10.8%
Participation Agreement #1	\$ 5,000	10/23/2020	\$ 4,913	\$ 6,266	\$ -	\$ 6,266	9.2%
Participation Agreement #2	\$ 12,500	8/17/2021	\$ 12,264	\$ 4,492	\$ 11,951	\$ 16,443	10.8%
Participation Agreement #3	\$ 7,500	10/5/2021	\$ 7,500	\$ 7,913	\$ -	\$ 7,913	7.9%
Participation Agreement #4	\$ 5,000	12/21/2021	\$ 4,919	\$ 1,806	\$ 4,803	\$ 6,609	11.0%
Participation Agreement #5	\$ 10,000	12/21/2021	\$ 9,975	\$ 3,291	\$ 8,421	\$ 11,711	10.7%
Participation Agreement #6	\$ 5,000	1/12/2022	\$ 4,911	\$ 1,833	\$ 4,802	\$ 6,634	11.3%
Participation Agreement #7	\$ 7,500	1/12/2022	\$ 7,378	\$ 2,686	\$ 7,197	\$ 9,883	11.0%
Participation Agreement #8	\$ 12,500	6/16/2022	\$ 12,391	\$ 15,895	\$ -	\$ 15,895	11.9%
Angelo Gordon Direct Lending Fund IV Annex	\$ 50,000	11/18/2021	\$ 49,102	\$ 25,421	\$ 38,153	\$ 63,574	11.2%
Angelo Gordon Direct Lending Fund V	\$ 125,000	8/3/2022	\$ 79,802	\$ 18,157	\$ 76,180	\$ 94,337	10.6%
Participation Agreement #1	\$ 7,500	9/1/2022	\$ 7,388	\$ 2,227	\$ 7,239	\$ 9,466	11.4%
Participation Agreement #2	\$ 12,500	10/7/2022	\$ 12,216	\$ 3,601	\$ 12,078	\$ 15,679	12.8%
Participation Agreement #3	\$ 10,000	10/19/2022	\$ 9,840	\$ 2,917	\$ 9,477	\$ 12,394	11.3%
Participation Agreement #4	\$ 10,000	10/27/2022	\$ 9,800	\$ 3,324	\$ 9,220	\$ 12,544	12.5%
Participation Agreement #5	\$ 10,000	2/27/2023	\$ 9,811	\$ 2,454	\$ 9,667	\$ 12,121	12.1%
Participation Agreement #6	\$ 5,000	10/20/2023	\$ 4,868	\$ 753	\$ 4,843	\$ 5,596	NM
Participation Agreement #7	\$ 10,000	5/22/2024	\$ 9,850	\$ 915	\$ 9,814	\$ 10,729	NM
Participation Agreement #8	\$ 10,000	6/21/2024	\$ 9,800	\$ 870	\$ 9,813	\$ 10,683	NM
Participation Agreement #9	\$ 10,000	8/6/2024	\$ 9,850	\$ 704	\$ 9,791	\$ 10,495	NM
Participation Agreement #10	\$ 10,000	12/11/2024	\$ 9,875	\$ 249	\$ 9,851	\$ 10,100	NM

MainePERS Private Market Investments Summary: 03/31/2025

Alternative Credit

Fund Name	Commitment (A)	Date of Commitment	Amount Contributed (B)	Total Distributions (C)	Current Market Value (D)	Total Value (C+D)	Interim Net IRR
Participation Agreement #11	\$ 10,000	12/27/2024	\$ 9,900	\$ 313	\$ 9,860	\$ 10,173	NM
Ares Capital Europe IV	\$ 122,000	4/30/2018	\$ 96,890	\$ 64,604	\$ 54,771	\$ 119,375	4.8%
Ares Capital Europe V	\$ 122,000	9/4/2020	\$ 93,547	\$ 22,229	\$ 91,270	\$ 113,499	7.5%
Ares Capital Europe VI	\$ 82,500	3/17/2023	\$ 31,691	\$ 9,153	\$ 25,599	\$ 34,752	NM
Ares Senior Direct Lending Fund II	\$ 100,000	12/10/2021	\$ 75,008	\$ 22,517	\$ 74,464	\$ 96,981	14.2%
Ares Senior Direct Lending Fund III	\$ 100,000	7/28/2023	\$ 21,074	\$ 906	\$ 22,502	\$ 23,408	NM
Audax Senior Debt (MP), LLC	\$ 100,000	6/30/2017	\$ 100,000	\$ 134,916	\$ -	\$ 134,916	5.2%
Brookfield Infrastructure Debt Fund III	\$ 100,000	7/15/2022	\$ 91,041	\$ 29,830	\$ 69,144	\$ 98,974	8.2%
BID III DESRI Co-Invest	\$ 8,571	4/30/2024	\$ 3,923	\$ 199	\$ 3,814	\$ 4,013	NM
Brookfield Infrastructure Debt Fund IV	\$ 100,000	12/31/2024	\$ 0	\$ -	\$ (7)	\$ (7)	NM
Comvest Credit Partners VI	\$ 125,000	5/20/2022	\$ 132,331	\$ 63,232	\$ 87,140	\$ 150,372	11.9%
Comvest Credit Partners VII	\$ 75,000	5/1/2024	\$ 33,264	\$ 391	\$ 33,599	\$ 33,991	NM
Deerpath Capital VI	\$ 75,000	9/30/2021	\$ 67,500	\$ 15,266	\$ 67,926	\$ 83,192	8.6%
Global Infrastructure Partners Spectrum	\$ 100,000	2/20/2019	\$ 122,850	\$ 67,507	\$ 70,466	\$ 137,973	7.3%
Mesa West Core Lending Fund	\$ 100,000	6/18/2013	\$ 127,612	\$ 71,229	\$ 100,017	\$ 171,247	4.2%
Blue Owl Capital Corporation	\$ 100,000	3/10/2017	\$ 116,571	\$ 177,029	\$ -	\$ 177,029	9.8%
Participation Agreement #1	\$ 5,000	5/7/2018	\$ 4,851	\$ 5,499	\$ -	\$ 5,499	12.7%
Participation Agreement #2	\$ 6,185	7/31/2018	\$ 6,196	\$ 7,745	\$ -	\$ 7,745	9.9%
Participation Agreement #3	\$ 5,000	8/7/2018	\$ 4,938	\$ 5,634	\$ -	\$ 5,634	7.9%
Participation Agreement #4	\$ 5,000	8/20/2018	\$ 4,566	\$ 5,835	\$ -	\$ 5,835	8.1%
Participation Agreement #5	\$ 5,000	12/21/2018	\$ 4,987	\$ 6,733	\$ -	\$ 6,733	7.7%
Participation Agreement #6	\$ 11,653	8/7/2020	\$ 12,917	\$ 5,971	\$ 11,189	\$ 17,160	10.8%
Participation Agreement #7	\$ 7,500	7/26/2021	\$ 6,557	\$ 7,970	\$ -	\$ 7,970	9.8%
Participation Agreement #8	\$ 12,500	6/17/2022	\$ 12,778	\$ 15,206	\$ -	\$ 15,206	12.4%
Participation Agreement #9	\$ 7,500	9/26/2022	\$ 7,388	\$ 2,171	\$ 7,129	\$ 9,300	11.0%
Blue Owl Capital Corporation III	\$ 100,000	6/19/2020	\$ 118,400	\$ 52,108	\$ 108,967	\$ 161,075	10.4%
Pathlight Capital Fund II	\$ 75,000	4/22/2021	\$ 137,875	\$ 111,478	\$ 49,314	\$ 160,793	11.2%
Participation Agreement #1	\$ 7,500	4/1/2022	\$ 7,082	\$ 9,848	\$ -	\$ 9,848	15.3%
Participation Agreement #2	\$ 7,500	4/1/2022	\$ 7,375	\$ 2,805	\$ 7,052	\$ 9,858	11.8%
Pathlight Capital Fund III	\$ 75,000	6/24/2022	\$ 105,678	\$ 75,713	\$ 46,193	\$ 121,906	15.8%
Pathlight Capital Evergreen Fund	\$ 200,000	3/31/2025	\$ -	\$ -	\$ -	\$ -	NM
Solar Capital Private Corporate Lending Fund	\$ 50,000	6/26/2019	\$ 40,188	\$ 23,601	\$ 32,124	\$ 55,724	11.0%
Solar Capital Debt Fund	\$ 50,000	6/26/2019	\$ 25,000	\$ 12,125	\$ 20,125	\$ 32,249	10.2%
SLR Private Corporate Lending Fund II	\$ 125,000	12/23/2022	\$ 31,784	\$ 1,171	\$ 35,497	\$ 36,668	NM

MainePERS Private Market Investments Summary: 03/31/2025

Alternative Credit

Fund Name	Commitment (A)	Date of Commitment	Amount Contributed (B)	Total Distributions (C)	Current Market Value (D)	Total Value (C+D)	Interim Net IRR
Silver Point Specialty Credit II	\$ 50,000	1/31/2020	\$ 62,775	\$ 37,613	\$ 41,405	\$ 79,019	10.8%
Tennenbaum Direct Lending VIII	\$ 100,000	11/30/2017	\$ 100,883	\$ 111,576	\$ 14,858	\$ 126,435	6.3%

MainePERS Private Market Investments Summary: 03/31/2025

Infrastructure

Fund Name	Commitment (A)	Date of Commitment	Amount Contributed (B)	Total Distributions (C)	Current Market Value (D)	Total Value (C+D)	Interim Net IRR
Alinda Infrastructure Fund II	\$ 50,000	9/17/2009	\$ 68,244	\$ 74,329	\$ 32	\$ 74,361	1.9%
ArcLight Energy V	\$ 75,000	10/28/2011	\$ 76,031	\$ 103,624	\$ -	\$ 103,624	8.0%
Shore Co-Investment Holdings II	\$ 20,000	1/30/2014	\$ 17,709	\$ 19,737	\$ -	\$ 19,737	8.4%
ArcLight Energy VI	\$ 150,000	11/25/2014	\$ 159,687	\$ 137,590	\$ 50,444	\$ 188,034	3.6%
Great River Hydro Partners	\$ 12,000	6/17/2017	\$ 10,718	\$ 45,187	\$ -	\$ 45,187	39.5%
Brookfield Infrastructure Fund II	\$ 100,000	6/28/2013	\$ 118,965	\$ 137,494	\$ 81,547	\$ 219,041	10.2%
Brookfield Infrastructure Fund III	\$ 100,000	4/15/2016	\$ 114,470	\$ 77,892	\$ 110,203	\$ 188,095	11.9%
Co-Investment #1	\$ 20,000	3/31/2017	\$ 15,954	\$ 29,538	\$ 7,461	\$ 36,999	24.7%
Carlyle Global Infrastructure Opportunity Fund	\$ 100,000	5/1/2019	\$ 101,220	\$ 24,979	\$ 113,493	\$ 138,472	11.5%
Carlyle Infrastructure Partners	\$ 50,000	11/2/2007	\$ 57,366	\$ 64,289	\$ 364	\$ 64,653	2.5%
Carlyle Power Partners II	\$ 50,000	11/19/2015	\$ 74,271	\$ 100,100	\$ 1,250	\$ 101,349	8.7%
Cube Infrastructure	\$ 45,000	4/16/2010	\$ 60,063	\$ 96,665	\$ 422	\$ 97,087	8.0%
Cube Infrastructure II	\$ 90,000	9/11/2018	\$ 80,860	\$ 11,944	\$ 81,876	\$ 93,821	3.2%
Cube Infrastructure III	\$ 90,000	8/16/2021	\$ 60,222	\$ 6,201	\$ 63,413	\$ 69,614	6.6%
EQT Infrastructure III	\$ 68,000	12/3/2016	\$ 107,997	\$ 162,757	\$ 25,036	\$ 187,793	20.2%
EQT Infrastructure IV	\$ 100,000	12/17/2018	\$ 103,785	\$ 23,187	\$ 124,533	\$ 147,721	9.7%
EQT Infrastructure V	\$ 75,000	12/8/2020	\$ 74,305	\$ 16,134	\$ 73,794	\$ 89,928	8.7%
Global Energy & Power Infrastructure Fund	\$ 50,000	6/30/2010	\$ 59,778	\$ 53,224	\$ 480	\$ 53,704	-3.1%
Global Energy & Power Infrastructure Fund II	\$ 100,000	10/21/2013	\$ 129,029	\$ 129,452	\$ 28,034	\$ 157,486	10.9%
Global Infrastructure Partners Sonic	\$ 35,000	7/31/2020	\$ 34,626	\$ -	\$ 12,938	\$ 12,938	-21.0%
Global Infrastructure Partners	\$ 75,000	3/31/2008	\$ 101,173	\$ 205,062	\$ 216	\$ 205,277	17.2%
Global Infrastructure Partners II	\$ 75,000	12/3/2011	\$ 110,807	\$ 179,843	\$ 13,264	\$ 193,106	15.5%
Global Infrastructure Partners III	\$ 150,000	4/15/2016	\$ 192,538	\$ 175,995	\$ 110,399	\$ 286,393	9.7%
Co-Investment #1	\$ 29,000	2/28/2017	\$ 28,218	\$ 19,345	\$ 33,470	\$ 52,815	11.7%
Co-Investment #2	\$ 25,000	8/16/2018	\$ 27,519	\$ 35,570	\$ (1)	\$ 35,569	4.7%
Global Infrastructure Partners IV	\$ 150,000	12/21/2018	\$ 149,762	\$ 24,633	\$ 158,321	\$ 182,954	7.9%
IFM Global Infrastructure (US), L.P.	\$ 100,000	12/20/2012	\$ 144,550	\$ 208,040	\$ -	\$ 208,040	9.8%
KKR Diversified Core Infrastructure Fund	\$ 100,000	4/29/2022	\$ 109,976	\$ 9,976	\$ 115,380	\$ 125,355	7.2%
KKR Global Infrastructure Investors	\$ 75,000	9/29/2010	\$ 87,917	\$ 154,328	\$ 97	\$ 154,425	13.1%
KKR Global Infrastructure Investors II	\$ 150,000	10/24/2014	\$ 187,997	\$ 285,472	\$ 50,050	\$ 335,522	16.7%

(all dollar amounts in thousands)

MainePERS Private Market Investments Summary: 03/31/2025

Infrastructure

Fund Name	Commitment		Amount Contributed (B)	Total Distributions (C)	Current Market Value (D)	Total Value (C+D)	Interim Net IRR
	(A)	Date of Commitment					
KKR Atlanta Co-Invest	\$ 24,000	9/26/2014	\$ 21,428	\$ 28,551	\$ -	\$ 28,551	5.7%
KKR Taurus Co-Invest II	\$ 25,000	8/15/2017	\$ 25,000	\$ 56,779	\$ 828	\$ 57,607	21.3%
KKR Byzantium Infrastructure Aggregator	\$ 15,000	10/17/2017	\$ 15,005	\$ 13,431	\$ 9,566	\$ 22,996	8.3%
KKR Global Infrastructure Investors III	\$ 100,000	3/29/2018	\$ 99,638	\$ 56,041	\$ 87,366	\$ 143,407	11.5%
Meridiam Infrastructure (SCA)	\$ 11,000	9/23/2015	\$ 21,938	\$ 16,711	\$ 27,955	\$ 44,665	9.6%
Meridiam Infrastructure (SCA) B Shares	\$ 305	9/23/2015	\$ 305	\$ 55	\$ 25,649	\$ 25,703	60.6%
Meridiam Infrastructure Europe II (SCA)	\$ 22,500	9/23/2015	\$ 36,936	\$ 20,303	\$ 38,430	\$ 58,734	8.3%
Meridiam Infrastructure Europe II B Shares	\$ 178	9/23/2015	\$ 178	\$ 9,354	\$ -	\$ 9,354	92.5%
Meridiam Infrastructure Europe III SLP	\$ 95,000	4/27/2016	\$ 79,390	\$ 23,856	\$ 81,954	\$ 105,810	7.4%
Meridiam Sustainable Infrastructure Europe IV	\$ 90,000	4/16/2021	\$ 35,550	\$ 4,143	\$ 34,054	\$ 38,197	NM
Meridiam Infrastructure N.A. II	\$ 75,000	9/28/2012	\$ 88,232	\$ 46,209	\$ 195,361	\$ 241,570	15.8%
MINA II CIP	\$ 175	6/30/2015	\$ 169	\$ 1,870	\$ 21,760	\$ 23,630	89.9%
Meridiam Infrastructure N.A. II	\$ 20,000	6/30/2015	\$ 18,870	\$ 8,218	\$ 50,046	\$ 58,264	20.2%
Meridiam Infrastructure N.A. III	\$ 50,000	7/12/2017	\$ 40,764	\$ 1,241	\$ 57,317	\$ 58,559	14.1%
Stonepeak Infrastructure Partners II	\$ 140,000	11/12/2015	\$ 192,641	\$ 266,803	\$ 10,916	\$ 277,719	12.9%
Stonepeak Claremont Co-Invest	\$ 25,000	5/30/2017	\$ 25,000	\$ 51,959	\$ -	\$ 51,959	17.8%
Stonepeak Spear (Co-Invest) Holdings	\$ 25,000	1/8/2018	\$ 19,648	\$ 38,449	\$ -	\$ 38,449	11.2%
Stonepeak Infrastructure Partners III	\$ 150,000	10/13/2017	\$ 172,027	\$ 61,231	\$ 176,623	\$ 237,854	9.0%
Stonepeak Guardian (Co-Invest) Holdings	\$ 10,000	4/27/2023	\$ 10,000	\$ 769	\$ 11,975	\$ 12,744	NM
Stonepeak Infrastructure Partners IV	\$ 125,000	5/8/2020	\$ 90,632	\$ 20,835	\$ 88,099	\$ 108,934	9.0%
Stonepeak Infrastructure Partners V	\$ 25,000	6/28/2024	\$ -	\$ -	\$ -	\$ -	NM
Stonepeak Core Infrastructure Fund	\$ 100,000	8/5/2022	\$ 107,157	\$ 7,157	\$ 121,514	\$ 128,671	10.4%
Stonepeak Opportunities Fund	\$ 50,000	6/12/2023	\$ 21,873	\$ 3,954	\$ 19,099	\$ 23,053	NM

MainePERS Private Market Investments Summary: 03/31/2025

Natural Resources

Fund Name	Commitment (A)	Date of Commitment	Amount Contributed (B)	Total Distributions (C)	Current Market Value (D)	Total Value (C+D)	Interim Net IRR
ACM Permanent Crops	\$ 35,000	10/24/2014	\$ 39,821	\$ 12,107	\$ 60,384	\$ 72,491	7.9%
ACM Permanent Crops II	\$ 35,000	5/12/2016	\$ 43,088	\$ 8,885	\$ 13,871	\$ 22,756	-14.1%
AMERRA Agri Fund III	\$ 50,000	2/11/2016	\$ 102,428	\$ 97,709	\$ 9,977	\$ 107,686	1.9%
Denham Mining Fund	\$ 35,000	6/29/2018	\$ 34,774	\$ 659	\$ 27,944	\$ 28,602	-4.7%
Homestead Capital Farmland II	\$ 50,000	8/8/2016	\$ 57,106	\$ 12,535	\$ 54,413	\$ 66,947	3.1%
Homestead Capital Farmland III	\$ 30,000	10/26/2018	\$ 33,353	\$ 4,882	\$ 30,714	\$ 35,596	2.4%
Orion Mine Finance Fund II	\$ 50,000	5/25/2016	\$ 102,219	\$ 90,648	\$ 40,087	\$ 130,735	8.6%
Orion Mine Finance Co-Fund II	\$ 20,000	8/13/2018	\$ 20,233	\$ -	\$ 46,784	\$ 46,784	14.0%
Silver Creek Aggregate Reserves Fund	\$ 100,000	11/6/2018	\$ 21,168	\$ 4,348	\$ 26,757	\$ 31,105	NM
Sprott Private Resource Lending Fund III	\$ 30,000	8/31/2022	\$ 12,638	\$ 1,491	\$ 11,959	\$ 13,450	NM
Sprott Private Resource Streaming and Royalty Annex	\$ 40,000	5/17/2023	\$ 27,555	\$ 545	\$ 26,733	\$ 27,278	NM
Taurus Mining Fund	\$ 50,000	3/27/2015	\$ 41,459	\$ 47,156	\$ 3,232	\$ 50,387	7.4%
Taurus Mining Fund Annex	\$ 23,000	12/1/2016	\$ 18,402	\$ 23,585	\$ 701	\$ 24,287	17.3%
Taurus Mining Fund No. 2	\$ 75,000	4/18/2019	\$ 69,832	\$ 53,214	\$ 34,756	\$ 87,970	15.3%
Teays River Integrated Agriculture	\$ 200,000	7/1/2015	\$ 195,698	\$ 28,770	\$ 311,962	\$ 340,732	6.3%
Twin Creeks Timber	\$ 200,000	1/7/2016	\$ 204,277	\$ 99,556	\$ 147,430	\$ 246,986	4.0%
U.S. Farming Realty Trust III	\$ 100,000	7/7/2015	\$ 110,017	\$ 11,565	\$ 145,471	\$ 157,036	5.4%
Canally Coinvest Holdings	\$ 12,500	12/9/2019	\$ 12,537	\$ 37	\$ 22,294	\$ 22,331	16.0%

MainePERS Private Market Investments Summary: 03/31/2025

Private Equity

Fund Name	Commitment		Date of Commitment	Amount		Total		Current Market				
	(A)			Contributed	Distributions	Value	Total Value	Interim Net				
				(B)	(C)	(D)	(C+D)	IRR				
ABRY Advanced Securities Fund II	\$	20,000	5/4/2011	\$	20,547	\$	29,749	\$	189	\$	29,937	13.0%
ABRY Advanced Securities Fund III	\$	30,000	4/30/2014	\$	45,332	\$	44,697	\$	45	\$	44,742	-0.3%
ABRY Heritage Partners	\$	10,000	5/31/2016	\$	11,205	\$	16,604	\$	5,612	\$	22,216	26.0%
ABRY Partners VII	\$	10,000	4/29/2011	\$	12,988	\$	18,674	\$	1,084	\$	19,758	12.0%
ABRY Partners VIII	\$	20,000	8/8/2014	\$	24,213	\$	29,841	\$	3,870	\$	33,711	9.6%
ABRY Senior Equity IV	\$	10,000	12/7/2012	\$	10,853	\$	17,114	\$	899	\$	18,013	14.4%
ABRY Senior Equity V	\$	12,050	1/19/2017	\$	13,209	\$	8,025	\$	11,840	\$	19,865	11.7%
Advent International GPE VII	\$	30,000	6/29/2012	\$	34,811	\$	54,885	\$	3,121	\$	58,006	13.1%
Advent International GPE VIII	\$	50,000	2/5/2016	\$	58,274	\$	71,700	\$	38,398	\$	110,098	15.5%
CF24XB SCSP	\$	3,100	3/28/2025	\$	-	\$	-	\$	-	\$	-	NM
Advent International GPE IX	\$	50,000	5/9/2019	\$	48,355	\$	14,496	\$	61,082	\$	75,578	13.9%
GPE IX TKE Co-Investment	\$	24,000	3/30/2020	\$	21,243	\$	-	\$	38,083	\$	38,083	13.3%
Advent International GPE X	\$	45,000	4/28/2022	\$	23,292	\$	-	\$	27,960	\$	27,960	13.2%
AI Co-Investment I-A	\$	7,500	3/2/2023	\$	7,443	\$	-	\$	10,186	\$	10,186	17.4%
Advent Latin America PE Fund VI	\$	20,000	10/17/2014	\$	20,272	\$	18,950	\$	16,575	\$	35,525	13.1%
Affinity Asia Pacific Fund IV	\$	60,000	2/28/2013	\$	71,852	\$	89,718	\$	30,683	\$	120,401	15.0%
Affinity Asia Pacific Fund V	\$	40,000	12/11/2017	\$	28,802	\$	8,523	\$	25,935	\$	34,458	6.5%
Bain Capital Ventures 2021	\$	25,000	10/28/2020	\$	22,000	\$	1	\$	23,220	\$	23,221	1.9%
Bain Capital Ventures 2022	\$	25,000	6/10/2022	\$	11,563	\$	0	\$	14,684	\$	14,684	NM
Bain Capital Venture Coinvestment Fund III	\$	15,000	4/1/2021	\$	15,750	\$	825	\$	14,676	\$	15,501	-0.6%
Bain Capital Venture Coinvestment Fund IV	\$	15,000	6/10/2022	\$	7,688	\$	-	\$	8,377	\$	8,377	19.5%
Berkshire Fund VIII	\$	15,000	7/20/2011	\$	17,044	\$	33,908	\$	3,521	\$	37,429	16.3%
Berkshire Fund IX	\$	50,000	3/18/2016	\$	58,808	\$	39,424	\$	58,321	\$	97,745	13.5%
Blackstone Capital Partners VI	\$	30,000	6/30/2010	\$	38,554	\$	57,835	\$	7,228	\$	65,064	12.2%
Blackstone Capital Partners VII	\$	54,000	3/27/2015	\$	64,990	\$	58,435	\$	46,199	\$	104,634	12.6%
Carlyle Asia Partners III	\$	15,000	12/31/2009	\$	20,694	\$	31,227	\$	-	\$	31,227	12.6%
Carlyle Asia Partners IV	\$	60,000	6/3/2014	\$	89,995	\$	134,698	\$	7,719	\$	142,417	12.9%
Carlyle Asia Partners V	\$	45,000	10/30/2017	\$	52,664	\$	18,175	\$	43,903	\$	62,078	7.5%
Centerbridge Capital Partners III	\$	30,000	10/24/2014	\$	48,857	\$	52,762	\$	21,026	\$	73,788	14.7%
CB Blizzard Co-Invest	\$	15,684	9/11/2019	\$	15,773	\$	10,053	\$	2,013	\$	12,066	-17.3%
Charterhouse Capital Partners VIII	\$	13,500	1/6/2011	\$	11,188	\$	14,160	\$	-	\$	14,160	7.9%

(all dollar amounts in thousands)

MainePERS Private Market Investments Summary: 03/31/2025

Private Equity

Fund Name	Commitment (A)	Date of Commitment	Amount	Total	Current Market		Interim Net IRR
			Contributed (B)	Distributions (C)	Value (D)	Total Value (C+D)	
Charterhouse Capital Partners IX	\$ 4,500	1/6/2011	\$ 5,410	\$ 7,275	\$ 31	\$ 7,305	12.0%
Charterhouse Capital Partners X	\$ 67,000	5/13/2015	\$ 64,379	\$ 88,011	\$ 33,290	\$ 121,301	20.1%
Charterhouse Acrostone	\$ 12,000	8/24/2018	\$ 13,254	\$ 21,268	\$ -	\$ 21,268	16.9%
Charterhouse Capital Partners XI	\$ 45,000	4/23/2021	\$ 29,880	\$ 2,685	\$ 33,984	\$ 36,669	15.8%
CVC Capital Partners VI	\$ 67,000	7/12/2013	\$ 107,287	\$ 136,694	\$ 48,874	\$ 185,568	15.3%
CVC Capital Partners VII	\$ 48,000	5/9/2017	\$ 84,483	\$ 74,666	\$ 59,659	\$ 134,324	19.9%
CVC Capital Partners VIII	\$ 44,000	6/11/2020	\$ 75,795	\$ 35,069	\$ 46,332	\$ 81,401	6.5%
CVC Capital Partners IX	\$ 44,000	6/29/2023	\$ 12,786	\$ 6,209	\$ 6,494	\$ 12,704	NM
CVC Capital Partners Pachelbel (A) SCSp	\$ 6,966	6/14/2024	\$ 6,474	\$ 36	\$ 7,916	\$ 7,953	NM
EnCap Energy Capital VIII	\$ 30,000	1/31/2011	\$ 34,203	\$ 24,981	\$ 11,627	\$ 36,608	1.2%
EnCap Energy Capital Fund VIII Co-Investors	\$ 16,238	12/8/2011	\$ 16,533	\$ 6,775	\$ 6,748	\$ 13,523	-2.4%
EnCap Energy Capital Fund IX	\$ 30,000	12/19/2012	\$ 36,439	\$ 47,624	\$ 7,115	\$ 54,738	10.9%
EnCap Energy Capital Fund X	\$ 40,000	3/5/2015	\$ 49,118	\$ 74,979	\$ 20,044	\$ 95,022	16.3%
EnCap Energy Capital Fund XI	\$ 40,000	5/31/2017	\$ 43,639	\$ 50,958	\$ 31,097	\$ 82,055	22.1%
EnCap Flatrock Midstream Fund III	\$ 20,000	4/9/2014	\$ 25,316	\$ 27,724	\$ 7,608	\$ 35,332	9.6%
EnCap Flatrock Midstream Fund IV	\$ 22,000	11/17/2017	\$ 22,046	\$ 13,274	\$ 14,165	\$ 27,440	8.2%
General Catalyst X - Early Venture	\$ 19,565	3/26/2020	\$ 19,174	\$ -	\$ 29,032	\$ 29,032	10.9%
General Catalyst X - Endurance	\$ 22,826	3/26/2020	\$ 22,859	\$ 1,431	\$ 26,110	\$ 27,541	4.7%
General Catalyst X - Growth Venture	\$ 32,609	3/26/2020	\$ 32,120	\$ -	\$ 43,452	\$ 43,452	7.6%
General Catalyst XI - Creation	\$ 8,823	10/29/2021	\$ 7,950	\$ -	\$ 11,134	\$ 11,134	21.4%
General Catalyst XI - Endurance	\$ 29,412	10/29/2021	\$ 27,518	\$ -	\$ 30,644	\$ 30,644	4.4%
General Catalyst XI - Ignition	\$ 11,765	10/29/2021	\$ 9,822	\$ -	\$ 11,394	\$ 11,394	6.4%
General Catalyst XII - Creation	\$ 6,250	1/26/2024	\$ 2,923	\$ -	\$ 3,775	\$ 3,775	NM
General Catalyst XII - Endurance	\$ 9,375	1/26/2024	\$ 5,543	\$ -	\$ 5,504	\$ 5,504	NM
General Catalyst XII - Health Assurance	\$ 3,125	1/26/2024	\$ 1,319	\$ -	\$ 1,218	\$ 1,218	NM
General Catalyst XII - Ignition	\$ 6,250	1/26/2024	\$ 2,510	\$ -	\$ 2,531	\$ 2,531	NM
GTCR Fund X	\$ 30,000	1/28/2011	\$ 31,766	\$ 64,646	\$ -	\$ 64,646	21.4%
GTCR Fund XI	\$ 35,000	11/15/2013	\$ 35,162	\$ 85,389	\$ 19,989	\$ 105,378	30.5%
GTCR Fund XII	\$ 50,000	9/29/2017	\$ 53,796	\$ 35,916	\$ 61,492	\$ 97,409	19.8%
Co-Investment #1	\$ 5,238	4/26/2019	\$ 4,556	\$ -	\$ 10,759	\$ 10,759	15.7%
Co-Investment #2	\$ 5,997	11/1/2019	\$ 5,977	\$ 10,962	\$ 906	\$ 11,868	38.8%

MainePERS Private Market Investments Summary: 03/31/2025

Private Equity

Fund Name	Commitment		Date of Commitment	Amount		Total		Current Market				
	(A)			Contributed		Distributions		Value	Total Value	Interim Net		
				(B)		(C)		(D)	(C+D)	IRR		
GTCR XIII	\$	50,000	10/27/2020	\$	41,180	\$	6,756	\$	51,069	\$	57,825	19.8%
GTCR XIV	\$	50,000	12/16/2022	\$	5,240	\$	-	\$	8,000	\$	8,000	NM
H.I.G. Bayside Loan Fund II	\$	25,000	5/28/2010	\$	23,985	\$	32,479	\$	-	\$	32,479	7.1%
H.I.G. Bayside Loan Ops Fund III (Europe)	\$	30,000	7/27/2012	\$	26,707	\$	31,070	\$	3,301	\$	34,371	6.9%
H.I.G. Brazil & Latin America Partners	\$	60,000	7/1/2015	\$	72,383	\$	40,825	\$	55,320	\$	96,145	7.4%
H.I.G. Capital Partners V	\$	15,000	2/28/2013	\$	22,458	\$	37,114	\$	5,766	\$	42,880	22.3%
H.I.G. Europe Capital Partners II	\$	22,500	7/1/2013	\$	26,112	\$	25,481	\$	11,075	\$	36,557	9.7%
H.I.G. Growth Buyouts & Equity Fund II	\$	17,500	6/30/2011	\$	26,128	\$	38,294	\$	5,131	\$	43,425	13.2%
H.I.G. Growth Buyouts & Equity Fund III	\$	35,000	9/13/2018	\$	27,951	\$	4,013	\$	28,034	\$	32,046	6.9%
H.I.G Middle Market LBO Fund II	\$	40,000	2/7/2014	\$	52,014	\$	79,561	\$	14,355	\$	93,916	24.8%
Co-Investment #1	\$	9,000	10/12/2017	\$	9,000	\$	-	\$	0	\$	0	-79.9%
Co-Investment #2	\$	686	6/19/2020	\$	686	\$	33	\$	380	\$	413	-10.1%
Co-Investment #3	\$	1,000	6/1/2021	\$	1,079	\$	-	\$	0	\$	0	-89.8%
H.I.G. Middle Market LBO Fund III	\$	40,000	7/23/2019	\$	39,838	\$	17,752	\$	32,465	\$	50,217	9.6%
Hellman & Friedman Capital Partners VII	\$	30,000	6/19/2009	\$	45,189	\$	111,116	\$	2,415	\$	113,531	24.6%
Hellman & Friedman Capital Partners VIII	\$	45,000	9/24/2014	\$	49,563	\$	33,790	\$	49,924	\$	83,714	10.9%
Hellman & Friedman Capital Partners IX	\$	45,000	9/28/2018	\$	48,787	\$	7,380	\$	71,055	\$	78,435	13.2%
Hellman & Friedman Capital Partners X	\$	45,000	5/10/2021	\$	38,898	\$	5,147	\$	40,150	\$	45,296	6.3%
Inflexion Buyout Fund IV	\$	27,000	9/30/2014	\$	38,206	\$	51,187	\$	13,509	\$	64,696	14.3%
Inflexion Partnership Capital Fund I	\$	17,000	9/30/2014	\$	26,160	\$	40,851	\$	8,133	\$	48,984	21.9%
Inflexion Supplemental Fund IV	\$	10,000	5/31/2016	\$	15,612	\$	23,332	\$	6,991	\$	30,324	22.4%
Kelso Investment Associates VIII	\$	3,000	1/6/2011	\$	3,044	\$	4,358	\$	9	\$	4,368	7.9%
Kelso Investment Associates IX	\$	60,000	11/5/2014	\$	70,433	\$	88,369	\$	31,698	\$	120,067	17.8%
KIA IX (Hammer) Investor	\$	25,000	8/12/2016	\$	25,492	\$	69,544	\$	-	\$	69,544	21.4%
Kelso Investment Associates X	\$	45,000	3/16/2018	\$	50,708	\$	21,341	\$	71,060	\$	92,400	20.7%
Kelso Investment Associates XI	\$	45,000	12/22/2021	\$	20,132	\$	1,924	\$	22,580	\$	24,504	NM
Kelso XI Heights Co-Investment	\$	12,000	8/19/2022	\$	10,035	\$	-	\$	10,005	\$	10,005	-0.1%
KKR North American Fund XI	\$	60,000	2/7/2012	\$	101,595	\$	168,091	\$	22,034	\$	190,125	18.9%
KKR North America Fund XI (Platinum)	\$	8,003	2/26/2016	\$	8,040	\$	2,313	\$	-	\$	2,313	-98.0%
KKR Element Co-Invest	\$	10,000	8/29/2016	\$	10,050	\$	24,030	\$	-	\$	24,030	23.5%
KKR Americas XII	\$	60,000	3/3/2016	\$	69,741	\$	63,632	\$	73,932	\$	137,564	19.7%

MainePERS Private Market Investments Summary: 03/31/2025

Private Equity

Fund Name	Commitment		Amount Contributed (B)	Total Distributions (C)	Current Market		Interim Net IRR
	(A)	Date of Commitment			Value (D)	Total Value (C+D)	
KKR Sigma Aggregator	\$ 15,000	6/22/2018	\$ 15,000	\$ -	\$ 22,322	\$ 22,322	6.1%
KKR Enterprise Co-Invest	\$ 15,000	10/11/2018	\$ 15,000	\$ -	\$ -	\$ -	-100.0%
KKR Enterprise Co-Invest AIV A	\$ 8,936	11/8/2019	\$ 8,936	\$ 7,908	\$ 198	\$ 8,106	-10.3%
KKR North America XIII	\$ 40,000	6/25/2021	\$ 30,460	\$ 754	\$ 36,193	\$ 36,947	11.6%
KKR Special Situations Fund	\$ 60,000	12/19/2012	\$ 118,957	\$ 103,368	\$ 3,880	\$ 107,247	-3.7%
KKR Special Situations Fund II	\$ 60,000	12/19/2014	\$ 98,284	\$ 82,487	\$ 14,345	\$ 96,832	-0.6%
Long Ridge Equity Partners IV	\$ 15,000	6/26/2023	\$ 0	\$ -	\$ (213)	\$ (213)	NM
Metwest Enhanced TALF Strategy Fund L. P.	\$ 75,000	7/31/2009	\$ 53,350	\$ 67,405	\$ -	\$ 67,405	10.2%
Oaktree Opportunities VIII	\$ 30,000	12/9/2009	\$ 30,000	\$ 43,920	\$ 49	\$ 43,968	9.1%
ONCAP IV	\$ 15,000	11/8/2016	\$ 17,401	\$ 7,774	\$ 18,667	\$ 26,441	11.0%
Onex Partners III	\$ 10,000	1/6/2011	\$ 11,224	\$ 17,655	\$ 1,417	\$ 19,072	13.1%
Onex Partners IV	\$ 60,000	11/22/2013	\$ 67,272	\$ 71,542	\$ 21,452	\$ 92,994	6.9%
Co-Investment #1	\$ 10,000	2/27/2017	\$ 10,471	\$ 1,235	\$ 585	\$ 1,821	-29.1%
Onex Partners V	\$ 45,000	7/11/2017	\$ 43,283	\$ 9,040	\$ 52,738	\$ 61,777	11.6%
Paine & Partners Capital Fund IV	\$ 60,000	12/18/2014	\$ 58,525	\$ 29,545	\$ 50,078	\$ 79,624	6.2%
Wawona Co-Investment Fund I	\$ 15,000	3/31/2017	\$ 15,023	\$ -	\$ -	\$ -	-100.0%
Lyons Magnus Co-Investment Fund I	\$ 15,000	11/8/2017	\$ 15,016	\$ -	\$ 26,159	\$ 26,159	7.8%
PSP Maverick Co-Invest	\$ 7,238	9/12/2019	\$ 7,264	\$ 476	\$ -	\$ 476	-41.1%
PSP AH&N Co-Investment Fund	\$ 23,895	11/27/2019	\$ 21,361	\$ -	\$ 34,147	\$ 34,147	11.0%
Paine Schwartz Food Chain Fund V	\$ 45,000	8/3/2018	\$ 49,818	\$ 26,877	\$ 43,963	\$ 70,840	16.1%
SNFL Co-Investment Fund	\$ 5,000	10/11/2019	\$ 5,024	\$ 5,524	\$ 5,681	\$ 11,204	19.2%
Rhone Partners V	\$ 56,000	3/12/2015	\$ 78,734	\$ 73,357	\$ 73,622	\$ 146,979	16.3%
Riverside Capital Appreciation Fund VI	\$ 60,000	7/3/2013	\$ 64,286	\$ 80,144	\$ 15,627	\$ 95,771	10.5%
RCAF VI CIV XXXII	\$ 12,399	10/21/2015	\$ 12,687	\$ 35,268	\$ -	\$ 35,268	19.9%
Riverside Micro-Cap Fund III	\$ 35,000	6/30/2014	\$ 51,608	\$ 194,767	\$ 28,456	\$ 223,224	34.9%
Riverside Micro-Cap Fund IV	\$ 60,000	10/23/2015	\$ 55,659	\$ 14,842	\$ 78,075	\$ 92,917	7.4%
Riverside Micro-Cap Fund IV-B	\$ 20,000	8/9/2019	\$ 24,169	\$ 22,104	\$ 10,100	\$ 32,204	8.0%
Riverside Micro-Cap Fund V	\$ 40,000	8/21/2018	\$ 37,369	\$ 7,575	\$ 49,419	\$ 56,994	11.7%
Riverside Micro-Cap Fund VI	\$ 45,000	8/26/2021	\$ 24,594	\$ 263	\$ 25,083	\$ 25,346	2.1%
Shoreview Capital Partners III	\$ 24,000	7/24/2013	\$ 26,306	\$ 39,811	\$ 13,547	\$ 53,358	16.4%
Shoreview Capital Partners IV	\$ 30,000	6/3/2019	\$ 19,686	\$ 20,219	\$ 17,897	\$ 38,115	39.1%

(all dollar amounts in thousands)

MainePERS Private Market Investments Summary: 03/31/2025

Private Equity

Fund Name	Commitment		Date of Commitment	Amount		Total Distributions	Current Market		Interim Net IRR
	(A)			(B)			Value (D)	Total Value (C+D)	
Shoreview Capital Partners V	\$ 25,000		9/13/2024	\$ 0	\$ -	\$ (49)	\$ (49)		NM
Sovereign Capital IV	\$ 46,500		7/7/2014	\$ 41,052	\$ 35,142	\$ 28,614	\$ 63,755		9.6%
Summit Partners Credit II	\$ 60,000		10/25/2013	\$ 91,474	\$ 88,635	\$ 11,652	\$ 100,287		3.5%
Summit Europe Growth Equity III	\$ 22,000		3/18/2020	\$ 23,141	\$ 7,157	\$ 24,830	\$ 31,987		15.0%
Summit Europe Growth Equity IV	\$ 22,000		2/10/2023	\$ 405	\$ -	\$ 225	\$ 225		NM
Summit Growth Equity VIII	\$ 25,000		5/27/2011	\$ 34,275	\$ 70,622	\$ 3,573	\$ 74,196		25.5%
Co-Investment #1	\$ 16,000		6/3/2015	\$ 16,000	\$ 38,735	\$ 24,156	\$ 62,892		30.8%
Summit Growth Equity IX	\$ 60,000		8/26/2015	\$ 86,818	\$ 107,614	\$ 64,583	\$ 172,197		24.3%
Co-Investment #1	\$ 15,000		11/29/2016	\$ 14,895	\$ 41,743	\$ -	\$ 41,743		159.6%
Summit Partners Co-Invest (Ironman)	\$ 16,020		4/20/2018	\$ 16,024	\$ -	\$ 17,733	\$ 17,733		1.6%
Summit Partners Co-Invest (Giants-B)	\$ 15,292		10/22/2019	\$ 15,292	\$ 42,588	\$ 736	\$ 43,324		77.7%
Summit Growth Equity X	\$ 60,000		2/26/2019	\$ 63,634	\$ 22,280	\$ 69,478	\$ 91,759		13.6%
Summit Partners Co-Invest (Lions)	\$ 7,534		10/14/2020	\$ 7,534	\$ 119	\$ 14,413	\$ 14,532		16.4%
Summit Partners Co-Invest (Indigo)	\$ 10,000		12/11/2020	\$ 11,440	\$ -	\$ 11,425	\$ 11,425		0.0%
Summit Growth Equity XI	\$ 45,000		10/1/2021	\$ 18,149	\$ 183	\$ 19,607	\$ 19,790		NM
Summit Growth Equity XII	\$ 25,000		10/1/2024	\$ -	\$ -	\$ -	\$ -		NM
Summit Venture Capital III	\$ 13,150		5/27/2011	\$ 18,044	\$ 32,899	\$ 3,421	\$ 36,321		17.4%
Summit Venture Capital IV	\$ 40,000		8/26/2015	\$ 52,809	\$ 56,183	\$ 74,328	\$ 130,511		34.2%
Summit Venture Capital V	\$ 45,000		6/16/2020	\$ 38,675	\$ 2,771	\$ 39,319	\$ 42,090		4.0%
Summit Partners Co-Invest (CS)	\$ 13,753		10/22/2021	\$ 13,849	\$ -	\$ 13,721	\$ 13,721		-0.3%
Technology Crossover Ventures VIII	\$ 60,000		5/8/2013	\$ 56,269	\$ 99,712	\$ 29,988	\$ 129,700		12.3%
Technology Crossover Ventures IX	\$ 60,000		2/19/2016	\$ 52,245	\$ 73,313	\$ 40,207	\$ 113,521		19.2%
TCV Sports	\$ 8,000		9/25/2018	\$ 8,000	\$ -	\$ 18,519	\$ 18,519		13.8%
Technology Crossover Ventures X	\$ 45,000		8/31/2018	\$ 38,003	\$ 21,850	\$ 64,815	\$ 86,665		20.9%
Technology Crossover Ventures XI	\$ 45,000		10/2/2020	\$ 39,063	\$ -	\$ 41,667	\$ 41,667		2.7%
Technology Impact Fund	\$ 40,000		12/18/2017	\$ 38,764	\$ 24,707	\$ 119,288	\$ 143,995		39.1%
Technology Impact Fund II	\$ 40,000		4/13/2021	\$ 19,224	\$ 342	\$ 21,986	\$ 22,328		NM
Technology Impact Growth Fund	\$ 40,000		11/26/2018	\$ 50,884	\$ 26,676	\$ 48,558	\$ 75,234		13.0%
Technology Impact Growth Fund II	\$ 40,000		8/6/2021	\$ 22,540	\$ 232	\$ 22,612	\$ 22,844		0.7%
TIGF II Direct Strategies LLC - Series 3	\$ 5,000		7/14/2023	\$ 5,044	\$ -	\$ 4,991	\$ 4,991		NM
TIGF II Direct Strategies LLC - Series 5	\$ 5,000		12/13/2024	\$ 5,000	\$ -	\$ 4,997	\$ 4,997		NM

MainePERS Private Market Investments Summary: 03/31/2025

Private Equity

Fund Name	Commitment		Date of Commitment	Amount		Total Distributions	Current Market		Interim Net IRR
	(A)			(B)			Value (D)	Total Value (C+D)	
Tenex Capital Partners IV	\$	50,000	7/2/2024	\$	0	\$	(1,454)	\$ (1,454)	NM
Thoma Bravo Fund XI	\$	50,000	5/1/2014	\$	79,267	\$	42,522	\$ 215,337	26.2%
Thoma Bravo Fund XII	\$	60,000	4/27/2016	\$	80,200	\$	63,021	\$ 158,342	15.4%
Thoma Bravo Fund XIII	\$	45,000	12/7/2018	\$	62,922	\$	55,385	\$ 115,625	23.0%
Thoma Bravo Special Opportunities Fund II	\$	15,000	3/27/2015	\$	18,113	\$	19,750	\$ 40,840	15.9%
Thoma Bravo Discover Fund IV	\$	45,000	7/1/2022	\$	34,890	\$	41,239	\$ 45,596	19.6%
Thoma Bravo Discover Fund V	\$	50,000	5/31/2024	\$	-	\$	-	\$ -	NM
Tillridge Global Agribusiness Partners II	\$	50,000	10/21/2016	\$	34,642	\$	25,371	\$ 30,453	-3.4%
Water Street Healthcare Partners III	\$	25,000	7/25/2012	\$	30,619	\$	8,790	\$ 87,511	34.8%
Water Street Healthcare Partners IV	\$	33,000	9/15/2017	\$	38,205	\$	45,691	\$ 69,295	17.0%
Water Street Healthcare Partners V	\$	43,000	4/15/2022	\$	17,384	\$	14,663	\$ 14,663	NM
Wayzata Opportunities Fund III	\$	30,000	9/11/2012	\$	14,718	\$	506	\$ 15,669	1.3%
Wynnchurch Capital Partners IV	\$	40,000	10/23/2014	\$	38,904	\$	41,457	\$ 107,779	24.5%
Wynnchurch Capital Partners V	\$	40,000	1/15/2020	\$	36,938	\$	44,876	\$ 47,042	9.9%
Wynnchurch Capital Partners VI	\$	40,000	1/18/2024	\$	5,117	\$	5,421	\$ 5,421	NM

MainePERS Private Market Investments Summary: 03/31/2025

Real Estate

Fund Name	Commitment (A)	Date of Commitment	Amount Contributed (B)	Total Distributions (C)	Current Market Value (D)	Total Value (C+D)	Interim Net IRR
Angelo Gordon Net Lease IV	\$ 50,000	2/17/2020	\$ 47,682	\$ 11,420	\$ 45,509	\$ 56,930	6.0%
Angelo Gordon Realty Fund XI	\$ 50,000	3/31/2022	\$ 20,721	\$ 157	\$ 20,793	\$ 20,950	NM
Bain Capital Real Estate II	\$ 50,000	3/5/2021	\$ 38,498	\$ 3,611	\$ 35,080	\$ 38,690	0.3%
Bain Capital Real Estate III	\$ 35,000	12/18/2023	\$ 15,979	\$ 2,978	\$ 12,198	\$ 15,176	NM
Blackrock Granite Property Fund	\$ 63,791	9/30/2006	\$ 68,771	\$ 53,312	\$ -	\$ 53,312	-4.9%
Blackstone Property Partners	\$ 350,000	6/29/2017	\$ 350,000	\$ 49,378	\$ 354,125	\$ 403,503	2.4%
Blackstone Real Estate Partners VII	\$ 75,000	2/26/2012	\$ 107,502	\$ 158,964	\$ 9,067	\$ 168,030	14.3%
Blackstone Real Estate Partners VIII	\$ 50,000	3/27/2015	\$ 66,609	\$ 69,248	\$ 30,057	\$ 99,304	12.2%
Blackstone Real Estate Partners IX	\$ 40,000	12/21/2018	\$ 46,293	\$ 17,586	\$ 40,293	\$ 57,879	8.7%
Barings Asia Real Estate II	\$ 50,000	7/31/2018	\$ 46,310	\$ 6,212	\$ 33,606	\$ 39,818	-6.3%
EQT Real Estate II	\$ 55,000	4/26/2019	\$ 45,048	\$ 15,166	\$ 35,512	\$ 50,678	5.1%
EQT Real Estate Rock Co-Investment	\$ 11,000	8/10/2020	\$ 9,406	\$ -	\$ 11,584	\$ 11,584	5.5%
H/2 Credit Partners, L.P.	\$ 75,000	6/21/2011	\$ 75,000	\$ 112,177	\$ -	\$ 112,177	5.9%
Harrison Street Core Property Fund, L.P.	\$ 75,000	4/30/2012	\$ 97,366	\$ 62,303	\$ 118,362	\$ 180,665	7.1%
HSRE-Coyote Maine PERS Core Co-Investment	\$ 20,000	12/4/2020	\$ 16,111	\$ 2,698	\$ 11,221	\$ 13,919	-4.0%
High Street Real Estate Fund IV, L.P.	\$ 25,000	8/23/2013	\$ 24,717	\$ 34,157	\$ -	\$ 34,157	14.7%
High Street Real Estate Fund V	\$ 25,000	7/24/2015	\$ 24,925	\$ 36,176	\$ -	\$ 36,176	13.2%
High Street Real Estate Fund VI	\$ 25,000	3/22/2019	\$ 25,000	\$ 10,014	\$ 36,257	\$ 46,271	16.7%
HSREF VI Elgin Co-Invest	\$ 10,000	4/9/2021	\$ 10,000	\$ 2,784	\$ 13,617	\$ 16,401	14.8%
High Street Real Estate Fund VII	\$ 35,000	8/16/2021	\$ 35,000	\$ 1,705	\$ 42,719	\$ 44,424	9.7%
High Street Real Estate VII Venture	\$ 15,000	3/17/2023	\$ 15,000	\$ 888	\$ 20,181	\$ 21,069	24.3%
High Street Logistics Value Fund I	\$ 35,000	4/17/2024	\$ 41,571	\$ 4,987	\$ 35,011	\$ 39,998	NM
High Street VF I Co-Invest	\$ 3,896	8/28/2024	\$ 5,043	\$ -	\$ 5,022	\$ 5,022	NM
Hines US Property Partners	\$ 200,000	9/9/2021	\$ 221,175	\$ 21,604	\$ 215,211	\$ 236,815	4.0%
Invesco Real Estate Asia IV	\$ 30,000	3/25/2020	\$ 26,106	\$ 19,498	\$ 9,099	\$ 28,597	7.9%
Invesco US Income Fund	\$ 195,000	7/17/2014	\$ 251,426	\$ 92,703	\$ 302,328	\$ 395,031	7.8%
IPI Data Center Partners I	\$ 30,000	12/15/2017	\$ 39,776	\$ 30,722	\$ 31,735	\$ 62,457	14.0%
IPI Data Center Partners II	\$ 25,000	12/20/2019	\$ 24,535	\$ 1,619	\$ 30,413	\$ 32,032	11.3%
JPMCB Strategic Property Fund	\$ 130,000	11/15/2005	\$ 186,941	\$ 297,519	\$ -	\$ 297,519	5.8%
KKR Real Estate Partners Europe I	\$ 50,000	12/2/2015	\$ 54,484	\$ 56,486	\$ 14,352	\$ 70,838	8.9%
KKR Real Estate Partners Europe II	\$ 25,000	12/23/2019	\$ 25,441	\$ 6,411	\$ 19,801	\$ 26,212	1.5%
KKR Real Estate Partners Americas I	\$ 50,000	12/20/2013	\$ 50,181	\$ 61,004	\$ 303	\$ 61,307	10.5%
KKR Real Estate Partners Americas II	\$ 50,000	6/2/2016	\$ 62,443	\$ 75,967	\$ 7,726	\$ 83,692	17.8%

MainePERS Private Market Investments Summary: 03/31/2025

Real Estate

Fund Name	Commitment (A)	Date of Commitment	Amount Contributed (B)	Total Distributions (C)	Current Market Value (D)	Total Value (C+D)	Interim Net IRR
Northbridge-Strategic Fund II	\$ 30,000	2/8/2019	\$ 30,000	\$ 8,972	\$ 54,388	\$ 63,360	13.9%
Prima Mortgage Investment Trust, LLC	\$ 75,000	7/29/2011	\$ 97,490	\$ 131,918	\$ -	\$ 131,918	3.8%
Principal Life Insurance Company U.S. Property	\$ 60,000	5/20/2005	\$ 60,000	\$ 125,410	\$ -	\$ 125,410	6.2%
PRISA	\$ 90,000	6/30/2005	\$ 139,622	\$ 222,450	\$ -	\$ 222,450	5.3%
Rubenstein Properties Fund III	\$ 30,000	10/23/2015	\$ 30,606	\$ 627	\$ 4,047	\$ 4,674	-28.1%
LCC Co-Investor B	\$ 15,000	10/18/2019	\$ 15,000	\$ -	\$ -	\$ -	-100.0%
Rubenstein Properties Fund IV	\$ 25,000	4/16/2019	\$ 8,286	\$ 56	\$ 808	\$ 864	NM
Prudential Senior Housing Fund V	\$ 50,000	3/17/2015	\$ 41,333	\$ 6,841	\$ 35,410	\$ 42,250	0.3%
Smart Markets Fund, L.P.	\$ 195,000	6/17/2013	\$ 243,108	\$ 90,249	\$ 297,266	\$ 387,515	7.2%
Stonelake Opportunity Partners VII	\$ 40,000	6/30/2022	\$ 24,000	\$ -	\$ 21,931	\$ 21,931	-13.0%
Walton Street Real Estate Fund VII	\$ 50,000	5/9/2012	\$ 44,265	\$ 56,033	\$ 3,497	\$ 59,530	8.3%
Walton Street Real Estate Fund VIII	\$ 50,000	10/23/2015	\$ 43,944	\$ 41,587	\$ 18,515	\$ 60,101	8.6%
Co-Investment #1	\$ 10,000	9/27/2017	\$ 10,293	\$ 4,160	\$ -	\$ 4,160	-60.0%
Westbrook Real Estate Fund IX	\$ 15,000	6/30/2014	\$ 17,480	\$ 17,500	\$ 1,193	\$ 18,693	2.7%
Westbrook Real Estate Fund X	\$ 50,000	1/15/2015	\$ 53,092	\$ 42,649	\$ 10,837	\$ 53,486	0.4%
Westbrook Real Estate Fund XI	\$ 40,000	1/31/2019	\$ 44,273	\$ 20,128	\$ 28,766	\$ 48,894	7.2%

MainePERS Private Market Investments Summary: 3/31/2025

Notes: NM = Not Meaningful. MainePERS only reports IRRs for funds with more than 24 months of history and for which Amount Contributed is greater than 50% of Commitments. "Date of Commitment" is not the date of first capital draw. The "IRR" presented uses interim estimates and may not be indicative of ultimate performance of partnership investments due to a number of factors including lags in valuation, maturity of fund, and differences in investment pace and strategy of various funds. Performance figures should not be used to compare returns among multiple funds or different limited partners. Private market investments are long-term investments which are expected to generate returns over the course of their entire life cycle of 10 or more years. Common industry practice dictates that any performance analysis on these funds while they are still in the early years of their investment cycle would not generate meaningful results. The Interim Net IRR figures presented in this table are based on cash flow information provided by the general partner. The above information was not prepared, reviewed, or approved by any of the partnerships, general partners, or their affiliates and may differ from those generated by the general partner or other limited partners due to differences in timing of investments, disposal of in-kind distributions, and accounting and valuation policies.

MAINEPERS

BOARD OF TRUSTEES INVESTMENTS MEMORANDUM

TO: BOARD MEMBERS
FROM: JAMES BENNETT, CHIEF INVESTMENT OFFICER
SUBJECT: PROXY VOTING ANNUAL REVIEW – FY 2025
DATE: SEPTEMBER 2, 2025

Board Policy 2.7 – Engagement notes that the System will vote its proxies in the best interests of its members as pension beneficiaries. The Policy directs the Investment Team to develop and maintain proxy voting guidelines, and to engage a proxy agent for the purpose of voting its proxies. Glass Lewis serves as the MainePERS proxy agent for those shares held directly by the System, and places individual votes for each item according to the System’s proxy guidelines.

The below items follow this memo and will be discussed at the meeting:

- FY25 Proxy Voting Summary Report (Russell 1000 Holdings)

POLICY REFERENCE

[Board Policy 2.1 – Investment Policy Statement](#)

[Board Policy 2.7 – Engagement](#)

[Board Policy 4.5 – Board/Staff Relations](#)

[Board Policy 4.6 – Communication and Support to the Board](#)

RECOMMENDATION

No changes to the System’s voting policy or practices are being recommended at this time.

FY2025 PROXY VOTING AT MAINEPERS

As a reminder, the System's target allocation to Public Equities is 30%. These assets are managed by BlackRock and invested passively tracking broad market indexes. The table below contains details on this allocation, investment structures, and proxy voting practices as of fiscal year end 2025.

	Public Equity Portfolio				Proxy	
	Weight	Value (\$M)	# of Companies	Holding Structure	Policy	Voting Agent
Domestic Equity						
Russell 1000	62%	\$3,836	≈1,000	Direct	MainePERS	Glass Lewis
Russell 2000	3%	\$156	≈2,000	ETF	BlackRock	BlackRock
International Equity						
ACWI ex US	35%	\$2,154	≈2,000	Commingled	Glass Lewis	BlackRock
	100%	\$6,146	≈5,100			

Proxies for MainePERS' direct shareholdings in the Russell 1000, constituting a majority of the System's equity holdings, are voted by Glass Lewis in accordance with the System's guidelines. In addition, as indicated above, proxies for shares held in the Russell 2000 ETF are voted by Blackrock in accordance with BlackRock's proxy voting policy, and the ACWI ex-US commingled vehicle's holdings are voted by BlackRock using Glass Lewis' policy.

As a reminder, in November 2024 the Investment Team detailed to Trustees the various options recently available for the System's commingled equity fund investments with respect to proxy voting. Specifically, BlackRock's "Voting Choice" program which in addition to allowing investors to take full control of votes, allows investors to choose from a number of third-party proxy policies, including policies developed by Glass Lewis. It was affirmed at this time to shift proxy voting guidance for commingled holdings, *when available (e.g., ACWI ex US)*, from the BlackRock Benchmark Policy to the Glass Lewis Benchmark Policy, which more closely aligns with MainePERS' custom policy while avoiding the significantly higher costs and operational burden of full direct voting.

RUSSELL 1000 HOLDINGS (DIRECT HOLDINGS)

Public company annual meetings typically feature a number of items to be voted on by shareholders, such as Board of Director nominations, ratification of the company's auditor, and various proposals put forward by shareholders. Glass Lewis serves as MainePERS' proxy agent for the System's direct holdings of companies in the Russell 1000 index, and places individual votes for each item according to the System's proxy guidelines.

As shown in the attached report, the System cast votes on over 11,000 individual ballot items across nearly 1,000 meetings during FY2025. The vast majority of these items (96%) were management proposals (e.g., Board nominations, auditor ratification, and compensation related), while nearly 500 votes were cast on shareholder proposals.

Each ballot proposal is accompanied by management's recommendation with respect to whether or not to support the proposal. In the case of management proposals, the System's proxy guidelines generally align with management's recommendations, and we voted in line with management in 92% of cases. However, in the case of shareholder proposals, our voting departs from management's recommendations in a majority (62%) of cases.

ACWI EX US HOLDINGS (COMMINGLED FUND)

In February 2025, the investment team implemented BlackRock's "Voting Choice" program for MainePERS' ACWI ex US exposure and switched proxy voting from the BlackRock Benchmark Policy to the Glass Lewis Benchmark Policy. As a result, the votes summarized below are for the period of February through June of 2025.

The System cast votes on over 34,000 individual ballot items across over 1,100 meetings during FY2025. The vast majority of these items (99%) were management proposals (e.g., Board nominations, auditor ratification, and compensation related), while just over 500 votes were cast on shareholder proposals.

Each ballot proposal is accompanied by management's recommendation with respect to whether or not to support the proposal. In the case of management proposals, the System's proxy votes utilizing the Glass Lewis Benchmark Policy generally align with management's recommendations, and we voted in line with management in 93% of cases. For shareholder proposals, we voted with management's recommendations in 75% of cases.

RUSSELL 2000 HOLDINGS (ETF)

As noted above, the System's investments in Russell 2000 are held in an Exchange Traded Fund. Proxies for this investment are voted by BlackRock, guided by BlackRock's Investment Stewardship principles, as they do not qualify for the "Voting Choice" program at this time. At a high level, BlackRock's policy is in line with the System's proxy guidelines and objectives. For example, it has the similar goals of advancing corporate governance practices that are aligned with long term shareholder value creation, seeking to align management compensation with financial performance, and supporting disclosure of sustainability factors.

ABSTENTIONS

In November 2024, the Investment Team informed Trustees that it would update internal Investments Practice 21.0 – Engagement – Proxy Voting Implementation regarding abstentions. Specifically, rather than abstaining from proposals that are expected to have no impact shareholder financial value, the update directs that proxies be voted to support those proposals related to efforts to combat climate change. In FY2025, out of 77 potential abstentions, there was one vote where this practice update applied. The vote addressed a shareholder proposal at Dominion Energy Inc. regarding the reconsideration of "Pay Incentives for Climate Goals". Given the vote was to potentially rescind compensation incentives tied to climate initiatives, per the new guidance, MainePERS' voted "Against" it.

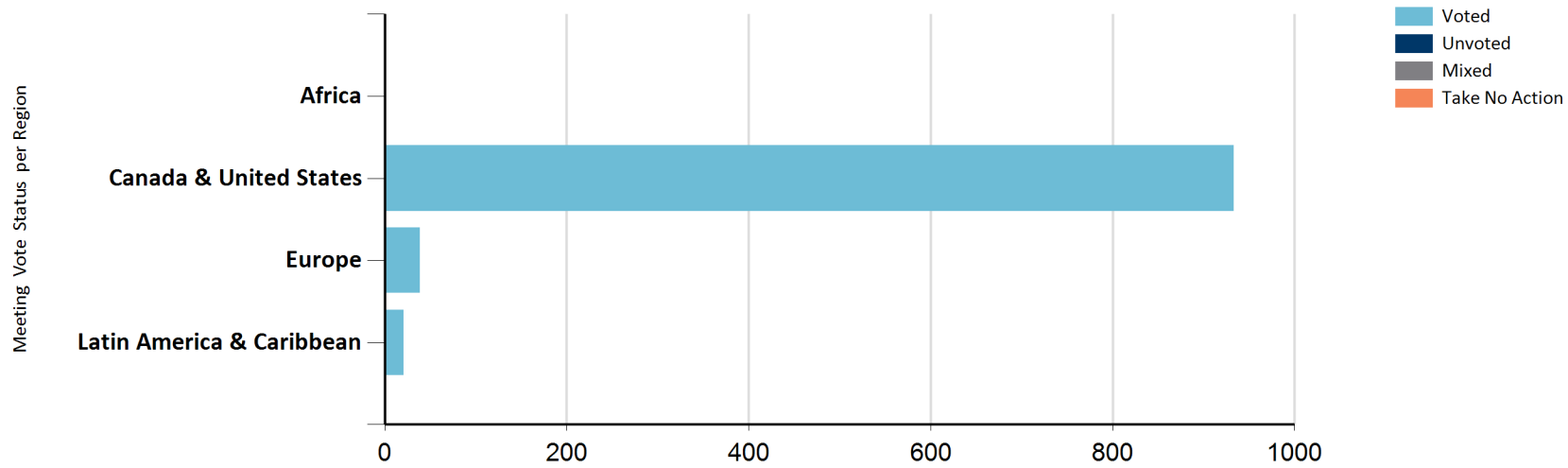
SHAREHOLDER ENGAGEMENT

MainePERS will selectively maintain direct engagement with public companies on matters that encourage the success and long-term growth of its portfolio. Direct engagement is conducted through written communication to companies, urging the Board of Directors to reconsider their stance on proposed ballot items. For FY2025, the Investment Team wrote sixteen such letters. All sixteen supported Shareholder Proposals regarding an "Independent Board Chair" in order to provide objective oversight and unique value adding insights.

Meeting Statistics Report

From 7/1/2024 to 6/30/2025

Meetings by Region & Vote Status



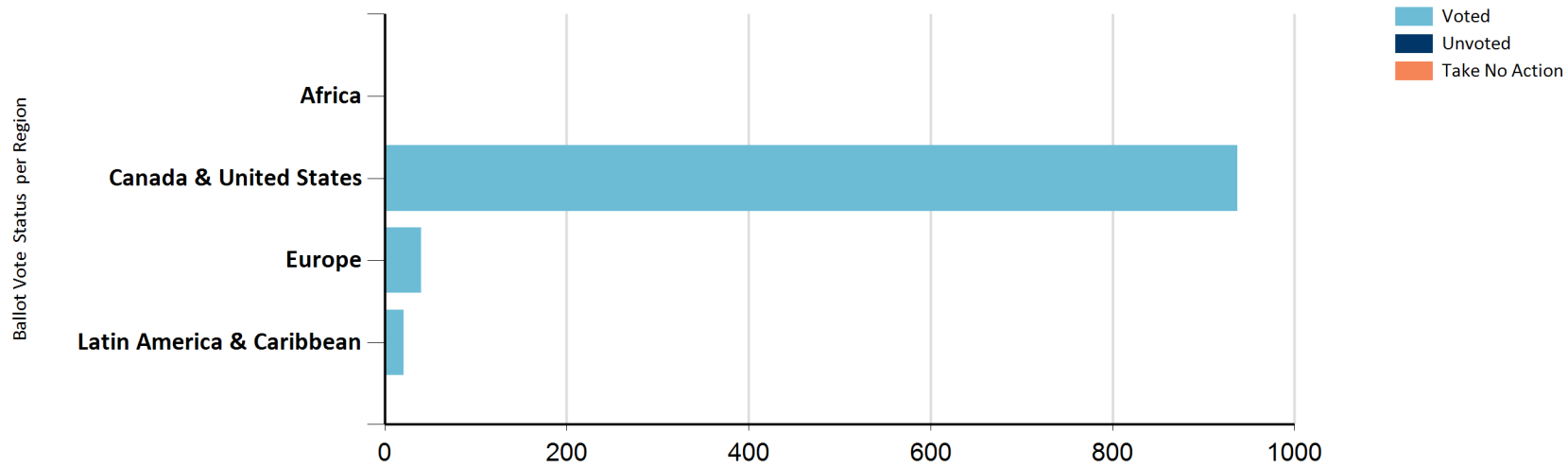
Region	Country Of Origin	Voted	Unvoted	Mixed	Take No Action	Total
Total for all Regions		994	0	0	0	994
Africa		1	0	0	0	1
	Liberia	1	0	0	0	1
Canada & United States		933	0	0	0	933
	Canada	2	0	0	0	2
	United States	931	0	0	0	931
Europe		39	0	0	0	39
	Ireland	17	0	0	0	17
	Jersey	7	0	0	0	7
	Luxembourg	2	0	0	0	2
	Netherlands	4	0	0	0	4
	Switzerland	3	0	0	0	3
	United Kingdom	6	0	0	0	6
Latin America & Caribbean		21	0	0	0	21
	Bermuda	13	0	0	0	13

Cayman Islands	5	0	0	0	5
Panama	1	0	0	0	1
Puerto Rico	1	0	0	0	1
Virgin Islands (British)	1	0	0	0	1

Ballot Statistics Report

From 7/1/2024 to 6/30/2025

Ballots by Region & Vote Status



Region	Country Of Origin	Voted	Unvoted	Take No Action	Total
Total for all Regions		999	0	0	999
Africa		1	0	0	1
	Liberia	1	0	0	1
Canada & United States		937	0	0	937
	Canada	2	0	0	2
	United States	935	0	0	935
Europe		40	0	0	40
	Ireland	17	0	0	17
	Jersey	8	0	0	8
	Luxembourg	2	0	0	2
	Netherlands	4	0	0	4
	Switzerland	3	0	0	3
	United Kingdom	6	0	0	6
Latin America & Caribbean		21	0	0	21
	Bermuda	13	0	0	13

Cayman Islands	5	0	0	5
Panama	1	0	0	1
Puerto Rico	1	0	0	1
Virgin Islands (British)	1	0	0	1

Proposal Statistics Report

From 7/1/2024 to 6/30/2025

	Mgmt Proposals	SHP Proposals	Total Proposals
For	10030	235	10265
Against	830	187	1017
Abstain	26	50	76
1 Year	49	0	49
2 Years	0	0	0
3 Years	0	0	0
Mixed	0	0	0
Take No Action	0	0	0
Unvoted	0	0	0
Totals	10935	472	11407

Management Proposals – Votes Cast

For - 10030 Abstain - 26 1 Year - 49
Against - 830



Shareholder Proposals – Votes Cast

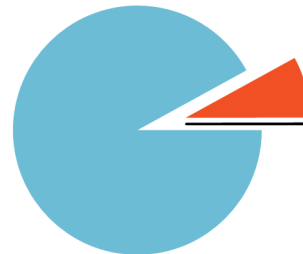
For - 235 Against - 187 Abstain - 50



	Mgmt Proposals	SHP Proposals	Total Proposals
With Management	10063	179	10242
Against Management	868	278	1146
N/A	4	15	19
Mixed	0	0	0
Take No Action	0	0	0
Unvoted	0	0	0
Totals	10935	472	11407

Management Proposals – Votes versus Management

With Mgmt - 10063 N/A - 4
Against Mgmt - 868



Shareholder Proposals – Votes versus Management

With Mgmt - 179 N/A - 15
Against Mgmt - 278

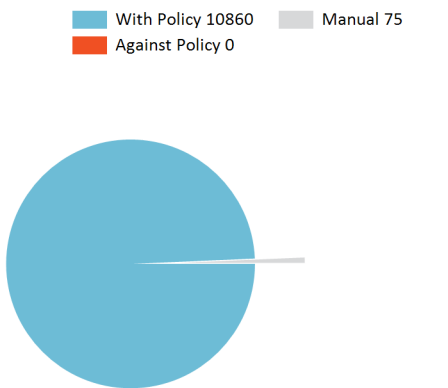


	Mgmt Proposals	SHP Proposals	Total Proposals
With Policy	10860	333	11193
Against Policy	0	10	10
Manual	75	129	204
N/A	0	0	0
Mixed	0	0	0
Take No Action	0	0	0
Unvoted	0	0	0

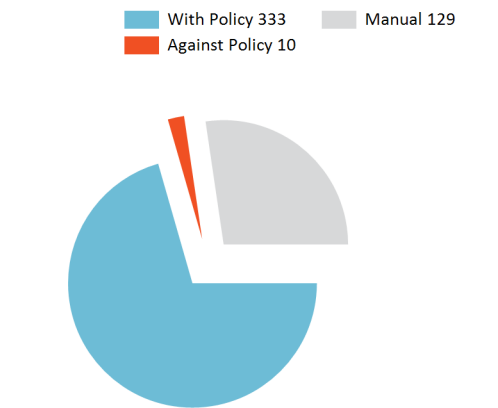
Totals	10935	472	11407
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	Mgmt Proposals	SHP Proposals	Total Proposals
With Glass Lewis	10863	393	11256
Against Glass Lewis	72	79	151
N/A	0	0	0
Mixed	0	0	0
Take No Action	0	0	0
Unvoted	0	0	0
Totals	10935	472	11407

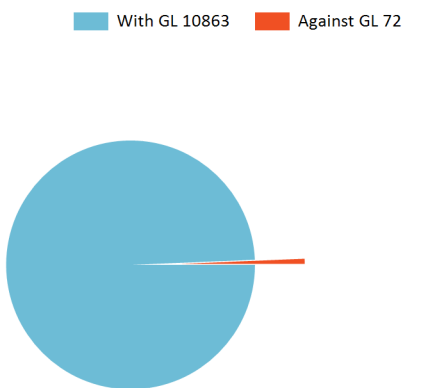
Management Proposals - Votes versus Policy



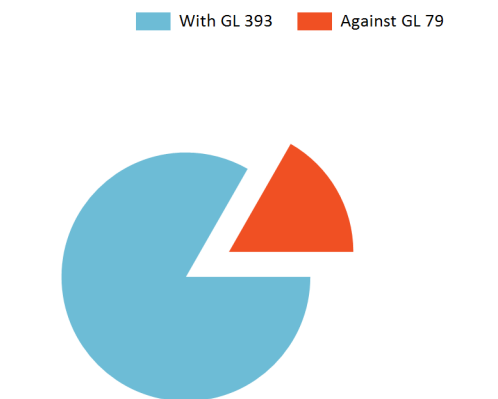
Shareholder Proposals - Votes versus Policy



Management Proposals - Votes versus Glass Lewis



Shareholder Proposals - Votes versus Glass Lewis



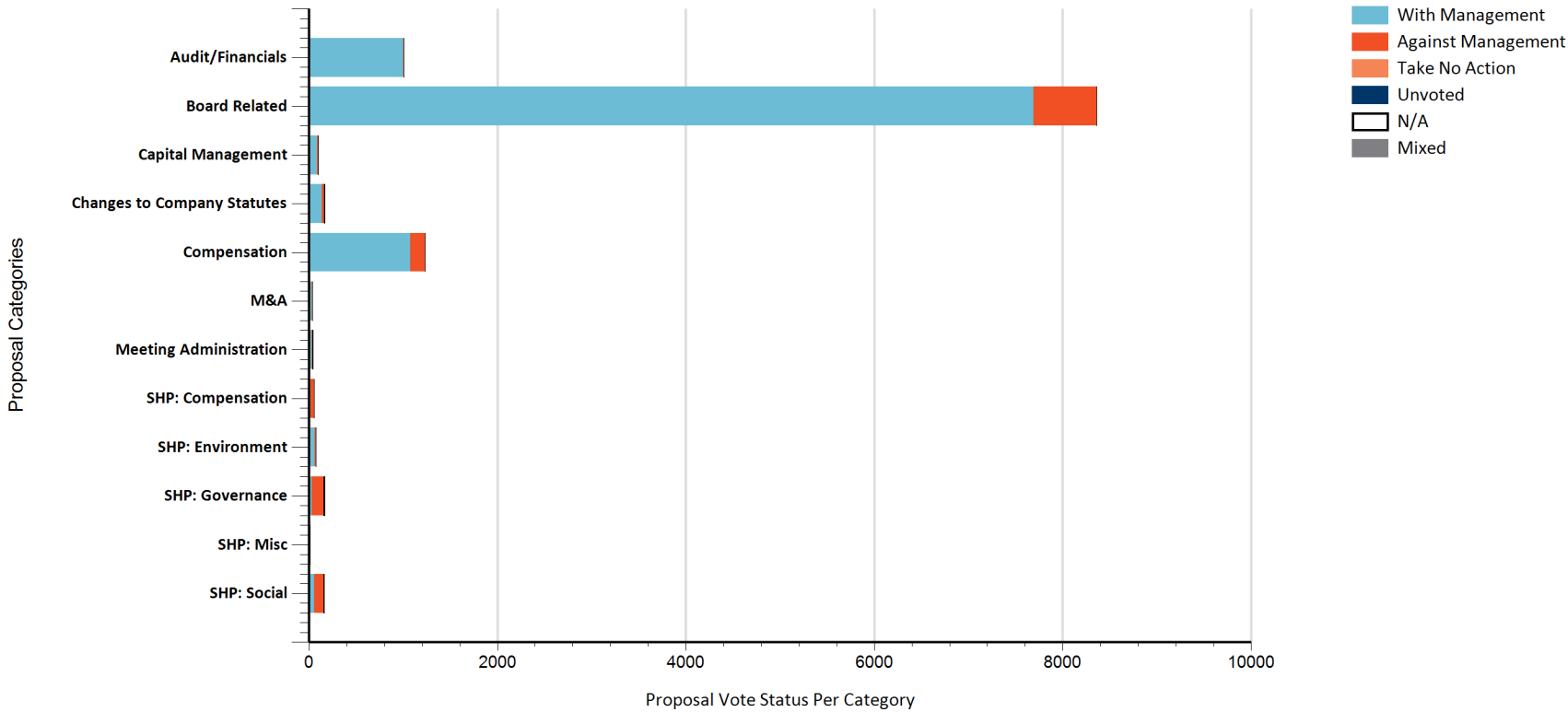
Proposal Category Report

From 7/1/2024 to 6/30/2025

Proposal Categories - All Votes

Proposal Category Type	For	Against	Abstain	Take No Action	Unvoted	Mixed	1 Year	2 Years	3 Years	Total
Totals	10265	1017	76	0	0	0	49	0	0	11407
Audit/Financials	1005	1	0	0	0	0	0	0	0	1006
Board Related	7696	652	13	0	0	0	0	0	0	8361
Capital Management	89	9	0	0	0	0	0	0	0	98
Changes to Company Statutes	140	13	12	0	0	0	0	0	0	165
Compensation	1032	149	0	0	0	0	49	0	0	1230
M&A	34	0	1	0	0	0	0	0	0	35
Meeting Administration	34	6	0	0	0	0	0	0	0	40
SHP: Compensation	30	17	7	0	0	0	0	0	0	54
SHP: Environment	8	64	6	0	0	0	0	0	0	78
SHP: Governance	131	40	0	0	0	0	0	0	0	171
SHP: Misc	2	12	0	0	0	0	0	0	0	14
SHP: Social	64	54	37	0	0	0	0	0	0	155

Proposal Categories - Votes versus Management

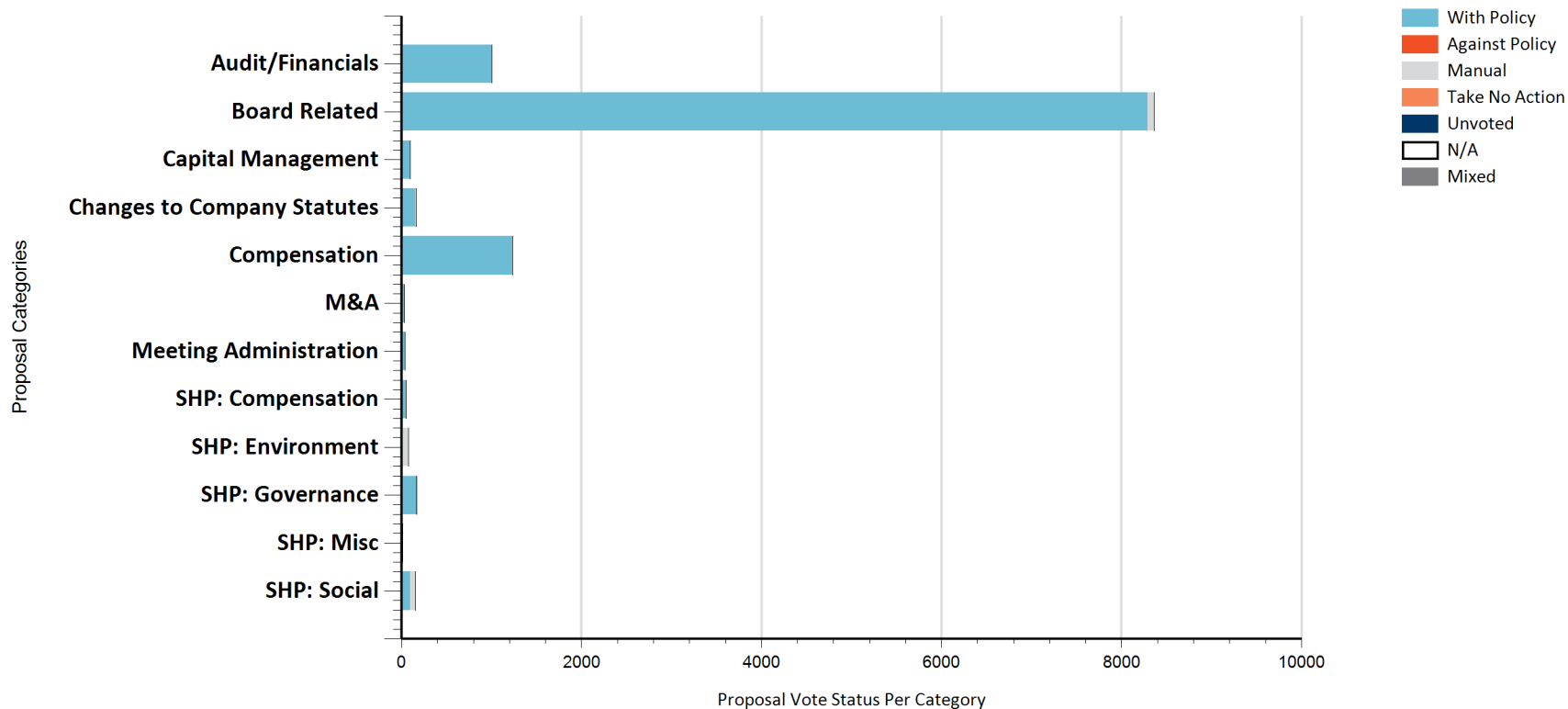


Proposal Categories - Votes versus Management

Proposal Category Type	With Management	Against Management	Take No Action	Unvoted	N/A	Mixed	Total
Totals	10242	1146	0	0	19	0	11407
Audit/Financials	1003	3	0	0	0	0	1006
Board Related	7693	668	0	0	0	0	8361
Capital Management	89	9	0	0	0	0	98
Changes to Company Statutes	136	26	0	0	3	0	165
Compensation	1074	156	0	0	0	0	1230
M&A	34	1	0	0	0	0	35

Proposal Category Type	With Management	Against Management	Take No Action	Unvoted	N/A	Mixed	Total
Meeting Administration	34	5	0	0	1	0	40
SHP: Compensation	17	37	0	0	0	0	54
SHP: Environment	64	14	0	0	0	0	78
SHP: Governance	32	125	0	0	14	0	171
SHP: Misc	12	2	0	0	0	0	14
SHP: Social	54	100	0	0	1	0	155

Proposal Categories - Votes versus Policy

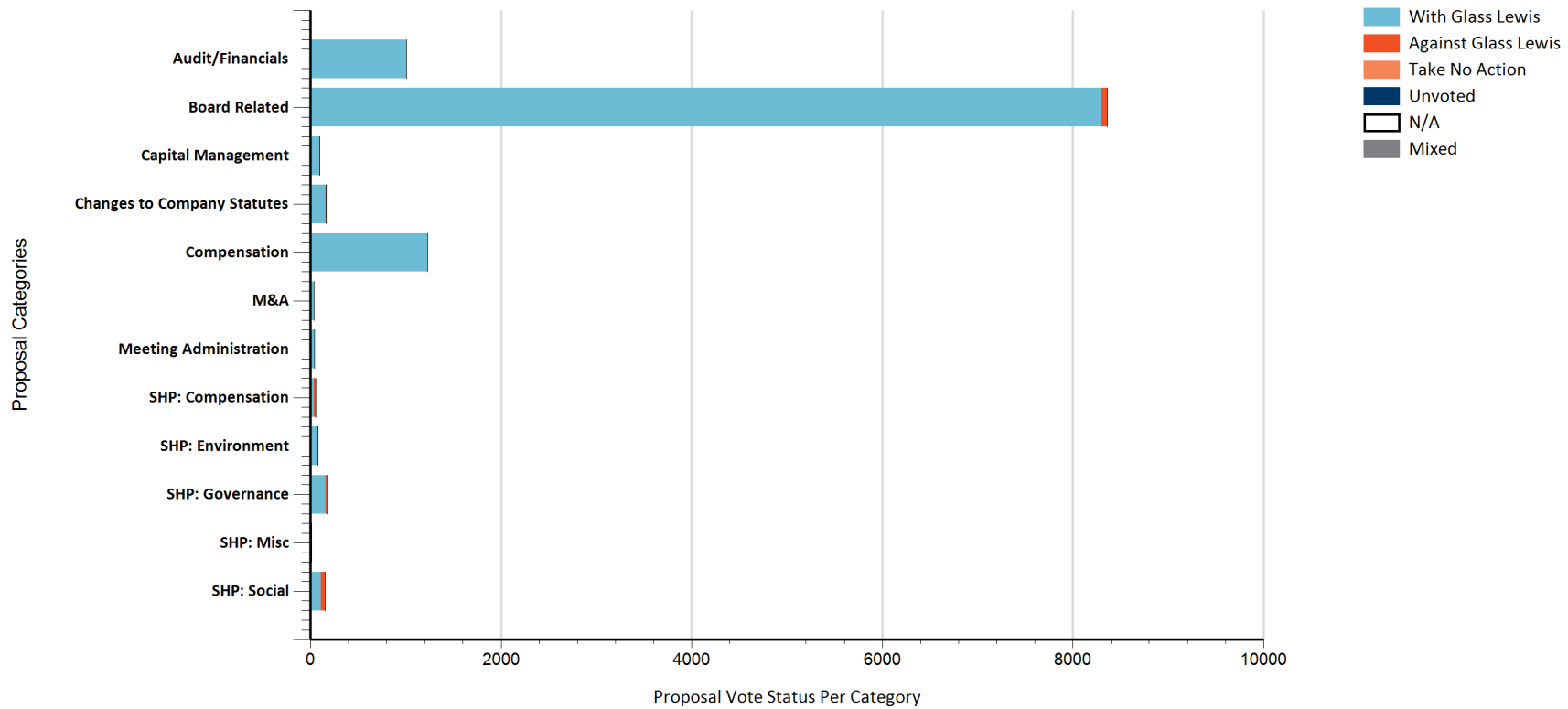


Proposal Categories - Votes versus Policy

Proposal Category Type	With Policy	Against Policy	Manual	Take No Action	Unvoted	N/A	Mixed	Total
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Totals	11193	10	204	0	0	0	0	11407
Audit/Financials	1006	0	0	0	0	0	0	1006
Board Related	8292	0	69	0	0	0	0	8361
Capital Management	98	0	0	0	0	0	0	98
Changes to Company Statutes	159	0	6	0	0	0	0	165
Compensation	1230	0	0	0	0	0	0	1230
M&A	35	0	0	0	0	0	0	35
Meeting Administration	40	0	0	0	0	0	0	40
SHP: Compensation	53	1	0	0	0	0	0	54
SHP: Environment	7	0	71	0	0	0	0	78
SHP: Governance	162	9	0	0	0	0	0	171
SHP: Misc	14	0	0	0	0	0	0	14
SHP: Social	97	0	58	0	0	0	0	155

Proposal Categories - Votes versus Glass Lewis



Proposal Categories - Votes versus Glass Lewis

Proposal Category Type	With Glass Lewis	Against Glass Lewis	Take No Action	Unvoted	N/A	Mixed	Total
Totals	11256	151	0	0	0	0	11407
Audit/Financials	1006	0	0	0	0	0	1006
Board Related	8296	65	0	0	0	0	8361
Capital Management	98	0	0	0	0	0	98
Changes to Company Statutes	161	4	0	0	0	0	165
Compensation	1227	3	0	0	0	0	1230
M&A	35	0	0	0	0	0	35

Proposal Category Type	With Glass Lewis	Against Glass Lewis	Take No Action	Unvoted	N/A	Mixed	Total
Meeting Administration	40	0	0	0	0	0	40
SHP: Compensation	36	18	0	0	0	0	54
SHP: Environment	72	6	0	0	0	0	78
SHP: Governance	160	11	0	0	0	0	171
SHP: Misc	14	0	0	0	0	0	14
SHP: Social	111	44	0	0	0	0	155

Issue Code	Category	Issue Short Text	For	Against	Abstain	Take No		Mixed	1 Year	2 Years	3 Years	Total
						Action	Unvoted					
		Reduction in Share Premium Account	2	0	0	0	0	0	0	0	0	2
		Reverse Stock Split	1	0	0	0	0	0	0	0	0	1
		Stock Split	1	1	0	0	0	0	0	0	0	2
		Use/Transfer of Reserves	1	0	0	0	0	0	0	0	0	1
Changes to Company Statutes			140	13	12	0	0	0	0	0	0	153
		Adoption of Majority Vote for Election of Directors	2	0	0	0	0	0	0	0	0	2
		Amend Articles, Constitution, Bylaws - Bundled	1	0	0	0	0	0	0	0	0	1
		Amendment to Poison Pill	0	2	0	0	0	0	0	0	0	2
		Amendment to Shareholder Rights' Plan	0	1	0	0	0	0	0	0	0	1
		Amendment to Supermajority Requirement	2	0	0	0	0	0	0	0	0	2
		Amendments to Articles, Constitution, Bylaws	2	0	0	0	0	0	0	0	0	2
		Amendments to Charter/Bylaw - Bundled	3	1	0	0	0	0	0	0	0	4
		Change in State of Incorporation	1	5	0	0	0	0	0	0	0	6
		Company Name Change	2	0	0	0	0	0	0	0	0	2
		Elimination of Cumulative Voting	0	1	0	0	0	0	0	0	0	1
		Elimination of Supermajority Requirement	70	0	0	0	0	0	0	0	0	70
		Misc. Article Amendments	23	1	0	0	0	0	0	0	0	24
		Repeal of Classified Board	22	0	0	0	0	0	0	0	0	22
		Restoration of Right to Call a Special Meeting	8	2	12	0	0	0	0	0	0	22
		Restoration of Written Consent	2	0	0	0	0	0	0	0	0	2
		Technical Amendments to Charter/Bylaw	2	0	0	0	0	0	0	0	0	2
Compensation			1032	149	0	0	0	0	49	0	0	1230

Issue Code	Category	Issue Short Text	For	Against	Abstain	Take No		Mixed	1 Year	2 Years	3 Years	Total
						Action	Unvoted					
		Adoption of Director Equity Compensation Plan	1	0	0	0	0	0	0	0	0	1
		Adoption of Employee Stock Purchase Plan	18	0	0	0	0	0	0	0	0	18
		Adoption of Equity Compensation Plan	46	3	0	0	0	0	0	0	0	49
		Advisory Vote on Executive Compensation	782	129	0	0	0	0	0	0	0	911
		Advisory Vote on Severance	13	3	0	0	0	0	0	0	0	16
		Amendment to Director Equity Compensation Plan	5	0	0	0	0	0	0	0	0	5
		Amendment to Employee Stock Purchase Plan	22	1	0	0	0	0	0	0	0	23
		Amendment to Equity Compensation Plan	120	10	0	0	0	0	0	0	0	130
		Amendment to Stock Option Plan	2	0	0	0	0	0	0	0	0	2
		Capital Proposal to Implement Equity Compensation Plan	2	0	0	0	0	0	0	0	0	2
		Directors' Fees	2	0	0	0	0	0	0	0	0	2
		Non-Executive Remuneration Policy (Forward-Looking)	3	0	0	0	0	0	0	0	0	3
		Remuneration Policy (Forward-Looking)	7	2	0	0	0	0	0	0	0	9
		Remuneration Report (Retrospective)	8	1	0	0	0	0	0	0	0	9
		Say When on Pay	0	0	0	0	0	0	49	0	0	49
		Stock Purchase Plan	1	0	0	0	0	0	0	0	0	1
M&A			34	0	1	0	0	0	0	0	0	34
		Merger/Acquisition	30	0	1	0	0	0	0	0	0	31
		Restructuring/Capitalization	1	0	0	0	0	0	0	0	0	1
		Restructuring/Reorganization	1	0	0	0	0	0	0	0	0	1
		Spin-off	2	0	0	0	0	0	0	0	0	2
Meeting Administration			34	6	0	0	0	0	0	0	0	40

Issue Code	Category	Issue Short Text	Take No								Total	
			For	Against	Abstain	Action	Unvoted	Mixed	1 Year	2 Years		3 Years
		Appointment of Independent Proxy (Switzerland)	3	0	0	0	0	0	0	0	0	3
		Authorization of Legal Formalities	1	0	0	0	0	0	0	0	0	1
		Right to Adjourn Meeting	30	4	0	0	0	0	0	0	0	34
		Transact Other Business	0	2	0	0	0	0	0	0	0	2
SHP: Compensation			30	17	7	0	0	0	0	0	0	47
		SHP Recoupment of Unearned Bonuses (Clawback)	0	11	0	0	0	0	0	0	0	11
		SHP Regarding Golden Parachutes	27	0	0	0	0	0	0	0	0	27
		SHP Regarding Linking Executive Pay to Social Criteria	0	1	5	0	0	0	0	0	0	6
		SHP Regarding Misc. Compensation	0	1	0	0	0	0	0	0	0	1
		SHP Regarding Race and/or Gender Pay Equity Report	0	0	2	0	0	0	0	0	0	2
		SHP Regarding Report on Ratio Between CEO and Employee Pay	0	4	0	0	0	0	0	0	0	4
		SHP Regarding Restricting Executive Compensation	3	0	0	0	0	0	0	0	0	3
SHP: Environment			8	64	6	0	0	0	0	0	0	72
		SHP Regarding Bioengineering / Nanotechnology Safety	0	0	1	0	0	0	0	0	0	1
		SHP Regarding Climate Lobbying	0	4	0	0	0	0	0	0	0	4
		SHP Regarding Environmental Report	1	18	0	0	0	0	0	0	0	19
		SHP Regarding Formation of Environmental/Social Committee of the B	1	0	3	0	0	0	0	0	0	4
		SHP Regarding Misc. Energy/Environmental Issues	0	3	0	0	0	0	0	0	0	3
		SHP Regarding Report on Antibiotics in Animal Agriculture	0	0	2	0	0	0	0	0	0	2
		SHP Regarding Report/Action on Climate Change	2	26	0	0	0	0	0	0	0	28
		SHP Regarding Reporting and Reducing Greenhouse Gas Emissions	4	13	0	0	0	0	0	0	0	17
SHP: Governance			131	40	0	0	0	0	0	0	0	171

Issue Code	Category	Issue Short Text	For	Against	Abstain	Take No		Mixed	1 Year	2 Years	3 Years	Total
						Action	Unvoted					
		SHP Regarding Directors' Roles in Corporate Strategy	1	0	0	0	0	0	0	0	0	1
		SHP Regarding Double Board Nominees	0	3	0	0	0	0	0	0	0	3
		SHP Regarding Election of Board Member (s) During a Contested Election – Dissident	7	10	0	0	0	0	0	0	0	17
		SHP Regarding Eliminating Supermajority Provisions	12	8	0	0	0	0	0	0	0	20
		SHP Regarding Independent Board Chairman/Separation of Chair and CEO	25	0	0	0	0	0	0	0	0	25
		SHP Regarding Majority Vote for Election of Directors	12	0	0	0	0	0	0	0	0	12
		SHP Regarding Misc. Board/Shareholder Rights Issue	3	2	0	0	0	0	0	0	0	5
		SHP Regarding Recapitalization	5	1	0	0	0	0	0	0	0	6
		SHP Regarding Right to Act by Written Consent	6	6	0	0	0	0	0	0	0	12
		SHP Regarding Right to Call a Special Meeting	49	10	0	0	0	0	0	0	0	59
		SHP Regarding the Declassification of the Board	11	0	0	0	0	0	0	0	0	11
SHP: Misc			2	12	0	0	0	0	0	0	0	14
		SHP Regarding Repeal of Bylaw Amendments	1	0	0	0	0	0	0	0	0	1
		SHP: Misc. Issues	1	12	0	0	0	0	0	0	0	13
SHP: Social			64	54	37	0	0	0	0	0	0	118
		SHP Regarding Animal Welfare	0	0	8	0	0	0	0	0	0	8
		SHP Regarding Firearms	0	0	1	0	0	0	0	0	0	1
		SHP Regarding Military Contracts/Sales	1	0	0	0	0	0	0	0	0	1
		SHP Regarding Misc. Human Capital Management	7	27	2	0	0	0	0	0	0	36
		SHP Regarding Misc. Labor Issues/Policies	0	3	0	0	0	0	0	0	0	3
		SHP Regarding Misc. Social Issue	13	0	19	0	0	0	0	0	0	32
		SHP Regarding Pregnancy/Abortion Issues	0	0	5	0	0	0	0	0	0	5

Issue Code Category	Issue Short Text	For	Against	Abstain	Take No		Mixed	1 Year	2 Years	3 Years	Total
					Action	Unvoted					
	SHP Regarding Racial Equity Audit	3	5	0	0	0	0	0	0	0	8
	SHP Regarding Report on EEO	3	0	0	0	0	0	0	0	0	3
	SHP Regarding Reporting on Company's Compliance with International Human Rig	4	14	0	0	0	0	0	0	0	18
	SHP Regarding Reviewing Charitable Spending	10	0	0	0	0	0	0	0	0	10
	SHP Regarding Reviewing Political Spending or Lobbying	19	5	0	0	0	0	0	0	0	24
	SHP Regarding Tobacco/Alcohol	4	0	2	0	0	0	0	0	0	6

Proposal Types – Votes Versus Management

Issue Code Category	Issue Code Description	With Management	Against Management	Take No Action	Unvoted	N/A	Mixed	Total
Total for all Categories		10242	1146	0	0	19	0	11407
Audit/Financials		1003	3	0	0	0	0	1006
	Allocation of Profits/Dividends	11	0	0	0	0	0	11
	Appointment of Auditor	19	0	0	0	0	0	19
	Appointment of Auditor and Authority to Set Fees	13	0	0	0	0	0	13
	Appointment of Special Auditor	1	0	0	0	0	0	1
	Approval of Non-Financial Reports	3	0	0	0	0	0	3
	Authority to Set Auditor's Fees	11	0	0	0	0	0	11
	Financial Statements	19	0	0	0	0	0	19
	Ratification of Auditor	926	3	0	0	0	0	929
Board Related		7693	668	0	0	0	0	8361
	Board Size	2	0	0	0	0	0	2
	Change in Board Size	3	0	0	0	0	0	3

Issue Code Category	Issue Code Description	With Management	Against Management	Take No Action	Unvoted	N/A	Mixed	Total
	Director & Officer Liability/Indemnification	0	69	0	0	0	0	69
	Election of Board Committee Members	7	1	0	0	0	0	8
	Election of Board Member(s) During a Contested Election – Management Nominee	0	13	0	0	0	0	13
	Election of Directors	7638	579	0	0	0	0	8217
	Election of Directors (Management Board)	2	0	0	0	0	0	2
	Election of Directors (Slate)	0	1	0	0	0	0	1
	Election of Non-Principal Members (Chairman, alternates)	2	1	0	0	0	0	3
	Election of Statutory Auditors	1	0	0	0	0	0	1
	Election of Subsidiary Directors	21	2	0	0	0	0	23
	Election of Supervisory Board	6	2	0	0	0	0	8
	Ratification of Board Acts - Legal	9	0	0	0	0	0	9
	Ratification of Management Acts - Legal	2	0	0	0	0	0	2
Capital Management		89	9	0	0	0	0	98
	Authority to Issue Shares w/ Preemptive Rights	22	1	0	0	0	0	23
	Authority to Issue Shares w/o Preemptive Rights	26	0	0	0	0	0	26
	Authority to Issue Stock w/ or w/out Preemptive Rights	1	0	0	0	0	0	1
	Authority to Repurchase and Re-Issue Shares	1	0	0	0	0	0	1
	Authority to Repurchase Shares	12	0	0	0	0	0	12
	Authority to Set Offering Price of Shares	8	0	0	0	0	0	8
	Cancellation of Authorized Stock	1	0	0	0	0	0	1
	Increase in Authorized Capital	2	0	0	0	0	0	2
	Increase in Authorized Common Stock	8	5	0	0	0	0	13

Issue Code Category	Issue Code Description	With Management	Against Management	Take No Action	Unvoted	N/A	Mixed	Total
	Increase in/Authorization of Dual Class Stock	0	1	0	0	0	0	1
	Increase in/Authorization of Preferred Stock	0	1	0	0	0	0	1
	Issuance of Common Stock	1	0	0	0	0	0	1
	Issuance of Repurchased Shares	1	0	0	0	0	0	1
	Misc. Proposal Regarding Capital	1	0	0	0	0	0	1
	Reduction in Share Premium Account	2	0	0	0	0	0	2
	Reverse Stock Split	1	0	0	0	0	0	1
	Stock Split	1	1	0	0	0	0	2
	Use/Transfer of Reserves	1	0	0	0	0	0	1
Changes to Company Statutes		136	26	0	0	3	0	165
	Adoption of Majority Vote for Election of Directors	2	0	0	0	0	0	2
	Amend Articles, Constitution, Bylaws - Bundled	1	0	0	0	0	0	1
	Amendment to Poison Pill	0	2	0	0	0	0	2
	Amendment to Shareholder Rights' Plan	0	1	0	0	0	0	1
	Amendment to Supermajority Requirement	2	0	0	0	0	0	2
	Amendments to Articles, Constitution, Bylaws	2	0	0	0	0	0	2
	Amendments to Charter/Bylaw - Bundled	3	1	0	0	0	0	4
	Change in State of Incorporation	1	5	0	0	0	0	6
	Company Name Change	2	0	0	0	0	0	2
	Elimination of Cumulative Voting	0	1	0	0	0	0	1
	Elimination of Supermajority Requirement	67	0	0	0	3	0	70
	Misc. Article Amendments	23	1	0	0	0	0	24

Issue Code Category	Issue Code Description	With Management	Against Management	Take No Action	Unvoted	N/A	Mixed	Total
	Repeal of Classified Board	21	1	0	0	0	0	22
	Restoration of Right to Call a Special Meeting	8	14	0	0	0	0	22
	Restoration of Written Consent	2	0	0	0	0	0	2
	Technical Amendments to Charter/Bylaw	2	0	0	0	0	0	2
Compensation		1074	156	0	0	0	0	1230
	Adoption of Director Equity Compensation Plan	1	0	0	0	0	0	1
	Adoption of Employee Stock Purchase Plan	18	0	0	0	0	0	18
	Adoption of Equity Compensation Plan	46	3	0	0	0	0	49
	Advisory Vote on Executive Compensation	780	131	0	0	0	0	911
	Advisory Vote on Severance	13	3	0	0	0	0	16
	Amendment to Director Equity Compensation Plan	5	0	0	0	0	0	5
	Amendment to Employee Stock Purchase Plan	22	1	0	0	0	0	23
	Amendment to Equity Compensation Plan	120	10	0	0	0	0	130
	Amendment to Stock Option Plan	2	0	0	0	0	0	2
	Capital Proposal to Implement Equity Compensation Plan	2	0	0	0	0	0	2
	Directors' Fees	2	0	0	0	0	0	2
	Non-Executive Remuneration Policy (Forward-Looking)	3	0	0	0	0	0	3
	Remuneration Policy (Forward-Looking)	7	2	0	0	0	0	9
	Remuneration Report (Retrospective)	8	1	0	0	0	0	9
	Say When on Pay	44	5	0	0	0	0	49
	Stock Purchase Plan	1	0	0	0	0	0	1
M&A		34	1	0	0	0	0	35

Issue Code Category	Issue Code Description	With Management	Against Management	Take No Action	Unvoted	N/A	Mixed	Total
	Merger/Acquisition	30	1	0	0	0	0	31
	Restructuring/Capitalization	1	0	0	0	0	0	1
	Restructuring/Reorganization	1	0	0	0	0	0	1
	Spin-off	2	0	0	0	0	0	2
Meeting Administration		34	5	0	0	1	0	40
	Appointment of Independent Proxy (Switzerland)	3	0	0	0	0	0	3
	Authorization of Legal Formalities	1	0	0	0	0	0	1
	Right to Adjourn Meeting	30	4	0	0	0	0	34
	Transact Other Business	0	1	0	0	1	0	2
SHP: Compensation		17	37	0	0	0	0	54
	SHP Recoupment of Unearned Bonuses (Clawback)	11	0	0	0	0	0	11
	SHP Regarding Golden Parachutes	0	27	0	0	0	0	27
	SHP Regarding Linking Executive Pay to Social Criteria	1	5	0	0	0	0	6
	SHP Regarding Misc. Compensation	1	0	0	0	0	0	1
	SHP Regarding Race and/or Gender Pay Equity Report	0	2	0	0	0	0	2
	SHP Regarding Report on Ratio Between CEO and Employee Pay	4	0	0	0	0	0	4
	SHP Regarding Restricting Executive Compensation	0	3	0	0	0	0	3
SHP: Environment		64	14	0	0	0	0	78
	SHP Regarding Bioengineering / Nanotechnology Safety	0	1	0	0	0	0	1
	SHP Regarding Climate Lobbying	4	0	0	0	0	0	4
	SHP Regarding Environmental Report	18	1	0	0	0	0	19
	SHP Regarding Formation of Environmental/Social Committee of the Board	0	4	0	0	0	0	4

Issue Code Category	Issue Code Description	With Management	Against Management	Take No Action	Unvoted	N/A	Mixed	Total
	SHP Regarding Misc. Energy/Environmental Issues	3	0	0	0	0	0	3
	SHP Regarding Report on Antibiotics in Animal Agriculture	0	2	0	0	0	0	2
	SHP Regarding Report/Action on Climate Change	26	2	0	0	0	0	28
	SHP Regarding Reporting and Reducing Greenhouse Gas Emissions	13	4	0	0	0	0	17
<i>SHP: Governance</i>		32	125	0	0	14	0	171
	SHP Regarding Directors' Roles in Corporate Strategy	0	1	0	0	0	0	1
	SHP Regarding Double Board Nominees	3	0	0	0	0	0	3
	SHP Regarding Election of Board Member(s) During a Contested Election – Dissident?Nominee	0	17	0	0	0	0	17
	SHP Regarding Eliminating Supermajority Provisions	9	5	0	0	6	0	20
	SHP Regarding Independent Board Chairman/Separation of Chair and CEO	1	24	0	0	0	0	25
	SHP Regarding Majority Vote for Election of Directors	0	12	0	0	0	0	12
	SHP Regarding Misc. Board/Shareholder Rights Issue	2	3	0	0	0	0	5
	SHP Regarding Recapitalization	1	5	0	0	0	0	6
	SHP Regarding Right to Act by Written Consent	6	6	0	0	0	0	12
	SHP Regarding Right to Call a Special Meeting	10	47	0	0	2	0	59
	SHP Regarding the Declassification of the Board	0	5	0	0	6	0	11
<i>SHP: Misc</i>		12	2	0	0	0	0	14
	SHP Regarding Repeal of Bylaw Amendments	0	1	0	0	0	0	1
	SHP: Misc. Issues	12	1	0	0	0	0	13
<i>SHP: Social</i>		54	100	0	0	1	0	155
	SHP Regarding Animal Welfare	0	8	0	0	0	0	8
	SHP Regarding Firearms	0	1	0	0	0	0	1

Issue Code Category	Issue Code Description	With Management	Against Management	Take No Action	Unvoted	N/A	Mixed	Total
	SHP Regarding Military Contracts/Sales	0	1	0	0	0	0	1
	SHP Regarding Misc. Human Capital Management	27	9	0	0	0	0	36
	SHP Regarding Misc. Labor Issues/Policies	3	0	0	0	0	0	3
	SHP Regarding Misc. Social Issue	0	32	0	0	0	0	32
	SHP Regarding Pregnancy/Abortion Issues	0	5	0	0	0	0	5
	SHP Regarding Racial Equity Audit	5	3	0	0	0	0	8
	SHP Regarding Report on EEO	0	2	0	0	1	0	3
	SHP Regarding Reporting on Company's Compliance with International Human Rights Standards	14	4	0	0	0	0	18
	SHP Regarding Reviewing Charitable Spending	0	10	0	0	0	0	10
	SHP Regarding Reviewing Political Spending or Lobbying	5	19	0	0	0	0	24
	SHP Regarding Tobacco/Alcohol	0	6	0	0	0	0	6

Proposal Types – Votes Versus Policy

Issue Code Category	Issue Code Description	With Policy	Against Policy	Manual	Take No Action	Unvoted	N/A	Mixed	Total
Total for all Categories		11193	10	204	0	0	0	0	11407
<i>Audit/Financials</i>		1006	0	0	0	0	0	0	1006
	Allocation of Profits/Dividends	11	0	0	0	0	0	0	11
	Appointment of Auditor	19	0	0	0	0	0	0	19
	Appointment of Auditor and Authority to Set Fees	13	0	0	0	0	0	0	13
	Appointment of Special Auditor	1	0	0	0	0	0	0	1
	Approval of Non-Financial Reports	3	0	0	0	0	0	0	3
	Authority to Set Auditor's Fees	11	0	0	0	0	0	0	11

Issue Code Category	Issue Code Description	With Policy	Against Policy	Manual	Take No Action	Unvoted	N/A	Mixed	Total
	Financial Statements	19	0	0	0	0	0	0	19
	Ratification of Auditor	929	0	0	0	0	0	0	929
Board Related		8292	0	69	0	0	0	0	8361
	Board Size	2	0	0	0	0	0	0	2
	Change in Board Size	3	0	0	0	0	0	0	3
	Director & Officer Liability/Indemnification	0	0	69	0	0	0	0	69
	Election of Board Committee Members	8	0	0	0	0	0	0	8
	Election of Board Member(s) During a Contested Election – Management Nominee	13	0	0	0	0	0	0	13
	Election of Directors	8217	0	0	0	0	0	0	8217
	Election of Directors (Management Board)	2	0	0	0	0	0	0	2
	Election of Directors (Slate)	1	0	0	0	0	0	0	1
	Election of Non-Principal Members (Chairman, alternates)	3	0	0	0	0	0	0	3
	Election of Statutory Auditors	1	0	0	0	0	0	0	1
	Election of Subsidiary Directors	23	0	0	0	0	0	0	23
	Election of Supervisory Board	8	0	0	0	0	0	0	8
	Ratification of Board Acts - Legal	9	0	0	0	0	0	0	9
	Ratification of Management Acts - Legal	2	0	0	0	0	0	0	2
Capital Management		98	0	0	0	0	0	0	98
	Authority to Issue Shares w/ Preemptive Rights	23	0	0	0	0	0	0	23
	Authority to Issue Shares w/o Preemptive Rights	26	0	0	0	0	0	0	26
	Authority to Issue Stock w/ or w/out Preemptive Rights	1	0	0	0	0	0	0	1
	Authority to Repurchase and Re-Issue Shares	1	0	0	0	0	0	0	1

Issue Code Category	Issue Code Description	With Policy	Against Policy	Manual	Take No Action	Unvoted	N/A	Mixed	Total
	Authority to Repurchase Shares	12	0	0	0	0	0	0	12
	Authority to Set Offering Price of Shares	8	0	0	0	0	0	0	8
	Cancellation of Authorized Stock	1	0	0	0	0	0	0	1
	Increase in Authorized Capital	2	0	0	0	0	0	0	2
	Increase in Authorized Common Stock	13	0	0	0	0	0	0	13
	Increase in/Authorization of Dual Class Stock	1	0	0	0	0	0	0	1
	Increase in/Authorization of Preferred Stock	1	0	0	0	0	0	0	1
	Issuance of Common Stock	1	0	0	0	0	0	0	1
	Issuance of Repurchased Shares	1	0	0	0	0	0	0	1
	Misc. Proposal Regarding Capital	1	0	0	0	0	0	0	1
	Reduction in Share Premium Account	2	0	0	0	0	0	0	2
	Reverse Stock Split	1	0	0	0	0	0	0	1
	Stock Split	2	0	0	0	0	0	0	2
	Use/Transfer of Reserves	1	0	0	0	0	0	0	1
Changes to Company Statutes		159	0	6	0	0	0	0	165
	Adoption of Majority Vote for Election of Directors	2	0	0	0	0	0	0	2
	Amend Articles, Constitution, Bylaws - Bundled	1	0	0	0	0	0	0	1
	Amendment to Poison Pill	2	0	0	0	0	0	0	2
	Amendment to Shareholder Rights' Plan	1	0	0	0	0	0	0	1
	Amendment to Supermajority Requirement	2	0	0	0	0	0	0	2
	Amendments to Articles, Constitution, Bylaws	2	0	0	0	0	0	0	2
	Amendments to Charter/Bylaw - Bundled	4	0	0	0	0	0	0	4

Issue Code Category	Issue Code Description	With Policy	Against Policy	Manual	Take No Action	Unvoted	N/A	Mixed	Total
	Change in State of Incorporation	0	0	6	0	0	0	0	6
	Company Name Change	2	0	0	0	0	0	0	2
	Elimination of Cumulative Voting	1	0	0	0	0	0	0	1
	Elimination of Supermajority Requirement	70	0	0	0	0	0	0	70
	Misc. Article Amendments	24	0	0	0	0	0	0	24
	Repeal of Classified Board	22	0	0	0	0	0	0	22
	Restoration of Right to Call a Special Meeting	22	0	0	0	0	0	0	22
	Restoration of Written Consent	2	0	0	0	0	0	0	2
	Technical Amendments to Charter/Bylaw	2	0	0	0	0	0	0	2
Compensation		1230	0	0	0	0	0	0	1230
	Adoption of Director Equity Compensation Plan	1	0	0	0	0	0	0	1
	Adoption of Employee Stock Purchase Plan	18	0	0	0	0	0	0	18
	Adoption of Equity Compensation Plan	49	0	0	0	0	0	0	49
	Advisory Vote on Executive Compensation	911	0	0	0	0	0	0	911
	Advisory Vote on Severance	16	0	0	0	0	0	0	16
	Amendment to Director Equity Compensation Plan	5	0	0	0	0	0	0	5
	Amendment to Employee Stock Purchase Plan	23	0	0	0	0	0	0	23
	Amendment to Equity Compensation Plan	130	0	0	0	0	0	0	130
	Amendment to Stock Option Plan	2	0	0	0	0	0	0	2
	Capital Proposal to Implement Equity Compensation Plan	2	0	0	0	0	0	0	2
	Directors' Fees	2	0	0	0	0	0	0	2
	Non-Executive Remuneration Policy (Forward-Looking)	3	0	0	0	0	0	0	3

Issue Code Category	Issue Code Description	With Policy	Against Policy	Manual	Take No Action	Unvoted	N/A	Mixed	Total
M&A	Remuneration Policy (Forward-Looking)	9	0	0	0	0	0	0	9
	Remuneration Report (Retrospective)	9	0	0	0	0	0	0	9
	Say When on Pay	49	0	0	0	0	0	0	49
	Stock Purchase Plan	1	0	0	0	0	0	0	1
		35	0	0	0	0	0	0	35
	Merger/Acquisition	31	0	0	0	0	0	0	31
	Restructuring/Capitalization	1	0	0	0	0	0	0	1
	Restructuring/Reorganization	1	0	0	0	0	0	0	1
	Spin-off	2	0	0	0	0	0	0	2
	Meeting Administration	40	0	0	0	0	0	0	40
SHP: Compensation	Appointment of Independent Proxy (Switzerland)	3	0	0	0	0	0	0	3
	Authorization of Legal Formalities	1	0	0	0	0	0	0	1
	Right to Adjourn Meeting	34	0	0	0	0	0	0	34
	Transact Other Business	2	0	0	0	0	0	0	2
		53	1	0	0	0	0	0	54
	SHP Recoupment of Unearned Bonuses (Clawback)	11	0	0	0	0	0	0	11
	SHP Regarding Golden Parachutes	27	0	0	0	0	0	0	27
	SHP Regarding Linking Executive Pay to Social Criteria	5	1	0	0	0	0	0	6
	SHP Regarding Misc. Compensation	1	0	0	0	0	0	0	1
	SHP Regarding Race and/or Gender Pay Equity Report	2	0	0	0	0	0	0	2
SHP: Compensation	SHP Regarding Report on Ratio Between CEO and Employee Pay	4	0	0	0	0	0	0	4
	SHP Regarding Restricting Executive Compensation	3	0	0	0	0	0	0	3

Issue Code Category	Issue Code Description	With Policy	Against Policy	Manual	Take No Action	Unvoted	N/A	Mixed	Total
SHP: Environment		7	0	71	0	0	0	0	78
	SHP Regarding Bioengineering / Nanotechnology Safety	1	0	0	0	0	0	0	1
	SHP Regarding Climate Lobbying	0	0	4	0	0	0	0	4
	SHP Regarding Environmental Report	0	0	19	0	0	0	0	19
	SHP Regarding Formation of Environmental/Social Committee of the Board	4	0	0	0	0	0	0	4
	SHP Regarding Misc. Energy/Environmental Issues	0	0	3	0	0	0	0	3
	SHP Regarding Report on Antibiotics in Animal Agriculture	2	0	0	0	0	0	0	2
	SHP Regarding Report/Action on Climate Change	0	0	28	0	0	0	0	28
	SHP Regarding Reporting and Reducing Greenhouse Gas Emissions	0	0	17	0	0	0	0	17
SHP: Governance		162	9	0	0	0	0	0	171
	SHP Regarding Directors' Roles in Corporate Strategy	1	0	0	0	0	0	0	1
	SHP Regarding Double Board Nominees	3	0	0	0	0	0	0	3
	SHP Regarding Election of Board Member(s) During a Contested Election – Dissident?Nominee	8	9	0	0	0	0	0	17
	SHP Regarding Eliminating Supermajority Provisions	20	0	0	0	0	0	0	20
	SHP Regarding Independent Board Chairman/Separation of Chair and CEO	25	0	0	0	0	0	0	25
	SHP Regarding Majority Vote for Election of Directors	12	0	0	0	0	0	0	12
	SHP Regarding Misc. Board/Shareholder Rights Issue	5	0	0	0	0	0	0	5
	SHP Regarding Recapitalization	6	0	0	0	0	0	0	6
	SHP Regarding Right to Act by Written Consent	12	0	0	0	0	0	0	12
	SHP Regarding Right to Call a Special Meeting	59	0	0	0	0	0	0	59
	SHP Regarding the Declassification of the Board	11	0	0	0	0	0	0	11
SHP: Misc		14	0	0	0	0	0	0	14

Issue Code Category	Issue Code Description	With Policy	Against Policy	Manual	Take No Action	Unvoted	N/A	Mixed	Total
	SHP Regarding Repeal of Bylaw Amendments	1	0	0	0	0	0	0	1
	SHP: Misc. Issues	13	0	0	0	0	0	0	13
<i>SHP: Social</i>		97	0	58	0	0	0	0	155
	SHP Regarding Animal Welfare	8	0	0	0	0	0	0	8
	SHP Regarding Firearms	1	0	0	0	0	0	0	1
	SHP Regarding Military Contracts/Sales	1	0	0	0	0	0	0	1
	SHP Regarding Misc. Human Capital Management	7	0	29	0	0	0	0	36
	SHP Regarding Misc. Labor Issues/Policies	3	0	0	0	0	0	0	3
	SHP Regarding Misc. Social Issue	32	0	0	0	0	0	0	32
	SHP Regarding Pregnancy/Abortion Issues	5	0	0	0	0	0	0	5
	SHP Regarding Racial Equity Audit	3	0	5	0	0	0	0	8
	SHP Regarding Report on EEO	3	0	0	0	0	0	0	3
	SHP Regarding Reporting on Company's Compliance with International Human Rights Standards	18	0	0	0	0	0	0	18
	SHP Regarding Reviewing Charitable Spending	10	0	0	0	0	0	0	10
	SHP Regarding Reviewing Political Spending or Lobbying	0	0	24	0	0	0	0	24
	SHP Regarding Tobacco/Alcohol	6	0	0	0	0	0	0	6

Proposal Types – Votes Versus Glass Lewis

Issue Code Category	Issue Code Description	With Glass Lewis	Against Glass Lewis	Take No Action	Unvoted	N/A	Mixed	Total
Total for all Categories		11256		151	0	0	0	11407
<i>Audit/Financials</i>		1006		0	0	0	0	1006
	Allocation of Profits/Dividends	11		0	0	0	0	11

Issue Code Category	Issue Code Description	With	Against	Take No		N/A	Mixed	Total
		Glass Lewis		Action	Unvoted			
	Appointment of Auditor	19	0	0	0	0	0	19
	Appointment of Auditor and Authority to Set Fees	13	0	0	0	0	0	13
	Appointment of Special Auditor	1	0	0	0	0	0	1
	Approval of Non-Financial Reports	3	0	0	0	0	0	3
	Authority to Set Auditor's Fees	11	0	0	0	0	0	11
	Financial Statements	19	0	0	0	0	0	19
	Ratification of Auditor	929	0	0	0	0	0	929
Board Related		8296	65	0	0	0	0	8361
	Board Size	2	0	0	0	0	0	2
	Change in Board Size	3	0	0	0	0	0	3
	Director & Officer Liability/Indemnification	69	0	0	0	0	0	69
	Election of Board Committee Members	8	0	0	0	0	0	8
	Election of Board Member(s) During a Contested Election – Management Nominee	13	0	0	0	0	0	13
	Election of Directors	8152	65	0	0	0	0	8217
	Election of Directors (Management Board)	2	0	0	0	0	0	2
	Election of Directors (Slate)	1	0	0	0	0	0	1
	Election of Non-Principal Members (Chairman, alternates)	3	0	0	0	0	0	3
	Election of Statutory Auditors	1	0	0	0	0	0	1
	Election of Subsidiary Directors	23	0	0	0	0	0	23
	Election of Supervisory Board	8	0	0	0	0	0	8
	Ratification of Board Acts - Legal	9	0	0	0	0	0	9
	Ratification of Management Acts - Legal	2	0	0	0	0	0	2

Issue Code Category	Issue Code Description	With	Against Glass Lewis	Take No		N/A	Mixed	Total
		Glass Lewis		Action	Unvoted			
Capital Management		98	0	0	0	0	0	98
	Authority to Issue Shares w/ Preemptive Rights	23	0	0	0	0	0	23
	Authority to Issue Shares w/o Preemptive Rights	26	0	0	0	0	0	26
	Authority to Issue Stock w/ or w/out Preemptive Rights	1	0	0	0	0	0	1
	Authority to Repurchase and Re-Issue Shares	1	0	0	0	0	0	1
	Authority to Repurchase Shares	12	0	0	0	0	0	12
	Authority to Set Offering Price of Shares	8	0	0	0	0	0	8
	Cancellation of Authorized Stock	1	0	0	0	0	0	1
	Increase in Authorized Capital	2	0	0	0	0	0	2
	Increase in Authorized Common Stock	13	0	0	0	0	0	13
	Increase in/Authorization of Dual Class Stock	1	0	0	0	0	0	1
	Increase in/Authorization of Preferred Stock	1	0	0	0	0	0	1
	Issuance of Common Stock	1	0	0	0	0	0	1
	Issuance of Repurchased Shares	1	0	0	0	0	0	1
	Misc. Proposal Regarding Capital	1	0	0	0	0	0	1
	Reduction in Share Premium Account	2	0	0	0	0	0	2
	Reverse Stock Split	1	0	0	0	0	0	1
	Stock Split	2	0	0	0	0	0	2
	Use/Transfer of Reserves	1	0	0	0	0	0	1
Changes to Company Statutes		161	4	0	0	0	0	165
	Adoption of Majority Vote for Election of Directors	2	0	0	0	0	0	2
	Amend Articles, Constitution, Bylaws - Bundled	1	0	0	0	0	0	1

Issue Code Category	Issue Code Description	With	Against	Take No		N/A	Mixed	Total
		Glass Lewis		Action	Unvoted			
	Amendment to Poison Pill	0	2	0	0	0	0	2
	Amendment to Shareholder Rights' Plan	1	0	0	0	0	0	1
	Amendment to Supermajority Requirement	2	0	0	0	0	0	2
	Amendments to Articles, Constitution, Bylaws	2	0	0	0	0	0	2
	Amendments to Charter/Bylaw - Bundled	4	0	0	0	0	0	4
	Change in State of Incorporation	5	1	0	0	0	0	6
	Company Name Change	2	0	0	0	0	0	2
	Elimination of Cumulative Voting	0	1	0	0	0	0	1
	Elimination of Supermajority Requirement	70	0	0	0	0	0	70
	Misc. Article Amendments	24	0	0	0	0	0	24
	Repeal of Classified Board	22	0	0	0	0	0	22
	Restoration of Right to Call a Special Meeting	22	0	0	0	0	0	22
	Restoration of Written Consent	2	0	0	0	0	0	2
	Technical Amendments to Charter/Bylaw	2	0	0	0	0	0	2
Compensation		1227	3	0	0	0	0	1230
	Adoption of Director Equity Compensation Plan	1	0	0	0	0	0	1
	Adoption of Employee Stock Purchase Plan	18	0	0	0	0	0	18
	Adoption of Equity Compensation Plan	47	2	0	0	0	0	49
	Advisory Vote on Executive Compensation	911	0	0	0	0	0	911
	Advisory Vote on Severance	16	0	0	0	0	0	16
	Amendment to Director Equity Compensation Plan	5	0	0	0	0	0	5
	Amendment to Employee Stock Purchase Plan	23	0	0	0	0	0	23

Issue Code Category	Issue Code Description	With	Against	Take No		N/A	Mixed	Total
		Glass Lewis		Action	Unvoted			
	Amendment to Equity Compensation Plan	129	1	0	0	0	0	130
	Amendment to Stock Option Plan	2	0	0	0	0	0	2
	Capital Proposal to Implement Equity Compensation Plan	2	0	0	0	0	0	2
	Directors' Fees	2	0	0	0	0	0	2
	Non-Executive Remuneration Policy (Forward-Looking)	3	0	0	0	0	0	3
	Remuneration Policy (Forward-Looking)	9	0	0	0	0	0	9
	Remuneration Report (Retrospective)	9	0	0	0	0	0	9
	Say When on Pay	49	0	0	0	0	0	49
	Stock Purchase Plan	1	0	0	0	0	0	1
	M&A	35	0	0	0	0	0	35
	Merger/Acquisition	31	0	0	0	0	0	31
	Restructuring/Capitalization	1	0	0	0	0	0	1
	Restructuring/Reorganization	1	0	0	0	0	0	1
	Spin-off	2	0	0	0	0	0	2
	Meeting Administration	40	0	0	0	0	0	40
	Appointment of Independent Proxy (Switzerland)	3	0	0	0	0	0	3
	Authorization of Legal Formalities	1	0	0	0	0	0	1
	Right to Adjourn Meeting	34	0	0	0	0	0	34
	Transact Other Business	2	0	0	0	0	0	2
	SHP: Compensation	36	18	0	0	0	0	54
	SHP Recoupment of Unearned Bonuses (Clawback)	11	0	0	0	0	0	11
	SHP Regarding Golden Parachutes	16	11	0	0	0	0	27

Issue Code Category	Issue Code Description	With	Against	Take No		N/A	Mixed	Total
		Glass Lewis		Action	Unvoted			
SHP: Environment	SHP Regarding Linking Executive Pay to Social Criteria	1	5	0	0	0	0	6
	SHP Regarding Misc. Compensation	1	0	0	0	0	0	1
	SHP Regarding Race and/or Gender Pay Equity Report	0	2	0	0	0	0	2
	SHP Regarding Report on Ratio Between CEO and Employee Pay	4	0	0	0	0	0	4
	SHP Regarding Restricting Executive Compensation	3	0	0	0	0	0	3
		72	6	0	0	0	0	78
	SHP Regarding Bioengineering / Nanotechnology Safety	0	1	0	0	0	0	1
	SHP Regarding Climate Lobbying	4	0	0	0	0	0	4
	SHP Regarding Environmental Report	19	0	0	0	0	0	19
	SHP Regarding Formation of Environmental/Social Committee of the Board	1	3	0	0	0	0	4
SHP: Governance	SHP Regarding Misc. Energy/Environmental Issues	3	0	0	0	0	0	3
	SHP Regarding Report on Antibiotics in Animal Agriculture	0	2	0	0	0	0	2
	SHP Regarding Report/Action on Climate Change	28	0	0	0	0	0	28
	SHP Regarding Reporting and Reducing Greenhouse Gas Emissions	17	0	0	0	0	0	17
		160	11	0	0	0	0	171
	SHP Regarding Directors' Roles in Corporate Strategy	1	0	0	0	0	0	1
	SHP Regarding Double Board Nominees	3	0	0	0	0	0	3
	SHP Regarding Election of Board Member(s) During a Contested Election – Dissident?Nominee	8	9	0	0	0	0	17
	SHP Regarding Eliminating Supermajority Provisions	20	0	0	0	0	0	20
	SHP Regarding Independent Board Chairman/Separation of Chair and CEO	23	2	0	0	0	0	25
	SHP Regarding Majority Vote for Election of Directors	12	0	0	0	0	0	12
	SHP Regarding Misc. Board/Shareholder Rights Issue	5	0	0	0	0	0	5

Issue Code Category	Issue Code Description	With	Against	Take No		N/A	Mixed	Total
		Glass Lewis		Action	Unvoted			
	SHP Regarding Recapitalization	6	0	0	0	0	0	6
	SHP Regarding Right to Act by Written Consent	12	0	0	0	0	0	12
	SHP Regarding Right to Call a Special Meeting	59	0	0	0	0	0	59
	SHP Regarding the Declassification of the Board	11	0	0	0	0	0	11
<i>SHP: Misc</i>		14	0	0	0	0	0	14
	SHP Regarding Repeal of Bylaw Amendments	1	0	0	0	0	0	1
	SHP: Misc. Issues	13	0	0	0	0	0	13
<i>SHP: Social</i>		111	44	0	0	0	0	155
	SHP Regarding Animal Welfare	1	7	0	0	0	0	8
	SHP Regarding Firearms	0	1	0	0	0	0	1
	SHP Regarding Military Contracts/Sales	1	0	0	0	0	0	1
	SHP Regarding Misc. Human Capital Management	36	0	0	0	0	0	36
	SHP Regarding Misc. Labor Issues/Policies	3	0	0	0	0	0	3
	SHP Regarding Misc. Social Issue	13	19	0	0	0	0	32
	SHP Regarding Pregnancy/Abortion Issues	0	5	0	0	0	0	5
	SHP Regarding Racial Equity Audit	8	0	0	0	0	0	8
	SHP Regarding Report on EEO	3	0	0	0	0	0	3
	SHP Regarding Reporting on Company's Compliance with International Human Rights Standards	18	0	0	0	0	0	18
	SHP Regarding Reviewing Charitable Spending	0	10	0	0	0	0	10
	SHP Regarding Reviewing Political Spending or Lobbying	24	0	0	0	0	0	24
	SHP Regarding Tobacco/Alcohol	4	2	0	0	0	0	6

MAINEPERS

BOARD OF TRUSTEES MEMORANDUM

TO: BOARD MEMBERS
FROM: MICHAEL COLLERAN, CHIEF OPERATING OFFICER & GENERAL COUNSEL
SUBJECT: FREEDOM OF ACCESS ACT EDUCATION
DATE: SEPTEMBER 3, 2025

The September Board meeting will include an education session on the Freedom of Access Act. A copy of the presentation accompanies this memo.

POLICY REFERENCE

[Board Policy 1.10 – Board Meetings](#)

[Board Policy 4.5 – Board/Staff Relations](#)

[Board Policy 4.6 – Communication and Support to the Board](#)

[Board Policy 5.6 – Open Access to Government](#)

RECOMMENDATION

No Board action is required.



MainePERS
PUBLIC EMPLOYEES RETIREMENT SYSTEM

Freedom of Access Act
September 11, 2025

Freedom of Access Act

- A new amendment to the Freedom of Access Act requires Board members to receive this training.
- The Freedom of Access Act (FOAA) is a Maine statute intended to open the government by requiring access to the "public records" and "public proceedings" of state and local government bodies and agencies.

Public Records

- “Public record” is defined broadly as “any written, printed or graphic matter or any mechanical or electronic data compilation from which information can be obtained, directly or after translation into a form susceptible of visual or aural comprehension, that is in the possession or custody of an agency or public official . . . and has been received or prepared for use in connection with the transaction of public or governmental business or contains information relating to the transaction of public or governmental business, **except**”

Public Records

- Exceptions to the definition of “public record” include:
 - Records that would be considered privileged in court proceedings (e.g., trade secrets);
 - Material prepared for and used specifically and exclusively in preparation for collective bargaining;
 - Records or information describing the architecture, design, access authentication, encryption or security of information technology infrastructure, systems and software;
 - Personal contact information;
 - Private market investment information;
 - MainePERS member financial and personal information; and
 - Personnel records of MainePERS employees.

Public Records

- Each agency must designate a public access officer to serve as the contact person for public records requests.
- Any person has a right to inspect and copy public records; there is no particular form required.
- Agency response:
 - Must acknowledge receipt of the request within five working days;
 - Must provide a good faith, nonbinding estimate of time to comply within a reasonable time of receipt and make a good faith effort to fully respond within the estimated time;
 - Must within five working days make any denial of the request with reasons;
 - May redact non-public information; and
 - May charge fees for time spent responding to the request at \$25 per hour after the first two hours of staff time plus certain expenses.

Public Proceedings

- “Public proceeding” means “the transactions of any functions affecting any or all citizens of the State” by the Board.
- FOAA requires all public proceedings to be open to the public unless there is an exception in statute.
- Public notice is required for all public proceedings.
- Members should not use e-mail as a substitute for deliberating or deciding substantive matters that should be done in public proceedings.
- Certain subjects specified in statute may be conducted in executive session if executive session procedures are followed.
 - A vote of 3/5 present and voting is required.
 - The motion must indicate what is to be discussed and the statutory cite that permits the executive session.

Public Proceedings

- Examples of proper subjects for executive session include:
 - Discussion of labor contracts and proposals with negotiation team;
 - Consultations between the Board and its attorney concerning the legal rights and duties of the Board or MainePERS;
 - Discussions of information contained in non-public records; and
 - Discussion or consideration of the employment, appointment, assignment, duties, promotion, demotion, compensation, evaluation, disciplining, resignation or dismissal of an individual or group of public officials.
- Remote participation in public proceedings is permitted if policy complying with FOAA is adopted and followed.

FOAA Enforcement

- Any aggrieved person can bring a Superior Court action to obtain an order requiring compliance.
 - The Court can award attorneys fees and costs for bad faith violations.
- The AG's office or a DA's office may bring an enforcement action if the alleged violation is willful. Penalties available are:
 - \$500 fine for first violation;
 - \$1,000 fine for second violation within a four-year period; and
 - \$2,000 fine for third violation within a four-year period.
- It is a Class D crime to intentionally remove, alter, or destroy documents belonging to a state office.

MAINEPERS

BOARD OF TRUSTEES MEMORANDUM

TO: BOARD MEMBERS

FROM: MICHAEL COLLERAN, CHIEF OPERATING OFFICER & GENERAL COUNSEL
JAMES BENNETT, CHIEF INVESTMENT OFFICER
CHIP GAVIN, CHIEF SERVICES OFFICER

SUBJECT: MAINESTART QUARTERLY REVIEW

DATE: SEPTEMBER 3, 2025

Following this memo is the MaineSTART Quarterly Review for the quarter ending 6/30/2025.

POLICY REFERENCE

[Board Policy 2.1-C – DC Plans Investment Policy Statement](#)

[Board Policy 4.5 – Board/Staff Relations](#)

[Board Policy 4.6 – Communication and Support to the Board](#)

RECOMMENDATION

No Board action is required.



MainePERS
PUBLIC EMPLOYEES RETIREMENT SYSTEM

MaineSTART Quarterly Review

For the Quarter Ending 06/30/2025

MAINE
START

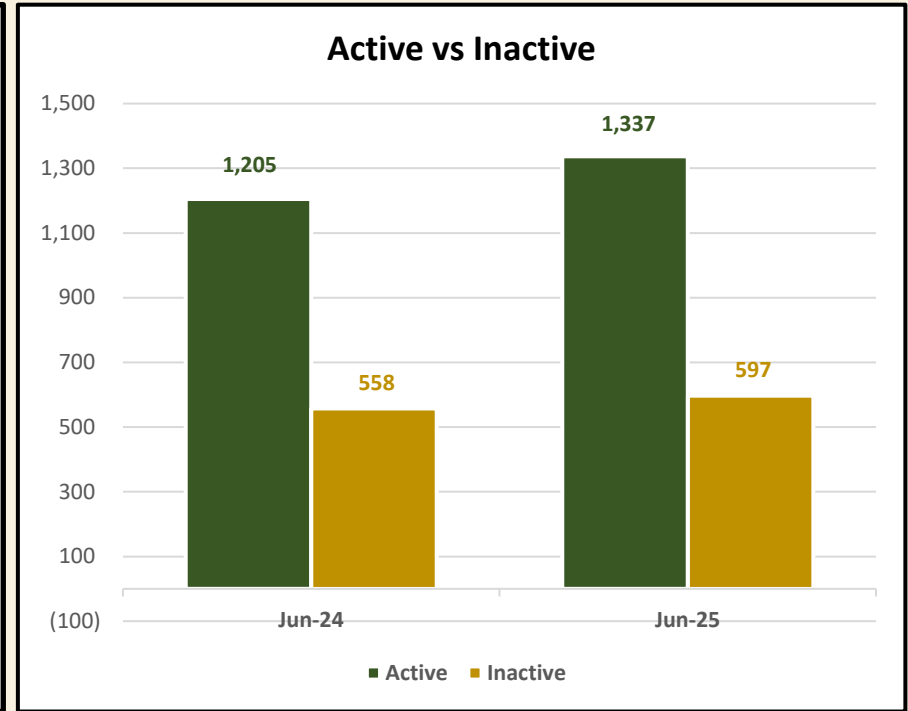
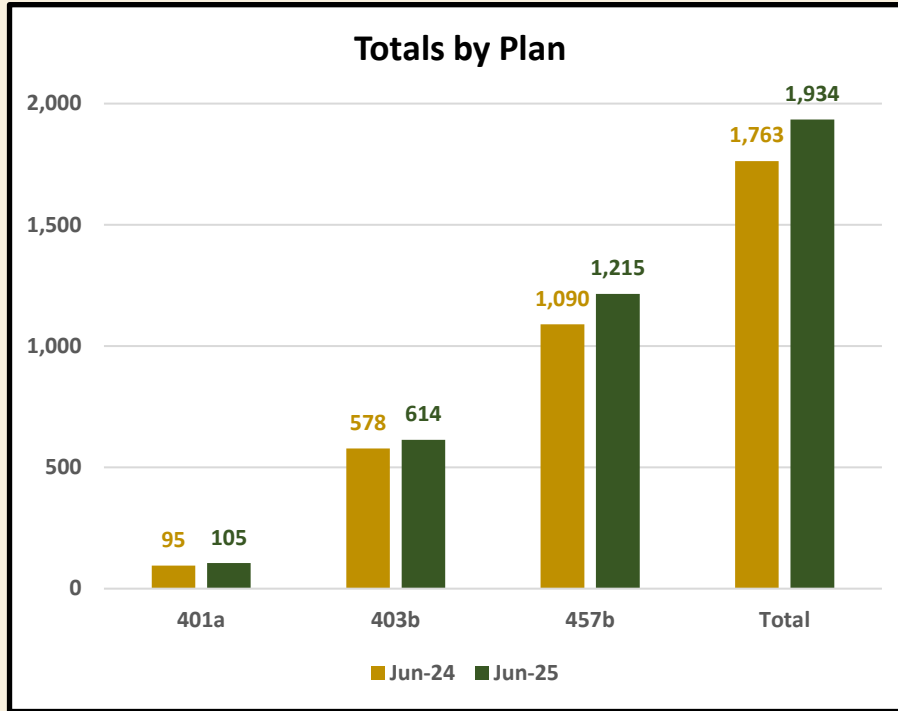
MaineSTART Review

Overview of MaineSTART

- 401(a) Defined Contribution Plan
 - Qualified Plan
 - Higher Contribution Limits
 - Inflexible
- 403(b) Tax-Sheltered Annuity Plan
 - Only for Educational and Certain Non-Profit Organizations
 - Flexible
- 457(b) Deferred Compensation Plan
 - Flexible

MaineSTART Review 2Q 2025

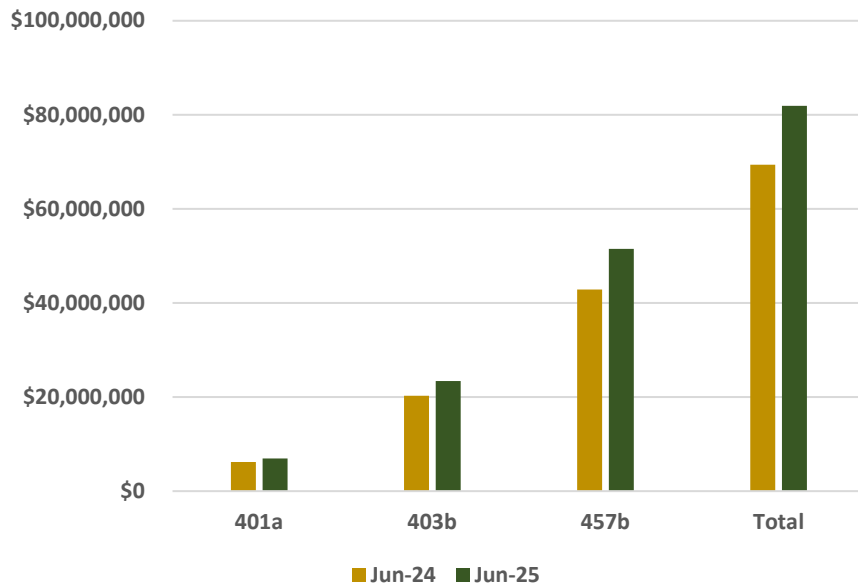
Participants



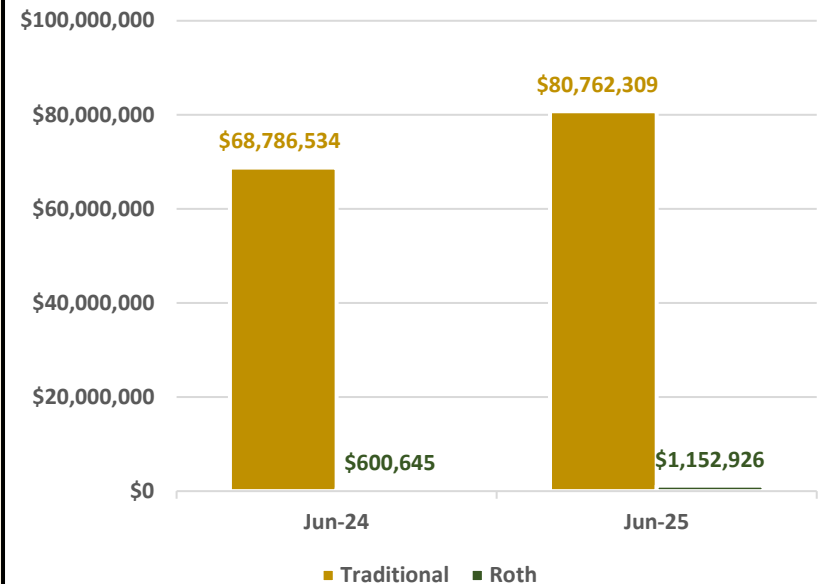
MaineSTART Review 2Q 2025

Market Value

Totals by Plan



Traditional vs Roth



MaineSTART Review 2Q 2025

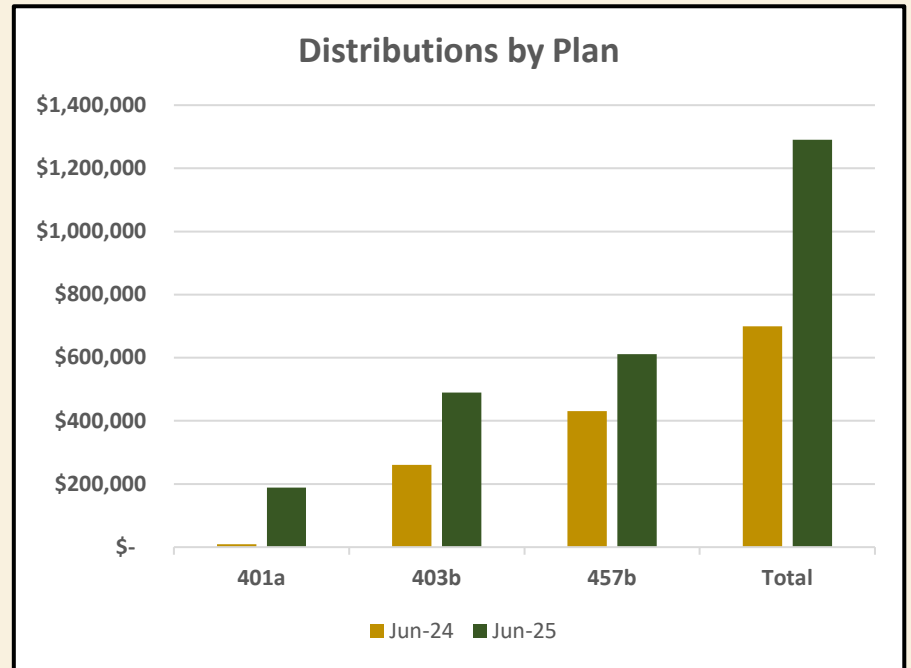
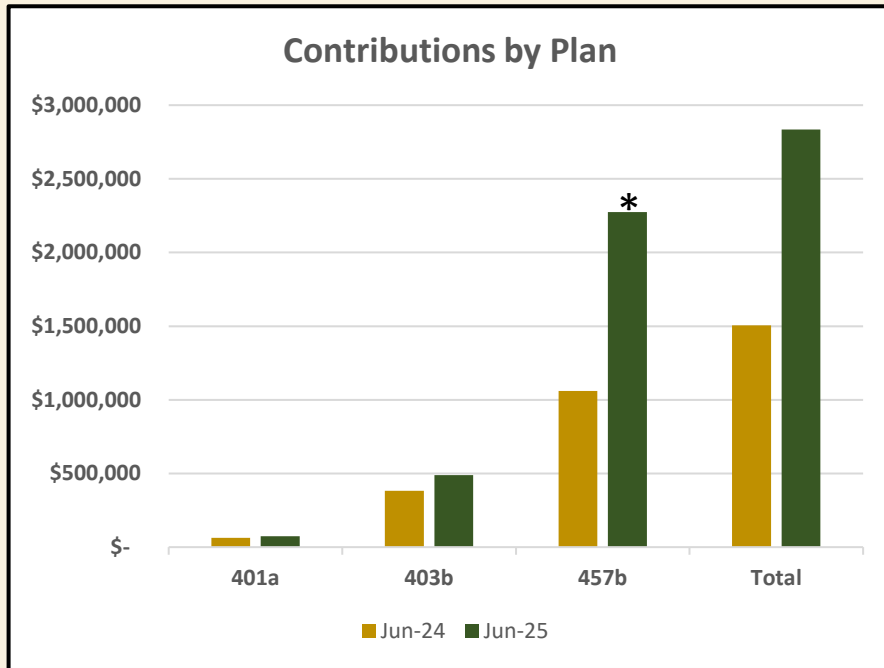
Participation and Values as of 06/30/2025

	401(a)	403(b)	457(b)	Total	Change from 06/30/2024
Participating Employers	7	1	82	90*	2
Participating Employees	105	614	1,215	1,934	171
Total Market Value	\$6,968,271	\$23,436,816	\$51,510,147	\$81,915,234	\$12,528,046

*26% of PLDs

MaineSTART Review 2Q 2025

Cash Flows



*Includes transferred assets from Mi'kmaq Nation (\$462,137) and Bangor Housing Authority (\$509,565).

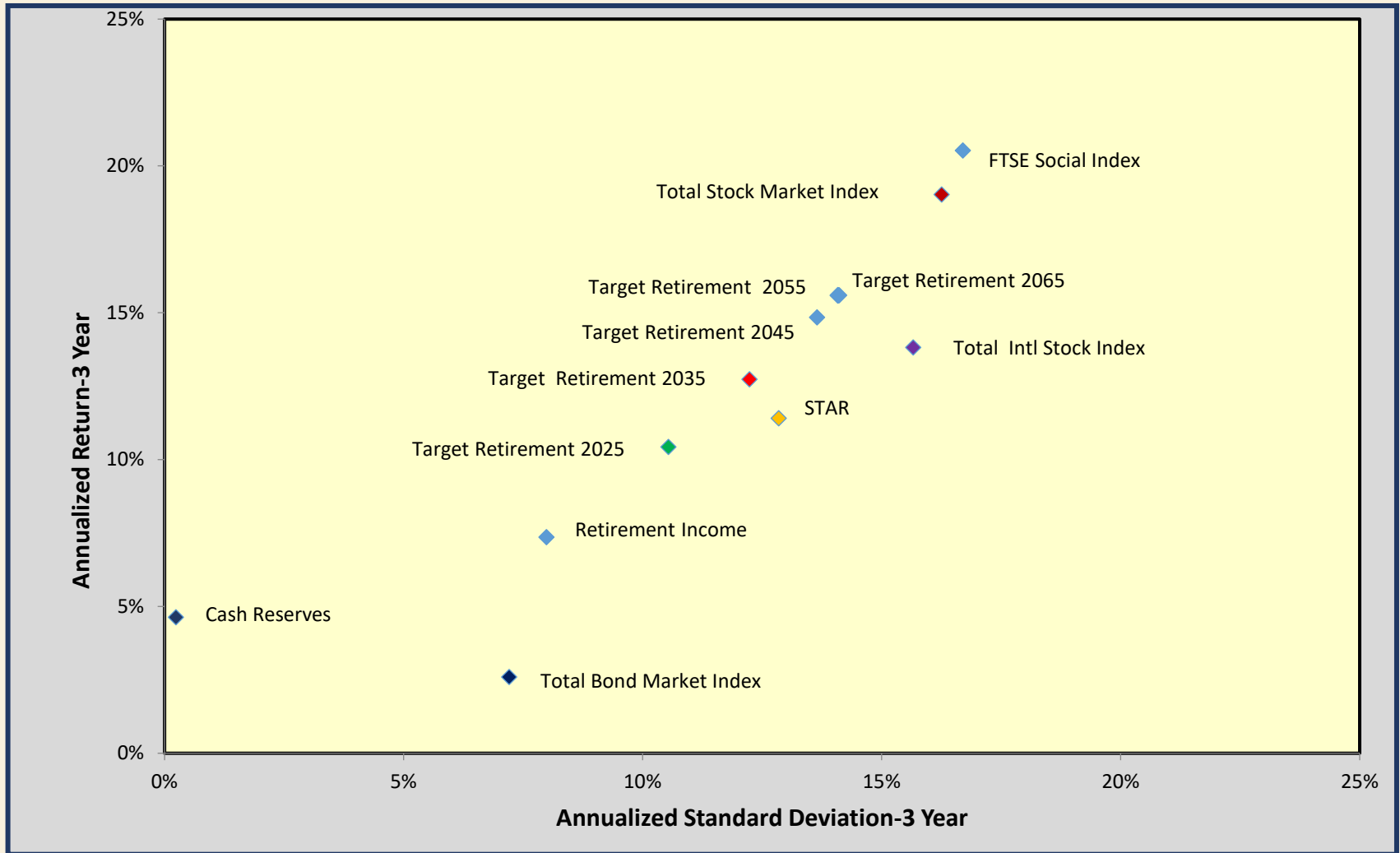
MaineSTART Review 2Q 2025

MaineSTART Investment Options

Fund	Expense Ratio
Target Retirement	
Vanguard Target Retirement 2025	0.08%
Vanguard Target Retirement 2035	0.08%
Vanguard Target Retirement 2045	0.08%
Vanguard Target Retirement 2055	0.08%
Vanguard Target Retirement 2065	0.08%
Vanguard Target Retirement Income	0.08%
US Equity	
Vanguard Total Stock Market Index	0.03%
Vanguard FTSE Social Index	0.13%
Non-US Equity	
Vanguard Total International Stock Index	0.09%
Balanced	
Vanguard STAR	0.30%
Fixed Income	
Vanguard Total Bond Market Index	0.04%
Cash	
Vanguard Cash Reserves Federal Money Market	0.10%

MaineSTART Review 2Q 2025

Risk vs Reward



MaineSTART Review 2Q 2025

Performance of Target Date Funds							
Total Fund	\$ 81,915,234	% Total	Quarter	1 Yr	3 Yrs	5 Yrs	10 Yrs
Target Retirement Funds							
Target Retirement 2025	\$ 17,539,223	21.4%	6.7%	11.7%	10.4%	7.5%	6.9%
Target Retirement 2025 Benchmark			6.7%	11.7%	10.7%	7.8%	7.2%
Target Retirement 2035	\$ 17,180,109	21.0%	8.4%	13.4%	12.7%	9.7%	8.1%
Target Retirement 2035 Benchmark			8.5%	13.3%	13.0%	9.9%	8.4%
Target Retirement 2045	\$ 10,485,685	12.8%	9.8%	14.8%	14.8%	11.8%	9.3%
Target Retirement 2045 Benchmark			9.9%	14.7%	15.1%	12.1%	9.6%
Target Retirement 2055	\$ 3,292,519	4.0%	10.5%	15.6%	15.6%	12.2%	9.5%
Target Retirement 2055 Benchmark			10.8%	15.6%	15.9%	12.6%	9.8%
Target Retirement 2065	\$ 754,394	0.9%	10.5%	15.6%	15.6%	12.2%	
Target Retirement 2065 Benchmark			10.8%	15.6%	15.9%	12.6%	
Target Retirement Income	\$ 3,696,486	4.5%	4.6%	9.7%	7.4%	4.5%	4.7%
Target Retirement Income Benchmark			4.6%	9.6%	7.5%	4.7%	4.9%
Tracking Error for all funds remains within expected ranges given market volatility.							

Total Fund	\$ 81,915,234	% Total	Quarter	1 Yr	3 Yrs	5 Yrs	10 Yrs
Target Retirement Funds							
Target Retirement 2025	\$ 17,539,223	21.4%	6.7%	11.7%	10.4%	7.5%	6.9%
Target Retirement 2025 Benchmark			6.7%	11.7%	10.7%	7.8%	7.2%
Target Retirement 2035	\$ 17,180,109	21.0%	8.4%	13.4%	12.7%	9.7%	8.1%
Target Retirement 2035 Benchmark			8.5%	13.3%	13.0%	9.9%	8.4%
Target Retirement 2045	\$ 10,485,685	12.8%	9.8%	14.8%	14.8%	11.8%	9.3%
Target Retirement 2045 Benchmark			9.9%	14.7%	15.1%	12.1%	9.6%
Target Retirement 2055	\$ 3,292,519	4.0%	10.5%	15.6%	15.6%	12.2%	9.5%
Target Retirement 2055 Benchmark			10.8%	15.6%	15.9%	12.6%	9.8%
Target Retirement 2065	\$ 754,394	0.9%	10.5%	15.6%	15.6%	12.2%	
Target Retirement 2065 Benchmark			10.8%	15.6%	15.9%	12.6%	
Target Retirement Income	\$ 3,696,486	4.5%	4.6%	9.7%	7.4%	4.5%	4.7%
Target Retirement Income Benchmark			4.6%	9.6%	7.5%	4.7%	4.9%

Tracking Error for all funds remains within expected ranges given market volatility.

MaineSTART Review 2Q 2025

Performance of Index and Balanced Funds

Total Fund	\$ 81,915,234	% of Total	Quarter	1 Yr	3 Yrs	5 Yrs	10 Yrs
US Equity							
Total Stock Market Index	\$ 16,236,388	19.8%	11.0%	15.1%	19.0%	15.9%	12.9%
Dow Jones Total Stock Market Index			11.0%	15.1%	19.0%	15.9%	12.9%
FTSE Social Index	\$ 1,671,044	2.0%	12.8%	15.3%	20.5%	16.1%	13.9%
FTSE4Good US Select Index			12.8%	15.5%	20.7%	16.3%	14.0%
Non-US Equity							
Total International Stock Index	\$ 3,065,832	3.7%	12.1%	18.3%	13.8%	10.3%	6.3%
Total International Stock Index			12.4%	17.9%	14.0%	10.4%	6.3%
Balanced							
STAR	\$ 2,542,759	3.1%	7.6%	10.9%	11.4%	8.1%	7.9%
STAR Composite Index			7.9%	13.0%	12.5%	9.3%	8.0%
Fixed Income							
Total Bond Market Index	\$ 1,871,931	2.3%	1.3%	6.0%	2.6%	-0.7%	1.8%
Barclays Capital Aggregate Bond Index			1.2%	6.1%	2.6%	-0.7%	1.8%
Total Cash							
Cash Reserves Federal Money Market	\$ 3,578,863	4.4%	1.1%	4.7%	4.6%	2.8%	2.1%
Citigroup 90 Day T-Bill Index			0.9%	4.2%	4.1%	2.5%	1.7%

Tracking Error for all funds remains within expected ranges given market volatility.

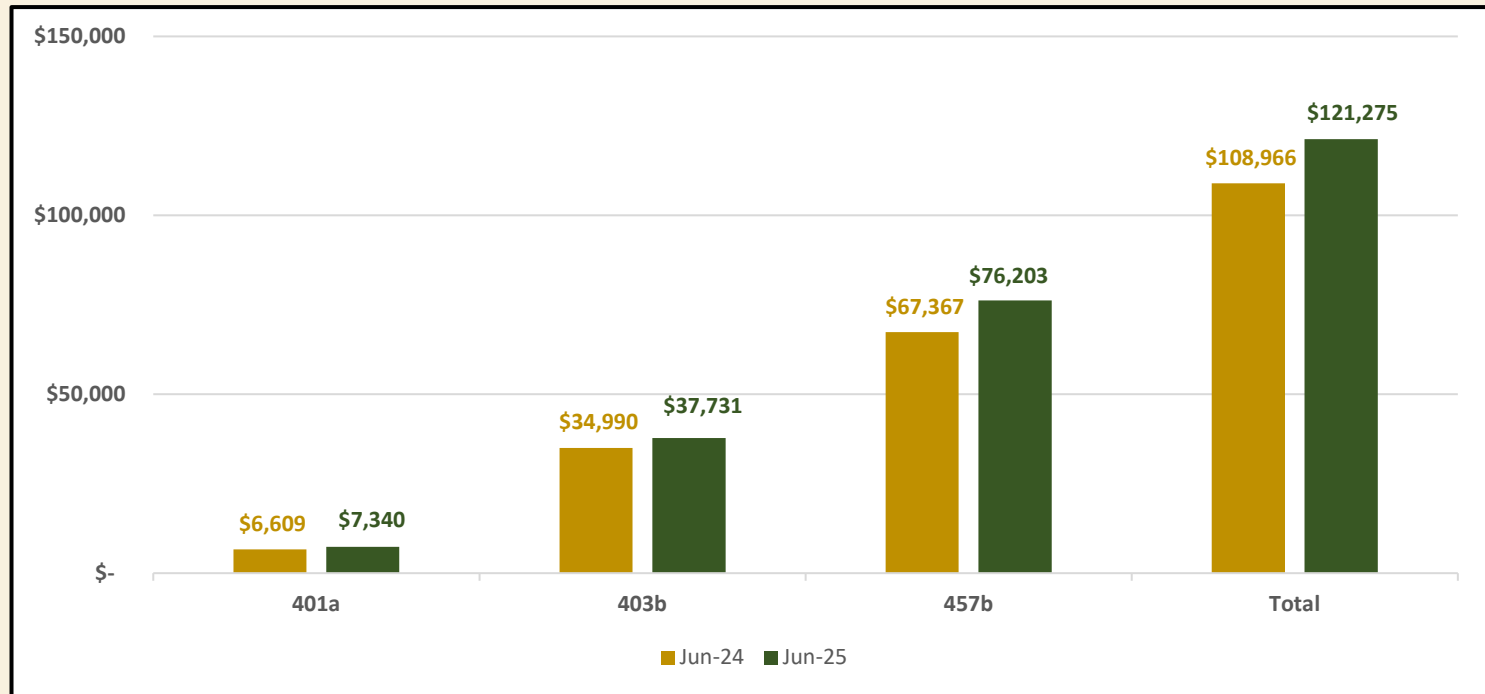
MaineSTART Review 2Q 2025

Investment Option Fees

Fund Name	Ticker	Market Value	MaineSTART	Next	Next
			Expense Ratio	Threshold Amount	Expense Ratio
Vanguard Total Stock Market Index	VITSX	\$16,236,388	0.03%	\$100,000,000	0.02%
Vanguard Total International Stock Index	VTIAX	\$3,065,832	0.09%	\$5,000,000	0.10%
Vanguard STAR	VGSTX	\$2,542,759	0.30%	N/A	
Vanguard FTSE Social Index	VFTAX	\$1,671,044	0.13%	\$5,000,000	0.12%
Vanguard Target Retirement 2025	VTTVX	\$17,539,223	0.08%	N/A	0.08%
Vanguard Target Retirement 2035	VTTHX	\$17,180,109	0.08%	N/A	0.08%
Vanguard Target Retirement 2045	VTIVX	\$10,485,685	0.08%	N/A	0.08%
Vanguard Target Retirement 2055	VFFVX	\$3,292,519	0.08%	N/A	0.08%
Vanguard Target Retirement 2065	VLXVX	\$754,394	0.08%	N/A	0.08%
Vanguard Retirement Income	VTINX	\$3,696,486	0.08%	N/A	0.08%
Vanguard Total Bond Market Index	VBTLX	\$1,871,931	0.04%	N/A	
Vanguard Cash Reserves Federal MM	VMRXX	\$3,578,863	0.10%	N/A	0.10%
\$81,915,234					

MaineSTART Review 2Q 2025

Participant Fees



Notes:

- Participants pay an annual fee of \$50 and 3 bps on assets to Ascensus
- Investment management fees vary depending on the fund selection
- Annual Administrative Fees of \$285,300 are assessed through PLD payrolls at 0.034%

Plan Details: Participant Data

Active membership grew approximately 11% in FY25,
from 1,205 in June 24 to 1,337 in June 25.

Active membership grew by 132 participants to 1,337
active participants.

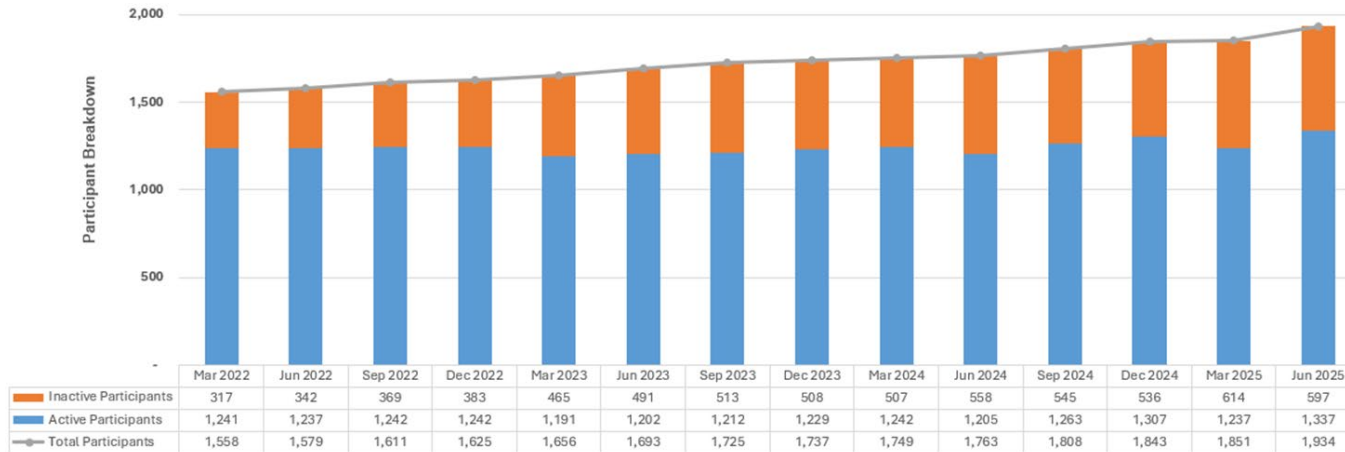
Growth was largely attributable to enhanced collaboration
between the Participating Local District Program and the
MaineSTART program to facilitate MaineSTART
participation simultaneously when a PLD is joining or
rejoining MainePERS.

Total membership grew approximately 10%
over the same trailing-year period.

Total membership grew approximately 22%
From June 2022 to June 2025.

Plan Details: Participant Data

Breakdown of MaineSTART Participants Quarterly by CY



MaineSTART Outreach



- ▶ In Person participant meetings involve a discussion of MainePERS benefits, Social Security benefits (if applicable), MaineSTART, and other retirement related topics
- ▶ Remote participant meetings cover the same topics as In Person, but are conducted via Zoom
- ▶ Phone participant meetings include explanation of investment options, difference between Roth and Traditional accounts, participant fees, distribution options, and process for naming/updating beneficiaries
- ▶ Employer outreach whether it's in writing, on the phone, or by Zoom explains the process for new employers to enroll and how the program works for their participants

MaineSTART Outreach Thru CYTD 25

- ▶ Participant or potential participant outreach CY2024:
 - ▶ 1,264
- ▶ Participant or potential participant outreach CY2023:
 - ▶ 1,514*

*Elimination of STAR Fund contributed to uptick in participant outreach

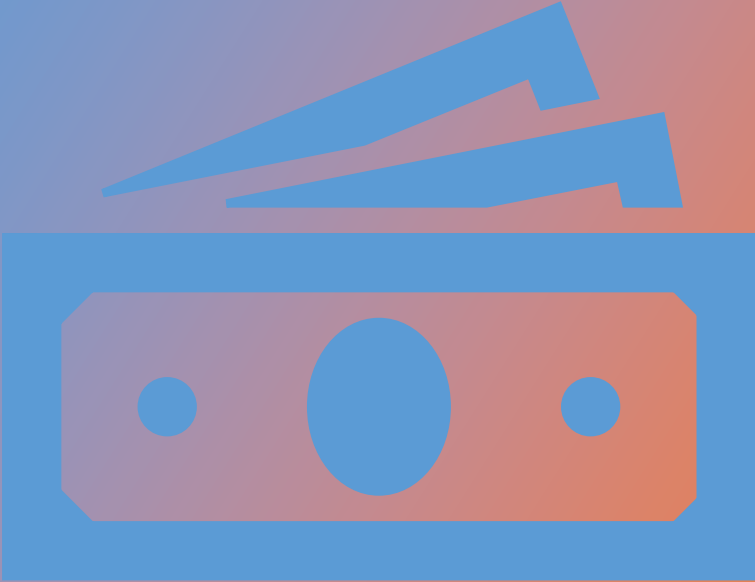
**Increase due in part to addition of 0.5FTE MainePERS employee's activities

Participant Meetings	754**
In-Person	350
Remote	27
Phone	377
Teacher Employer	29
Emails	11
Remote	5
Phone	13
PLD Employer	48
Emails	26
Remote	6
Phone	16

MaineSTART Review 2Q 2025

► Key selected growth opportunities from FY25

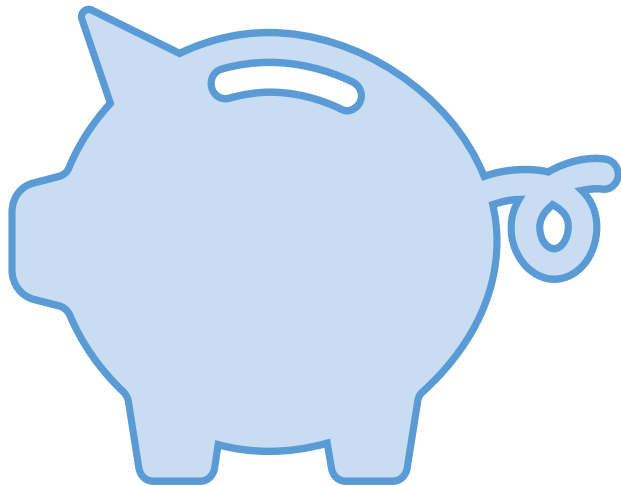
- Enhanced resources: New 0.5 FTE added to the MaineSTART outreach program in FY23 and promotion of position in FY25 allows more participants to access information regarding the MainePERS retirement programs and provide superior customer service
- Increased collaboration with the Participating Local District program: Mi'kmaq Nation rejoined the defined benefit plan and joined at the same time as a new 457b employer in MaineSTART. Moved their existing participants and 401k assets (approximately \$500k) into the MaineSTART program.
- Provider of choice: Bangor Housing Authority, which previously offered the MaineSTART 457b program and another 457b provider, elected to work solely with MainePERS and moved all those assets into the MaineSTART 457b (approximately \$500k).



MaineSTART

- Attributes and advantages
 - Challenges
 - Potential Opportunities
- 

Attributes and advantages



- Tax-Advantaged Retirement Savings Program
- 457b, 403b, and 401a Plans
- Traditional and Roth Accounts for 403b and 457b
- Vanguard Low-cost Investment Options
- All-in program fees 15% lower than national median*
- Robust range of target date funds alongside other investment options
- Personal in-state service by Augusta-based MaineSTART staff for employers and participants
- One stop-shopping for MainePERS employers
- Ascensus, the record keeper, is a leading independent recordkeeper, third-party administrator, and government savings facilitator offering online account access for participants.

*Estimate based on Research conducted by Deloitte Consulting LLC on behalf of Investment Company Institute.

Further Plan Details Putting fees in context



- MaineSTART all-in costs paid by the plan sponsor, the participant, or the plan are estimated at 0.57% of assets.
- Median all-in cost in the US is 0.67%.
 - “Research conducted by Deloitte Consulting LLC on behalf of ICI has examined the “all-in fee,” which is a comprehensive measure (as a percentage of plan assets) of administrative, recordkeeping, and investment-related fees paid by the plan sponsor, the participant, or the plan. The study showed that the median DC plan participant has an all-in fee of 0.67 percent of assets, with fees ranging from 0.29 percent for participants in the 10th percentile to 1.29 percent for participants in the 90th percentile. Larger plans tended to have lower all-in fees.” - from [ICI.org](https://www.ici.org)

Further Plan Details

Fund Lineup and Fee Schedule

Vanguard Total Stock
Market Index

0.03%

Vanguard Total
International Stock
Index

0.09%

Vanguard FTSE Social
Index

0.13%

Vanguard Target
Retirement 2025

0.08%

Vanguard Target
Retirement 2035

0.08%

Vanguard Target
Retirement 2045

0.08%

Vanguard Target
Retirement 2055

0.08%

Vanguard Target
Retirement 2065

0.08%

Vanguard Retirement
Income

0.08%

Vanguard Total Bond
Market Index

0.04%

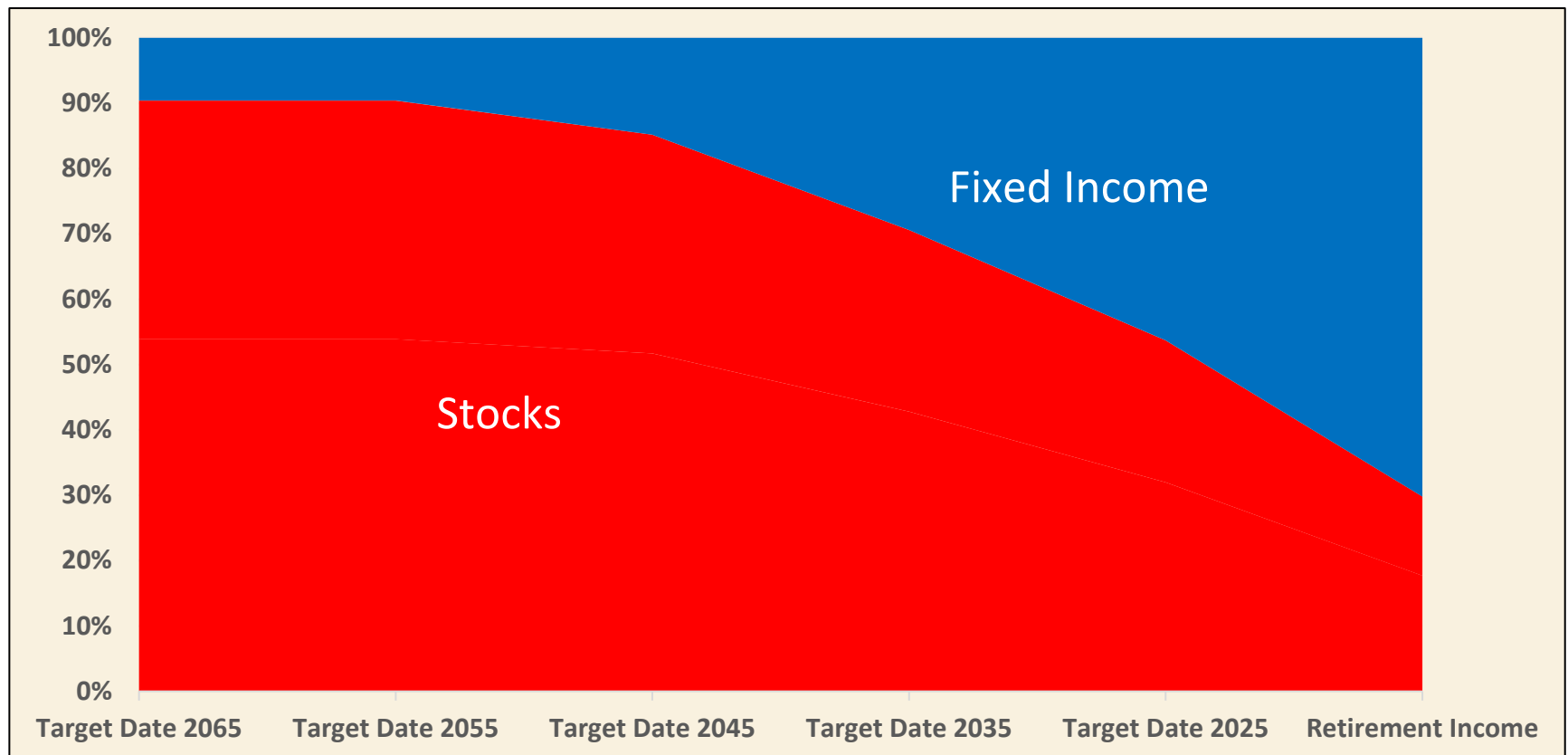
Vanguard Cash
Reserves Federal MM

0.10%

Further Plan Details

Vanguard Target Retirement Date Funds Glide Paths

- Time horizon dictates the level of appropriate risk. Vanguard constructs the portfolios to become increasingly conservative as the participant nears the target retirement date.



Challenges

- When the PLD Consolidated Plan was created and the subsequent defined contribution plan originally offered in 1993, most employers already had a DC plan provider
 - This means many MainePERS members have access to DC plans not affiliated with MainePERS. MainePERS is heartened when individuals can access any quality DC plan.
- Likewise, when the law was updated to permit teacher plan employers to join MaineSTART beginning in 2022, many such employers already had a DC plan provider.
 - This means many MainePERS members have access to DC plans not affiliated with MainePERS.
- The State of Maine, MainePERS largest employer, offers a 457(b) DC plan with three providers, none of which are MaineSTART. The current requirements of state law technically permit but practically preclude MaineSTART as a provider.
 - Title 5, Section 885 provides for a mechanism for selecting providers through a competitive process that requires the selected firms to be registered investment advisors, banks, or insurance companies, which MainePERS is not. MainePERS has drafted legislation as recently as 2019 but interest beyond MainePERS has been limited.
- By law and as a practical matter, the Defined Benefit plan with \$21B in assets is MainePERS' core program. MaineSTART is a valued and valuable but ancillary program of approximately \$82 million in assets.

Further Plan Details

Participation data

- Active Participants in MaineSTART 1,337
- Eligible Employees at DC Participating PLD Employers: 5,949
- By this comparison, participation for MaineSTART is: 22.5%
- Eligible Employees at DB Participating PLD Employers: 13,561
- By this comparison, participation for MaineSTART is: 9.9%
- **Again, these participation rates do not necessarily mean that the non-participating individuals are unserved.**
 - Rather, many employers offer multiple or alternative providers to MainePERS in which individual employees could be and are participating.
 - MainePERS does not have visibility when individuals are participating in plans other than the MaineSTART plan.

Potential Opportunities

Recruit additional employers to the 457b plan:

The 457b offers the most opportunity for growth as it can be offered to all PLD's and Teachers without further changes in Maine law or MaineSTART's structure. MainePERS has more than 500 such DB employers. MaineSTART has fewer than 100 participating DC employers.

Continue to conduct periodic evaluations of Vanguard funds to assure competitiveness of fee structure and appropriateness of available investment options: The most recent such review in 2024 found MaineSTART's passive options and the target date funds are offered via a best-in-class institutional provider, with the lowest available management fees for the level of assets invested being utilized

Continued and further enhanced collaboration between the MainePERS PLD and DC plans:

This provides a key opportunity to streamline and facilitate MaineSTART becoming the provider of choice for employers participating in the Defined Benefit plan.

Consider a potential future RFP for record-keeping services: A future competitive solicitation for record keeping services, which is being considered in 5 year time horizon in balance with the demands of the current Pension Administration Project, provides a potential opportunity to increase the 3rd party ancillary services beyond record-keeping if it can be done in balance with fees and costs.

Thank you.



MAINEPERS

BOARD OF TRUSTEES MEMORANDUM

TO: BOARD MEMBERS
FROM: DR. REBECCA M. WYKE, CEO
SUBJECT: CEO REPORT
DATE: SEPTEMBER 3, 2025

Welcome to our New Trustee

MainePERS extends a warm welcome to our newest member of the Board of Trustees, Nick Fuller Googins. Nick was appointed by the Maine Education Association as their representative to the Board effective September 1, 2025. Nick is an elementary-school teacher and an author. He is also a member of the Maine Writers & Publishers Alliance.

Pension Administration System (PAS)

The Phase 2 process of setting up the infrastructure and environments continues. Phase 3 of the project, business process reviews and requirements confirmation, is complete and staff are finalizing the review for sign-off this week. Phase 4, which kicked off on September 9th, is the elaboration and configuration of our requirements within Sagitec's Neospin system. Overall, the project is on track for quality, scope, schedule, and resources (budget).

Annual Board Self-Evaluation

Amy McDuffee of Mosaic Governance Advisors will join us at the September meeting to provide education on best practices in Board governance, as well as facilitate a discussion of the findings from the Board self-evaluation conducted mid-July to early-August 2025. Attached is a copy of her presentation, the Governance Best Practices Review, and the FY2024/2025 Board Self-Evaluation.

Enterprise Risk Management Program

Chief Operating Officer and General Counsel Mike Colleran will provide the Board with an update on the Enterprise Risk Management Program presented to the Board's Finance and Audit Committee in August. Attached are a memorandum and other materials.

Mission Moment – Preliminary to Final Benefit

Chip Gavin, Chief Services Officer, and Shelley O'Brian, Assistant Director of Member Services, will present a mission moment on the changes to the preliminary to final benefit process and progress made in addressing the backlog. Attached is a copy of their presentation.

MAINEPERS

BOARD OF TRUSTEES MEMORANDUM

TO: BOARD MEMBERS
FROM: MICHAEL COLLERAN, CHIEF OPERATING OFFICER & GENERAL COUNSEL
SUBJECT: ENTERPRISE RISK MANAGEMENT REPORT
DATE: SEPTEMBER 3, 2025

In 2023 we implemented an Enterprise Risk Management Program that includes management reporting at least annually to the Finance and Audit Committee on the significant risks facing the System and the steps taken to mitigate the risks. We reported to the Committee at the August meeting and will provide the report to the full Board at the September meeting. Attached to this memo is the register of risks identified by the senior management team. Also attached is a red-lined version showing changes from last year.

The top risks facing the System remain the same as reported last year. They are:

1. Data breach;
2. Failure to make benefit payments;
3. Fraud or theft; and
4. Errors in calculating benefits and contributions.

The register includes mitigation steps in place and further steps to be taken for these and the other identified risks. We look forward to discussing these with the Board and answering any questions.

POLICY REFERENCE

[Board Policy 1.6 – Finance and Audit Committee of the Board](#)

[Board Policy 4.5 – Board/Staff Relations](#)

[Board Policy 4.6 – Communication and Support to the Board](#)

RECOMMENDATION

No Board action is required at this time.

Preliminary to Final Benefit Initiative



MainePERS

PUBLIC EMPLOYEES RETIREMENT SYSTEM

Strategic Planning

Organizational Values

Accountability: We act with integrity. We educate, equip, and empower all to consistently deliver knowledgeable and respectful service to our constituents and colleagues.

Respect: We are mindful of culture and diversity in all we do, exercising empathy, compassion, kindness, and appreciation in valuing all others.

Collaboration: We work together, proactively sharing information and knowledge and acting transparently in all interactions.

Agility: We strive for personal and organizational excellence through continuous improvement.

Stewardship: We secure and safeguard assets entrusted to our care and consistently comply with our obligations to ensure benefits are sustained.

Strategic Planning

Strategic Goals and Objectives

IV. Cultivation of a member-centric organization

B. Improve processes to promote timely and accurate service by ensuring the integrity of the data, streamlining and automating workflow processes, and reducing processing times

VI. Foster an engaged workforce that advances the organization's mission

C. Support and empower staff in the performance of their work.

Background and definition

What is a Preliminary to Final Benefit and why does it exist?

- To ensure members receive a benefit in the same month they retire.
- Preliminary benefit amounts are based on the estimate provided to the member prior to retirement.
- After further diligence and receipt of final payroll records from employers, each person receiving a preliminary benefit is then later “finalized” or notified of and paid their official, final benefit amount.
- MainePERS also pays any retroactive amount due to each person and any interest that is due to each person.
- This pending queue of work of benefits waiting to be finalized is referred to as Preliminary to Final Benefit (or PB2Final).

Developing the approach

Member Service's Strategic Planning Retreat in Feb. 2024 resulted in a new 3-tiered approach to addressing the backlog, implemented in August 2024:

- 1. Streamline approach to Average Final Compensation capping**
- 2. Categorize individual accounts at the stage of Preliminary to Final Benefit (PB2F)**
- 3. Unit leadership targets 30 oldest per month**

Additionally, during FY25, the team implemented still further updates:

- 4. Empowering staff to take files straight to final**
- 5. Goal to finalize 2025 teacher retirees by the close of CY25**

The prior status

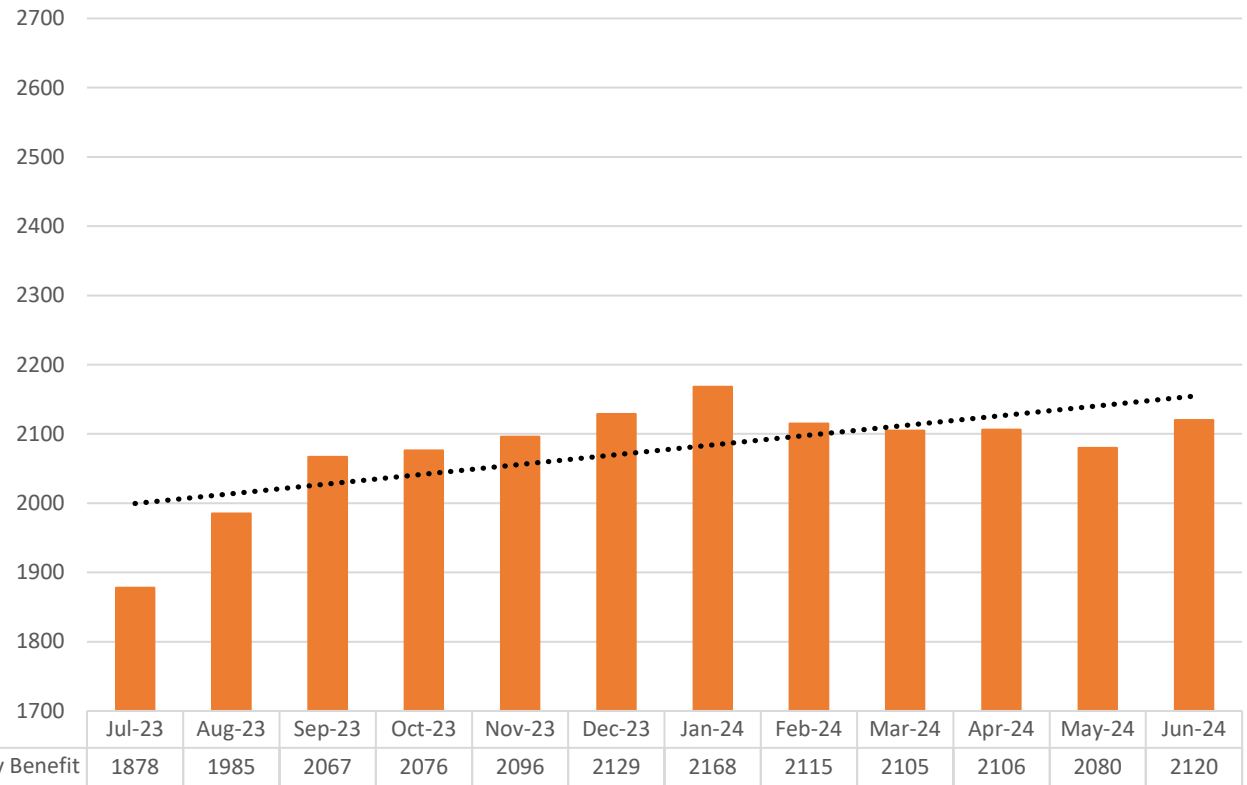
- Even as Member Services found success eliminating most backlogs which occurred as the organization emerged from the pandemic and the associated staffing challenges, the process of moving an individual from their preliminary benefit to their finalized benefit has been stubborn.
- Efforts through FY24 essentially allowed the pending volume to remain flat from month to month in recent years and, on an annual basis, experience year over year increases.

The updated outlook

- With the advent of FY25, Retirement Services is now driving down the pending queue month-over-month and year-over-year.

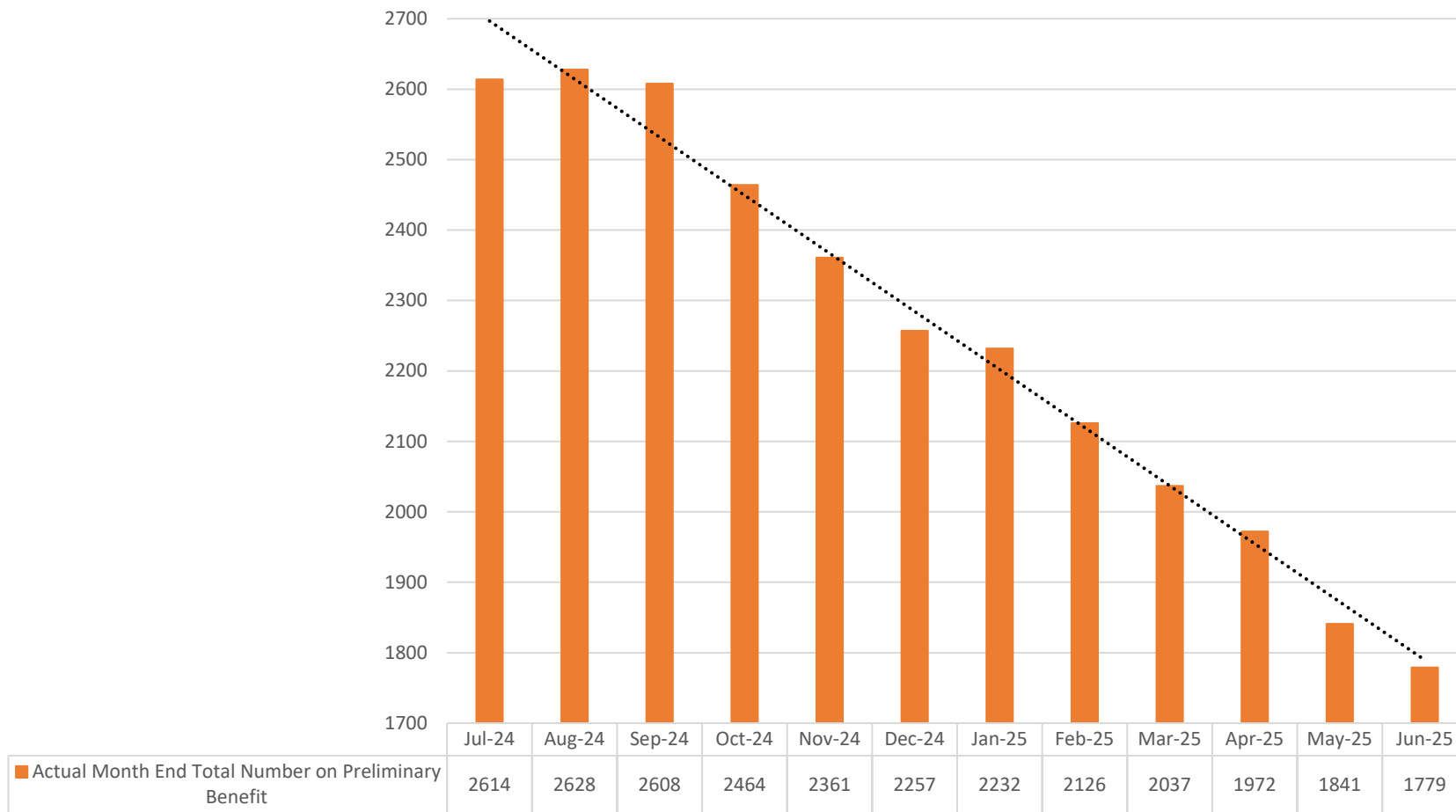
The prior status

Trend of Retirees Receiving a Preliminary Benefit



The updated outlook

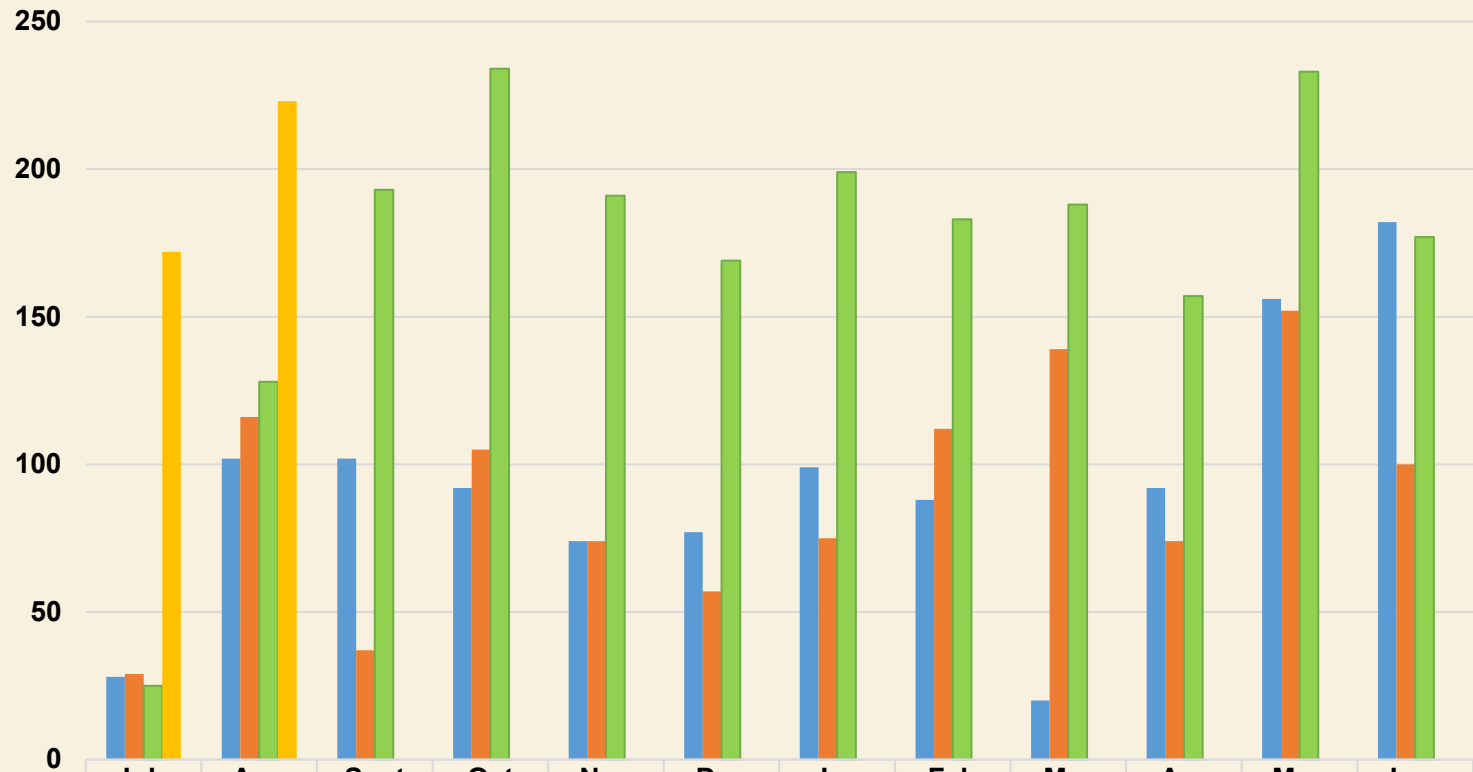
Trend of Retirees Receiving a Preliminary Benefit



Benefits to the new approach

- Categorization of PB2F identifies retirements that can be finalized by Pension Associate I staff who have met certain training milestones.
- Quicker turnaround time for those in the Category 1 group, beyond the service improvement, also avoids interest costs.
- Quicker resolution for those who have been waiting the longest.
- Streamlined processes (Average Final Compensation cap and straight to final)
- Maximizes the expertise of the most experienced staff.
- Greater overall productivity by the entire team.

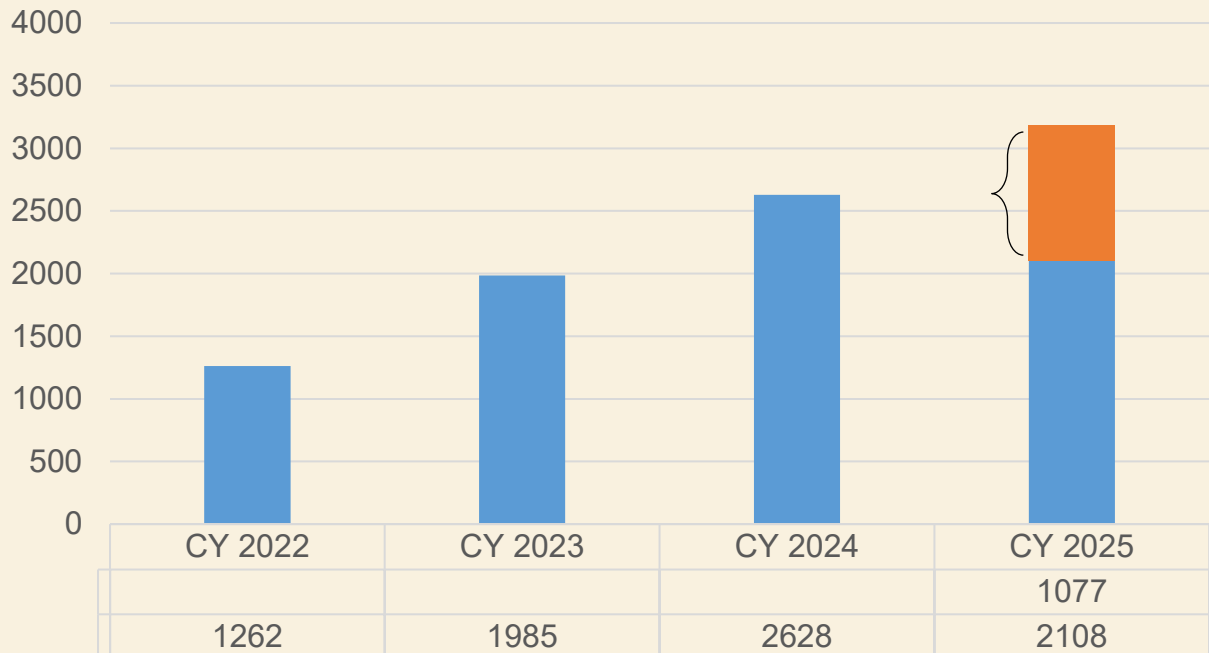
Closed Pension Workflows by Month by Fiscal Year

[illegible]

Putting it all in longer term context

- Ultimately, this means the pending queue is getting smaller not just month-to-month but year-to-year.
- The orange portion of the graph below shows the expected growth in the pending queue that was eliminated or avoided in FY25.
- The pending queue is more than 1,000 PB2Finals smaller now than it would have been on the prior projected trend line.

Closing Count of Open August PB WFs

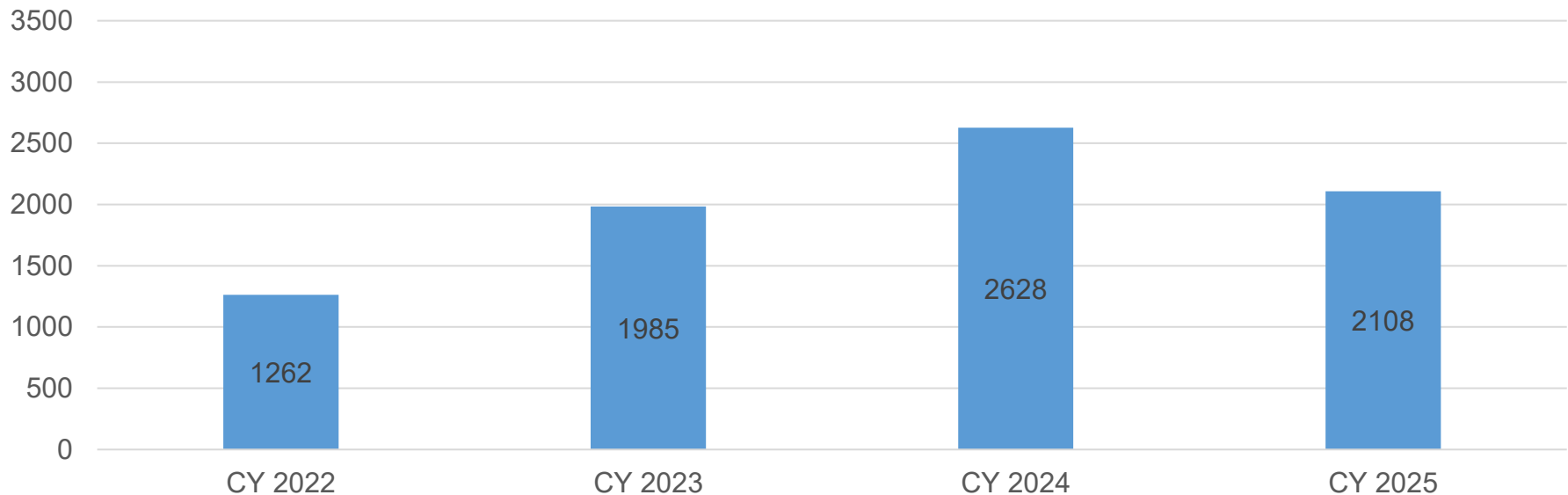


Projected for Aug 2025 If no changes to PB2F processes = 3185
Actual Open PB2F as of Aug 2025 = **2108**
Net improvement over trend line = **1077**

Putting it all in longer term context

- For the first time in years the queue is smaller at the end of August this year, typically the most challenged point in time, than last year.
- The queue is approximately 500 PB2Finals smaller now than this same time last year.

Closing Count of Open August PB WFs



What is making it possible?

- New Pension Associate staff gaining experience and reaching various training milestones.
- A new structure and new positions in the unit supported by the Trustees approval of the FY25 budget.
- The strategic plan's focus on the empowerment of staff to think about new ways of doing business to tackle the challenges at hand in current circumstances.
- Collaboration within the work unit and across multiple work units, which is another element of the Strategic Plan.
- The hard work of the Retirement Services team, from the most recently hired staff member to the most experienced.
- The practical updates in processing discussed earlier.

**Thank you.
Questions?**



MainePERS
PUBLIC EMPLOYEES RETIREMENT SYSTEM

MAINEPERS

BOARD OF TRUSTEES MEMORANDUM

TO: BOARD MEMBERS
FROM: MICHAEL J. COLLERAN, CHIEF OPERATING OFFICER & GENERAL COUNSEL
CHIP GAVIN, CHIEF SERVICES OFFICER
SHERRY VANDRELL, CHIEF FINANCIAL OFFICER
SUBJECT: MEMBER SERVICES, FINANCE, AND OPERATIONS REPORT
DATE: SEPTEMBER 3, 2025

Content in the following paragraphs was selected to provide noteworthy information regarding the System's member services, finance, and operations.

POLICY REFERENCE

[Board Policy 4.5 – Board/Staff Relations](#)

[Board Policy 4.6 – Communications and Support to the Board](#)

MEMBER SERVICES

1. PENSION ADMINISTRATION SYSTEM IMPLEMENTATION: Sagitec is currently reporting all major monitoring areas of the project – schedule, cost, scope and resources - are green, as is the overall project status. An excerpt of their monthly project status report is included below.

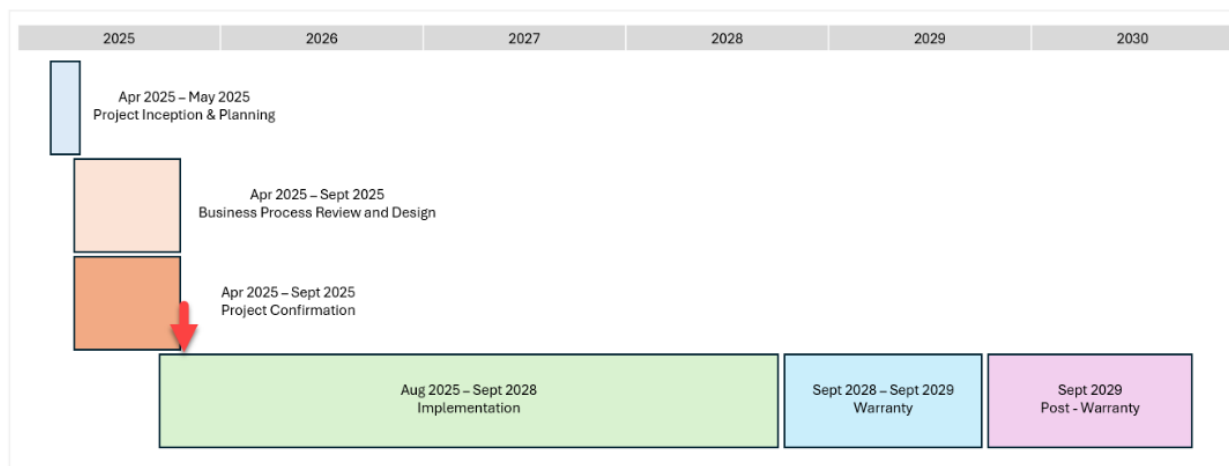
The project is scheduled to reach a milestone in September with the conclusion of Phase 3 of the project and the start of Phase 4. The conclusion of Phase 3, once it occurs, will mean that MainePERS and Sagitec have reviewed the existing and desired future state business processes and confirmed the baseline requirements for building the new system.

The project currently is expected to reach the go live milestone in CY2028. This project is part of Goal III, Strategic Objective (B) and other related components of the Strategic Plan. The effective date of the contract with Sagitec for implementation of its Neospin product was April 14, 2025, so the project has now completed approximately 10 percent of the timeline between contract initiation and scheduled project launch.

Phase 1 of the project, of 6 total phases through the post-warranty period, has been completed. Phases 2 is in progress. Phase 2 focuses primarily on the technical infrastructure of the project and certain data activities and is scheduled to run through November of 2027. Phase 3 is scheduled to conclude in September 2025. Phase 4, which correlates to the Implementation stage shown below, is set to begin in September 2025.

Overall		Scope	
Schedule		Resources	
Cost / Budget			
Project Manager	Jason Tolentino	Project Sponsor	CEO Rebecca Wyke
Project Start	April 14, 2025	Project End	Go-live June to Sept 2028. One-year warranty period concluding in 2029.
Reporting Period	August 2025	Reporting Date	August 28, 2025
Audience	Chip Gavin, Michael Colleran, Joy Childs, Valerie Scott, Domna Giatas, Tim Poulin, Sherry Vandrell, Brett McGillivray	Next Steering Committee Meeting with Sagitec	September 10, 2025

Timeline (red arrow indicates the phase of the project as of this report)



- Group life insurance campaign update: A special campaign intended to encouraging out-of-contact retirees to update their group life insurance beneficiary information with MainePERS that began in April has largely concluded. In all, 16,645 letters were mailed to retirees and prompted approximately 3,368 to update their information on file with MainePERS. In addition to eliciting updates about beneficiaries, the campaign also reminded some retirees that the coverage existed at all and will make for more efficient and smoother processing of benefits at the time they become payable.
- Member and Employer Education: MainePERS held a webinar for Employers in August as part of its annual support for the “open enrollment” period available to some PLD employers and employees. Open enrollment has been available to select employers and employees since 2021 due to changes in law that took effect at that time. This session was held on August 21, 2025.

This webinar focused on helping employers understand how to appropriately administer the open enrollment election for their employees and was a joint effort of Member Services and Employer Reporting within MainePERS. To avoid confusion, because open enrollment is not available to all, notification about this webinar was sent to the PLD employers who have the provision via an eblast and registration for the session was handled by PLD Plan Administration. Employees interested in joining during open enrollment were encouraged to reach out to the Retirement Services PLD Unit directly for information or to register online to attend the Intro to PLD webinar on October 8th.

For individual members, a total of approximately 40 webinars already have been conducted this year across various topics. More than 800 individuals have registered to participate so far this year on topics covering the spectrum of plans and career stages of a member. This data reflects the webinars organized and conducted by MainePERS for individual members. It does not reflect the dozens of additional webinars and in-person sessions organized by others and in which MainePERS participate.

FINANCE

1. EMPLOYER REPORTING. Employers submitted defined benefit payrolls on time at rate of 91% in August. This compares to a rate of 90% for the same period last year. Of the 59 payrolls that missed the deadline, 47 were submitted within three days of deadline. The percentage of fully reconciled accounts through June data is 85%, an increase of 1% from last month. The number of fully reconciled accounts increased by 3 accounts, to 594 this month.

The aging of the 109 accounts not fully reconciled through June 2025 data breaks down as follows. The numbers in green represent a decrease in count from the prior period and the number in red is an increase. As requested, I have added some details to show the movement of accounts as older transactions are cleared up and new transactions are added

	Oldest Unreconciled Transactions						
Year	2025	2024	2023	2022	2021	2020	2019
# of Accts	52	35	3	2	4	5	9
Removed	-11	-3	-1	0	0	-1	-1
Added	19	0	0	0	0	1	0
Prior Report	44	38	4	2	4	5	10

Portland Public Schools was able to successfully load all remaining missing payrolls for both the Teacher and PLD Plans this past month. Staff are reviewing the data and assisting Portland Public Schools staff with making corrections as needed prior to releasing the payrolls and posting data to member accounts. The work to reconcile old, previously submitted payroll data for calendar year 2023 and prior is ongoing.

2. EMPLOYER AUDITING. There were no audits opened or completed during the month of August. The audit staff continue to support the employer reporting team with the Portland Public Schools corrections project and clearing long outstanding audit findings. Staff successfully closed out remaining 2022 findings for two employers this reporting period and

only one 2022 audit with open findings remains. The percentage of resolved findings is currently 98.2%.

3. ACCOUNTING AND FINANCE. The internal audit covering human resources practices is currently underway. The next review is expected to cover death benefit processing.

The audit of the FY2025 financial statements is also underway and that work is going well and is on track.

OPERATIONS

1. INFORMATION TECHNOLOGY: This month the IT Operations team will be upgrading our primary internet circuits in advance of pilot 4.1 of the PAS project. This upgrade allows for MainePERS to retire our legacy Cisco infrastructure. IT Operations staff continue the phased roll-out of Office 365 as Access databases are converted. Development staff are 65% of the way through the process of upgrading all Access databases to O365. IT Development Team has completed the PAS project's legacy data review sessions. Data conversion table mapping for pilot 4.1 is complete, and mapping for pilot 4.2 will start shortly. The Business Analysts and Technical Writer are reviewing requirements and items paused for the elaboration phase in pilot 4.1.
2. HUMAN RESOURCES: We had no new hires start in August and one termination. We have had two offers accepted with September start dates and are currently recruiting for three positions.
3. FACILITIES: Planning and contracting are continuing for the project to install a moveable wall between the Fort Point and Mount Kineo conference rooms, which will provide greater capacity and flexibility for large meetings. Our landscaping vendor will be seeding this month.
4. DOCUMENT CENTER: We are continuing to work with our document imaging vendor to enhance processing and to move to Windows 11 prior to legacy support ending in October.

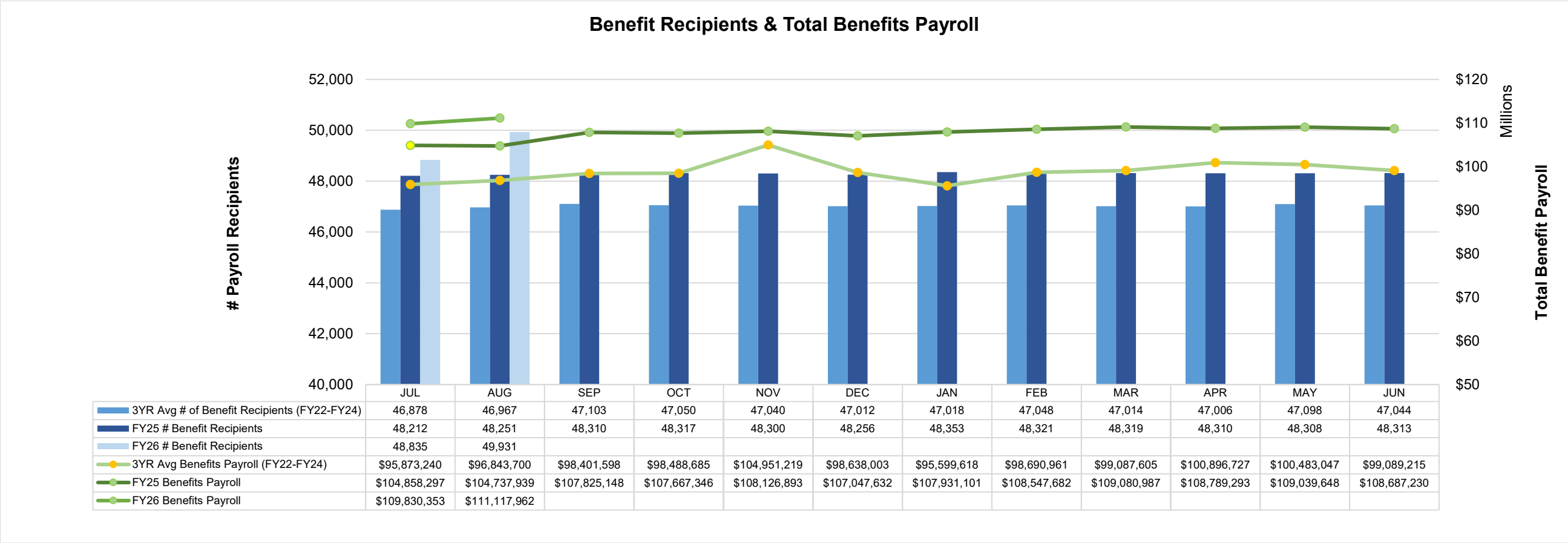
RECOMMENDATION

No Board action is recommended at this time.

AUGUST 2025 BOARD OF TRUSTEES OPERATIONS – MEMBER SERVICES SUPPLEMENTAL NUMBERS

RETIREMENT SERVICES

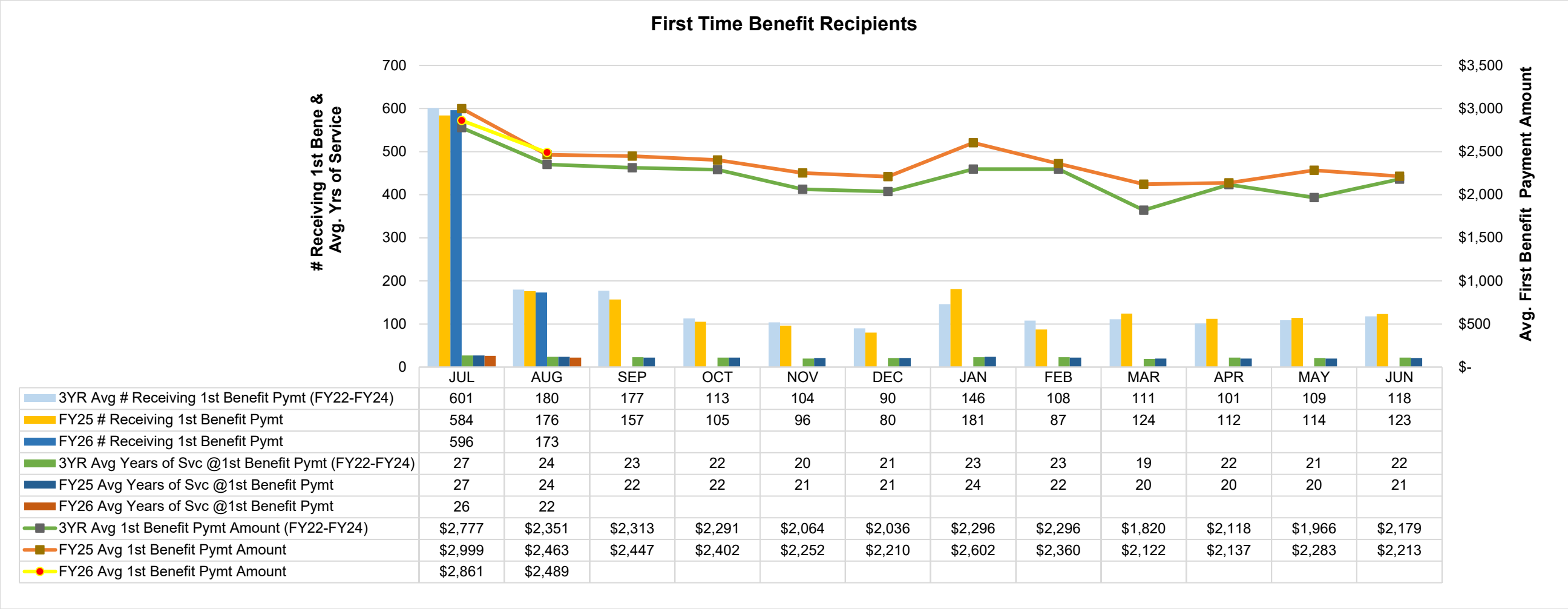
BENEFITS PAYROLL: Regular monthly pension benefit payments were made to 49,931 recipients in August, totaling \$111,117,962. Note: Special payments paid outside of the regular payroll run are not reflected in the “Benefits Payroll” total. Applying to all graphs in this report, instead of providing fiscal years of 2022, 2023 and 2024 individually, this graph provides the average of those years against fiscal years 2025 and 2026.



AUGUST 2025 BOARD OF TRUSTEES OPERATIONS – MEMBER SERVICES SUPPLEMENTAL NUMBERS

RETIREMENT SERVICES: (CONTINUED)

FIRST TIME BENEFIT RECIPIENTS: One hundred seventy-three (173) individuals received their first benefit payment in August. The average benefit amount was \$2,489. First time recipients averaged twenty-two (22) years of service. The count of new recipients, payment amount, and service are comparable to data seen during the same month in recent prior years.

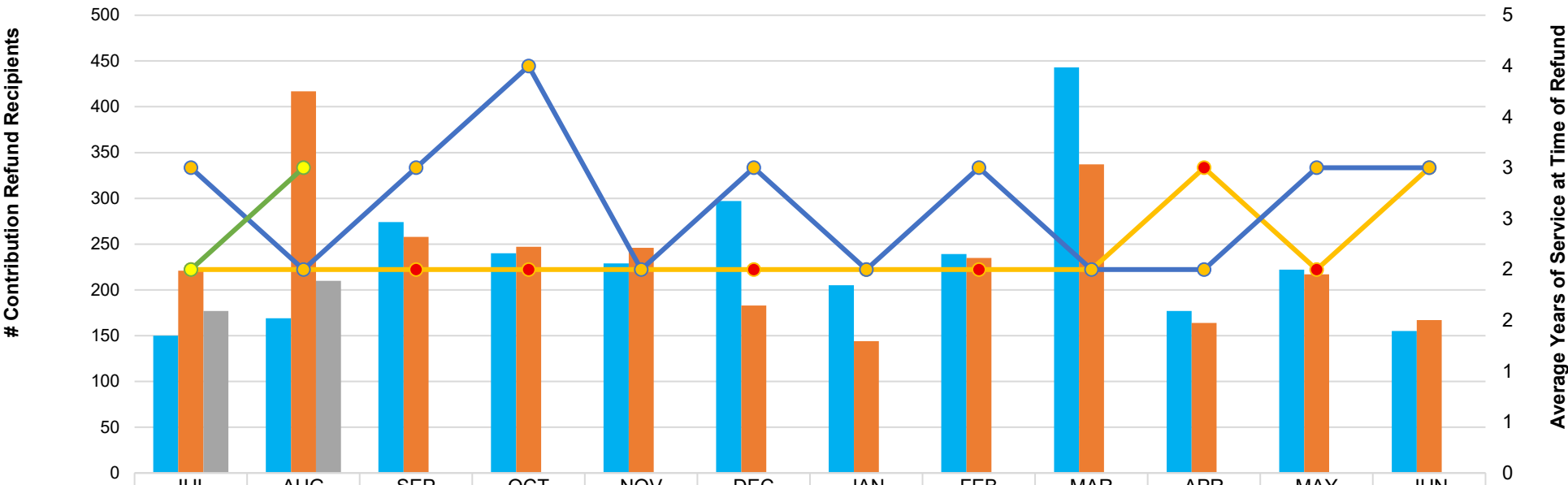


AUGUST 2025 BOARD OF TRUSTEES OPERATIONS – MEMBER SERVICES SUPPLEMENTAL NUMBERS

RETIREMENT SERVICES: (CONTINUED)

CONTRIBUTION REFUNDS: Two hundred ten (210) former members received a refund of their contributions in August. The average refund was \$10,140 as the result of an average of three (3) years of service. The aggregate amount refunded was \$2,129,422. Note: Data for FY22 – July to October – was not captured so the average for those months only includes fiscal years 2023 and 2024.

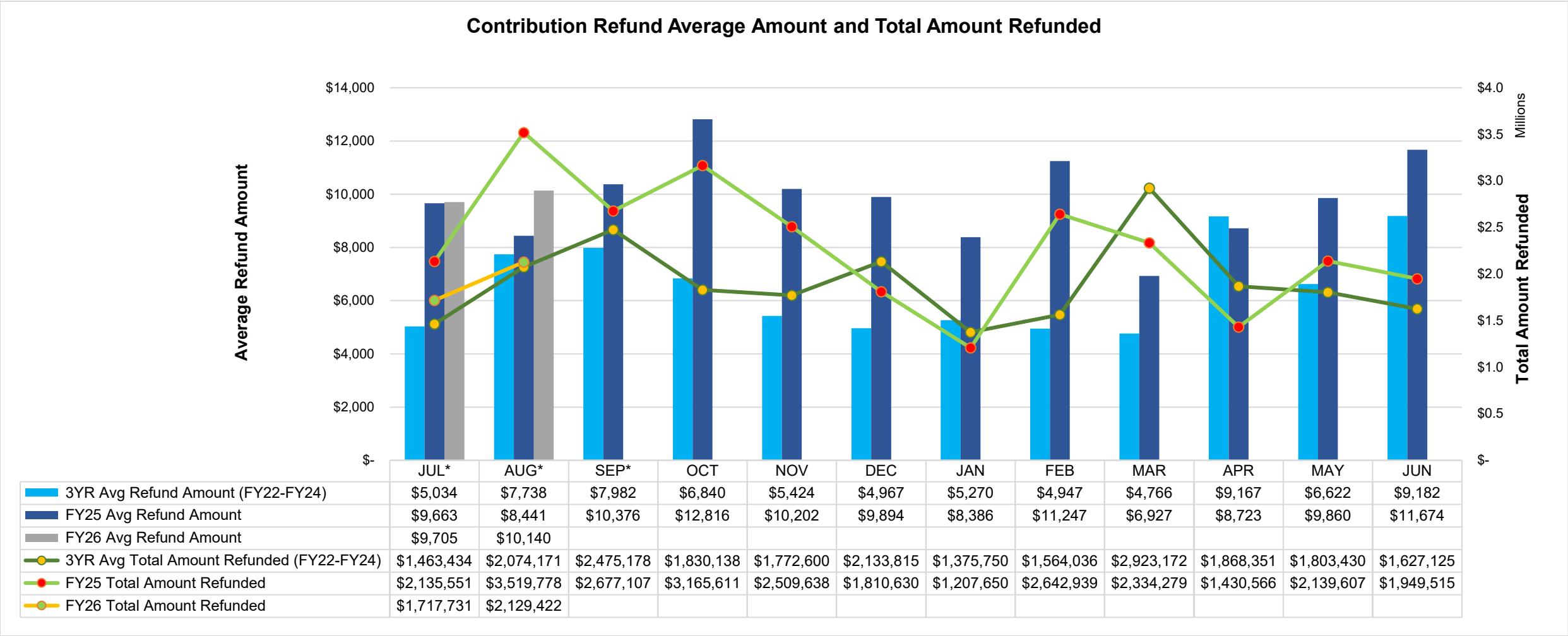
Contribution Refunds Issued: Total Number & Average Years of Service



3YR Avg # of Contribution Refund Recipients (FY22-FY24)	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
FY25 # of Contribution Refund Recipients	221	417	258	247	246	183	144	235	337	164	217	167
FY26 # of Contribution Refund Recipients	177	210										
3YR Avg YRs of Service at Time of Refund (FY22-FY24)	2	2	2	2	2	2	2	2	2	3	2	3
FY25 Avg YRs of Service at Time of Refund	3	2	3	4	2	3	2	3	2	2	3	3
FY26 Avg YRs of Service at Time of Refund	2	3										

RETIREMENT SERVICES: (CONTINUED)

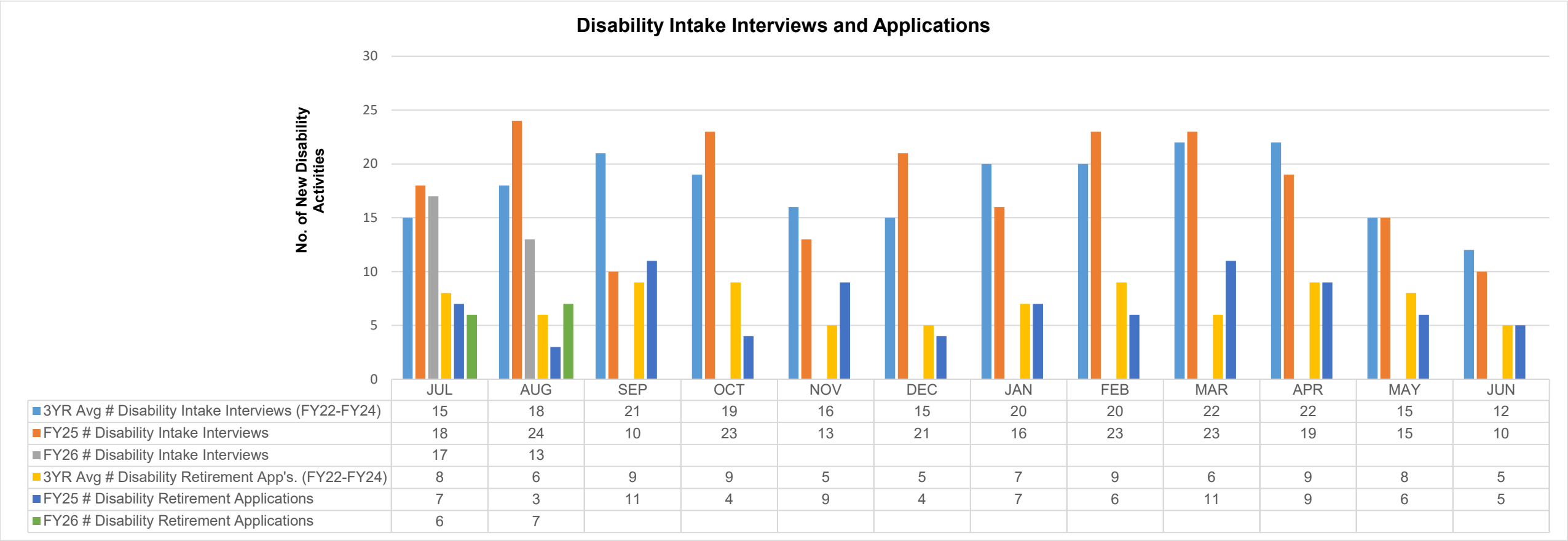
CONTRIBUTION REFUNDS



AUGUST 2025 BOARD OF TRUSTEES OPERATIONS – MEMBER SERVICES SUPPLEMENTAL NUMBERS

DISABILITY SERVICES

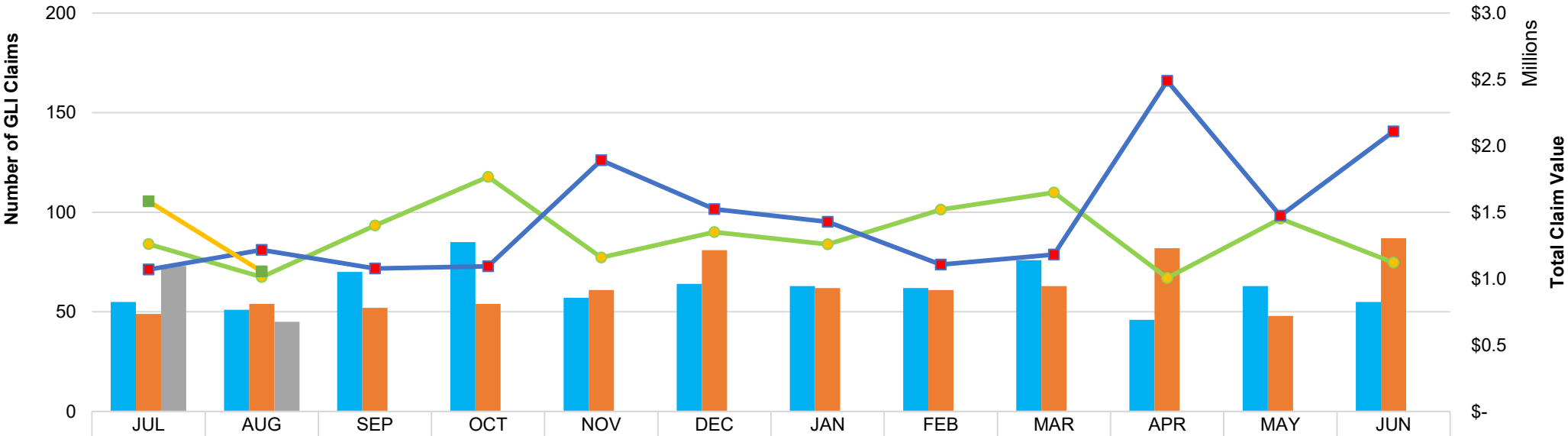
Intake Interviews and Applications: There were thirteen (13) interviews completed in August with varying levels of detail and duration. Intakes included five (5) State members, three (3) Teacher members, five (5) PLD and zero (0) other members. There were seven (7) new disability retirement applications received in August.



SURVIVOR SERVICES

GLI Claim Numbers and Values: There were forty-five (45) life insurance claims sent to our carrier (The Hartford) in August with a total value of \$1,054,120 in payments due to beneficiaries. Of the claims, forty-two (42) were retiree claims and three (3) were active member claims including one (1) dependent claim.

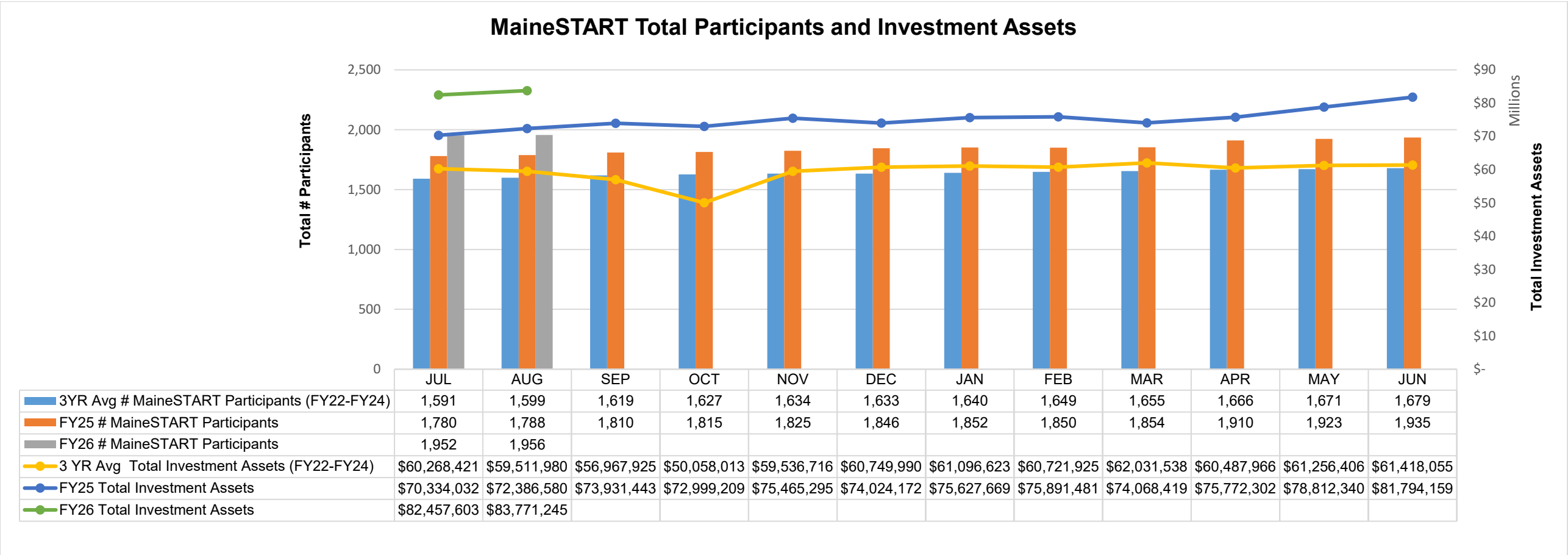
Group Life Insurance Claim Numbers and Total Claim Values



3YR Avg # Life Insurance Claims Filed (FY22-FY24)	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
FY25 # Life Insurance Claims Filed	49	54	52	54	61	81	62	61	63	82	48	87
FY26 # Life Insurance Claims Filed	73	45										
3YR Avg Total Claim Value (FY22-FY24)	\$1,259,908	\$1,012,483	\$1,400,022	\$1,767,095	\$1,158,615	\$1,351,105	\$1,258,217	\$1,520,863	\$1,648,542	\$1,005,447	\$1,452,758	\$1,120,917
FY25 Total Claim Value	\$1,068,305	\$1,216,240	\$1,076,760	\$1,093,780	\$1,891,145	\$1,524,215	\$1,427,230	\$1,106,410	\$1,181,590	\$2,488,945	\$1,474,100	\$2,109,200
FY26 Total Claim Value	\$1,583,110	\$1,054,120										

DEFINED CONTRIBUTION PLAN SERVICES

Total Participants and Investment Assets: MaineSTART had one thousand nine hundred fifty-six (1,956) participants at the end of August with \$ \$83,771,245 of investment assets in the program.

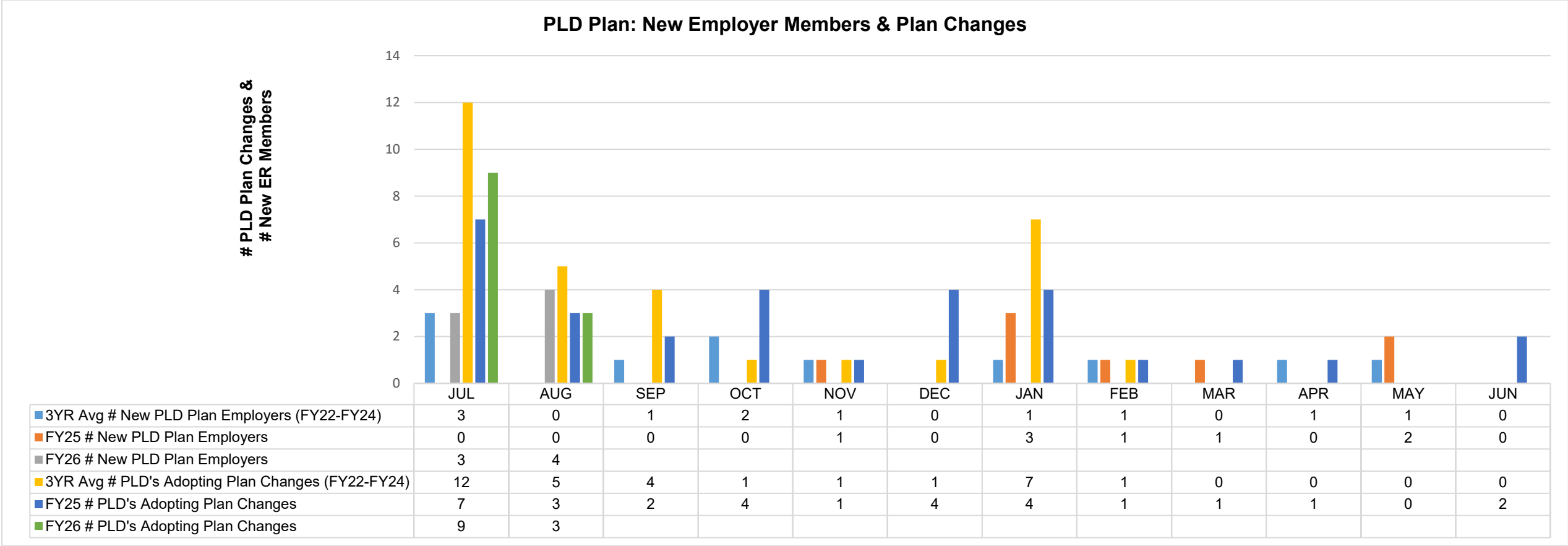


AUGUST 2025 BOARD OF TRUSTEES OPERATIONS – MEMBER SERVICES SUPPLEMENTAL NUMBERS

PARTICIPATING LOCAL DISTRICT (PLD)

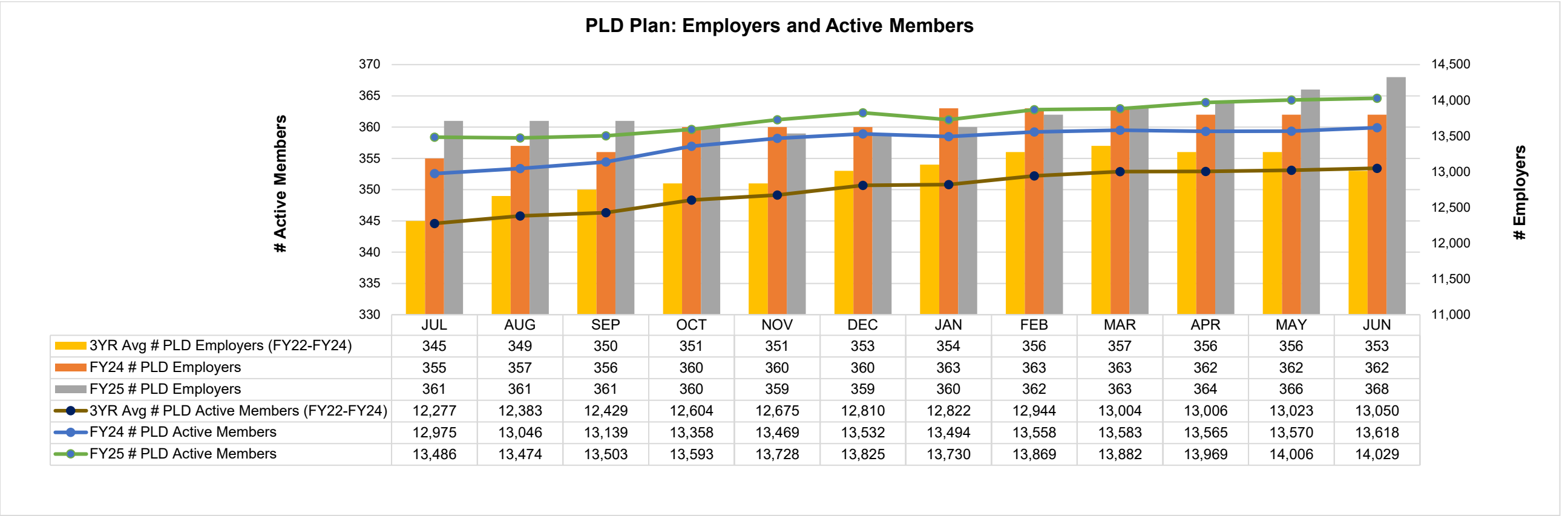
PLAN ADMINISTRATION

New Employer Members & Plan Changes: There were four (4) new employers joining the PLD Retirement Program effective August 1, 2025. There were three (3) employer plan changes effective August 1, 2025. Note: This metric reflects PLD employer changes (joining, returning, adopting plan changes) in the month of their implementation. This format is consistent with MainePERS activity reporting to our actuary.



PLD PLAN ADMINISTRATION (CONTINUED)

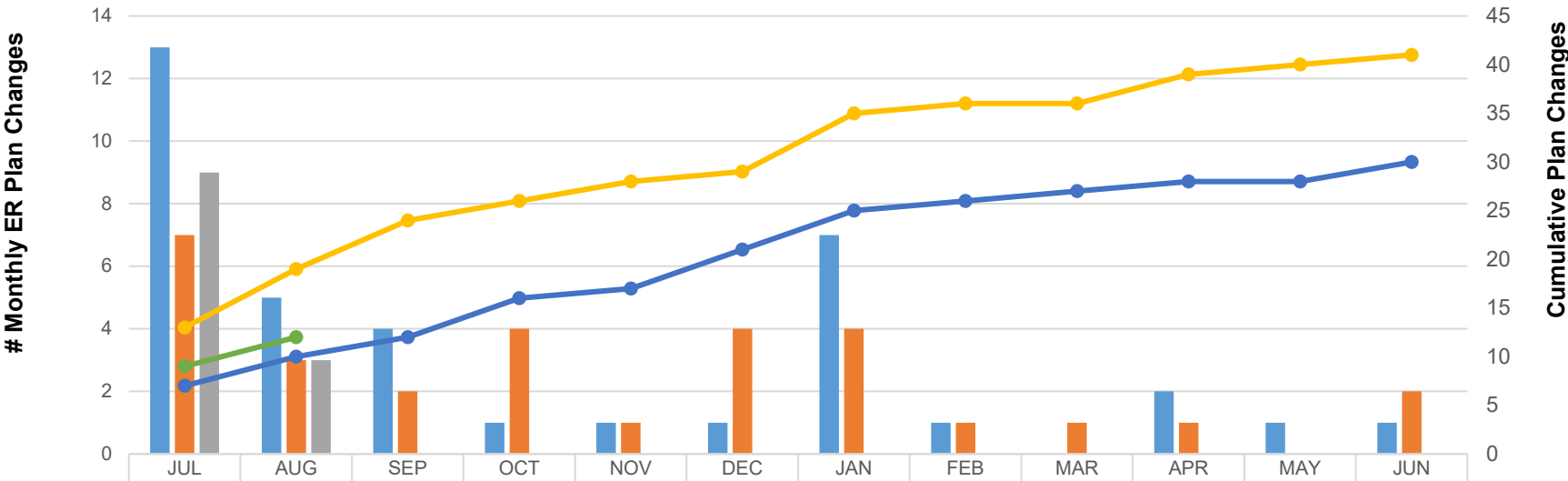
Employers and Active Members: PLD employers increased from 364 in April to 368 in June; PLD Employee numbers increased from 13,969 in April to 14,029 in June. This data will be reported quarterly. Due to the timing of the Board Report, the next update will be included in the October supplement numbers at the November 2025 meeting.



PLD PLAN - MONTHLY AND CUMULATIVE EMPLOYER PLAN CHANGES

Monthly and Cumulative Employer Plan Changes: There were four (4) new employers joining the PLD Retirement Program effective August 1, 2025. There were three (3) employer plan changes effective August 1, 2025. Total plan changes for FY26 are twelve (12). Note: This metric reflects PLD employer changes (joining, returning, adopting plan changes) in the month of their implementation. This format is consistent with MainePERS activity reporting to our actuary.

PLD: Monthly and Cumulative Employer Plan Changes



3YR Avg # PLD's Adopting Plan Changes (FY22-FY24)	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
FY25 # PLD's Adopting Plan Changes	7	3	2	4	1	4	4	1	1	1	0	2
FY26 # PLD's Adopting Plan Changes	9	3										
3YR Avg Cumulative Plan Changes Adopted (FY22-FY24)	13	19	24	26	28	29	35	36	36	39	40	41
FY25 Cumulative Plan Changes Adopted	7	10	12	16	17	21	25	26	27	28	28	30
FY26 Cumulative Plan Changes Adopted	9	12										

FOCUS FRIDAY IMPACT ON BACKLOG REDUCTION

PRELIMINARY TO FINAL BENEFIT (PB TO FINAL) BACKLOG THROUGH AUGUST 30, 2025: The backlog projections and reporting below are based on a data point that counts days since an initial Preliminary Benefit disbursement date (Days on PB) occurred.

