



MainePERS

PUBLIC EMPLOYEES RETIREMENT SYSTEM

Board of Trustees

Public Meeting Packet

April 9, 2026

MainePERS Board of Trustees
April 9, 2026
139 Capitol Street, Augusta

AGENDA

9:00 a.m. ¹		CALL TO ORDER		Brian Noyes
9:00 – 9:05 a.m.	1.	<u>CONSIDERATION OF CONSENT CALENDAR</u> <ul style="list-style-type: none">• Minutes of March 12, 2026• Consideration of Items Removed	ACTION	Brian Noyes
9:05 – 10:05 a.m.	2.	<u>FUNDING POLICY</u>		Dr. Rebecca M. Wyke Bill Brown Gene Kalwarski, Bonnie Rightnour, Greg Reardon, Cheiron
10:05 – 10:15 a.m.	3.	<u>INVESTMENT REPORTS</u> <ul style="list-style-type: none">• Investment Monthly Report• Co-Investment Reports		James Bennett Scott Lupkas
10:15 – 10:30 a.m.		<u>BREAK</u>		
10:30 – 11:30 a.m.	4.	<u>INVESTMENT EDUCATION</u> <ul style="list-style-type: none">• Private Market Performance Evaluation Methodologies• Private Market Fund Life Cycle		William Greenwood, Albourne James Bennett Scott Lupkas
11:30 – 11:35 a.m.	5.	<u>FINANCE AND AUDIT COMMITTEE MEETING REPORT</u>		Shirrin Blaisdell
11:35 – 11:40 a.m.	6.	<u>CEO REPORT</u>		Dr. Rebecca M. Wyke
11:40 – 11:50 a.m.	7.	<u>LEGISLATIVE UPDATE</u>		Bill Brown
11:50 a.m. – 12:00 p.m.	8.	<u>ADMINISTRATIVE REPORT</u>		Chip Gavin Sherry Vandrell Joy Childs Michael Colleran
12:00 – 12:05 p.m.	9.	<u>LITIGATION UPDATE</u>		John Nichols

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.

12:05 – 12:35 p.m.

LUNCH

12:35 – 1:35 p.m.

11. FIDUCIARY EDUCATIONAmy McDuffee
Michael Colleran
John Nichols

1:35 – 1:45 p.m.

12. CEO EVALUATION

- Executive Session pursuant to 1 M.R.S. §405(6)(A)

Brian Noyes

Board moves out of executive session.

1:45 p.m.

ADJOURNMENTBrian Noyes

MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM

Minutes

Board of Trustees
Board Meeting
March 12, 2026

MainePERS
Augusta
9:00 a.m.

The Board of Trustees met at 139 Capitol Street, Augusta, ME 04332 at 9:00 a.m. on March 12, 2026. Brian Noyes, Chair, presided. Other Trustees participating were: Joe Perry, State Treasurer; John Beliveau; Shirrin Blaisdell; Kirk Duplessis; Nick Fuller Googins, and John Kimball. Joining the Trustees were Dr. Rebecca Wyke, Chief Executive Officer; Michael Colleran, Chief Operating Officer and General Counsel; 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; Sherry Vandrell, Chief Financial Officer; Chip Gavin, Chief Services Officer; Scott Lupkas, Deputy Chief Investment Officer; William Greenwood and Peter Sung, Albourne; Bill Brown, Director of Actuarial and Legislative Affairs; and Joy Childs, Chief Technology Officer.

Brian Noyes called the meeting to order at 9:00 a.m. John Beliveau, Nick Fuller Googins, and Joe Perry participated through video remote access pursuant to 1 M.R.S. §403-B, having been excused from in-person attendance. Dick Metivier was absent, and all other Trustees attended in person.

Two new Investment Analysts, Bobby Slattery and Zack Anderson, introduced themselves to the Board of Trustees.

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 February 12, 2026
- Action. Shirrin Blaisdell made the motion, seconded by John Kimball, to approve the Consent Calendar. Unanimously voted in favor by seven Trustees (Beliveau, Blaisdell, Duplessis, Fuller Googins, Kimball, Noyes, and Perry).

EXPERIENCE STUDY – STATE FUNDED PLANS

Bonnie Rightnour and Greg Reardon presented the results of the State-funded plans experience study to the Trustees, along with Cheiron's recommended actuarial assumptions. Bonnie and Greg answered various questions from the Trustees.

- Action. Shirrin Blaisdell made the motion, seconded by John Kimball, that the Board adopt the assumptions recommended by Cheiron. Voted unanimously by seven Trustees (Beliveau, Blaisdell, Duplessis, Fuller Googins, Kimball, Noyes, and Perry).

INVESTMENT REVIEW

Investment Monthly Review

Jim Bennett reported that as of February 28, 2026, the MainePERS fund had a preliminary market value of \$22.3 billion, the preliminary return for the month was 0.4%, and the preliminary calendar year-to-date return was 1.4%.

INVESTMENT EDUCATION

Private Markets Governance and Oversight Framework

William Greenwood shared a presentation that reviewed private markets governance, oversight responsibilities, and the roles of Board, staff, consultants, and managers. William covered how managers are selected and monitored, information flows, and the reporting framework. William answered questions from the Trustees.

PRIVATE EQUITY STRATEGY REVIEW

Scott Lupkas reviewed the purpose of the private equity asset class. Jim Ackor and Seth Keller detailed the Private Equity asset class investment strategy, highlighted historical performance, and discussed current initiatives. Jim and Seth answered questions from the Trustees.

Shirrin Blaisdell left the meeting at 1:35 p.m.

MaineSTART

MaineSTART Quarterly Report

Michael Colleran provided the MaineSTART Quarterly Review for the quarter ending 12/31/25. He shared participation by employers and employees has increased in conjunction with increased member outreach. Chip Gavin stated the Ascensus relationship continues to improve with enhanced member education. Jim Bennett proposed adding additional target date investment options to encompass 5-year target increments from 2025 to 2070.

- **Action.** John Kimball made a motion, seconded by Kirk Duplessis, that Vanguard Target Retirement Funds with target dates in five-year increments through 2070 be included as MaineSTART investment options. Unanimously voted by six Trustees (Beliveau, Duplessis, Fuller Googins, Kimball, Noyes, and Perry).

CEO REPORT

Dr. Rebecca Wyke reported the progress continues in the development of the Pension Administration System. Dr. Wyke shared the member portal reached over 35,000 registered members. Chip Gavin thanked the team for the major strides being made during the PAS process. Preparations for the completion of Pilot 4.1 are scheduled for the end of March with

MAINEPERS

BOARD OF TRUSTEES MEMORANDUM

TO: BOARD MEMBERS

FROM: DR. REBECCA M. WYKE, CEO
MICHAEL COLLERAN, COO AND GENERAL COUNSEL
BILL BROWN, DIRECTOR OF ACTUARIAL AND LEGISLATIVE AFFAIRS

SUBJECT: FUNDING POLICY

DATE: MARCH 25, 2026

POLICY REFERENCE

[Board Policy 1.2 – Trustee Fiduciary Responsibility](#)

[Board Policy 2.2 – Actuarial Soundness and Funding](#)

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

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

At its December 2025 meeting, the Board received a presentation on the adjustment of amortization periods as an additional tool to manage contribution rate volatility. This memorandum outlines the key points of that presentation. At the April Board Meeting we will revisit this approach with a presentation by Bonnie Rightnour, Gene Kalwarski, and Greg Reardon of Cheiron. Copies of both the April 2026 and December 2025 presentations are attached.

Board Policy 2.2

Board policy 2.2 requires the Board of Trustees to make determinations regarding the funding of defined benefit plans in accordance with the Constitution and the laws of the State of Maine, based on the advice of professional actuaries and staff. The policy outlines the following principles:

- Long-term costs of statutory benefits must be funded;
- Contribution rates should be stable;
- Liabilities accrued today should not be imposed on future generations;

- Funding should be based on sound actuarial assumptions and methodologies; and
- Reasonable steps should be taken to manage funding risks.

Contribution Rate Volatility

A known funding risk is contribution rate volatility, as reflected in the principles of Policy 2.2. Defined benefit plans are more vulnerable to market shifts, and resultant rate volatility, as they mature and reach full funding. This is because when a majority of members are in retired status, more money is flowing out of the plan to pay benefits than is flowing into the plan from contributions. Additionally, when a market downturn occurs, a plan that is 100% funded loses more actual dollars than if it were 40% funded, making a rebound more challenging.

State Employee and Teacher Plan Maturity

The State Employee and Teacher Plan is reaching maturity. The plan currently has more inactive¹ than active members, a ratio of 1.2 to 1. At 88% funded, the plan is also approaching full funding. Moreover, with the payoff of the 1996 UAL in 2028, the annual contributions to the plan will drop significantly.

Managing Contribution Rate Volatility

MainePERS currently employs the following strategies for managing contribution rate volatility. Three-year actuarial asset smoothing, where only 1/3 of an asset gain or loss is recognized in the year that it occurs and then 1/3 of the remaining gain or loss is recognized the next year, and so on. Layered amortization, where each year's gain or loss is established as a separate base layer of the unfunded actuarial liability (UAL), then amortized over no more than 20 years.

Adjusting Amortization Periods

An additional option for managing contribution rate volatility is to adjust amortization periods for existing UAL base layers within the Constitutional limit of 20 years. The Board has previously utilized this option, most recently in July 2022 as part of the contribution rate setting process for fiscal years 2024 and 2025, where the Board voted to accelerate the 2014 UAL base layer by 6 years. Including this option within the funding policy provides the Board with another tool to manage the volatility of contribution rates.

Whereas the current tools (3-year actuarial asset smoothing and layered amortization) are integrated into the Board's funding approach, the adjustment of amortization periods for existing UAL base layers is more opportunistic and would allow the Board to manage significant up or down fluctuations in the contribution rate when the opportunity exists to adjust those layers. Consideration of this tool would occur on a biennial basis as part of the rate setting process.

¹ Defined as those in payment status plus vested inactive members.

The Board will have additional opportunities for review and discussion of this approach at the May meeting when we will present draft funding policy changes for the Board's consideration. The biennial rate setting process for fiscal years 2028 and 2029 will occur at the July meeting.

RECOMMENDATION

No action necessary at this time.



Board Funding Policy State Employee & Teacher Plan

Gene Kalwarski, FSA, FCA, EA, MAAA
Greg Reardon, FSA, EA, MAAA
Bonnie Rightnour, FSA, EA, MAAA

April 9, 2026

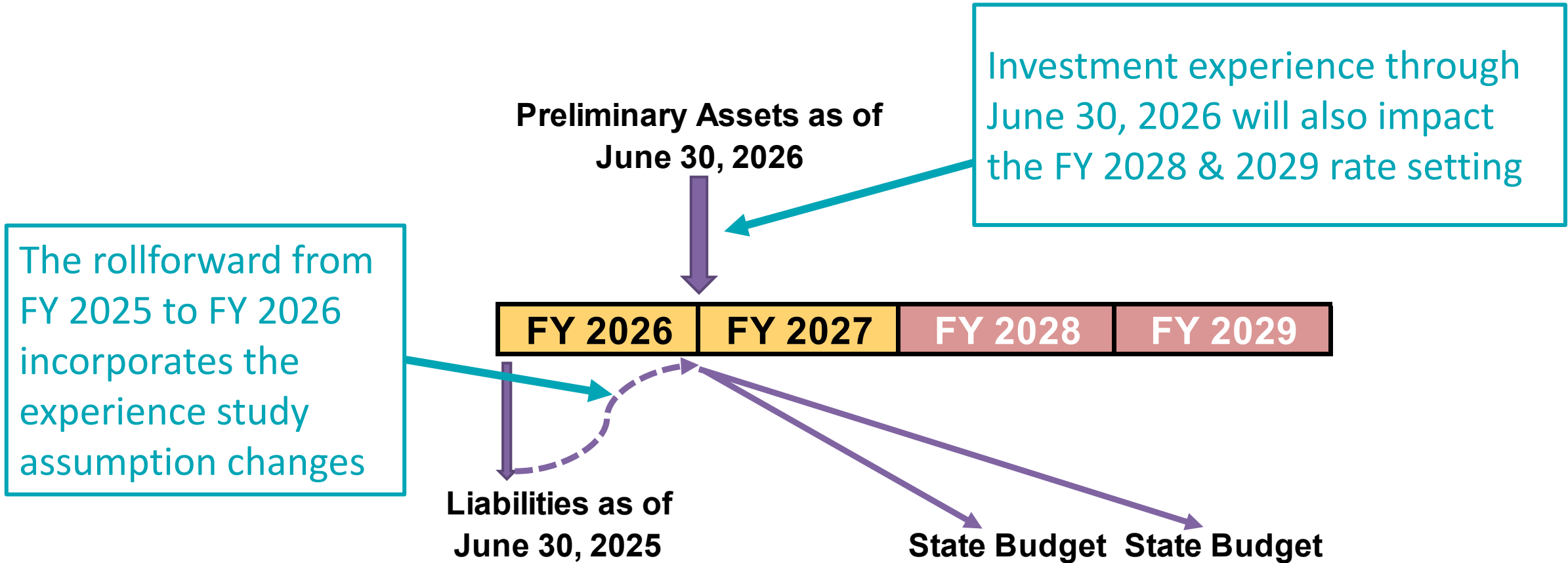


Agenda



- **Rate Setting Timeline & Process**
- **Funding Policy Elements**
- **Modeling**

Rate Setting Timeline for State Biennial Budget



Actuarially Determined Contribution

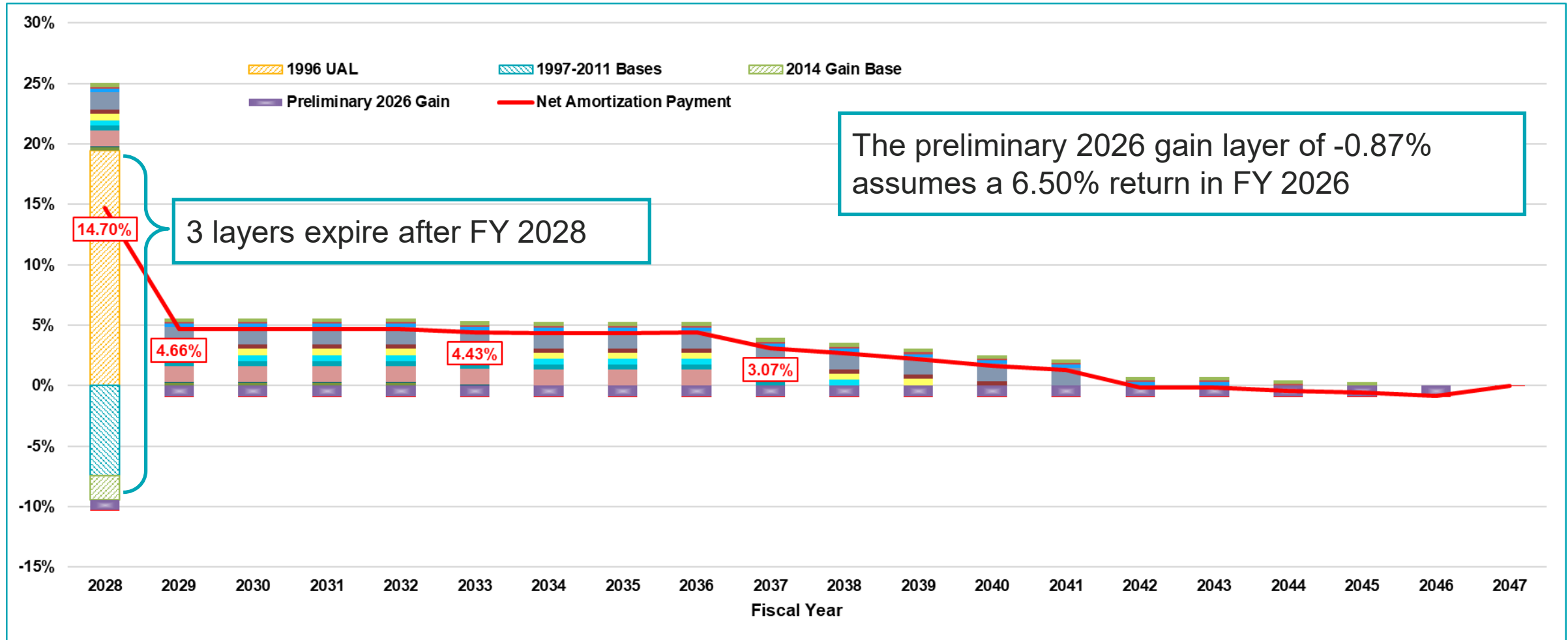
- Employer contributions consist of:
 - Employer Normal Cost (annual accruals)
 - + Unfunded Actuarial Liability Cost (UAL)
- Rates are determined as a % of Payroll
 - Payroll growth is projected at the valuation assumption of 2.75% resulting in an expected increased contribution for the second year of a biennium
- Rates are “locked in” for 2 years as part of the State budget process

Actuarially Determined Contribution

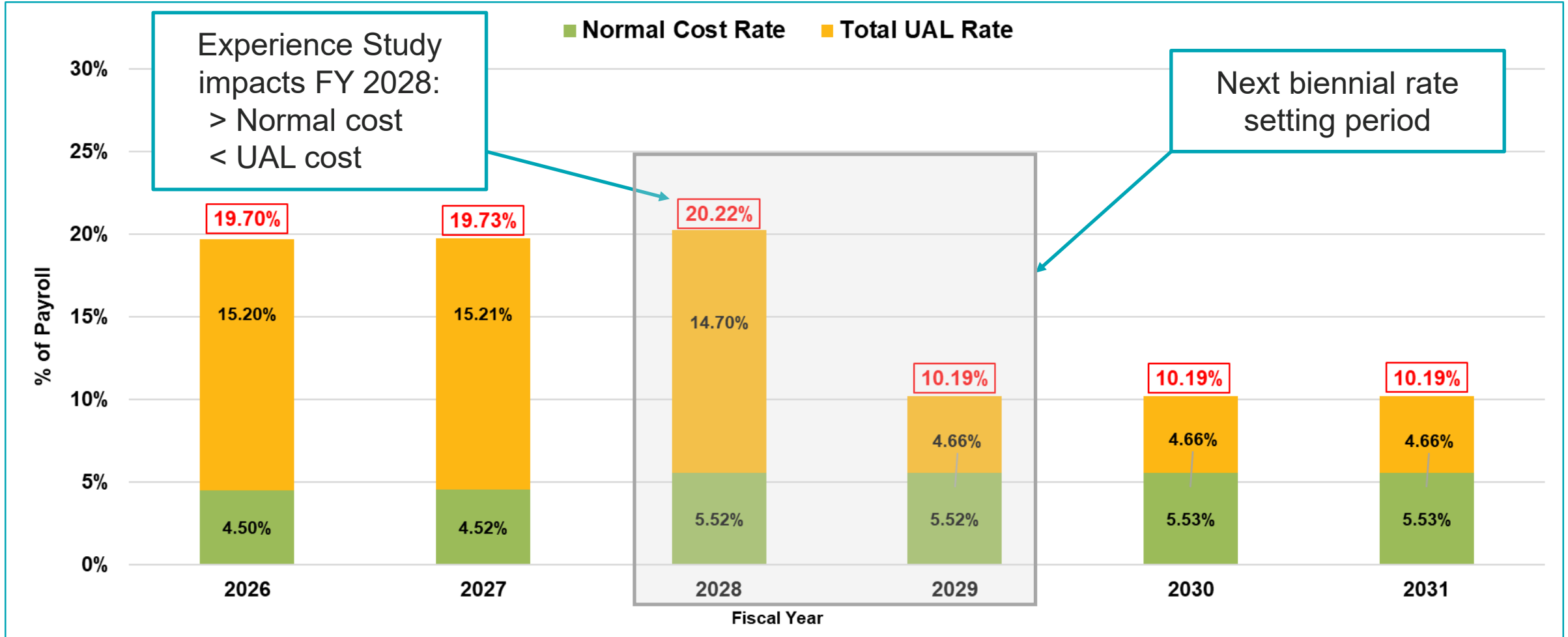
- UAL loss layers are currently amortized over 20 years, the maximum allowed under the Maine constitution
 - Shortening the amortization period increases the contribution rate
- Shortening loss layers as part of this year's rate setting process for FY 2029 rates provides an opportunity to manage contribution rate volatility in future rate setting cycles

The UAL payment is comprised of many different layers

The total UAL payment drops significantly with the payoff of the 1996 UAL in FY 2028



Total Employer Contribution



New Funding Policy Elements

- Establish an initial target contribution rate
 - Example, 12%
- Establish a volatility corridor
 - Example, 1%
- Authorize adjustment of amortization periods to manage contribution rate volatility when the opportunity exists

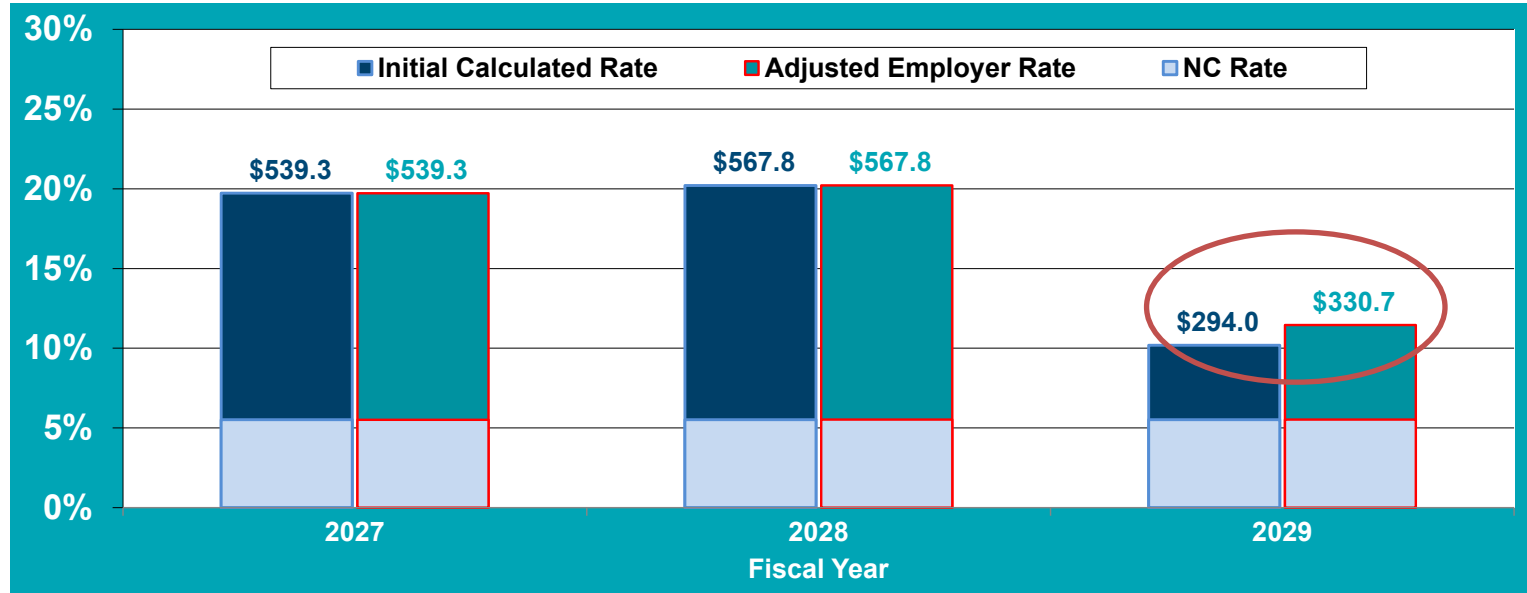
UAL Amortization Adjustments for FY 2029

- The FY 2029 UAL contribution rate is comprised of 15 base layers, each representing a gain or loss for a particular year
 - 11 are loss layers totaling 5.56% & 4 are gain layers totaling -0.89%
- The chart below shows the change to the contribution rate of accelerating the amortization of loss layers by 1, 2 or 3 years starting in FY 2029

Number of years to accelerate loss amortizations	0	1	2	3
FY 2028 Rate	20.22%			
Resulting FY 2029 Rate	10.19%	10.72%	11.46%	12.68%
Rate change from FY 2028	-10.03%	-9.49%	-8.76%	-7.54%
Contribution decrease from FY 2028 (\$ millions)	-\$274	-\$258	-\$237	-\$202

Policy Element – Initial Target Rate of 12%

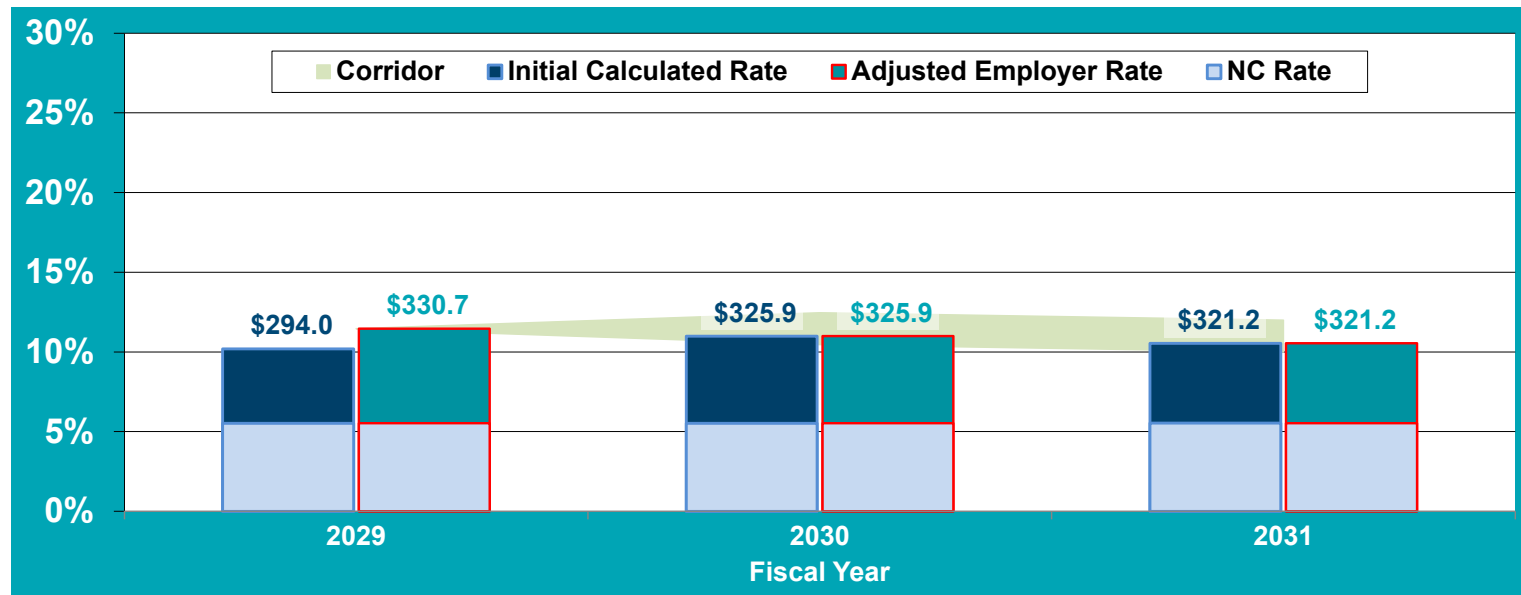
- Shortening the loss layers by 2 years in FY 2029
 - FY 2029 contribution rate increases from 10.19% to 11.46%, which is closest to the 12% initial target rate



- Assumes an FY 2026 return of 6.5%.

Policy Element – Volatility Corridor of 1%

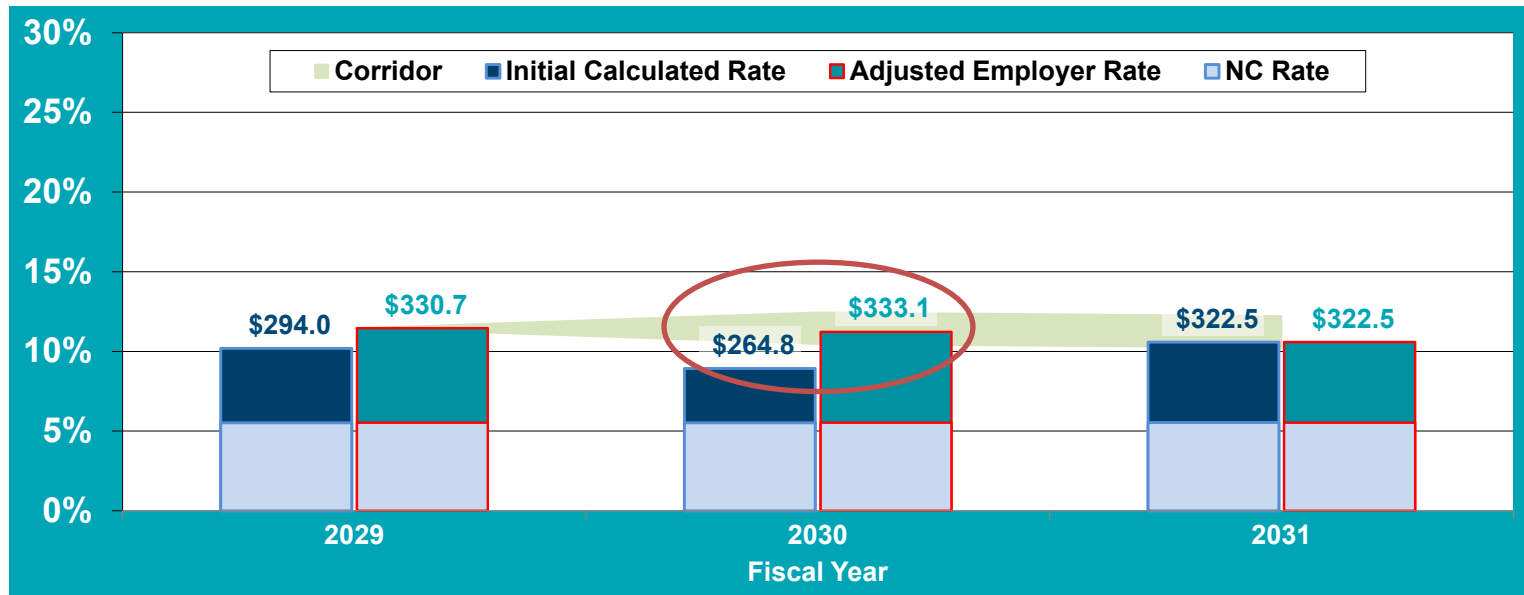
- In future years, the amortization of UAL base layers may be adjusted to maintain a contribution rate within the volatility corridor.
- In this example, the contribution rate for FY 2030 is 10.99% and for FY 2031 is 10.54%. Because these are within the 1% volatility corridor, no further changes are made to amortization periods.



- Assumes a 6.5% return in all years.

Example of a Future Gain: 14% Return in FY 2027

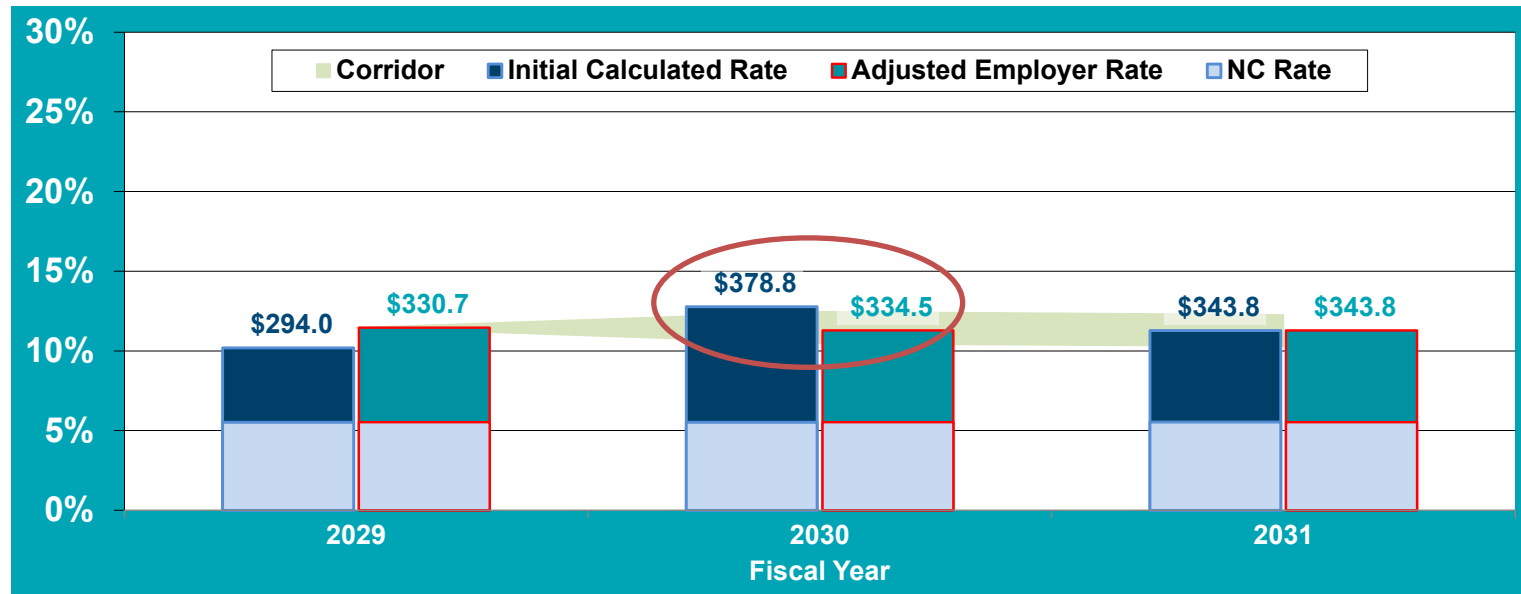
- The contribution rate would decrease to 8.93% in FY 2030. As the decrease is greater than 1%, UAL base layers with a loss can again be shortened by 2 years to bring the rate up to 11.23% and within the volatility corridor.
- The FY 2031 calculated rate is 10.58%, requiring no additional adjustments.



- Assumes a 14% return in FY 2027 and 6.5% return in all other years.

Example of a Future Loss: 0% Return in FY 2027

- In this example the contribution rate would increase to 12.78% in FY 2030. As the increase is greater than 1%, UAL base layers with a loss can be extended by 2 years to bring the rate down to 11.28% and within the policy corridor.
- The FY 2031 calculated rate is 11.28%, within the corridor requiring no additional adjustments.

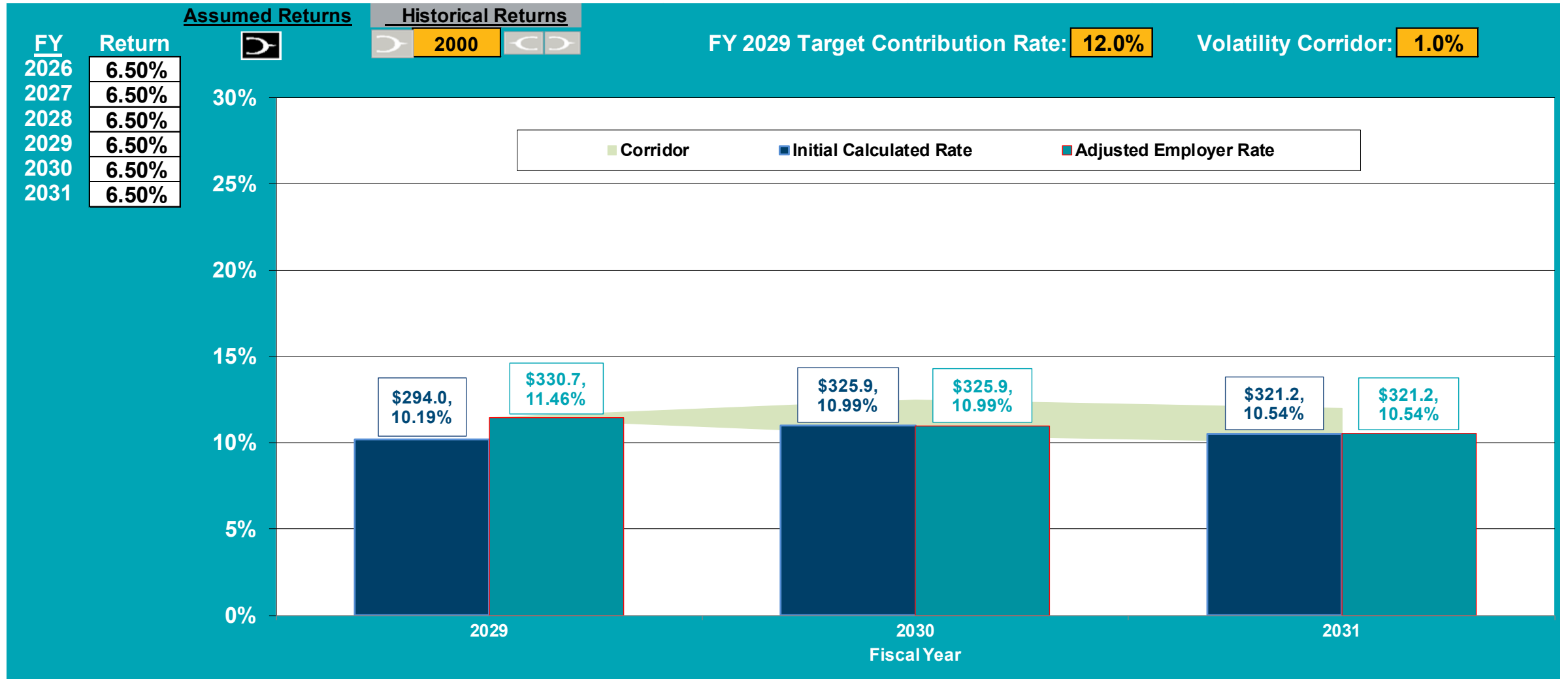


- Assumes a 0% return in FY 2027 and 6.5% return in all other years.



Interactive Modeling

Baseline Projection (FY 2026 Return = 6.50%)



- Information shown above the bars in the chart express the Contribution Rate in Dollars and as a Percentage of Payroll.

Required Disclosures

In preparing this presentation, we relied on information supplied by the Maine Public Employees Retirement System.

The actuarial assumptions, data, and methods are those used in the latest actuarial valuation for these plans as of June 30, 2025.

The results of this presentation rely on future Plan experience conforming to the underlying assumptions and methods outlined in the reports. Future results may differ significantly from the current results presented in this presentation due to such factors as the following: Plan experience differing from that anticipated by the assumptions, changes in assumptions, and changes in Plan provisions or applicable law.

This presentation and its contents have been prepared in accordance with generally recognized and accepted actuarial principles and practices and our understanding of the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board as well as applicable laws and regulations. Furthermore, as credentialed actuaries, we meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained in this presentation. This presentation does not address any contractual or legal issues. We are not attorneys, and our firm does not provide any legal services or advice.

Cheiron's presentation was prepared solely for the Maine Public Employees Retirement System for the purposes described therein, except that the Plan auditor may rely on the report solely for the purpose of completing an audit related to the matters herein. Other users of this presentation are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to such other users.

Gene Kalwarski, FSA, FCA, MAAA, EA
Principal Consulting Actuary

Bonnie Rightnour, FSA, MAAA, EA
Principal Consulting Actuary

Greg Reardon, FSA, MAAA, EA
Principal Consulting Actuary



Classic Values, Innovative Advice.

Contact us if you have any questions

Gene Kalwarski, FSA, EA
tel: 877.243.4766 (ext. 1013)
cell: 703.869.9402
gkalwarski@cheiron.us

Bonnie Rightnour, FSA, EA
tel: 703.893.1456 (ext. 1072)
cell: 804.240.3929
brightnour@cheiron.us

Greg Reardon, FSA, EA
tel: 703.893.1456 (ext. 1144)
cell: 631.338.8991
greardon@cheiron.us

Funding Policy

State Employee and Teacher Plan

December 11, 2025

Dr. Rebecca M. Wyke, CEO

Michael Colleran, COO and General Counsel

Bill Brown, Director of Actuarial and Legislative Affairs

Board Funding Policy

2.2 Actuarial Soundness and Funding

Board Policy 2.2

Actuarial Soundness and Funding

- ▶ Principles:
 - ▶ Long-term costs of statutory benefits must be funded;
 - ▶ Contribution rates should be stable;
 - ▶ Liabilities accrued today should not be imposed on future generations;
 - ▶ Funding should be based on sound actuarial assumptions and methodologies; and
 - ▶ Reasonable steps should be taken to manage funding risks.

Board Policy 2.2

Actuarial Soundness and Funding

- ▶ The policy covers:
 - ▶ Engagement of an actuarial consultant
 - ▶ The funding target of at least 100%
 - ▶ **Funding Methodology**
 - ▶ Actuarial Assumptions
 - ▶ Discount rate 6.5%
 - ▶ Inflation 2.75%
 - ▶ Other assumptions as recommended by the actuary following the experience study
 - ▶ Contribution Rate Setting

Funding Methodology

- ▶ Actuarial Cost Method

- ▶ Individual Entry Age Normal method is used to calculate actuarial liabilities, meaning an individual's projected benefits are allocated over their career at a level-percent-of-pay basis

- ▶ Actuarial Smoothing Method

- ▶ 3-Year actuarial asset smoothing method to calculate the actuarial value of assets

- ▶ Amortization Method

- ▶ Unfunded accrued liabilities are amortized on a level-percent-of-pay basis

Amortization Method cont.

- ▶ Maximum amortization period for experience losses is governed by the Maine Constitution, which requires “experience losses be retired over a period not exceeding 20 years”
- ▶ The amortization period for experience gains is governed by Board Policy 2.2 and is also 20 years
 - ▶ The Board has previously shortened experience gains on an ad hoc basis

State Employee & Teacher Plan is Maturing

S/T Plan is Maturing

- ▶ The plan currently has more inactive than active members, a ratio of 1.2 to 1
- ▶ At 88% funded, the plan is approaching full funding
- ▶ With the payoff of the 1996 UAL in 2028, the annual contributions to the plan will drop significantly

S/T Plan is Maturing cont.

- ▶ Defined benefit plans are more vulnerable to market shifts as they mature and reach full funding:
 - ▶ When a majority of members are in retired status, more money is flowing out of the plan to pay benefits than is flowing into the plan from contributions
 - ▶ When a market downturn occurs, a plan that is 100% funded loses more actual dollars than if it were 40% funded, making a rebound more challenging
- ▶ As the State/Teacher plan approaches maturity, steps must be taken to manage the volatility of contribution rates and funded status.

Amortization Method Options

Amortization Method Options

- ▶ Adjust amortization periods for existing UAL base layers within the Constitutional limit of 20 years
 - ▶ The Board has previously utilized this option, most recently in July 2022 as part of the contribution rate setting process for the FY2024-2025 biennium
- ▶ Including this option within the funding policy provides the Board with another tool to manage the volatility of contribution rates
 - ▶ Existing tools to manage volatility include 3-Year actuarial asset smoothing and layered amortization

Structure of the Unfunded Actuarial Liability (UAL)

- ▶ The S/T Plan has two legacy UAL base layers
 - ▶ The 1996 UAL base is the legacy liability that existed in 1996, which is amortized to be paid off in FY2028
 - ▶ The 1997 - 2011 UAL base is also amortized to be paid off in FY2028
- ▶ Beginning with 2012, each year's net gain/loss is a separate base amortized over a period of 20 years
 - ▶ Except for the 2014 base, which the Board voted in July 2022 to accelerate by 6 years to be paid off by FY2028
- ▶ The UAL as of 6.30.25 is \$2.331b, comprised of:
 - ▶ Layers totaling \$749 million, which will be fully paid off by the end of FY2028
 - ▶ Layers totaling \$1.582b, which will be fully paid off in subsequent years

Adjusting Amortization Periods

- ▶ Accelerating the amortization period of a UAL base layer with a net “loss” pays off that liability more quickly
 - ▶ Increases the annual UAL Cost
 - ▶ Decreases the UAL
 - ▶ Decreases the total interest paid on the UAL
- ▶ Accelerating the amortization period of a UAL base layer with a net “gain”
 - ▶ Decreases the annual UAL Cost
 - ▶ Increases the UAL
 - ▶ Increases the total interest paid on the UAL
- ▶ An accelerated amortization period of a gain/loss can also be reverted to have the inverse effect

Part of Biennial Rate Setting Process

- ▶ Employer rates are established on a biennial cycle in advance of the State budget process
- ▶ Rates are recommended by the Board's actuary using the principles, funding methodology, and actuarial assumptions as outlined in the Funding Policy
- ▶ Rates are composed of two parts:
 - ▶ **Normal Cost** is the cost of future benefits allocated to the current year
 - ▶ **Unfunded Actuarial Liability (UAL) Cost** is the cost of buying down a liability that exceeds the plan's assets

Part of Biennial Rate Setting Process

- ▶ Adjusting Amortization Periods only impacts the UAL Cost portion of the rates
- ▶ Consideration of this tool would occur on a biennial basis prior to rate setting
- ▶ The approach allows the Board to manage significant up or down fluctuations in the contribution rate when the opportunity exists to adjust those layers and is consistent with the Principles outlined in Board Policy 2.2

Example:

- ▶ Using a “baseline” scenario where the annual rate of return is equal to the discount rate (6.5%)
- ▶ Accelerating the UAL base layers with a net “loss” by 2 years in 2029
 - ▶ Increases the annual UAL Cost by \$36m, or 1.25%
 - ▶ Decreases the size of the UAL by \$38m
 - ▶ Decreases the interest to be paid on the UAL by \$123m over the next 2 biennia

Adjusting Amortization Periods

- ▶ This approach provides the Board with another tool to manage the volatility of contribution rates
- ▶ Other possible benefits of this approach include:
 - ▶ Reducing the size of the UAL and advancing to full funding more quickly
 - ▶ Decreasing the total cost of interest paid by the State
 - ▶ Promoting intergenerational equity
- ▶ Board policy should be amended to provide for the adjustment of amortization periods within the Constitutional limit of 20 years
- ▶ Adjusting amortization periods would occur on a biennial basis as part of the rate setting process

Next Steps

- ▶ Today is intended as an introduction to the concept
- ▶ We will provide the Board with additional opportunities for review and discussion over the coming months
- ▶ The S/T Plan experience study due in March will better inform us on the opportunities for using this tool in the next rate setting process
- ▶ Board Policy would need to be amended
- ▶ Biennial rate setting occurs this coming July for the fiscal years 2028 and 2029



Classic Values, Innovative Advice

Modeling

For Illustrative Purposes Only

December 11, 2025

Gene Kalwarski, FSA, EA, MAAA

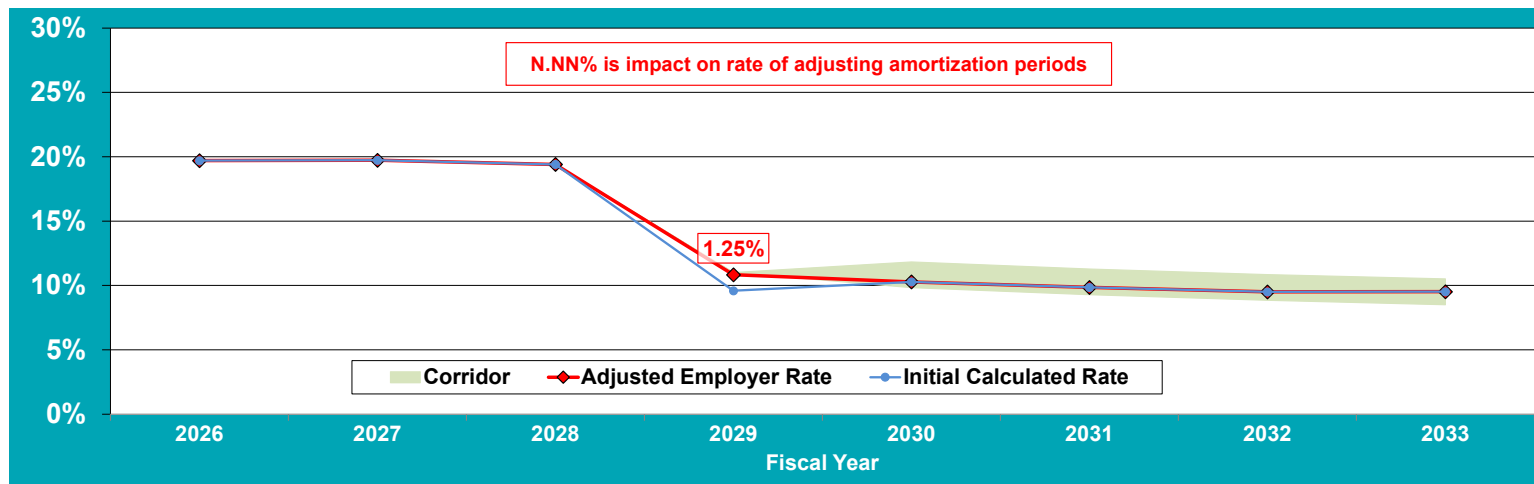
Bonnie Rightnour, FSA, EA, MAAA

Greg Reardon, FSA, EA, MAAA



Modeling Tool – Baseline – no gains/losses

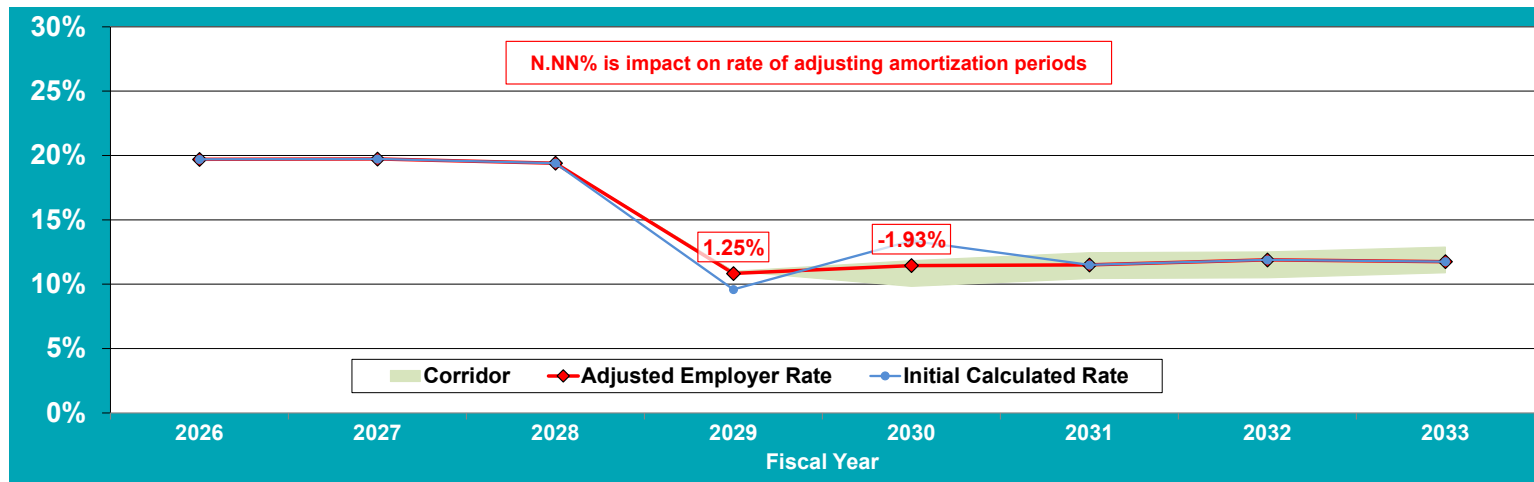
- ▶ If loss bases are accelerated by 2 years in FY 2029, under the baseline scenario, rates are projected to remain level through the following two biennia



- ▶ A corridor can be established as a guide for the following rate setting cycle. As new UAL layers are created (gains or losses), the amortization periods can be adjusted with a goal of remaining in the corridor.

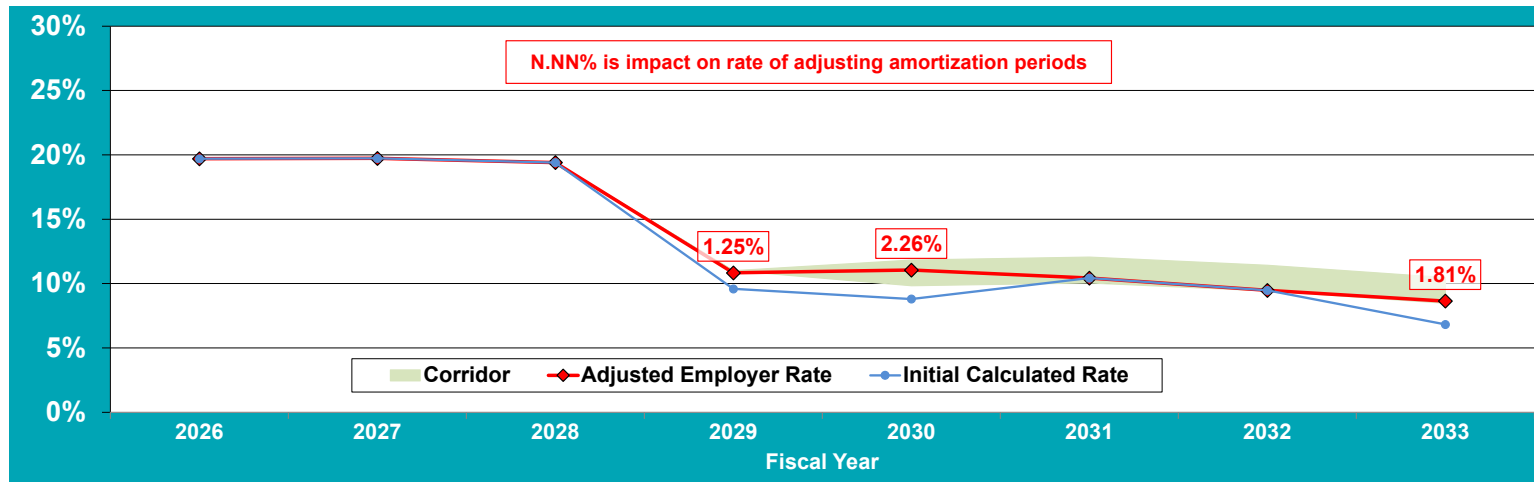
Modeling Tool – Following a Loss

- ▶ During the FY 2030/2031 rate-setting process, if a new loss layer would have increased the contribution rate to be outside of the corridor – adjustments can be made to manage the rate to be back within the corridor.



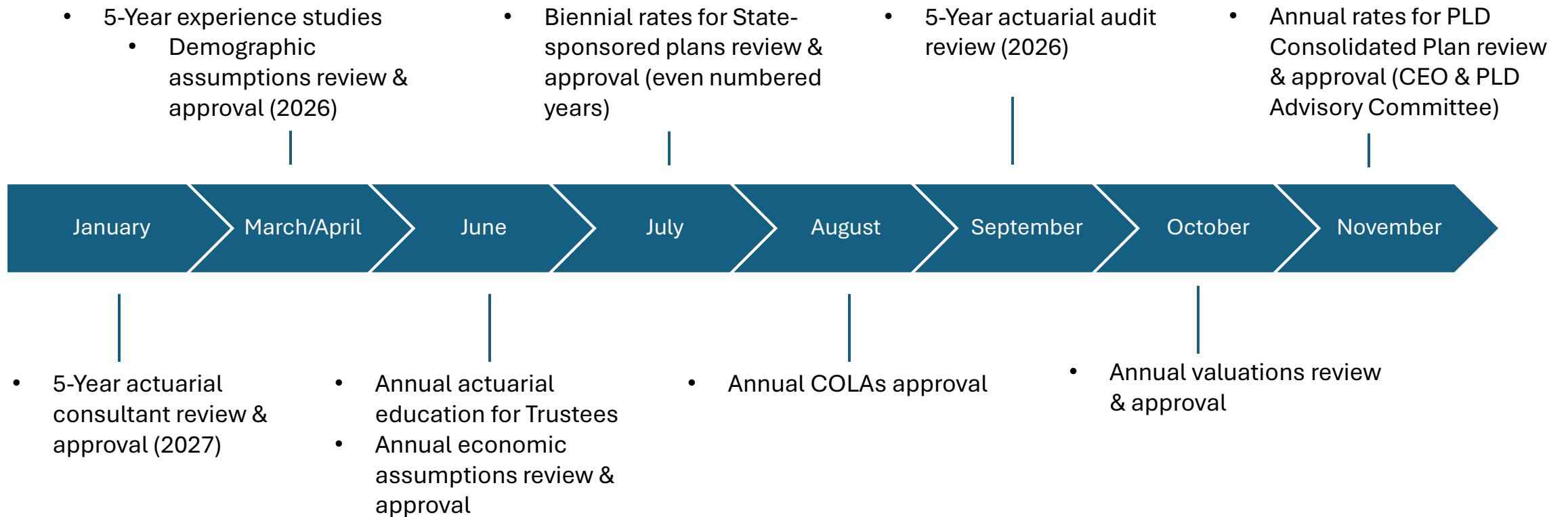
Modeling Tool – Following a Gain

- ▶ If instead, a new gain layer would result in a drop in the rate moving it outside of the corridor – additional adjustments can be made by accelerating the amortization of the loss layers to have the rate decline be more stable



Actuarial Practices Cycle

State-sponsored and PLD Consolidated Plans



MAINEPERS

BOARD OF TRUSTEES INVESTMENTS MEMORANDUM

TO: BOARD MEMBERS
FROM: JAMES BENNETT, CHIEF INVESTMENT OFFICER
SUBJECT: MONTHLY INVESTMENT REVIEW
DATE: APRIL 1, 2026

Following this memo is the Monthly Investment Review for March.

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 \$21.8 billion.
- Monthly return of -2.2%.
- Calendar year-to-date return of -0.8%.
- Fiscal year-to-date return of 5.2%.



MainePERS
PUBLIC EMPLOYEES RETIREMENT SYSTEM

Investment Review

April 9, 2026

Investment Policy Objective

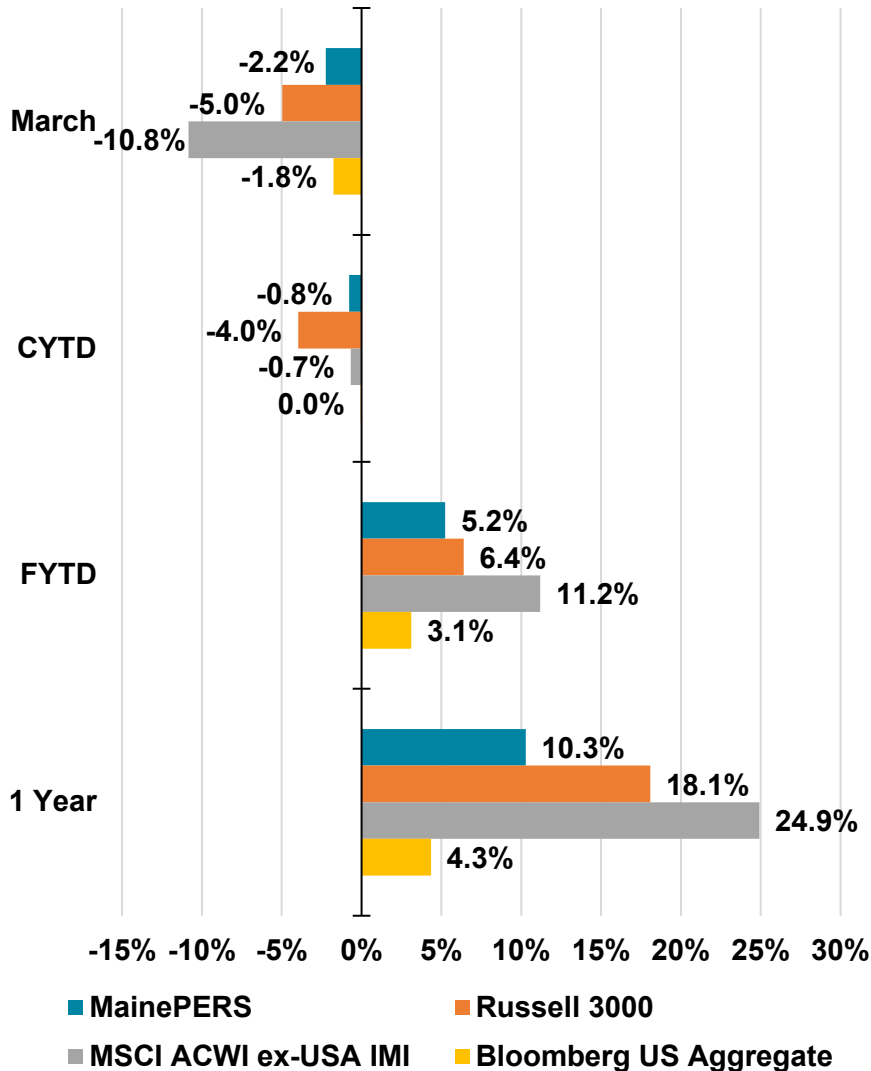
Investment Objective

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.

March 2026 Performance (Preliminary)



CIO Update

Performance

- Public market weakness drove returns negative
- Non-U.S. equity markets down double digits
- Private markets reflect Q3 valuations
- \$21.8B in total assets

Initiatives

- Alternative Credit Asset Class Strategy Review expected in May
- Investment Education
 - Albourne: “Private Markets Performance Evaluation Methodologies”
 - Private Market Fund Life Cycle

Trustee Meeting with Managers

- April 28 | 10:00 a.m.–12:00 p.m. | Portland

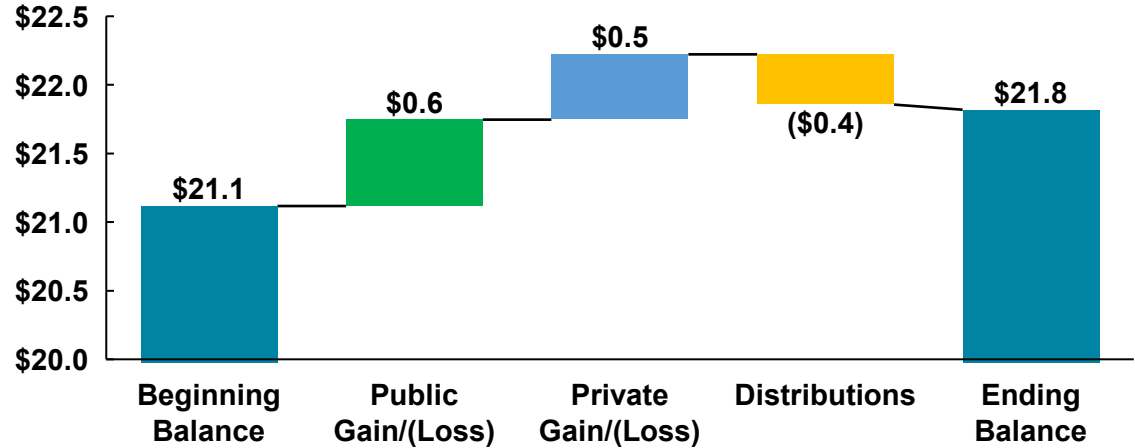
Business and Organizational Updates

- Risk Diversifiers consultant RFP

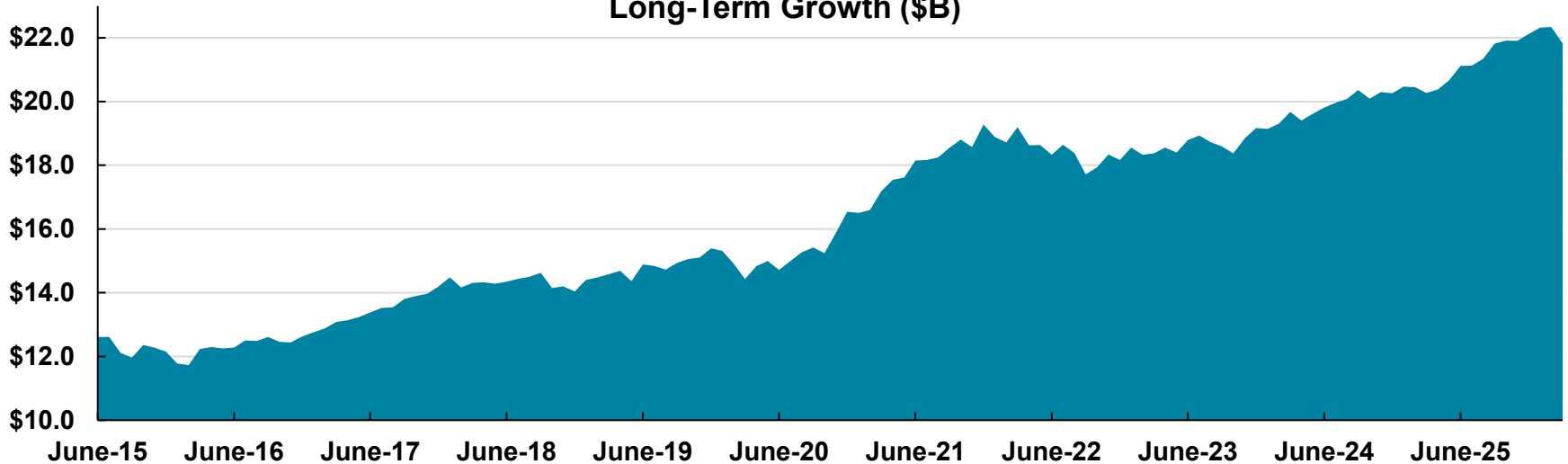
Fund Value – March 2026

The **preliminary** fund value at the end of March is **\$21.8 billion**.

Statement of Change – FYTD 2026 (\$B)

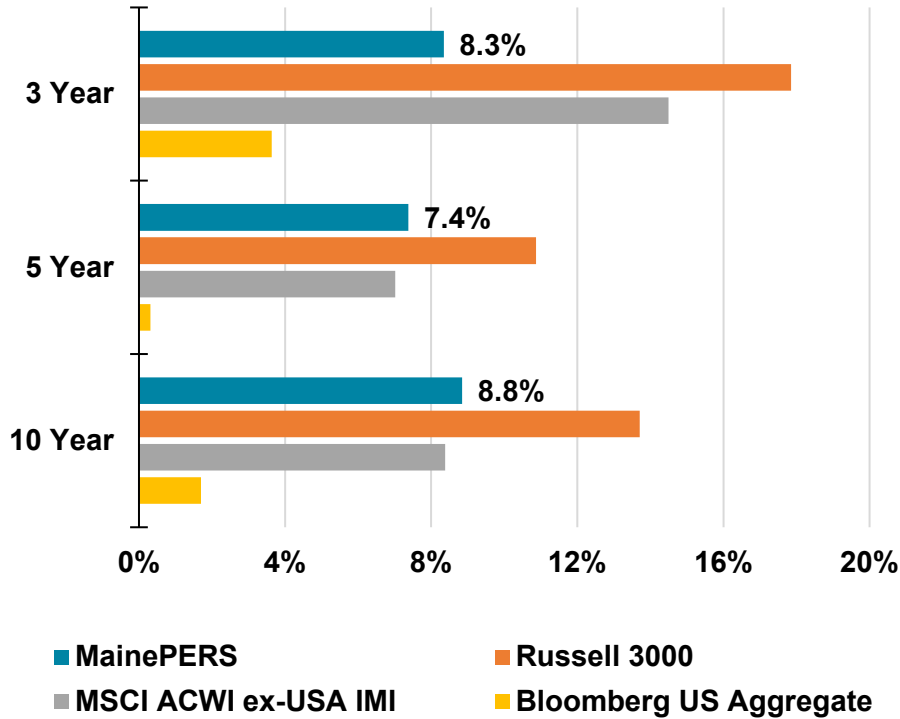


Long-Term Growth (\$B)

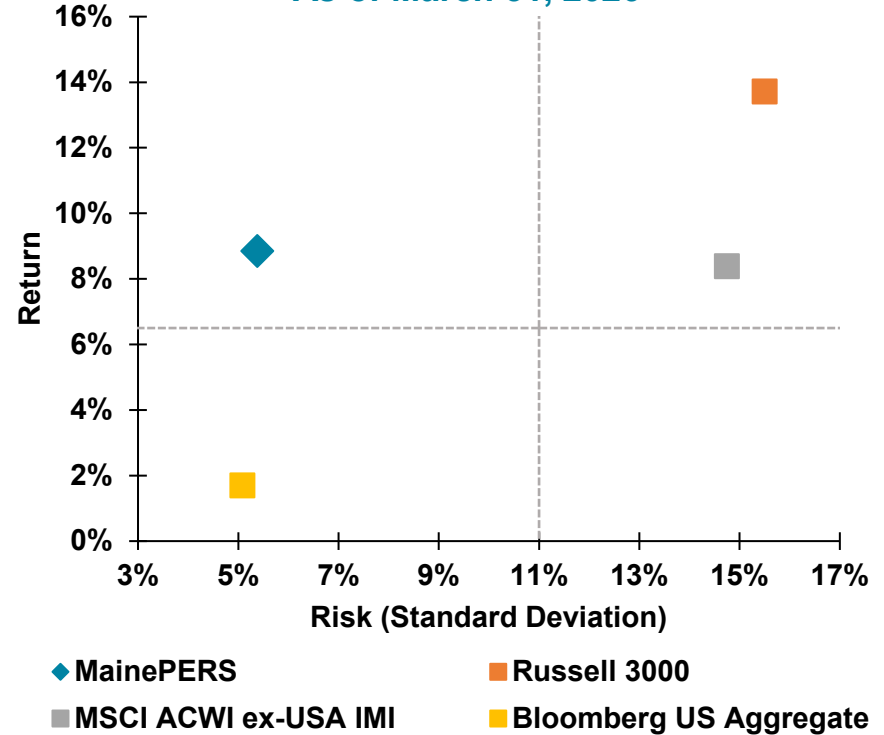


Long-Term Performance & Risk

Annualized Performance
as of March 31, 2026



Ten-Year Annualized Risk & Return
As of March 31, 2026

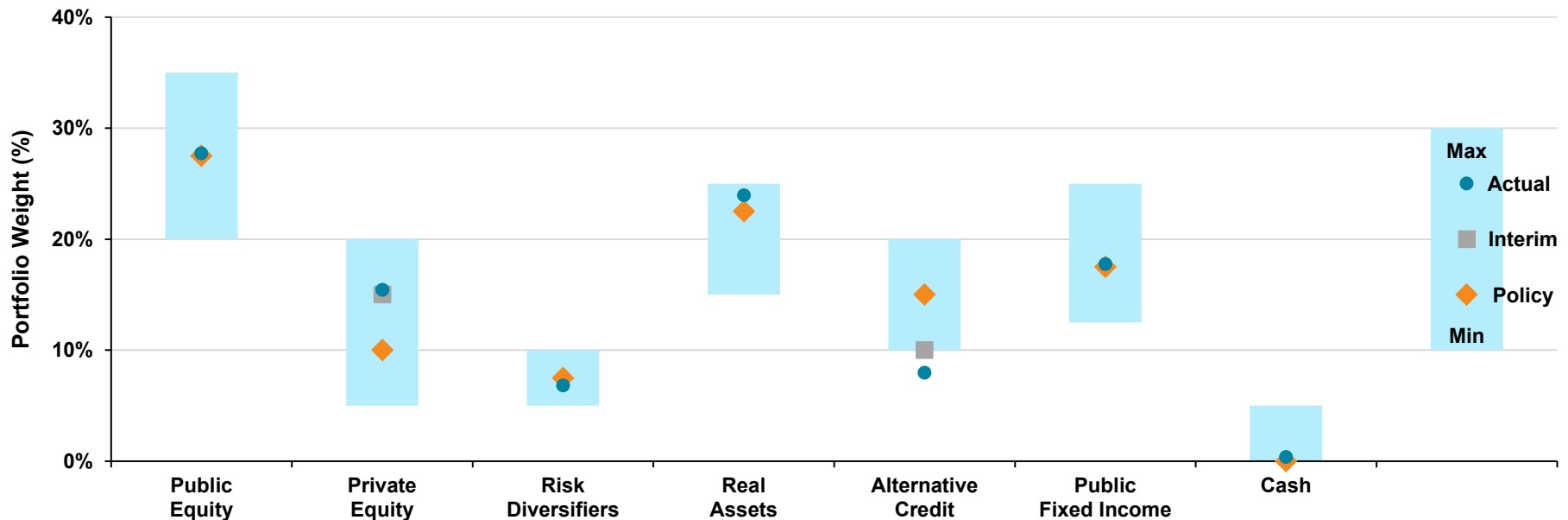


- Fund returns have exceeded the System's discount rate over the long term
- U.S. allocations buoyed MainePERS performance over all periods
- Diversification has resulted in strong risk/return profile over trailing 10 years
 - Substantially lower risk than global equity markets

Asset Allocation (Preliminary) – March 2026

Assets (Millions)	Value	% of Fund	Policy %
MainePERS Portfolio	\$21,820	100.0%	100.0%
Public Equity	\$6,050	27.7%	27.5%
Public Fixed Income	\$3,871	17.7%	17.5%
Alternative Credit	\$1,737	8.0%	15.0%
Private Equity	\$3,368	15.4%	10.0%
Real Assets	\$5,224	23.9%	22.5%
Risk Diversifier	\$1,486	6.8%	7.5%
Cash	\$83	0.4%	0.0%

- Most asset classes remain near MainePERS Investment Policy target allocations
- Alternative Credit below minimum target as capital deployed judiciously
- Private markets assets in aggregate comprise 47.3% of the portfolio
 - Below 47.5% policy target



Investment Activity

- One new investment closed during March

MainePERS Private Market Allocations Past 12 Months

Fund	Board Approval		Commitment	
	Date	Amount	Date	Amount
Blackstone Senior Direct Lending Fund***	02/12/26	\$ 250,000,000	03/31/26	\$ 250,000,000
Redwood Drawdown Fund IV	02/12/26	\$ 50,000,000	02/20/26	\$ 50,000,000
<i>Meridiam Infrastructure Europe Core Infrastructure Fund</i>	<i>10/09/25</i>	<i>€ 55,000,000</i>	<i>12/30/25</i>	<i>€ 47,000,000</i>
Stellus Credit SMA**	07/10/25	\$ 225,000,000	11/03/25	\$ 225,000,000
Tree Line Direct Lending IV	10/09/25	\$ 100,000,000	10/21/25	\$ 100,000,000
KKR Diversified Core Infrastructure Fund	08/14/25	\$ 100,000,000	09/30/25	\$ 100,000,000
KKR North America Fund XIV	06/12/25	\$ 50,000,000	09/30/25	\$ 50,000,000
KKR Global Infrastructure Investors V	08/14/25	\$ 25,000,000	09/30/25	\$ 25,000,000
<i>Alyeska Master Fund</i>	<i>08/14/25</i>	<i>\$ 150,000,000</i>	<i>08/28/25</i>	<i>\$ 115,000,000</i>
<i>SurgoCap Master Fund</i>	<i>08/14/25</i>	<i>\$ 100,000,000</i>	<i>08/27/25</i>	<i>\$ 75,000,000</i>
<i>TPG Twin Brook Direct Lending Continuation Fund I</i>	<i>05/08/25</i>	<i>\$ 70,000,000</i>	<i>08/07/25</i>	<i>\$ 68,000,000</i>
High Street Logistics Value Fund II	07/10/25	\$ 35,000,000	07/28/25	\$ 35,000,000
<i>Great Hill Equity Partners IX</i>	<i>07/10/25</i>	<i>\$ 50,000,000</i>	<i>07/15/25</i>	<i>\$ 25,000,000</i>
Advent International GPE XI	06/12/25	\$ 50,000,000	07/11/25	\$ 50,000,000
TPG Twin Brook Direct Lending Fund VI	06/12/25	\$ 150,000,000	06/20/25	\$ 150,000,000
Farallon Capital Institutional Partners	04/10/25	\$ 50,000,000	04/25/25	\$ 50,000,000
Rolling 12-Month Total		\$ 1,519,900,000		\$ 1,423,460,000

* ***Bold italic*** indicates a commitment less than the amount approved by the Board, **Additional authorization for up to \$225M for “overage” investments, and ***Additional authorization for up to \$125 million for Series II Co-Investment Fund

Co-investment and CV* Activity

- No new co-investments closing during March

Closed Investments Past 12 Months				
Asset Class	Primary Fund Commitment	Co-Investment and Continuation Vehicles	Date	Commitment
Alternative Credit	Tree Line Direct Lending IV	Participation Agreement #2	02/23/26	\$ 5,000,000
Alternative Credit	AG Direct Lending Fund V	Participation Agreement #7 (Upsize)	12/18/25	\$ 774,194
Alternative Credit	Tree Line Direct Lending IV	Participation Agreement #1	12/05/25	\$ 5,000,000
Private Equity	Advent International GPE VIII	CF24XB SCSP (Upsize)	10/24/25	\$ 650,621
Alternative Credit	TPG Twin Brook Direct Lending Fund VI	Participation Agreement #2	10/02/25	\$ 10,300,000
Alternative Credit	TPG Twin Brook Direct Lending Fund VI	Participation Agreement #1	09/10/25	\$ 10,000,000
Alternative Credit	Pathlight Capital Evergreen Fund	Participation Agreement #1	08/26/25	\$ 10,000,000
Alternative Credit	Brookfield Infrastructure Debt Fund III	BID III PosiGen Co-Invest	04/01/25	\$ 10,000,000
Rolling 12-Month Total				\$ 51,724,815

*CV = continuation vehicle

Trustee Meeting with Managers

Tuesday, April 28 | 10:00 a.m. – 12:00 p.m.

Location: Portland Office

Investment	Invesco U.S. Income Fund	General Catalyst Group (“GC”) XIII & GC Creation Fund III
Asset Class	Real Assets	Private Equity
Purpose	Fund Update	Review Re-Up Opportunity
Objective	Discuss performance, positioning, and market perspective	Detail GC’s ability to invest from seed through growth (Fund XIII) and originate opportunities via company incubation (Creation III)
Background	<ul style="list-style-type: none"> • MainePERS is a founding LP of the strategy • Fund seeks to acquire and hold well-leased U.S. real estate in secondary markets, generating stable, premium income returns • Diversified portfolio of 11 property types skewed toward Southern and West Coast U.S. markets • Net returns, using moderate leverage, have been consistent with expectations 	<ul style="list-style-type: none"> • Global, full lifecycle platform with \$43B in AUM • Partners with exceptional founders to scale businesses via capital, operational support, and platform resources • Technology-focused investments across infrastructure, healthcare, fintech & consumer, defense, industrials, and energy
Relationship	<ul style="list-style-type: none"> • \$195MM previously committed <ul style="list-style-type: none"> – \$150MM (June 2014) – \$45MM (Feb 2022) • \$311MM current NAV 	<ul style="list-style-type: none"> • \$150 MM previously committed (\$202MM NAV) <ul style="list-style-type: none"> – Fund X: \$75MM (Feb 2020) – Fund XI: \$50MM (Oct 2021) – Fund XII: \$25MM (Nov 2023)

Investment Team believes that an investment in either Fund is unlikely to lead to meaningful exposure to stocks, securities, or other obligations of fossil fuel or for-profit prison companies.

Liquidity Schedule: March 2026

Term	Market Value	Percent of Portfolio
Liquid ¹	\$10,005m	45.9%
Semi-Liquid ²	\$1,283m	5.9%
Illiquid ³	\$10,533m	48.3%
Total	\$21,820m	100.0%

Sources and Uses of Liquidity

	Last 12 Months Actual	Next 12 Months Projection
Private Markets Activity		
Capital Contributions	-\$1,216m	-\$900m
Distributions	\$1,794m	\$1,530m
Net Private Markets Activity	\$578m	\$630m
Benefit Payments	-\$455m	-\$480m
Net Cash Flows	\$123m	\$150m

¹Liquid assets includes public equities and public fixed income

²Semi-liquid assets includes risk diversifiers, and listed alternative credit funds

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

MainePERS Alternative Investments Summary

<i>(in \$millions)</i> as of 03/31/2026	<u>Current Market Value</u>			<u>Unfunded Commitment</u>	
	Dollars	% of Fund	Policy %*	Dollars	% of Fund
Alternative Credit	\$ 1,737	8.0%	15.0%	\$ 1,259	5.8%
Private Equity	\$ 3,368	15.4%	10.0%	\$ 1,024	4.7%
Real Assets	\$ 5,224	23.9%	22.5%	\$ 921	4.2%
Risk Diversifiers	\$ 1,486	6.8%	7.5%	\$ 24	0.1%
Total Alternatives	\$ 11,815	54.1%	55.0%	\$ 3,227	14.8%

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

*Investment Policy weights approved by the Board of Trustees effective Jan 2026

Note: Market values shown above are preliminary estimates. Private market asset values are based on 09/30/2025 values, adjusted for subsequent cash flows.

<i>(in \$millions)</i> as of 03/31/2026	<u>Private Market Commitments by Vintage Year</u>				<u>3-Year</u>
	2023	2024	2025	2026	Average ¹
Alternative Credit	\$ 80	\$ 175	\$ 843	\$ 250	\$ 366
Private Equity	\$ 71	\$ 274	\$ 123	\$ -	\$ 156
Real Assets	\$ 140	\$ 60	\$ 225	\$ -	\$ 142
Total Commitments	\$ 291	\$ 509	\$ 1,191	\$ 250	\$ 664

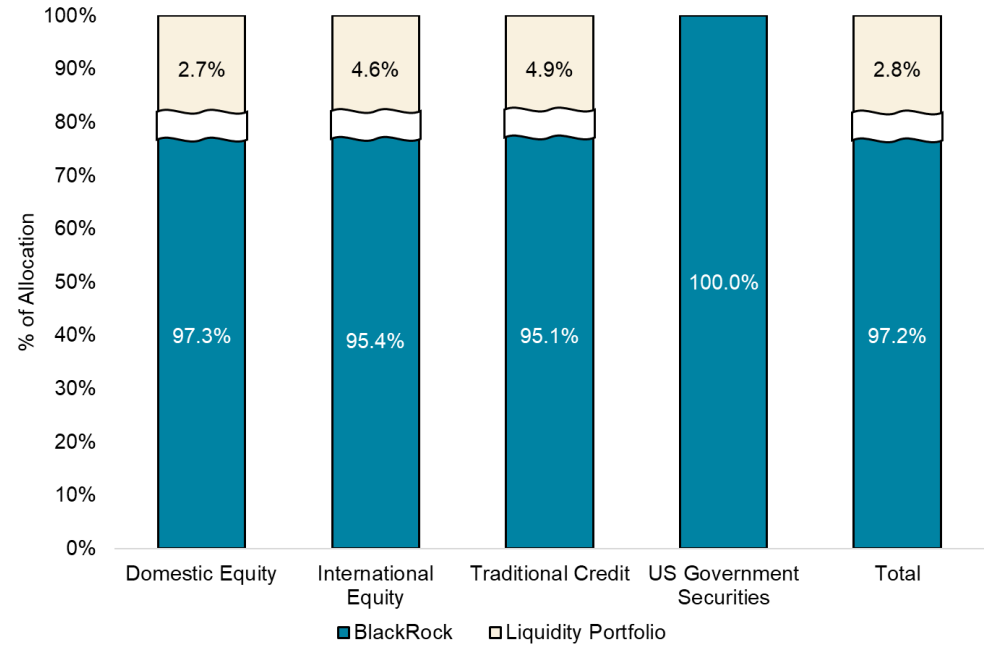
¹3-Year Average: 2022-2025

Supplemental Information

Public Securities: Liquidity Portfolio

At the end of March, 1.3% of Fund assets were invested via ETFs and futures contracts in accounts managed by Parametric Associates.

The Liquidity Portfolio accounts for 2.8% of MainePERS' total exposure to public securities.



MainePERS Liquidity Portfolio	Market Value (Millions)	Exposure Type
Parametric Domestic Equity	\$104.3	Futures
Parametric International Equity	\$101.7	Futures
Parametric Traditional Credit	\$76.5	ETFs
Parametric US Government Securities	\$0.0	Futures
Total Liquidity Portfolio	\$282.5	

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: March 2026

Description	FY 26	FY 25	FY 24	FY 23	FY 22
Investment Mgmt. Fees	\$95,522,157	\$129,093,633	\$131,940,081	\$135,770,817	\$130,884,088
Securities Lending Fees ¹	751,200	1,100,903	1,356,735	1,303,543	1,744,317
Consulting Fees	912,782	1,215,000	1,215,000	1,193,543	1,120,000
Broker Commissions ²	95,847	120,217	77,495	136,039	77,558
Placement Agent Fees	0	0	0	0	0
Total	\$97,281,986	\$131,529,753	\$134,589,311	\$138,403,942	\$133,825,963
Percentage of Fund ³	0.59%	0.62%	0.68%	0.74%	0.73%

1. Securities Lending Fees are through 2/28/2026
2. Actual paid commissions reported by JP Morgan
3. For FY26: Total fees projected for the full fiscal year (\$129,709,315) divided by current Fund value.
For prior FY: Total fees divided by FYE Fund value.

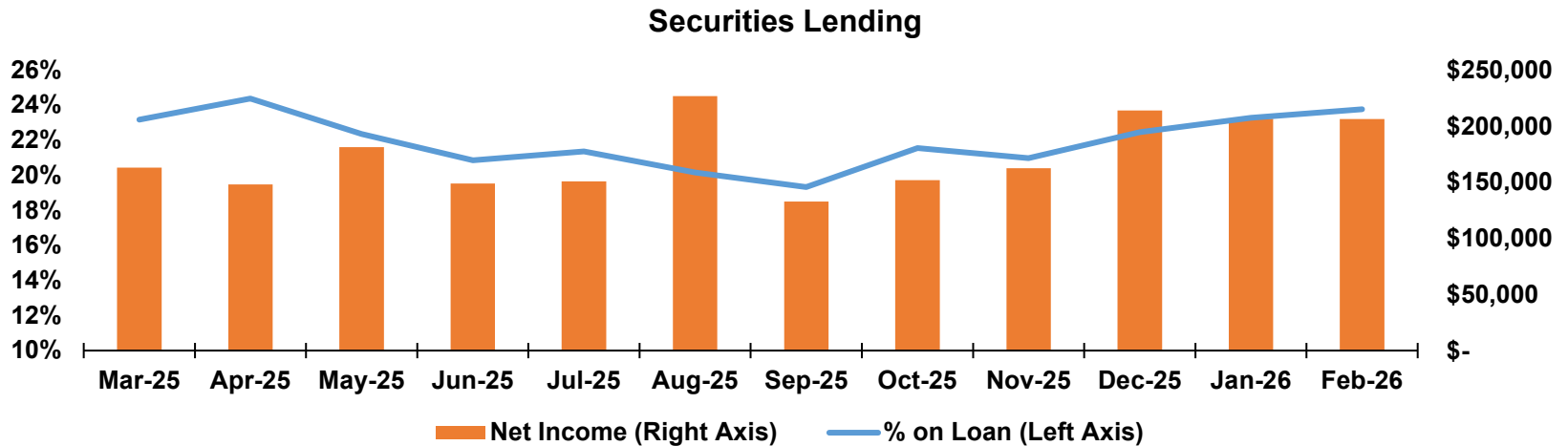
Strategy Allocations (Preliminary) – March 2026

Assets (Millions)	Value	% of Fund	Policy %
MainePERS Portfolio	\$21,820	100.0%	100.0%
Public Equity	\$6,050	27.7%	27.5%
<i>Domestic Equity</i>	<i>\$3,848</i>	<i>17.6%</i>	<i>16.9%</i>
<i>International Equity</i>	<i>\$2,202</i>	<i>10.1%</i>	<i>10.6%</i>
Public Fixed Income	\$3,871	17.7%	17.5%
Alternative Credit	\$1,737	8.0%	15.0%
Private Equity	\$3,368	15.4%	10.0%
Real Assets	\$5,224	23.9%	22.5%
<i>Infrastructure</i>	<i>\$2,294</i>	<i>10.5%</i>	
<i>Natural Resources</i>	<i>\$1,914</i>	<i>8.8%</i>	
<i>Real Estate</i>	<i>\$1,016</i>	<i>4.7%</i>	
Risk Diversifiers	\$1,486	6.8%	7.5%
Cash	\$83	0.4%	0.0%

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

Securities Lending: February 2026

	Average Lendable Assets	Average Assets On Loan	Total Sec Lending Revenue	Revenue Split	MainePERS Net Income	MainePERS Net Income, FYTD
BlackRock						
Fixed Income	\$3,038,526,606	\$1,732,129,201	\$175,190	60%/40%	\$105,114	\$619,457
Total Equity	\$2,143,372,809	\$212,173,473	\$125,031	60%/40%	\$81,367	\$562,463
Total Blackrock	\$5,181,899,415	\$1,944,302,674	\$300,221		\$186,481	\$1,181,920
JP Morgan						
Domestic Equities	\$3,732,792,177	\$173,901,384	\$23,292	85%/15%	\$19,803	\$269,667
Total JP Morgan	\$3,732,792,177	\$173,901,384	\$23,292		\$19,803	\$269,667
Total	\$8,914,691,592	\$2,118,204,058	\$323,513		\$206,284	\$1,451,587
Total Annualized Securities Lending Income, FY 2026:				\$2,177,380 (0.01%, or 0.9 bps)		
Total Actual Securities Lending Income, FY 2025:				\$1,945,362 (0.01%, or 0.9 bps)		



MainePERS Alternative Investments Summary

<i>as of 03/31/2026</i>	# of Funds	# of GP Relationships
Alternative Credit	31	16
Private Equity	136	36
Real Assets	90	39
Risk Diversifiers	15	13
Total*	272	95

*GP Total may not add due to overlapping relationships

Currently, MainePERS is invested in 272 funds, and has 95 distinct manager relationships.

MainePERS Private Market Investments Summary: 09/30/2025

Asset Class Summary	Commitment (A)	Amount Contributed (B)	Total Distributions (C)	Current Market Value (D)	Total Value (C+D)	Interim Net IRR
Alternative Credit	\$ 3,237,460	\$ 2,720,356	\$ 1,797,658	\$ 1,543,290	\$ 3,340,949	8.0%
Infrastructure	\$ 3,510,263	\$ 3,883,603	\$ 3,519,355	\$ 2,383,350	\$ 5,902,706	10.9%
Natural Resources	\$ 1,060,500	\$ 1,153,955	\$ 520,160	\$ 1,037,597	\$ 1,557,757	5.6%
Private Equity	\$ 5,312,030	\$ 5,427,175	\$ 5,372,526	\$ 3,684,553	\$ 9,057,079	14.5%
Real Estate	\$ 2,853,606	\$ 3,115,255	\$ 2,156,827	\$ 1,983,903	\$ 4,140,730	5.5%
Total	\$ 15,973,859	\$ 16,300,344	\$ 13,366,527	\$ 10,632,694	\$ 23,999,221	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	\$ 374,035	45	\$ 365,651	\$ 237,838	\$ 212,694	\$ 450,532	9.9%
Infrastructure Co-Investments	\$ 222,238	11	\$ 218,570	\$ 347,353	\$ 65,644	\$ 412,997	14.4%
Natural Resources Co-Investments	\$ 32,500	2	\$ 32,796	\$ 37	\$ 80,607	\$ 80,644	16.0%
Private Equity Co-Investments	\$ 396,616	36	\$ 392,021	\$ 348,086	\$ 285,409	\$ 633,494	12.1%
Real Estate Co-Investments	\$ 72,255	6	\$ 65,238	\$ 23,181	\$ 25,086	\$ 48,266	-7.2%
Total	\$ 1,097,644	100	\$ 1,074,276	\$ 956,495	\$ 669,439	\$ 1,625,934	11.9%

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

MainePERS Private Market Investments Summary: 09/30/2025

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	\$ 29,976	\$ 4,503	\$ 34,479	15.6%
Angelo Gordon Direct Lending Fund III	\$ 100,000	7/20/2018	\$ 103,520	\$ 107,477	\$ 39,009	\$ 146,487	9.5%
Participation Agreement #1	\$ 7,500	10/11/2019	\$ 7,479	\$ 4,142	\$ 7,210	\$ 11,352	10.1%
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	\$ 5,045	\$ 9,467	\$ 14,512	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	\$ 3,973	\$ 6,724	\$ 10,698	11.2%
Participation Agreement #10	\$ 10,000	4/20/2021	\$ 9,955	\$ 12,864	\$ -	\$ 12,864	11.2%
Participation Agreement #11	\$ 5,000	5/5/2021	\$ 5,344	\$ 1,985	\$ 4,058	\$ 6,043	3.6%
Angelo Gordon Direct Lending Fund IV	\$ 100,000	1/24/2020	\$ 98,939	\$ 67,807	\$ 69,663	\$ 137,469	10.3%
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	\$ 5,196	\$ 11,950	\$ 17,146	11.0%
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	\$ 2,082	\$ 4,783	\$ 6,865	11.0%
Participation Agreement #5	\$ 10,000	12/21/2021	\$ 9,975	\$ 4,197	\$ 7,961	\$ 12,157	10.8%
Participation Agreement #6	\$ 5,000	1/12/2022	\$ 4,887	\$ 2,108	\$ 4,767	\$ 6,874	11.3%
Participation Agreement #7	\$ 7,500	1/12/2022	\$ 7,378	\$ 2,705	\$ 3,516	\$ 6,221	-5.7%
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	\$ 49,427	\$ 31,071	\$ 34,045	\$ 65,116	10.8%
Angelo Gordon Direct Lending Fund V	\$ 125,000	8/3/2022	\$ 86,808	\$ 23,201	\$ 82,045	\$ 105,245	10.6%
Participation Agreement #1	\$ 7,500	9/1/2022	\$ 7,388	\$ 9,892	\$ -	\$ 9,892	11.6%
Participation Agreement #2	\$ 12,500	10/7/2022	\$ 12,216	\$ 4,459	\$ 11,830	\$ 16,289	12.5%
Participation Agreement #3	\$ 10,000	10/19/2022	\$ 9,816	\$ 3,319	\$ 9,480	\$ 12,799	11.0%
Participation Agreement #4	\$ 10,000	10/27/2022	\$ 9,800	\$ 3,885	\$ 9,193	\$ 13,078	12.5%
Participation Agreement #5	\$ 10,000	2/27/2023	\$ 9,811	\$ 2,702	\$ 8,447	\$ 11,149	5.9%
Participation Agreement #6	\$ 5,000	10/20/2023	\$ 4,868	\$ 1,012	\$ 4,865	\$ 5,877	NM
Participation Agreement #7	\$ 10,000	5/22/2024	\$ 9,850	\$ 1,421	\$ 9,769	\$ 11,190	NM
Participation Agreement #8	\$ 10,000	6/21/2024	\$ 9,785	\$ 1,499	\$ 9,650	\$ 11,149	NM
Participation Agreement #9	\$ 10,000	8/6/2024	\$ 9,850	\$ 1,076	\$ 9,756	\$ 10,832	NM
Participation Agreement #10	\$ 10,000	12/11/2024	\$ 9,875	\$ 780	\$ 9,816	\$ 10,596	NM

MainePERS Private Market Investments Summary: 09/30/2025

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	\$ 9,888	\$ 883	\$ 9,817	\$ 10,701	NM
TPG Twin Brook Direct Lending Fund VI	\$ 150,000	6/20/2025	\$ 7,500	\$ -	\$ 7,430	\$ 7,430	NM
Participation Agreement #1	\$ 10,000	9/10/2025	\$ 9,969	\$ 25	\$ 9,916	\$ 9,941	NM
Ares Capital Europe IV	\$ 122,000	4/30/2018	\$ 96,890	\$ 78,336	\$ 46,687	\$ 125,022	5.6%
Ares Capital Europe V	\$ 122,000	9/4/2020	\$ 93,446	\$ 26,608	\$ 96,242	\$ 122,849	9.2%
Ares Capital Europe VI	\$ 82,500	3/17/2023	\$ 38,288	\$ 10,570	\$ 35,078	\$ 45,649	NM
Ares Senior Direct Lending Fund II	\$ 100,000	12/10/2021	\$ 81,430	\$ 29,542	\$ 77,445	\$ 106,987	13.5%
Ares Senior Direct Lending Fund III	\$ 100,000	7/28/2023	\$ 27,773	\$ 2,365	\$ 29,708	\$ 32,073	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	\$ 103,343	\$ 33,361	\$ 79,869	\$ 113,231	7.5%
BID III DESRI Co-Invest	\$ 8,571	4/30/2024	\$ 3,887	\$ 305	\$ 3,899	\$ 4,204	NM
BID III PosiGen Co-Invest	\$ 10,000	4/1/2025	\$ 10,066	\$ -	\$ 8,591	\$ 8,591	NM
Brookfield Infrastructure Debt Fund IV	\$ 100,000	12/31/2024	\$ 0	\$ -	\$ (52)	\$ (52)	NM
Comvest Credit Partners VI	\$ 125,000	5/20/2022	\$ 207,348	\$ 118,214	\$ 111,753	\$ 229,967	11.1%
Comvest Credit Partners VII	\$ 75,000	5/1/2024	\$ 51,461	\$ 3,927	\$ 50,433	\$ 54,360	NM
Deerpath Capital VI	\$ 75,000	9/30/2021	\$ 67,500	\$ 18,149	\$ 67,781	\$ 85,931	8.6%
Global Infrastructure Partners Spectrum	\$ 100,000	2/20/2019	\$ 129,323	\$ 73,481	\$ 73,749	\$ 147,230	7.4%
Mesa West Core Lending Fund	\$ 100,000	6/18/2013	\$ 127,612	\$ 72,793	\$ 100,083	\$ 172,877	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	\$ 6,592	\$ 11,103	\$ 17,695	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	\$ 2,772	\$ 7,201	\$ 9,973	12.3%
Blue Owl Capital Corporation III	\$ 100,000	6/19/2020	\$ 118,400	\$ 73,734	\$ 78,573	\$ 152,307	7.7%
Pathlight Capital Fund II	\$ 75,000	4/22/2021	\$ 140,216	\$ 138,702	\$ 25,984	\$ 164,685	11.0%
Participation Agreement #1	\$ 7,500	4/1/2022	\$ 7,082	\$ 9,848	\$ -	\$ 9,848	15.3%
Participation Agreement #2	\$ 7,500	4/1/2022	\$ 7,346	\$ 10,375	\$ -	\$ 10,375	12.5%
Pathlight Capital Fund III	\$ 75,000	6/24/2022	\$ 131,428	\$ 83,438	\$ 66,276	\$ 149,714	14.6%
Pathlight Capital Evergreen Fund	\$ 200,000	3/31/2025	\$ 98,396	\$ 12,237	\$ 88,141	\$ 100,378	NM

MainePERS Private Market Investments Summary: 09/30/2025

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 #1	\$ 10,000	8/26/2025	\$ 9,825	\$ 98	\$ 9,830	\$ 9,927	NM
Solar Capital Private Corporate Lending Fund	\$ 50,000	6/26/2019	\$ 40,188	\$ 25,736	\$ 31,207	\$ 56,943	10.7%
Solar Capital Debt Fund	\$ 50,000	6/26/2019	\$ 25,000	\$ 15,798	\$ 17,077	\$ 32,875	9.9%
SLR Private Corporate Lending Fund II	\$ 125,000	12/23/2022	\$ 31,784	\$ 2,919	\$ 35,478	\$ 38,397	NM
Silver Point Specialty Credit II	\$ 50,000	1/31/2020	\$ 64,230	\$ 44,969	\$ 38,473	\$ 83,441	11.2%
Tennenbaum Direct Lending VIII	\$ 100,000	11/30/2017	\$ 100,883	\$ 111,576	\$ 12,661	\$ 124,237	5.8%

MainePERS Private Market Investments Summary: 09/30/2025

Infrastructure

Fund Name	Commitment		Amount	Total	Current	Total Value (C+D)	Interim Net IRR
	(A)	Date of Commitment	Contributed (B)	Distributions (C)	Market Value (D)		
Alinda Infrastructure Fund II	\$ 50,000	9/17/2009	\$ 68,244	\$ 74,329	\$ -	\$ 74,329	1.9%
ArcLight Energy V	\$ 75,000	10/28/2011	\$ 76,031	\$ 103,624	\$ 111	\$ 103,735	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	\$ 149,442	\$ 42,054	\$ 191,496	3.8%
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	\$ 119,418	\$ 142,268	\$ 87,356	\$ 229,624	10.6%
Brookfield Infrastructure Fund III	\$ 100,000	4/15/2016	\$ 115,351	\$ 84,773	\$ 113,033	\$ 197,806	12.1%
Co-Investment #1	\$ 20,000	3/31/2017	\$ 15,956	\$ 31,184	\$ 6,811	\$ 37,996	24.8%
Carlyle Global Infrastructure Opportunity Fund	\$ 100,000	5/1/2019	\$ 104,885	\$ 33,829	\$ 113,550	\$ 147,379	11.3%
Carlyle Infrastructure Partners	\$ 50,000	11/2/2007	\$ 57,366	\$ 64,289	\$ 367	\$ 64,657	2.5%
Carlyle Power Partners II	\$ 50,000	11/19/2015	\$ 74,455	\$ 101,189	\$ 609	\$ 101,798	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	\$ 90,272	\$ 102,216	4.6%
Cube Infrastructure III	\$ 90,000	8/16/2021	\$ 60,222	\$ 7,172	\$ 69,487	\$ 76,659	9.3%
EQT Infrastructure III	\$ 68,000	12/3/2016	\$ 111,543	\$ 176,651	\$ 15,930	\$ 192,582	20.1%
EQT Infrastructure IV	\$ 100,000	12/17/2018	\$ 105,531	\$ 31,599	\$ 127,149	\$ 158,748	10.3%
EQT Infrastructure V	\$ 75,000	12/8/2020	\$ 75,695	\$ 16,455	\$ 83,935	\$ 100,390	11.1%
Global Energy & Power Infrastructure Fund	\$ 50,000	6/30/2010	\$ 59,778	\$ 53,224	\$ 355	\$ 53,578	-3.2%
Global Energy & Power Infrastructure Fund II	\$ 100,000	10/21/2013	\$ 129,272	\$ 129,452	\$ 31,258	\$ 160,710	11.3%
Global Infrastructure Partners Sonic	\$ 35,000	7/31/2020	\$ 34,875	\$ -	\$ 12,931	\$ 12,931	-19.2%
Global Infrastructure Partners	\$ 75,000	3/31/2008	\$ 101,173	\$ 205,062	\$ 212	\$ 205,274	17.2%
Global Infrastructure Partners II	\$ 75,000	12/3/2011	\$ 110,920	\$ 185,607	\$ 6,900	\$ 192,508	15.4%
Global Infrastructure Partners III	\$ 150,000	4/15/2016	\$ 194,291	\$ 190,303	\$ 99,551	\$ 289,854	9.4%
Co-Investment #1	\$ 29,000	2/28/2017	\$ 30,430	\$ 25,697	\$ 34,560	\$ 60,258	12.6%
Co-Investment #2	\$ 25,000	8/16/2018	\$ 27,676	\$ 35,609	\$ -	\$ 35,609	4.7%
Global Infrastructure Partners IV	\$ 150,000	12/21/2018	\$ 154,434	\$ 29,171	\$ 156,907	\$ 186,078	6.5%
IFM Global Infrastructure (US), L.P.	\$ 100,000	12/20/2012	\$ 144,550	\$ 208,040	\$ -	\$ 208,040	9.8%
KKR Diversified Core Infrastructure Fund	\$ 200,000	4/29/2022	\$ 112,479	\$ 12,479	\$ 119,717	\$ 132,196	7.3%
KKR Global Infrastructure Investors	\$ 75,000	9/29/2010	\$ 87,917	\$ 154,328	\$ 98	\$ 154,427	13.1%
KKR Global Infrastructure Investors II	\$ 150,000	10/24/2014	\$ 188,216	\$ 291,677	\$ 46,435	\$ 338,112	16.7%

(all dollar amounts in thousands)

MainePERS Private Market Investments Summary: 09/30/2025

Infrastructure

Fund Name	Commitment		Amount	Total	Current	Total Value (C+D)	Interim Net IRR
	(A)	Date of Commitment	Contributed (B)	Distributions (C)	Market Value (D)		
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	\$ 893	\$ 57,672	21.3%
KKR Byzantium Infrastructure Aggregator	\$ 15,000	10/17/2017	\$ 15,005	\$ 13,431	\$ 10,787	\$ 24,218	8.9%
KKR Global Infrastructure Investors III	\$ 100,000	3/29/2018	\$ 101,910	\$ 77,679	\$ 67,763	\$ 145,442	10.6%
KKR Global Infrastructure Investors V	\$ 25,000	9/30/2025	\$ -	\$ -	\$ -	\$ -	NM
Meridiam Infrastructure (SCA)	\$ 11,000	9/23/2015	\$ 47,587	\$ 17,550	\$ 56,645	\$ 74,195	10.1%
Meridiam Infrastructure (SCA) B Shares	\$ 305	9/23/2015	\$ 305	\$ 25,703	\$ -	\$ 25,703	58.7%
Meridiam Infrastructure Europe II (SCA)	\$ 22,500	9/23/2015	\$ 36,936	\$ 21,442	\$ 41,307	\$ 62,749	8.9%
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	\$ 90,892	\$ 24,823	\$ 115,403	\$ 140,227	11.1%
Meridiam Sustainable Infrastructure Europe IV	\$ 90,000	4/16/2021	\$ 39,611	\$ 4,725	\$ 39,323	\$ 44,048	NM
Meridiam Infrastructure N.A. II	\$ 75,000	9/28/2012	\$ 88,232	\$ 51,569	\$ 195,146	\$ 246,714	15.3%
MINA II CIP	\$ 175	6/30/2015	\$ 169	\$ 1,870	\$ 22,357	\$ 24,227	85.0%
Meridiam Infrastructure N.A. II	\$ 20,000	6/30/2015	\$ 18,870	\$ 9,591	\$ 49,989	\$ 59,580	19.4%
Meridiam Infrastructure N.A. III	\$ 50,000	7/12/2017	\$ 43,027	\$ 4,761	\$ 57,440	\$ 62,201	12.7%
Stonepeak Infrastructure Partners II	\$ 140,000	11/12/2015	\$ 192,739	\$ 267,220	\$ 8,452	\$ 275,672	12.7%
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	\$ 175,208	\$ 63,906	\$ 180,211	\$ 244,117	8.5%
Stonepeak Guardian (Co-Invest) Holdings	\$ 10,000	4/27/2023	\$ 10,000	\$ 769	\$ 12,686	\$ 13,455	14.1%
Stonepeak Infrastructure Partners IV	\$ 125,000	5/8/2020	\$ 103,243	\$ 25,341	\$ 102,532	\$ 127,873	9.7%
Stonepeak Infrastructure Partners V	\$ 25,000	6/28/2024	\$ 210	\$ -	\$ 7	\$ 7	NM
Stonepeak Core Infrastructure Fund	\$ 100,000	8/5/2022	\$ 108,871	\$ 8,871	\$ 133,699	\$ 142,571	12.5%
Stonepeak Opportunities Fund	\$ 50,000	6/12/2023	\$ 29,791	\$ 4,025	\$ 28,745	\$ 32,770	9.6%

MainePERS Private Market Investments Summary: 09/30/2025

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	\$ 66,153	\$ 78,260	8.4%
ACM Permanent Crops II	\$ 35,000	5/12/2016	\$ 43,088	\$ 8,885	\$ 13,725	\$ 22,610	-13.2%
AMERRA Agri Fund III	\$ 50,000	2/11/2016	\$ 102,447	\$ 98,364	\$ 9,084	\$ 107,449	1.8%
Denham Mining Fund	\$ 35,000	6/29/2018	\$ 35,041	\$ 659	\$ 33,346	\$ 34,005	-0.7%
Homestead Capital Farmland II	\$ 50,000	8/8/2016	\$ 57,495	\$ 12,924	\$ 54,162	\$ 67,086	2.8%
Homestead Capital Farmland III	\$ 30,000	10/26/2018	\$ 33,588	\$ 5,140	\$ 30,534	\$ 35,674	1.9%
Orion Mine Finance Fund II	\$ 50,000	5/25/2016	\$ 102,431	\$ 100,158	\$ 35,506	\$ 135,664	9.3%
Orion Mine Finance Co-Fund II	\$ 20,000	8/13/2018	\$ 20,258	\$ -	\$ 55,866	\$ 55,866	15.8%
Silver Creek Aggregate Reserves Fund	\$ 100,000	11/6/2018	\$ 21,267	\$ 7,580	\$ 24,485	\$ 32,065	NM
Sprott Private Resource Lending Fund III	\$ 30,000	8/31/2022	\$ 18,006	\$ 3,560	\$ 16,226	\$ 19,786	9.1%
Sprott Private Resource Streaming and Royalty Annex	\$ 40,000	5/17/2023	\$ 28,042	\$ 1,505	\$ 26,179	\$ 27,683	-0.7%
Taurus Mining Fund	\$ 50,000	3/27/2015	\$ 41,459	\$ 50,363	\$ -	\$ 50,363	7.4%
Taurus Mining Fund Annex	\$ 23,000	12/1/2016	\$ 18,547	\$ 24,419	\$ -	\$ 24,419	17.3%
Taurus Mining Fund No. 2	\$ 75,000	4/18/2019	\$ 71,758	\$ 53,214	\$ 38,447	\$ 91,660	14.9%
Teays River Integrated Agriculture	\$ 200,000	7/1/2015	\$ 192,265	\$ 28,770	\$ 308,938	\$ 337,708	6.0%
Twin Creeks Timber	\$ 200,000	1/7/2016	\$ 205,887	\$ 100,911	\$ 151,145	\$ 252,056	4.0%
U.S. Farming Realty Trust III	\$ 100,000	7/7/2015	\$ 110,017	\$ 11,565	\$ 149,060	\$ 160,625	5.4%
Canally Coinvest Holdings	\$ 12,500	12/9/2019	\$ 12,537	\$ 37	\$ 24,740	\$ 24,778	16.7%

MainePERS Private Market Investments Summary: 09/30/2025

Private Equity

Fund Name	Commitment		Amount	Total	Current Market	Total Value	Interim Net
	(A)	Date of Commitment	Contributed (B)	Distributions (C)	Value (D)	(C+D)	IRR
ABRY Advanced Securities Fund II	\$ 20,000	5/4/2011	\$ 20,585	\$ 29,749	\$ 235	\$ 29,984	13.0%
ABRY Advanced Securities Fund III	\$ 30,000	4/30/2014	\$ 45,332	\$ 44,697	\$ 44	\$ 44,741	-0.3%
ABRY Heritage Partners	\$ 10,000	5/31/2016	\$ 11,240	\$ 16,708	\$ 5,914	\$ 22,622	25.7%
ABRY Partners VII	\$ 10,000	4/29/2011	\$ 13,118	\$ 18,674	\$ 1,104	\$ 19,778	11.9%
ABRY Partners VIII	\$ 20,000	8/8/2014	\$ 24,263	\$ 30,956	\$ 3,257	\$ 34,213	9.7%
ABRY Senior Equity IV	\$ 10,000	12/7/2012	\$ 10,874	\$ 17,170	\$ 916	\$ 18,086	14.4%
ABRY Senior Equity V	\$ 12,050	1/19/2017	\$ 13,364	\$ 10,888	\$ 10,279	\$ 21,167	12.3%
Advent International GPE VII	\$ 30,000	6/29/2012	\$ 34,811	\$ 55,785	\$ 2,409	\$ 58,194	13.1%
Advent International GPE VIII	\$ 50,000	2/5/2016	\$ 58,778	\$ 82,296	\$ 30,703	\$ 112,999	15.5%
CF24XB SCSP	\$ 3,100	3/28/2025	\$ 2,471	\$ -	\$ 2,946	\$ 2,946	NM
Advent International GPE IX	\$ 50,000	5/9/2019	\$ 48,355	\$ 16,121	\$ 62,665	\$ 78,785	13.6%
GPE IX TKE Co-Investment	\$ 24,000	3/30/2020	\$ 21,243	\$ -	\$ 47,191	\$ 47,191	16.6%
Advent International GPE X	\$ 45,000	4/28/2022	\$ 24,642	\$ -	\$ 34,163	\$ 34,163	18.9%
AI Co-Investment I-A	\$ 7,500	3/2/2023	\$ 7,443	\$ -	\$ 11,087	\$ 11,087	17.6%
Advent International GPE XI	\$ 50,000	7/11/2025	\$ -	\$ -	\$ -	\$ -	NM
Advent Latin America PE Fund VI	\$ 20,000	10/17/2014	\$ 20,272	\$ 21,050	\$ 13,755	\$ 34,805	12.2%
Affinity Asia Pacific Fund IV	\$ 60,000	2/28/2013	\$ 72,030	\$ 90,615	\$ 28,945	\$ 119,560	14.5%
Affinity Asia Pacific Fund V	\$ 40,000	12/11/2017	\$ 34,021	\$ 11,744	\$ 30,099	\$ 41,843	7.5%
Bain Capital Ventures 2021	\$ 25,000	10/28/2020	\$ 22,688	\$ 1	\$ 23,810	\$ 23,811	1.5%
Bain Capital Ventures 2022	\$ 25,000	6/10/2022	\$ 15,125	\$ 0	\$ 20,304	\$ 20,305	25.7%
Bain Capital Venture Coinvestment Fund III	\$ 15,000	4/1/2021	\$ 15,825	\$ 825	\$ 15,372	\$ 16,197	0.7%
Bain Capital Venture Coinvestment Fund IV	\$ 15,000	6/10/2022	\$ 8,325	\$ -	\$ 9,830	\$ 9,830	19.3%
Berkshire Fund VIII	\$ 15,000	7/20/2011	\$ 17,044	\$ 34,350	\$ 2,424	\$ 36,774	16.1%
Berkshire Fund IX	\$ 50,000	3/18/2016	\$ 59,426	\$ 39,912	\$ 61,462	\$ 101,375	13.4%
Blackstone Capital Partners VI	\$ 30,000	6/30/2010	\$ 38,651	\$ 59,540	\$ 5,582	\$ 65,122	12.1%
Blackstone Capital Partners VII	\$ 54,000	3/27/2015	\$ 66,577	\$ 65,183	\$ 43,135	\$ 108,318	12.4%
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	\$ 90,862	\$ 139,686	\$ 4,134	\$ 143,820	12.9%
Carlyle Asia Partners V	\$ 45,000	10/30/2017	\$ 52,664	\$ 22,754	\$ 40,875	\$ 63,629	7.5%
Centerbridge Capital Partners III	\$ 30,000	10/24/2014	\$ 50,211	\$ 56,242	\$ 16,761	\$ 73,003	13.5%
CB Blizzard Co-Invest	\$ 15,684	9/11/2019	\$ 15,773	\$ 10,053	\$ 772	\$ 10,825	-29.3%

MainePERS Private Market Investments Summary: 09/30/2025

Private Equity

Fund Name	Commitment		Amount	Total	Current Market	Total Value	Interim Net
	(A)	Date of Commitment	Contributed (B)	Distributions (C)	Value (D)	(C+D)	IRR
Charterhouse Capital Partners VIII	\$ 13,500	1/6/2011	\$ 11,188	\$ 14,160	\$ -	\$ 14,160	7.9%
Charterhouse Capital Partners IX	\$ 4,500	1/6/2011	\$ 5,410	\$ 7,275	\$ 33	\$ 7,308	12.0%
Charterhouse Capital Partners X	\$ 67,000	5/13/2015	\$ 67,179	\$ 94,997	\$ 33,198	\$ 128,195	20.3%
Charterhouse Acrostone	\$ 12,000	8/24/2018	\$ 13,254	\$ 21,268	\$ -	\$ 21,268	16.9%
Charterhouse Capital Partners XI	\$ 45,000	4/23/2021	\$ 34,894	\$ 2,685	\$ 44,541	\$ 47,226	19.8%
CVC Capital Partners VI	\$ 67,000	7/12/2013	\$ 108,175	\$ 137,582	\$ 53,855	\$ 191,437	15.4%
CVC Capital Partners VII	\$ 48,000	5/9/2017	\$ 84,906	\$ 80,350	\$ 60,837	\$ 141,187	20.1%
CVC Capital Partners VIII	\$ 44,000	6/11/2020	\$ 77,123	\$ 36,824	\$ 51,461	\$ 88,285	9.9%
CVC Capital Partners IX	\$ 44,000	6/29/2023	\$ 15,357	\$ 9,382	\$ 7,220	\$ 16,602	NM
CVC Capital Partners Pachelbel (A) SCSp	\$ 6,966	6/14/2024	\$ 6,479	\$ 36	\$ 10,054	\$ 10,090	NM
EnCap Energy Capital VIII	\$ 30,000	1/31/2011	\$ 34,203	\$ 25,715	\$ 10,319	\$ 36,034	0.9%
EnCap Energy Capital Fund VIII Co-Investors	\$ 16,238	12/8/2011	\$ 16,538	\$ 7,834	\$ 5,400	\$ 13,233	-2.6%
EnCap Energy Capital Fund IX	\$ 30,000	12/19/2012	\$ 37,530	\$ 49,435	\$ 6,559	\$ 55,994	10.8%
EnCap Energy Capital Fund X	\$ 40,000	3/5/2015	\$ 49,469	\$ 76,736	\$ 19,315	\$ 96,051	16.2%
EnCap Energy Capital Fund XI	\$ 40,000	5/31/2017	\$ 47,874	\$ 60,775	\$ 26,576	\$ 87,351	21.5%
EnCap Flatrock Midstream Fund III	\$ 20,000	4/9/2014	\$ 25,316	\$ 30,418	\$ 5,189	\$ 35,608	9.6%
EnCap Flatrock Midstream Fund IV	\$ 22,000	11/17/2017	\$ 22,645	\$ 13,274	\$ 16,646	\$ 29,920	9.6%
General Catalyst X - Early Venture	\$ 19,565	3/26/2020	\$ 19,174	\$ -	\$ 29,435	\$ 29,435	10.0%
General Catalyst X - Endurance	\$ 22,826	3/26/2020	\$ 22,859	\$ 1,431	\$ 28,428	\$ 29,858	6.1%
General Catalyst X - Growth Venture	\$ 32,609	3/26/2020	\$ 32,609	\$ -	\$ 48,733	\$ 48,733	9.2%
General Catalyst XI - Creation	\$ 8,823	10/29/2021	\$ 8,209	\$ -	\$ 13,508	\$ 13,508	25.4%
General Catalyst XI - Endurance	\$ 29,412	10/29/2021	\$ 28,526	\$ -	\$ 36,721	\$ 36,721	9.1%
General Catalyst XI - Ignition	\$ 11,765	10/29/2021	\$ 10,293	\$ -	\$ 16,163	\$ 16,163	17.2%
General Catalyst XII - Creation	\$ 6,250	1/26/2024	\$ 4,351	\$ -	\$ 6,698	\$ 6,698	NM
General Catalyst XII - Endurance	\$ 9,375	1/26/2024	\$ 7,230	\$ -	\$ 8,712	\$ 8,712	NM
General Catalyst XII - Health Assurance	\$ 3,125	1/26/2024	\$ 1,765	\$ -	\$ 1,669	\$ 1,669	NM
General Catalyst XII - Ignition	\$ 6,250	1/26/2024	\$ 3,970	\$ -	\$ 4,695	\$ 4,695	NM
Great Hill Equity Partners IX	\$ 25,000	7/15/2025	\$ -	\$ -	\$ -	\$ -	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	\$ 35,192	\$ 86,246	\$ 19,726	\$ 105,972	30.3%
GTCR Fund XII	\$ 50,000	9/29/2017	\$ 54,199	\$ 61,214	\$ 38,817	\$ 100,031	19.1%

(all dollar amounts in thousands)

MainePERS Private Market Investments Summary: 09/30/2025

Private Equity

Fund Name	Commitment		Amount	Total	Current Market	Total Value	Interim Net
	(A)	Date of Commitment	Contributed (B)	Distributions (C)	Value (D)	(C+D)	IRR
Co-Investment #1	\$ 5,238	4/26/2019	\$ 4,556	\$ 10,835	\$ 239	\$ 11,075	15.2%
Co-Investment #2	\$ 5,997	11/1/2019	\$ 5,977	\$ 11,801	\$ 63	\$ 11,864	38.7%
GTCR XIII	\$ 50,000	10/27/2020	\$ 41,340	\$ 15,492	\$ 46,110	\$ 61,602	19.1%
GTCR XIV	\$ 50,000	12/16/2022	\$ 9,160	\$ 1,862	\$ 11,582	\$ 13,444	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	\$ 3,344	\$ 34,415	6.9%
H.I.G. Brazil & Latin America Partners	\$ 60,000	7/1/2015	\$ 72,625	\$ 41,830	\$ 60,557	\$ 102,387	8.3%
H.I.G. Capital Partners V	\$ 15,000	2/28/2013	\$ 23,459	\$ 41,190	\$ 4,001	\$ 45,191	22.6%
H.I.G. Europe Capital Partners II	\$ 22,500	7/1/2013	\$ 27,225	\$ 25,509	\$ 12,985	\$ 38,494	9.9%
H.I.G. Growth Buyouts & Equity Fund II	\$ 17,500	6/30/2011	\$ 26,358	\$ 39,733	\$ 2,712	\$ 42,445	12.6%
H.I.G. Growth Buyouts & Equity Fund III	\$ 35,000	9/13/2018	\$ 28,031	\$ 5,561	\$ 28,444	\$ 34,004	8.1%
H.I.G. Middle Market LBO Fund II	\$ 40,000	2/7/2014	\$ 52,014	\$ 79,561	\$ 9,532	\$ 89,093	23.4%
Co-Investment #1	\$ 9,000	10/12/2017	\$ 9,000	\$ -	\$ -	\$ -	-100.0%
Co-Investment #2	\$ 686	6/19/2020	\$ 686	\$ 56	\$ 379	\$ 435	-9.2%
Co-Investment #3	\$ 1,000	6/1/2021	\$ 1,079	\$ -	\$ 0	\$ 0	-86.7%
H.I.G. Middle Market LBO Fund III	\$ 40,000	7/23/2019	\$ 39,884	\$ 18,848	\$ 31,799	\$ 50,647	8.8%
Hellman & Friedman Capital Partners VII	\$ 30,000	6/19/2009	\$ 45,189	\$ 111,116	\$ 2,272	\$ 113,389	24.6%
Hellman & Friedman Capital Partners VIII	\$ 45,000	9/24/2014	\$ 50,206	\$ 37,846	\$ 46,538	\$ 84,384	10.4%
Hellman & Friedman Capital Partners IX	\$ 45,000	9/28/2018	\$ 49,029	\$ 8,874	\$ 77,063	\$ 85,937	14.0%
Hellman & Friedman Capital Partners X	\$ 45,000	5/10/2021	\$ 45,402	\$ 5,617	\$ 46,651	\$ 52,268	5.6%
Inflexion Buyout Fund IV	\$ 27,000	9/30/2014	\$ 38,585	\$ 51,187	\$ 14,794	\$ 65,981	14.3%
Inflexion Partnership Capital Fund I	\$ 17,000	9/30/2014	\$ 26,479	\$ 40,938	\$ 8,405	\$ 49,343	21.6%
Inflexion Supplemental Fund IV	\$ 10,000	5/31/2016	\$ 15,739	\$ 23,354	\$ 7,081	\$ 30,435	21.9%
Kelso Investment Associates VIII	\$ 3,000	1/6/2011	\$ 3,044	\$ 4,358	\$ 10	\$ 4,368	7.9%
Kelso Investment Associates IX	\$ 60,000	11/5/2014	\$ 70,581	\$ 96,590	\$ 22,090	\$ 118,680	17.1%
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	\$ 52,560	\$ 31,863	\$ 64,407	\$ 96,270	19.3%
Kelso Investment Associates XI	\$ 45,000	12/22/2021	\$ 23,238	\$ 2,080	\$ 25,769	\$ 27,849	10.9%
Kelso XI Heights Co-Investment	\$ 12,000	8/19/2022	\$ 10,035	\$ -	\$ 9,995	\$ 9,995	-0.1%
KKR North American Fund XI	\$ 60,000	2/7/2012	\$ 101,869	\$ 170,656	\$ 20,500	\$ 191,156	18.8%
KKR North America Fund XI (Platinum)	\$ 8,003	2/26/2016	\$ 8,040	\$ 2,313	\$ -	\$ 2,313	-98.0%

(all dollar amounts in thousands)

MainePERS Private Market Investments Summary: 09/30/2025

Private Equity

Fund Name	Commitment		Amount	Total	Current Market	Total Value	Interim Net
	(A)	Date of Commitment	Contributed (B)	Distributions (C)	Value (D)	(C+D)	IRR
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	\$ 70,382	\$ 66,399	\$ 75,948	\$ 142,347	19.2%
KKR Sigma Aggregator	\$ 15,000	6/22/2018	\$ 15,000	\$ -	\$ 21,085	\$ 21,085	4.8%
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	\$ 200	\$ 8,108	-10.1%
KKR North America XIII	\$ 40,000	6/25/2021	\$ 35,288	\$ 754	\$ 42,982	\$ 43,736	11.2%
KKR North America Fund XIV	\$ 50,000	9/30/2025	\$ -	\$ -	\$ -	\$ -	NM
KKR Special Situations Fund	\$ 60,000	12/19/2012	\$ 118,957	\$ 103,368	\$ 4,113	\$ 107,481	-3.6%
KKR Special Situations Fund II	\$ 60,000	12/19/2014	\$ 98,284	\$ 83,996	\$ 11,875	\$ 95,872	-0.9%
Long Ridge Equity Partners IV	\$ 15,000	6/26/2023	\$ 224	\$ -	\$ (8)	\$ (8)	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	\$ 43,941	\$ 24	\$ 43,965	9.1%
ONCAP IV	\$ 15,000	11/8/2016	\$ 17,890	\$ 9,920	\$ 17,788	\$ 27,708	10.9%
Onex Partners III	\$ 10,000	1/6/2011	\$ 11,227	\$ 17,740	\$ 1,482	\$ 19,222	13.1%
Onex Partners IV	\$ 60,000	11/22/2013	\$ 67,272	\$ 71,542	\$ 20,597	\$ 92,139	6.6%
Co-Investment #1	\$ 10,000	2/27/2017	\$ 10,471	\$ 1,235	\$ 202	\$ 1,437	-36.3%
Onex Partners V	\$ 45,000	7/11/2017	\$ 43,283	\$ 9,040	\$ 55,732	\$ 64,772	11.6%
Paine & Partners Capital Fund IV	\$ 60,000	12/18/2014	\$ 58,671	\$ 29,545	\$ 53,234	\$ 82,779	6.5%
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	\$ -	\$ 31,986	\$ 31,986	10.1%
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	\$ 21,396	\$ -	\$ 34,891	\$ 34,891	10.3%
Paine Schwartz Food Chain Fund V	\$ 45,000	8/3/2018	\$ 51,964	\$ 30,704	\$ 43,926	\$ 74,630	15.1%
SNFL Co-Investment Fund	\$ 5,000	10/11/2019	\$ 5,024	\$ 5,524	\$ 6,026	\$ 11,549	18.9%
Rhone Partners V	\$ 56,000	3/12/2015	\$ 80,835	\$ 82,633	\$ 74,542	\$ 157,175	16.7%
Riverside Capital Appreciation Fund VI	\$ 60,000	7/3/2013	\$ 64,286	\$ 80,144	\$ 15,071	\$ 95,215	10.3%
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	\$ 196,910	\$ 26,191	\$ 223,101	34.8%
Riverside Micro-Cap Fund IV	\$ 60,000	10/23/2015	\$ 55,659	\$ 15,768	\$ 77,736	\$ 93,504	7.1%
Riverside Micro-Cap Fund IV-B	\$ 20,000	8/9/2019	\$ 24,169	\$ 22,104	\$ 10,356	\$ 32,460	7.9%
Riverside Micro-Cap Fund V	\$ 40,000	8/21/2018	\$ 29,372	\$ 14,200	\$ 40,486	\$ 54,686	12.9%

MainePERS Private Market Investments Summary: 09/30/2025

Private Equity

Fund Name	Commitment		Amount	Total	Current Market	Total Value	Interim Net
	(A)	Date of Commitment	Contributed (B)	Distributions (C)	Value (D)	(C+D)	IRR
Riverside Micro-Cap Fund VI	\$ 45,000	8/26/2021	\$ 25,028	\$ 263	\$ 25,449	\$ 25,712	1.4%
Shoreview Capital Partners III	\$ 24,000	7/24/2013	\$ 26,306	\$ 39,811	\$ 12,661	\$ 52,472	15.8%
Shoreview Capital Partners IV	\$ 30,000	6/3/2019	\$ 24,195	\$ 20,268	\$ 22,061	\$ 42,329	34.9%
Shoreview Capital Partners V	\$ 25,000	9/13/2024	\$ 0	\$ -	\$ (50)	\$ (50)	NM
Sovereign Capital IV	\$ 46,500	7/7/2014	\$ 41,052	\$ 35,142	\$ 41,520	\$ 76,662	12.4%
Summit Partners Credit II	\$ 60,000	10/25/2013	\$ 91,949	\$ 90,241	\$ 6,581	\$ 96,823	2.1%
Summit Europe Growth Equity III	\$ 22,000	3/18/2020	\$ 23,435	\$ 7,157	\$ 27,635	\$ 34,792	15.8%
Summit Europe Growth Equity IV	\$ 22,000	2/10/2023	\$ 1,428	\$ -	\$ 1,019	\$ 1,019	NM
Summit Growth Equity VIII	\$ 25,000	5/27/2011	\$ 34,399	\$ 70,622	\$ 2,820	\$ 73,442	25.3%
Co-Investment #1	\$ 16,000	6/3/2015	\$ 16,000	\$ 52,819	\$ 24,156	\$ 76,976	31.5%
Summit Growth Equity IX	\$ 60,000	8/26/2015	\$ 88,872	\$ 118,935	\$ 52,660	\$ 171,595	23.1%
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	\$ -	\$ 20,867	\$ 20,867	3.9%
Summit Partners Co-Invest (Giants-B)	\$ 15,292	10/22/2019	\$ 15,292	\$ 42,588	\$ 734	\$ 43,322	77.7%
Summit Growth Equity X	\$ 60,000	2/26/2019	\$ 66,674	\$ 31,850	\$ 64,766	\$ 96,616	12.7%
Summit Partners Co-Invest (Lions)	\$ 7,534	10/14/2020	\$ 7,534	\$ 119	\$ 14,411	\$ 14,530	14.6%
Summit Partners Co-Invest (Indigo)	\$ 10,000	12/11/2020	\$ 11,440	\$ -	\$ 11,424	\$ 11,424	0.0%
Summit Growth Equity XI	\$ 45,000	10/1/2021	\$ 23,708	\$ 523	\$ 25,303	\$ 25,826	5.4%
Summit Growth Equity XII	\$ 25,000	10/1/2024	\$ -	\$ -	\$ -	\$ -	NM
Summit Venture Capital III	\$ 13,150	5/27/2011	\$ 18,044	\$ 32,899	\$ 5,219	\$ 38,119	17.8%
Summit Venture Capital IV	\$ 40,000	8/26/2015	\$ 54,110	\$ 67,700	\$ 70,253	\$ 137,953	33.5%
Summit Venture Capital V	\$ 45,000	6/16/2020	\$ 44,614	\$ 5,573	\$ 45,199	\$ 50,772	5.8%
Summit Partners Co-Invest (CS)	\$ 13,753	10/22/2021	\$ 13,849	\$ -	\$ 14,789	\$ 14,789	1.8%
Technology Crossover Ventures VIII	\$ 60,000	5/8/2013	\$ 56,269	\$ 99,712	\$ 30,718	\$ 130,429	12.2%
Technology Crossover Ventures IX	\$ 60,000	2/19/2016	\$ 52,245	\$ 76,108	\$ 45,348	\$ 121,456	19.9%
TCV Sports	\$ 8,000	9/25/2018	\$ 8,000	\$ 2,636	\$ 19,722	\$ 22,358	15.9%
Technology Crossover Ventures X	\$ 45,000	8/31/2018	\$ 38,003	\$ 23,090	\$ 81,791	\$ 104,881	23.7%
Technology Crossover Ventures XI	\$ 45,000	10/2/2020	\$ 39,063	\$ -	\$ 46,954	\$ 46,954	6.3%
Technology Impact Fund	\$ 40,000	12/18/2017	\$ 39,830	\$ 39,806	\$ 132,006	\$ 171,812	39.9%
Technology Impact Fund II	\$ 40,000	4/13/2021	\$ 21,972	\$ 342	\$ 22,637	\$ 22,979	2.0%
Technology Impact Growth Fund	\$ 40,000	11/26/2018	\$ 51,128	\$ 30,471	\$ 63,905	\$ 94,376	17.8%

(all dollar amounts in thousands)

MainePERS Private Market Investments Summary: 09/30/2025

Private Equity

Fund Name	Commitment		Amount	Total	Current Market	Total Value (C+D)	Interim Net IRR
	(A)	Date of Commitment	Contributed (B)	Distributions (C)	Value (D)		
Technology Impact Growth Fund II	\$ 40,000	8/6/2021	\$ 24,624	\$ 232	\$ 24,679	\$ 24,911	0.5%
TIGF II Direct Strategies LLC - Series 3	\$ 5,000	7/14/2023	\$ 5,052	\$ -	\$ 4,994	\$ 4,994	-0.5%
TIGF II Direct Strategies LLC - Series 5	\$ 5,000	12/13/2024	\$ 5,002	\$ -	\$ 4,994	\$ 4,994	NM
Tenex Capital Partners IV	\$ 50,000	7/2/2024	\$ 4,949	\$ 3	\$ 2,807	\$ 2,810	NM
Thoma Bravo Fund XI	\$ 50,000	5/1/2014	\$ 81,645	\$ 193,062	\$ 25,315	\$ 218,376	26.0%
Thoma Bravo Fund XII	\$ 60,000	4/27/2016	\$ 83,827	\$ 128,417	\$ 32,419	\$ 160,835	14.9%
Thoma Bravo Fund XIII	\$ 45,000	12/7/2018	\$ 63,670	\$ 64,212	\$ 53,241	\$ 117,452	21.9%
Thoma Bravo Special Opportunities Fund II	\$ 15,000	3/27/2015	\$ 19,358	\$ 31,471	\$ 10,949	\$ 42,421	15.7%
Thoma Bravo Discover Fund IV	\$ 45,000	7/1/2022	\$ 40,396	\$ 8,199	\$ 46,542	\$ 54,741	19.1%
Thoma Bravo Discover Fund V	\$ 50,000	5/31/2024	\$ -	\$ -	\$ -	\$ -	NM
Tillridge Global Agribusiness Partners II	\$ 50,000	10/21/2016	\$ 34,642	\$ 5,082	\$ 22,168	\$ 27,250	-5.7%
Water Street Healthcare Partners III	\$ 25,000	7/25/2012	\$ 30,908	\$ 78,727	\$ 9,069	\$ 87,797	34.7%
Water Street Healthcare Partners IV	\$ 33,000	9/15/2017	\$ 38,761	\$ 24,160	\$ 47,008	\$ 71,169	16.1%
Water Street Healthcare Partners V	\$ 43,000	4/15/2022	\$ 17,750	\$ -	\$ 15,194	\$ 15,194	NM
Wayzata Opportunities Fund III	\$ 30,000	9/11/2012	\$ 14,718	\$ 15,467	\$ 124	\$ 15,591	1.2%
Wynnchurch Capital Partners IV	\$ 40,000	10/23/2014	\$ 38,904	\$ 69,681	\$ 42,250	\$ 111,931	24.4%
Wynnchurch Capital Partners V	\$ 40,000	1/15/2020	\$ 36,938	\$ 2,166	\$ 48,858	\$ 51,024	11.2%
Wynnchurch Capital Partners VI	\$ 40,000	1/18/2024	\$ 10,115	\$ -	\$ 11,116	\$ 11,116	NM

MainePERS Private Market Investments Summary: 09/30/2025

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	\$ 13,849	\$ 45,517	\$ 59,366	6.5%
Angelo Gordon Realty Fund XI	\$ 50,000	3/31/2022	\$ 29,045	\$ 1,407	\$ 29,924	\$ 31,331	6.1%
Bain Capital Real Estate II	\$ 50,000	3/5/2021	\$ 40,245	\$ 4,228	\$ 31,321	\$ 35,549	-5.3%
Bain Capital Real Estate III	\$ 35,000	12/18/2023	\$ 15,979	\$ 4,227	\$ 10,089	\$ 14,316	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	\$ 51,102	\$ 331,840	\$ 382,942	1.4%
Blackstone Real Estate Partners VII	\$ 75,000	2/26/2012	\$ 107,502	\$ 159,796	\$ 7,875	\$ 167,671	14.2%
Blackstone Real Estate Partners VIII	\$ 50,000	3/27/2015	\$ 66,869	\$ 70,725	\$ 28,451	\$ 99,176	11.8%
Blackstone Real Estate Partners IX	\$ 40,000	12/21/2018	\$ 46,738	\$ 18,492	\$ 39,141	\$ 57,633	7.3%
Barings Asia Real Estate II	\$ 50,000	7/31/2018	\$ 46,310	\$ 6,212	\$ 33,491	\$ 39,703	-5.4%
EQT Real Estate II	\$ 55,000	4/26/2019	\$ 48,234	\$ 15,767	\$ 42,564	\$ 58,330	7.5%
EQT Real Estate Rock Co-Investment	\$ 11,000	8/10/2020	\$ 9,429	\$ -	\$ 12,282	\$ 12,282	6.2%
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	\$ 97,810	\$ 65,132	\$ 118,236	\$ 183,368	7.0%
HSRE-Coyote Maine PERS Core Co-Investment	\$ 20,000	12/4/2020	\$ 16,137	\$ 2,973	\$ 8,632	\$ 11,605	-8.1%
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	\$ 14,953	\$ 28,675	\$ 43,627	13.8%
HSREF VI Elgin Co-Invest	\$ 10,000	4/9/2021	\$ 9,335	\$ 14,900	\$ 320	\$ 15,220	13.2%
High Street Real Estate Fund VII	\$ 35,000	8/16/2021	\$ 35,000	\$ 3,116	\$ 35,642	\$ 38,758	3.4%
High Street Real Estate VII Venture	\$ 15,000	3/17/2023	\$ 15,000	\$ 1,201	\$ 18,670	\$ 19,871	14.8%
High Street Logistics Value Fund I	\$ 35,000	4/17/2024	\$ 41,571	\$ 4,987	\$ 35,020	\$ 40,007	NM
High Street VF I Co-Invest	\$ 3,896	8/28/2024	\$ 5,043	\$ 1,148	\$ 3,852	\$ 5,000	NM
High Street Logistics Value Fund II	\$ 35,000	7/28/2025	\$ -	\$ -	\$ -	\$ -	NM
Hines US Property Partners	\$ 200,000	9/9/2021	\$ 221,552	\$ 25,899	\$ 218,636	\$ 244,535	4.6%
Invesco Real Estate Asia IV	\$ 30,000	3/25/2020	\$ 26,352	\$ 21,669	\$ 7,484	\$ 29,153	7.8%
Invesco US Income Fund	\$ 195,000	7/17/2014	\$ 258,560	\$ 99,837	\$ 308,479	\$ 408,316	7.6%
IPI Data Center Partners I	\$ 30,000	12/15/2017	\$ 40,917	\$ 32,151	\$ 28,241	\$ 60,392	11.9%
IPI Data Center Partners II	\$ 25,000	12/20/2019	\$ 24,535	\$ 1,619	\$ 29,572	\$ 31,192	8.5%
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	\$ 54,646	\$ 57,912	\$ 12,737	\$ 70,650	8.6%
KKR Real Estate Partners Europe II	\$ 25,000	12/23/2019	\$ 26,012	\$ 7,103	\$ 19,699	\$ 26,802	1.3%
KKR Real Estate Partners Americas I	\$ 50,000	12/20/2013	\$ 50,181	\$ 61,004	\$ 305	\$ 61,309	10.5%

MainePERS Private Market Investments Summary: 09/30/2025

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
KKR Real Estate Partners Americas II	\$ 50,000	6/2/2016	\$ 62,581	\$ 76,175	\$ 7,398	\$ 83,573	17.4%
Northbridge-Strategic Fund II	\$ 30,000	2/8/2019	\$ 30,000	\$ 10,320	\$ 56,034	\$ 66,355	13.7%
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	\$ 2,568	\$ 3,196	-31.4%
LCC Co-Investor B	\$ 15,000	10/18/2019	\$ 15,000	\$ -	\$ -	\$ -	-100.0%
Rubenstein Properties Fund IV	\$ 25,000	4/16/2019	\$ 10,571	\$ 56	\$ 3,163	\$ 3,219	NM
Prudential Senior Housing Fund V	\$ 50,000	3/17/2015	\$ 41,333	\$ 12,119	\$ 35,698	\$ 47,817	2.0%
Smart Markets Fund, L.P.	\$ 195,000	6/17/2013	\$ 249,745	\$ 96,886	\$ 307,443	\$ 404,329	7.2%
Stonelake Opportunity Partners VII	\$ 40,000	6/30/2022	\$ 28,000	\$ -	\$ 26,737	\$ 26,737	-4.6%
Walton Street Real Estate Fund VII	\$ 50,000	5/9/2012	\$ 44,342	\$ 56,697	\$ 2,529	\$ 59,225	8.2%
Walton Street Real Estate Fund VIII	\$ 50,000	10/23/2015	\$ 44,144	\$ 42,853	\$ 16,502	\$ 59,355	8.0%
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	\$ 17,819	\$ 17,500	\$ 1,539	\$ 19,040	2.7%
Westbrook Real Estate Fund X	\$ 50,000	1/15/2015	\$ 53,179	\$ 42,649	\$ 10,563	\$ 53,212	0.0%
Westbrook Real Estate Fund XI	\$ 40,000	1/31/2019	\$ 44,491	\$ 22,256	\$ 27,166	\$ 49,422	6.4%

MainePERS Private Market Investments Summary: 9/30/2025

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: INVESTMENT EDUCATION
DATE: APRIL 1, 2026

Following this memo are two educational presentations. The first item, Private Markets Performance Evaluation, will be presented by Albourne and reviews a variety of private market performance evaluation metrics. The second item, Private Market Fund Life Cycle, is a start-to-finish review of one of the System's realized private market investments to provide context on performance evaluation.

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](#)



April 9, 2026

Private Markets Performance Evaluation

Board Education Session

Maine Public Employees Retirement System



Introduction

Private Markets Performance Evaluation



Recap of last month's session:

- Private markets require long-term governance discipline
- Governance structures vary across institutions; MainePERS operates under a hybrid model, consistent with institutional governance principles

In today's session, we will cover:

- Money-weighted (IRR) vs. time-weighted returns (TWR)
- Internal Rate of Return (IRR) calculation mechanics
- Public Market Equivalents (PME)
- Private markets valuation frameworks
- Benchmarking considerations
- Evaluating performance over appropriate horizons

Public vs. Private Markets

How Capital is Deployed

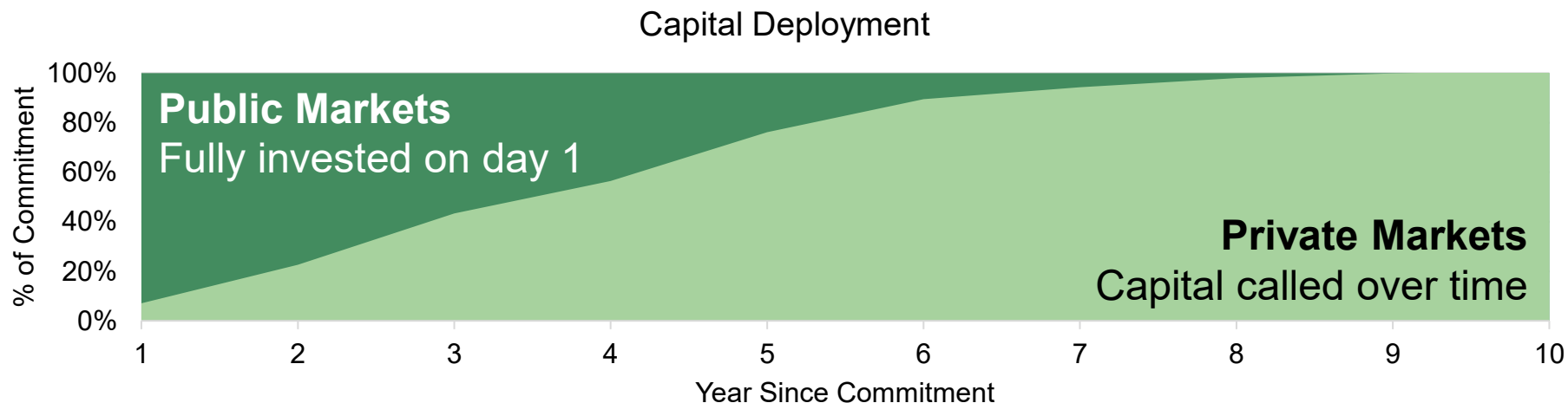


Public Markets

- Invest capital upfront
- Immediate exposure to assets
- Daily liquidity
- Returns driven by market price changes

Private Markets

- Capital committed, drawn over time
- Exposure builds gradually
- Illiquid, long-duration investments
- Returns driven by value creation + realizations



Exposure and performance evolve over time in private markets

For illustrative purposes only. Past performance is not indicative of future results.

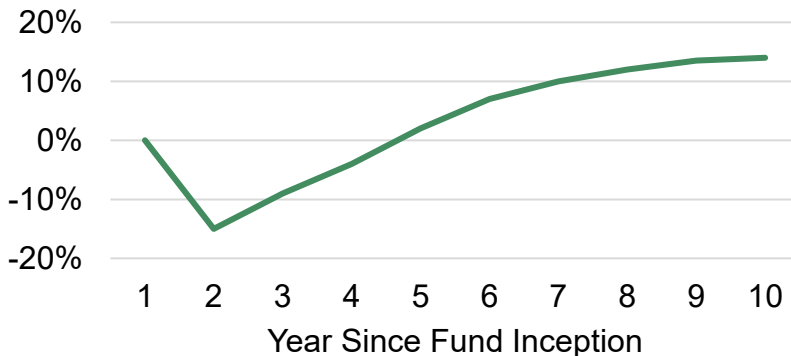
Private Market Fund Lifecycle

Capital Commitment Structure

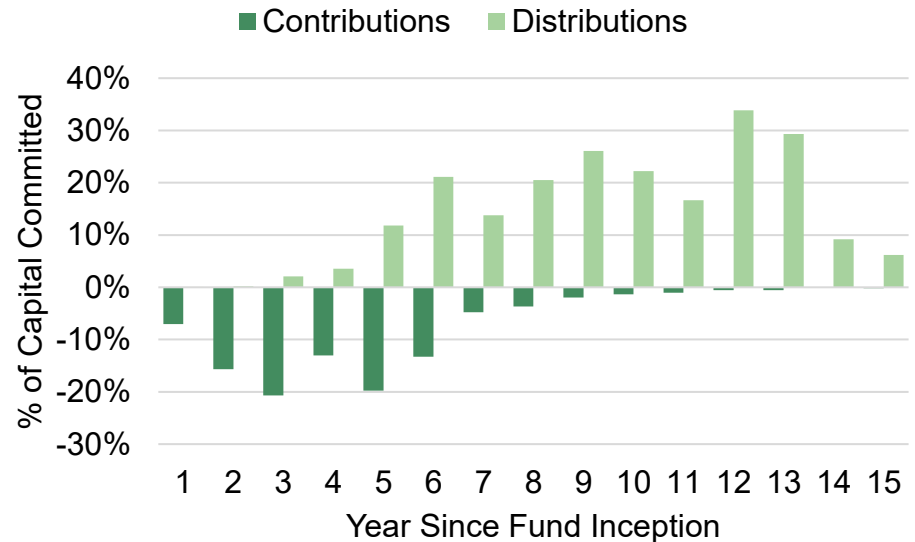


- Investment lives often 10+ years
- Investors make capital commitments
- Commitments get drawn down over time
- Investment period often 4-6 years long
- Fund acquires assets during that time
- Assets typically held for 4-6 years
- Managers execute value creation plans
- Distributions are made to investors with proceeds from the sale of these assets

Investment Cycle – Net IRR (%)



Illustrative Cash Flows in Private Equity



“The J-Curve”

Since performance is evaluated after fees, management fees have a disproportionate impact on performance early in a fund’s life, resulting in low or negative returns initially.

Illustrative cash flow and return profiles of private markets fund investments. Past performance is not indicative of future results.

Emphasis on Long-Term Performance

Why Short-Term Performance Can Be Misleading



- Private markets are long-duration, closed-end investments (often 10+ years)
- Short-term returns reflect timing and J-curves – not final outcomes
- Short-term public market comparisons reflect volatility of public markets
- Vintage year dispersion is significant and unpredictable

Short-Term Reaction

Weak recent performance

→ Reduce / pause commitments

→ Sell positions in secondary market

Result:

Miss strong future vintages / lock in losses

Long-Term Discipline

→ Maintain consistent pacing

→ Diversify across vintages

→ Allow investments to mature

Result:

Capture full lifecycle returns

Short-term performance is not actionable — decisions should be based on long-term outcomes.

How Performance Metrics Are Used

For Evaluating Portfolio & Manager Performance



1. Strategic Decision (Asset Allocation)

“Was private markets the right strategic decision?”

- Compare private market cash flows to public markets (PME)
- Less meaningful over shorter time periods
- **Best for long-term evaluation of the asset class**

2. Portfolio Construction (Allocation & Pacing)

“Was the portfolio constructed appropriately?”

- Compare strategy- and vintage-weighted composite vs. broader universe
- Captures allocation decisions (e.g., buyout vs. venture, timing)
- **Best for assessing portfolio construction**

3. Manager Selection (Fund Selection)

“Did we select the right managers?”

- Compare managers vs. peer funds (same vintage and strategy)
- Metrics: IRR, TVPI, DPI (and PME where relevant)
- Peer groups have limitations, but are useful for relative comparison
- **Best for assessing manager skill**

Time vs. Money-Weighted Returns

The Impact of Capital Allocation Decision on Performance



Here is a simple investment example showing how each are calculated, highlighting issues and considerations.

A Simple Example

Year	Contribution	Year-End NAV	Annual Return
1	100	50	-50%
2	500	688	25%

- Summary:
 - Total invested of \$600
 - Ending value of \$688
 - Gain of \$88

Neither measure is incorrect to use; it depends on what is being evaluated and who controls cash flow timing.

What each metric says

Time-Weighted Return (TWR)

- Sees -50% first, then +25%
- Treats both periods equally
- Annualized return of -21%
- **Interpretation:** *This investment struggled*
- **TWR:** Time in the market drives the result (cash flows excluded).

Money-Weighted Return (IRR)

- Most capital (\$500) earned +25%
- A smaller amount (\$100) lost -50%
- IRR of 12%
- **Interpretation:** *You actually made money*
- **IRR:** Capital allocation decisions drive the result (cash flows included).

Evaluating Private Market Funds

Measuring & Benchmarking Performance



Measuring Performance



Time Weighted Returns (TWR)

Only useful when considering a mature portfolio and/or when weighting up into portfolio aggregate

Less meaningful over short time periods



Money Weighted Returns (MWR)

Key performance metrics:

- Internal Rate of Return (IRR)

- Total Valued Paid In (TVPI)

- Distributed Paid In (DPI)

Useful since inception, industry standard metrics

Benchmarking Performance



Public Market Equivalents

(PME) measures how the investment has done relative to investing in a public asset

Useful as a strategic



Peer Fund Comparison

Pooled Mean Benchmark (PMB)

Adjusts for both vintage and strategy opportunity set

Portfolio Construction Benchmark

Manager Selection Benchmark

Private Market Performance Metrics

No Single Metric is Sufficient – Each Answers a Different Question



IRR

TVPI

DPI

Internal Rate of Return

Total Value to Paid In

Distributions to Paid In

- Annualized return after fees
- Sensitive to timing
- Often negative early in fund life (J-curve)
- Best for comparing funds across vintages
- **“What is the rate of return?”**

- Total value relative to invested capital (multiple)
- Includes realized + unrealized value (NAV)
- Influenced by valuation assumptions
- **“How much value has been created?”**

- Realized cash returned to investors
- Converges with TVPI as fund matures
- Affected by timing of exits and liquidity decisions
- **“How much have we actually received?”**

We triangulate across all metrics – no single number tells the full story

How These Metrics Are Used

For Evaluating Portfolio & Manager Performance



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- Peer groups have limitations, but are useful for relative comparison
- **Best for assessing manager skill**

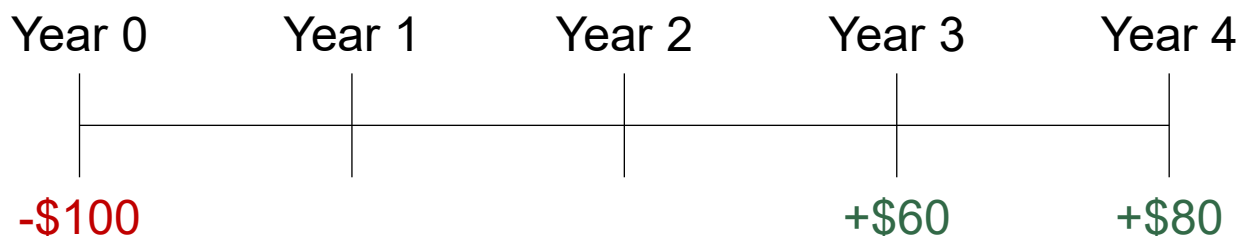
Timing of Cash Flows: What Drives IRR

A Simple Example



IRR = annualized return based on the timing of cash flows

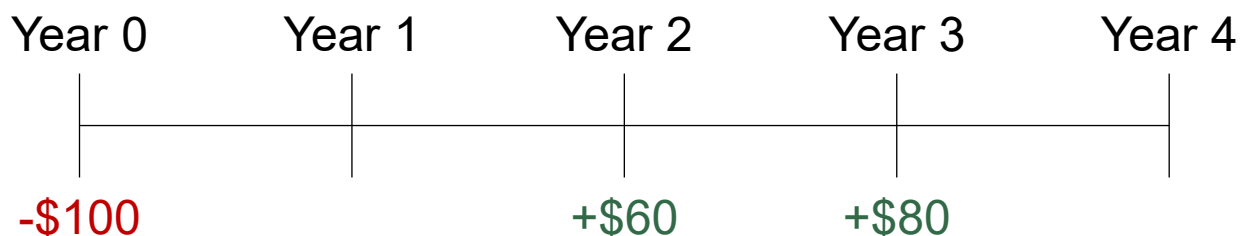
Scenario A: Later Distributions



Invested: \$100
Returned: \$140
IRR: 10%

Earlier cash flows → higher IRR

Scenario B: Earlier Distributions



Invested: \$100
Returned: \$140
IRR: 14% (higher)
(earlier cash flows)

IRR depends on *when* you get your money back – not just how much

For illustrative purposes only.

Valuations: What Supports NAV

NAV Underpins TVPI and IRR – Confidence In Valuation Is Critical



Governance & Process

- Documented valuation policies
- Valuation committee oversight (often with independent/non-investment representation)
- Separation between deal team and valuation process
- Quarterly valuation process with consistent methodology

Methods & Inputs

- Fair value framework (ASC 820 / IPEV)
- Use of market-based inputs (e.g., comparables, transactions)
- Multiple methodologies (market, income, cost, as appropriate)
- Subjectivity exists – managed through a structured process

Independent Validation & Oversight

- Third-party valuation providers (independent review)
- External auditors test process, inputs, and assumptions
- Back-testing vs. realized exits over time
- LPAC oversight of valuation methodology and changes

Robust governance and independent validation frameworks support confidence in NAV – which supports the reliability of TVPI and IRR

Distributions & DPI

How Value Becomes Cash



Traditional Exit Pathways

- Initial Public Offering (IPO)
- Sale to strategic buyers
- Sale to financial sponsors
- **Historically the primary driver of distributions**

Evolving Liquidity Solutions

- GP-led continuation vehicles (CVs)
- Secondary transactions
- NAV financing / structured solutions
- **Expanding the ways value is realized**

What This Means for DPI

- DPI reflects **realized cash returned to investors**
- Timing and type of exits influence DPI progression
- Liquidity solutions can accelerate or reshape distributions
- **“How much have we actually received?”**

Over time, realized distributions (DPI) should validate and converge with total value (TVPI)

- **Early: value driven by NAV (TVPI)**
- **Later: value realized through distributions (DPI)**

Quarterly Performance Reviews

Using Multiple Metrics



- Quarterly Performance Reviews include multiple performance metrics (IRR, PME, DPI, TVPI, TWRs) for each private market asset class

Performance vs. Policy Benchmark		IRR	
Private Equity Portfolio		14.5%	← IRR (since inception)
Russell 3000 + 3%		17.0%	← PME + 3% spread
Distributions-to-Paid-In (DPI)		1.0x	← DPI
Total Value-to-Paid-In (TVPI)		1.7x	← TVPI

Time-Weighted Returns	10 Years	5 Years	3 Years	1 Year
Private Equity Portfolio	15.0%	13.4%	8.2%	11.1%
Russell 3000 + 3%	17.7%	18.7%	27.1%	20.4%
Private Equity Fund Index	14.4%	12.9%	7.3%	6.7%
MSCI ACWI IMI	12.2%	13.8%	23.1%	17.3%
MSCI ACWI ex-USA IMI	8.8%	10.8%	21.1%	17.1%

TWRs (over trailing periods)

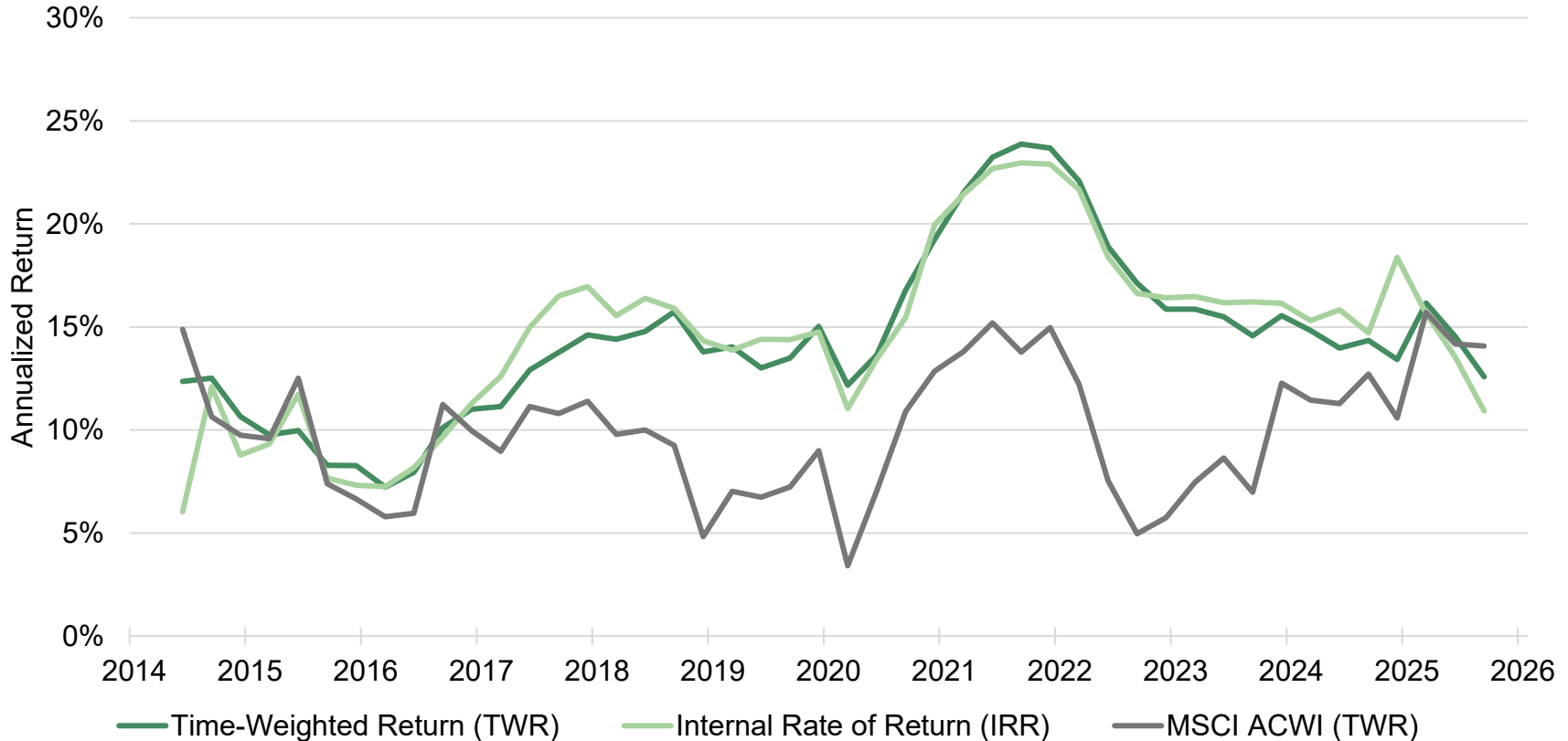
Past performance is not indicative of future results. Source: Private Markets Quarterly Review Q3 2025.

Evaluating Portfolio Performance

IRR & TWR Converge Over Longer Time Periods as Portfolios Mature



Trailing 5-Year Return Comparison for Private Equity Portfolio (Since Inception in Q3 2009 through Q3 2025)



Past performance is not indicative of future results. Source: MSCI ACWI Gross TR.

Key Takeaways

How to Evaluate Private Markets Performance



- Evaluate performance in the context of plan objectives (e.g., the discount rate), not in isolation
- Focus on net outcomes (after fees), not gross returns
- Triangulate across metrics: IRR, TVPI, DPI, PME, and peer comparisons
- Evaluate performance over appropriate long-term horizons
- Assess portfolio construction and manager selection separately
- Maintain consistent pacing across market cycles
- Avoid reacting to short-term performance noise

Private markets require a long-term, partnership-oriented approach

Disclaimer

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MainePERS

PUBLIC EMPLOYEES RETIREMENT SYSTEM

PE Fund Life Cycle:
GTCR Fund X
2011-2023

Fund Summary

Key Terms	Fees and Expenses
<ul style="list-style-type: none">• \$2.5 billion dollar fund size• 10-year fund life, with 6-year investment period• First close in October 2010	<p>Management Fees</p> <ul style="list-style-type: none">• 1.5% on committed capital during investment period• Post-investment period ~15bps annual step down <p>Carried Interest</p> <ul style="list-style-type: none">• 20%, deal-by-deal <p>Other expenses</p> <ul style="list-style-type: none">• partnership expenses and organizational costs

MainePERS Investment

Committed \$30 million

Participated in final closing: 2011 Q1

Fund activated in Summer 2011

Initial Capital Calls

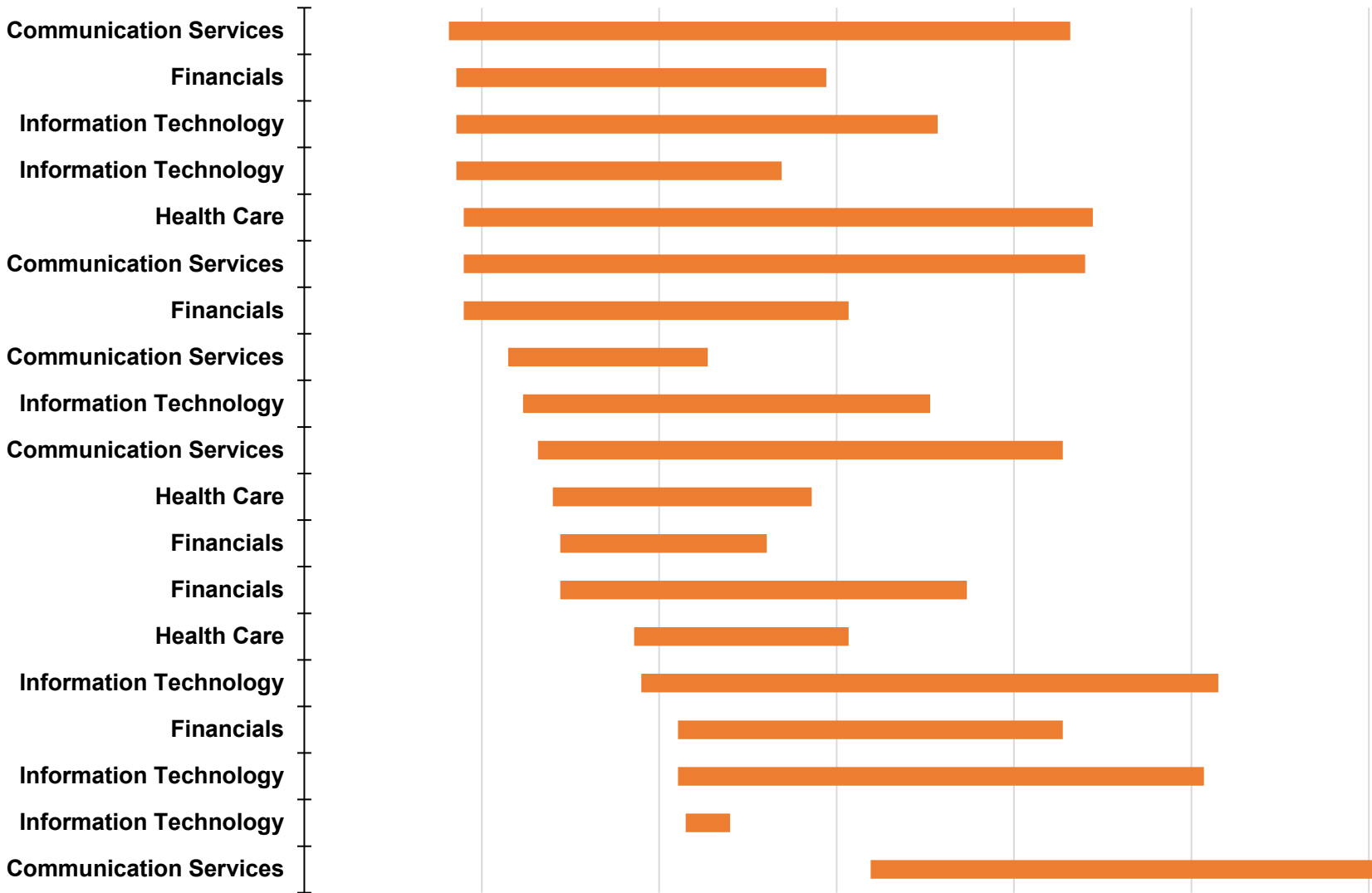
Investment	Fees and Expenses
<ul style="list-style-type: none">• Portfolio company investments• Working capital	<p>Management Fees</p> <p>Partnership Expenses</p> <p>Organizational Costs</p>

MainePERS Capital Calls

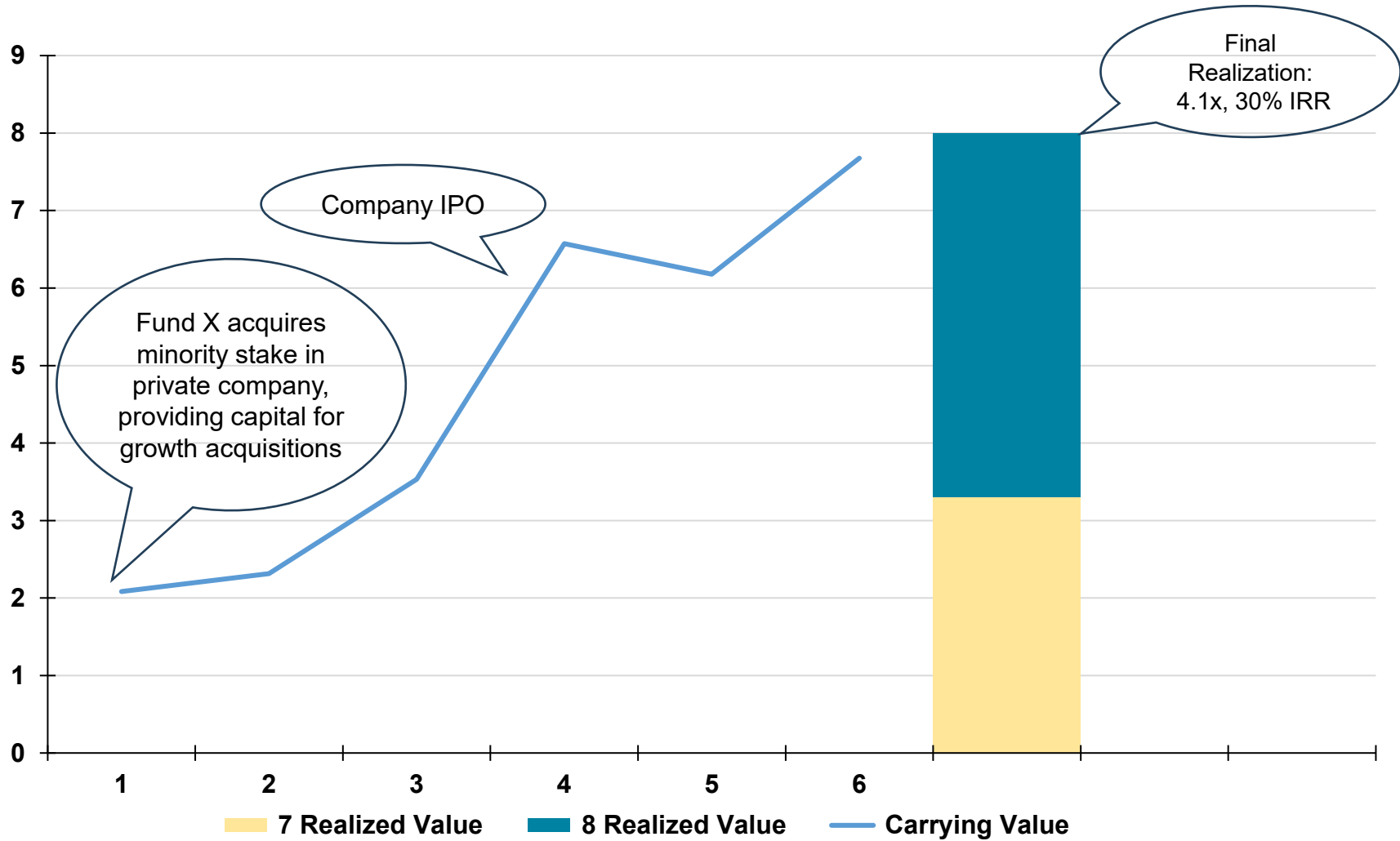
\$2,100,000 called

Summer 2011

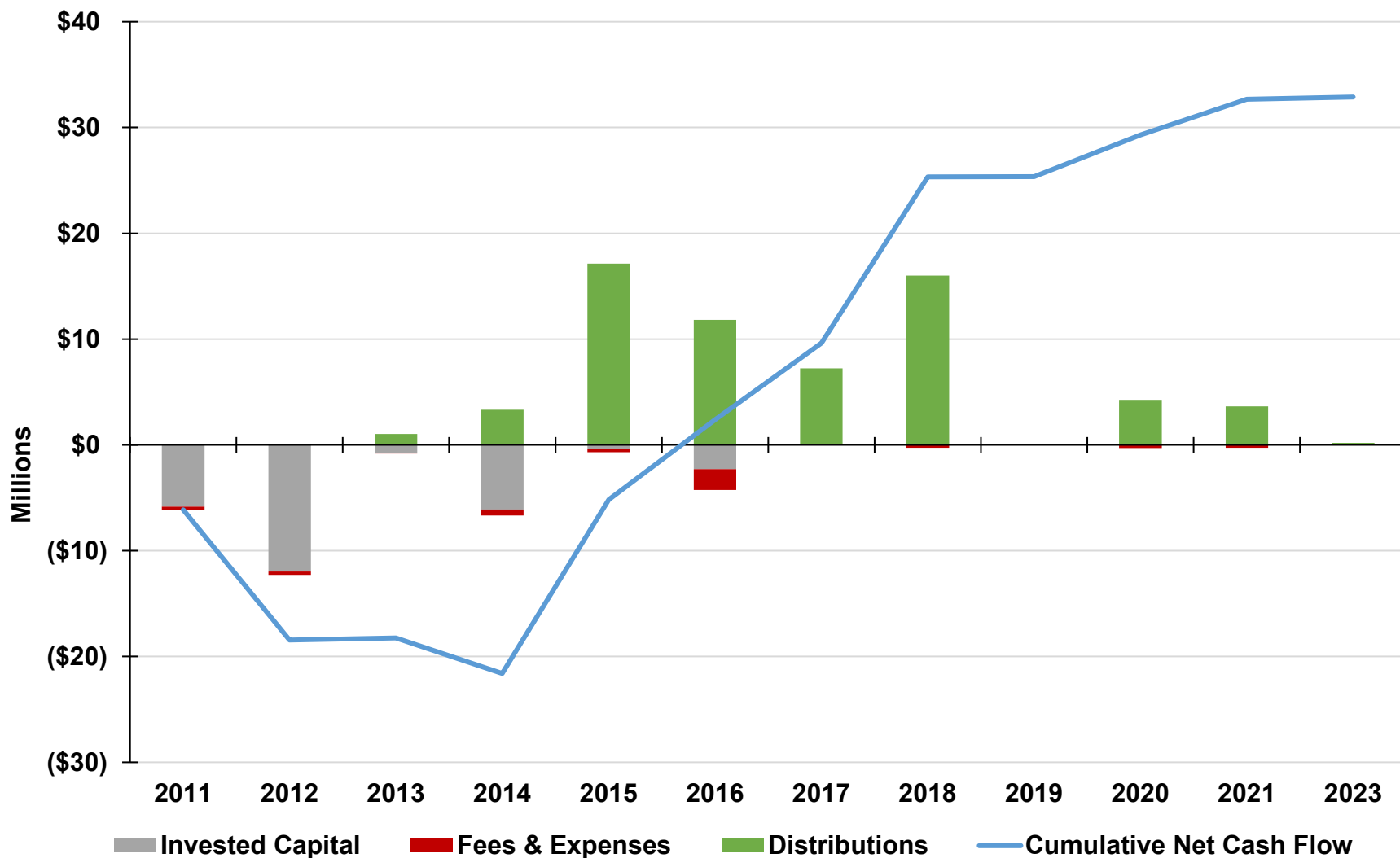
Portfolio Investments: Timing and Returns



Sample Investment

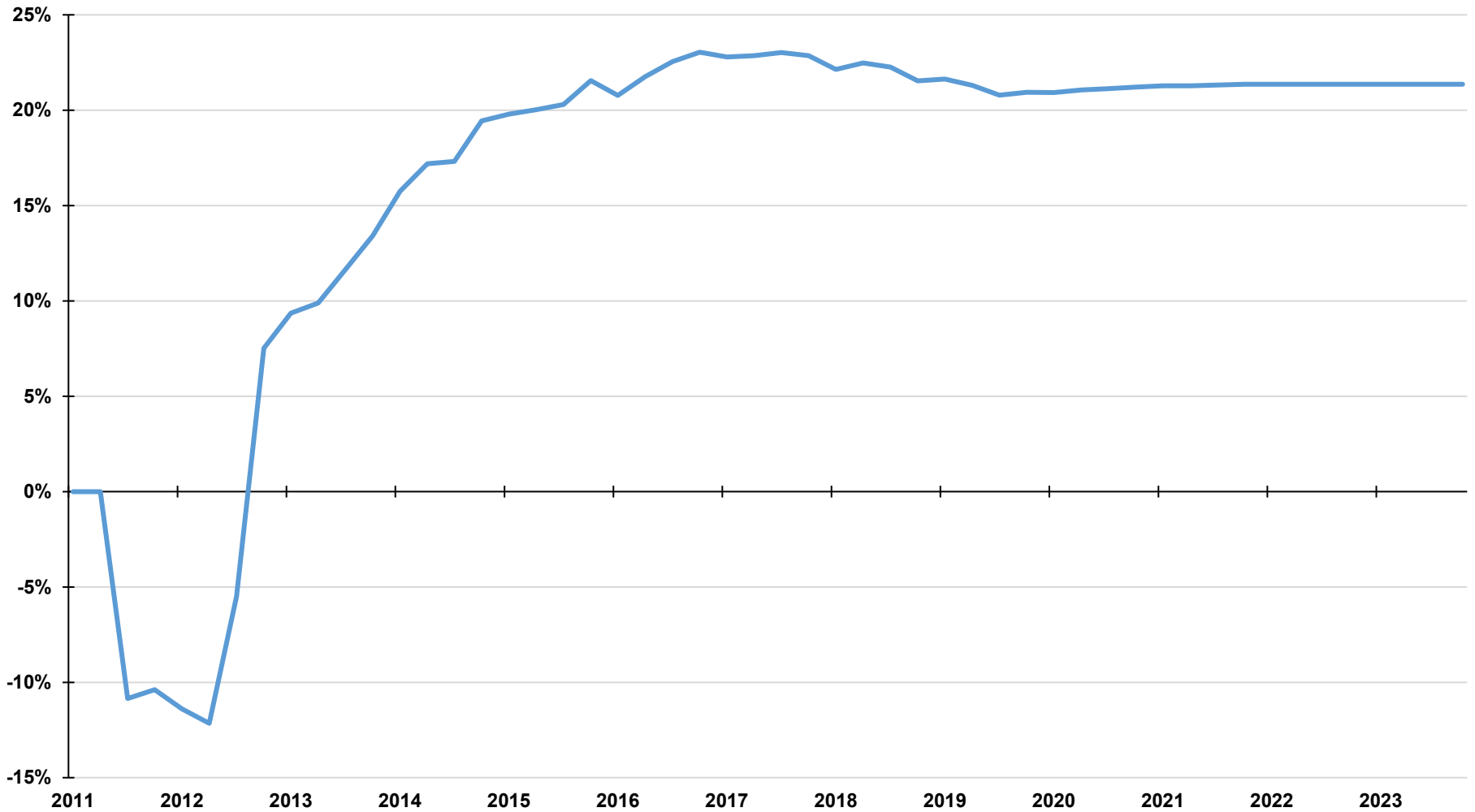


Annual and Cumulative Cash Flows

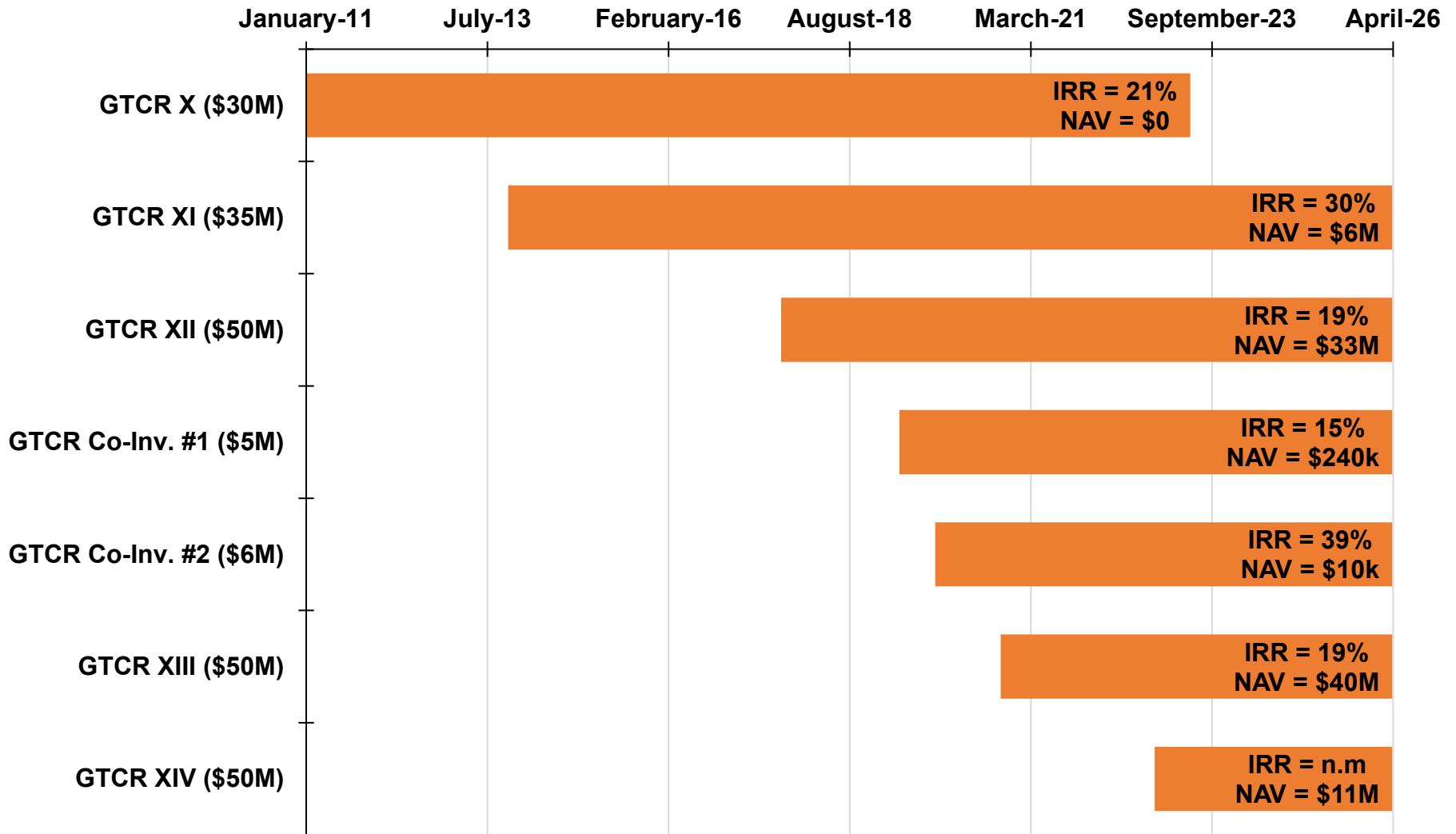


“J-Curve”

Net IRR Over Time



System GTCR Investments



MAINEPERS

BOARD OF TRUSTEES MEMORANDUM

TO: BOARD MEMBERS
FROM: DR. REBECCA M. WYKE, CEO
SUBJECT: CEO REPORT
DATE: MARCH 31, 2026

Pension Administration System (PAS)

Phase 1 project inception and planning is complete. The Phase 2 process of setting up the infrastructure and environments continues. The Phase 3 business process review and project confirmation is complete. The current focus is Phase 4 implementation, the elaboration and configuration of our requirements within Sagitec's Neospin system, which consists of 3 pilots conducted over the next 3 years. The first pilot, 4.1, began in September 2025 and is scheduled to complete in May 2026. Elaboration sessions for pilot 4.1 are now complete and pilot user verification testing is scheduled to begin April 22nd. Overall the project continues to be on track for quality, scope, schedule, and resources (budget).

Fiscal Year 2027 Budget

A draft of the proposed FY2027 Administrative and Investment Operations Budget will be presented to the Finance and Audit Committee at their meeting on April 9th for their review and comment. All Trustees are welcome to attend the meeting which begins at 8am prior to the Board of Trustees meeting. The FY2027 Budget will be presented to the full Board for consideration at the May meeting.

Fiduciary Duty Education

Amy McDuffy, of Mosaic Governance Advisors, will be with us at the April Board Meeting to conduct annual fiduciary duty education. Chief Operating Officer and General Counsel Mike Colleran and Assistant Attorney General John Nichols will join her in offering part of this session.

MAINEPERS

BOARD OF TRUSTEES LEGISLATIVE MEMORANDUM

TO: BOARD MEMBERS
FROM: BILL BROWN, DIRECTOR, ACTUARIAL AND LEGISLATIVE AFFAIRS
SUBJECT: LEGISLATIVE UPDATE
DATE: MARCH 30, 2026

The Second Regular Session of the 132nd Legislature convened on January 7, 2026. We will review proposed bills as they are printed and will bring to you bills that either could directly impact the System or are likely of interest. The Joint Standing Committee on Labor remains the committee of jurisdiction for the Maine Public Employees Retirement System. Updates from prior reports are shown italicized and underlined.

POLICY REFERENCE

[Board Policy 3.1 – Reporting](#)

[Board Policy 3.2 – Legislation](#)

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

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

NEW LEGISLATION

LD 2067 – SPECIAL PLAN: COMMUNITY RESPONSE WORKERS

This bill would add certain employees of the Department of Health and Human Services to the 1998 Special Plan. A public hearing was held on January 20. The System submitted testimony neither-for-nor-against the bill. A work session was held on February 3, in which a majority of the committee voted ought-to-pass as amended, with the amendment updating the effective date of the change and clarifying the language specifying the positions to be included. The fiscal note is \$1,876,610. The bill will next be considered by the full legislature.

LD 2009 – MUNICIPAL/COUNTY BANKRUPTCY

As printed, this bill would allow counties and municipalities to enter into federal bankruptcy proceedings. A public hearing in front of the State and Local Government Committee was held on January 21. The System testified in opposition to the bill as drafted. Work sessions were held February 4 and February 18, at which the sponsor requested that the committee take the bill in a different direction, no longer pursuing authorization for counties and municipalities to seek federal bankruptcy protection. The committee unanimously voted to amend the bill to address only counties, remove the bankruptcy authorization, and require that county audits be forwarded to the State Auditor within twelve months of the close of the fiscal year. The Office of the State Auditor will verify the completeness of the county audit. The bill will next be considered by the full legislature.

LD 2085 – SPECIAL PLAN: EMERGENCY DISPATCH

This bill would move two positions to the 1998 Special Plan at the request of the Department of Public Safety. The System's testified neither-for-nor-against the bill. A public hearing was held on January 20. Work sessions were held on February 3 and February 17. The majority of the committee voted ought-to-pass as amended to support the bill. The amendment clarified that only one position is to be moved to the Special Plan. There are no unfunded actuarial costs for this bill. One member of the committee voted ought-not-to-pass. *The full legislature enacted the bill and it has been signed by the Governor. The enacted law is now PL 2025, c. 595. A copy of the chaptered law accompanies this memo.*

SYSTEM BILLS SUBMITTED BY MAINEPERS**LD 2022 – GROUP LIFE INSURANCE**

This bill would change the source of information used to set Group Life Insurance (GLI) coverage levels to provide clarity and streamline employer reporting. A public hearing was held on January 20. A work session was held on February 3, in which the committee unanimously voted ought-to-pass. One committee member subsequently voted ought-not-to-pass. *The full legislature enacted the bill and it has been signed by the Governor. The enacted law is now PL 2025, c. 562. A copy of the chaptered law accompanies this memo.*

LD 2145 – WORKERS' COMPENSATION OFFSET

This bill would increase the combined allowable disability retirement benefits for individuals receiving both disability retirement benefits and workers' compensation benefits to 100% of average final compensation (AFC). The unfunded actuarial liability (UAL) cost to the State Employee and Teacher Retirement Program of this bill is \$1,734,012 and \$1,357,841 to the Participating Local District Consolidated (PLD) Plan. A public hearing was held on January 20. A work session was held on February 3, in which a majority of the committee voted ought-to-pass. A minority of the committee voted to amend the bill to increase the combined allowable disability retirement benefit from 80% of AFC to 90% of AFC. One committee member subsequently voted ought-not-to-pass. *The bill has been enacted by the House and placed on the Senate Appropriations Table for further consideration.*

LD 2169 – DISABILITY RETIREMENT SYSTEM

This bill would make changes to the disability retirement program. The current earnings limitations applicable to recipients of disability retirement benefits is increased to at least \$35,500 or the greater of AFC or final annual rate of pay (FAC), all to be indexed by the Consumer Price Index (CPI). It also increases the amount of income to be considered substantially gainful activity (SGA) to at least \$35,500 or the greater of AFC or FAC, all to be indexed by CPI. The bill also changes the consequence of exceeding earnings limitations from a recoupment to a waivable, prorated reduction of benefits for one year. It also provides a definition of FAC. A public hearing was held on February 3. A work session was held on February 17. The majority of the committee voted ought-to-pass as amended, with the amendments ensuring the elimination of debts due to earnings limitations and ensuring waivers of future benefit reductions if it is demonstrated that the overearnings will not continue. One member of the committee voted ought-not-to-pass. *The bill has been enacted by the full legislature and signed by the Governor. The enacted law is now PL 2025, c. 598. A copy of the chaptered law accompanies this memo.*

BILLS CARRIED OVER BY THE STATE AND LOCAL GOVERNMENT COMMITTEE TO THE SECOND REGULAR SESSION**LD 1383 – DIVESTMENT**

This bill would prohibit the State from investing public funds, including any public funds managed by MainePERS, or entering into procurement contracts with companies, entities, persons or financial institutions involved with entities determined by international bodies to have committed certain violations of human rights. A public hearing was held on January 21. Work sessions were held January 28 and March 4. The State and Local Government Committee unanimously voted ought-not-to-pass. The Chairs of the committee also intend to send a letter to the System asking that the protection of human rights be a part of investment decisions, that representatives of MainePERS and the sponsor schedule a meeting and that the next annual report include a discussion of any considerations of violations of human rights laws that the System incorporates into investment decisions. *The bill has been placed in the legislative dead file. A copy of the letter from the committee chairs accompanies this memo.*

BILLS CARRIED OVER BY THE LABOR COMMITTEE TO THE SECOND REGULAR SESSION**LD 1872 – RETIREMENT IMPROVEMENT FUND**

This bill would establish a fund to accumulate funds for the purpose of increasing the Cost-of-Living-Adjustment (COLA) Base. This fund would be held by MainePERS. The bill requires the State to continue to pay the pre-fiscal year 2029 unfunded actuarial liability payment, to accumulate in the fund as necessary to increase the base in not less than \$1,000 increments, until the base reaches \$40,000. The majority of the committee voted ought-to-pass as amended. The amendment expands the years for which transfers would be made and limits the transfers to \$185,000,000 from the General Fund. The bill was carried over to the Second Regular Session. Another work session was held on January 20, where a majority of the committee again endorsed the amendment they supported last session, with the further expansion of the years for which transfers would be made. The bill has been enacted by the House and placed on the Appropriations Table by the Senate.

BILLS CARRIED OVER ON THE SPECIAL APPROPRIATIONS TABLE TO THE SECOND REGULAR SESSION**LD 137 – SPECIAL PLAN: OFFICE OF THE CHIEF MEDICAL EXAMINER**

This bill would add certain employees of the State Office of the Chief Medical Examiner to the 1998 Special plan.

LD 462 – SERVICE CREDIT PURCHASE: MILITARY

This bill would add two periods of conflict to the definition of “federally recognized conflict” eligible for subsidized military service credit purchase.

LD 794 – SPECIAL PLAN: JUDICIAL MARSHALS

This bill would add certain employees of the Judicial Branch to the 1998 Special Plan.

LD 900 – COST OF LIVING ADJUSTMENTS: COLA BASE AND COLA CAP

This bill would increase the COLA benefit base to \$40,000 in 2026 and then to \$50,000 in 2028. It would also increase the COLA cap to 4% in 2027 and to 5% in 2028.

LD 1003 – RETIREMENT IMPROVEMENT FUND

This bill would create and direct a portion of year-end General Fund surplus funds to a Retirement Improvement Fund to accumulate funds to increase the COLA benefit base in increments of \$500.

LD 1021 – COST OF LIVING ADJUSTMENTS: COLA BASE

This bill would remove the COLA benefit base for certain retired law enforcement officers upon turning 65 years of age.

LD 1040– COST-OF-LIVING-ADJUSTMENTS- COLA BASE

The bill would increase the COLA benefit base to \$40,000 for retirees who retired on or before June 30, 2011.

LD 1236 – EXPAND “25 AND OUT” PLAN - BANGOR INTERNATIONAL AIRPORT FIREFIGHTERS

This bill would add certain employees of the Department of Veterans and Emergency Management to the “25 and out” Special Plan.

LD 1611 – CONTRIBUTION RATES – EMPLOYEE RATES

This bill would decrease the required employee contributions for the State Employee and Teacher Retirement Program from 7.65% of earnable compensation to 6.2% of earnable compensation.

REPORTS

The following required reports were submitted to the Legislature.

BOARD AND PLD ADVISORY COMMITTEE ACTIVITY

The System is required to report annually to the Secretary of State on activities of the Board of Trustees and the PLD Advisory Committee. These reports have been submitted, and copies were previously provided to the Board.

ESG POLICY

The System is required to report information annually to the Legislature regarding its environmental, social and governance investment policy. This report must disclose commonly available environmental performance metrics on the environmental effects of the board's investment. This report was filed on December 31, 2025, a copy was previously provided to the Board

DIVESTMENT

The System is required to report information to the Legislature regarding the progress of divestment from fossil fuels and the divestment law enacted in 2021, (PL Ch. 231). This report was filed on December 31, 2025, a copy was previously provided to the Board.

PROCUREMENT

The System is required to report information annually to the Legislature regarding procurement, contributions and changes to certain policies and procedures. A copy was previously provided to the Board.

MILITARY SUBSIDY REPORT

The System is required to report information annually to the Legislature regarding military service credit purchase requests received from certain categories of members. This report was filed January 26, 2026. A copy of the report was previously provided to the Board.

ANNUAL REPORT TO THE LEGISLATURE

The System is required to submit an annual report to the Legislature, including specific information set out in statute. This report was filed February 27, 2026, a copy of the report was previously provided to the Board.

SENATE

JOSEPH M. BALDACCI, DISTRICT 9, CHAIR
PINNY BEEBE-CENTER, DISTRICT 12
JOSEPH E. MARTIN, DISTRICT 19

KRISTIN K. BISHOP, LEGISLATIVE ANALYST
ELENA RAY, COMMITTEE CLERK



HOUSE

SUZANNE M. SALISBURY, WESTBROOK, CHAIR
LYNN HOLLAND COPELAND, SACO
DAVID M. ROLLINS, AUGUSTA
WAYNE K. FARRIN, JEFFERSON
LORI GRAMLICH, OLD ORCHARD BEACH
RANDALL ADAM GREENWOOD, WALES
JEFFREY SEAN ADAMS, LEBANON
KIMBERLEY J. POMERLEAU, STANDISH
JOSEPH F. UNDERWOOD, PRESQUE ISLE
WILLIAM R. TUELL, EAST MACHIAS

STATE OF MAINE
ONE HUNDRED AND THIRTY-SECOND LEGISLATURE
COMMITTEE ON STATE AND LOCAL GOVERNMENT

March 4, 2026

Dr. Rebecca M. Wyke, Chief Executive Officer
MainePERS
139 Capitol Street
P.O. Box 349
Augusta, ME 04332-0349

Re: LD 1383, "An Act to Require State Divestment from Perpetrators of International Human Rights Violations"

Dear Dr. Wyke,

We write to you in our individual capacities as the Senate and House Chairs of the Legislature's Joint Standing Committee on State and Local Government ("SLG Committee"). The viewpoints expressed in this letter are ours alone and should not be construed to represent the viewpoints of any SLG Committee members other than ourselves.

The State and Local Government Committee held a public hearing this session on **LD 1383, "An Act to Require State Divestment from Perpetrators of International Human Rights Violations."** At that hearing, we heard from many Mainers who are concerned that certain MainePERS investments may support activities that constitute or contribute to human rights violations. As you know, Maine has recently experienced increased enforcement activity by United States Immigration and Customs Enforcement agents, which has highlighted vulnerabilities within communities in our State. As elected leaders chairing the policy committee with jurisdiction over state and local government matters, we strive to ensure that the residents of our State are safe in their communities and that the values held by Mainers are represented in the actions, expenditures and investments of the State, including investments made by MainePERS.

As part of our research and consideration of LD 1383, we reviewed the 2025 MainePERS Environmental, Social and Governance (ESG) report submitted to the Labor Committee in January 2025 pursuant to 5 M.R.S §1957, sub-§5. On page 2, under *Section III. EDG: Maintaining Awareness*, the report states that investment discussions occur at weekly MainePERS investment team meetings. Based on the information presented to the SLG Committee in the context of LD 1383 and the concerns raised by those testifying on the bill, as the Committee's Chairs, we would recommend that the topic of ensuring the protection of human rights in MainePERS investments be added to these weekly investment team meetings or be otherwise incorporated into the MainePERS investment decision-making process.

We are pleased by the due diligence and holistic approach that MainePERS takes when making investment decisions and are encouraged to learn that more asset managers are using the Principles for Responsible Investing (PRI), a United Nations-supported initiative, as described on page 5 of the 2025 report. We would recommend that the sponsor of LD 1383 and representatives from MainePERS schedule a future meeting to discuss the issues raised by this bill.

We also understand that MainePERS is required under 5 M.R.S §1957, sub-§5 to issue an annual report reviewing its environmental, social and governance investment policy. In the next annual report due on January 1, 2027, we would like to request that the report include a discussion of any considerations of violations of human rights laws that MainePERS incorporates in its investment decisions.

MainePERS is a valued resource for Maine workers and retirees. We value the work you do to maintain your fiduciary responsibility, your due diligence, and your loyalty to stakeholders. It is our opinion that the investments made by MainePERS should reflect Maine's values, from reducing our dependence on fossil fuels to ensuring the protection of human rights within that framework.

Thank you for your attention to this matter. As we are writing in our individual capacities as the Senate and House Chairs of the SLG Committee, please do not hesitate to contact us directly with any questions.

Sincerely,



Sen. Joseph M. Baldacci
Senate Chair



Rep. Suzanne M. Salisbury
House Chair

Cc: Members, Joint Standing Committee on State and Local Government
Representative Rafael Macias, LD 1383 Sponsor

STATE OF MAINE

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IN THE YEAR OF OUR LORD
TWO THOUSAND TWENTY-SIX

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H.P. 1352 - L.D. 2022

**An Act to Clarify the Setting of Group Life Insurance Coverage Levels
Under the Maine Public Employees Retirement System**

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 5 MRSA §17001, sub-§3-A, as amended by PL 1993, c. 386, §1, is further amended to read:

3-A. Annual base compensation. "Annual base compensation" means a member's ~~gross compensation, based upon amounts reported by the member's employer on the member's~~ earnable compensation in the previous year's federal wage and tax statement, year that is used the first day of each April for setting the amount of coverage prior to retirement for participants in the group life insurance program administered by the board, except that, in a member's first year of hire or for a participant who is not a member, "annual base compensation" means the expected annual earnable compensation of a participant as reported by the participant's employer in a manner specified by the chief executive officer.

STATE OF MAINE

IN THE YEAR OF OUR LORD
TWO THOUSAND TWENTY-SIX

H.P. 1400 - L.D. 2085

**An Act to Include a Certain Emergency Communications Position at the
Department of Public Safety in the 1998 Special Plan**

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 5 MRSA §17851-A, sub-§1, ¶Q, as amended by PL 2025, c. 388, Pt. R, §2, is further amended to read:

Q. Until July 31, 2024, civilian employees whose job responsibilities include the handling, examination or analysis of digital or physical evidence in the employment of the Department of Public Safety, Maine State Police Crime Laboratory or computer crimes unit on October 1, 2021 or hired thereafter; ~~and~~

Sec. 2. 5 MRSA §17851-A, sub-§1, ¶R, as enacted by PL 2025, c. 388, Pt. R, §3, is amended to read:

R. Persons in the employment of the Department of Health and Human Services on October 1, 2025 or hired thereafter who have the job classification of Mental Health Worker I, Mental Health Worker II, Mental Health Worker III or Mental Health Worker IV-; and

Sec. 3. 5 MRSA §17851-A, sub-§1, ¶S is enacted to read:

S. Persons in the employment of the Department of Public Safety on August 1, 2026 or hired thereafter who have the job classification of emergency communications director.

Sec. 4. 5 MRSA §17851-A, sub-§2, as amended by PL 2025, c. 388, Pt. R, §4, is further amended to read:

2. Qualification for benefits. A member employed in any one or a combination of the capacities specified in subsection 1 after June 30, 1998 and before September 1, 2002 for employees identified in subsection 1, paragraphs A and B; after June 30, 1998 for employees identified in subsection 1, paragraphs C to H; after December 31, 1999 for employees identified in subsection 1, paragraphs I to K; any employee identified in subsection 1, paragraph M; after June 30, 2020 for employees identified in subsection 1, paragraphs N to P; after September 30, 2021 for employees identified in subsection 1,

paragraph Q; after September 30, 2025 for employees identified in subsection 1, paragraph R; after July 31, 2026 for employees identified in subsection 1, paragraph S; and any employee identified in subsection 1, paragraph L, qualifies for a service retirement benefit if that member either:

A. Is at least 55 years of age and has completed at least 10 years of creditable service under the 1998 Special Plan in any one or a combination of the capacities; or

B. Has completed at least 25 years of creditable service in any one or a combination of the capacities specified in subsection 1, whether or not the creditable service included in determining that the 25-year requirement has been met was earned under the 1998 Special Plan or prior to its establishment.

Sec. 5. 5 MRSA §17851-A, sub-§3, ¶A, as amended by PL 2025, c. 388, Pt. R, §5, is further amended by amending subparagraph (1) to read:

(1) Service credit purchased by repayment of an earlier refund of accumulated contributions following termination of service is included only to the extent that time to which the refund relates was served after June 30, 1998 and before September 1, 2002 for employees identified in subsection 1, paragraphs A and B; after June 30, 1998 for employees identified in subsection 1, paragraphs C to H; after December 31, 1999 for employees identified in subsection 1, paragraphs I to K; after June 30, 2020 for employees identified in subsection 1, paragraphs N to P; and after September 30, 2021 for employees identified in subsection 1, paragraph Q in any one or a combination of the capacities specified in subsection 1. Service credit may be purchased for service by an employee identified in subsection 1, paragraphs L, M ~~and~~ R and S regardless of when performed; and

Sec. 6. 5 MRSA §17851-A, sub-§4, ¶A, as amended by PL 2025, c. 388, Pt. R, §6, is further amended to read:

A. If all of the member's creditable service in any one or a combination of the capacities specified in subsection 1 was earned after June 30, 1998 and before September 1, 2002 for employees identified in subsection 1, paragraphs A and B; after June 30, 1998 for employees identified in subsection 1, paragraphs C to H; after December 31, 1999 for employees identified in subsection 1, paragraphs I to K; after December 31, 2001 for employees identified in subsection 1, paragraph L; after June 30, 2002 for employees identified in subsection 1, paragraph M; after June 30, 2020 for employees identified in subsection 1, paragraphs N to P; after September 30, 2021 for employees identified in subsection 1, paragraph Q; ~~and~~ after September 30, 2025 for employees identified in subsection 1, paragraph R; and after July 31, 2026 for employees identified in subsection 1, paragraph S; if service credit was purchased by repayment of an earlier refund of accumulated contributions for service in any one or a combination of the capacities specified in subsection 1 after June 30, 1998 and before September 1, 2002 for employees identified in subsection 1, paragraphs A and B; after June 30, 1998 for employees identified in subsection 1, paragraphs C to H; after December 31, 1999 for employees identified in subsection 1, paragraphs I to K; after December 31, 2001 for employees identified in subsection 1, paragraph L; after June 30, 2002 for employees identified in subsection 1, paragraph M; after June 30, 2020 for employees identified in subsection 1, paragraphs N to P; after September 30, 2021 for employees identified in subsection 1, paragraph Q; ~~and~~ after September 30, 2025

for employees identified in subsection 1, paragraph R; and after July 31, 2026 for employees identified in subsection 1, paragraph S; or if service credit was purchased by other than the repayment of an earlier refund and eligibility to make the purchase of the service credit, including, but not limited to, service credit for military service, was achieved after June 30, 1998 and before September 1, 2002 for employees identified in subsection 1, paragraphs A and B; after June 30, 1998 for employees identified in subsection 1, paragraphs C to H; after December 31, 1999 for employees identified in subsection 1, paragraphs I to K; after December 31, 2001 for employees identified in subsection 1, paragraph L; after June 30, 2002 for employees identified in subsection 1, paragraph M; after June 30, 2020 for employees identified in subsection 1, paragraphs N to P; after September 30, 2021 for employees identified in subsection 1, paragraph Q; ~~and~~ after September 30, 2025 for employees identified in subsection 1, paragraph R; and after July 31, 2026 for employees identified in subsection 1, paragraph S, the benefit must be computed as provided in section 17852, subsection 1, paragraph A.

(1) If the member had 10 years of creditable service on July 1, 1993, the benefit under subsection 2, paragraph B must be reduced as provided in section 17852, subsection 3, paragraphs A and B.

(2) If the member had fewer than 10 years of creditable service on July 1, 1993, the benefit under subsection 2, paragraph B must be reduced by 6% for each year that the member's age precedes 55 years of age.

Sec. 7. 5 MRSA §17851-A, sub-§4, ¶B, as amended by PL 2025, c. 388, Pt. R, §7, is further amended to read:

B. Except as provided in paragraphs D, E, F ~~and~~, G ~~and~~ H, if some part of the member's creditable service in any one or a combination of the capacities specified in subsection 1 was earned before July 1, 1998 for employees identified in subsection 1, paragraphs A to H; before January 1, 2000 for employees identified in subsection 1, paragraphs I to K; before January 1, 2002 for employees identified in subsection 1, paragraph L; before July 1, 2002 for employees identified in subsection 1, paragraph M; before July 1, 2020 for employees identified in subsection 1, paragraphs N to P; before October 1, 2021 for employees identified in subsection 1, paragraph Q; ~~and~~ before October 1, 2025 for employees identified in subsection 1, paragraph R; and before August 1, 2026 for employees identified in subsection 1, paragraph S and some part of the member's creditable service in any one or a combination of the capacities specified in subsection 1 was earned after June 30, 1998 and before September 1, 2002 for employees identified in subsection 1, paragraphs A and B; after June 30, 1998 for employees identified in subsection 1, paragraphs C to H; after December 31, 1999 for employees identified in subsection 1, paragraphs I to K; after December 31, 2001 for employees identified in subsection 1, paragraph L; after June 30, 2002 for employees identified in subsection 1, paragraph M; after June 30, 2020 for employees identified in subsection 1, paragraphs N to P; after September 30, 2021 for employees identified in subsection 1, paragraph Q; ~~and~~ after September 30, 2025 for employees identified in subsection 1, paragraph R; and after July 31, 2026 for employees identified in subsection 1, paragraph S, then the member's service retirement benefit must be computed in segments and the amount of the member's service retirement benefit is the sum of the segments. The segments must be computed as follows:

(1) The segment or, if the member served in more than one of the capacities specified in subsection 1 and the benefits related to the capacities are not interchangeable under section 17856, segments that reflect creditable service earned before July 1, 1998 for employees identified in subsection 1, paragraphs A to H; before January 1, 2000 for employees identified in subsection 1, paragraphs I to K; before January 1, 2002 for employees identified in subsection 1, paragraph L; before July 1, 2002 for employees identified in subsection 1, paragraph M; before July 1, 2020 for employees identified in subsection 1, paragraphs N to P; before October 1, 2021 for employees identified in subsection 1, paragraph Q; ~~and~~ before October 1, 2025 for employees identified in subsection 1, paragraph R; and before August 1, 2026 for employees identified in subsection 1, paragraph S or purchased by repayment of an earlier refund of accumulated contributions for service before July 1, 1998, for employees identified in subsection 1, paragraphs A to H; before January 1, 2000 for employees identified in subsection 1, paragraphs I to K; before January 1, 2002 for employees identified in subsection 1, paragraph L; before July 1, 2002 for employees identified in subsection 1, paragraph M; before July 1, 2020 for employees identified in subsection 1, paragraphs N to P; before October 1, 2021 for employees identified in subsection 1, paragraph Q; ~~and~~ before October 1, 2025 for employees identified in subsection 1, paragraph R; and before August 1, 2026 for employees identified in subsection 1, paragraph S in a capacity or capacities specified in subsection 1 or purchased by other than the repayment of a refund and eligibility to make the purchase of the service credit, including, but not limited to, service credit for military service, was achieved before July 1, 1998 for employees identified in subsection 1, paragraphs A to H; before January 1, 2000 for employees identified in subsection 1, paragraphs I to K; before January 1, 2002 for employees identified in subsection 1, paragraph L; before July 1, 2002 for employees identified in subsection 1, paragraph M; before July 1, 2020 for employees identified in subsection 1, paragraphs N to P; before October 1, 2021 for employees identified in subsection 1, paragraph Q; ~~and~~ before October 1, 2025 for employees identified in subsection 1, paragraph R; and before August 1, 2026 for employees identified in subsection 1, paragraph S, must be computed under section 17852, subsection 1, paragraph A. If the member is qualified under subsection 2, paragraph B and:

- (a) Had 10 years of creditable service on July 1, 1993, the amount of the segment or segments must be reduced as provided in section 17852, subsection 3, paragraphs A and B; or
 - (b) Had fewer than 10 years of creditable service on July 1, 1993, the amount of the segment or segments must be reduced as provided in section 17852, subsection 3-A; and
- (2) The segment that reflects creditable service earned after June 30, 1998 and before September 1, 2002 for employees identified in subsection 1, paragraphs A and B; after June 30, 1998 for employees identified in subsection 1, paragraphs C to H; after December 31, 1999 for employees identified in subsection 1, paragraphs I to K; after December 31, 2001 for employees identified in subsection 1, paragraph L; after June 30, 2002 for employees identified in subsection 1, paragraph M; after June 30, 2020 for employees identified in subsection 1, paragraphs N to P; after

September 30, 2021 for employees identified in subsection 1, paragraph Q; ~~and~~ after September 30, 2025 for employees identified in subsection 1, paragraph R; and after July 31, 2026 for employees identified in subsection 1, paragraph S or purchased by repayment of an earlier refund of accumulated contributions for service after June 30, 1998 and before September 1, 2002 for employees identified in subsection 1, paragraphs A and B; after June 30, 1998 for employees identified in subsection 1, paragraphs C to H; after December 31, 1999 for employees identified in subsection 1, paragraphs I to K; after December 31, 2001 for employees identified in subsection 1, paragraph L; after June 30, 2002 for employees identified in subsection 1, paragraph M; after June 30, 2020 for employees identified in subsection 1, paragraphs N to P; after September 30, 2021 for employees identified in subsection 1, paragraph Q; ~~and~~ after September 30, 2025 for employees identified in subsection 1, paragraph R; and after July 31, 2026 for employees identified in subsection 1, paragraph S in any one or a combination of the capacities specified in subsection 1, or purchased by other than the repayment of a refund and eligibility to make the purchase of the service credit, including, but not limited to, service credit for military service, was achieved after June 30, 1998 and before September 1, 2002 for employees identified in subsection 1, paragraphs A and B; after June 30, 1998 for employees identified in subsection 1, paragraphs C to H; after December 31, 1999 for employees identified in subsection 1, paragraphs I to K; after December 31, 2001 for employees identified in subsection 1, paragraph L; after June 30, 2002 for employees identified in subsection 1, paragraph M; after June 30, 2020 for employees identified in subsection 1, paragraphs N to P; after September 30, 2021 for employees identified in subsection 1, paragraph Q; ~~and~~ after September 30, 2025 for employees identified in subsection 1, paragraph R; and after July 31, 2026 for employees identified in subsection 1, paragraph S must be computed under section 17852, subsection 1, paragraph A. If the member is qualified under subsection 2, paragraph B and:

- (a) Had 10 years of creditable service on July 1, 1993, the segment amount must be reduced in the manner provided in section 17852, subsection 3, paragraphs A and B for each year that the member's age precedes 55 years of age; or
- (b) Had fewer than 10 years of creditable service on July 1, 1993, the segment amount must be reduced by 6% for each year that the member's age precedes 55 years of age.

Sec. 8. 5 MRSA §17851-A, sub-§4, ¶H is enacted to read:

H. The service retirement benefit of a member to whom subsection 1, paragraph S applies and who qualifies for service retirement benefits under subsection 2 must be computed under section 17852, subsection 1, paragraph A on the basis of all of the member's creditable service in the capacity specified in subsection 1, paragraph S, regardless of when that creditable service was earned, except that for a member qualifying under subsection 2, paragraph B:

(1) If the member had 10 years of service on July 1, 1993, the benefit must be reduced as provided in section 17852, subsection 3, paragraphs A and B for each year the member's age precedes 55 years of age; or

(2) If the member had fewer than 10 years of creditable service on July 1, 1993, the benefit must be reduced by 6% for each year that the member's age precedes 55 years of age.

Sec. 9. 5 MRSA §17851-A, sub-§5, as amended by PL 2025, c. 388, Pt. R, §9, is further amended to read:

5. Contributions. Notwithstanding any provision of subchapter 3 to the contrary, after June 30, 1998 and before September 1, 2002 for employees identified in subsection 1, paragraphs A and B; after June 30, 1998 for employees identified in subsection 1, paragraphs C to H; after December 31, 1999 for employees identified in subsection 1, paragraphs I to K; after December 31, 2001 for employees identified in subsection 1, paragraph L; after June 30, 2002 for employees identified in subsection 1, paragraph M; after June 30, 2020 for employees identified in subsection 1, paragraphs N to P; after September 30, 2021 for employees identified in subsection 1, paragraph Q; ~~and~~ after September 30, 2025 for employees identified in subsection 1, paragraph R; and after July 31, 2026 for employees identified in subsection 1, paragraph S, a member in the capacities specified in subsection 1 must contribute to the State Employee and Teacher Retirement Program or have pick-up contributions made at the rate of 8.65% of earnable compensation until the member has completed 25 years of creditable service as provided in this section and at the rate of 7.65% thereafter.

Sec. 10. Appropriations and allocations. The following appropriations and allocations are made.

PUBLIC SAFETY, DEPARTMENT OF

Consolidated Emergency Communications Z021

Initiative: Provides funding to add the emergency communications director position to the 1998 Special Plan.

CONSOLIDATED EMERGENCY COMMUNICATIONS FUND	2025-26	2026-27
Personal Services	\$0	\$2,467
CONSOLIDATED EMERGENCY COMMUNICATIONS FUND TOTAL	\$0	\$2,467

STATE OF MAINE

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IN THE YEAR OF OUR LORD
TWO THOUSAND TWENTY-SIX

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S.P. 879 - L.D. 2169

**An Act to Improve the Public Employees Disability Retirement Program by
Modifying Provisions Controlling the Reduction of Benefits and Clarifying
Terminology**

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 5 MRSA §17857, sub-§2, ¶D, as amended by PL 1997, c. 769, §19 and PL 2021, c. 548, §45, is further amended to read:

D. A member who has not completed the service requirements for retirement under a special plan, including a member who completes the requirements of section 17851-A, subsection 2, paragraph A, on becoming disabled as defined in section ~~17901~~ 17901-B, subsection 1, or, after September 30, 1989, section 17921, subsection 1, and on becoming reemployed in a position not under a special plan on retirement receives retirement benefits as follows.

- (1) The part of the member's service retirement based on membership service before becoming disabled must be computed according to the formula for computing benefits under the member's previous special plan.
- (2) The part of the member's service retirement based on membership service after becoming reemployed in a position not under a special plan must be computed according to the formula for computing benefits under the member's previous special plan.
- (3) If the member is found to be no longer disabled, as defined in section ~~17901~~ 17901-B, subsection 1, or, after September 30, 1989, section 17921, subsection 1, the member may:
 - (a) Return to a position under the member's previous special plan; or
 - (b) Remain in the position that is not under a special plan and have the part of the member's service retirement benefit based on post-disability service computed in accordance with section 17852, subsection 1.
- (4) The chief executive officer may require that a member subject to this paragraph undergo medical examinations or tests once each year to determine the member's

disability in accordance with section 17903 or, after September 30, 1989, section 17926.

(a) If the member refuses to submit to the examination or tests under this subparagraph, the member's retirement benefit must be based on section 17852, subsection 1, until the member withdraws the refusal.

(b) If the member's refusal under division (a) continues for one year, all the member's rights to any further benefits under this paragraph shall cease.

Sec. 2. 5 MRSA §17901, as corrected by RR 2023, c. 2, Pt. B, §123, is repealed.

Sec. 3. 5 MRSA §17901-B is enacted to read:

§17901-B. Definitions

As used in this article, unless the context otherwise indicates, the following terms have the following meanings.

1. Disabled. "Disabled" means mentally or physically incapacitated:

A. To the extent that it is impossible for a person to perform the duties of the person's employment position and the incapacity can be expected to be permanent; and

B. Such that the incapacity will be revealed by medical examination or tests conducted in accordance with section 17903.

2. Final annual compensation. "Final annual compensation" means the annual rate of pay of a member, for a position covered by this article, immediately before the termination of the member's employment and the commencement of the member's disability retirement benefit.

3. 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 the labor market for the member's state of residence in an amount in excess of the greater of:

A. Thirty-five thousand five hundred dollars in calendar year 2026 or \$35,500 increased as described by this subsection in any subsequent calendar year;

B. The member's average final compensation; and

C. The member's final annual compensation.

The amounts under paragraphs A, B and C are increased on January 1st of each calendar year by any percentage increase in the Consumer Price Index during the 12 months ending on December 31st of the prior calendar year.

Sec. 4. 5 MRSA §17903, first ¶, as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:

The examination or tests to determine whether a member is disabled under section 17904 17901-B, subsection 1 are governed as follows.

Sec. 5. 5 MRSA §17906, sub-§1, as amended by PL 2021, c. 548, §29, is repealed.

Sec. 6. 5 MRSA §17906, sub-§1-A is enacted to read:

1-A. Excess compensation. If the compensation received from engaging in any gainful occupation by a beneficiary of a disability retirement benefit exceeds \$35,500 in calendar year 2026 or in any subsequent calendar year exceeds that amount increased on January 1st of each calendar year by any percentage increase in the Consumer Price Index during the 12 months ending on December 31st of the prior calendar year, the disability retirement benefits must be reduced for a one-year period by the excess prorated on a monthly basis over the year.

The chief executive officer shall waive the reduction set forth under this subsection if the person demonstrates that the excess compensation has ceased and that the continuing reduction would cause a hardship.

Sec. 7. 5 MRSA §17907, sub-§2, ¶B, as amended by PL 2003, c. 675, §1 and PL 2021, c. 548, §45, is further amended to read:

B. After the disability has continued for 5 years, the disability of the beneficiary must render the beneficiary unable to engage in any substantially gainful activity ~~for which the beneficiary is qualified by training, education or experience. For purposes of this paragraph, the ability to engage in substantially gainful activity is demonstrated by the ability to perform work resulting in annual earnings that exceed \$20,000 or 80% of the recipient's average final compensation at retirement, whichever is greater, adjusted by the same percentage adjustments granted under section 17806.~~

(1) The chief executive officer may require, once each year, a recipient of a disability retirement benefit to undergo medical examinations or tests, conducted in accordance with section 17903, to determine the disability of the beneficiary.

(2) If the beneficiary refuses to submit to the examination or tests under subparagraph (1), the beneficiary's disability retirement benefit is discontinued until the beneficiary withdraws the refusal.

(3) If the beneficiary's refusal under subparagraph (2) continues for one year, all the beneficiary's rights to any further benefits under this article cease.

(4) If it is determined, on the basis of the examination or tests under subparagraph (1), that the disability of a beneficiary no longer exists, the payment of the beneficiary's disability retirement benefit ceases;

Sec. 8. 5 MRSA §17921, sub-§3 is enacted to read:

3. Final annual compensation. "Final annual compensation" means the annual rate of pay of a member, for a position covered by this article, immediately before the termination of the member's employment and the commencement of the member's disability retirement benefit.

Sec. 9. 5 MRSA §17921, sub-§4 is enacted to read:

4. 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 the labor market for the member's state of residence in an amount in excess of the greater of:

A. Thirty-five thousand five hundred dollars in calendar year 2026 or \$35,500 increased as described by this subsection in any subsequent calendar year;

B. The member's average final compensation; and

C. The member's final annual compensation.

The amounts under paragraphs A, B and C are increased on January 1st of each calendar year by any percentage increase in the Consumer Price Index during the 12 months ending on December 31st of the prior calendar year.

Sec. 10. 5 MRSA §17929, sub-§2, ¶B, as amended by PL 2021, c. 277, §25 and affected by §45 and amended by c. 548, §45, is further amended by amending subparagraph (1) to read:

(1) After the disability has continued for 2 years, the disability must render the person unable to engage in any substantially gainful activity that is consistent with the person's training, education or experience and average final compensation adjusted by the same percentage adjustment as has been received under section 17806. The disability retirement benefit continues if the person can effectively demonstrate to the chief executive officer that the person is actively seeking work. ~~For the purposes of this subparagraph, the ability to engage in substantially gainful activity is demonstrated by the ability to perform work resulting in annual earnings that exceed \$20,000 or 80% of the recipient's average final compensation at retirement, whichever is greater, adjusted by the same percentage adjustments granted under section 17806.~~

Sec. 11. 5 MRSA §17930, as amended by PL 2025, c. 221, §§27 and 28, is repealed.

Sec. 12. 5 MRSA §17930-A is enacted to read:

§17930-A. Reduction in amount of benefit

Reduction of disability retirement benefits as the result of a person's receiving compensation from employment or from disability payments under other laws is governed as follows.

1. Compensation from employment; reduction of benefits required. The amount of a person's disability retirement benefit must be reduced when the person receives compensation in any year from engaging in any gainful activity or from employment that exceeds the greater of:

A. Thirty-five thousand five hundred dollars in calendar year 2026, increased on January 1st of each calendar year by any percentage increase in the Consumer Price Index during the 12 months ending on December 31st of the prior calendar year; and

B. The difference between the person's disability retirement benefit for that year and the higher of the person's average final compensation at the time that the person became a recipient of a disability retirement benefit and the person's final annual compensation, each increased on January 1st of each calendar year by any percentage increase in the Consumer Price Index during the 12 months ending on December 31st of the prior calendar year.

Disability retirement benefits must be reduced by the amount of compensation for gainful activity or employment received in excess of the amount described in paragraph A or B, whichever is applicable, for a one-year period, prorated on a monthly basis over the year.

2. Reduction for employment; hardship; discontinuance; resumption of benefits; voluntary termination of benefits. The following provisions apply to the reduction of benefits pursuant to subsection 1.

A. The chief executive officer shall waive the reduction set forth in subsection 1 if the person demonstrates that the excess compensation has ceased and that continuing the reduction would cause a hardship.

B. If the disability retirement benefit payments are eliminated by subsection 1, the disability is deemed to no longer exist, the payment of the disability retirement benefit must be discontinued and, except as provided in paragraph C, all of the person's rights to benefits under this article cease.

C. If, during the first 5 years of reemployment, the person again becomes disabled, terminates employment and is not covered by any other disability program, the retirement system shall resume paying the disability retirement benefit payable prior to the reemployment with all applicable cost-of-living adjustments and shall provide rehabilitation services in accordance with section 17927. If, during the first 5 years of reemployment, the person again becomes disabled, terminates employment and is covered by another disability program and the benefit payable under the other disability program is not equal to or greater than the benefit under this article, the retirement system shall pay the difference between the amount of the benefit payable under the other disability program and the amount of the benefit payable under this article. The chief executive officer shall require examinations or tests to determine whether the person is disabled as described in section 17921.

D. At any time before the elimination of disability retirement benefit payments by subsection 1, the person may request that the benefit payments be terminated, and the chief executive officer shall terminate benefit payments at the end of the month in which the request is received.

3. Disability payments under other laws. The reduction of disability retirement benefits because of disability benefits received under other laws is governed as follows.

A. The amount of any disability retirement benefit payable under this article must be reduced by any amount received by the person for the same disability under the workers' compensation or similar laws, except amounts that may be paid or payable under former Title 39, section 56-B or Title 39-A, section 212, subsection 3.

B. The reduction in the disability retirement benefit is governed as follows:

(1) The initial disability retirement benefit must be reduced if necessary so that the benefit plus any benefits under paragraph A do not exceed 80% of the person's average final compensation;

(2) The amount determined by the calculation under subparagraph (1) may not be adjusted when cost-of-living adjustments are applied to the benefits listed under paragraph A; and

(3) Adjustments under section 17806 must be applied to the reduced disability retirement benefit calculated under subparagraph (1) or paragraph C.

C. The disability retirement benefit may not be reduced below the amount of the retirement benefit that is the actuarial equivalent of the person's accumulated contributions at the time of retirement.

D. A lump-sum settlement of benefits that reduces the disability retirement benefit under this subsection must be prorated on a monthly basis in an equitable manner prescribed by the board.

(1) The prorated lump-sum settlement may not include any part of the lump-sum settlement attributable to rehabilitation, attorney's, physicians', nurses', hospital, medical, surgical or related fees or charges or any amount paid or payable under former Title 39, section 56-B or Title 39-A, section 212, subsection 3.

(2) The prorated lump-sum settlement must reduce the disability retirement benefit in the same manner and amount as monthly benefits under this subsection.

E. Any dispute about amounts paid under the workers' compensation laws or the amount of the lump-sum settlement and its attributions must be determined on a petition by a single member of the Workers' Compensation Board in accordance with Title 39-A. The determination may be appealed under Title 39-A, section 322.

Sec. 13. 5 MRSA §17932, sub-§3, as enacted by PL 1989, c. 409, §§8 and 12 and amended by PL 2021, c. 548, §45, is further amended to read:

3. Termination or reduction in benefits. At any time before the elimination of disability retirement benefit payments under section ~~17930~~ 17930-A, subsection ~~3 1~~, the person may request that benefit payments be terminated, and the chief executive officer shall terminate benefit payments at the end of the month in which the request is received.

Sec. 14. 5 MRSA §18462, sub-§2, ¶D, as corrected by RR 2011, c. 2, §4 and amended by PL 2021, c. 548, §45, is amended to read:

D. A member who has not completed the service requirements for retirement under a special plan, on becoming disabled as defined in section ~~18501~~ 18501-B, subsection 1, and on becoming reemployed in a position not under a special plan must on retirement receive retirement benefits as follows.

(1) The part of the member's service retirement based on membership service before becoming disabled must be computed according to the formula for computing benefits under the member's previous special plan.

(2) The part of the member's service retirement based on membership service after becoming reemployed in a position not under a special plan must be computed according to the formula for computing benefits under the member's previous special plan.

(3) If the member is found to be no longer disabled, as defined in section ~~18501~~ 18501-B, subsection 1, the member may:

(a) Return to a position under the member's previous special plan; or

(b) Remain in the position that is not under a special plan and have the part of the member's service retirement benefit based on post-disability service computed in accordance with section 18452, subsection 1.

(4) The chief executive officer may require that a member subject to this paragraph undergo medical examinations or tests once each year to determine the member's disability in accordance with section 18503.

(a) If the member refuses to submit to the examination or tests under this subparagraph, the member's retirement benefit must be based on section 17852, subsection 1, until the member withdraws the refusal.

(b) If the member's refusal under division (a) continues for one year, all the member's rights to any further benefits under this paragraph cease.

Sec. 15. 5 MRSA §18501, as corrected by RR 2023, c. 2, Pt. B, §150, is repealed.

Sec. 16. 5 MRSA §18501-B is enacted to read:

§18501-B. Definitions

As used in this article, unless the context otherwise indicates, the following terms have the following meanings.

1. Disabled. "Disabled" means mentally or physically incapacitated:

A. To the extent that it is impossible for a person to perform the duties of the person's employment position and the incapacity can be expected to be permanent; and

B. Such that the incapacity will be revealed by medical examination or tests conducted in accordance with section 18503.

2. Final annual compensation. "Final annual compensation" means the annual rate of pay of a member, for a position covered by this article, immediately before the termination of the member's employment and the commencement of the member's disability retirement benefit.

3. 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 the labor market for the member's state of residence in an amount in excess of the greater of:

A. Thirty-five thousand five hundred dollars in calendar year 2026 or \$35,500 increased as described by this subsection in any subsequent calendar year;

B. The member's average final compensation; and

C. The member's final annual compensation.

The amounts under paragraphs A, B and C are increased on January 1st of each calendar year by any percentage increase in the Consumer Price Index during the 12 months ending on December 31st of the prior calendar year.

Sec. 17. 5 MRSA §18503, first ¶, as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:

The examination or tests to determine whether a member is disabled under section ~~18504~~ 18501-B, subsection 1 are governed as follows.

Sec. 18. 5 MRSA §18506, sub-§1, as amended by PL 2025, c. 221, §42, is repealed.

Sec. 19. 5 MRSA §18506, sub-§1-A is enacted to read:

1-A. Excess compensation. If the compensation received from engaging in any gainful occupation by a beneficiary of a disability retirement benefit exceeds \$35,500 in calendar year 2026 or in any subsequent calendar year exceeds that amount increased on January 1st of each calendar year by any percentage increase in the Consumer Price Index during the 12 months ending on December 31st of the prior calendar year, the disability retirement benefits must be reduced for a one-year period by the excess prorated on a monthly basis over the year.

The chief executive officer shall waive the reduction set forth under this subsection if the person demonstrates that the excess compensation has ceased and that the continuing reduction would cause a hardship.

Sec. 20. 5 MRSA §18506, sub-§2, ¶A, as amended by PL 1993, c. 680, Pt. A, §17, is further amended to read:

A. The amount of any disability retirement benefit payable under this article must be reduced by any amount received by the beneficiary for the same disability under ~~either or both~~ of the following:

(1) The workers' compensation or similar ~~law~~ laws, except amounts that may be paid or payable under former Title 39, section 56-B or Title 39-A, section 212, subsection 3; ~~or.~~

(2) ~~The United States Social Security Act, if the employment for which creditable service with the employer is allowed was also covered under that Act at the date of disability retirement.~~

Sec. 21. 5 MRSA §18507, sub-§2, ¶B, as amended by PL 2003, c. 675, §3 and PL 2021, c. 548, §45, is further amended to read:

B. After the disability has continued for 5 years, the disability of the beneficiary must render the beneficiary unable to engage in any substantially gainful activity ~~for which the beneficiary is qualified by training, education or experience. For purposes of this paragraph, the ability to engage in substantially gainful activity is demonstrated by the ability to perform work resulting in annual earnings that exceed \$20,000 or 80% of the recipient's average final compensation at retirement, whichever is greater, adjusted by the same percentage adjustments granted under section 18407.~~

(1) The chief executive officer may require, once each year, a recipient of a disability retirement benefit to undergo medical examinations or tests, conducted in accordance with section 18503, to determine the disability of the beneficiary.

(2) If the beneficiary refuses to submit to the examination or tests under subparagraph (1), the beneficiary's disability retirement benefit is discontinued until the beneficiary withdraws the refusal.

(3) If the beneficiary's refusal under subparagraph (2) continues for one year, all the beneficiary's rights to any further benefits under this article cease.

(4) If it is determined, on the basis of the examination or tests under subparagraph (1), that the disability of a beneficiary no longer exists, the payment of the beneficiary's disability retirement benefit ceases.

Sec. 22. 5 MRSA §18521, sub-§3 is enacted to read:

3. Final annual compensation. "Final annual compensation" means the annual rate of pay of a member in a position covered by this article immediately before the termination of the member's employment and the commencement of the disability retirement benefit.

Sec. 23. 5 MRSA §18521, sub-§4 is enacted to read:

4. 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 on the labor market for the member's state of residence in an amount in excess of the greater of:

A. Thirty-five thousand five hundred dollars in calendar year 2026 or \$35,500 increased as described by this subsection in any subsequent calendar year;

B. The member's average final compensation; and

C. The member's final annual compensation.

The amounts under paragraphs A, B, and C are increased on January 1st of each calendar year by any percentage increase in the Consumer Price Index during the 12 months ending on December 31st of the prior calendar year.

Sec. 24. 5 MRSA §18529, sub-§2, ¶B, as amended by PL 2021, c. 277, §38 and affected by §45 and amended by c. 548, §45, is further amended by amending subparagraph (1) to read:

(1) After the disability has continued for 2 years, the disability must render the person unable to engage in any substantially gainful activity ~~that is consistent with the person's training, education or experience and average final compensation adjusted by the same percentage adjustment as has been received under section 18407.~~ The disability retirement benefit continues if the person can effectively demonstrate to the chief executive officer that the person is actively seeking work. ~~For purposes of this subparagraph, the ability to engage in substantially gainful activity is demonstrated by the ability to perform work resulting in annual earnings that exceed \$20,000 or 80% of the recipient's average final compensation at retirement, whichever is greater, adjusted by the same percentage adjustments granted under section 18407.~~

Sec. 25. 5 MRSA §18530, as amended by PL 2025, c. 221, §§44 and 45 and c. 270, §4 and affected by §5, is repealed.

Sec. 26. 5 MRSA §18530-A is enacted to read:

§18530-A. Reduction in amount of benefit

1. Compensation from employment; reduction of benefits required. The amount of a person's disability retirement benefit must be reduced when the person receives compensation in any year from engaging in any gainful activity or from employment that exceeds the greater of:

A. Thirty-five thousand five hundred dollars in calendar year 2026, increased on January 1st of each calendar year by the percentage increase in the Consumer Price Index during the 12 months ending on December 31st of the prior calendar year; and

B. The difference between the person's disability retirement benefit for that year and the higher of the person's average final compensation at the time that the person became a recipient of a disability retirement benefit and the person's final annual compensation, each increased on January 1st of each calendar year by the percentage increase in the Consumer Price Index during the 12 months ending on December 31st of the prior calendar year.

Disability retirement benefits must be reduced by the amount of compensation for gainful activity or employment received in excess of the amount described in paragraph A or B, whichever is applicable, for a one-year period, prorated on a monthly basis over the year.

2. Reduction for employment; hardship; discontinuance; resumption of benefits; voluntary termination of benefits. The following provisions apply to the reduction of benefits pursuant to subsection 1.

A. The chief executive officer shall waive the reduction set forth in subsection 1 if the person demonstrates that the excess compensation has ceased and that continuing the reduction would cause a hardship.

B. If the disability retirement benefit payments are eliminated by subsection 1, the disability is deemed to no longer exist, the payment of the disability retirement benefit must be discontinued and, except as provided in paragraph C, all of the person's rights to benefits under this article cease.

C. If, during the first 5 years of reemployment, the person again becomes disabled, terminates employment and is not covered by any other disability program, the retirement system shall resume paying the disability retirement benefit payable prior to the reemployment with all applicable cost-of-living adjustments and shall provide rehabilitation services in accordance with section 18527. If, during the first 5 years of reemployment, the person again becomes disabled, terminates employment and is covered by another disability program and the benefit payable under the other disability program is not equal to or greater than the benefit under this article, the retirement system shall pay the difference between the amount of the benefit payable under the other disability program and the amount of the benefit payable under this article. The chief executive officer shall require examinations or tests to determine whether the person is disabled as described in section 18521.

D. At any time before the elimination of disability retirement benefit payments by subsection 1, the person may request that the benefit payments be terminated, and the chief executive officer shall terminate benefit payments at the end of the month in which the request is received.

3. Disability payments under other laws. The reduction of disability retirement benefits because of disability benefits received under other laws is governed as follows.

A. The amount of any disability retirement benefits payable under this article must be reduced by any amount received by the person for the same disability under the workers' compensation or similar laws, except amounts that may be paid or payable under former Title 39, section 56-B or Title 39-A, section 212, subsection 3.

B. The reduction in the disability benefit is governed as follows:

(1) The initial disability retirement benefit must be reduced if necessary so that the benefit plus any benefits under paragraph A do not exceed 80% of the person's average final compensation;

(2) The amount determined by the calculation under subparagraph (1) may not be adjusted when cost-of-living adjustments are applied to the benefits listed under paragraph A; and

(3) Adjustments under section 18407 must be applied to the reduced disability retirement benefit calculated under subparagraph (1) or paragraph C.

C. The disability retirement benefit may not be reduced below the amount of the retirement benefit that is the actuarial equivalent of the person's accumulated contributions at the time of retirement.

D. A lump-sum settlement of benefits that reduces the disability retirement benefit under this subsection must be prorated on a monthly basis in an equitable manner prescribed by the board.

(1) The prorated lump-sum settlement may not include any part of the lump-sum settlement attributable to rehabilitation, attorney's, physicians', nurses', hospital, medical, surgical or related fees or charges or any amount paid or payable under former Title 39, section 56-B or Title 39-A, section 212, subsection 3.

(2) The prorated lump-sum settlement must reduce the disability retirement benefit in the same manner and amount as monthly benefits under this subsection.

E. Any dispute about amounts paid or payable under the workers' compensation laws or the amount of the lump-sum settlement and its attributions must be determined on petition by a single member of the Workers' Compensation Board in accordance with Title 39-A. The determination may be appealed under Title 39-A, section 322.

Sec. 27. 5 MRSA §18532, sub-§3, as enacted by PL 1989, c. 409, §§11 and 12 and amended by PL 2021, c. 548, §45, is further amended to read:

3. Termination or reduction in benefits. At any time before the elimination of disability retirement benefit payments under section ~~18530~~ 18530-A, subsection ~~3~~ 1, the person may request that benefit payments be terminated, and the chief executive officer shall terminate benefit payments at the end of the month in which the request is received.

Sec. 28. Existing debt due to excess compensation before effective date of this Act. An individual who is required to reimburse the Maine Public Employees Retirement System for any excess payments due to the receipt of excess compensation from employment under the Maine Revised Statutes, Title 5, section 17906, subsection 1; section 17930; section 18506, subsection 1; and section 18530 as of the effective date of this Act is no longer obligated to reimburse the Maine Public Employees Retirement System for that debt beginning on the effective date of this Act.

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
JOY CHILDS, CHIEF TECHNOLOGY OFFICER

SUBJECT: ADMINISTRATIVE REPORT

DATE: APRIL 1, 2026

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 that all major monitoring areas of the project – schedule, budget/cost, scope, resources and quality – are green, as is the overall project status. An excerpt of Sagitec's monthly project status report is included below.

The project implementation phase as shown on the timeline below runs from 2025 to 2028 and is divided into three major "pilot" phases. The first of those components, Pilot 4.1, started in late summer 2025. The completion of robust and numerous discussions about the design of the portions of the new system that were part of 4.1 concluded in March. Testing of 4.1 is scheduled for April and May.

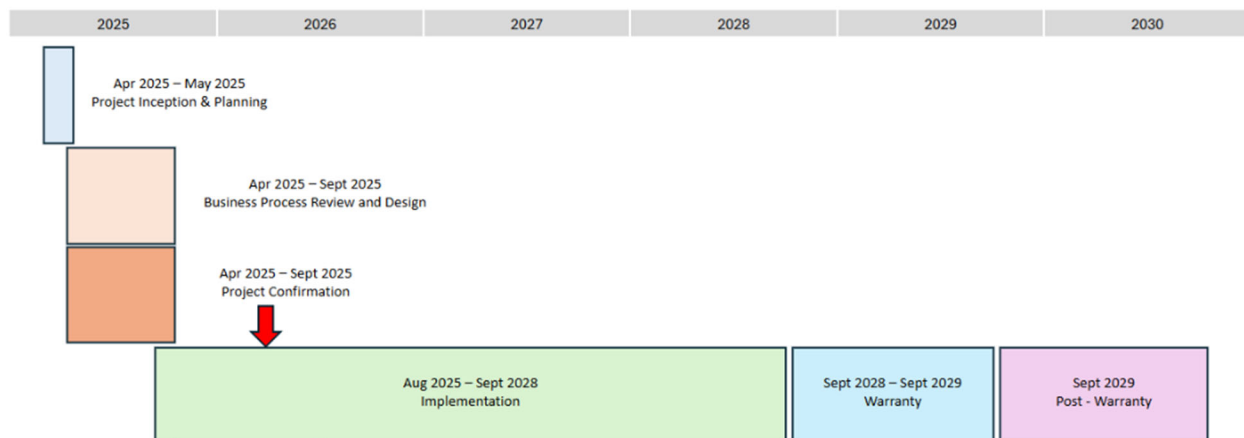
Completion of 4.1, scheduled to occur within the current fiscal year, will be a major milestone and the first-time noteworthy testing will occur. This step will bring together the business process review, design decisions, data conversion efforts and comprehensive project effort, at least within the scope of the features and functionality of the new system that are part of Pilot 4.1. This is inherently a key junction, as it is for any project approaching a testing milestone, and MainePERS is working diligently with Sagitec to keep all major project components in a green status.

The project will complete its first contract year in April 2026, which is also approximately 28 percent of the timeline between contract initiation and scheduled project launch. The project

currently is scheduled to reach the ultimate go-live milestone in CY2028. This project is part of Goal III, Strategic Objective (B) and other related components of the Strategic Plan.

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	March 2026	Reporting Date	March 31, 2026 (Submitted on March 30)
Audience	Chip Gavin, Michael Colleran, Joy Childs, Valerie Scott, Domna Giatas, Tim Poulin, Sherry Vandrell, Brett McGillivray	Next Steering Committee Meeting with Sagitec	April 8, 2026

Timeline (red arrow indicates the approximate point in the project as of this report)



2. MaineSTART Fund Option Update

The addition of five Vanguard Target Retirement Date Funds to the MaineSTART fund option lineup for use by participants was approved by Trustees in March, 2026. It was administratively implemented effective April 1, 2026. The enrollment form reflecting the new investment options became available to MaineSTART participants effective April 1, 2026. Ascensus has notified all existing participants of the lineup change and other associated information. MainePERS effective April 1 is incorporating the new fund options in its participant education efforts for prospective enrollees and existing participants. Use of the new funds by participants is expected to increase over time as awareness grows and new participants enroll.

FINANCE

1. EMPLOYER REPORTING. Employers submitted defined benefit payrolls on time at rate of 92% in March. This compares to a rate of 93% for the same period last year. Of the 54 payrolls that missed the deadline, 36 were submitted within three days of deadline. The percentage of fully reconciled accounts through January data is 83%. The number of fully reconciled accounts increased by 7 accounts, to 587 this month.

Staff continue to focus on the oldest accounts, making progress this month on one of the oldest accounts, reconciling activity from 2020, 2021, and 2022. We were also able to close out two accounts that dated back to 2024, and 28 accounts that had 2025 transactions pending. The aging of the 122 accounts not fully reconciled through January 2026 data breaks down as follows:

Oldest Unreconciled Transactions								
Year	2026	2025	2024	2023	2022	2021	2020	2019
# of Accts	24	74	8	6	1	3	2	4
Removed		-28	-3				-1	
Added	24	1		1				
Prior Report	-	101	11	5	1	3	3	4

February 2026 payroll reports for Portland Public Schools were received on time in March. The work to reconcile old, previously submitted payroll data for calendar year 2023 and prior is ongoing.

2. EMPLOYER AUDITING. There was one new audit opened during the month of March, and one audit was completed. The current percentage of findings resolved is currently 99.3%.
3. ACCOUNTING AND FINANCE. The internal audit covering death benefit processing is complete and will be presented to the Finance and Audit Committee in April. The review of our employer auditing program is complete and a draft report is pending.

INFORMATION TECHNOLOGY

1. OPERATIONS: IT Operations has completed beta test 1.0 of the FortiClient project. FortiClient is an application that provides secure, encrypted remote VPN access to corporate networks. Currently IT Ops has 20 users in beta test 2.0. Initial feedback has been positive. FortiClient will enable MainePERS remote users to connect to all internal networks and resources without the requirement of a physical Meraki device. IT Operations is also continuing to work on configuration of our Varonis data management system to track all data that moves outside or comes into our internal network. This analysis will inform MainePERS of any data movement that could be a risk. Currently the team is partnering with the Director of Special Projects in an effort to create a record retention rollout plan. IT Operations continues the process creating Intune O365 policies to support Staff using personal devices (bring your own device BYOD) for Agency email.
2. DEVELOPMENT: The IT Development and Line of Business Teams continue to closely work with the Sagitec data conversion team on detailed field mapping and providing monthly data conversion bundles and transfers. The Development Team received data conversion cycle DC02 on March 13th . DC02 had a high successful conversion rate of 95.4%. To date the

team has resolved just under 2 million conversion errors. Data conversion efforts will continue through April until the data needed for Pilot User Verification is completed on April 22nd.

3. PROJECT MANAGEMENT AND BUSINESS ANALYST: The IT Project Management and Business Analyst Teams have been assisting with the detailed data mapping and data conversion activities. The PM Team has assembled an internal MainePERS cross departmental team that will execute Pilot User Verification (PUV). Pilot User Verification is the process of creating scenarios and test scripts that will validate the functionality of the Neospin modules included in Pilot 4.1. PUV will span several months starting in February and ending in mid-May. The Technical Writer has started the process of creating a training program framework that will standardize the look, feel and content of training across all departments.
4. INFORMATION SECURITY: MainePERS received report findings from Tyler Technologies from the Tabletop exercise with Senior Leadership involving a PII breach in an AI platform. That exercise was deemed an overall success with a high level of engagement from the participants noted in the report. Recommendations for additional tools that support dark web monitoring and an increased technical focus on AI related risks. Upcoming testing includes an External Penetration Test scheduled for April.

OPERATIONS

1. HUMAN RESOURCES: We had one new hire and two separations in March. We currently are recruiting for four positions. As a result of a competitive procurement process, we awarded a contract to Total Administrative Services Corporation ("TASC") for flexible benefit program administrator services.
2. FACILITIES: We completed a project to create two new office spaces to prepare for future needs. We conducted two successful tests of our panic alarm system.
3. LEGAL: We successfully completed all required minimum distributions by the April 1 deadline. Congratulations and thanks to Retirement Services, Document Center, Compliance, and Accounting staff on completing this annual process. Next month we will be seeking Board approval of amendments to MaineStart plan documents to implement changes in federal law and streamline the 457(b) plan document.

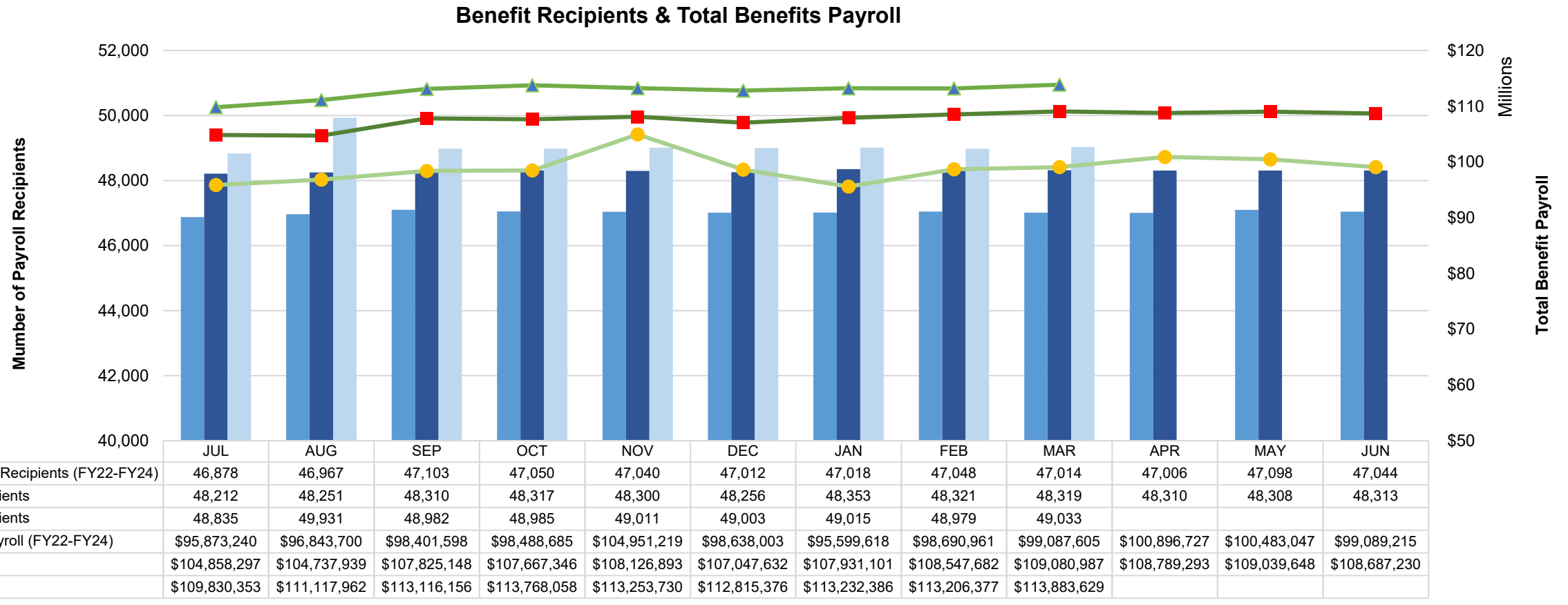
RECOMMENDATION

No Board action is recommended at this time.

MARCH 2026 BOARD OF TRUSTEES OPERATIONS – MEMBER SERVICES SUPPLEMENTAL NUMBERS

RETIREMENT SERVICES

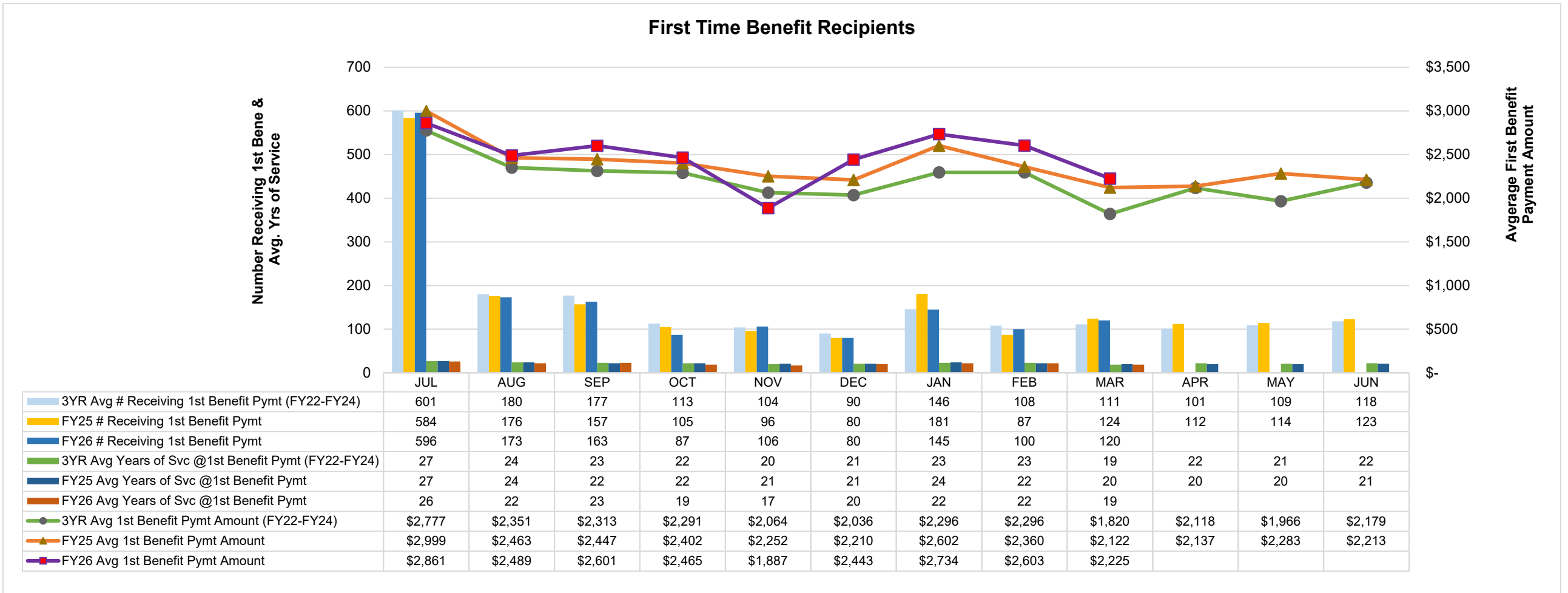
BENEFITS PAYROLL: Regular monthly pension benefit payments were made to 49,033 recipients in March, totaling \$113,883,629. Note: Special payments paid outside of the regular payroll run are not reflected in the “Benefits Payroll” total. Applying to all graphs in this report, instead of providing fiscal years of 2022, 2023 and 2024 individually, this graph provides the average of those years against fiscal years 2025 and 2026.



MARCH 2026 BOARD OF TRUSTEES OPERATIONS – MEMBER SERVICES SUPPLEMENTAL NUMBERS

RETIREMENT SERVICES: (CONTINUED)

FIRST TIME BENEFIT RECIPIENTS: One hundred twenty (120) individuals received their first benefit payment in March. The average benefit amount was \$2,225. First time recipients averaged nineteen (19) 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.

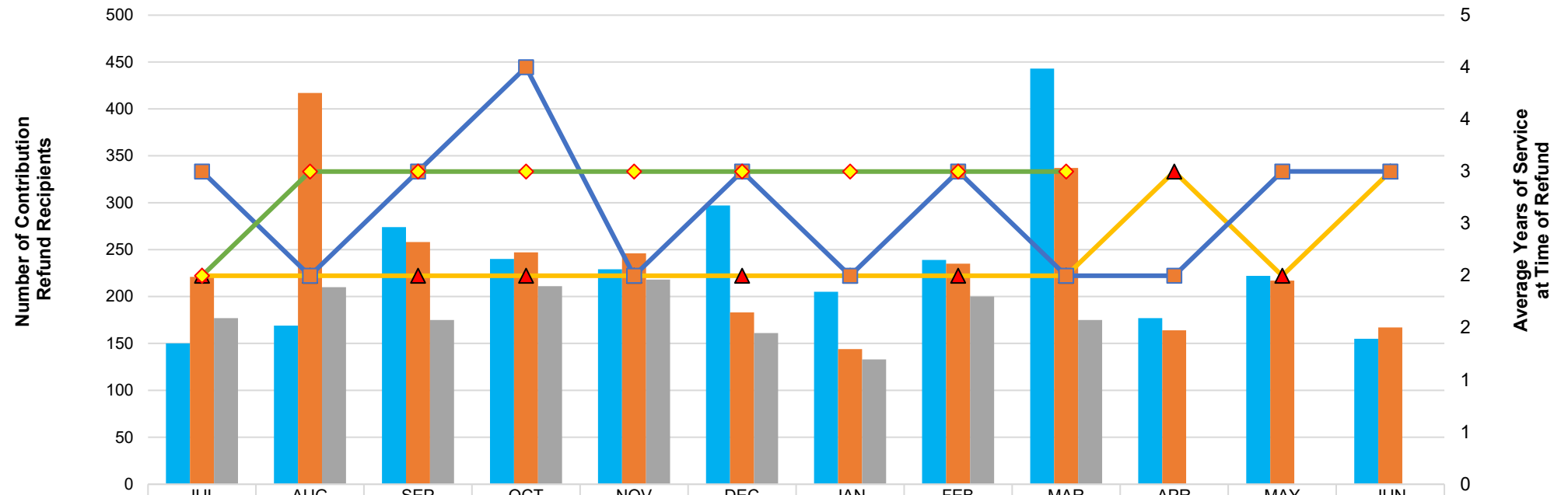


MARCH 2026 BOARD OF TRUSTEES OPERATIONS – MEMBER SERVICES SUPPLEMENTAL NUMBERS

RETIREMENT SERVICES: (CONTINUED)

CONTRIBUTION REFUNDS: One hundred seventy-five (175) former members received a refund of their contributions in March. The average refund was \$15,379 as the result of an average of three (3) years of service. The aggregate amount refunded was \$2,961,359. Note: Data for FY22 – July to March – 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

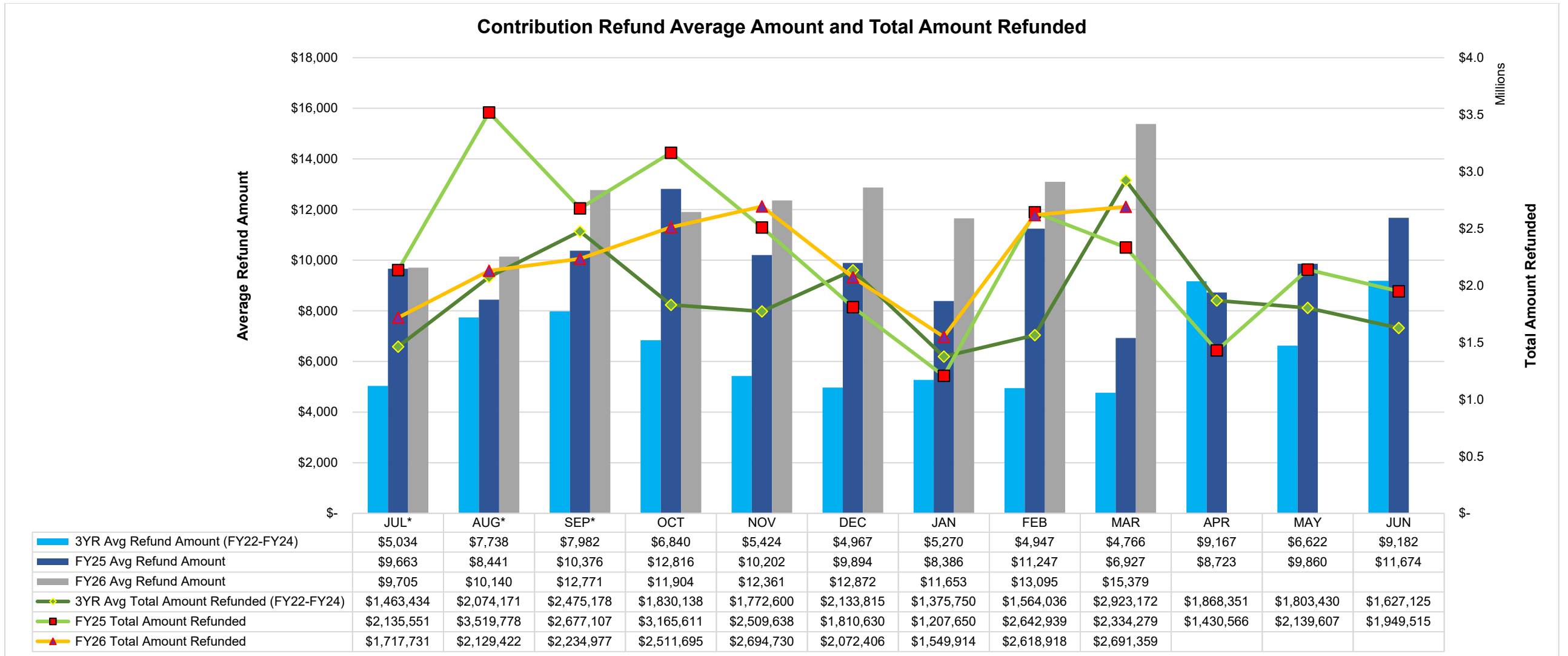


3YR Avg # of Contribution Refund Recipients (FY22-FY24)	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
FY25 # of Contribution Refund Recipients	221	417	258	247	246	183	144	235	337	164	217	167
FY26 # of Contribution Refund Recipients	177	210	175	211	218	161	133	200	175			
3YR Avg YRs of Service at Time 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	3	3	3	3	3	3	3			

MARCH 2026 BOARD OF TRUSTEES OPERATIONS – MEMBER SERVICES SUPPLEMENTAL NUMBERS

RETIREMENT SERVICES: (CONTINUED)

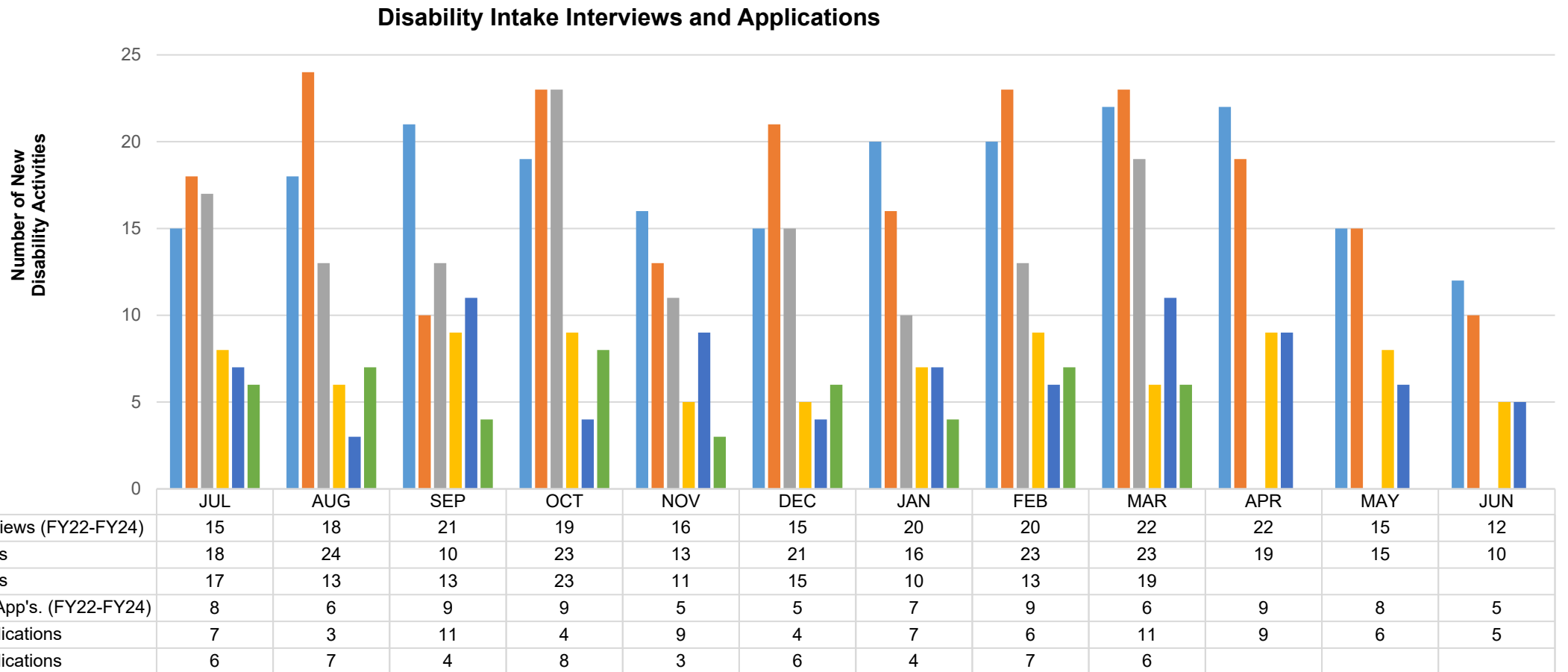
CONTRIBUTION REFUNDS



MARCH 2026 BOARD OF TRUSTEES OPERATIONS – MEMBER SERVICES SUPPLEMENTAL NUMBERS

DISABILITY SERVICES

Intake Interviews and Applications: There were nineteen (19) interviews completed in March with varying levels of detail and duration. Intakes included five (5) State members, seven (7) Teacher members, seven (7) PLD members and zero (0) other members. There were six (6) new disability retirement applications received in March.

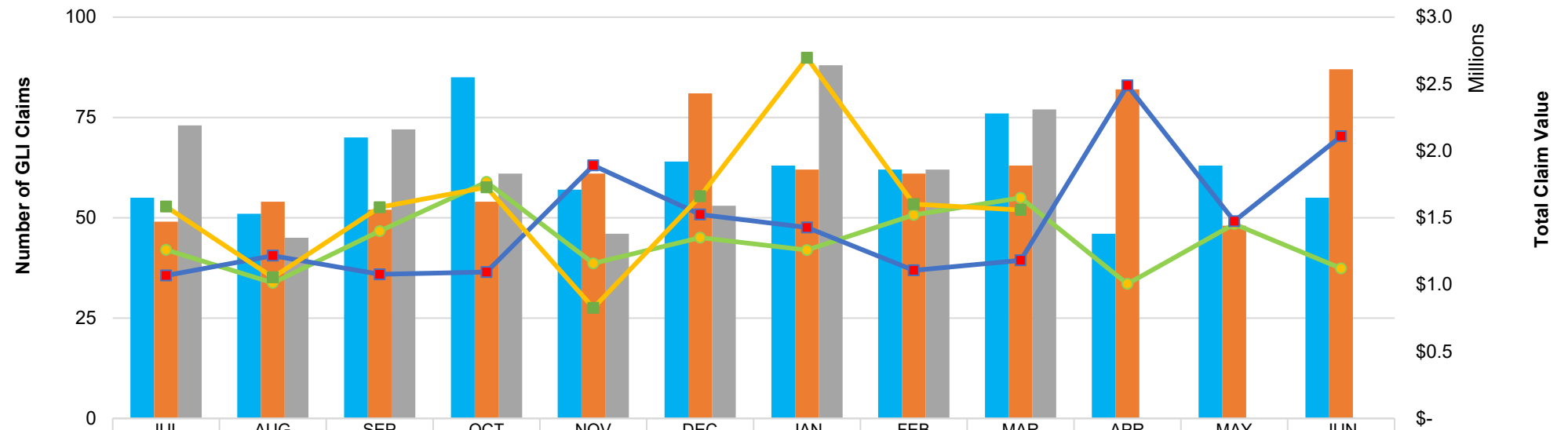


MARCH 2026 BOARD OF TRUSTEES OPERATIONS – MEMBER SERVICES SUPPLEMENTAL NUMBERS

SURVIVOR SERVICES

GLI Claim Numbers and Values: There were seventy-seven (77) life insurance claims sent to our carrier (The Hartford) in March with a total value of \$1,557,850 in payments due to beneficiaries. Of the claims, seventy-four (74) were retiree claims and three (3) were active member claims including one (1) dependent claim.

Group Life Insurance Claim Numbers and Total Claim Values

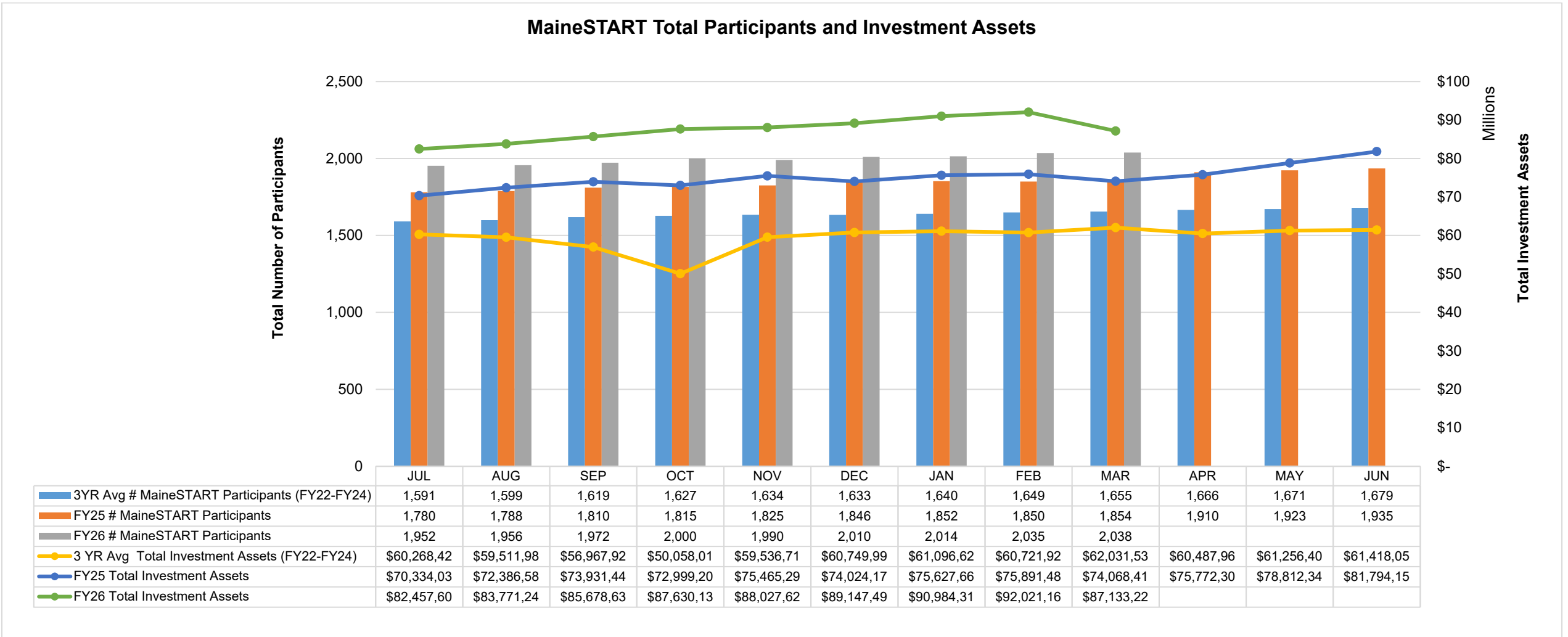


	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
3YR Avg # Life Insurance Claims Filed (FY22-FY24)	55	51	70	85	57	64	63	62	76	46	63	55
FY25 # Life Insurance Claims Filed	49	54	52	54	61	81	62	61	63	82	48	87
FY26 # Life Insurance Claims Filed	73	45	72	61	46	53	88	62	77			
3YR Avg Total Claim Value (FY22-FY24)	\$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	\$1,578,195	\$1,727,170	\$825,880	\$1,660,715	\$2,695,875	\$1,601,660	\$1,557,850			

MARCH 2026 BOARD OF TRUSTEES OPERATIONS – MEMBER SERVICES SUPPLEMENTAL NUMBERS

DEFINED CONTRIBUTION PLAN SERVICES

Total Participants and Investment Assets: MaineSTART had two thousand thirty-eight (2,038) participants at the end of March with \$87,133,222 of investment assets in the program.

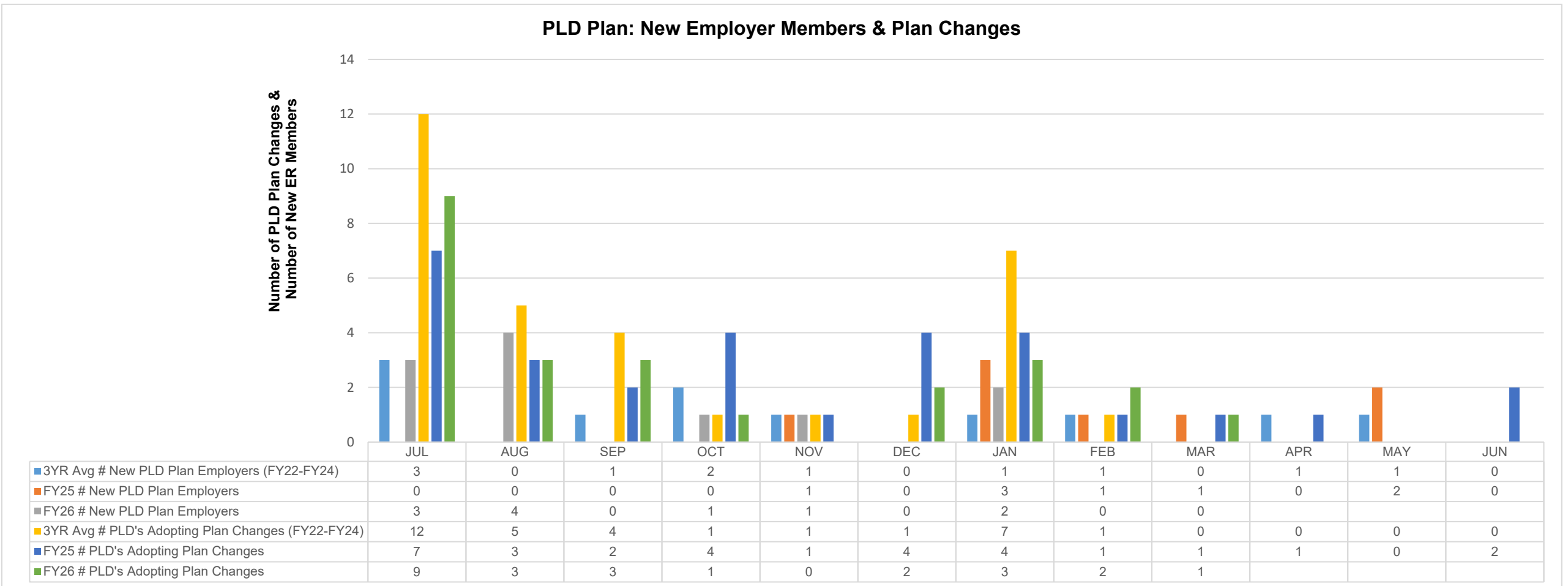


MARCH 2026 BOARD OF TRUSTEES OPERATIONS – MEMBER SERVICES SUPPLEMENTAL NUMBERS

PARTICIPATING LOCAL DISTRICT (PLD)

PLAN ADMINISTRATION

New Employer Members & Plan Changes: There were no new employers joining the PLD Retirement Program effective March 1, 2026. There was one (1) employer plan changes effective March 1, 2026. 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.

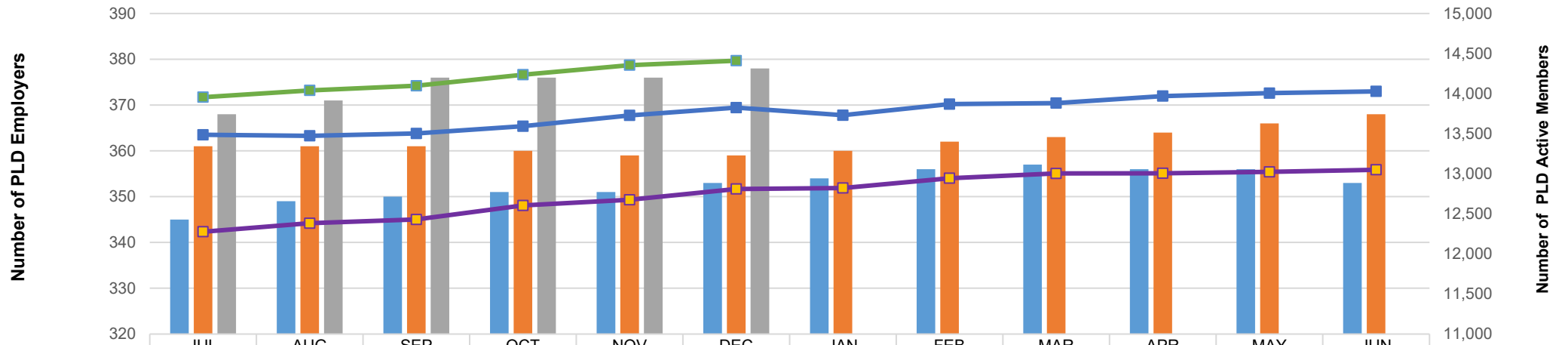


MARCH 2026 BOARD OF TRUSTEES OPERATIONS – MEMBER SERVICES SUPPLEMENTAL NUMBERS

PLD PLAN ADMINISTRATION (CONTINUED)

Employers and Active Members: PLD employers increased from 376 in October to 378 in December; PLD Employee numbers increased from 14,098 in September to 14,236 in October and then to 14,411 in December. This data will be reported quarterly. Due to the timing of the Board Report, the next update will be included in the April supplement numbers at the May 2026 meeting.

PLD Plan: Employers and Active Members



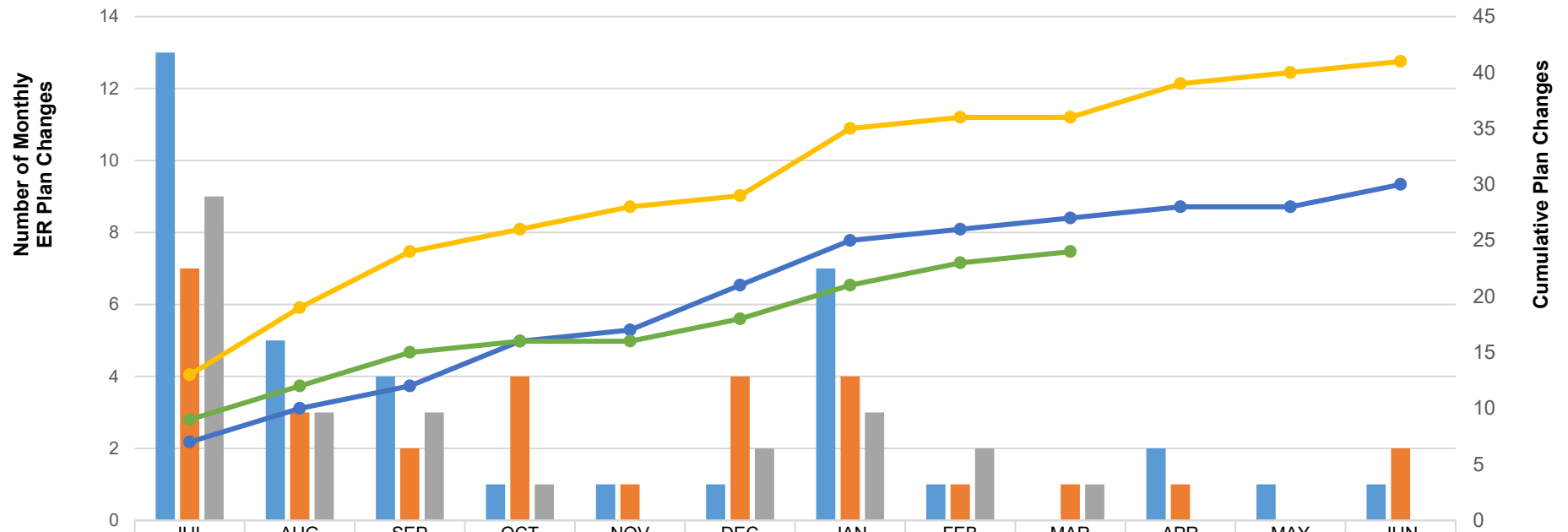
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
3YR Avg # PLD Employers (FY22-FY24)	345	349	350	351	351	353	354	356	357	356	356	353
FY25 # PLD Employers	361	361	361	360	359	359	360	362	363	364	366	368
FY26 # PLD Employers	368	371	376	376	376	378						
3YR Avg # PLD Active Members (FY22-FY24)	12,277	12,383	12,429	12,604	12,675	12,810	12,822	12,944	13,004	13,006	13,023	13,050
FY25 # PLD Active Members	13,486	13,474	13,503	13,593	13,728	13,825	13,730	13,869	13,882	13,969	14,006	14,029
FY26 # PLD Active Members	13,956	14,040	14,098	14,236	14,355	14,411						

MARCH 2026 BOARD OF TRUSTEES OPERATIONS – MEMBER SERVICES SUPPLEMENTAL NUMBERS

PLD PLAN - MONTHLY AND CUMULATIVE EMPLOYER PLAN CHANGES

Monthly and Cumulative Employer Plan Changes: There were no new employers joining the PLD Retirement Program effective March 1, 2026. There was one (1) employer plan changes effective March 1, 2026. Total plan changes for FY26 are twenty-four (24). *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



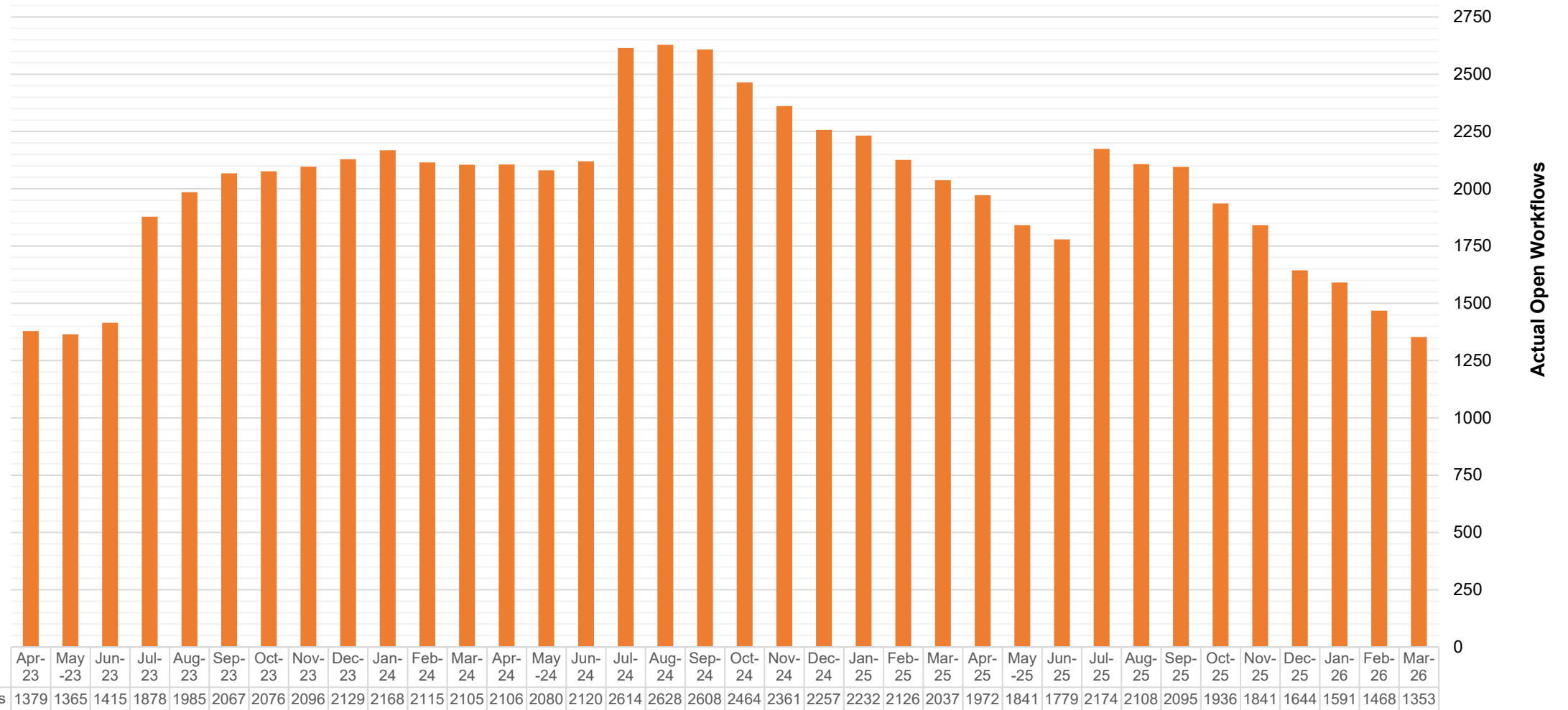
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
3YR Avg # PLD's Adopting Plan Changes (FY22-FY24)	13	5	4	1	1	1	7	1	0	2	1	1
FY25 # PLD's Adopting Plan Changes	7	3	2	4	1	4	4	1	1	1	0	2
FY26 # PLD's Adopting Plan Changes	9	3	3	1	0	2	3	2	1			
3YR Avg Cumulative Plan Changes Adopted (FY22-FY24)	13	19	24	26	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	15	16	16	18	21	23	24			

MARCH 2026 BOARD OF TRUSTEES OPERATIONS – MEMBER SERVICES SUPPLEMENTAL NUMBERS

FOCUS FRIDAY IMPACT ON BACKLOG REDUCTION

PRELIMINARY TO FINAL BENEFIT (PB TO FINAL) BACKLOG THROUGH MARCH 31, 2026: 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.

Retirees on Preliminary Benefit Through 3/31/28 (Total Open Pension Retirement Workflows)



Annual Fiduciary Training

Fiduciary Foundations and Disciplined Governance in
a Public Pension Environment

Presentation to MainePERS Board | April 9, 2026



MOSAIC
Governance Advisors

Purpose of Training

- 01 Public pension trustees are operating in an environment of increasing external attention, public scrutiny, and direct stakeholder engagement all set within rapid and constant change.
- 02 Board decisions today are more complex, more visible, and often made under conditions of uncertainty.
- 03 This training is designed to **reinforce fiduciary foundations, clarify governance and communications expectations**, and **help trustees act with discipline as a collective board** to protect the integrity of the Board's decision-making.

Agenda

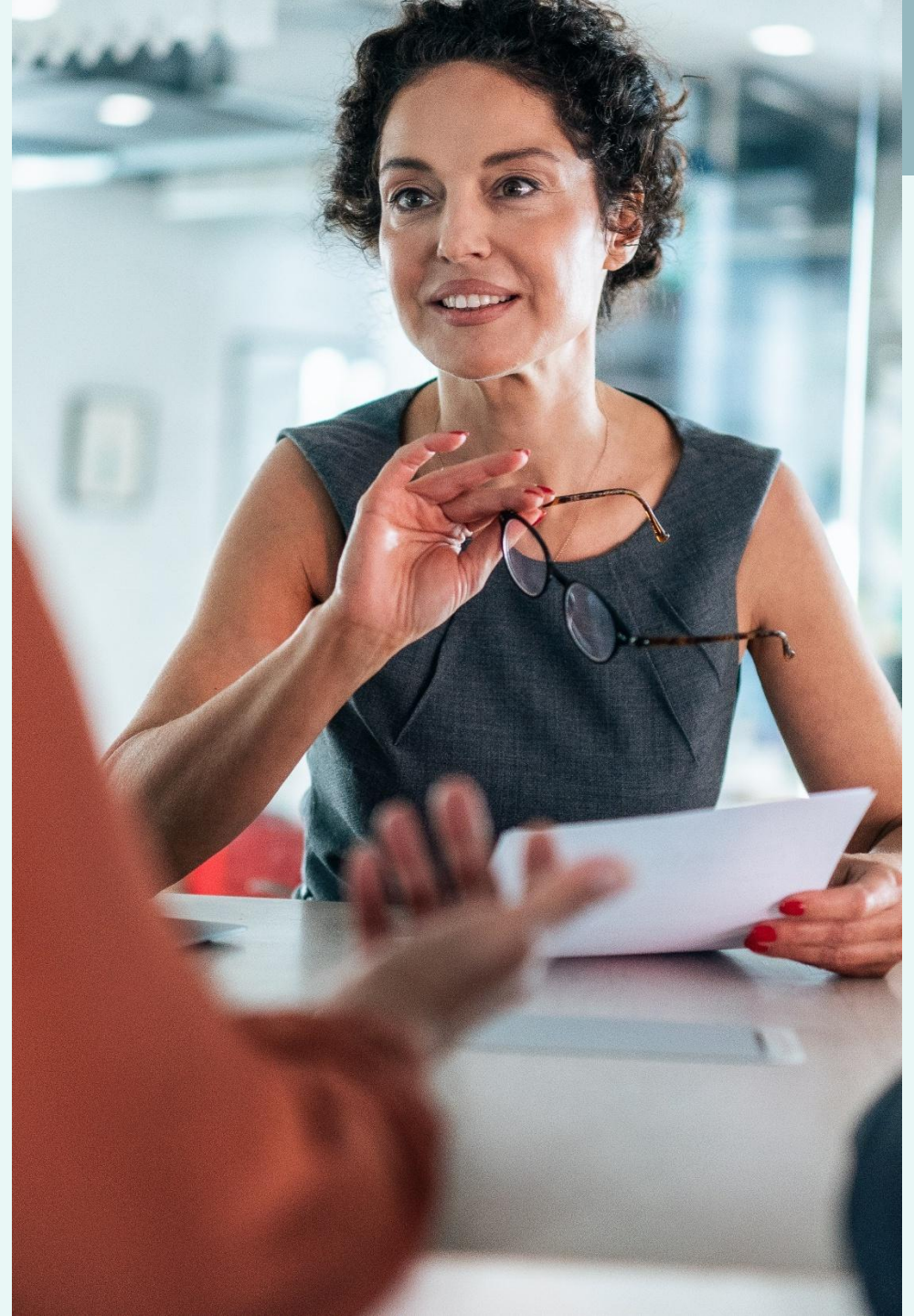
01 General fiduciary foundations and Maine Legal framework

02 Governance realities: decision-making in uncertainty

03 Trends in fiduciary governance

04 Scenario discussions

General Fiduciary Foundations and Maine Legal Framework



Public Pension Authority is Intentionally Distributed through Applicable Law

No single entity typically controls governance outcomes. Decisions emerge through the interaction of the system.

Legislative Bodies

Plan design,
funding policy,
governance
structure and
board composition

Chief Executives (e.g., Governor)

Board
appointments,
budget influence

Boards of Trustees

Policy level
administration
and investment
oversight

Pension Staffs

Administration,
investment,
operational
execution

Public Pension Board Composition is Generally Representative by Design

Board composition is designed to represent stakeholders, typically the funding partners of the public pension fund.

How Trustees Qualify for Board Service

- Nominated by member representative groups or directly elected by the fund's members or retirees.
- Appointed by elected officials.
- By virtue of their position (ex-officio).

What This Means in Practice

- Majority of trustees are volunteers providing a valued public service.
- Backgrounds and expertise varies widely.
- Trustee learning occurs collectively over time.
- Periodic turnover is inherent.

Regardless of how a trustee qualifies for board service, all trustees are fiduciaries for all members and beneficiaries of the system.

The Role of a Public Pension Trustee

- Administrators of a public trust.
- Held to a fiduciary standard, viewed as the highest under law.
- Fiduciary duty is to the system's members and beneficiaries.
- Board decisions impact financial futures of thousands.

Maine Legal Framework

- Maine Constitution
- Maine Statutes
- Federal Law on Qualified Pension Plans, including the Internal Revenue Code
- Please see “Summary of Legal Framework” provided by Assistant Attorney General John Nichols

MainePERS Board of Trustees Fiduciary Responsibility Summary of Legal Framework

Maine Constitution Article IX

Section 18. Limitation on use of funds of Maine State Retirement System. All of the assets, and proceeds or income therefrom, of the Maine State Retirement System or any successor system and all contributions and payments made to the system to provide for retirement and related benefits shall be held, invested or disbursed as in trust for the exclusive purpose of providing for such benefits and shall not be encumbered for, or diverted to, other purposes. Funds appropriated by the Legislature for the Maine State Retirement System are assets of the system and may not be diverted or deappropriated by any subsequent action.

MainePERS Statutes

MainePERS Board of Trustee statutes:¹

§17101. Establishment

1. Purpose. There is established a retirement system, the functions and operations of which are under the supervision of the board, for the purpose of providing retirement allowances and other benefits under this Part for employees.

2. Name. The retirement system is known as the "Maine Public Employees Retirement System" and by that name all of its business must be transacted, all of its funds invested and all of its cash and securities and other property held in trust for the purpose for which received.

§17102. Board of trustees

4. Oath. Each trustee shall, within 30 days after the trustee's appointment, take an oath of office to faithfully discharge the duties of a trustee, in the form prescribed by the Constitution of Maine.²

§17151. Legislative findings and intent

¹ 5 M.R.S. § 17101 et seq.

² Article IX, Section 1. Oaths and subscriptions. Every person elected or appointed to either of the places or offices provided in this Constitution, and every person elected, appointed, or commissioned to any judicial, executive, military or other office under this State, shall, before entering on the discharge of the duties of that place or office, take and subscribe the following oath or affirmation: "I, _____ do swear [or affirm], that I will support the Constitution of the United States and of this State, so long as I shall continue a citizen thereof. So help me God."

Primary Fiduciary Duties and Standards

- Duty of Loyalty
- Duty of Prudence
- Duty of Care, including to follow Plan Documents



Attorney General Frey on the Duty of Loyalty

As a fiduciary of a pension trust, the MainePERS Board of Trustees (“the Trustees”) has a duty of loyalty to administer the trust solely in the interest of the beneficiaries and for the articulated purpose of the trust – providing retirement and related benefits. A trustee’s duty of loyalty is a fundamental principle of common law reflected in the Restatement (Third) of Trusts, the Maine Uniform Trust Code, and the Employee Retirement Income Security Act of 1974 (“ERISA”). The constitutional intent is clear. By requiring the funds be held as in trust for the exclusive purpose of providing retirement benefits, the Constitution is mandating that the Trustees manage these funds solely in the best interest of MainePERS members as pension recipients.

Maine Attorney General Aaron M. Frey

Excerpt from Letter to Joint Standing Committee on Labor and Housing dated April 9, 2021 regarding LD 99 and LD 319 (footnotes omitted)

Duty of Prudence: Prudent Investor Standard



Consider the **entire investment portfolio** when determining the fit of an individual investment



Diversification is required, unless it is imprudent to do so



Use special skills and expertise if you have them; delegation* is required if you lack sufficient expertise**

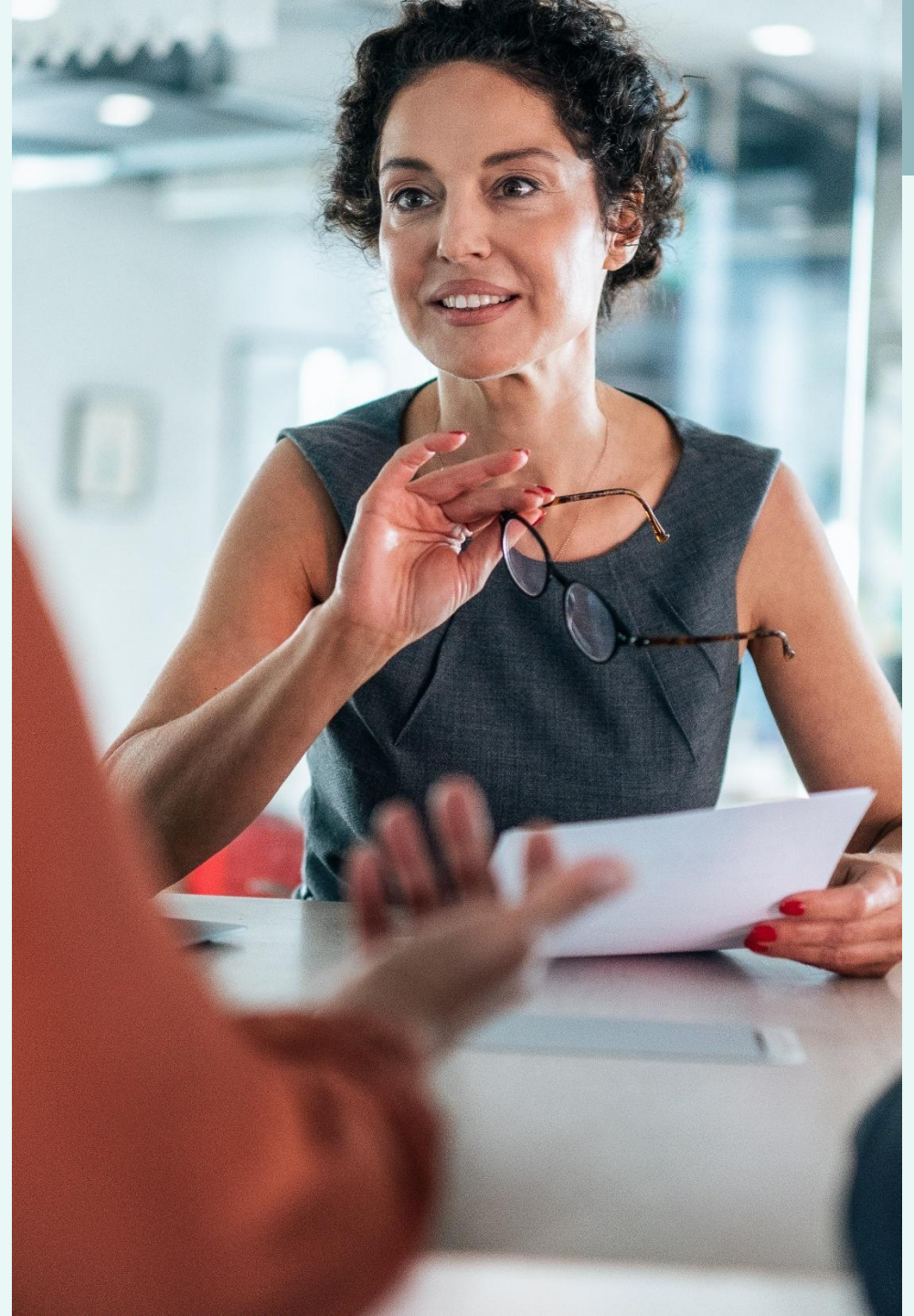
**Oversee delegation to investment staff.*

*** Restatement (Third) of Trusts §80*

Duty of Care, Including to Follow Plan Documents

- The “Plan Document” is created by the settlor or plan sponsor - the Maine Legislature.
- Some examples of the MainePERS “Plan Document” include:
 - The Maine Constitution;
 - Maine State Statutes; and
 - Federal Statutes, particularly the Internal Revenue Code and securities laws.
- Adhering to the written plan documents in the regular management and administration of the plan is a fiduciary responsibility.

Governance Realities: Public Decision-making Given Uncertainty



One Fiduciary Standard, Different Emphases within a Prudent Process

- All board decisions require a prudent process
- The distinction between risk and uncertainty does not change fiduciary duties.
- It informs where emphasis is placed within the same disciplined governance framework.

Risk-Informed Decisions

When probabilities can be estimated

- Data, models, expert analyses
- Comparisons and tradeoffs
- Benchmarks and performance measures
- What do data and expert assessments suggest about the risks?

Uncertainty-Informed Decisions

When outcomes are ambiguous or evolving

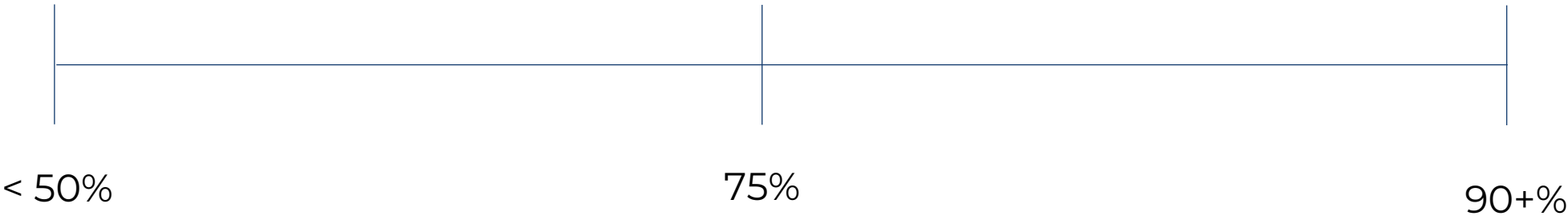
- Clarifying assumptions and unknowns
- Scenario thinking and analysis
- Governance roles and decision authority
- Transparency and documentation of judgment
- What don't we know, how could it evolve, and how do we make a sound decision anyway?

Good governance does not eliminate uncertainty. It ensures decisions are made thoughtfully, consistently and transparently so they can be defended based on process, not hindsight outcomes.

Information Threshold Varies by Trustee

**Lower information threshold
(Comfortable deciding earlier)**

**Higher information threshold
(Prefer more completeness)**



I can act with enough information to frame the tradeoffs and possible outcomes

I can act with a solid directional view

I prefer maximum clarity before acting

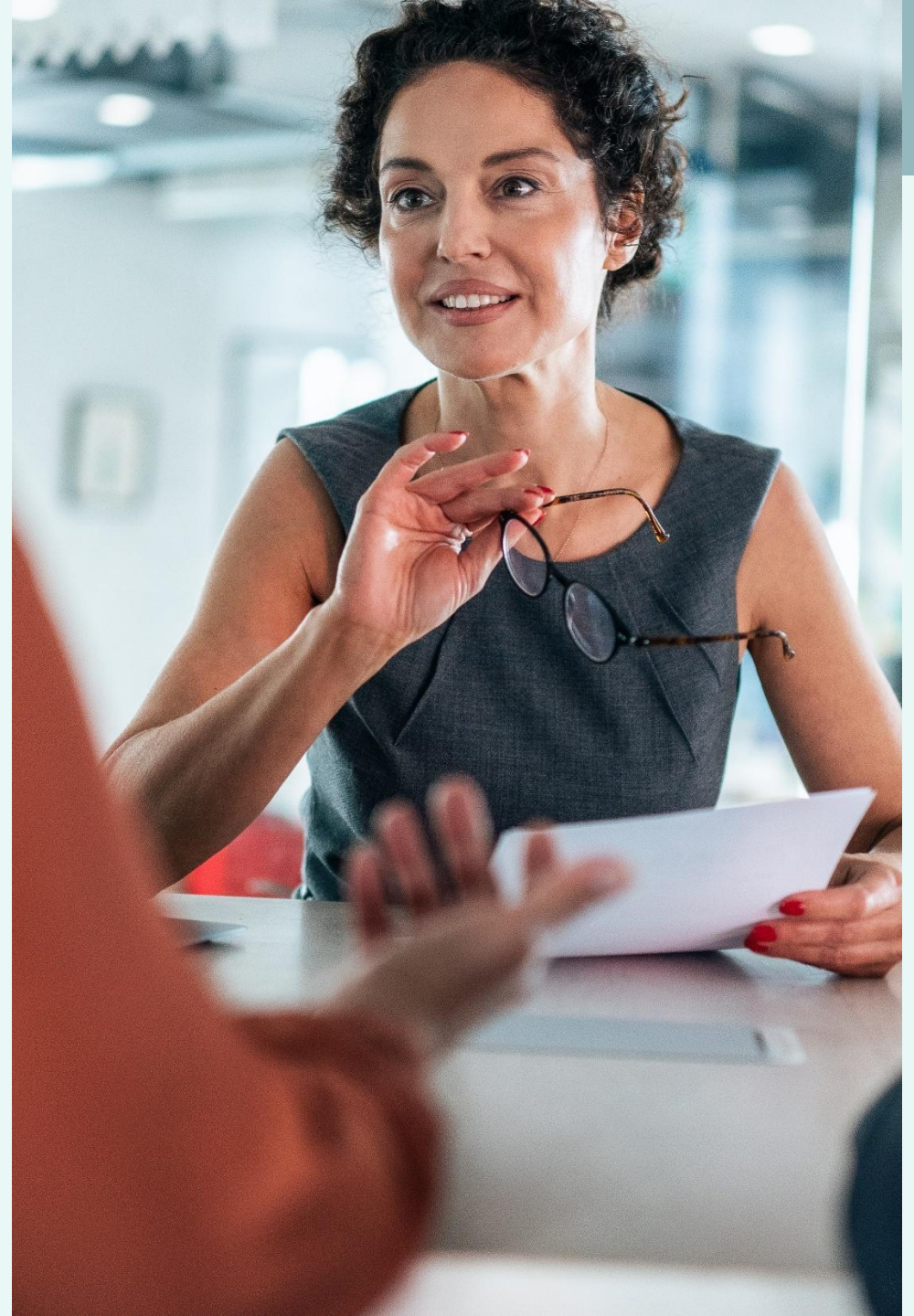
In decision-making, where do you tend to fall on this continuum?



Boards Need a Shared Process to Make Decisions Under Uncertainty

- The same fiduciary standard applies across all trustee comfort levels.
- Have general familiarity and agreement on the processes to use to make decisions.
 - The MainePERS board policy manual is a living reference for how the board approaches decision-making.
- Historically, the board's shared norm on decision-making for significant decisions is as follows:
 - Educate (general), inform (MainePERS context), act
- Supports to the board's process include access to internal (staff) and external (board consultants and counsel) experts.

Trends in Fiduciary Governance



Key External Pressures and Areas of Uncertainty for Public Pensions are Many and They are Increasing

- Changing political leadership
- Board turnover and alignment
- Legislative reforms

GOVERNANCE & POLICY

- Market volatility and recession risk
- Uncertain employer/state contributions
- Pressure on assumed rates of return

FINANCIAL & FUNDING

- Aging retiree population
- Recruitment and retention challenges
- Uptick toward hybrid/DC plans

MEMBER DEMOGRAPHICS & WORKFORCE

- Environmental, social and governance investments
- Diversity, equity and inclusion
- Proxy voting

POLITICAL PRESSURES

- AI, cybersecurity and data privacy threats
- System modernization risks
- Staffing compensation, sufficiency and succession

OPERATIONS & TECHNOLOGY

- Evolving regulatory expectations
- External influence and conflicts of interest
- Litigation risk

FIDUCIARY & LEGAL

Do: Have Sound Practices and Expectations for Board Communications

Examples of Trustee Guidelines

- When System business is discussed, System governance expectations apply, regardless of setting or audience.
- Communications reflect the board's collective fiduciary voice, not individual views.
- Only the board chair or their designee may speak for the board; other trustees should avoid characterizing personal views as board positions.
- Stakeholder questions or requests should be directed through established System channels (i.e. CEO).
- The board collectively leverages staff, consultants, and counsel to help frame accurate, complete responses aligned with fiduciary duty.

Do: Understand What Constitutes Appropriate Reliance on Experts vs. Over-reliance

What appropriate reliance looks like

- Right expert for the question (investment vs. actuarial vs. legal, etc.)
- Rely on experts selected and overseen by the board who owe duties to the board (including board counsel)
- Ask for assumptions, tradeoffs, and risks, not just recommendations
- Ask how advice aligns with existing board policies
- Ask how practices relate to common and best practices for public pensions
- Use expert advice to inform board judgment
- Document decision rationale and oversight, including materials provided by the experts

What over-reliance looks like

- Accept recommendations without understanding the reasoning
- Defer because issues feel too technical and span beyond your specific level of fluency
- Use misaligned expertise (asking actuaries investment questions and vice versa)
- Treating expert advice as decision authority rather than input into a sound process
- Rely on persons claiming expertise who have not been vetted by the board and do not owe duties to the board

What Risks Do These Practices and Expectations Help MainePERS Mitigate?

Governance Risk

Confusion about board role, intent, authority, or process

Fiduciary risk

Statements perceived as inconsistent with duties owed to all members and beneficiaries

Reputational risk

Public misinterpretation of individual trustee statements as the board's voice

Process risk

Drift from a disciplined, collective decision-making process

Relationship risk

Misalignment with staff, advisors or stakeholders

The Fiduciary's Tool Kit





Discussion of Hypothetical Scenarios

Exercising discipline in governance

Hypothetical Scenario: Individual Trustee and Stakeholder Outreach

A trustee of the Sample State Public Employees Retirement System (SSPERS) is contacted directly by a member group concerned about delays in benefit calculations for a subset of members. They provide a few examples and ask the trustee to intervene with SSPERS staff and publicly acknowledge in the next board meeting that internal processes are failing. The trustee is sympathetic given the examples shared and promises to make the statement as requested by the member group in the next board meeting. The trustee also considers raising the issue with the CEO before the board meeting and asking staff, informally, to prioritize certain cases.

Discussion Focus:

What fiduciary considerations come into play in this scenario?

Board Norms that Work

- ✓ Familiarize yourself with your governance policies; they are intended as a living reference.
- ✓ Embrace learning and discussion. No trustee can know everything (nor are fiduciaries expected to).
- ✓ Build collective governance capacity as a board over time.
- ✓ Normalize decision-making under ambiguity.
- ✓ Encourage thoughtful questions and strategic thinking.
- ✓ Ask your experts (staff, the AG's office, board consultants) and rely on their expert advice.
- ✓ To protect the integrity of the fund, demonstrate a collective fiduciary mindset and comply with policies and processes in place for communicating board decisions.

Thank You

Amy McDuffee

Amy.Mcduffee@mosaicgovernance.com

720-316-1919, Ext. 700

www.MosaicGovernance.com

