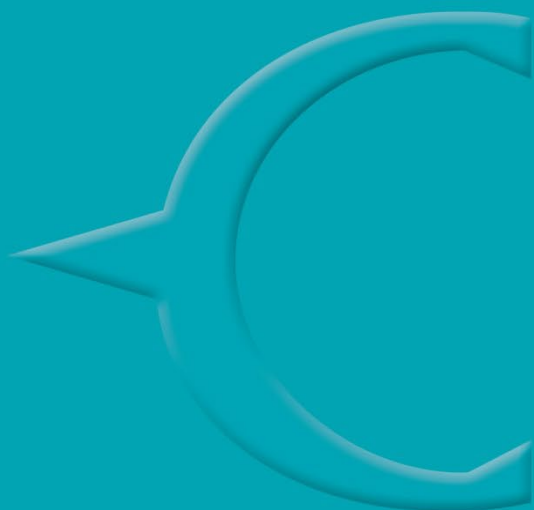




**Maine Public Employees
Retirement System Retiree
Group Life Insurance
Program
State Sponsored Groups
Actuarial Valuation and
GASB Statement No. 74
Report as of June 30, 2026**

Presented by Cheiron

October 2026

TABLE OF CONTENTS

Letter of Transmittal.....	i
Section I – Summary of Key Results	1
Section II – Determination of Discount Rate	2
Section III – Projection of Total OPEB Liability	3
Section IV – Note Disclosures	4
Section V – Required Supplementary Information	9
Appendix A – Participant Data, Assumptions, and Methods	14
Appendix B – Summary of Key Plan Provisions	27
Appendix C – Glossary of Terms	29

LETTER OF TRANSMITTAL

October 8, 2026

Board of Trustees
Maine Public Employees' Retirement System
PO Box 349
Augusta, Maine 04332-0349

Dear Members of the Board:

The purpose of this report is to provide accounting and financial reporting information under Governmental Accounting Standards Board (GASB) Statement No. 74 and present the estimated Postretirement Group Life Insurance obligations as of June 30, 2026 for the Maine Public Employees Retirement System (MainePERS or System) based on a full valuation of the obligations as of June 30, 2026.

This report covers the participants of the State Employee and Teacher Retirement Program, the Judicial Retirement Program, and the Legislative Retirement Program, which we collectively call the State Sponsored Groups. For Tables I-1, IV-1 to IV-4, V-2, and V-3, we separated out the Teachers group for informational purposes, with all others included in the State group.

This report includes:

- Determination of the discount rate,
- Calculation of the Total OPEB Liability (TOL) as of the valuation date,
- Calculation of the Net OPEB Liability (NOL) at the discount rate as well as discount rates one percentage higher and lower than the discount rate, and
- Changes in the Net OPEB Liability

We have determined the costs and liabilities for the substantive plan using actuarial assumptions and methods that we consider reasonable. The information shown in this report is primarily for financial disclosure purposes since the biennial full valuations are used to adjust the Teacher funding contributions. The State contributions for the remaining members of the State Sponsored Plans are based on premiums set by the premium studies.

The current premium rates did not change for State or Teacher employees after being reviewed in a premium study in 2026. However, we previously showed the amounts on a bi-weekly per \$1,000 basis but now we refer to them on a monthly per \$1,000 basis in order to align with how the premiums are administered. Teachers pay \$0.13 monthly per \$1,000 of coverage for active coverage as of 2026; the State contributes an amount equal to the calculated ADC for retired teacher coverage. However, as these are set two years in advance, the actual contribution may be higher or lower than that given year's ADC. The premiums for State group employees are \$1.04 monthly per \$1,000 of coverage for Fiscal Year (FY) 2026. This includes \$0.26 for active coverage and \$0.78 for retiree coverage for FY 2026. Any further increases will be determined by the next premium study in 2028.

Subsequent to the measurement date, in order to correct a logic error identified in the Pension Administration System, it is our understanding MainePERS will be conducting a one-time transfer of assets from the Retiree GLI Trusts to their respective Active GLI Trust. For State Sponsored Groups, that amount will be \$10,417,009 transferred out of the Retiree Trust; for Teachers, that amount will be \$6,430,513. These transfers will reduce the fiduciary net position by this amount, thus increasing the Net OPEB Liability by the corresponding totals. In preparing our report, we relied on information (some oral and some written) supplied by the System. This information includes, but is not limited to, the plan provisions, employee data, and financial information. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice No. 23.

Future actuarial measurements may differ significantly from the current measurements presented in this report 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 report 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 report. This report does not address any contractual or legal issues. We are not attorneys, and our firm does not provide any legal services or advice.

Board of Trustees
Maine Public Employees Retirement System
October 8, 2026
Page iii

This report was prepared for the Maine Public Employees Retirement System for the purposes described herein and for the use by the Plan Auditor in completing an audit related to the matters herein. Other users of this report are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to such other users.

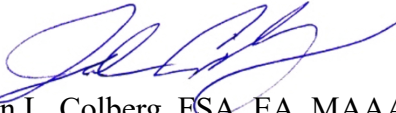
Sincerely,
Cheiron



Daniel J. Rhodes, FSA, FCA, MAAA
Principal Consulting Actuary



Ryan Benitez, ASA, MAAA
Consulting Actuary



John L. Colberg, FSA, EA, MAAA
Principal Consulting Actuary

**MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM
RETIREE GROUP LIFE INSURANCE FOR STATE SPONSORED GROUPS
GASB 74 VALUATION REPORT AS OF JUNE 30, 2026**

SECTION I – SUMMARY OF KEY RESULTS

The reporting date for the Maine Public Employees Retirement System Retiree Group Life Insurance Program presented in this report is June 30, 2026. Measurements as of the reporting date are based on the fair value of assets as of June 30, 2026, and the Total OPEB Liability (TOL) as of the valuation date, June 30, 2026. There was an update of census data since the prior valuation, as well as an update of demographic assumptions.

Beginning of year measurements presented in this report are based on the actuarial valuation as of June 30, 2025. Since this is a full valuation, liability gains or losses due to experience are reported due to the updated census information.

Table I-1 below provides a summary of the key results during this reporting period ending on June 30, 2026. TOL results are shown for the State Sponsored Groups excluding the Teachers, for the Teachers group separately, and then the TOL under all of the State Sponsored Groups combined.

**Table I-1
Summary of Results**

	Measurement Date 06/30/2025	Measurement Date 06/30/2026
State Total OPEB Liability	\$129,073,005	\$141,274,650
State Plan Fiduciary Net Position	<u>75,390,474</u>	<u>92,042,690</u>
State Net OPEB Liability	\$53,682,531	\$49,231,960
Teacher Total OPEB Liability	\$127,977,369	\$143,283,180
Teacher Plan Fiduciary Net Position	<u>112,204,247</u>	<u>131,626,677</u>
Teacher Net OPEB Liability	\$15,773,122	\$11,656,503
Combined Total OPEB Liability	\$257,050,374	\$284,557,830
Combined Plan Fiduciary Net Position	<u>187,594,721</u>	<u>223,669,367</u>
Combined Net OPEB Liability	\$69,455,653	\$60,888,463

**MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM
RETIREE GROUP LIFE INSURANCE FOR STATE SPONSORED GROUPS
GASB 74 VALUATION REPORT AS OF JUNE 30, 2026**

SECTION II – DETERMINATION OF DISCOUNT RATE

MainePERS's funding policy for retiree group life insurance is to contribute at least the Actuarially Determined Contribution (ADC) annually for Teachers retirees and contribute based on premium rates for all other participants. The State premium rates on behalf of retirees are assumed to be \$0.78 monthly per \$1,000 in FY 2026 and are adjusted to approximate the ADC. The ADC is equal to the sum of the employer normal cost and the amortization of the unfunded liability. The amortization of the unfunded liability is calculated as a level-percent closed period with 13 years remaining as of FY 2026 for the State Sponsored Groups. However, because the State sets contributions at least two years in advance, the contribution for the fiscal year ending June 30, 2026, was based on the valuation as of June 30, 2022, rolled forward to June 30, 2024.

The discount rate at June 30, 2026 is 6.50%, which is the assumed long-term expected rate of return on plan investments. The fiduciary net position was projected to be available to make all projected future benefit payments for current plan members. As such, the long-term expected rate of return on the System's investments was applied to all periods of projected benefit payments in determining the Total OPEB Liability. The projection of cash flows used to determine the discount rate assumed that the employer contributions will be made according to the funding policy described in the above paragraph.

**MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM
RETIREE GROUP LIFE INSURANCE FOR STATE SPONSORED GROUPS
GASB 74 VALUATION REPORT AS OF JUNE 30, 2026**

SECTION III – PROJECTION OF TOTAL OPEB LIABILITY

The TOL is measured as of the valuation date June 30, 2026. This is a full valuation, which is completed at least every two years, and roll-forward valuations are performed in the off years. The two significant events in calculating the TOL as of the valuation date were an update in census data and changes to demographic assumptions. The table below shows the calculated TOL at discount rates equal to the rate used for disclosure purposes and plus and minus one percent from the rate used for disclosure purposes. The TOL has been determined using the entry age actuarial cost method as described in paragraph 54 of GASB Statement 74.

Table III-1 shows the Total OPEB Liability as of the valuation date for the assumed discount rate, as well as for plus and minus one percent of the discount rate.

**Table III-1
Projection of Total OPEB Liability 06/30/2026**

Discount Rate	5.5%	6.5%	7.5%
Actives	\$100,469,977	\$80,745,187	\$65,611,016
Deferred Vested	0	0	0
Retirees	<u>225,557,112</u>	<u>203,812,643</u>	<u>185,260,852</u>
Total	\$326,027,089	\$284,557,830	\$250,871,868

**MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM
RETIREE GROUP LIFE INSURANCE FOR STATE SPONSORED GROUPS
GASB 74 VALUATION REPORT AS OF JUNE 30, 2026**

SECTION IV – NOTE DISCLOSURES

The tables that follow show the changes in TOL, the plan fiduciary net position (i.e., fair value of Plan assets), and the Net OPEB Liability during the measurement year. Since this is a full valuation, there is a difference between expected and actual experience due to the updated census information. The change in assumptions includes the impact of the demographic assumptions adopted by the Board of Trustees at their March 12, 2026 meeting, as well as the update to the assumed expense as a percentage of liabilities, which was updated as part of the 2026 Premium Study.

We provide separate tables for State (IV-1), Teachers (IV-2), and the combined results of the State Sponsored Groups (IV-3) results.

**Table IV-1
Change in Net OPEB Liability – State**

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) – (b)
Balances at 06/30/2025	\$129,073,005	\$75,390,474	\$53,682,531
Changes for the year:			
Service cost	1,586,841		1,586,841
Interest	9,099,085		9,099,085
Changes of benefits	0		0
Changes of assumptions	1,929,488		1,929,488
Differences between expected and actual experience	5,429,341		5,429,341
Contributions – employer		8,749,142	(8,749,142)
Contributions – member		0	0
Net investment income		14,161,079	(14,161,079)
Benefit payments	(5,843,110)	(5,843,110)	0
Administrative expense	<u>0</u>	<u>(414,895)</u>	<u>414,895</u>
Net changes	12,201,645	16,652,216	(4,450,571)
Balances at 06/30/2026	\$141,274,650	\$92,042,690	\$49,231,960

**MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM
RETIREE GROUP LIFE INSURANCE FOR STATE SPONSORED GROUPS
GASB 74 VALUATION REPORT AS OF JUNE 30, 2026**

SECTION IV – NOTE DISCLOSURES

**Table IV-2
Change in Net OPEB Liability – Teacher**

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) – (b)
Balances at 06/30/2025	\$127,977,369	\$112,204,247	\$15,773,122
Changes for the year:			
Service cost	1,609,649		1,609,649
Interest	9,237,509		9,237,509
Changes of benefits	0		0
Changes of assumptions	4,568,315		4,568,315
Differences between expected and actual experience	5,533,799		5,533,799
Contributions – employer		5,048,950	(5,048,950)
Contributions – member		0	0
Net investment income		20,634,433	(20,634,433)
Benefit payments	(5,643,461)	(5,643,461)	0
Administrative expense	<u>0</u>	<u>(617,492)</u>	<u>617,492</u>
Net changes	15,305,811	19,422,430	(4,116,619)
Balances at 06/30/2026	\$143,283,180	\$131,626,677	\$11,656,503

**MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM
RETIREE GROUP LIFE INSURANCE FOR STATE SPONSORED GROUPS
GASB 74 VALUATION REPORT AS OF JUNE 30, 2026**

SECTION IV – NOTE DISCLOSURES

**Table IV-3
Change in Net OPEB Liability – Combined**

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) – (b)
Balances at 06/30/2025	\$257,050,374	\$187,594,721	\$69,455,653
Changes for the year:			
Service cost	3,196,490		3,196,490
Interest	18,336,594		18,336,594
Changes of benefits	0		0
Changes of assumptions	6,497,803		6,497,803
Differences between expected and actual experience	10,963,140		10,963,140
Contributions - employer		13,798,092	(13,798,092)
Contributions - member		0	0
Net investment income		34,795,512	(34,795,512)
Benefit payments	(11,486,571)	(11,486,571)	0
Administrative expense	<u>0</u>	<u>(1,032,387)</u>	<u>1,032,387</u>
Net changes	27,507,456	36,074,646	(8,567,190)
Balances at 06/30/2026	\$284,557,830	\$223,669,367	\$60,888,463

**MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM
RETIREE GROUP LIFE INSURANCE FOR STATE SPONSORED GROUPS
GASB 74 VALUATION REPORT AS OF JUNE 30, 2026**

SECTION IV – NOTE DISCLOSURES

Changes in the discount rate would affect the measurement of the TOL. Lower discount rates produce a higher TOL, and higher discount rates produce a lower TOL. Because the discount rate does not affect the measurement of assets, the percentage change in the NOL can be very significant for a relatively small change in the discount rate. Table IV-4 shows the sensitivity of the TOL and NOL to the discount rate.

**Table IV-4
Sensitivity of Total Net OPEB Liability to Changes in Discount Rate**

Teacher

	Discount Rate 5.5%	Discount Rate 6.5%	Discount Rate 7.5%
Total OPEB Liability	\$165,181,079	\$143,283,180	\$125,598,311
Plan Fiduciary Net Position	<u>131,626,677</u>	<u>131,626,677</u>	<u>131,626,677</u>
Collective Net OPEB Liability	\$33,554,402	\$11,656,503	\$-6,028,366
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	79.69%	91.86%	104.80%

State

	Discount Rate 5.5%	Discount Rate 6.5%	Discount Rate 7.5%
Total OPEB Liability	\$160,846,010	\$141,274,650	\$125,273,557
Plan Fiduciary Net Position	<u>92,042,690</u>	<u>92,042,690</u>	<u>92,042,690</u>
Collective Net OPEB Liability	\$68,803,320	\$49,231,960	\$33,230,867
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	57.22%	65.15%	73.47%

Combined

	Discount Rate 5.5%	Discount Rate 6.5%	Discount Rate 7.5%
Total OPEB Liability	\$326,027,089	\$284,557,830	\$250,871,868
Plan Fiduciary Net Position	<u>223,669,367</u>	<u>223,669,367</u>	<u>223,669,367</u>
Collective Net OPEB Liability	\$102,357,722	\$60,888,463	\$27,202,501
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	68.60%	78.60%	89.16%

**MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM
RETIREE GROUP LIFE INSURANCE FOR STATE SPONSORED GROUPS
GASB 74 VALUATION REPORT AS OF JUNE 30, 2026**

SECTION IV – NOTE DISCLOSURES

For the combined State-Sponsored Groups a one percent decrease in the discount rate increases the TOL by approximately 14.6% and increases the NOL by approximately 68.1%. A one percent increase in the discount rate decreases the TOL by approximately 11.8% and decreases the NOL by approximately 55.3%.

**MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM
RETIREE GROUP LIFE INSURANCE FOR STATE SPONSORED GROUPS
GASB 74 VALUATION REPORT AS OF JUNE 30, 2026**

SECTION V – REQUIRED SUPPLEMENTARY INFORMATION

**Table V-1
Schedule of Changes in Net OPEB Liability and Related Ratios**

Total OPEB Liability	FY 2026
Service cost (BOY)	\$3,196,490
Interest (includes interest on service cost)	18,336,594
Changes of benefit terms	0
Differences between expected and actual experience	10,963,140
Changes of assumptions	6,497,803
Benefit payments	<u>(11,486,571)</u>
Net change in Total OPEB Liability	27,507,456
Total OPEB Liability – beginning	<u>257,050,374</u>
Total OPEB Liability – ending	\$284,557,830
<u>Plan fiduciary net position</u>	
Contributions - employer	\$13,798,092
Contributions - member	0
Net investment income	34,795,512
Benefit payments	(11,486,571)
Administrative expense	<u>(1,032,387)</u>
Net change in plan fiduciary net position	\$36,074,646
Plan fiduciary net position - beginning	<u>187,594,721</u>
Plan fiduciary net position - ending	\$223,669,367
Net OPEB Liability - ending	\$60,888,463
Plan fiduciary net position as a percentage of the Total OPEB Liability	78.60%
Covered employee payroll	\$1,940,739,300
Net OPEB Liability as a percentage of covered employee payroll	3.14%

**MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM
RETIREE GROUP LIFE INSURANCE FOR STATE SPONSORED GROUPS
GASB 74 VALUATION REPORT AS OF JUNE 30, 2026**

SECTION V – REQUIRED SUPPLEMENTARY INFORMATION

Notes to Schedule of Changes in Net OPEB Liability and Related Ratios

Subsequent to the measurement date, in order to correct a logic error identified in the Pension Administration System, it is our understanding MainePERS will be conducting a one-time transfer of assets from the Retiree GLI Trusts to their respective Active GLI Trust. For State Sponsored Groups, that amount will be \$10,417,009 transferred out of the Retiree Trust; for Teachers, that amount will be \$6,430,513. These transfers will reduce the fiduciary net position by this amount, thus increasing the Net OPEB Liability by the corresponding totals.

A 10-year schedule of changes in NOL and related ratios is to be included within the Annual Comprehensive Financial Report (ACFR) for MainePERS. However, based on GASB guidance, this 10-year history can be built one year at a time following implementation. We have shown only the current year of this Schedule of Changes in Net OPEB Liability and Related Ratios above and believe that you can accumulate these individual years in the MainePERS ACFR to build this schedule to show the full 10-year schedule over time. Notes to this schedule should be included for any factors significantly impacting the trends reported within the period shown in this schedule at that time. As of June 30, 2026, we have not included such a note in the Notes to Schedule of Changes in Net OPEB Liability and Related Ratios above. However, it is our expectation that the System staff will make the final determination regarding any notes needed for this schedule, and we are available to provide any information they may need for this purpose.

**MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM
RETIREE GROUP LIFE INSURANCE FOR STATE SPONSORED GROUPS
GASB 74 VALUATION REPORT AS OF JUNE 30, 2026**

SECTION V – REQUIRED SUPPLEMENTARY INFORMATION

If an Actuarially Determined Contribution is calculated, the following schedule is required. An Actuarially Determined Contribution is a contribution amount determined in accordance with Actuarial Standards of Practice.

Results are shown in Table V-2 for the State Sponsored Groups excluding the Teachers, then for the Teachers group separately, and then combined for the State Sponsored Groups.

**Table V-2
Schedule of Employer Contributions During Fiscal Year 2026**

	State	Teacher	Combined
Actuarially Determined Contribution	\$8,949,947	\$5,048,951	\$13,998,898
Contributions in Relation to the Actuarially Determined Contribution	<u>8,749,142</u>	<u>5,048,950</u>	<u>13,798,092</u>
Contribution Deficiency/(Excess)	\$200,805	\$1	\$200,806
Covered Payroll	\$934,549,000	\$1,006,190,300	\$1,940,739,300
Contributions as a Percentage of Covered Payroll	0.94%	0.50%	0.71%

**MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM
RETIREE GROUP LIFE INSURANCE FOR STATE SPONSORED GROUPS
GASB 74 VALUATION REPORT AS OF JUNE 30, 2026**

SECTION V – REQUIRED SUPPLEMENTARY INFORMATION

Notes to Schedule of Employer Contributions

Valuation Date: June 30, 2022

Timing: The ADC is calculated in advance of the completion of the prior biennial valuation and thus rolled forward from prior results. In this case, ADCs for 2026 and 2027 are based on the June 30, 2022 valuation rolled forward and adjusted for changes in assumptions.

Key Methods and Assumptions Used to Determine Contribution Rates for FY 2026

Actuarial Cost Method: Entry Age Normal

Asset Valuation Method: Market Value

Amortization Method: Level percent closed with 13 years remaining for FY 2026

Discount Rate: 6.50%

Salary Inflation: 2.75%

Administrative Expense Loads (State Employees, Judges, and Legislators): 9.84%;

Administrative Expense Loads (Teachers): 16.51%

A complete description of the methods and assumptions used to determine contribution rates for the year ending June 30, 2026, can be found in the June 30, 2022 Actuarial Valuation report.

Table V-3 that follows is provided in this report at the request of MainePERS staff, showing the development of the average remaining service life for the Program. GASB 75 requires some items be recognized by employers into OPEB expense over a period “equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the OPEB plan (active employees and inactive employees) determined as of the beginning of the measurement period.” For the current measurement year ending on June 30, 2026, these values are thus developed based on the prior full biennial valuation data as of June 30, 2024. The development of this value is shown below, including a reflection of the decision by MainePERS to round the resulting value to the nearest whole year.

**MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM
RETIREE GROUP LIFE INSURANCE FOR STATE SPONSORED GROUPS
GASB 74 VALUATION REPORT AS OF JUNE 30, 2026**

SECTION V – REQUIRED SUPPLEMENTARY INFORMATION

Table V-3

Average Expected Remaining Service Life for Measurement Year Ending June 30, 2026

State Program

Status	Total Expected Future Service	Count	Average Remaining Service Life
Actives	158,638	11,839	13
Inactives	<u>0</u>	<u>8,864</u>	<u>0</u>
Total Membership	158,638	20,703	8

Teacher Program

Status	Total Expected Future Service	Count	Average Remaining Service Life
Actives	242,359	15,214	16
Inactives	<u>0</u>	<u>7,978</u>	<u>0</u>
Total Membership	242,359	23,192	10

Combined Program

Status	Total Expected Future Service	Count	Average Remaining Service Life
Actives	400,997	27,053	15
Inactives	<u>0</u>	<u>16,842</u>	<u>0</u>
Total Membership	400,997	43,895	9

**MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM
RETIREE GROUP LIFE INSURANCE FOR STATE SPONSORED GROUPS
GASB 74 VALUATION REPORT AS OF JUNE 30, 2026**

APPENDIX A – PARTICIPANT DATA, ASSUMPTIONS, AND METHODS

Participant Data as of June 30, 2026

**Table A-1
Active Member Data**

Group	Count	Average Age	Average Pension Service	Average GLI Participation	Average Salary
State	12,006	46.9	10.8	11.0	76,965
Teachers	15,050	46.8	13.5	11.9	66,856
Judges	65	58.4	13.8	13.8	161,569
Legislators	<u>55</u>	<u>62.9</u>	<u>5.7</u>	<u>7.8</u>	<u>23,655</u>
TOTAL	27,176	46.9	12.3	11.5	71,462

Note that Legislators are subject to eight-year term limits for each house. Therefore, it is assumed that no active Legislators will reach the 10 years of service required to be eligible for retiree life benefits. However, they are included in the counts for the above exhibit because they are included in the expected remaining service life.

**Table A-2
Non-Active Member Data**

Group	Count	Average age	Average Benefit
State	9,106	74.4	21,203
Teachers	8,345	75.8	23,057
Judges	64	77.1	52,224
Legislators	<u>9</u>	<u>78.9</u>	<u>6,347</u>
TOTAL	17,524	75.1	22,191

Ultimate benefit is 40% of initial base benefit.

Note that all assumptions are based on the MainePERS Pension assumptions, which were updated after the experience study covering the period from July 1, 2020 through June 30, 2025 and adopted by the Board of Trustees at their March 12, 2026 meeting. All assumptions specific to this valuation are detailed in the following section.

**MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM
RETIREE GROUP LIFE INSURANCE FOR STATE SPONSORED GROUPS
GASB 74 VALUATION REPORT AS OF JUNE 30, 2026**

APPENDIX A – PARTICIPANT DATA, ASSUMPTIONS, AND METHODS

A. Actuarial Assumptions

1. ANNUAL RATE OF INVESTMENT RETURN

State Employees	6.50%
Teachers	6.50%
Judges	6.50%
Legislative	6.50%

2. COST-OF-LIVING ADJUSTMENT IN LIFE BENEFITS

N/A. Life Insurance Benefits do not increase with the Cost of Living.

3. ANNUAL RATE OF INDIVIDUAL SALARY INCREASE (% AT SELECTED YEARS OF SERVICE)

Service	State Employees	Teachers	Judges	Legislators
0	11.74%	14.31%	3.00%	2.75%
5	6.60	6.35	3.00	2.75
10	5.47	5.32	3.00	2.75
15	4.29	4.55	3.00	2.75
20	4.19	3.78	3.00	2.75
25	4.03	3.26	3.00	2.75
30	4.03	3.01	3.00	2.75
35+	3.26	2.75	3.00	2.75

The above rates include a 2.75% across-the-board increase at each year of service.

**MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM
RETIREE GROUP LIFE INSURANCE FOR STATE SPONSORED GROUPS
GASB 74 VALUATION REPORT AS OF JUNE 30, 2026**

APPENDIX A – PARTICIPANT DATA, ASSUMPTIONS, AND METHODS

4. SAMPLE RATES OF TERMINATION (% AT SELECTED YEARS OF SERVICE)

Service	State	Teachers	State Special
0	29.00%	20.00%	26.50%
5	9.00	8.25	8.75
10	5.75	5.00	5.00
15	4.00	3.50	3.25
20	3.00	2.75	3.00
25	2.50	2.75	2.50

Experience-based sample rates by age:

Age	Judges
25	7%
30	6
35	5
40	4
45	3
50	2
55	1

Experience-based sample rates by service:

Service	Legislators
0	0%
1	0
2	12
3	15
4	20
5	25
6	15
7	25
8	60
9+	50

The rates shown for legislators are only applicable in the fiscal years ending in odd years, while zero terminations are assumed in the fiscal years ending in even years.

**MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM
RETIREE GROUP LIFE INSURANCE FOR STATE SPONSORED GROUPS
GASB 74 VALUATION REPORT AS OF JUNE 30, 2026**

APPENDIX A – PARTICIPANT DATA, ASSUMPTIONS, AND METHODS

**5. SAMPLE RATES OF MORTALITY FOR HEALTHY ANNUITANT LIVES AT SELECTED AGES
(NUMBER OF DEATHS PER 10,000 MEMBERS)**

(Showing values in 2026)				
Age	State Employees		Teachers	
	Male	Female	Male	Female
50	32	28	12	7
55	46	34	24	18
60	70	45	41	26
65	100	63	68	38
70	151	105	111	65
75	262	195	200	127
80	486	375	388	260
85	899	733	771	686
90	1,651	1,342	1,461	1,302
95	2,685	2,208	2,524	2,280

(Showing values in 2026)				
Age	State Employees		Teachers	
	Male	Female	Male	Female
50	32	28	12	7
55	46	34	24	18
60	70	45	41	26
65	100	63	68	38
70	151	105	111	65
75	262	195	200	127
80	486	375	388	260
85	899	733	771	686
90	1,651	1,342	1,461	1,302
95	2,685	2,208	2,524	2,280

Rates for State Employees are based on 112.7% and 117.3% of the 2016 Public Plan General Benefits-Weighted Healthy Retiree Mortality Table, respectively, for males and females.

Rates for Teachers are based on the 2016 Public Plan Teacher Benefits Weighted Healthy Retiree Mortality Table adjusted as follows:

- 109.9% for males and 98% of the rates for females prior to age 82, and 125% of the rates for females on and after age 82

Rates are projected generationally using the published IRS Adjusted MP-2021 scale.

**MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM
RETIREE GROUP LIFE INSURANCE FOR STATE SPONSORED GROUPS
GASB 74 VALUATION REPORT AS OF JUNE 30, 2026**

APPENDIX A – PARTICIPANT DATA, ASSUMPTIONS, AND METHODS

6. SAMPLE RATES OF MORTALITY FOR ACTIVE HEALTHY LIVES AT SELECTED AGES (NUMBER OF DEATHS PER 10,000 MEMBERS)

(Showing values in 2026)				
Age	State Employees		Teachers	
	Male	Female	Male	Female
20	4	1	2	1
25	5	1	3	1
30	7	2	3	2
35	8	3	5	2
40	11	5	6	4
45	14	6	8	5
50	18	9	11	7
55	26	13	17	10
60	41	21	27	16
65	59	31	42	26

**For State Regular and Teachers, 5% of deaths assumed to arise out of and in the course of employment, for State Special, 20% of deaths are assumed to arise out of and in the course of employment.*

Rates for State Employees are based on 119.9% and 101.0% of the 2016 Public Plan General Benefits-Weighted Employee Mortality Table, respectively, for males and females. Recommended rates for Teachers are based on 102.2% and 101.5% of the 2016 Public Plan Teacher Benefits-Weighted Employee Mortality Table, respectively, for males and females. These rates are generationally projected using the same version of the MP-2021 model as described in the healthy annuitant mortality.

**MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM
RETIREE GROUP LIFE INSURANCE FOR STATE SPONSORED GROUPS
GASB 74 VALUATION REPORT AS OF JUNE 30, 2026**

APPENDIX A – PARTICIPANT DATA, ASSUMPTIONS, AND METHODS

**7. SAMPLE RATES OF MORTALITY FOR DISABLED ANNUITANT LIVES AT SELECTED AGES
(NUMBER OF DEATHS PER 10,000 MEMBERS)**

(Showing values in 2026)				
Age	State Employees		Teachers	
	Male	Female	Male	Female
25	42	13	39	12
30	40	22	37	20
35	44	34	41	32
40	56	47	52	44
45	75	62	70	57
50	99	89	92	82
55	146	137	136	127
60	229	217	212	201
65	275	235	255	218
70	315	273	293	253

Rates for the State and PLDs are based on 114.5% and 127.7% of the 2016 Public Plan Non-Safety Benefits-Weighted Disabled Retiree Mortality Table, respectively, for males and females. These rates are generationally projected using the same version of the MP-2021 scale described in the healthy annuitant mortality.

Rates for Teachers are based on 106.3% and 118.2% of the 2016 Public Plan Non-Safety Benefits-Weighted Disabled Retiree Mortality Table, respectively, for males and females. These rates are generationally projected using the same version of the MP-2021 model as described in the healthy annuitant mortality.

**MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM
RETIREE GROUP LIFE INSURANCE FOR STATE SPONSORED GROUPS
GASB 74 VALUATION REPORT AS OF JUNE 30, 2026**

APPENDIX A – PARTICIPANT DATA, ASSUMPTIONS, AND METHODS

8. SAMPLE RATES OF RETIREMENT AT SELECTED AGES

Teachers and State Regular Plans

Age	State Regular Employees			Teachers		
	NRA 60	NRA 62	NRA 65	NRA 60	NRA 62	NRA 65
57	4%	3.5%	N/A	4%	3%	N/A
59	26	4	N/A	20	5	N/A
60	21	4.5	4%	27.5	8.5	2%
61	21	35	2	21	28	2
62	21	29	5	23	26.8	2
63	20	19	8	25.5	21	2
64	22	20	20	30	24.5	5
65	22	23	26	37.5	30.5	30
70	23	25	25	31	25	29
75	100	100	100	35	20	29
80	100	100	100	100	100	100

In the case of State Regular and Teacher employees, NRA 60 (Tier 1) refers to those who had accrued at least 10 years of service by July 1, 1993. NRA 62 (Tier 2) refers to those who had not accrued at least 10 years of service by July 1, 1993 or were hired after that date but had five years of service by July 1, 2011. NRA 65 (Tier 3) refers to those who did not have five years of service by July 1, 2011. Rates are only applied for early retirement when the member is at least age 57.

**MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM
RETIREE GROUP LIFE INSURANCE FOR STATE SPONSORED GROUPS
GASB 74 VALUATION REPORT AS OF JUNE 30, 2026**

APPENDIX A – PARTICIPANT DATA, ASSUMPTIONS, AND METHODS

State Special Plans

Members of the 1998 Special Plan are assumed to retire at rates that vary by age and whether service is less than 25 years or not. Sample rates are as follows:

Age	1998 Special Plan Retirement	
	Service < 25	Service ≥ 25
50	0%	8%
55	21	27
57	13	27
60	21	36
62	22	36
65	21	32
67	38	55
70	50	50
75	100	100

Members of the 25 & Out Plan are assumed to retire at rates that vary by service. With 100% retirement assumed by age 75. Sample rates are as follows:

Service	Rate
<25	Same as State Regular
25	30%
30	17
32	33
35	33
38+	100

**MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM
RETIREE GROUP LIFE INSURANCE FOR STATE SPONSORED GROUPS
GASB 74 VALUATION REPORT AS OF JUNE 30, 2026**

APPENDIX A – PARTICIPANT DATA, ASSUMPTIONS, AND METHODS

Members of the Fire Marshals Plan are assumed to vary by service with 100% retirement by age 75. Rates are only applied when the member is at least age 50.

Service	Rate
<20	0%
20	30
25	17
27	33
30	33
33+	100

Judges

Age	NRA 62	NRA 65
62	10%	NA
63	25	NA
64	40	NA
65	30	20
66	35	25
67	25	25
68	20	20
69	35	40
70	25	15
71	15	30
72	25	65
73-74	15	15
75+	100	100

In the case of judicial employees, NRA 60 refers to those who had accrued at least 10 years of service by July 1, 1993 – there are no longer active members in this group. NRA 62 refers to those who had not accrued at least 10 years of service by July 1, 1993 or were hired after that date but had five years of service by July 1, 2011. NRA 65 refers to those who did not have five years of service by July 1, 2011.

Note that all retirement rates are only applied once the member is eligible to retire, regardless of years of service.

**MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM
RETIREE GROUP LIFE INSURANCE FOR STATE SPONSORED GROUPS
GASB 74 VALUATION REPORT AS OF JUNE 30, 2026**

APPENDIX A – PARTICIPANT DATA, ASSUMPTIONS, AND METHODS

Legislators

Age	Fiscal Years Ending Even	Fiscal Years Ending Odd
62-74	0	250
75+	0	1,000

Note that all retirement rates are only applied once the member is eligible to retire, so those in with 62 or 65 normal retirement ages are not assumed to retire until eligible. No retirements are assumed prior to age 62, regardless of service amount.

9. SAMPLE RATES OF DISABILITY AT SELECTED AGES (NUMBER BECOMING DISABLED PER 10,000 MEMBERS)

Age	State Regular	State Special	Teachers	Judges & Legislators
25	1.3	25	1.0	0.0
30	1.5	30	1.1	0.0
35	6.1	35	1.1	0.0
40	9.9	40	1.5	0.0
45	12.2	45	3.0	0.0
50	16.1	50	6.4	0.0
55	25.0	55	21.3	0.0
60	38.4	60	21.4	0.0

Judges and Legislators: No disability assumed.

10. PREMIUM EXPENSE ASSUMPTION

To reflect administrative expenses associated with the distribution of benefits, the following loads, determined in the 2026 Premium Study, have been added to the liabilities, normal cost, and benefit payments.

State Employees, Judges, and Legislators: 10.40%

Teachers: 19.17%

**MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM
RETIREE GROUP LIFE INSURANCE FOR STATE SPONSORED GROUPS
GASB 74 VALUATION REPORT AS OF JUNE 30, 2026**

APPENDIX A – PARTICIPANT DATA, ASSUMPTIONS, AND METHODS

11. TECHNICAL AND MISCELLANEOUS ASSUMPTIONS

Decrement Timing: Middle of the valuation year.

Pay Increase Timing: Salary provided is treated as the rate of pay as of the valuation date. Annual increases are applied as of the beginning of each subsequent valuation.

Conversion Charges: Applies to the cost of active group life insurance, not retiree group life insurance.

Form of Benefit Payment: Lump Sum.

Participation Percent for Future Retirees: 100% of those currently enrolled.

Retirement for Participants who are not members of MainePERS: Age 62.

12. RATIONALE FOR ASSUMPTIONS

The demographic assumptions were adopted by the Board of Trustees at their March 12, 2026 meeting. The discount rate was adopted by the Board of Trustees at their August 12, 2021 meeting. The demographic assumptions adopted are based on an experience study covering the period from July 1, 2020 through June 30, 2025, and the economic assumptions are based on this experience study along with advice of the MainePERS investment consultants.

13. CHANGES SINCE LAST VALUATION

Assumptions for salary increase, termination, mortality, disability, and retirement were changed based on results of the most recent experience study. The expense assumption for State Employees, Judges, and Legislators was changed from 9.97% to 10.40% and for Teachers from 18.08% to 19.17%.

14. RATIONALE FOR CHANGE IN ACTUARIAL ASSUMPTIONS

The expense assumption was reviewed as part of the premium study completed in 2026.

**MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM
RETIREE GROUP LIFE INSURANCE FOR STATE SPONSORED GROUPS
GASB 74 VALUATION REPORT AS OF JUNE 30, 2026**

APPENDIX A – PARTICIPANT DATA, ASSUMPTIONS, AND METHODS

15. ADDITIONAL DISCLOSURES REGARDING MODELS USED:

ProVal: Cheiron utilizes ProVal, an actuarial valuation software leased from Winklevoss Technologies (WinTech) to calculate the liabilities, normal costs, and projected benefit payments. We have relied on WinTech as the developer of ProVal. We have reviewed ProVal and have a basic understanding of it and have used ProVal in accordance with its original intended purpose. We have not identified any material inconsistencies in assumptions or output of ProVal that would affect this actuarial valuation.

**MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM
RETIREE GROUP LIFE INSURANCE FOR STATE SPONSORED GROUPS
GASB 74 VALUATION REPORT AS OF JUNE 30, 2026**

APPENDIX A – PARTICIPANT DATA, ASSUMPTIONS, AND METHODS

B. Actuarial Methods

1. FUNDING METHOD

The individual entry age normal method is used to determine liabilities. Under this funding method, a normal cost rate is calculated for each member. This rate is determined by taking the value, as of age at entry into the Plan, of the member's projected future benefits, and dividing it by the value, also as of the member's entry age of his expected future salary. The normal cost for each member is the product of their annual salary at the valuation date and their normal cost rate. The normal cost amount for the group is then the sum of the normal costs for all members.

The Actuarial Liability is defined as the present value of future benefits, as of the valuation date, for all current members, less the present value of future normal costs for all current members. For funding purposes, the Unfunded Actuarial Liability is then equal to the Actuarial Liability, less the actuarial value of the System's assets.

The discount rate used reflects the long-term funding policy to fully fund the benefits on an actuarial basis by FY 2038 for State and Teachers.

2. ASSET VALUATION METHOD

Figures were reported by MainePERS without audit or change.

3. CHANGES SINCE LAST VALUATION

None

4. RATIONALE FOR CHANGE

N/A

**MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM
RETIREE GROUP LIFE INSURANCE FOR STATE SPONSORED GROUPS
GASB 74 VALUATION REPORT AS OF JUNE 30, 2026**

APPENDIX B – SUMMARY OF KEY PLAN PROVISIONS

Membership

Service Retirement: A retiree must have participated in the group life insurance program for at least 10 years and possess coverage just prior to retirement. Thus, participants who do not retire directly from active employment are not eligible.

Disability Retirement: An employee must have participated in the group life insurance program immediately prior to disablement.

Basic Insurance

Average final compensation calculated for retirement purposes.

Amount of Insurance for a Retiree

Service Retirement: The Basic Insurance will be reduced by 15% per year until the amount equal to the greater of (a) 40% of the initial Basic Insurance, or (b) \$2,500.

Disability Retirement: The amount of basic life insurance in force prior to retirement will be continued until normal retirement age. At normal retirement age, the amount of insurance will be reduced as for service retirement.

Retiree Contribution

State Employees: None

Teachers: None

Judges: None

Legislators: None

Normal Retirement Age

The specified age, the years of service requirement, or any age and years of service combination at which a participant may become eligible for unreduced service retirement benefits.

**MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM
RETIREE GROUP LIFE INSURANCE FOR STATE SPONSORED GROUPS
GASB 74 VALUATION REPORT AS OF JUNE 30, 2026**

APPENDIX B – SUMMARY OF KEY PLAN PROVISIONS

Discontinued Coverages at Retirement

- Supplemental Life
- Accidental Death and Dismemberment
- Dependent Life

(Discontinued coverage may be ported to another group term product or converted to an individual policy.)

**MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM
RETIREE GROUP LIFE INSURANCE FOR STATE SPONSORED GROUPS
GASB 74 VALUATION REPORT AS OF JUNE 30, 2026**

APPENDIX C – GLOSSARY OF TERMS

1. Actuarially Determined Contribution

A target or recommended contribution for the reporting period, determined in conformity with Actuarial Standards of Practice based on the most recent measurement available when the contribution for the reporting period was adopted.

2. Actuarial Valuation Date

The date as of which an actuarial valuation is performed. This date may be up to 24 months prior to the measurement date and up to 30 months prior to the employer's reporting date.

3. Entry Age Actuarial Cost Method

The actuarial cost method required for GASB 74 and 75 calculations. Under this method, the actuarial present value of the projected benefits of each individual, included in an actuarial valuation, is allocated on a level basis over the earnings of the individual between entry age and assumed exit ages. The portion of this actuarial present value allocated to a valuation year is called the Service Cost. The portion of this actuarial present value not provided for at a valuation date by the actuarial present value of future service costs is called the Total OPEB Liability.

4. Measurement Date

The date as of which the Total OPEB Liability and Plan Fiduciary Net Position are measured. The Total OPEB Liability may be projected from the Actuarial Valuation Date to the Measurement Date. The Measurement Date must be the same as the Reporting Date for the plan.

5. Net OPEB Liability

The liability of employers and non-employer contributing entities for employees for benefits provided through a defined benefit OPEB plan. It is calculated as the Total OPEB Liability less the Plan Fiduciary Net Position.

6. Plan Fiduciary Net Position

The fair or market value of assets.

7. Reporting Date

The last day of the Plan or employer's fiscal year.

**MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM
RETIREE GROUP LIFE INSURANCE FOR STATE SPONSORED GROUPS
GASB 74 VALUATION REPORT AS OF JUNE 30, 2026**

APPENDIX C – GLOSSARY OF TERMS

8. Service Cost

The portion of the actuarial present value of projected benefit payments that is attributed to the current period of employee service in conformity with the requirements of GASB 74 and 75. The Service Cost is the normal cost calculated under the entry age actuarial cost method.

9. Total OPEB Liability

The portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service in conformity with the requirements of GASB 74 and 75. The Total OPEB Liability is the Actuarial Liability calculated under the entry age actuarial cost method.