

**State of Maine - Teachers**

**Exhibit 1: Schedule of Changes in Net OPEB Liability**

(All dollar amounts are in thousands)

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
<b>June 30, 2016</b>	<b>\$ 1,323,731</b>	<b>\$ -</b>	<b>\$ 1,323,731</b>
Service Cost	42,214		42,214
Interest	38,521		38,521
Changes In Benefit Terms	-		-
Changes In Assumptions - Discount Rate	(170,420)		(170,420)
Changes In Assumptions - Others	-		-
Differences Between Expected And Actual Experience	43,128		43,128
Benefit Payments			
Explicit Subsidy	\$ (28,848)		
Implicit Subsidy	\$ -		
Total	(28,848)	(28,848)	-
Contributions - Employer			
Explicit Subsidy	\$ 28,848		
Implicit Subsidy	\$ -		
Total		28,848	(28,848)
Contributions - Employee		-	-
Administrative Expenses		-	-
Net Investment Income			
Expected Investment Earnings	\$ -		
Differences Between Projected And Actual Investment Earnings	\$ -		
Total		-	-
Net Change	\$ (75,405)	\$ -	\$ (75,405)
<b>June 30, 2017</b>	<b>\$ 1,248,326</b>	<b>\$ -</b>	<b>\$ 1,248,326</b>
		<b>June 30, 2017</b>	<b>June 30, 2016</b>
Plan Fiduciary Net Position As A Percentage Of Total OPEB Liability		0.0%	0.0%
Covered Payroll		\$ 1,149,126	\$ 1,125,444
Net OPEB Liability As A Percentage Of Covered Payroll		108.6%	117.6%
<b>Sensitivity of Net OPEB Liability to changes in Discount Rate</b>		<b>June 30, 2017</b>	<b>% Change</b>
A one percentage point change in discount rate would have the following effect on Total OPEB Liability as of June 30, 2017:			
One Percentage Increase (4.58%)		\$ (190,838)	-15%
One Percentage Decrease (2.58%)		\$ 241,354	19%
Net OPEB Liability at a one percentage point change in discount rate as of June 30, 2017 is as follows:			<b>Net OPEB Liability</b>
One Percentage Increase (4.58%)			\$ 1,057,488
One Percentage Decrease (2.58%)			\$ 1,489,680
<b>Sensitivity of Net OPEB Liability to changes in Trend Rate</b>		<b>June 30, 2017</b>	<b>% Change</b>
A one percentage point change in trend rate would have the following effect on Total OPEB Liability as of June 30, 2017:			
One Percentage Increase (7.6% grading down to 5.3%)		\$ 288,678	23%
One Percentage Decrease (5.6% grading down to 3.3%)		\$ (219,054)	-18%
Net OPEB Liability at a one percentage point change in trend rate as of June 30, 2017 is as follows:			<b>Net OPEB Liability</b>
One Percentage Increase (7.6% grading down to 5.3%)			\$ 1,537,004
One Percentage Decrease (5.6% grading down to 3.3%)			\$ 1,029,272
<b>Key Assumptions</b>		<b>June 30, 2017</b>	<b>June 30, 2016</b>
Discount Rate		3.58%	2.85%
Investment Rate of Return		0.00%	0.00%
Inflation		2.75%	2.75%
Initial Medical Trend Rate <sup>1</sup>		6.60%	6.80%
Ultimate Medical Trend Rate		4.29%	4.29%
Year Ultimate Trend Rate Reached		2075	2075

<sup>1</sup> In order to reflect known 2018 premiums, non-medicare increases were assumed to be 1.53% for 2016 and 0.00% for 2017, while Medicare increases were assumed to be 1.00% for 2016 and 0.00% for 2017.

**State of Maine - Teachers**

**Exhibit 2: Development of OPEB Expense for Year Ended 06/30/2017**

*(All dollar amounts are in thousands)*

<b>Components of OPEB Expense</b>	<b>Year Ended 06/30/2017</b>
Service Cost	\$ 42,214
Interest	38,521
Expected Investment Earnings	0
Contributions - Employee	0
Administrative Expenses	0
Changes In Benefit Terms	0
Recognition of Current Period Deferred Outflows and Inflows	
Changes in assumptions	(23,061)
Differences between expected and actual experience	5,836
Differences between expected and actual investment earnings	0
Recognition of Beginning Deferred Outflows	0
Recognition of Beginning Deferred Inflows	0
<b>OPEB Expense</b>	<b>\$ 63,510</b>

<b>Assumptions Used to Determine OPEB Expense</b>	<b>Year Ended 06/30/2017</b>
Discount Rate	2.85%
Investment Rate of Return	0.00%
Inflation	2.75%
Initial Medical Trend Rate <sup>1</sup>	6.80%
Ultimate Medical Trend Rate	4.29%
Year Ultimate Trend Rate Reached	2075

<sup>1</sup> In order to reflect known 2018 premiums, non-medicare increases were assumed to be 1.53% for 2016 and 0.00% for 2017, while Medicare increases were assumed to be 1.00% for 2016 and 0.00% for 2017.

**State of Maine - Teachers**

**Exhibit 3: Schedule of Outflows/(Inflows)\***

(All dollar amounts are in thousands)

Measurement Date Established	Initial Amount	Deferred Outflows of Resources as of		Initial Years	Remaining Years	Outflows/(Inflows) Recognized in Year Ended 06/30/2017
		06/30/2017	Deferred (Inflows) of Resources as of 06/30/2017**			
Changes In Assumptions						
06/30/2017	(170,420)	-	(147,359)	7.39	6.39	(23,061)
Total	\$	\$	(147,359)		\$	(23,061)
Differences Between Expected And Actual Plan Experience						
06/30/2017	43,128	37,292	-	7.39	6.39	5,836
Total	\$	\$	-		\$	5,836
Net Difference Between Projected And Actual Earnings On Investments						
06/30/2017	-	-	-	-	-	-
Total	\$	\$	-		\$	-
<b>Balance as of 06/30/2017</b>		<b>\$</b>	<b>37,292</b>	<b>\$</b>		<b>(17,225)</b>
<b>Deferred Outflows And Deferred (Inflows) Of Resources Will Be Recognized In Expense As Follows:</b>						
<b>Year Ending:</b>						<b>Outflows/(Inflows)</b>
06/30/2018						\$ (17,225)
06/30/2019						(17,225)
06/30/2020						(17,225)
06/30/2021						(17,225)
06/30/2022						(17,225)
Thereafter						(23,942)

\*There will also be a Deferred Outflow for Contributions Made after the Measurement Date (\$26,855 for fiscal year ending 6/30/2018).

\*\* Deferred (Inflows) should be disclosed as positive numbers in the CAFR.

**State of Maine - Teachers**

**Exhibit 4: 10-Year Schedule of Net OPEB Liability**

*(All dollar amounts are in thousands)*

<b>Year Ended</b>	<b>Total OPEB Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net OPEB Liability (c)</b>	<b>Position As A Percentage Of Total OPEB Liability (d)</b>	<b>Covered Payroll (e)</b>	<b>Net OPEB Liability As A Percentage Of Covered Payroll (f)</b>
			(a)-(b)	(b)/(a)		(c)/(e)
June 30, 2016	\$1,323,731	\$0	\$1,323,731	0.0%	\$1,125,444	117.6%
June 30, 2017	\$1,248,326	\$0	\$1,248,326	0.0%	\$1,149,126	108.6%

**State of Maine - Teachers**

**Exhibit 5: 10-Year Schedule of the State's Proportionate Share of Net OPEB Liability**  
*(All dollar amounts are in thousands)*

<b>Year Ended</b>	<b>State's Proportion of the Net OPEB Liability* (a)</b>	<b>State's Proportionate Share of the Net OPEB Liability (b)</b>	<b>Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (c)</b>
June 30, 2016	83%	\$1,323,731	0.0%
June 30, 2017	83%	\$1,248,326	0.0%

\*The State's proportionate share for fiscal years ended June 30, 2016 and June 30, 2017 was estimated assuming the same share of implicit subsidy for each school district's OPEB plan. GASB Statement no. 75, paragraph 213, provides for combining disclosures for more than one plan in cases that avoid unnecessary duplication.