

15. Retirement and Pension Systems:

As of June 30, 1986, the State of Maryland had employee retirement and pension programs as follows:

“Retirement Systems”—for employees, teachers and State police—retirement programs for substantially all State employees, teachers and State police who are not members of the State Pension System.

“Pension Systems”—for employees and teachers—retirement programs for employees and teachers hired after January 1, 1980, and prior employees who have elected to transfer from the Retirement Systems.

“Judges’ Pension System”—retirement program for State judges.

“Mass Transit Administration Pension Plan”—a retirement program for certain employees of the Mass Transit Administration.

All Retirement and Pension Systems, other than the Mass Transit Administration Pension Plan, are jointly contributory. Employee contributions are established at fixed percentages of total employee compensation, except for the Pension Systems where employee contributions are established at fixed percentages of employee compensation in excess of the F.I.C.A. taxable wage base. The Mass Transit Administration Pension Plan is a pay-as-you-go plan and requires no employee contributions.

The consulting actuary for the retirement and pension systems, other than the Mass Transit Administration Pension Plan, prepared valuations as of June 30, 1985, using the entry age actuarial cost method. Retirement costs for 1986 on this basis aggregated approximately \$414,975,000 for governmental fund types and \$32,899,000 for the higher education fund, including amortization of unfunded liabilities over 40 years and interest thereon. Such amortization is being calculated using the straight-line method which began in fiscal year 1981.

The consulting actuary for the Mass Transit Administration Pension Plan prepared a valuation as of June 30, 1986, using the entry age normal cost method. Retirement costs for 1986 on this basis aggregated approximately \$5,200,000 for governmental fund types, including amortization of unfunded liabilities over 30 years.

Retirement expenditures applicable to governmental fund types for the year ended June 30, 1986, aggregated approximately \$420,005,000. The excess of retirement costs over retirement expenditures of approximately \$10,856,000, is included in the general long-term debt account group. Retirement expenditures for the Mass Transit Administration Pension Plan on the pay-as-you-go basis aggregated approximately \$2,700,000 for the year ended June 30, 1986.

Selected data (amounts expressed in thousands) compiled in accordance with Financial Accounting Standards Board Statement No. 35, with respect to each plan is as follows:

	State Contributions for the year ended June 30, 1986	Actuarial Present Value of Accumulated Plan Benefits as of June 30, 1985(a)	Net Assets available for Plan Benefits(b)
Employees' Retirement System	\$ 49,655	\$2,016,117	\$1,433,778
Teachers' Retirement System	210,818	4,128,446	2,786,402
State Police Retirement System	15,282	158,732	191,525
Employees' Pension System	81,936	151,636	397,789
Teachers' Pension System	104,227	132,593	276,177
Judges' Pension System	6,134	64,165	17,750
Mass Transit Administration Pension Plan	3,305	(c)	(c)
Total	\$471,357	\$6,651,689	\$5,103,421