

# MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM

## Minutes

Board of Trustees  
Board Meeting  
November 10, 2022

MainePERS  
Augusta  
9:00 a.m.

*The Board of Trustees met at MainePERS, 139 Capitol Street, Augusta, ME 04332 at 9:00 a.m. on November 10, 2022. Brian Noyes, Chair, presided. Other Trustees participating were; Dick Metivier, Vice Chair; Henry Beck, Treasurer; Shirrin Blaisdell; John Beliveau, Mark Brunton, John Kimball; and Ken Williams. Joining the Trustees were Dr. Rebecca M. Wyke, Chief Executive Officer; Michael Colleran, Chief Operating Officer and General Counsel; Chip Gavin, Chief Services Officer; Monica Gorman, Secretary to the Board of Trustees; and Betsy Stivers, Assistant Attorney General and Board Counsel. The Board also was joined for select portions of the meeting by James Bennett, Chief Investment Officer; Zackery McGuire, Deputy Chief Investment Officer; Stuart Cameron, Cambridge Associates; Tom Lynch and George Bumeder, Cliffwater; John Claisse, Heather Christopher, and Jennifer Yeung, Albourne; and Dulari Pancholi and Kristine Pelletier, NEPC.*

Brian Noyes called the meeting to order at 9:00 a.m. Henry Beck and Dick Metivier participated through video remote access pursuant to 1 M.R.S. § 403-B, having been excused from in-person attendance by the Board Chair due to illness. All other Trustees were physically present.

### **CONSIDERATION OF THE CONSENT CALENDAR**

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

- Minutes of October 13, 2022
- Dismissal, Angela Nelson Appeal
  
- Action. Mark Brunton made the motion, seconded by Dick Metivier, to approve the Consent Calendar. Voted unanimously by eight Trustees (Beck, Beliveau, Blaisdell, Brunton, Kimball, Metivier, Noyes, and Williams).

### **CEO REPORT**

Dr. Rebecca Wyke advised the Board that NEPC would be joining the meeting to present their evaluation of the impact of divestment from fossil fuel and for-profit prison companies on the MainePERS portfolio. This is the next step in the process of evaluating how to implement the requirements of the divestment legislation.

Dr. Wyke shared a new Board software product, Govenda, has been selected to replace Flux and Board Connect, which are currently used by the Trustees to access Board materials.

Dr. Wyke stated the PLD Advisory Committee had met earlier in the month and completed the 2024 rate setting process. The Committee also recommended an additional 1%

cumulative COLA effective September 1, 2022. This change will be the subject of rulemaking and if approved will be implemented in early 2023.

Dr. Wyke reviewed the results of the disability retirement services survey provided to members who had completed an application under the new law. Members overall were pleased with the process, treated with respect, and received responses to their questions in a timely manner.

Dr. Wyke highlighted Board education opportunities and expressed openness to other opportunities of interest to Trustees.

She described recent changes to the MainePERS website to increase transparency.

Dr. Wyke shared that MainePERS was awarded the Public Pension Coordinating Council's Recognition Award for Funding for the fifteenth consecutive year. This award is given to pension systems in recognition of meeting professional standards for plan funding.

## **BOARD ELECTIONS**

- **Action:** Motion made by Ken Williams, seconded by Shirrin Blaisdell that the Board elect Brian Noyes as Chair and Dick Metivier as Vice Chair for the next year. Voted unanimously by eight Trustees (Beck, Beliveau, Blaisdell, Brunton, Kimball, Metivier, Noyes, and Williams).

## **CEO ANNUAL REVIEW**

- **Action:** Motion by Ken Williams, seconded by John Kimball that the Board enter into executive session pursuant to 1 M.R.S. §405(6)(A) to discuss evaluation of an employee. Voted unanimously by eight Trustees (Beck, Beliveau, Blaisdell, Brunton, Kimball, Metivier, Noyes, and Williams).

*The Board returned from executive session.*

## **CONSULTANT SEARCH**

Jim Bennett presented the staff's recommendation to engage Albourne and Cliffwater as alternative investment consultants. Albourne and Cliffwater provided presentations, and the firms, Jim, and Stuart Cameron answered questions from the Trustees.

- **Action:** Motion made by Ken Williams, seconded by John Beliveau that MainePERS engage Cliffwater and Albourne as alternative investment consultants as recommended by staff, subject to final due diligence and negotiations, and authorize the Chief Executive Officer, Chief Investment Officer, and General Counsel as signatories to execute documents as necessary. Voted unanimously by eight Trustees (Beck, Beliveau, Blaisdell, Brunton, Kimball, Metivier, Noyes, and Williams).

## **PRIVATE MARKETS ACTION**

### **SLR Private Corporate Lending Fund II**

- Action. Shirrin Blaisdell made the motion, seconded by John Beliveau that MainePERS make a commitment of up to \$125 million to SLR Private Corporate Lending Fund II, subject to final due diligence, legal review and negotiations; and authorize the Chief Executive Officer, Chief Investment Officer, and General Counsel as signatories to execute documents in connection with this commitment. Voted unanimously by eight Trustees (Beck, Beliveau, Blaisdell, Brunton, Kimball, Metivier, Noyes, and Williams).

### **GTCR Fund XIV**

- Action. Mark Brunton made the motion, seconded by John Kimball, that MainePERS make a commitment of up to \$50 million to SLR Private Corporate Lending Fund II, subject to final due diligence, legal review and negotiations; and authorize the Chief Executive Officer, Chief Investment Officer, and General Counsel as signatories to execute documents in connection with this commitment. Voted unanimously by eight Trustees (Beck, Beliveau, Blaisdell, Brunton, Kimball, Metivier, Noyes, and Williams).

## **DIVESTMENT**

Dulari Pancholi and Kristine Pelletier of NEPC provided a presentation to the Board summarizing the System's exposure to companies covered by the legislation and the estimated impact of divestment on the portfolio and answered questions from the Trustees.

*Brian Noyes left the meeting at noon. Shirrin Blaisdell presided over the meeting.*

## **INVESTMENT REVIEW**

Jim Bennett stated all of the quarterly review items will be provided in December. He shared there are no investment manager meetings for the months of November and December. Jim stated an actuarial valuation is being completed on the retiree plans, and those results are expected to be available by the end of the year at which time changes may be recommended to the Retiree Health Insurance Trust IPS. Jim answered questions from the Trustees.

## **BOARD POLICY REVIEW**

Michael Colleran stated that ten Board policies had been reviewed and presented the staff's recommended changes.

- Action. Mark Brunton made a motion, seconded by Ken Williams that the Board approve amended Board Policies 1.3, 3.1, and 4.4. Unanimously voted by seven Trustees (Beck, Beliveau, Blaisdell, Brunton, Kimball, Metivier, and Williams).

## **OPERATIONS AND MEMBER SERVICES REPORT**

Chip Gavin shared that increase in DocuSign signature transmittals continues. Chip provided an updated copy of a member account statement and reviewed it with the Trustees.

Michael Collieran stated the Finance and Audit Committee accepted Wipfli's final Internal Control Risk Assessment Report. He shared that the disability retirement program audit will be completed in the near future.

Michael stated implementation of the new form W-4P is almost complete and will be implemented at the end of December. He shared that Human Resources continues recruiting for eight open positions.

Michael shared the Document Center eliminated a backlog of over 350 address changes in the month of October and will be taking over retiree payroll production from the IT Department.

He reviewed changes the organization is making to improve education and reporting on the early distribution tax on retirees who return to work with the same employer before age 59½ without having had a bona fide termination.

## **BOARD SOFTWARE DEMONSTRATION**

Joy Childs, Director of Information Technology, presented the new software that will replace the Board's website and how we deliver Board packets. Joy answered questions from the Trustees.

*Henry Beck and Dick Metivier left the meeting at 12:15 and 12:26 p.m., respectively.*

## **LITIGATION UPDATE**

Betsy Stivers reported receipt of the court order in the two pending Hawes FOA matters. The first FOA action has been denied and as has all but one of the claims in the second FOA action. The court will review the redacted MMRO contract in camera to resolve the final claim. A motion to amend both complaints was made, but it is unclear at this point what will transpire with that. Betsy shared that discovery is proceeding in the personnel matter.

Betsy explained the fiduciary responsibility legal framework document that is in the Board meeting materials.

## **ADJOURNMENT**

- **Action.** Mark Brunton made a motion, seconded by Ken Williams, to adjourn the November Board of Trustees meeting. Voted unanimously by five Trustees (Beliveau, Blaisdell, Brunton, Kimball, and Williams).

The meeting adjourned at approximately 12:30 p.m.

12/08/22  
Date Approved by the Board

  
Dr. Rebecca M. Wyke, Chief Executive Officer  
12/6/22  
Date Signed