



MainePERS

PUBLIC EMPLOYEES RETIREMENT SYSTEM

MainePERS 5-Year Strategic Plan

Introduction

MainePERS is pleased to share this Strategic Plan adopted on **TBD**.

The Maine Public Employees Retirement System (MainePERS) is an incorporated public instrumentality of the state governed by a Board of Trustees pursuant to Maine law. Since 1942, MainePERS has joined with public employers to help their employees prepare for retirement. The System's active contributing members include teachers, state, county, and municipal employees, legislators, judges, and others. Upon retirement, our members receive monthly benefits from their respective defined benefit plans. The System also administers disability retirement, group life insurance, survivor services, and a tax-deferred retirement savings program known as MaineSTART. Management of these programs includes financial and investment administration, recordkeeping of members' work and compensation data, and administration of retirement and related services.

In the fall of 2021, the newly appointed Chief Executive Officer engaged in a series of discussions with a broad spectrum of stakeholders to assess their experience with MainePERS. The knowledge gained through these meetings laid the groundwork for the development of a strategic plan. In December 2021, the Board of Trustees adopted a set of Goals and Objectives to guide the strategic planning process and create a framework for the Plan.

The process of developing the mission, vision, and organizational values engaged all MainePERS employees through multiple all-staff meetings, two rounds of small group meetings, and two employee surveys. A set of strategic outcomes was developed and the resulting draft Strategic Plan was posted on the MainePERS website along with a survey tool. Members, employers, and stakeholders were invited to comment on the plan through the survey tool, a public comment meeting, and individual meetings.

As used in this Plan: "*members*" is inclusive of active contributing members, inactive members, retired members, and beneficiaries; "*stakeholders*" is inclusive of representatives of participant employers and groups representing members; and "*retirement*" or "*retirement and related services*" is inclusive of all programs administered by MainePERS, including the defined benefit plans, disability retirement, group life insurance, survivor services, and MaineSTART.

In all 113 responses to the survey were received. The majority of respondents expressed support, and the feedback received was used to shape the final version of the Plan.

Goals and Objectives

Goals *(ongoing, long-term strategic direction)*

- Preservation of the Trust Fund
- Stability of the contribution rates
- Security and integrity of our information systems
- Cultivation of a member-centric organization
- Development of stakeholder relations
- Foster an engaged workforce that advances the organization's mission

Objectives *(short-term legislatively directed)*

- Planning for the post-2028 full funding of the Unfunded Actuarial Liability (UAL), including potential public pension plan options that include social security *Resolves 2021, c. 66 & 72*
- Responding to the recent divestment legislation *PL 2021, c. 231 & 234*
- Expanding the availability of defined contribution plans to teachers *PL 2021, c. 548*
- Exploring mandatory long-term disability insurance coverage *PL 2021, c. 277*

Mission and Vision Statements

Mission

MainePERS partners with public employers to deliver retirement and related services.

Vision

MainePERS is a trusted and effective fiduciary focused on meeting the needs of active and retired members, beneficiaries, and employers.

Organizational Values

- **Accountability** – We act with integrity. We educate, equip, and empower all to consistently deliver knowledgeable and respectful service to our constituents and colleagues.
- **Respect** – We are mindful of culture and diversity in all we do, exercising empathy, compassion, kindness, and appreciation in valuing all others.
- **Collaboration** – We work together, proactively sharing information and knowledge and acting transparently in all interactions.
- **Stewardship** – We secure and safeguard assets (data, funds) entrusted to our care and consistently comply with our obligations to ensure benefits are sustained.
- **Agility** – We strive for personal and organizational excellence through continuous improvement.

Strategic Objectives

Goal I: Preservation of the Trust Fund

Strategic Objectives:

- A. Continuously review governance and risk management practices that drive accountability, consistency, and transparency and engage trustees in annual fiduciary education
- B. Continuously review the strategic asset allocation to optimize earnings, manage risk, and ensure sufficient liquidity
- C. Plan for post-2028 full funding of the 1996 State Employee and Teacher Plan UAL and engage with stakeholders
- D. Develop policy to address the recent divestment legislation in accordance with sound investment criteria and consistent with fiduciary obligations
- E. Exercise efficient use of resources in the administration of the retirement plans and related services

Goal II: Stability of the Contribution Rates

Strategic Objectives:

- A. Employ periodic experience studies and annual actuarial valuations to identify the trust fund's future financial needs
- B. Apply sound actuarial methods to promote stability of the contribution rates
- C. Ensure employers and other stakeholders are informed of funding trends

Goal III: Security and Integrity of our Information Systems

Strategic Objectives:

- A. Ensure the cybersecurity management program meets current and future needs
- B. Maintain and upgrade core information systems
- C. Explore a cloud strategy to host information systems

Goal IV: Cultivation of a Member-centric Organization

Strategic Objectives:

- A. Develop a comprehensive member education, communications, and service model that supports planning for retirement security
- B. Improve processes to promote timely and accurate service by ensuring the integrity of the data, streamlining and automating workflow processes, and reducing processing times
- C. Document workflow policies, practices, and procedures and develop staff training programs
- D. Institute a quality assurance and control program
- E. Implement a member self-service portal, including access to annual member statements
- F. Expand the availability of defined contribution plans (MaineSTART)
- G. Assess the experience of the system and its members following the implementation of the new disability legislation
- H. Seek member input and measure satisfaction

Goal V: Development of Stakeholder Relations

Strategic Objectives:

- A. Provide legislators, employers, and other stakeholders with information on defined benefit retirement plans and related services
- B. Continue to explore with stakeholders potential post-2028 pension plan options that enhance benefit portability, including Social Security participation
- C. Engage stakeholders to develop an implementation plan for providing mandatory long-term disability insurance coverage to members through their employers
- D. Develop a comprehensive employer education, communications, and service model and partner with employers and third-party payroll vendors to streamline processing and improve reporting
- E. Seek employer input and measure satisfaction

Goal VI: Foster an Engaged Workforce that Advances the Organization's Mission

Strategic Objectives:

- A. Institutionalize the Organizational Values developed by the staff
- B. Develop an onboarding, training, and development plan
- C. Support and empower staff in the performance of their work
- D. Create a staff working group to advance a positive organizational culture
- E. Implement strategic performance management
- F. Increase awareness and knowledge related to diversity, equity, and inclusion (DEI)
- G. Develop and maintain a succession plan

Key Performance and Risk Measures

MainePERS is committed to measuring its progress on the Strategic Plan by utilizing the key performance and risk measures developed by the National Conference on Public Employee Retirement Systems in its publication *Best Governance Practices for Public Retirement Systems* (revised May 2019).

- I. The funded ratio as measured by the ratio of fund assets to fund liabilities
- II. Net annualized investment returns relative to the return assumption and benchmarks
- III. Timeliness and accuracy of distributions paid to members and beneficiaries
- IV. Member satisfaction with fund services as measured by surveys and correspondence
- V. Future benefits owed to members as measured by the actuarial accrued liability
- VI. Net assets available for benefits and changes as reported in the annual audit