

MainePERS Board of Trustees
Finance and Audit Committee Meeting
November 14, 2024
One City Center, Portland

AGENDA

8:00 a.m. ¹	CALL TO ORDER	Shirrin Blaisdell
8:00 – 8:05 a.m.	1. <u>MINUTES APPROVAL 08/08/2024 Meeting</u> ACTION	Shirrin Blaisdell
8:05 – 8:20 a.m.	2. <u>INTERNAL AUDIT PRESENTATION</u> a. Business Continuity Program Review b. Business Continuity Program Assessment Report	Shannon McIntosh, Wipfli Sherry Vandrell
8:20 – 8:45 a.m.	3. <u>ADMINISTRATION</u> <ul style="list-style-type: none">Executive Session pursuant to 1 M.R.S. §§ 402(3)(M), 405(6)(F) <i>Board moves out of executive session.</i> a. Protocols in the Event of Certain Emergencies b. Fraud Risk Management c. Employer Reporting Update d. Pension and OPEB Supplemental Report Status e. <u>Report on Internal Audit Activity</u>	Dr. Rebecca M. Wyke Michael Colleran Sherry Vandrell
8:45 – 8:50 a.m.	4. <u>REPORT ON FINANCIAL OPERATIONS</u> a. 09/30/2024 Administration Operations Expense Report b. 09/30/2024 Investment Operations Expense Report	Dr. Rebecca M. Wyke Sherry Vandrell
8:50 – 8:55 a.m.	5. <u>OPEGA REQUIRED REPORTING TO THE BOARD</u> a. Travel Report b. Procurement Report – Next Report in February	Dr. Rebecca M. Wyke Sherry Vandrell
8:55 a.m.	<u>ADJOURNMENT</u>	Shirrin Blaisdell

¹ All times are estimated based upon the anticipated length of each presentation, hearing, discussion, and action. The presiding officer may take agenda items out of order for more efficient or effective conduct of the meeting.

MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM

Minutes

Board of Trustees
Meeting of the Finance and Audit Committee
August 8, 2024

139 Capitol Street
Augusta, Maine
8:00 a.m.

The meeting of the Finance and Audit Committee was held at 8:00 a.m. at the office of the Maine Public Employees Retirement System, 139 Capitol Street, Augusta, Maine. Shirrin Blaisdell, Finance and Audit Committee Chair, presided. Committee members Dick Metivier, Vice Chair and Brian Noyes also participated. Joining the Trustees were Dr. Rebecca M. Wyke, Chief Executive Officer; Michael Colleran, Chief Operating Officer and General Counsel; Sherry Vandrell, Chief Financial Officer; Allison Sucharzewski, Assistant Director of Employer Reporting, Jenn Lidback, Assistant Director of Finance & Budget; Patrick Rogers, Assistant Director of Accounting, Mark LaPrade and Leah Clair of BerryDunn; and James Kreiser of CLA.

Sherry Vandrell introduced Allison Sucharzewski, Assistant Director of Employer Reporting; Jenn Lidback, Assistant Director of Finance & Budget; and Patrick Rogers, Assistant Director of Accounting to Mark LaPrade, Leah Clair, and Jim Kreiser.

MINUTES

Shirrin called for acceptance of the minutes from the May 16, 2024 meeting of the Finance and Audit Committee.

- Action: Dick Metivier made the motion, seconded by Brian Noyes, to accept the minutes from the May 16, 2024 meeting as amended. Voted unanimously by those Trustees participating (Blaisdell, Metivier, Noyes).

EXTERNAL AUDIT

Audit Plan Review

Mark LaPrade and Leah Clair of BerryDunn presented their audit plan for the independent audit of the System's FY24 financial statements. Mark shared what the roles and responsibilities of the auditor and management are with respect to the financial statements and presented the scope of the engagement in regards to the financial statements as a whole, the ACFR, required supplementary information, and the schedules required by GASB 68 and 75. Mark and the Committee discussed the various steps in planning and performing the audit including the required auditor communications.

Leah reviewed the audited components of the GASB 68 and GASB 75 schedules. Leah also reviewed the significant audit areas to be tested, noting primary focus is on investments, contributions, and benefits paid. Leah shared dates for year-end, draft reports, and the final presentation to the Finance and Audit Committee. Leah discussed the various fraud risks with the Committee.

ADMINISTRATION

Report on Internal Audit

Jim Kreiser of CLA presented the report on member estimates and statements of account audit and reviewed the resulting recommendations.. Jim discussed and answered questions from the Committee regarding CLA's observations and recommendations.

Sherry discussed the FY25 internal audit work plan and shared that the next audit would be a review of the Business Continuity Program. Work to engage the audit firm and kick off the work is underway.

Employer Reporting Update

Sherry Vandrell reported that 97% of the June payroll reports due in July were submitted on time. She shared this was an improvement over the past few months. Sherry reported employer account reconciliations continues to be the focus of work. She stated work continues with the Portland Public Schools.

Enterprise Risk Management Report

Michael Colleran shared the Enterprise Risk Management Program Report with the Committee. The report identifies any significant risks facing the System and steps taken to mitigate them. He reported the top risks include: data breach; failure to make benefit payments; fraud or theft; and errors in calculating benefits and contributions. Michael stated those risks were the same as reported last year.

REPORT ON FINANCIAL OPERATIONS

6/30/2024 Administration and Investment Operations Budgets

Sherry reviewed the Administrative and the Investment Operations Reports for the year ended June 30, 2024. Sherry discussed and answered questions from the Committee on both the Administrative and Investment expense reports.

OPEGA REQUIRED REPORT TO THE BOARD

Sherry shared the travel expense report for the quarter ended 6/30/24 and the procurement report for the six months ended June 30, 2024. Those reports are included in the packet.

ADJOURNMENT

The meeting adjourned at 8:50 a.m.

The next meeting of the Finance and Audit Committee is expected to be held on November 14, 2024 at 8:00 a.m.

November 14, 2024
Date Approved by the Committee

Dr. Rebecca M. Wyke, Chief Executive Officer

Date Signed

MAINEPERS

FINANCE AND AUDIT COMMITTEE MEMORANDUM

TO: FINANCE AND AUDIT COMMITTEE MEMBERS
FROM: SHERRY VANDRELL, CHIEF FINANCIAL OFFICER
SUBJECT: INTERNAL AUDIT REPORT ON BUSINESS CONTINUITY PROGRAM (BCP)
DATE: NOVEMBER 4, 2024

POLICY REFERENCE

[Board Policy 1.6 – Finance and Audit Committee of the Board](#)

INTERNAL AUDIT REPORT ON BUSINESS CONTINUITY PROGRAM

Wipfli has completed the internal audit on our Business Continuity Program (BCP). A copy of their report is included in your packet. Shannon McIntosh will attend the November 14th Finance and Audit Committee meeting to review the report with you and to answer any questions you may have.

RECOMMENDATION

No action is required by the Committee at this time.

MAINEPERS

FINANCE AND AUDIT COMMITTEE MEMORANDUM

TO: FINANCE AND AUDIT COMMITTEE MEMBERS
FROM: SHERRY VANDRELL, CHIEF FINANCIAL OFFICER
SUBJECT: REPORT ON FINANCIAL ADMINISTRATION
DATE: NOVEMBER 4, 2024

POLICY REFERENCE

[Board Policy 1.6 – Finance and Audit Committee of the Board](#)

EMPLOYER REPORTING STATUS UPDATES

Eighty-seven percent of our participating employers reported on time for the month of September. This is a significant decrease from our high of ninety-seven percent which we had achieved with June payrolls in July. Many of our employers are experiencing turnover in their business offices, contributing to some delay, and our teacher employers often experience peak workloads in the fall with teachers retiring and new teachers onboarding. We anticipate a return to an on-time rate exceeding ninety-five percent in the coming months.

Employer account reconciliations continue to be an ongoing focus of our work, with 83.4% of all employer accounts fully reconciled through August payrolls as of today. This is down slightly from the 84.3% through June data reported last quarter and the drop is related to the drop in timely reporting we saw for the last two months. The number of employers with one or more outstanding transactions for July and August was 37 at the time this report was drafted. Had this slippage not occurred, the fully reconciled rate would be 89% today. Staff continue to work on these new transactions while also addressing the remaining backlog of older reconciliations.

As reported in the media recently, Portland Public Schools is seeking approval from their board to extend and expand the engagement with BerryDunn, shifting additional work away from their payroll office to free the payroll office up to work on current issues. The proposal is for BerryDunn to work more closely with the backlog of member account reconciliations while PPS staff work through delinquent reporting for 2024. We

should know more about the outcome of this proposed engagement by the time you meet on November 14th.

Portland Public Schools has also continued to work with ADP, submitting two 2024 payroll reports on November 1st for our staff to review and provide feedback on. Once the files have been reviewed, staff will provide feedback for any additional modifications to the report format that might be necessary.

PENSION AND OPEB SUPPLEMENTAL REPORTS

Staff are wrapping up the compilation of the reports on Pension and Other Post-Employment Benefits, as required by the Governmental Accounting Standards Board. Once the reports are compiled, they will be audited by BerryDunn prior to distribution to our participating employers. This work is expected to be completed no later than January 31, 2025.

REPORT ON INTERNAL AUDIT

Wipfli has completed their work on the Business Continuity Program audit. A copy of the report is provided in your materials and Wipfli will be presenting the report and answering questions at your November 14th meeting.

Included in your packet is a report on outstanding audit findings and recommendations along with their status. A summary of audit findings remediated and those added follows. I am happy to answer questions regarding the report at your meeting.

Activity for May through November 4, 2024				
Source	Open Items Beginning of Quarter	Findings Resolved	Identified	Open Items End of Quarter
Internal Audit	6	8	6	4
External Audit	-	-	-	-
Total	6	8	6	4

RECOMMENDATION

No action is required by the Committee at this time.

MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM

Status of Unresolved Audit Findings and Recommendations for Improvement

11/4/2024

Issue Identified	Type of Issue	Source	Responsible Unit	Owner	Date Added	Recommendation	Management Response	11/1/2024	Date Resolved
<p>The MainePERS line of business software used for calculating benefit payments has functional limitations when processing complex calculations to determine the appropriate benefit payment amount and when archiving calculation history for previous benefit payments.</p> <p>For one (1) of the five (5) samples selected for benefit calculation testing, there was an immaterial discrepancy between the calculated benefit amount within the system and the finalized benefit amount. Upon follow up, it was determined that external spreadsheets are utilized to compute the benefit, which was then entered into the system manually.</p> <p>For one (1) of the nine (9) samples selected for offset calculation testing, there was past calculation data that was overwritten within the system to reflect the current status of the member. To obtain the past data, an external spreadsheet was utilized to show the past computation of the benefit.</p>	Recommendation	CLA - Disability Program Review	Service Programs	Chip	12/5/2022	CLA recommends assessing the line of business software functional limitations and performing a cost-benefit analysis on the impact that these limitations have on operations. From that analysis, a decision can be made to either work with the hosting party / vendor of the software to determine enhancements to address functional limitation or to explore other software options and solutions.	Management agrees that the use of spreadsheets to do calculations outside of the line of business system creates risk. MainePERS is assessing whether calculations currently performed manually can be added to the line of business application efficiently or if another solution can be put in place. The question related to archiving calculation history will be investigated with the vendor. This work is ongoing.	11/2024 - The new PAS partner has been selected and contracting is under way. It is expected that the new PAS solution, the business process review associated with the project or a combination of the two will address these calculations. Implementation of the news PAS system is currently anticipated to begin in 2025 and be completed in 2028.	
Six (6) out of twenty-five (25) sampled Work Report Adjustments that were due to underpayments were not collected for at least three (3) months after identification.	Recommendation	CLA - Cash Receipts and Disbursements 2023	Accounting	Sherry	11/13/2023	We recommend that MainePERS continue to follow up on late payments and utilize the steps detailed in the "Late Payroll Submission" policy/process. We also recommend tracking the late Work Report Adjustments in a centralized log to determine high priority adjustments that have been outstanding for more than one (1) month.	Management agrees with this recommendation.	11/2024 - Work continues on clearing the backlog of employer account reconciliations. As of 11/1/2024, 114 out of 641 active accounts, or 16.6%, remain to be reconciled through August 2024 data.	
Upon inquiry with MainePERS management, there has not been a recent test or table top exercise of the incident response plan for an incident related to a physical security breach.	Recommendation	CLA - Facilities Maintenance and Controls 2024	Operations	Lynn	1/31/2024	We recommend that MainePERS should integrate a physical security component to their next table top exercise or incident response plan test.	Management agrees with this recommendation and recently completed an armed aggressor table top exercise for the Safety Marshal team. Lessons learned from this exercise are being evaluated and procedures updated ahead of conducting a site-wide exercise in 2024. MainePERS partners with an external vendor for physical security consultation.	11/2024 - A tabletop exercise on a physical security breach was conducted on 11/4/2024 and management will review any recommendations that result. This item is considered closed.	11/4/2024
Upon observation of MainePERS facility it was noted that the equipment in the MainePERS facilities are not connected to a back-up power generator.	Recommendation	CLA - Facilities Maintenance and Controls 2024	Facilities	Lynn	1/31/2024	We recommend that MainePERS assess the risk of having no back-up generator in place to support key systems and operations in the event of a long term power outage.	Management agrees with this recommendation and is currently exploring options for installing a full solution generator for the facility.	11/2024 - An award for a generator contract has been executed and work is being completed according to the project plan in preparation for the generator. The project is on track for a March 2025 delivery as expected.	
The IT hardware inventory listing included a number of servers that are no longer supported by vendors and reach their end of life (including Windows 2008 2012 PROD, Windows 2008 2012 DR, and Active Directory DHCP DNS 2008 R2).	Recommendation	CLA - Facilities Maintenance and Controls 2024	IT	Joy	1/31/2024	We recommend that all operating systems and servers be updated and patched to the latest version that is supported by the vendor to address security vulnerabilities. When an operating system reaches "end-of-life", it is likely that the vendor no longer is supporting the software for protection against newly developed vulnerabilities.	Management agrees with this recommendation. At this time, four remaining 2012 R2 servers are scheduled to be decommissioned or upgraded by 2/15/2024.	11/2024 - The last two servers were updated in September 2024. This item is closed.	9/30/2024

MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM

Status of Unresolved Audit Findings and Recommendations for Improvement

11/4/2024

Issue Identified	Type of Issue	Source	Responsible Unit	Owner	Date Added	Recommendation	Management Response	11/1/2024	Date Resolved
Policies and procedures related to member statements and change management did not have evidence of review within the last year and appeared to be out-of-date.	Recommendation	CLA - Member Statements and Estimates	Service Programs	Chip	5/31/2024	We recommend that policies be updated to reflect current practices and that either a version control log should be incorporated in all internal department policies and practices to track review/revision dates and approval, or a reference clause should be included in the policy and practice documents to refer to the department policy and practice review log for evidence of revision dates, approval dates, and approvers.	Management agrees with the observation and the recommendation. MainePERS has updated its overall policy in this area and is incorporating the date of review or other action on all such policy and practice documents. The documents relevant to Member Statements and Estimates will be updated accordingly by August 31, 2024.	08/2024 - Review and updating of MS Policy 1.6.0 Member Statements was completed 5/31/2024, under the requirements and guidance provided in MainePERS System Policy 1.0 Policies and Practices. The System Policy was updated on April 22, 2024 to include expanded review and revision tracking and notations.	8/8/2024
For a sample of 25 excluded member statements during the audit period, it was noted that 16 of the excluded member statements samples were not resolved after being identified with issues.	Recommendation	CLA - Member Statements and Estimates	Service Programs	Chip	5/31/2024	We recommend that for all excluded member statements identified, MainePERS takes action to determine the reason why the member statements were excluded from the batch and address the root cause of the issue. Excluded member statement issues should be tracked and communicated to affected members to ensure that all members receive accurate and complete statements in a timely manner.	Management agrees with the observation and the recommendation. A formal practice (RS Practice 7.1) was updated in April 2024 and Retirement Services is in the process of implementing.	08/2024 - Accounts of members on the monthly "bad" statement lists have been reviewed and addressed for all of 2024 and have been kept up to date through July 2024 (the current statement month).	8/8/2024
Although it was noted that within MainePER's 1.7.1 policy, they state that the IT System Development team does review the member statement files on a monthly basis, there is currently no QC process in place over the generation of member statement files, or over the imaging process.	Recommendation	CLA - Member Statements and Estimates	Service Programs	Chip	5/31/2024	We recommend that a QC process is implemented over member statement files generated and the imaging process on a monthly basis to ensure completeness and accuracy. Implementing a QC process will also help reduce the risk of errors for the company.	Management agrees with the recommendation. Service Programs Policy 1.7.1 was obsolete at the time of the audit but had not been repealed. A replacement version was in development at the time of the audit. It is pending final adoption and provides for a QA process. The now repealed policy 1.7.1 , which followed the same general protocol as is reflected in the new pending Member Services Policy 1.6.0, was in place previously either that policy or the new policy has been applied and in force throughout for member statements.	08/2024 - MS Policy 1.7.1 has been officially repealed. Related QA practices are incorporated in MS Policy 1.6.0 and Retirement Services Practice 7.1 – Annual Member Statement Quality Assurance and Controls.	8/8/2024
For a sample of 25 Service Retirement Estimate Workflows, there were 21 Service Retirement Estimate Workflows that took more than 10 days to complete after being requested and opened. Out of those 21 S.R. Estimate Workflows, 12 S.R. Estimate Workflows took more than 30 days to complete after being opened. Out of those 12, 5 S.R. Estimate Workflows took more than 60 days to complete after being opened.	Recommendation	CLA - Member Statements and Estimates	Service Programs	Chip	5/31/2024	We recommend that Service Retirement Estimate Workflows are completed within 10 days after being requested and opened, per MainePERS policy. This is to ensure that members who request their service retirement estimates get their answer in a timely manner.	MainePERS agrees with the observation and disagrees with the recommendation. MainePERS has dramatically improved Service Retirement Estimate production and is keeping current within approximately 60 days of requests. MainePERS intends to revisit whether 10 days is warranted as a self-imposed standard or whether 60 days is reasonable and to adopt a new standard when this practice (Member Services 4.1.0) is next due for review in January 2025. MainePERS also will seek the fastest possible processing options as part of the development of a new Pension Administration System, now under way, at which time 10 days may be feasible.	11/2024 - MainePERS has continued the improved processing of these items and routinely produces them in <60 days. The PAS processing component is incorporated in the PAS project. The 60-day standard is on track for review in January 2025.	
The SOC Report provided for Snowman was from 2021 and reported in June 2022, indicating that this was the last SOC report requested and reviewed by MainePERS.	Recommendation	CLA - Member Statements and Estimates	Operations	Mike	5/31/2024	We recommend implementing a formal procedure to obtain and review the Snowman SOC report on an annual basis, and if there are noted exceptions, a qualified opinion, or CUEC that MainePERS is responsible for; to ensure that there are appropriate controls in place.	Management agrees with this observation and recommendation. While there is a process in place to request and review the Service Organization Controls (SOC) report as part of the annual information security review for this vendor, it appears that in this instance the request was made early and the older report was provided. Management will update the process to ensure we are obtaining and reviewing current reports.	11/2024 - The Vendor Management Program process was revised to address this in September of 2024. This vendor's current SOC-2 form has been requested.	11/1/2024

MAINEPERS

FINANCE AND AUDIT COMMITTEE MEMORANDUM

TO: FINANCE AND AUDIT COMMITTEE MEMBERS
FROM: SHERRY VANDRELL, CHIEF FINANCIAL OFFICER
SUBJECT: FY25 – SEPTEMBER 2024 OPERATING AND INVESTMENT EXPENSE REPORTS
DATE: NOVEMBER 5, 2024

Reports of operating expenses for both administration and investment operations for the three months ended September 30, 2024 are included in your packet materials. The reports summarize, by expense category, the approved budgeted amounts for the current fiscal year and the actual year-to-date expenses for the year.

POLICY REFERENCE

[Board Policy 1.6 – Finance and Audit Committee of the Board](#)

[Board Policy 5.4 – Budgeting, Spending, and Reporting](#)

REVIEW OF FY25 OPERATING EXPENSES THROUGH SEPTEMBER 30TH

Following is information about significant budget variances that occurred during the fiscal year:

Administration

(1) **Personal Services** (Under budget 1.6% or \$235,915) – Personal services costs include salaries and wages, along with associated benefits. The projected surplus in personal services is related to vacancy savings in filling the new positions added for FY25 as well as turnover in other positions. I continue to monitor the personal services lines and will adjust the use of overtime as currently vacant positions are filled.

(2) **Computer Equipment, Supplies and Supports** (Over budget 1.9% or \$52,993) – Computer equipment, supplies and supports includes maintenance and support costs for various IT applications used to support MainePERS' business. Several support contracts have renewed in the first quarter of the year at somewhat higher than anticipated, including our Cybersecurity contract with Tyler Technologies. The additional cost for this service is contributing to about half

of the projected overage in this area. The contract was renewed for six months and will be re-evaluated when it comes up for renewal next. We will continue to work with our Director of IT to find other areas where we can create savings to cover this overage in the coming months.

(3) **Buildings and Operations** (Over budget by 2.3% or \$11,463) – Approximately half of the projected overage, or \$6,100, is attributable to the renewal of our grounds keeping contract. This contract was up for competitive bid which resulted in a new vendor being selected and at a cost that was slightly higher than what we had been paying the previous vendor. A combination of smaller increases in several additional service contract renewals makes up the remaining projected overage.

Investment Operations

(1) **Personnel Services** (Under budget by .3% or \$11,029,971) – Personal services is projected to be slightly under budget this year in the health insurance category. This is related to a difference in health insurance utilization as compared to budget.

(2) **Computer Equipment, Supplies and Support** (Over budget by 2.6% or \$4,132) – The projected overage in this line for Investments is directly related to the overage in the same line in the Administrative budget, above.

RECOMMENDATION

No action is required by the Committee at this time.

Maine Public Employees Retirement System
FY25 Administrative Expenses YTD
And Year End Projection

	FY 25 Budgeted	FY 25 Actual Thru 09/30/24	FY 25 Projected Remaining	FY 25 Total Expected	Projected Surplus (Deficit)	
Personnel Services						
Salaries & Wages						
Salaries and Wages	\$ 10,651,839	\$ 2,126,717	\$ 8,366,301	\$ 10,493,018	\$ 158,821	
Overtime Wages	-	34,054	-	34,054	(34,054)	
Total Salaries & Wages	10,651,839	2,160,771	8,366,301	10,527,072	124,767	
Benefits						
Health Insurance	2,500,137	460,146	1,954,345	2,414,491	85,646	
MainePERS Retirement Contributions	1,307,416	262,528	1,019,385	1,281,913	25,503	
Retiree Health Insurance Reserve	9,480	2,319	7,161	9,480	-	
Other Insurance and Benefits	28,000	4,107	23,893	28,000	-	
Total Benefits	3,845,032	729,100	3,004,784	3,733,884	111,148	
Total Personnel Services	14,496,871	2,889,871	11,371,085	14,260,956	235,915	(1)
Operating Expenses						
Computer Equipment, Supplies and Supports	2,844,935	739,022	2,158,906	2,897,928	(52,993)	(2)
Medical Consultation Services	244,500	31,407	213,093	244,500	-	
Training and Tuition	122,764	14,610	108,154	122,764	-	
Travel	57,435	3,911	53,524	57,435	-	
Depreciation	450,963	92,952	345,465	438,417	12,546	
Professional Services						
Actuarial Services	397,140	56,370	340,770	397,140	-	
Audit Services	142,000	55,502	80,150	135,652	6,348	
Legal Services	211,500	42,820	168,680	211,500	-	
Hearing Officers Services	50,500	9,205	41,295	50,500	-	
Other Professional Services	839,053	69,412	777,222	846,634	(7,581)	
Total Professional Services	1,640,193	233,309	1,408,117	1,641,426	(1,233)	
Other Operating Expenses						
Buildings and Operations	496,127	140,039	367,551	507,590	(11,463)	(3)
Capital Lease Expense	549,397	136,582	412,777	549,359	38	
Insurance	109,100	47,255	63,634	110,889	(1,789)	
Printing and Publications	198,121	44,234	145,829	190,063	8,058	
Postage	370,705	84,731	285,478	370,209	496	
Telephone	166,992	42,215	125,611	167,826	(834)	
Other	246,103	97,983	152,181	250,164	(4,061)	
Total Other Operating Expenses	2,136,545	593,039	1,553,061	2,146,100	(9,555)	
Total Operating Expenses	7,497,335	1,708,250	5,840,320	7,548,570	(51,235)	
Total Administrative Expenses	\$ 21,994,206	\$ 4,598,121	\$ 17,211,405	\$ 21,809,526	\$ 184,680	

Maine Public Employees Retirement System
FY25 Investment Operations Expenses YTD
And Year End Projection

	FY 25 Budgeted	FY 25 Actual Thru 09/30/24	FY 25 Projected Remaining	FY 25 Total Expected	Projected Surplus (Deficit)
Personnel Services					
Salaries & Wages					
Salaries and Wages	\$ 2,258,055	\$ 499,115	\$ 1,761,451	\$ 2,260,566	\$ (2,511)
Overtime Wages	-	-	-	-	-
Total Salaries & Wages	2,258,055	499,115	1,761,451	2,260,566	(2,511)
Benefits					
Health Insurance	317,028	60,028	242,934	302,963	14,065
MainePERS Retirement Contributions	368,740	79,779	289,576	369,355	(615)
Retiree Health Insurance Reserve	2,370	570	1,710	2,280	90
Other Insurance and Benefits	-	-	-	-	-
Total Benefits	688,138	140,378	534,220	674,598	13,540
Total Personnel Services	2,946,193	639,493	2,295,671	2,935,164	11,029 (1)
Operating Expenses					
Computer Equipment, Supplies and Supports	158,781	40,190	122,723	162,913	(4,132) (2)
Medical Consultation Services	-	-	-	-	-
Training and Tuition	29,500	13,452	16,048	29,500	-
Travel	79,300	(1,353)	80,653	79,300	-
Depreciation	4,271	1,068	3,203	4,271	-
Professional Services					
Actuarial Services	-	-	-	-	-
Audit Services	57,000	40,450	16,550	57,000	-
Legal Services	1,140,000	98,743	1,041,258	1,140,000	-
Investment Consulting	1,245,000	308,750	936,250	1,245,000	-
Proxy Voting Services	24,037	6,009	18,028	24,037	-
Custody Services	750,000	187,500	562,500	750,000	-
Other Professional Services	118,500	-	116,000	116,000	2,500
Total Professional Services	3,334,537	641,452	2,690,585	3,332,037	2,500
Other Operating Expenses					
Buildings and Operations	136,196	32,623	102,823	135,446	750
Capital Lease Expense	151,679	37,910	113,756	151,666	13
Insurance	8,683	2,060	6,902	8,962	(279)
Printing and Publications	-	45	(21)	24	(24)
Postage	540	154	507	661	(121)
Telephone	49,608	12,506	37,248	49,754	(146)
Other	30,526	3,467	27,369	30,837	(310)
Total Other Operating Expenses	377,232	88,765	288,585	377,350	(117)
Total Operating Expenses	3,983,621	783,573	3,201,798	3,985,371	(1,749)
Total Investment Operations Expenses	\$ 6,929,814	\$ 1,423,066	\$ 5,497,469	\$ 6,920,535	\$ 9,280

MAINEPERS

FINANCE AND AUDIT COMMITTEE MEMORANDUM

TO: FINANCE AND AUDIT COMMITTEE MEMBERS
FROM: SHERRY VANDRELL, CHIEF FINANCIAL OFFICER
SUBJECT: FY25 – 1ST QUARTER REPORTS – TRAVEL AND PROCUREMENT
DATE: NOVEMBER 4, 2024

POLICY REFERENCE

[Board Policy 1.6 – Finance and Audit Committee of the Board](#)

[Board Policy 5.4 – Budgeting, Spending, and Reporting](#)

TRAVEL EXPENSE REPORT

The report of travel expenses for the quarter ended September 30, 2024 is attached for your review. This report is provided in accordance with the System Policy 3.2 – Travel which is in compliance with the State of Maine's Office of Program Evaluation and Government Accountability (OPEGA) requirements.

PROCUREMENT REPORT

The next report of procurement activity will be for the six months ended December 31, 2025 and will be presented at your February 2025 meeting. This report is provided in accordance with the System Policy 3.1 – Procurement, which is in compliance with OPEGA requirements.

RECOMMENDATION

No action is required by the Committee at this time.

Maine Public Employees Retirement System
Travel Report to the Board of Trustees
For the Period of July 1, 2024 thru September 30, 2024

Traveler	In/Out of State	Dept.	Dates of Travel			Destination	Purpose of Travel	M&IE	Lodging	Transportation	Other	Reimbursed Expenses	Total Expenses
Vandrell, Sherry	O	Accounting & Finance	September 15, 2024	Thru	September 17, 2024	Hampton, NH	IMA Conference	73.00	343.34	142.40	330.00	-	888.74
Ackor, James	O	Investments	May 21, 2024	Thru	May 22, 2024	Boston, MA	Summit Partners LPAC Meeting	-	414.91	141.24	-	-	556.15
Ackor, James	O	Investments	June 27, 2024	Thru	June 27, 2024	Boston, MA	Summit Partners Growth Equity Fund XII	-	-	95.16	-	-	95.16
Porter, Doug	O	Investments	September 17, 2024	Thru	September 17, 2024	New York, NY	Private Debt Investor Conference	59.00	-	469.59	-	-	528.59
Ardry, Nanette	O	Legal	September 9, 2024	Thru	September 12, 2024	Huntsville, AL	NCSSSA Conference	108.00	296.10	727.44	600.00	-	1,731.54
Collins, Quinn	O	Legal	September 9, 2024	Thru	September 12, 2024	Huntsville, AL	NCSSSA Conference	135.00	296.10	751.49	600.00	-	1,782.59
Staff	I	Various	July 1, 2024	Thru	September 30, 2024	-	Misc. Local Travel	-	-	373.51	-	-	373.51
Trustees	I	Trustees	July 1, 2024	Thru	September 30, 2024	-	Board Meetings	-	-	335.00	-	-	335.00
TOTAL EXPENSES								375.00	1,350.45	3,035.83	1,530.00	-	6,291.28