

MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM

Minutes

Board of Trustees
Meeting of the Finance and Audit Committee
August 10, 2023

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 Brian Noyes and Dick Metivier 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; Mark LaPrade and Leah Clair of BerryDunn.

MINUTES

Shirrin called for acceptance of the minutes from the May 11, 2023 meeting of the Finance and Audit Committee.

- Action: Brian Noyes made the motion, seconded by Dick Metivier, to accept the minutes from the May 11, 2023 meeting. Voted unanimously by those Trustees participating.

EXTERNAL AUDIT

Audit Plan Review

Mark LaPrade and Leah Clair of BerryDunn presented their audit plan for the independent audit of the System's FY23 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

Employer Reporting Update

Sherry Vandrell reported that 98.7% of the June payroll reports due in July were submitted on time. She shared this was the highest percentage in some time and thanked the staff for their continued hard work. Sherry stated the continued focus is with the employer account reconciliations which includes continued training for staff and employers. She shared that as part of the strategic plan the first annual employer satisfaction survey has been completed and the feedback will be shared with the Trustees.

Report on Internal Audit

Sherry Vandrell reported that the internal audit engagement focusing on investment processes and controls is expected to be completed within the next few weeks. Sherry shared that Wipfli will be invited to the November meeting to review the audit and discuss their recommendations. She stated CLA will be conducting the next two audits. One will focus on facilities management and the other on cash receipts and disbursements.

FINANCIAL STATEMENTS

Sherry reviewed the Administrative and the Investment Operations Reports for the twelve months ended June 30, 2023 and answered questions from the Committee. Both the operations and investment budgets ended the year with surpluses.


OPEGA REPORT

Sherry shared the travel expenses report for quarter ending June 30, 2023. She also shared the procurement report for the six months ended June 30, 2023. Sherry answered questions from the Committee members.

The meeting adjourned at 8:55 a.m.

The next meeting of the Finance and Audit Committee is expected to be held November 14, 2023, at the office of the Maine Public Employees Retirement System, 139 Capitol Street, Augusta, ME at 8:00 a.m.

November 9, 2023
Date Approved by the Committee



Dr. Rebecca M. Wyke, Chief Executive Officer
11/9/23
Date Signed