

# MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM

## Minutes

Board of Trustees  
Board Meeting  
December 12, 2019

MainePERS Board Room  
Augusta, Maine  
9:00 a.m.

*The Board of Trustees met at 9:00 a.m. on December 12, 2019, at the Maine Public Employees Retirement System, 139 Capitol Street, Augusta, Maine. Brian Noyes, Chair, presided. Other Trustees present were Dick Metivier, Vice-Chair; Henry Beck; John Beliveau; Shirrin Blaisdell; Phil Brookhouse; Mark Brunton; and Ken Williams. Joining the Trustees were Sandy Matheson, Executive Director; Michael Colleran, General Counsel; Monica Gorman, Secretary to the Board of Trustees; and Chris Mann, Assistant Attorney General and Board Counsel. The Board also was joined for select portions of the meeting by James Bennett, Acting Chief Investment Officer; Bartley Parker, Managing Director, Investments; Rebecca Grant, Deputy Executive Director, Administrative Programs; Jim Dusch, Deputy Executive Director, Services Programs; Sherry Vandrell, Director of Finance; Stuart Cameron, Cambridge Associates; Steve Nesbitt and Mark Johnson, Cliffwater; Chuck Callahan, JP Morgan; Jonathan Berns and Austin Mack, ORG and Andrew Black, AAG.*

### **BOARD INTRODUCTIONS**

Brian Noyes called the meeting to order. He then asked those guests in attendance to introduce themselves to the Trustees.

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

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

1. Minutes of November 14, 2019
2. Dismissal, Roseanna Pratt Appeal
3. Dismissal, Colleen Hamel Appeal

At Dick Metivier's request, the proposed minutes were amended to reflect his title as Vice-Chair not Co-Chair of the Board of Trustees.

- Action. Shirrin Blaisdell made the motion, seconded by Ken Williams to approve the Consent Calendar as amended. Voted unanimously by six Trustees.

### **PRIVATE MARKETS ACTIONS**

- Action. Dick Metivier made the motion, seconded by Phil Brookhouse, to enter into executive session pursuant to 1 M.R.S. §405(6)(F); 5 M.R.S. §17057(4). Voted unanimously by six Trustees.

*The Board moved out of executive session.*

*Henry Beck arrived at 9:30 a.m.*

### **Wynnchurch Capital Partners V**

- **Action.** Dick Metivier made the motion, seconded by Phil Brookhouse, that MainePERS make a commitment of up to \$45 million to Wynnchurch Capital Partners V, subject to final due diligence, legal review and negotiations, and authorize the Executive Director, Chief Investment Officer, and General Counsel as signatories to execute documents in connection with this commitment. Voted unanimously by seven Trustees.

### **AG Net Lease Realty Fund IV**

- **Action.** Shirrin Blaisdell made the motion, seconded by Dick Metivier, that MainePERS make a commitment of up to \$50 million to AG Net Lease Realty Fund IV, subject to final due diligence, legal review and negotiations, and authorize the Executive Director, Chief Investment Officer, and General Counsel as signatories to execute documents in connection with this commitment. Voted unanimously by seven Trustees.

### **AG Direct Lending Fund IV**

- **Action.** Phil Brookhouse made the motion, seconded by Mark Brunton, that MainePERS make a commitment of up to \$100 million to AG Direct Lending Fund IV, subject to final due diligence, legal review and negotiations, and authorize the Executive Director, Chief Investment Officer, and General Counsel as signatories to execute documents in connection with this commitment. Voted unanimously by seven Trustees.

## **CLIFFWATER UPDATE**

Steve Nesbitt, CEO of Cliffwater, provided the Board of Trustees with an update on Cliffwater and a presentation on the private market landscape. Steve answered various questions from the Trustees.

*John Beliveau arrived at 10:00 a.m.*

## **PRIVATE MARKETS REVIEW**

### **Private Markets Activity**

Jim Bennett reviewed the table of private markets funds that had closed during the past 12 months. He stated that there will be no manager meeting for the month of December. He also shared that the Investment Team continues due diligence for a possible investment in Invesco Real Estate Asia Fund IV. The Team also work on infrastructure rebalancing.

### **Real Estate Quarterly Review**

Jonathan Berns and Austin Mack of ORG presented the Real Estate quarterly report for the quarter ending June 30, 2019. Jonathan and Austin discussed the report and answered questions from the Trustees.

## **INVESTMENT REVIEW**

### **Proxy Voting**

Jim Bennett provided an overview of proxy voting to the Trustees. He reviewed guidelines and implementation and answered questions from the Trustees.

### **Investment Monthly Review**

Jim Bennett reported that as of November 30th, the MainePERS fund had a preliminary value of \$15.1 billion, a preliminary calendar year to date return of 10.9%, and a preliminary return for the month of 0.7%.

## **LITIGATION SUMMARY**

Chris Mann shared that he has one appeal pending.

## **SECURITIES LITIGATION**

Michael Colleran provided a presentation to the Trustees on securities litigation. Michael discussed the basics of securities litigation and how class actions work. He discussed portfolio monitoring services used by MainePERS. Michael reviewed the portion of the Board's engagement policy that addresses securities litigation and answered questions from the Trustees.

## **WEBSITE ORIENTATION**

Rebecca Grant reviewed Board Connect with the Trustees.

## **ADMINISTRATION REPORT**

### **Operations Report**

Rebecca Grant provided the Trustees with a chart breaking down the number of email threats versus clean messages and how well the filters are working to stop those threats.

Jim Dusch shared that with the change made to the MaineSTART administration approximately a year ago, participation has increased by 16%. Jim stated that progress continues on the number of required minimum distributions.

**IT SECURITY MATTER**

- Action. Mark Brunton made the motion, seconded by Shirrin Blaisdell, to enter into executive session pursuant to 1 M.R.S. §§ 402(3)(M), 405(6)(F). Voted unanimously by eight Trustees.

*The Board moved out of executive session.*

**PERSONNEL MATTER**

- Action. Phil Brookhouse made the motion, seconded by John Beliveau, to enter into executive session pursuant to 1 M.R.S. § 405(6)(A) & (E). Voted unanimously by eight Trustees.

*The Board moved out of executive session.*

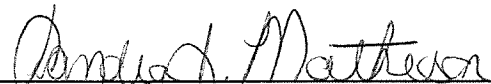
**LD 1104 UPDATE**

Sandy Matheson shared a presentation on the report to the Governor on alternatives to LD 1104 and answered questions from the Trustees.

The meeting adjourned at approximately 3:30 p.m.

1/9/2020

Date Approved by the Board



Sandra J. Matheson, Executive Director

1-9-2020

Date Signed