

# MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM

## Minutes

Board of Trustees  
Board Meeting  
February 13, 2020

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

*The Board of Trustees met at 9:00 a.m. on February 13, 2020, at the Maine Public Employees Retirement System, 139 Capitol Street, Augusta, Maine. Brian Noyes, Chair, presided. Other Trustees present were Henry Beck; John Beliveau; Shirrin Blaisdell; 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 Andrew Black, Assistant Attorney General and Board Counsel. The Board also was joined for select portions of the meeting by James Bennett, Acting Chief Investment Officer; Rebecca Grant, Deputy Executive Director, Administrative Programs; Jim Dusch, Deputy Executive Director, Service Programs; Sherry Vandrell, Director of Finance; Brian McDonnell and Stuart Cameron, Cambridge Associates; Tom Lynch, Cliffwater; and Ed Schwartz, ORG.*

### **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 January 9, 2020
  2. Dismissal, Melissa Ingalls Appeal
- Action. Shirrin Blaisdell made the motion, seconded by Henry Beck to approve the Consent Calendar. Voted unanimously by six Trustees.

### **PRIVATE MARKETS ACTIONS**

- Action. Mark Brunton made the motion, seconded by Shirrin Blaisdell, 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.*

### **Invesco Real Estate Asia Fund IV**

- Action. John Beliveau made the motion, seconded by Shirrin Blaisdell, that MainePERS make a commitment of up to \$30 million to Invesco Real Estate Asia 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 in favor by five Trustees (Beliveau, Blaisdell, Brunton, Noyes and Williams), and one opposed (Beck).

### **General Catalyst Group X**

- **Action.** Mark Brunton made the motion, seconded by Ken Williams, that MainePERS make a commitment of up to \$75 million in the aggregate to General Catalyst Group X – Early Venture, General Catalyst Group X – Growth Venture, and General Catalyst Group X – Endurance, to be allocated by the investment team across the three funds, 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 six Trustees.

### **Direct Lending Secondary Opportunity**

- **Action.** Ken Williams made the motion, seconded by Shirrin Blaisdell, that MainePERS is authorized to make a commitment of up to \$25 million to a private credit fund through a secondary market transaction at the discretion of the Chief Investment Officer, in conjunction with Cliffwater, 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 transaction and commitment. Voted unanimously by six Trustees.

## **PRIVATE MARKETS REVIEW**

### **Private Markets Activity**

Jim Bennett reviewed the table of private markets funds that had closed during the past 12 months. Jim shared with the Board that the next manager meeting is scheduled for Tuesday, February 25, 2020, with presentations by Stonepeak Infrastructure Partners IV at 9:00 a.m.; Summit Partners Europe Growth Equity Fund III at 10:15 a.m.; and Parametric Portfolio Associates at 11:30 a.m.

### **Real Estate Quarterly Review**

Ed Schwartz from ORG presented the Real Estate Investment Summary for the period ending September 30, 2019. Ed discussed and answered questions regarding the portfolio with the Trustees.

### **Cliffwater Quarterly Review**

Tom Lynch provided an overview of the private market portfolios as of September 30, 2019. The Trustees discussed with Tom and asked various questions about the portfolios.

## **INVESTMENT REVIEW**

### **Investment Monthly Review**

Jim Bennett reported that as of January 31st, the MainePERS fund had a preliminary value of \$15.3 billion, a preliminary fiscal year-to-date return of 4.5%, and a preliminary return for the month of -0.4%.

### **Investment Quarterly Review**

Brian McDonnell reviewed and answered questions from the Trustees regarding the fourth quarter performance.

### **Risk Diversifier Quarterly Review**

Stuart Cameron shared with the Trustees the risk diversifiers quarterly report. The Trustees asked questions and discussed the report.

### **2019 ESG Report**

Sandy Matheson and Jim Bennett presented the 2019 ESG Report to the Trustees. Sandy and Jim discussed the approach to ESG and some of the ESG-related issues for public and private investments. Sandy and Jim answered various questions from the Trustees.

## **LITIGATION SUMMARY**

Andrew Black shared that the Lawrence Gervais case has been appealed to the Law Court. Andrew stated that the hiring process continues for Chris Mann's replacement.

## **ADMINISTRATION REPORT**

### **Operations Report**

Jim Dusch stated the Operations Report will resume including monthly information on refunds and new benefit recipients now that the RMD correction process is coming to an end. Jim shared that the disability side is quite busy between legislative activity and the annual statement of compensation being mailed.

Rebecca Grant shared that we are in the middle of active recruitment for the IT Manager and HR Manager. Rebecca reviewed the e-mail threat chart stating there was a slight decline in January.

## **LEGISLATIVE UPDATE**

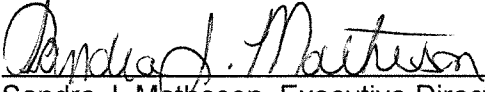
Kathy Morin provided an update on the carryover bills as well as those held by the Governor that have been enacted into law. Kathy also reviewed the two new bills that have been introduced for consideration during this session.

## **PERSONNEL MATTER**

- Action. Ken Williams made the motion, seconded by Shirrin Blaisdell, to enter into executive session pursuant to 1 M.R.S. § 405(6)(E) to discuss with legal counsel a settlement with an employee. Voted unanimously by six Trustees.

The meeting adjourned at approximately 2:00 p.m.

3/12/2020  
Date Approved by the Board

  
Sandra J. Matheson, Executive Director

3-12-2020  
Date Signed