

# MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM

## Minutes

Board of Trustees  
Board Meeting  
July 9, 2020

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

*The Board of Trustees held a meeting through video remote access pursuant to P.L. 2019, Ch. 617, § G-1 at 9:00 a.m. on July 9, 2020. Brian Noyes, Chair, presided. Other Trustees participating were Dick Metivier, Vice-Chair; Henry Beck, State Treasurer; 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 Betsy Stivers, Assistant Attorney General and Board Counsel. The Board also was joined for select portions of the meeting by James Bennett, Chief Investment Officer; Rebecca Grant, Deputy Executive Director, Administration; Jim Dusch, Deputy Executive Director, Service Programs; Kathy Morin, Manager, Actuarial and Legislative Affairs; Brian McDonnell and Stuart Cameron, Cambridge Associates; Tom Lynch and George Bumeder, Cliffwater; Ed Schwartz and Austin Mack, ORG; Gene Kalwarski, Elizabeth Wiley and Ryan Benitez, Cheiron.*

Brian Noyes called the meeting to order at 9:00 a.m. A roll call of the Trustees was done to confirm a quorum. All Trustees except John Beliveau and Phil Brookhouse responded affirmatively.

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

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

- Minutes of June 11, 2020;
- Dismissal, Jason Conklin Appeal
- Action. Ken Williams made the motion, seconded by Dick Metivier to approve the Consent Calendar. Voted unanimously by six Trustees (Noyes, Metivier, Beck, Blaisdell, Brunton and Williams).

*John Beliveau joined the meeting at 9:05 a.m*

*Phil Brookhouse joined the meeting at 9:10 a.m.*

### **PRIVATE MARKETS ACTIONS**

#### **Ares Capital Europe V**

- Action. Motion made by Shirrin Blaisdell, seconded by Henry Beck, that MainePERS make a commitment of up to €100 million to Ares Capital Europe 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 eight Trustees (Noyes, Metivier, Beck, Beliveau, Blaisdell, Brookhouse, Brunton and Williams).

## **INVESTMENT REVIEW**

### **Investment Monthly Review**

Jim Bennett reported that as of June 30th, the MainePERS fund had a preliminary value of \$15.1 billion, a preliminary fund return for the month was 1.0%, fiscal year-to-date return of 4.5%, and a preliminary calendar year to date return of -0.5%.

### **Proxy Voting Update**

Jim Bennett provided a review of proxy voting with the Trustees. Jim answered various questions from the Trustees.

## **PRIVATE MARKET REVIEW**

### **Private Markets Activity**

Jim Bennett reviewed the table of private markets funds that had closed during the past 12 months. Jim shared there will be no manager meeting in July.

Brian Noyes thanked Jim for making changes to the private market summary sheets as requested at a previous meeting.

## **ACTUARIAL**

### **FY22-23 Actuarial Assumptions**

Sandy Matheson, Gene Kalwarski and Elizabeth Wiley reviewed with the Trustees a presentation of the pension rates for FY22-23 for the State/Teacher Program, Judicial Program and the Legislative Program. Gene and Sandy answered various questions from the Trustees.

- **Action:** Motion made by Henry Beck, seconded by Shirrin Blaisdell, that the Board approve the recommended rates for the State Employee and Teacher Retirement Program, Judicial Retirement Program and Legislative Retirement Program for fiscal years 2022 and 2023, and that the Board adopt 10-year asset smoothing for the FY22-23 biennium budget for the State-funded defined benefit plans. Unanimously voted by eight Trustees (Noyes, Metivier, Beck, Beliveau, Blaisdell, Brookhouse, Brunton and Williams).

### **GLI Study and Rates**

Sandy Matheson and Gene Kalwarski discussed the premiums for basic retiree coverage for State employees, Teachers and PLD Employees. Gene recommended an increase in

premiums for State employee retiree coverage and no change for Teacher premiums PLD premiums will be discussed at the August meeting.

- Action: Motion made by Shirrin Blaisdell, seconded by Phil Brookhouse, that the Board approve the recommended increases to Group Life Insurance premiums for basic retiree coverage for State employees. Unanimously voted by eight Trustees (Noyes, Metivier, Beck, Beliveau, Blaisdell, Brookhouse, Brunton and Williams).

## ADMINISTRATION REPORT

### Operations Report

Jim Dusch shared with Trustees that he is looking at a number of scenarios for addressing the possibility of a mass retirement by teachers. He reported that we are implementing the use of a Lexis/Nexis service to validate people's identity when they call. This will allow us to provide more services over the phone vs mailing.

Rebecca Grant shared the new phone system is up and running. Rebecca thanked the project manager, Valerie Scott, for her hard work and keeping things running smoothly.

## RULEMAKING

Mike Colleran provided the Trustees with background and recommendations to adopt four rule amendments related to the effects of the Covid-19 emergency.

- Action: Motion by Ken Williams, seconded by Mark Brunton, that the Board adopt amended Rule Chapters 511, 601, 702 and 803 and their respective Basis Statements. Unanimously voted by eight Trustees (Noyes, Metivier, Beck, Beliveau, Blaisdell, Brookhouse, Brunton and Williams).

## LITIGATION UPDATE

Betsy Stivers shared she received the petitioner's brief and her first draft is under review; all will be ready by the end of July as it is due the beginning of August.

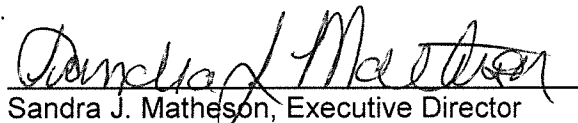
## ADJOURNMENT

- Action. Motion by Dick Metivier, seconded by Phil Brookhouse, to adjourn the meeting of the Board of Trustees. Unanimously voted by eight Trustees (Noyes, Metivier, Beck, Beliveau, Blaisdell, Brookhouse, Brunton and Williams).

The meeting adjourned at approximately 11:10 a.m.

8/13/2020

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Date Approved by the Board

  
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Sandra J. Matheson, Executive Director

8-13-2020  
\_\_\_\_\_  
Date Signed