

# MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM

## Minutes

Board of Trustees  
Board Meeting  
April 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 April 9, 2020. Brian Noyes, Chair, presided. Other Trustees participating 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; Betsey Stivers, Assistant Attorney General and Board Counsel; and Andrew Black, Assistant Attorney General. The Board also was joined for select portions of the meeting by James Bennett, Acting Chief Investment Officer; Rebecca Grant, Deputy Executive Director, Administrative Services; Brian McDonnell and Stuart Cameron, Cambridge Associates; Tom Lynch and George Bumeder, Cliffwater; and Ed Schwartz and Austin Mack, ORG.*

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 Henry Beck and John Beliveau responded affirmatively.

Brian thanked leadership and staff for their outstanding work and dedication during these challenging times. Sandy Matheson stated she would share his comments with staff at a videoconference All Staff meeting on the 15<sup>th</sup>.

### **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 March 12, 2020

At Dick Metivier's request, the proposed minutes were amended to reflect that Phil Brookhouse did attend the March meeting and to fix a typographical error on page 3.

- Action. Shirrin Blaisdell made the motion, seconded by Ken Williams to approve the Consent Calendar. Voted unanimously by six Trustees as amended (Noyes, Metivier, Blaisdell, Brookhouse, Brunton, and Williams).

### **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 that the next manager meeting is scheduled for Tuesday, April 28, 2020, with a presentation by Summit Venture Capital at 9:00 a.m.

*Henry Beck joined the meeting at 9:20 a.m.*

## **INVESTMENT REVIEW**

### **Investment Monthly Review**

Jim Bennett reported that as of March 31st, the MainePERS fund had a preliminary value of \$14.2 billion, a preliminary fiscal year-to-date return of -2.4%, and a preliminary calendar year to date for the month of -7.0%.

### **Investments – Operating in the Coronavirus Environment**

Jim Bennett shared what steps the Investment Team have taken in preparation to continue operations during this time. Jim stated the Team is working remotely with weekly Team-wide meetings as well as one-on-one check-ins.

### **Market Review**

Brian McDonnell and Stuart Cameron provided a market update for the Trustees. Brian and Stuart answered various questions from the Trustees.

Brian Noyes suggested that Sandy Matheson add an agenda item to the May Board meeting to discuss rate projections with the Trustees. Brian thanked the consultants for their great work.

## **LITIGATION SUMMARY**

Betsey Stivers shared there were no changes in the summary for this month.

*John Beliveau joined the meeting at 9:45 a.m.*

## **ADMINISTRATION REPORT**

### **Operations Report**

Rebecca Grant shared that some employees continue to work remotely. The Facilities team have been working diligently to keep the building safe and stocked with hand sanitizer and Clorox wipes. Rebecca thanked the Trustees for approving the new phone system. Rebecca discussed with the Trustees a concern over the possibility of increased scamming issues due to the remote work situation.

### **Coronavirus Operations**

Sandy Matheson stated keeping the occupancy of the building at a minimum and enforcing strict hygiene rules is helping to keep our staff safe and healthy. Sandy shared the remote workforce may increase in the next month in order to handle the workload.

Sandy shared with the Trustees that an emergency procurement of a new phone system was approved by the Audit and Finance Committee earlier in the day.

## **RULEMAKING**

### **Emergency Rulemaking in Response to Coronavirus Environment**

Mike Colleran provided the Trustees with three proposed emergency amendments to rules related to the coronavirus crisis. Mike stated the rules adopted on an emergency basis are only effective for 90 days.

Rule 511 – Actively Seeking Work – Mike stated that the the proposed amendment suspends job-seeking requirements for those individuals approved for disability retirement but who are no longer disabled.

- Action. Ken Williams made the motion, seconded by Mark Brunton, that the Board adopt amended Rule Chapter 511 and its basis statement. Unanimously voted by eight Trustees (Noyes, Metivier, Beck, Beliveau, Blaisdell, Brookhouse, Brunton and Williams).

Rule 601 – Group Life Insurance – Mike proposed this rule would be amended to include a grace period to pay premiums after participants return to payroll. If a participant passes before they are back on payroll, missed premiums would be deducted from benefit payments.

- Action. Phil Brookhouse made the motion, seconded by Shirrin Blaisdell, that the Board adopt amended Rule Chapter 601 and its basis statement. Unanimously voted by eight Trustees (Noyes, Metivier, Beck, Beliveau, Blaisdell, Brookhouse, Brunton and Williams).

*Mark Brunton left the meeting at 10:14 a.m.*

Rule 702 – Appeals – Mike stated that appeal hearings cannot be held in person. The proposed amendment would require hearings to be conducted by audio or video conference.

- Action. Dick Metivier made the motion, seconded by Phil Brookhouse, that the Board adopt amended Rule Chapter 702 and its basis statement. Unanimously voted by seven Trustees (Noyes, Metivier, Beck, Beliveau, Blaisdell, Brookhouse, and Williams).

Sandy Matheson and Brian Noyes on behalf of the Trustees thanked Mike Colleran for the great job he has done.

## **LEGISLATIVE UPDATE**

Mike Colleran stated that the bills being tracked this session have now been carried over to the next session. One of the bills carried over was the disability bill (LD 1978). That bill was voted out of Committee with a majority ought to pass as amended. The annual reporting to the Labor and Housing Committee regarding procurement, travel and contributions was held on March 11<sup>th</sup>. The Committee found the System's policies and procedures to be consistent with applicable law.

Mike Colleran shared that the Governor signed an Executive Order relieving the in-person requirement to have a document notarized or acknowledged. Mike provided the Trustees with the steps to take in order to have the notarization done by videoconference.

### **MAINESTART CORONAVIRUS-RELATED DISTRIBUTIONS**

Mike Colleran provided the Trustees with a recommendation to amend the MaineSTART 401(a) plan to permit hardship withdrawals as permitted by federal tax code. Mike also recommended that coronavirus-related distributions be allowed in all MaineSTART plans.

- Action. Dick Metivier made the motion, seconded by Shirrin Blaisdell, that the Board permit coronavirus-related distributions from the MaineSTART plans, approve the amending the plan documents to reflect this within the time provided for in the CARES Act, and authorize the Executive Director and General Counsel to sign any documents related to effecting this action. Unanimously voted by seven Trustees (Noyes, Metivier, Beck, Beliveau, Blaisdell, Brookhouse and Williams).
- Action. Shirrin Blaisell made the motion, seconded by Phil Brookhouse, that the Board adopt Amendment 4 to the MaineSTART 401(a) plan documents and authorize the Executive Director and General Counsel to sign any documents related to effecting this action. Unanimously voted by seven Trustees (Noyes, Metivier, Beck, Beliveau, Blaisdell, Brookhouse and Williams).

*Mark Brunton rejoined the meeting at 10:24 a.m..*

### **BANK RESOLUTION**

Mike Colleran shared with the Trustees that the System's depository bank is recommending an additional bank account be established in the event we need to place additional cash with them over the next few months.

- Action. Dick Metivier made the motion, seconded by Ken Williams, that the Board adopt the proposed resolution to authorize the establishment of the MainePERS ICS Depository Account at Bangor Savings Bank and provide signature authorization as outlined in the Resolution. Unanimously voted by eight Trustees (Noyes, Metivier, Beck, Beliveau, Blaisdell, Brookhouse, Brunton and Williams).

*Henry Beck left the meeting at 10:30 a.m.*

### **PERSONNEL MATTER**

- Action. Shirrin Blaisdell made the motion, seconded by Ken Williams, to enter into executive session pursuant to 1 M.R.S. §405(6)(A). Unanimously voted by seven Trustees (Noyes, Metivier, Beliveau, Blaisdell, Brookhouse, Brunton and Williams).

*Henry Beck rejoined the meeting during the executive session.*

*Board moves out of executive session.*

- Action. John Beliveau made the motion, seconded by Ken Williams, to adjourn. Unanimously voted by eight Trustees (Noyes, Metivier, Beck, Beliveau, Blaisdell, Brookhouse, Brunton and Williams).

The meeting adjourned at approximately 11:30 a.m.

5/14/2020  
Date Approved by the Board

  
Sandra J. Matheson, Executive Director

5-18-2020  
Date Signed