

# MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM

## Minutes

Board of Trustees  
Board Meeting  
August 10, 2023

MainePERS  
Augusta  
9:00 a.m.

*The Board of Trustees met at MainePERS, 139 Capitol Street, Augusta, ME 04332 at 9:00 a.m. on August 10, 2023. Brian Noyes, Chair, presided. Other Trustees participating were: Dick Metivier, Vice Chair; Henry Beck, State Treasurer; John Beliveau; Shirrin Blaisdell; Mark Brunton; John Kimball; Greg Olson, Deputy State Treasurer; and Ken Williams. Joining the Trustees were Dr. Rebecca Wyke, Chief Executive Officer; Michael Colleran, Chief Operating Officer and General Counsel; James Bennett, Chief Investment Officer; Sherry Vandrell, Chief Financial Officer; Chip Gavin, Chief Services Officer; 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 Bartley Parker, Managing Director, Investments; Kathy Morin, Director of Actuarial and Legislative Affairs; Valerie Scott, Director of Special Projects; Mara McGowen, Assistant Director of Member Services; Stuart Cameron, Cambridge Associates; Tom Lynch and George Bumeder, Cliffwater; William Greenwood and Jennifer Yeung, Albourne; and Amy McDuffee, Mosaic.*

Brian Noyes called the meeting to order at 9:00 a.m.

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

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

- Minutes of July 13, 2023
- Action. Dick Metivier made the motion, seconded by Shirrin Blaisdell, to approve the Consent Calendar. Voted unanimously by eight Trustees (Beck, Beliveau, Blaisdell, Brunton, Kimball, Metivier, Noyes, and Williams).

### **CEO REPORT**

Dr. Rebecca Wyke shared that August was the one year anniversary of the Strategic Plan. She will provide an update to the Board on the Strategic Plan and key performance and risk measures adopted as part of the plan at the October meeting. Dr. Wyke reported the Organizational Values Steering Committee is taking charge in making our values visible throughout the organization.

Dr. Wyke stated that Amy McDuffee, Mosaic Governance Advisors, will be providing the Investment Team and other key staff with a fiduciary and ethics education session.

Dr. Wyke provided an overview of the results of the employer satisfaction survey conducted in July. The overall results were positive.

Dr. Wyke shared that Focus Fridays continue to be very successful in addressing backlogs. This practice will continue for the next six months, and we will provide the Board an update at that time.

Dr. Wyke added that Nate Burnett, Trustee-elect, has been meeting with senior managers for orientation sessions. Nate has received information regarding MainePERS and his role as a Trustee and has been observing the monthly Board meetings.

Chip Gavin, Valerie Scott, and Mara McGowen provided the Trustees with a presentation on development of the Member Portal. Chip, Val, and Mara answered questions from the Trustees.

## **PRIVATE MARKET REVIEW**

### **Private Markets Activity**

Jim Bennett reviewed the table of private market funds and co-investments that had closed during the past 12 months. Jim shared there are no manager meetings scheduled for August.

### **Co-Investment Additional Reporting**

Jim Bennett provided the Trustees with an update on the co-investment program and additional reporting for the period ending June 30, 2023. Jim answered questions from the Trustees.

### **Albourne Quarterly Review**

Jennifer Yeung and William Greenwood shared an update on the Infrastructure, Natural Resources, and Real Estate portfolios as of March 31, 2023. Jennifer and Will answered questions from the Trustees.

### **Cliffwater Quarterly Review**

Tom Lynch and George Bumeder provided an overview of the Private Equity and Alternative Credit Portfolios as of March 31, 2023. Tom and George answered questions from the Trustees.

*Henry Beck left the meeting at 9:45 a.m. Greg Olson joined the meeting at 9:45 a.m.*

## **INVESTMENT REVIEW**

### **Investment Monthly Review**

Jim Bennett reported that as of July 31, 2023 the MainePERS fund had a preliminary market value of \$18.9 billion, the preliminary return for the month was 1.0%, and the preliminary calendar year-to-date return was 5.7%.

### **Quarterly Rebalancing Report**

Jim Bennett reviewed a summary of rebalancing activity as of June 30<sup>th</sup>. Jim answered questions from the Trustees.

### **Investment Quarterly Review**

Stuart Cameron presented the Investment Quarterly Review report for the period ending June 30, 2023 to the Trustees. Stuart answered various questions from the Trustees.

### **Risk Diversifiers Quarterly Review**

Stuart Cameron reviewed the risk diversifier quarterly report with the Trustees.

### **COST OF LIVING ADJUSTMENT (COLA)**

Dr. Rebecca Wyke reported that the CPI-U as of June 30, 2023 was 3.0. The COLA for the State-sponsored plans is capped at 3% of the first \$24,911.84 of benefits. The increase for the PLD Consolidated Plan is capped at 2.5% of the total benefit. The cap for withdrawn PLDs is 4%, which means the COLA awarded is 3% of the total benefit.

- **Action.** Dick Metivier made a motion, seconded by Mark Brunton, to adopt cost-of-living adjustments of 3% of the COLA base for the State-sponsored plans, 2.5% for the PLD Consolidated Plan, and 3% for withdrawn PLDs, effective September of 2023. Voted unanimously by eight Trustees (Beliveau, Blaisdell, Brunton, Kimball, Metivier, Noyes, Olson, and Williams).

### **FINANCE AND AUDIT COMMITTEE UPDATE**

Shirrin Blaisdell stated the Finance and Audit Committee reviewed the Administrative and Investment expense reports for the end of the year. She shared both accounts ended with surpluses. Shirrin shared the Committee was provided a presentation from the external auditors, BerryDunn, who reviewed their agenda for the audit. Shirrin answered questions from the Trustees.

### **MEMBER SERVICES, FINANCE, AND OPERATIONS REPORT**

Chip Gavin shared that work has begun with Linea Solutions to begin the process for updating or replacing the current pension administration software. Chip stated Focus Fridays continues to have an impact on reducing backlogs and they will continue for the next six months.

Sherry Vandrell shared five employer audits were opened in July and one completed.

Michael Colleran shared retention and recruitment continues to be a major focus. He stated there were four new hires in July and four others in August.

Chip, Sherry, and Mike answered questions from the Trustees. The Trustees thanked the group for their continued hard work.

### **LEGISLATIVE UPDATE**

Kathy Morin shared this will be the last legislative update for this session. Kathy answered questions from the Trustees.

Dr. Rebecca Wyke thanked Kathy for her great work throughout the session.

### **GOVERNANCE**

- **Action.** Mark Brunton made the motion, seconded by Ken Williams, that the Board enter into executive session pursuant to 1 M.R.S. §405(6)(A) to discuss evaluation of public officials. Voted unanimously by eight Trustees (Beliveau, Blaisdell, Brunton, Kimball, Metivier, Noyes, Olson, and Williams).

*The Board moved out of executive session.*

*John Beliveau left the meeting at 12:30 p.m.*

### **PERSONNEL**

- **Action.** Ken Williams made the motion, seconded by Shirrin Blaisdell, that the Board enter into executive session pursuant to 1 M.R.S. §405(6)(A) to discuss compensation of an employee. Voted unanimously by seven Trustees (Blaisdell, Brunton, Kimball, Metivier, Noyes, Olson, and Williams).

*The Board moved out of executive session.*

### **ADJOURNMENT**

- **Action.** Dick Metivier made the motion, seconded by Shirrin Blaisdell to adjourn the August meeting of the Board of Trustees. Unanimously voted by seven Trustees (Blaisdell, Brunton, Kimball, Metivier, Noyes, Olson, and Williams).

The meeting adjourned at approximately 12:45 p.m.

9/14/23

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Date Approved by the Board

  
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Dr. Rebecca M. Wyke, Chief Executive Officer

9/14/23

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Date Signed