

MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM

Minutes

Board of Trustees
Board Meeting
September 14, 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 September 14, 2023. Brian Noyes, Chair, presided. Other Trustees participating were: Dick Metivier, Vice Chair; Henry Beck, State Treasurer; Shirrin Blaisdell; Mark Brunton; John Kimball; and Ken Williams. Joining the Trustees were Dr. Rebecca Wyke, Chief Executive Officer; Michael Collieran, 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 Douglas Porter, Managing Director, Investments; Kathy Morin, Director of Actuarial and Legislative Affairs; Brian McDonnell, Cambridge Associates; Tom Lynch and George Bumeder, Cliffwater; and, William Greenwood and Jennifer Yeung, Albourne.

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 August 10, 2023
- Action. Dick Metivier made the motion, seconded by Shirrin Blaisdell, to approve the Consent Calendar. Voted unanimously by six Trustees (Blaisdell, Brunton, Kimball, Metivier, Noyes, and Williams).

PRIVATE MARKET ACTION

- Action. Ken Williams made the motion, seconded by Mark Brunton, to enter into executive session pursuant to 1 M.R.S. §405(6)(F); 5 M.R.S. §17057(4) to discuss private market investment information contained in non-public documents.

Board moves out of executive session.

Henry Beck joined the meeting at 9:10 a.m.

FORT Global Contrarian

- Action: Dick Metivier made the motion, seconded by Mark Brunton, that the Board authorize the Chief Executive Officer, Chief Investment Officer, and General Counsel as signatories to execute the documents necessary to redeem the System's investment in FORT Global Contrarian. Voted unanimously by seven Trustees (Beck, Blaisdell, Brunton, Kimball, Metivier, Noyes, and Williams).

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 September. He also stated the Investment Team continues to evaluate new fund investments in General Catalyst Group XII and Bain Capital Real Estate III.

INVESTMENT REVIEW

Investment Monthly Review

Jim Bennett reported that as of August 31, 2023 the MainePERS fund had a preliminary market value of \$18.7 billion, the preliminary return for the month was -0.9%, and the preliminary calendar year-to-date return was 4.9%.

Quarterly Comprehensive Reports

Jim Bennett reviewed the comprehensive quarterly reports as of June 30, 2023. Jim answered questions from the Trustees.

QUARTERLY INVESTMENT EDUCATION

Private Equity

Tom Lynch presented the Trustees with an in-depth session on the role of private equity in the portfolio. Tom answered questions from the Trustees.

ACTUARIAL EDUCATION

Gene Kalwarski and Bonnie Rightnour provided an educational presentation that responded to various questions from the July meeting, reviewed the actuarial valuation process, discussed a new actuarial standard of practice, and previewed the June 30, 2023 valuation. They discussed and answered questions from the Trustees.

BOARD POLICY 2.1-B – RHIT AND 2.1-A GLI INVESTMENT POLICY STATEMENTS

Jim Bennett shared that a review has been completed of the RHIT and GLI Investment Policies and discussed potential changes to those policies. Jim told Trustees that revised policies would be brought for Trustees' consideration at the October meeting.

CEO REPORT

Member Portal

Dr. Rebecca Wyke shared internal and external user testing is complete along with final testing of the security and fraud prevention measures. Dr. Wyke stated the fall rollout of the portal is on schedule.

Board Education

Dr. Wyke provided a list of educational opportunities that MainePERS offers Trustees in order to maintain current knowledge on programs and services.

MaineSTART QUARTERLY REPORT

Michael Colleran presented the MaineSTART report for the quarter ending June 30, 2023. Michael reviewed participation levels, plans available to participants, investment options, fees, and operational updates.

Chip Gavin shared MaineSTART outreach to teachers continues. Chip stated MainePERS staff will be a vendor at the annual Maine School Management Association's Fall Conference.

MEMBER SERVICES, FINANCE, AND OPERATIONS REPORT

Chip Gavin provided an update on the member portal. Chip stated mailings have begun to active members and retirees who have missing contact information in their records.

Chip shared information gathering and discussion sessions with the pension administration software consultant are being scheduled for the next couple of months. These discussions will help in drafting the request for proposals in order to update or replace the system.

Michael Colleran stated retention and recruitment continues to be a major focus. He shared there were no departures and five new hires in August. Michael shared the IT group is fully-staffed. Michael thanked the Document Center staff for their work in updating contact information for more than 3,000 members and retirees and successfully processing benefits payroll from the disaster recovery site. He answered questions from the Trustees.

Michael updated the Trustees on precautions being taken should there be water or wind damage caused by Hurricane Lee.

Sherry Vandrell reported 93.8% of employers reported payrolls on time in August. She shared ten audits were opened in August and eleven were completed.

PERSONNEL DISCUSSION

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

Board moves out of executive session.

- Action. Motion by John Kimball, seconded by Shirrin Blaisdell, that the \$15,000 in annual deferred compensation that the Chief Executive Officer has been receiving shall continue, except that this amount and the retention bonus for which the Chief Executive Officer is eligible shall be paid, if earned, through the purchase of creditable service time in the State/Teacher Retirement Program to be ported over to the MainePERS PLD

Consolidated Plan; and that the Board Chair is authorized to execute any documents necessary to implement this action. Voted unanimously by seven Trustees (Beck, Blaisdell, Brunton, Kimball, Metivier, Noyes, and Williams).

CEO ANNUAL EVALUATION

Establishment of CEO Review Committee

Brian Noyes discussed the comprehensive evaluation of the CEO called for by Board policy for this year. The policy provides for a Board CEO Review Committee to be established as part of this process. After discussion, the Board reached consensus that the Committee would be composed of the Board Chair, Board Vice Chair, and Shirrin Blaisdell.

ADJOURNMENT

- Action. Ken Williams made the motion, seconded by Mark Brunton to adjourn the September meeting of the Board of Trustees. Unanimously voted by seven Trustees (Beck, Blaisdell, Brunton, Kimball, Metivier, Noyes, and Williams).

The meeting adjourned at approximately 2:30 p.m.

10/12/23

Date Approved by the Board



Dr. Rebecca M. Wyke, Chief Executive Officer

10/12/23

Date Signed