

# MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM

## Minutes

Board of Trustees  
Board Meeting  
October 12, 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 October 12, 2023. Brian Noyes, Chair, presided. Other Trustees participating were: Dick Metivier, Vice Chair; Greg Olson, Deputy State Treasurer; John Beliveau; Shirrin Blaisdell; Mark Brunton; and John Kimball. 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 Kathy Morin, Director of Actuarial and Legislative Affairs; Gene Kalwarski, Bonnie Rightnour, and Ryan Benitez, Cheiron; Stuart Cameron, 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. John Beliveau and Deputy Treasurer Greg Olson participated through video remote access pursuant to 1 M.R.S. § 403-B, having been excused from in-person attendance by the Board Chair. All other Trustees were physically present.

### **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 September 14, 2023
- Decision, E.P. Appeal
  
- Action. Dick Metivier made the motion, seconded by Shirrin Blaisdell, to approve the Consent Calendar. Voted by six Trustees in the affirmative (Beliveau, Blaisdell, Brunton, Metivier, Noyes, and Olson) and one in the negative (Kimball).

### **ACTUARIAL VALUATIONS AND UAL UPDATE**

Gene Kalwarski, Bonnie Rightnour, and Ryan Benitez presented the FY23 draft actuarial reports for the State Employee and Teacher program, the Legislative Program, the Judicial Program, the PLD Consolidated Plan, and the Group Life Insurance Program (State-sponsored and PLD) to the Trustees for consideration. They discussed and answered questions from the Trustees.

- Action: Shirrin Blaisdell made the motion, seconded by Mark Brunton, to accept the FY23 Actuarial Reports for the State Employee and Teacher Program, the Legislative Program, the Judicial Program, the PLD Consolidated Plan, and the Group Life Insurance Program (State-sponsored and PLD) as presented. Voted unanimously by seven Trustees (Beliveau, Blaisdell, Brunton, Kimball, Metivier, Noyes, and Olson).

## **AUDITED FINANCIAL STATEMENTS**

Mark Laprade and Leah Clair of Berry Dunn, presented the 2023 Audited Financial Statements for the fiscal year ended June 30, 2023. Mark provided an overview of the various steps taken in the audit process. Leah highlighted the financial statement audit steps and footnotes with the Trustees.

Mark reviewed the yellow book report and the required auditor communications noting no significant audit adjustments. Mark and Leah thanked Sherry and the accounting team for a job well done.

- Action. Dick Metivier made the motion, seconded by Shirrin Blaisdell, to accept the FY23 Audited Financial Statements as presented. Voted unanimously by seven Trustees (Beliveau, Blaisdell, Brunton, Kimball, Metivier, Noyes, and Olson).

## **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 the next manager meeting is scheduled for Tuesday, October 24, 2023, in Portland, with presentations by General Catalyst Group XII at 10:00 a.m. and BlackRock at 11:00 a.m.

Jim stated in November Wynnchurch Capital Partners VI is scheduled for Tuesday, November 28<sup>th</sup> at 10:00 a.m. and Bain Capital Real Estate for 11:00 a.m.

### **Quarterly Rebalancing Report**

Jim Bennett shared a summary of the public markets and risk diversifiers rebalancing activity through the third quarter of calendar year 2023. Jim answered questions from the Trustees.

## **INVESTMENT REVIEW**

### **Investment Monthly Review**

Jim Bennett reported that as of September 30, 2023 the MainePERS fund had a preliminary market value of \$18.4 billion, the preliminary return for the month was -1.3%, and the preliminary calendar year-to-date return was 3.4%.

## **GLI/RHIT INVESTMENT POLICY STATEMENTS**

### **Amendment to Board Policy 2.1A – GLI Investment Policy Statement** **Amendment to Board Policy 2.1B – RHIT Investment Policy Statement**

Jim Bennett shared that the review of the RHIT and GLI Investment Policies has been completed and recommended changes to the Trustees for their consideration. Jim discussed and answered questions from the Trustees.

- Action: John Kimball made the motion, seconded by Mark Brunton, that the Board approve amended Board Policies 2.1A and 2.1B. Voted unanimously by seven Trustees (Beliveau, Blaisdell, Brunton, Kimball, Metivier, Noyes, and Olson).

## **BOARD MEETING POLICY**

### **Amendment to Board Policy 1.10 – Board Meetings**

Michael Colleran reviewed the recommended amendment to the Board policy, which would provide more flexibility to the Board Chair to approve remote participation of Board members. An opportunity for public comment was provided, but no comments were offered.

- **Action:** John Kimball made the motion, seconded by Dick Metivier, that the Board approve amended Board Policy 1.10. Voted unanimously by seven Trustees (Beliveau, Blaisdell, Brunton, Kimball, Metivier, Noyes, and Olson).

## **CEO REPORT**

### **Member Portal**

Dr. Rebecca Wyke stated the phased launch of the portal began early October. She stated member portal information sessions have been scheduled through the end of the year. Dr. Wyke thanked the staff for all of their work towards making this possible.

### **FY2023 Year End**

Dr. Rebecca Wyke shared that MainePERS was awarded the GFOA Excellence Award for the 19<sup>th</sup> year in a row. She congratulated Sherry Vandrell and her staff for the excellent work they provided.

### **State Employee and Teacher Plan Maturity**

Dr. Rebecca Wyke discussed planning for the post-2028 full funding of the 1996 UAL with the Trustees. She answered questions from the Trustees.

### **Strategic Plan Update & Key Performance and Risk Measures**

Dr. Rebecca Wyke provided the Trustees with the first annual update of the 5-Year Strategic Plan. Dr. Wyke shared a presentation on progress toward the Strategic Plan's goals and objectives. The Trustees asked questions and discussed the presentation with Dr. Wyke.

### **Member Satisfaction Survey Results**

Dr. Rebecca Wyke reviewed the results of a recent satisfaction survey that was sent to active and retired members of State sponsored and Participating Local District Plans. The survey showed positive results on satisfaction and a favorable impression of MainePERS' integrity and staff knowledge level. Some of the responses made suggestions for more frequent communications, easier to understand information, and more timely responses to inquiries.

Members also shared their interest in pre-retirement informational meetings, retirement security planning sessions, and defined contribution plan participation.

Dr. Rebecca Wyke thanked the staff and leadership team for their hard work.

**Pension Administration System Project Education**

Dr. Rebecca Wyke and Chip Gavin shared a presentation on the PAS Project with the Trustees. They provided an overview of the project and detail on the current phase, which includes development of a request for proposal and contract award. They identified areas of risk and discussed Board oversight of the project. Dr. Wyke and Chip answered questions from the Trustees.

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

Chip Gavin provided an update on the member portal. Chip stated webinars have been scheduled for education and support efforts to assist members with the portal. Chip shared member education sessions for new and mid-career members for all three plans are available.

Sherry Vandrell reported 96.5% of employers reported payrolls on time in September. She shared the investment processes and controls internal audit is complete. Sherry stated an internal audit of cash receipts and disbursements has begun.

Michael Colleran stated voice phishing (vishing) training was provided to staff in September. Tyler Technologies will be providing follow-up testing in the near future. Michael shared the physical security system is being updated to include additional cameras and motion sensors. Michael thanked Document Center Quality Control Technicians, Jenn Fraser and Darrin Reed, for their work on updating contact information for over 4,000 members and retirees.

**LITIGATION UPDATE**

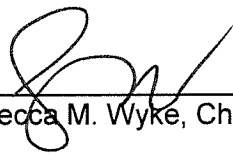
Betsy Stivers updated the Trustees in the Hawes FOA matter. Betsy stated after the last count was dismissed and the judgement was final, Ms. Hawes filed a statement of position making procedural complaints but did not appeal, and the judgement was final. The statement was reviewed as a motion for relief from judgement by a new judge. The judge considered it under the motion for relief from judgment rule and denied it.

**ADJOURNMENT**

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

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

11/9/23  
Date Approved by the Board

  
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Dr. Rebecca M. Wyke, Chief Executive Officer

11/9/23  
\_\_\_\_\_  
Date Signed