

MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM

Minutes

Board of Trustees
Board Meeting
April 11, 2024

MainePERS
Augusta
9:00 a.m.

The Board of Trustees met at MainePERS, 139 Capitol Street, Augusta, ME 04330 at 9:00 a.m. on April 11, 2024. Brian Noyes, Chair, presided. Other Trustees participating were: Dick Metivier, Vice Chair; Henry Beck, State Treasurer; Shirrin Blaisdell; Nate Burnett; Kirk Duplessis; 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; 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 Shelley O'Brian, Assistant Director of Member Services; Brian McDonnell, Cambridge Associates; William Greenwood and Sean Crawford, Albourne; and Tom Lynch and George Bumeder, Cliffwater.

Brian Noyes called the meeting to order at 9:05 a.m. Henry Beck participated through video remote access pursuant to 1 M.R.S. § 403-B, having been excused from in-person attendance.

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 March 14, 2024.
- Action. Shirrin Blaisdell made the motion, seconded by Dick Metivier, to approve the Consent Calendar. Unanimously voted by seven Trustees (Beck, Blaisdell, Burnett, Duplessis, Kimball, Metivier, and Noyes).

PRIVATE MARKETS ACTION

Jim Bennett reviewed the three investment recommendations with Trustees: Comvest Credit Partners VII, High Street Value I, and Tenex IV. Jim shared that each of these commitments was unlikely to involve any investment in stocks, securities or other obligations of fossil fuel or for-profit prison companies.

Comvest Credit Partners VII

- Action: John Kimball made the motion, seconded by Shirrin Blaisdell, that MainePERS make a commitment of up to \$75 million to Comvest Credit Partners VII, subject to final due diligence, legal review and negotiations, and authorize the Chief Executive Officer, Chief Investment Officer, and General Counsel as signatories to execute documents in connection with this commitment. Unanimously voted by seven Trustees (Beck, Blaisdell, Burnett, Duplessis, Kimball, Metivier, and Noyes).

High Street Value Fund I

- Action: Shirrin Blaisdell made the motion, seconded by Dick Metivier, that MainePERS make a commitment of up to \$35 million to High Street Value Fund I, subject to final due diligence, legal review and negotiations, and authorize the Chief Executive Officer, Chief

Investment Officer, and General Counsel as signatories to execute documents in connection with this commitment. Unanimously voted by seven Trustees (Beck, Blaisdell, Burnett, Duplessis, Kimball, Metivier, and Noyes).

Tenex Capital Partners IV

- **Action:** Kirk Duplessis made the motion, seconded by John Kimball, that MainePERS make a commitment of up to \$50 million to Tenex Capital Partners IV, subject to final due diligence, legal review and negotiations, and authorize the Chief Executive Officer, Chief Investment Officer, and General Counsel as signatories to execute documents in connection with this commitment. Unanimously voted by seven Trustees (Beck, Blaisdell, Burnett, Duplessis, Kimball, Metivier, and Noyes).

PRIVATE MARKETS 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, April 23, 2024, in Portland, with presentations by Thomas Bravo at 10:00 a.m. and King Street Capital at 11:00 a.m.

CO-INVESTMENT QUARTERLY REVIEW

Jim Bennett provided the co-investment quarterly report for the period ending December 31, 2023. Jim answered questions from the Trustees.

INVESTMENT REVIEW

Investment Monthly Review

Jim Bennett reported that as of March 31, 2024, the MainePERS fund had a preliminary market value of \$19.4 billion, the preliminary return for the month was 0.9%, and the preliminary calendar year-to-date return was 1.9%.

CEO REPORT

Fiduciary Duty Education

Dr. Rebecca Wyke shared that Amy McDuffee would be conducting the annual fiduciary duty education training for the Trustees later in the meeting.

Fiscal Year 2025 Budget

Dr. Rebecca Wyke stated Shirrin Blaisdell will be providing the Trustees with details of the FY2025 budget.

PAS System Briefing

Dr. Rebecca Wyke shared a presentation with the Trustees on the pension administration system (PAS). She stated the current PAS is at the end of life and needs replacement. Dr. Wyke outlined the advantages a new system would bring to the organization as well as achieving the goals of the Strategic Plan. Dr. Wyke reviewed the challenges, risks and estimated costs of a new system. Dr. Wyke discussed staffing and the need to increase those numbers in order to meet member and employer needs. Dr. Wyke answered questions from the Trustees.

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

FINANCE AND AUDIT COMMITTEE UPDATE

Shirrin Blaisdell summarized the meeting of the Finance and Audit Committee that was held prior to the Board meeting. Shirrin shared the internal auditors, CLA, had completed the facility and maintenance planning audit with a few recommendations noted. The next audit, member estimates and statements, is currently underway and will be completed next month. Shirrin stated the Committee reviewed the FY2025 budget, which will be presented to the Board next month.

Henry Beck rejoined the meeting at 10:40 a.m.

RULEMAKING UPDATE

Michael Colleran stated the May meeting will include a public hearing on repealing and replacing Rule Chapter 201, which governs payroll reporting by employers. The Board will consider the proposal at their June meeting. He shared that staff are working on a new rule to provide guidance for the annual statement of compensation process for disability retirees and amendments to two rules (disability and QDRO) for future rulemaking.

LEGISLATIVE UPDATE

Michael Colleran shared statutory adjournment for the Legislature is April 17th. He provided an update on the status of legislative bills. Michael and Dr. Wyke answered questions from the Trustees.

MEMBER SERVICES, FINANCE, AND OPERATIONS REPORT

Shelley O'Brian shared the required minimum distribution (RMD's) were completed on deadline. She thanked the Trustees for their support in continuing Focused Fridays. Shelley stated the backlog of estimates is under 200, the main phone line now includes a "call back" option, and a successful special PLD Plan education session was held in March.

Sherry Vandrell reported work progresses in assisting an employer who is struggling to get payrolls submitted to MainePERS. She shared account reconciliations continue to be on track.

Michael Colleran stated RFPs have been issued for a generator at the Augusta facility for pension counsel. In coordination with the Attorney General's Office, we are working on RFPs for collective bargaining, securities litigation, and investments counsel.

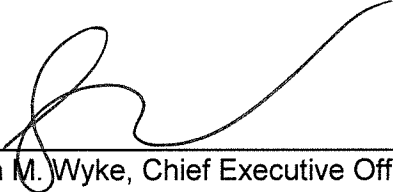
LITIGATION UPDATE

Betsy Stivers stated mediation has been scheduled for the lawsuit for recovery of overpayments. Betsy reported the FOA matter filed by Ms. Hawes is proceeding.

ADJOURNMENT

The meeting adjourned at approximately 12:30 p.m.

5/9/24
Date Approved by the Board



Dr. Rebecca M. Wyke, Chief Executive Officer
5/9/24
Date Signed