

# MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM

## Minutes

Board of Trustees  
Board Meeting  
May 9, 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 May 9, 2024. Dick Metivier, Vice Chair, presided. Other Trustees participating were: Henry Beck, State Treasurer; John Beliveau; 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; Chip Gavin, Chief Services 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 William Proom, Managing Director, Investments; Brian McDonnell, Cambridge Associates; William Greenwood and Sean Crawford, Albourne; and Tom Lynch and George Bumedder, Cliffwater.*

Dick Metivier called the meeting to order at 9:00 a.m. Henry Beck, John Beliveau, and Kirk Duplessis 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 April 11, 2024
- Dismissal, Nancy Bartlett Appeal
- Decision, Brian Abbott Appeal

At the request of John Kimball, the Brian Abbott appeal was removed from the Consent Calendar.

- Action. John Kimball made the motion, seconded by Nate Burnett, to approve the Consent Calendar. Unanimously voted in favor by six Trustees (Beck, Beliveau, Burnett, Duplessis, Kimball, and Metivier).

John Kimball inquired about the information provided to members regarding Qualified Domestic Relations Orders. Michael Colleran described the information available on the MainePERS web site and added that a proposed rule amendment would be discussed later in the meeting that would make more explicit what occurs when the ex-spouse predeceases the member.

- Action. John Kimball made the motion, seconded by Nate Burnett, to adopt the recommended decision on the Brian Abbott appeal. Unanimously voted in favor by six Trustees (Beck, Beliveau, Burnett, Duplessis, Kimball, and Metivier).

### **PRIVATE MARKETS ACTION**

After introducing Bill Proom and Sean Crawford, Jim Bennett described the two proposed commitments and reported that the Investment Team believes that the commitments are unlikely to involve investments in stocks, securities, or other obligations of fossil fuel or for-profit prison

companies. He then suggested that any specific questions regarding the commitments be addressed in executive session.

- Action. Henry Beck made the motion, seconded by John Kimball, 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. Unanimously voted by six Trustees (Beck, Beliveau, Burnett, Duplessis, Kimball, and Metivier).

*The Board moved out of executive session.*

### **Thoma Bravo Discover Fund V**

- Action. John Kimball made the motion, seconded by Nate Burnett, that MainePERS make a commitment of up to \$50 million to Thoma Bravo Discover Fund V, 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 six Trustees (Beck, Beliveau, Burnett, Duplessis, Kimball, and Metivier).

### **King Street Capital**

- Action: Nate Burnett made the motion, seconded by John Kimball, that MainePERS make a commitment of up to \$100 million to King Street Capital, 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 six Trustees (Beck, Beliveau, Burnett, Duplessis, Kimball, and Metivier).

## **INVESTMENT REVIEW**

### **Investment Monthly Review**

Jim Bennett reported that as of April 30, 2024, the MainePERS fund had a preliminary market value of \$19.4 billion, the preliminary return for the month was -1.1%, and the preliminary calendar year-to-date return was 2.1%.

### **Quarterly Rebalancing Report**

Jim Bennett reviewed the rebalancing activities within the public markets portfolio through the first quarter of 2024.

### **RHIT/GLI/OPEB**

Jim Bennett presented the RHIT/GLI/OPEB Quarterly Review as of March 31, 2024. Jim answered questions from the Trustees.

### **Investment Quarterly Review**

Brian McDonnell presented the first quarter of 2024 performance review and answered questions from the Trustees.

## **PRIVATE MARKETS REVIEW**

### **Private Markets Activity**

Bill Proom reviewed the table of private market funds and co-investments that had closed during the past 12 months. Bill shared the next manager meeting is scheduled for Tuesday, May 28, 2024, in Portland, with presentations by Voleon Group at 10:00 a.m. and Stonepeak at 11:00 a.m.

### **Albourne Quarterly Review**

Will Greenwood and Sean Crawford presented a review of the Infrastructure, Natural Resources, and Real Estate portfolios as of December 31, 2023.

### **Cliffwater Quarterly Review**

George Bumeder and Tom Lynch provided a review of the Private Equity and Alternative Credit Portfolios as of December 31, 2023.

## **RISK DIVERSIFIERS QUARTERLY REVIEW**

Brian McDonnell presented the Risk Diversifiers quarterly report as of March 31, 2024 with the Trustees. Trustees discussed and asked questions about the report.

## **RULEMAKING**

### **Rulemaking Update**

Michael Colleran stated public hearings will be held in June for three proposals: (1) adopt a new rule governing the disability retirement annual statement of compensation process; (2) amend Rule Chapter 506 (Eligibility for Disability Retirement Benefits) to conform to the proposed new rule; and (3) amend Rule Chapter 103 (Qualified Domestic Relations Orders).

### **Public Hearing on Proposed Amendment of Rule Chapter 201**

Michael Colleran summarized the proposed repeal and replacement of Rule Chapter 201, which governs payroll reporting by employers.

Dick Metivier reviewed the process for in-person and virtual attendees from the public to participate and comment during the public hearing on the proposed amendment. The following spoke at the public hearing: Ryan Scanlon, Superintendent of Schools, Portland Public Schools; and Sarah Pinault, Payroll Specialist, South Portland School System. No one attending remotely offered comments.

Dick Metivier stated written public comments may be submitted until 4:00 p.m on May 20, 2024.

## **CEO REPORT**

### **Member and Retiree Satisfaction Survey Results**

Dr. Rebecca Wyke shared the most recent Member Satisfaction Survey results with the Trustees.

## **PROPOSED FY2025 BUDGET**

Dr. Rebecca Wyke and Sherry Vandrell presented the FY2025 Administration and Investment Operations budgets to the Board. Dr. Wyke shared the Finance and Audit Committee will be meeting later in May for consideration of those budgets. The recommendation by the Committee will be brought before the Trustees at the June meeting.

## **LEGISLATIVE UPDATE**

Kathy Morin provided an update on the status of legislative bills.

## **MAINESTART UPDATE**

Michael Colleran shared that at the June meeting staff expects to recommend amendments to the 401(a) and 457 plan documents following a review by our pension counsel. The 403(b) plan document is maintained by our record keeper, Newport.

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

Chip Gavin shared the number of participants scheduling member education sessions continues to grow.

Chip stated the RFP has been posted for the Pension Administration System.

Sherry Vandrell reported account reconciliations reached 80% and continue to increase each month. She shared work continues in assisting the employer who has struggled getting payrolls submitted. Sherry stated CLA has nearly completed the member estimates and statements of account audit.

Michael Colleran stated IT is working on redesigning the call routing system. He shared that RFPs are out for pension counsel services and collective bargaining counsel.

## **LITIGATION UPDATE**

Betsy Stivers shared a conference on the FOA matter will be held in Superior Court on May 13 with an anticipated resolution shortly thereafter. She reported the overpayment matter was not resolved through mediation continues with a discovery deadline of October 9<sup>th</sup>.

## **ADJOURNMENT**

- **Action.** John Kimball made the motion, seconded by Nate Burnett, that the May meeting adjourn. Unanimously voted by six Trustees (Beck, Beliveau, Burnett, Duplessis, Kimball, and Metivier).

The meeting adjourned at approximately 12:00 p.m.

6/13/24  
Date Approved by the Board

  
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Dr. Rebecca M. Wyke, Chief Executive Officer

6/13/24  
Date Signed