

MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM

Minutes

Board of Trustees
Board Meeting
January 9, 2025

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 January 9, 2025. Dick Metivier, Vice Chair, presided. Other Trustees participating were: Brian Noyes, Chair; Joseph Perry, State Treasurer; John Beliveau; 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; Chip Gavin, Chief Services Officer; Scott Lupkas, Deputy Chief Investment 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; Seth Keller, Asset Class Head; Brian McDonnell and Stuart Cameron, Cambridge Associates; Tom Lynch and George Bumeder, Cliffwater; and Sean Crawford, Albourne.

Dick Metivier called the meeting to order at 9:00 a.m. Brian Noyes and John Beliveau participated through video remote access pursuant to 1 M.R.S. § 403-B, having been excused from in-person attendance. All other Trustees attended in-person.

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 December 12, 2024
- Action. John Kimball made the motion, seconded by Nate Burnett, to approve the Consent Calendar. Unanimously voted in favor by seven Trustees (Beliveau, Blaisdell, Burnett, Duplessis, Kimball, Metivier, and Perry).

INVESTMENT REVIEW

Investment Monthly Review

Jim Bennett reported that as of December 31, 2024, the MainePERS fund had a preliminary market value of \$20.1 billion, the preliminary return for the month was -0.9%, and the preliminary calendar year-to-date return was 6.8%.

PRIVATE MARKETS REVIEW

Private Markets Activity

Scott Lupkas reviewed the private market funds and co-investments that had closed during the past 12 months. Scott shared there is no manager meeting scheduled for January.

Brian Noyes joined the meeting at 9:20 a.m.

CAPITAL MARKETS EXPECTATIONS AND ASSET ALLOCATION REVIEW

Brian McDonnell shared and discussed with the Trustees a presentation on Expected Return on Assets (EROA) and Asset Allocation Analytics. Brian answered questions from the Trustees.

RISK DIVERSIFIER REVIEW

Stuart Cameron and Seth Keller presented a review of the Risk Diversifiers asset allocation and answered questions from the Trustees.

RISK DIVERSIFIER PORTFOLIO UPDATE

Bridgewater Pure Alpha

- **Action.** Shirrin Blaisdell made the motion, seconded by Nate Burnett 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 Bridgewater Pure Alpha strategies. Unanimously voted by eight Trustees (Beliveau, Blaisdell, Burnett, Duplessis, Kimball, Metivier, Noyes, and Perry).

CEO REPORT

Pension Administration System

Dr. Wyke shared contract negotiations with Sagitec are progressing and are expected to conclude this quarter.

WEP and GPO Update

Dr. Wyke stated Congress passed and the President signed the Social Security Fairness Act of 2023, which repealed the WEP and GPO.

Director of Actuarial and Legislative Affairs

Dr. Wyke shared William "Bill" Brown has been hired as the Director of Actuarial and Legislative Affairs. He will work closely with Kathy Morin, who will be retiring later this year.

Internal Audit Program Mission Moment

Sherry Vandrell reviewed the background of the Internal Audit Program. She shared the reasons why and process of outsourcing the program. Sherry provided the FY25 Audit Plan and the steps taken during an audit. Sherry answered questions from the Trustees.

LEGISLATIVE UPDATE

Kathy Morin shared that the Legislature has convened and bills are being printed. She stated the Labor Committee will continue to be the committee of jurisdiction. Kathy reviewed bills that have been printed that pertain to MainePERS.

MEMBER SERVICES, FINANCE, AND OPERATIONS REPORT

Chip Gavin stated that work on the PAS Project by staff continues. He shared the member portal accounts topped 25,000 with over 3,000 information updates in the month of December. Chip presented updated metrics for preliminary benefit to final benefit.

Sherry Vandrell stated 93% of employer payrolls were submitted on time in December. She reported staff continues work on the unreconciled accounts. Sherry shared no new audits were opened in December as the focus has been with the Portland Public Schools corrections project. She stated the FY2024 supplemental audits of the Pension and OPEB Liabilities and Related Expenses were finalized and posted in December.

Michael Colleran shared IT staff have begun the migration to Office 365. Michael reviewed the annual turnover chart with the Trustees. He stated the Required Minimum Distributions (RMD's) with a December deadline have been completed.

LITIGATION UPDATE

Betsy Stivers shared the motion for summary judgment was filed in the Stoddard overpayment case.

CHIEF EXECUTIVE OFFICER COMPENSATION

- Action: Shirrin Blaisdell made the motion, seconded by John Kimball, that the Board authorize:
- Continuing the Chief Executive Officer's base salary at \$294,000 and annual porting of \$15,000 of the Chief Executive Officer's State/Teacher Plan service credit into the PLD Consolidated Plan through 2029, contingent on continued employment;
 - Porting additional service credit earned by the Chief Executive Officer in the State/Teacher Plan to the PLD Consolidated Plan in the amount of \$20,000 in recognition of the Chief Executive Officer's performance in 2024; and
 - Providing as a retention incentive porting of additional service credit in the amount of \$20,000 per year that can be earned by the Chief Executive Officer for continued satisfactory performance through 2027 and 2029, respectively.

And that the Board further authorize the Board Chair to execute any documents to implement this action. Unanimously voted by eight Trustees (Beliveau, Blaisdell, Burnett, Duplessis, Kimball, Metivier, Noyes, and Perry).

ADJOURNMENT

- Action. Joe Perry made the motion, seconded by John Kimball that the January meeting adjourn. Unanimously voted by eight Trustees (Beliveau, Blaisdell, Burnett, Duplessis, Kimball, Metivier, Noyes, and Perry).

The meeting adjourned at approximately 11:30 a.m.

2/13/25

Date Approved by the Board


Dr. Rebecca M. Wyke, Chief Executive Officer

2/18/25

Date Signed