NEW CASTLE COUNTY OTHER POST EMPLOYMENT BENEFITS (OPEB)
Meeting Minutes of February 27, 2014

The regular meeting of the Board of Trustees was held on February 27, 2014 in the Government Center (Large Executive Conference Room), 87 Reads Way, New Castle, DE 19720.

BOARD MEMBERS PRESENT:
Michael Coupe, CFO – Acting Chairperson
Christine Dunning, CHRO
Tammi Martin, Pension & Benefits Administrator
Steve Cunliffe, Treasury Manager

OTHERS PRESENT:
Michael Mackiewicz, NCC/Finance
Linda Reed, NCC/Finance
Christine Piekarski, NCC/Finance
Carol Misus, Vanguard
Ryan Rich, Vanguard
Lynne McIntosh, NCC/Audit
Scott Ridge, Retiree Benefit Strategies
Sanjit Puri, HayGroup, Inc.

STAFF PRESENT:
Judith Mitchell, First Asst. County Attorney
Joanna Finnigan, Finance Information Specialist

ABSENT MEMBERS/STAFF:
David Grimaldi, CAO – Chairperson
John Gysling, Union Representative

The meeting was called to order at 1:25 p.m.

OLD BUSINESS

♦ Approval of Minutes – The minutes from the January 15, 2014 meeting are attached for approval.

Steve Cunliffe made a motion to approve the minutes from the January 15, 2014 meeting.
* The motion was seconded by Tammi Martin and approved.
For: (4) Coupe, Dunning, Martin, Cunliffe
Against: (0)

NEW BUSINESS

♦ Investment Update by Vanguard – Carol Misus (Vanguard) noted that the Board agreed on the asset allocation decision at last meeting and that now the Board needs to firm up the fund lineup. That discussion includes the index/active discussion that was started at the last meeting. The Board needs to make a decision between all index, all active or a blend of the two. Ryan Rich (Vanguard) presented some options that show a combination of some indexing opportunities in domestic equity, international equity, and fixed income as well as an index active blend in those three areas. It was noted that there are usually equals parts growth and value with active. Options are an all index lineup in the international, index active where you have 50% index and the other 50% split 25% international growth and international value or you could go active completely and have a 50-50 split between the two active funds. The Board needs to make decisions regarding: index/active domestic equity, index/active international and index/active on fixed income.

The Board decided to defer these decisions until the CAO can review the information provided.

♦ Presentation by Retiree Benefit Strategies, LLC – Scott Ridge from Retiree Benefit Strategies introduced Sanjit Puri, an Actuary with HayGroup, Inc. Sanjit Puri provided a presentation to the Board on Employee Group Waiver Plans.

The Board decided to defer discussion of the presentation to be an agenda item at the next meeting.

- Financial Update – Mike Mackiewicz provided a financial update on the OPEB fund as of January 31, 2014.

  - Total Cash & Investments – $30,587,980
    - Cash Account – $5,244,191
    - State Street – $13,856,240
      - 1 month – 3.2% decrease
      - Fiscal YTD – 13.3% increase
    - MFS – $1,155,435
      - 1 month – 5.2% decrease
      - Fiscal YTD – 4.5% increase
    - IR&M – $6,590,247
      - 1 month – 1.7% increase
      - Fiscal YTD – 2.4% increase
    - PIMCO – $3,741,867
      - 1 month – 1.2% decrease
      - Fiscal YTD – 3.0% increase
  - FY 2014 Revenue – $4,911,431.77
    - Investment Income – $1,948,682.88
    - County's Contribution – $2,938,943.00
  - FY 2014 Expenditures – $3,486,558.87
    - Retiree Healthcare Costs – $3,439,053.00

- Date for next meeting – The next meeting will be April 3, 2014 at 1:00 p.m.

Tammi Martin made a motion to adjourn the meeting at 2:32 p.m.
* The motion was seconded by Christine Dunning and approved.
For: (4) Coupe, Dunning, Martin, Cunliffe
Against: (0)