

**NEW CASTLE COUNTY GOVERNMENT EMPLOYEES' PENSION PROGRAM  
MINUTES of August 19, 2020**

The regular meeting of the Board of Trustees was held on August 19, 2020 by teleconference at the Government Center, 87 Reads Way, New Castle, DE 19720.

**Rollcall Taken. The meeting was called to order at 8:19 a.m.**

<p><b><u>TRUSTEES PRESENT:</u></b>          Daniel McFadden, Chairperson          Daryl Brown, Trustee          Michael Finnigan, Trustee, Retirees          Michael Smith, CFO          Paul Frese, Trustee Non-Union Members          Regis Yurcich, Trustee, Local #1607          Rich Piekarski, Jr., Trustee, Local #3109          Robert Barczak, Trustee, Local #459          Saul Polish, Trustee, Local #3911          Terry Stone, Trustee</p>	<p><b><u>TRUSTEES ABSENT:</u></b>          Jacqueline Jenkins, CHRO          Douglas Merrill, FOP Lodge #5</p> <p><b><u>OTHERS PRESENT:</u></b>          Gar Chung, Fin Daily News</p>
<p><b><u>STAFF PRESENT:</u></b>          Frank Benevento, Pension Benefits Administrator          Grace Dehel, Pension Program Analyst          Judy Mitchell, First Asst. County Attorney          Rowena P. Liles, Program Analyst</p>	<p><b><u>INVITED GUESTS:</u></b>          Will Forde, NEPC          Jennifer Fullmer, MetLife          Elise Ornstein, MetLife</p>

**APPROVAL OF THE MINUTES**

The minutes from the July 15, 2020 meeting are attached for approval.

**A motion was made by Saul Polish and seconded by Daryl Brown to approve the minutes of the July 15, 2020 meeting.**

**\*THE MOTION WAS ADOPTED UNANIMOUSLY.**

**APPROVAL OF THE INVOICES**

Boomershine Consulting Group	\$3,750.00	Benefits Statements
Boomershine Consulting Group	\$352.50	Auditor (Pension Data)
Boomershine Consulting Group	\$1,690.00	GASB 67/68
Coho Partners Ltd.	\$26,499.51	2 <sup>nd</sup> Quarter 2020
Eaton Vance	\$14,471.29	2 <sup>nd</sup> Quarter 2020
IR&M	\$3,896.11	TIPS Fund
IR&M	\$16,582.03	CBDII Portfolio
JP Morgan	\$43,305.44	2 <sup>nd</sup> Quarter 2020
Loomis Sayles	\$59,465.05	2 <sup>nd</sup> Quarter 2020
Mellon	\$69,504.24	2 <sup>nd</sup> Quarter 2020
MFS	\$114,635.68	2 <sup>nd</sup> Quarter 2020
Northern Trust Co.	\$15,408.23	1 <sup>st</sup> Quarter 2020

## **APPROVAL OF THE INVOICES (Cont'd)**

Northern Trust Co.	\$20,583.83	2 <sup>nd</sup> Quarter 2020
Peregrine Capital Mgt.	\$30,706.29	2 <sup>nd</sup> Quarter 2020
Real Estate Mgt.	\$8,804.70	2 <sup>nd</sup> Quarter 2020
Systematic Financial Mgt.	\$27,549.95	2 <sup>nd</sup> Quarter 2020

**A motion was made by Terry Stone and seconded by Saul Polish to approve the payment of invoices.**

**\*THE MOTION WAS ADOPTED UNANIMOUSLY.**

## **COORDINATOR'S REPORT by Frank Benevento**

- ❖ Gross Payroll and Employer Contributions for the month of June 2020.
- ❖ Pension Trust Asset Summary – June 2020
- ❖ Pension Payments - July 2020
  - Payees for July 1,511
  - Active Participants 1,081
    - DelPen 391
    - DelPen (ret) 68
  - Benefits total \$3,702,924.48

## **CAPITAL CALLS**

- Kennedy Lewis \$119,009.00 08/14/2020
- Kennedy Lewis \$133,993.00 08/25/2020

## **DISTRIBUTION OF CAPITAL**

- Backcast Partners Mgt. LLC \$484,411.00 07/23/2020
- \* Brookfield Capital Partners Fd IV \$365,023.57 07/22/2020
- Kennedy Lewis Inv Mgt. \$12,117.00 07/20/2020
- Lexington Partners \$18,647.00 07/30/2020
- HarbourVest Partners \$304,555.00 07/31/2020
- Crescent Direct Lending \$116,575.00 08/07/2020
- Northstar Mezzanine Partners VI L.P. \$72,189.00 08/12/2020
- \* Proceeds from sale of Graftech shares (59,804 shares)

## **APPROVAL OF THE APPLICATIONS FOR BENEFITS**

### **Service Retirements**

(06107)	\$3,044.29	11/01/2020	RetGen
(05544)	\$1,168.20	06/01/2020	PenPln (vested)
(SS#1082)	\$1,157.70	10/01/2020	PenPln
(06338)	\$5,282.80	08/14/2020	RetPol

## **APPROVAL OF THE LUMP SUM BENEFITS**

(14845)	\$1,211.89	08/01/2020	RetGen
(14846)	\$1,211.89	08/01/2020	RetGen
(14847)	\$1,211.89	08/01/2020	RetGen
*(14848)	\$1,211.89	08/01/2020	RetGen

\*The Employee ID number for the 4<sup>th</sup> lump sum payment was listed incorrectly as (14847) on the August 19, 2020 pension agenda. The correct number is reflected above.

## APPROVAL OF THE REFUND BENEFITS (8:09 a.m.)

(13823) Massey, Tyisha

\$2,490.33

08/01/2020

CPEMS

**A motion was made by Saul Polish and seconded by Daryl Brown to approve the service retirements, lump sum and refund benefits pending the change of the 4<sup>th</sup> Lump Sum Benefit Beneficiary Employee ID number.**

**\*THE MOTION WAS ADOPTED UNANIMOUSLY.**

## OLD BUSINESS

### ➤ Updates -

○ Frank Benevento - Discussion on the Pension Software Procurement Business Charter Document - During our July 15, 2020 Pension Board meeting, we provided an update on our progress with the Pension Software Procurement Project. We also distributed a draft copy of our Business Charter Document we have been working on to provide some insight on our progress and vision for a pension administration software solution for New Castle County. Because the Business Charter Document was only distributed the day before our last meeting, we wanted to give the Pension Board additional time for review and answer any questions you may have today. Currently, we have begun developing sample Pension Use Case Scenarios for our future pension software provider candidates. When convenient for each group, we expect to meet with Information Systems (IS) to begin discussions on system requirements for our Business Charter Document. New Castle County has agreed to proceed with transitioning HRIS and Payroll with the same software solution Finance transitioned to back in July of this year (Tyler/Munis). The projected go-live goal date for HRIS and Payroll is October 1, 2021. The projected go-live goal date for our Pension Software Solution is January 1, 2022. I will provide the Pension Board with a progress update at our September 16<sup>th</sup> Pension Board Meeting. Any questions? **(No action necessary)**

○ Frank Benevento - Contract Fulfillment - During our December 18, 2019 Pension Board meeting, we provided an update on our progress of utilizing outside counsel for investment manager contract fulfillment services (Alternative Investments). We received a total of six (6) outside counsel recommendations. In the coming weeks, we will be requesting company background and price proposals from each agency for review. Once we receive the requested data, we will present our findings and recommendation to the Pension Board. Any questions? **(No action necessary)**

## NEW BUSINESS

➤ MetLife annual presentation by Jennifer Fullmer and Elise Ornstein.

➤ Will Forde, NEPC - Review and discussion held on the Preliminary Investment Performance “Flash” report for the period ending July 31, 2020 and the 2<sup>nd</sup> Quarterly Executive IPA Report.

○ Upcoming items under our Work Plan are...

- Emerging Market Debt Manager Search Book
- Asset Liability Study

Regis – *Dan I would like to recap what our plan is for the 401(A)-fund line up?*

Frank – *I have a few follow-up items with Jennifer and Elise. Once they receive those items, they can provide us with some alternatives for our investment line-up for the 401(A). I'll be providing them with our IPS and whatever investment alternatives items they do provide us will line up with our IPS.*

### **NEW BUSINESS (Cont'd)**

If necessary, we can always bring them back in September to provide that line-up for discussion if we need to make decisions on our end. The 401(A) line-up is identical to the 457(B) line-up, but because we are independent in the oversight of the 401(A), we could technically make line-up changes from a Pension Board perspective because the board is the fiduciary of the 401(A) County 2011 Plan non-elective contributions. If such a scenario did occur, my best guess would be the Deferred Compensation Committee would fall in line with such decisions. We do have two separate contracts with MetLife, one for the 401(A) and the other for the 457(B). At next months Deferred Compensation Committee meeting, I'll be making the recommendations for agenda items and obviously I'll be speaking to Dan on that as well.

Regis – Thanks Frank, but can you put that in a timeline for us? I think the Pension Board needs to lead and not follow. We followed last year, and nothing happened.

Frank – MetLife is going to be quick on providing us our recommendations on alternatives for our investment line-ups. I'll have this information to MetLife today and the Deferred Compensation Committee meets the second Thursday of each month and I don't like to speak on their behalf because I am not a trustee. If all goes well and MetLife can have this report for us, I can invite them back for providing some details on those alternatives and we can proceed from there on the 401(A).

Dan – Frank I would like this added as an agenda item for us next month.

### **ADJOURNMENT**

**A motion was made by Daryl Brown and seconded by Terry Stone to adjourn the meeting at 10:04 a.m.**

**\*THE MOTION WAS ADOPTED UNANIMOUSLY.**