

**NEW CASTLE COUNTY EMPLOYEES' PENSION PROGRAM**  
**Minutes of April 15, 2015**

The regular meeting of the Board of Trustees was held on April 15, 2015 in the Government Center  
(Manager's Conference Room), 87 Reads Way, New Castle, DE 19720.

The meeting was called to order at 8:05 a.m.

**BOARD MEMBERS PRESENT:**

Christine Dunning, CHRO  
Daniel McFadden, Chairperson  
Douglas Merrill, FOP Lodge #5  
Kenneth Porter, Trustee  
Michael Coupe, CFO  
Michael Finnigan, Trustee, Retirees  
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

**OTHERS PRESENT:**

Mark Wolanski, Local 3109  
Christine Piekarski, NCC/Finance  
Lynne McIntosh, NCC Audit Dept.  
Chris Shetzler, President Local 1607  
Al Woerner, NCC/Land Use  
Tony Schiavi, VP Local 3109  
Linda Reed, NCC/Finance  
Lisa Lancaster, NCC/Executive Office

**BOARD MEMBERS ABSENT:**

Terry Stone, Trustee

**STAFF PRESENT:**

Susan Lawler, Pension/Benefits Coordinator  
Judi Mitchell, First Asst. County Attorney  
Rowena P. Liles, Administrative Aide

**INVITED GUESTS:**

Kevin Leonard, NEPC  
Sean Kenney and Rina Jha, MFS Heritage Trust Company

---

**8:05 a.m. APPROVAL OF THE MINUTES**

The minutes from the March 18, 2015 meeting are attached for approval.

**A motion was made by Saul Polish and seconded by Doug Merrill to approve the minutes from the  
March 18, 2015 meeting.**

\*THE MOTION WAS PASSED UNANIMOUSLY.

**8:06 a.m. APPROVAL OF THE INVOICES**

Boomershine Consulting Group	\$10,810.00	January, 2015 (Pension Board)
Boomershine Consulting Group	\$13,300.00	February, 2015 (Pension Board)
Cupps Capital Mgt.	\$28,017.09	1 <sup>st</sup> Quarter 2015
Mid-Atlantic Plan Sponsors	250.00	Annual Dues
State Street Corp.	\$750.00	Class Action Admin Fees
State Street Corp.	\$11,413.75	February, 2015

**NEW CASTLE COUNTY EMPLOYEES' PENSION PROGRAM**  
**Minutes of April 15, 2015**

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

State of Delaware (Apostille Stamp Bulgaria POA)	80.00	Christine Dunning
Windswept Copy Center (Copy of Bulgaria POA)	5.00	Christine Dunning

**A motion was made by Doug Merrill and seconded by Saul Polish to approve the payment of invoices.**  
**\*THE MOTION WAS PASSED UNANIMOUSLY.**

**8:07 a.m. COORDINATOR'S REPORT by Susan Lawler**

- The entire Actuarial Review for last year is now on file. Rowena has hard copies and electronic copies, if anyone would like to see the complete report.

**8:08 a.m. APPROVAL OF THE APPLICATIONS FOR BENEFITS**

**Service Retirements**

Michael Kingsland	\$2,151.22	April 4, 2015
Elizabeth Prado	\$861.52	April 1, 2015
Mary C. Baxter	\$1,253.87	May 1, 2015
Mary Bronson	\$1,616.27	April 1, 2015

**A motion was made by Ken Porter and seconded by Paul Frese to approve the service retirements.**  
**\*THE MOTION WAS PASSED UNANIMOUSLY.**

**8:08 a.m. DELPEN Retirement**

Matthew Tower                      04/02/2015

**8:09 a.m. APPROVAL OF THE LUMP SUM BENEFIT**

James Brooks for Norman Brooks, Sr.                      \$322.07

**A motion was made by Doug Merrill and seconded by Mike Finnigan to approve the lump sum benefit.**  
**\*THE MOTION WAS PASSED UNANIMOUSLY.**

**8:09 a.m. OLD BUSINESS**

- Update – HB#279 (Christine Dunning) – *Not at this current time, but I received a text last night from the Chief of Staff, so hopefully he will be at our next meeting to provide us with an update.*

*A board member asked if the Chief of Staff was back on the assignment and a discussion was held.*

- Update – Age Limitation Legislation (Christine Dunning) – *This will be tabled until next month.*
- JP Morgan, Bank of America and Citigroup settlement deposits (Christine Dunning) – *We emailed you the attachments Rowena did. The first attachment to page says April 15, 2015 and Wells Fargo Statements for Employee Retirement Fund Accounts it is just typographical error because these were all received in calendar year 2014. We have listed in the email and I will also pass around copies that need to be returned to me. The statements show the money going in and being posted and deposited. The first one of \$2,956,802.11 from JP Morgan was deposited on 1/28/14, the second one from Citibank deposited on 09/11/2014 for \$388,424.83 and the last one was Bank of America deposited on 11/12/2014 for \$2,740,609.69. Below that you see the contributions for the Pension Trust each year you can see from 2006-2015 and you can see how each year it goes up. This was our last resolution that I will pass around for FY 2015 the Percentage of Contribution was 21.70%. It has been in accordance with the Council Resolution. This is where Boomershine Consulting gives us the report on how much he recommends and the Board votes on it and then there is an ordinance that goes before Council.*

*A discussion was held on the information presented for review.*

**NEW CASTLE COUNTY EMPLOYEES' PENSION PROGRAM**  
**Minutes of April 15, 2015**

**OLD BUSINESS (Cont'd)**

*Susan – A Deutsche Bank reimbursement for over withholding of taxes that occurred between January 1, 2007 and March 31, 2013 I think Dan you were in an email conversation with Marzena from our offices. The amount is \$41.31 that came into the Pension Trust. I think part of the conversation is correct me if I am wrong the manner in which it has been coming in to us and I think in the future clarification will be that it will come directly to the Pension Trust accounts not through the County's cash accounts first. So any wire instructions we'll be giving in the future related to these things will be going directly to the Pension Board funds.*

*A discussion was held on the new deposit and changing the way deposits are received for Pension Trust funds.*

*Susan – We will clarify that with our Budget Analyst to make sure that future instructions are directly to State Street the Custodial Bank as opposed to coming into New Castle County Employees Retirement System account. And again this is the account where a lot of miscellaneous stuff comes in and where the employer and employee contributions come in and is ultimately the primary source of funds for payment of monthly benefits.*

*Rich – I just have one question on the details provided. When the contributions are made are they net of administrative expenses or gross?*

*Susan – Net.*

*Rich – So throughout all the years they've been net of administrative expenses.*

*Susan – Exactly and that has been from the very beginning, since I've been here, that is the way it's done.*

*Dan – Terry Stone had also sent me an email. He also received the package and, since he couldn't be here today, he had several questions that I think have all been addressed. He should be good to. Thank you I appreciate all the effort on that one.*

**8:19 a.m. NEW BUSINESS**

- *Posting meeting audio to New Castle County website (Susan Lawler) – We've been notified that the County Executive's office would like any public meeting that is recorded to have the recording of those meetings posted to the County's website. Right now we are in the process of trying to evaluate whether the system we use will upload properly for those purposes. We use a different recording system than is used by some of the other boards. So it's going to be some training going on moving forward to determine whether or not we will keep with the recorder we have now or make a conversion. I don't know the effective date of that, but they have indicated they want that, as soon as possible.*

*Christine – This would be an audio version similar to County Council does. You can go on their website and listen to yesterdays' meeting because they are public. We just want everybody to know that they want to go to audio version not just with Pension, but for all the different public meetings.*

*A discussion was held on the posting the meeting audio on the County's website.*

- *20<sup>th</sup> Annual NEPC Investment Conference (Susan Lawler) – I was inquiring to see if anyone was in fact interested in attending the NEPC Investment Conference, if that is the case, we can make preparations and go forward from there. I know we talked about leaving that open, but I don't know.*

*A discussion was held on attending the NEPC Conference and CAPPP training in October 2015.*

**NEW CASTLE COUNTY EMPLOYEES' PENSION PROGRAM**  
**Minutes of April 15, 2015**

*Dan – I will clarify something I said last month and I felt bad after I said it. I very quickly said I would not be going and it may have sounded like I had a problem with the conference or I didn't think the conference was good enough, but that is not the case. From a professional commitment and scheduling perspective it just doesn't fit into my schedule. That is why I will not be going, but I didn't want to give anybody the impression that I thought it was a bad conference because I've heard over the years from people that have attended outside of this group that they put a good conference on.*

*Kevin Leonard – Just a reminder to those of you who have education requirements the conference does meeting those requirements and they will give you a certificate at the end.*

*Dan – So if that is the case, if we have one trustee attending, we should have enough people here for a quorum to hold our meeting.*

**A motion was made by Ken Porter and seconded by Mike Finnigan to approve Saul Polish to attend the 20<sup>th</sup> Annual NEPC Investment Conference in Boston, MA from May 19-20, 2015.**

\*THE MOTION WAS PASSED UNANIMOUSLY.

*Ken – Speaking of our new counsel I did as asked from our Special Meeting contact both attorneys to let them know the results and Bob Klausner is sending the Engagement Letter to Susan. That is the agreement of what the fee is and that we would hire them on an as needed basis. To that point of a legal conference, they put on a conference every March that is for their clients. It's from their perspective of things the public plans needed to know. So that would be a place I'm sure there is going to be some aspect of that. A lot of their client contacts are attorneys as well.*

- Review the Preliminary Investment Performance "Flash" report for the period ending March 31, 2015 (Kevin Leonard, NEPC) – *Distributed copies of the Preliminary FLASH Report review ending March 31, 2015, Weekly Market & Indicators as of April 10, 2015, NEPC's Energy Analysis on the Market and Energy Dislocation Discussion for review and discussion.*
  - *State Street sent an email regarding Negative Rates to Susan. We've talked about this previously. This came out a year ago and automatically they can start charging those cash accounts. There is no impact from State Street because New Castle County holds no separate accounts.*
- MFS Investment Manager Presentation by Sean Kenney and Rina Jha.

*Kevin covered the highlights of the Energy Analysis to the Board.*

*Dan – Kevin you will come back with an analysis on our portfolios sensitivity in energy?*

*Kevin – Yes in June or July.*

**10:09 a.m. ADJOURNMENT**

**A motion was made by Ken Porter and seconded by Rich Piekarski to adjourn the meeting at 10:09 a.m.**

\*THE MOTION WAS PASSED UNANIMOUSLY.