

NEW CASTLE COUNTY EMPLOYEES' PENSION PROGRAM
Minutes of September 21, 2016

The regular meeting of the Board of Trustees was held on September 21, 2016 in the Government Center (Manager's Conference Room), 87 Reads Way, New Castle, DE 19720.

The meeting was called to order at 8:07 a.m.

BOARD MEMBERS PRESENT:

Christine Dunning, CHRO
Daryl Brown, Trustee
Michael Coupe, CFO
Michael Finnigan, Trustee, Retirees
Regis Yurcich, Trustee, Local #1607
Rich Piekarski, Jr., Trustee, Local #3109
Robert Barczak, Trustee, Local #459
Saul Polish, Trustee, Local #3911

OTHERS PRESENT:

Ken Porter, NCC/Treasury
Bob Wasserbach, County Auditor
Lynne McIntosh, County/Audit
Rinka Banerji, County/Audit

BOARD MEMBERS ABSENT:

Daniel McFadden, Chairperson
Douglas Merrill, FOP Lodge #5
Paul Frese, Trustee Non-Union Members
Terry Stone, Trustee

STAFF PRESENT:

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

INVITED GUESTS:

Kevin Leonard, NEPC
William Forde, NEPC
Fran Peters, HarbourVest Partners
Amanda Outerbridge, HarbourVest Partners

8:07 a.m. APPROVAL OF THE MINUTES

The minutes from the August 17, 2016 meeting are attached for approval.

A motion was made by Saul Polish and seconded by Rich Piekarski to approve the minutes from the August 17, 2016 meeting.

*THE MOTION WAS PASSED UNANIMOUSLY.

8:08 a.m. APPROVAL OF THE INVOICES

Boomershine Consulting Group	\$950.00	July, 2016
Cupps Capital Mgt.	\$19,025.10	3 rd Quarter 2016
Mellon Capital	\$81,951.03	2 nd Quarter 2016

A motion was made by Saul Polish and seconded by Daryl Brown to approve the payment of invoices.

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8:08 a.m. COORDINATOR'S REPORT by Susan Lawler

- **Gross Payroll and Employer Contributions for the month of August 31, 2016 - Rowena sent this out to the trustees electronically.**

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

Service Retirements

Holly M. Shinn	\$1,498.35	09/01/2016	RetGen
Karen Messner	\$4,617.59	09/03/2016	RetPol
Christine A. Caruso	\$5,055.05	09/06/2016	RetPol
Connie E. Roberts	\$1,475.75	09/06/2016	RetGen
Kenneth R. Bieri	\$6,518.03	10/04/2016	RetGen
Gail M. Dierolf	\$240.00	09/06/2016	SCGPen

8:09 a.m. APPROVAL OF THE BENEFIT RECALCULATION

<u>Name</u>	<u>Revised Monthly Benefit</u>	<u>Difference</u>	<u>Effective</u>
Daniel Conner	\$3,965.18	\$3.89	July 9, 2016

8:09 a.m. APPROVAL OF THE LUMP SUM BENEFITS

James Prorock (<i>Stella Prorock</i>)	\$2,230.87	RetGen
Paula Croson (<i>Michael Croson</i>)	\$3,600.00	SCGPen
Lori Mangini (<i>Carmen Mangini</i>)	\$1,050.01	RetGen
Paul Mangini (<i>Carmen Mangini</i>)	\$1,050.01	RetGen
Katherine Quantance (<i>James Roberts</i>)	\$9,173.87	RetGen
Delores Higgins (<i>Delores Lawrie</i>)	\$1645.85	RetGen

8:09 a.m. APPROVAL OF THE REFUND BENEFITS

James E. Vorous, Jr.	\$71.96	CPGen
Anthony Federici	\$3,697.05	CPEMS

A motion was made by Saul Polish and seconded by Daryl Brown to approve the service retirements, lump sum benefits, refunds and benefit recalculation.

***THE MOTION WAS PASSED UNANIMOUSLY.**

8:09 a.m. OLD BUSINESS

- Update (Judi Mitchell) – *There is no update because I haven't heard from them. I will reach out to them and will report back to the Board next month.*

Susan - *Just as a note of interjection on Boomershine, we had chosen to re-employ him and the new contract is required. We are still going back and forth finishing the details on that. Judy is working real hard, as is Frank. As soon as we know something, we will get that moving.*

- Update (Susan Lawler) – Pension Section staffing – *On the Pension Section staffing again I have to ask that that be tabled. We haven't been able to pull the information together in a format that I feel will clearly indicate what our needs are. (Tabled until next month).*

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OLD BUSINESS (Cont'd)

Christine – *I just want to interject on Boomershine. I had sent him an email because I had some concerns about the invoices that we receive. In particular more details, as far as, the number of hours, what kind of staff work because I want to make sure the Trust wasn't being double charged for anything and we are watching our responsibility for the finances. He did respond back saying he would provide more information on the invoices.*

- Update (Frank Benevento) - Commission recap program – *We agreed at the last meeting we terminated our commission recapture program with State Street effective September 8th. We began our commission recapture program with Northern Trust on the same day. Now we have all of our soft dollars within the same unit at Northern Trust with our commission recapture and securities lending. I will keep you up to date once we begin receiving statements.*
- Discussion and vote on changing 2017 meeting schedule - (Susan Lawler) – *Rowena published the 2017 meeting calendar. We had a brief discussion at the last meeting as to whether or not we wanted to not have a meeting in August. Obviously, August is a tough time for getting a quorum. It's not uncommon for boards to take a month off. We could leave it on the schedule and discuss it later or we could take a vote and only have 11 meetings next year. It would take some manipulation on the part of the Pension Staff to make sure nobody's benefits would be delayed and all the invoices were paid, in a timely manner, but it is out there and I didn't know if the Board wanted to consider it at this point or wait until later in the year.*

Christine – *We have a couple of members absent. I think we should say something to them to see how they feel.*

Mike F. – *This item will be tabled until next month.*

- Update (Kevin Leonard) – Adoption of new targets to Fixed Income Portfolio - .
- Update (Kevin Leonard) – Blackrock Strategic Income Group allocation – *There is no update on the Blackrock Fixed Income Portfolio. You adopted a new target allocation, at the last meeting, to restructure your Fixed Income Portfolio and so you did that. You obviously voted to hire Blackrock. We are ready to fund that and we had talked to you about the main purpose behind this Blackrock Unconstrained Portfolio is to be part of your portfolio that we think will help protect it in a rising rate environment. We have been concerned in a rising rate environment and what that can do to a portfolio.*

9:10 a.m. NEW BUSINESS

- Private Market Report as of March 31, 2016 review and discussion.
- Review the Preliminary Investment Performance “Flash” report for the period ending August 31, 2016 – (Kevin Leonard, NEPC).
 - Termination of Cupps Capital Mgt. and assets transferred to Peregrine
 - Pacing Plan review next month
 - Asset Liability Study in November, 2016
 - Discussion on fund mixes in the portfolio in January/February, 2017
- Investment Manager Presentation with HarbourVest Partners by Fran Peters and Amanda Outerbridge.

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NEW BUSINESS (Cont'd)

- Request Board approval for Saul Polish to attend the 62nd Annual Employee Benefits Conference, November 13-16, 2016 and to attend the Trustees Master's Program (TMP) Saturday, November 12th – Sunday, November 13th, in Orlando, FL – (Susan Lawler).

A motion was made by Mike Coupe and seconded by Daryl Brown to approve the request for Saul Polish to attend the 62nd Annual Employee Benefits Conference, November 13-16, 2016 and to attend the Trustees Master's Program (TMP) Saturday, November 12th – Sunday, November 13th, in Orlando, FL.

*THE MOTION WAS PASSED UNANIMOUSLY.

10:14 a.m. ADJOURNMENT

A motion was made by Mike Coupe and seconded by Daryl Brown to adjourn the meeting at 10:14 a.m.

*THE MOTION WAS PASSED UNANIMOUSLY.