

**NEW CASTLE COUNTY GOVERNMENT EMPLOYEES' PENSION PROGRAM
MINUTES of January 15, 2020**

The regular meeting of the Board of Trustees was held on January 15, 2020 in the Government Center (Large Executive Conference Room), 87 Reads Way, New Castle, DE 19720.

The meeting was called to order at 8:21 a.m.

<p>TRUSTEES PRESENT: Daniel McFadden, Chairperson Daryl Brown, Trustee (teleconference) Douglas Merrill, FOP Lodge #5 Jacqueline Jenkins, CHRO 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>TRUSTEES ABSENT: None</p> <p>OTHERS PRESENT: Bob Wasserbach, County Auditor Christine Piekarski, NCC/Finance Lynne McIntosh, NCC/Audit Rinku Banerji, NCC/Audit</p>
<p>STAFF PRESENT: Frank Benevento, Pension Program Analyst Grace Dehel, Pension Program Analyst Sanjay Bhatnagar, Asst. County Attorney I Rowena P. Liles, Program Analyst</p>	<p>INVITED GUESTS: Kevin Leonard, NEPC Keith Novak, Clifton, Larson & Anderson Greg Liebl, Eaton Vance Jason Chalmers, Eaton Vance</p>

APPROVAL OF THE MINUTES (8:21 a.m.)

The minutes from the December 18, 2019 meeting are attached for approval.

A motion was made by Terry Stone and seconded by Saul Polish to approve the minutes from the December 18, 2019 meeting.

***THE MOTION WAS ADOPTED UNANIMOUSLY.**

NEW BUSINESS (8:21 a.m.)

- External Auditors Report by Keith Novak (Clifton, Larson & Allen)

A motion was made by Saul Polish and seconded by Paul Frese to accept the NCC Employees' Pension Program Audit Results report presented by Clifton, Larsen & Allen.

***THE MOTION WAS ADOPTED UNANIMOUSLY.**

APPROVAL OF THE INVOICES (8:33 a.m.)

ISS SICAS	\$7,500.00	Standard Filing Fees
NEPC	\$57,532.95	3 rd Quarter 2019
Northern Trust Co.	\$15,238.57	3 rd Quarter 2019
Northern Trust. Co.	\$17,714.47	4 th Quarter 2019
Peregrine Capital Mgt.	\$32,843.68	4 th Quarter 2019
Systematic Financial Mgt.	\$34,463.73	4 th Quarter 2019

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

***THE MOTION WAS ADOPTED UNANIMOUSLY.**

COORDINATOR'S REPORT by Frank Benevento (8:34 a.m.)

- ❖ Gross Payroll and Employer Contributions for the month of November 2019.
- ❖ Pension Trust Asset Summary – November 2019
- ❖ Pension Payments – December 2019
 - Payees for December 1,504
 - Active Participants 1,065
 - DelPen 379
 - DelPen (ret) 63
 - Benefits total \$3,631,787.89

CAPITAL CALLS (8:34 a.m.)

- BlueBay Direct Lending Fd III \$163,844.31 01/06/2020
- Vista Equity Partners \$23,550.00 01/14/2020

DISTRIBUTION OF CAPITAL (8:34 a.m.)

- HarbourVest \$261,047.00 12/27/2019
- Lexington Partners \$46,145.00 12/23/2019
- Brookfield Cap Partners Fd IV \$554,286.77 12/30/2019
- Vista Equity Partners \$8,009.00 12/27/2019
- Northstar Mezz Partners VI L.P. \$209,188.00 12/18/2019
- Brookfield Asset Mgt. \$128,866.50 01/10/2020

APPROVAL OF THE APPLICATIONS FOR BENEFITS (8:34 a.m.)

Service Retirements

(05741)	\$2,279.98	01/09/2020	PenPln
(05635)	\$3,996.66	01/01/2020	RetGen
(14666)	\$1,144.80	01/01/2020	PenPln

DelPen Retirement (8:35 a.m.)

(07974)	n/a	01/20/2020	DelPen
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APPROVAL OF THE SURVIVOR BENEFITS (8:35 a.m.)

(14667)	\$1,493.51	12/22/2019	RetGen
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APPROVAL OF THE LUMP SUM BENEFITS (8:35 a.m.)

(14668)	\$3,889.66	01/01/2020	RetGen
(06114)	\$1,121.45	01/01/2020	RetGen

APPROVAL OF THE REFUND BENEFITS (8:35 a.m.)

(12604)	\$5,169.20	01/01/2020	CPGen
(13220)	\$660.00	01/01/2020	SCGPen
(12642)	\$8,066.93	01/01/2020	CPGen
(13824)	\$1,710.60	01/01/2020	CPEMS
(12533)	\$7,760.54	01/01/2020	CPGen

A motion was made by Saul Polish and seconded by Mike Finnigan to approve the service retirements, survivor, lump sum and refund benefits.

***THE MOTION WAS ADOPTED UNANIMOUSLY.**

OLD BUSINESS (8:35 a.m.)

➤ Frank Benevento - Updates

- Legislation Substitute No. 1 to Ordinance No. 19-116 - *As directed by the Pension Board, Council was notified that the Pension Board, as fiduciaries to the New Castle County Employees' Pension Program, is not able to make a recommendation on the Pension Ordinance until and unless an actuarial fiscal impact study of the legislation is completed and such actuarial study is provided to the Pension Board for review. Counsel to Council responded and recognized the absence of the fiscal impact study and notified Finance to begin process of procurement of the study. Once the study has been completed and introduced as a fiscal note, the Ordinance will be referred back to the Pension Board within 3 days by the Clerk. Once received, the Pension Board will have 90 days to make a formal recommendation to Council. Any questions? (No action necessary).*
- 2020 Pension Trustee/Staff Education Requests - *At our December 18, 2019 meeting, the Pension Board was distributed a list of projected Educational/Professional Development requests provided by Trustees and Staff. The list included 2020 projected costs and a history of expenses from 2012 – 2019. A revised list was previously distributed for review. Any questions? (A motion is necessary to approve the list of projected Educational/Professional Development requests).*

A motion was made by Terry Stone and seconded by Saul Polish to approve the projected Educational/Professional Development for CY2020.

***THE MOTION WAS APPROVED (10) YEA (1) NAY.**

NEW BUSINESS (Cont'd) (8:39 a.m.)

- Kevin Leonard, NEPC - Review the Preliminary Investment Performance "Flash" report for the period ending December 31, 2019.

Frank – Introduction and welcome to the board for new CFO Michael Smith. I would like to recognize the Finance Department on all their efforts and assistance on the annual audit. They do a great deal and they are our soldiers in pulling together all the information for the auditor and I just want to thank them. There is also a supplemental information document that is very informative that I think everyone will enjoy reading, at your leisure.

- TA Realty Fund XII Value Add Real Estate investment presentation by Devin Sullivan and Jim Raisides.

A motion was made by Saul Polish and seconded by Doug Merrill to take a 5-minute break.

***THE MOTION WAS ADOPTED UNANIMOUSLY.**

The meeting reconvened at 10:09 a.m.

NEW BUSINESS (cont'd) (10:09 a.m.)

- Eaton Vance Investment Manager Presentation by Greg Liebl and Jason Chalmers.
- Board discussion on TA Realty resumed with Kevin Leonard, NEPC.

A motion was made by Terry Stone and seconded by Rich Piekarski to accept NEPC's recommendation to purchase TA Realty Fund XII at \$9 million dollars.

***THE MOTION WAS ADOPTED UNANIMOUSLY.**

- NEPC's overview of Eaton Vance's presentation was discussed. The follow-up items are listed below.
 - Meet with NEPC's Emerging Market Analyst to determine allocations in that space and come back to the Pension Board to have the discussion.
 - Invite investment Managers to present two Direct Lending in February 2020 and two Distressed Debt in March 2020.

Frank – I would like to recognize Susan Lawler's retirement on January 2, 2020 and thank her for 28 years of service to New Castle County.

ADJOURNMENT (11:24 a.m.)

A motion was made by Terry Stone and seconded by Doug Merrill to adjourn the meeting at 11:24 a.m./p.m.

***THE MOTION WAS ADOPTED UNANIMOUSLY.**