

**NEW CASTLE COUNTY GOVERNMENT EMPLOYEES' PENSION PROGRAM
MINUTES of November 18, 2020**

The regular meeting of the Board of Trustees was held on November 18, 2020 by teleconference in the Government, 87 Reads Way, New Castle, DE 19720.

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

<p><u>TRUSTEES PRESENT:</u> Daniel McFadden, Chairperson Daryl Brown, Trustee 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 Saul Polish, Trustee, Local #3911</p>	<p><u>TRUSTEES ABSENT:</u> Terry Stone, Trustee Vacant, Trustee, Local #459</p> <p><u>OTHERS PRESENT:</u> Melissa Mendenhall, NEPC</p>
<p><u>STAFF PRESENT:</u> Frank Benevento, Pension Benefits Administrator Grace Dehel, Pension Program Analyst Judy Mitchell, First Asst. County Attorney Rowena P. Liles, Program Analyst</p>	<p><u>INVITED GUESTS:</u> Kevin Leonard, NEPC</p>

APPROVAL OF THE MINUTES

The minutes from the October 21, 2020 meeting are attached for approval.

A motion was made by Saul Polish and seconded by Mike Finnigan to approve the minutes from the October 21, 2020 meeting.

***THE MOTION WAS ADOPTED UNANIMOUSLY.**

APPROVAL OF THE INVOICES

Boomershine Consulting Grp	\$2,302.50	GASB 67/68
IR&M	\$23,906.04	3 rd Quarter 2020 (CBFII)
IR&M	\$4,016.79	3 rd Quarter 2020 (TIPS Fund)
JP Morgan	\$43,293.52	3 rd Quarter 2020
Mellon	\$74,484.83	3 rd Quarter 2020

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

***THE MOTION WAS ADOPTED UNANIMOUSLY.**

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COORDINATOR'S REPORT by Frank Benevento

- ❖ Gross Payroll and Employer Contributions for the month of September.
- ❖ Pension Trust Asset Summary – September 2020
- ❖ Pension Payments - October 2020
 - Payees for October 1,519
 - Active Participants 1,069
 - DelPen 385
 - DelPen (ret) 68
 - Benefits total \$3,750,896.13

CAPITAL CALLS

- Arcmont Asset Mgt. \$309,712.45 11/16/2020
- Backcast Partners Mgt. \$533,480.00 11/16/2020
- Vista Equity Partners \$258,910.00 11/27/2020
- Backcast Partners Mgt. \$539,946.00 11/23/2020

DISTRIBUTION OF CAPITAL

- Crescent Direct Lending \$173,566.00 10/20/2020
- Northstar Mezzanine Partners \$811,168.00 10/21/2020
- Lexington Partners \$24,343.00 10/29/2020
- TSSP Opp Partners IV(A), LP \$100,741.00 10/30/2020
- Northstar Mezzanine Partners \$154,157.00 11/06/2020
- HarbourVest \$217,539.00 10/29/2020
- TPG Opp Partners II(A), LP \$23,394.00 11/10/2020
- Crescent Direct Lending \$142,479.00 11/12/2020

APPROVAL OF THE APPLICATIONS FOR BENEFITS

Service Retirements

(09779)	\$443.01	01/25/2021	PenPln
(10032)	\$110.00	11/30/2020	SCGPen (vested)
(05931)	\$1,314.90	11/10/2020	PenPln
(06970)	\$3,268.94	01/05/2021	RetGen
(08052)	\$1,072.45	11/14/2020	PenPln
====Age 62 reduction	\$780.91	=====	=====
(06039)	\$7,866.04	11/27/2020	RetPol

DelPen Retirements

(07749)	n/a	01/11/2021	DelPen
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APPROVAL OF THE SURVIVOR BENEFITS

(14874)	\$1,653.05	10/13/2020	RetGen
(14875)	\$1,058.18	10/08/2020	RetGen
(05341)	\$738.34	10/18/2020	RetGen

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APPROVAL OF THE SURVIVOR BENEFITS (Cont'd)

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

***THE MOTION WAS ADOPTED UNANIMOUSLY.**

OLD BUSINESS

- Updates – (Frank Benevento)
 - **Pension Software** - We have completed our RFI documents for our pension software solution and have distributed the documents to our preferred providers (PTG & LRS) for price proposals. In the coming weeks, we will be answering RFI vendor questions, reviewing proposals and attending vendor RFI submission presentations. We anticipate providing the Pension Board with a recommendation at our December 16, 2020 meeting. Any questions? **(No action necessary)**
 - **EME Manager (ABS) Contract** – During our October 21, 2020 meeting, the Pension Board agreed to make a \$10M investment with Emerging Market Equity manager ABS. We have received all the necessary contractual documents from ABS, and we are currently reviewing for execution. We will provide an update on our progress at our December 16, 2020 Pension Board meeting. Does anyone have any questions? **(No action necessary).**

NEW BUSINESS

- **PBI Death Audit Services** - Our pension administrative team currently utilizes PBI Research Services for death audit services. In 2019, PBI introduced CertiDeath. CertiDeath is a proprietary solution that combines artificial intelligence, integrated databases and human expertise to deliver the most complete list of verified deaths with a coverage rate of up to 95% of deaths nationwide and a 99% validation rate. Since introduction, CertiDeath has saved customers over \$200M in overpayments. We have provided the Board with a copy of the Death Audit Services Proposal for CertiDeath with the meeting materials. We are recommending the Pension Board approve the proposal for PBI CertiDeath audit services for 3 years at a cost of \$2,900 or \$2.00 per record (1,450 retiree records). Any questions? If there are no questions, we need a motion to approve the proposal for PBI CertiDeath Audit Services for 3 years at the cost of \$2,900.

A motion was made by Mike Finnigan and seconded by Doug Merrill to approve upgrading to PBI's CertiDeath Audit Services.

***THE MOTION WAS ADOPTED UNANIMOUSLY.**

- Kevin Leonard & Melissa Mendenhall, NEPC – Review of the Private Equity/Private Debt Performance.
- Kevin Leonard, NEPC- 3Q Performance Review.
- Kevin Leonard, NEPC - Review the Preliminary Investment Performance “Flash” report for the period ending October 31, 2020.
 - 2021 Market Outlook will be due in a few weeks.
 - ABS is lowering their fee from 85 basis points to 75 basis points.

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Frank – Just to update the Board we've received 3 nominations for our 459 vacant trustee position; which will go to the County Executive for selection. We are hope by our next meeting the County Executive will have made a recommendation and the representative will be sworn in before our next meeting.

9:44 a.m. meeting break until 9:50 a.m.

The Executive Session was called to order at 9:54 a.m. Rollcall Taken.

EXECUTIVE SESSION

- Frank Benevento - (Update) – MetLife Annual Presentation (Follow-Up) – On September 16, 2020, we held a discussion on our 401 (a) plan review and fiduciary governance on terminating underperforming investment options identified by the Board. During our last Pension Board meeting on October 21, 2020 we continued our discussion and heard from Dan Beaton from NEPC's Defined Contribution Team who provided a brief presentation on services provided by the NEPC Defined Contribution Team. We have provided the Board with a copy of NEPC's Defined Contribution Consulting Services proposal with the meeting materials. We are recommending the Pension Board approve the NEPC proposal for Defined Contribution Investment Consulting Services for \$20,000.

A discussion was held on MetLife.

A motion was made by Daryl Brown and seconded by Paul Frese to adjourn the Executive Session.

***THE MOTION WAS ADOPTED UNANIMOUSLY.**

The regular meeting reconvened at 10:21 a.m. Rollcall Taken.

A motion was made by Regis Yurcich and seconded by Saul Polish to accept NEPC's proposal for Consulting Services for the Defined Contribution 401 (a) Plan for \$20,000 a year with the scope as outlined in their proposal dated November 16, 2020.

***THE MOTION WAS ADOPTED UNANIMOUSLY.**

Frank – I'll provide an update at the December 16, 2020 meeting.

Dan – This should be top priority for us.

Frank – Thank the board for your services for this year during this difficult time. Good job!

Saul – A few future agenda items for 2021 are (1) Education items Virtual Education and (2) Discussion on using the Zoom platform for holding board meetings.

ADJOURNMENT

A motion was made by Daryl Brown and seconded by Saul Polish to adjourn the meeting at 10:28 a.m.

***THE MOTION WAS ADOPTED UNANIMOUSLY.**