

**NEW CASTLE COUNTY GOVERNMENT EMPLOYEES' PENSION PROGRAM
MINUTES of December 16, 2020**

The regular meeting of the Board of Trustees was held on December 16, 2020 by teleconference in the Government, 87 Reads Way, New Castle, DE 19720.

<p><u>TRUSTEES PRESENT:</u> Daniel McFadden, Chairperson Daryl Brown, Trustee Douglas Merrill, FOP Lodge #5 Jon Hall, Trustee, Local #459 Michael Finnigan, Trustee, Retirees Michael Smith, CFO Paul Frese, Trustee Non-Union Members Regis Yurcich, Trustee, Local #1607 Rich Piekarski, Jr., Trustee, Local #3109</p>	<p><u>TRUSTEES ABSENT:</u> Jacqueline Jenkins, CHRO Saul Polish, Trustee, Local #3911 Terry Stone, Trustee</p> <p><u>OTHERS PRESENT:</u> Lindsay Saienni, Financial Investment News</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 Gregory Stump, Boomershine Consulting Group</p>

Frank – On December 14, 2020, County Executive Matthew Meyer dually appointed and swore in Jon Hall as a new member of the Board of Trustees Pension Program. Jon is a member and representative of AFSCME Local 459. Jon is currently a Motor Equipment Operator and has been employed with New Castle County for almost 25 years. On behalf of the Pension Board of Trustees, staff, membership and administration we would like to welcome you to the Board and wish you the best.

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

APPROVAL OF THE MINUTES

The minutes from the November 18, 2020 meeting are attached for approval.

A motion was made by Daryl Brown and seconded by Paul Frese to approve the minutes from the November 18, 2020 meeting.

*THE MOTION WAS ADOPTED UNANIMOUSLY.

APPROVAL OF THE INVOICES

➤ None

COORDINATOR'S REPORT by Frank Benevento

- ❖ Gross Payroll and Employer Contributions for the month of October.
- ❖ Pension Trust Asset Summary – October 2020
- ❖ Pension Payments - November 2020
 - Payees for November 1,515
 - Active Participants 1,065
 - DelPen 380
 - DelPen (ret) 70
 - Benefits total \$3,722,738.98

CAPITAL CALLS

- Brookfield Cap Partners Fd IV \$106,820.43 12/14/2020
- Vista Equity \$190,316.00 12/14/2020
- Vista Equity \$238,920.00 12/18/2020
- TSSP Opp Partners IV (A) LP \$247,411.00 12/18/2020
- Brookfield Cap Partners V \$214,607.65 12/18/2020
- Arcmont Direct Lending Fd III \$62,132.07 01/05/2021

DISTRIBUTION OF CAPITAL

- TA Realty \$73,716.00 11/18/2020
- Kennedy Lewis Inv. Mgt. \$43,618.00 11/19/2020
- Lexington Partners \$20,010.00 11/24/2020
- Crescent Direct Lending \$69,944.00 12/01/2020

APPROVAL OF THE APPLICATIONS FOR BENEFITS

Service Retirements

(05996)	\$6,932.62	12/07/2020	RetPol
(05542)	\$1,363.80	12/12/2020	PenPln
(08941)	\$2,595.38	01/02/2021	RetGen
(06990)	\$6,246.33	01/01/2021	RetGen

DelPen Retirements

(08314)	n/a	12/07/2020	DelPen
---------	-----	------------	--------

APPROVAL OF THE SURVIVOR BENEFITS

(14884)	\$2,374.24	10/03/2020	RetAMD
---------	------------	------------	--------

APPROVAL OF THE REFUND BENEFITS

(13522)	\$4,029.56	12/01/2020	CPEMS
---------	------------	------------	-------

A motion was made by Daryl Brown and seconded by Rich Piekarski to approve the Coordinators Report as written service retirements, survivor, lump sum and refund benefits.

***THE MOTION WAS ADOPTED UNANIMOUSLY.**

OLD BUSINESS

➤ Frank Benevento - Updates

- EME Manager (ABS) Contract – *During our October 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 January 20, 2021 regularly scheduled Pension Board meeting. Any questions?*
- Defined Contribution Consulting Services - *During our November 18, 2020 meeting, the Pension Board agreed to hire NEPC to provide defined contribution consulting services for the 401(a) Plan. I had a meeting with NEPC's defined contribution team's lead consultant Dan Beaton and discussed our path forward. We have tentatively scheduled the first performance and fund menu review at our regularly scheduled meeting on February 17, 2021 coinciding with the 2020 fund year end. Any questions?*

Dan – Frank it's a topic that's been on our agenda on a regular basis. I want to make sure that NEPC is prepared to make some recommendations, at that point. I don't want that to be an introduction.

- Continuing Education/Professional Development (2021) - *During a normal year we would provide the Pension Board with a list of Continuing Education/Professional Development requests for the following year in the month of November/December. Due to the unknown and ever-changing recommendations and restrictions surrounding these events, we would like to recommend anyone wishing to request a continuing education/professional development event, including virtual events, to contact a member of the Pension Division Administrative Staff for processing. We will list all requests for consideration and approval under Old Business until further notice.*
- Pension Board Meeting Platform (2021) - *On March 13, 2020, the Governor of Delaware declared a State of Emergency due to the public health threat of COVID-19 and signed a Proclamation authorizing public bodies to meet electronically. Since then, all New Castle County Pension Board of Trustees meetings have been successfully conducted via conference call. Moving into 2021, we wanted to take a moment and discuss alternate platforms moving forward including video conferencing. Many New Castle County Boards and Committees, including Council, have moved to a video conferencing platform utilizing Zoom and Microsoft Teams. If the Board would like to consider the video conferencing platform Zoom, a license has been allocated for our use and we can begin with our January 20, 2021 meeting. Does anyone have any questions or comments on this path forward?*

A discussion was held.

OLD BUSINESS (Cont'd)

- Pension Software Update – *Item will be tabled until after the last item under New Business.*

NEW BUSINESS

- Greg Stump, Boomershine Consulting Group Actuarial Audit Report (Follow-Up) – *The audit was done by GRS back in February 2020. This is a follow-up to that presentation. A review and discussion on the Actuarial Audit Review dated December 2020 was held.*
- Kevin Leonard, NEPC - *Review the Preliminary Investment Performance “Flash” report for the period ending November 30, 2020. Here are future updates:*
 - *Annual 10-year & 30-year Market Forecast will be published and presented in January 2021*
 - *Annual Pacing Plan for Private Equity/Private Debt portfolios*
 - *Beta Group Outlook provided to anyone interested*
 - *Discussion in January on portfolio rebalancing*

Dan - *Congratulations to Will Forde and Margaret Belmundo from NEPC on their promotions.*

OLD BUSINESS (Cont'd)

- Pension Software Update - Over the past year, we have diligently worked with a Business Analyst, Adrienne Thompson, to audit and document New Castle County Employees' Pension Program Division's business practices in an effort to procure and implement a comprehensive and responsive pension administration software system for pension benefits administration and fund management (inclusive of a member portal and mobile application). Today, we are here to provide the New Castle County Pension Board of Trustees' with our recommendation for procuring a pension administration software solution. Our recommendation to the Board is to procure the PTG PensionPro pension software solution as provided in the proposal previously distributed to the Board. Why PTG PensionPro?
 1. PTG Pro has 28 years as a tech team designing pension administration software
 2. 113 municipal government clients
 3. 0 clients lost after installation
 4. 90 installations of PTG Software using Tyler/Munis HCM in Human Resources; which New Castle County is converting to
 5. Supported by New Castle County's Information Systems senior leaders
 6. PTG fully supports all business clients as outlined in the RFI
 7. Experience with Peoplesoft and Tyler our former and new software solutions
 8. Pension Gold has a turnkey integration with Munis
 9. Client application layer is fully customizable
 10. Core pension administration code is independent of client code
 11. PTG cyber security controls meet the County's compliance and standards. They will host and maintain all servers, database and application codes
 12. Price is consistent with comparable clients, at the state and local levels
 13. Price is below state level projects and the cost to upgrade, maintain and support PeopleSoft (FTE) plus develop Munis interfaces is very costly
 14. Vendor solutions that do not have turn-key integration with Munis will be more costly
 15. Vendor has committed to all requested functionality and the requested go-live date (4Q21)

A discussion was held on the Pension Software.

A motion was made by Daryl Brown and seconded by Mike Finnigan to approve the staff's recommendation of hiring Pension Technology Group (PTG) for the pension administration software solution.

*THE MOTION WAS ADOPTED UNANIMOUSLY.

OLD BUSINESS (Cont'd)

A motion was made by Daryl Brown and seconded by Mike Finnigan to take a 5-minute break and adjourn the regular meeting.

*THE MOTION WAS ADOPTED UNANIMOUSLY.

EXECUTIVE SESSION

The Executive Session was called to Order at 9:55 a.m. Rollcall Taken.

- The minutes from the November 18, 2020 MetLife annual presentation follow-up are attached for approval. (Frank Benevento)

Dan - Any questions from board members?

None

A motion was made by Daryl Brown and seconded by Rich Piekarski to adjourn the Executive Session.

*THE MOTION WAS ADOPTED UNANIMOUSLY.

The regular meeting reconvened. Rollcall Taken.

Called to Order at 10:03 a.m.

A motion was made by Michael Smith and seconded by Rich Piekarski to approve the minutes from the November 18, 2020 Executive Session.

*THE MOTION WAS ADOPTED UNANIMOUSLY.

ADJOURNMENT

A motion was made by Daryl Brown and seconded by Mike Finnigan to adjourn the meeting at 10:06 a.m.

*THE MOTION WAS ADOPTED UNANIMOUSLY.