

**NEW CASTLE COUNTY GOVERNMENT EMPLOYEES' PENSION PROGRAM
MINUTES of January 20, 2021**

The regular meeting of the Board of Trustees was held on January 20, 2021 by teleconference in the Government, 87 Reads Way, New Castle, DE 19720.

Rollcall Taken. The meeting was called to order at 8:18 a.m.

<p><u>TRUSTEES PRESENT:</u> Daniel McFadden, Chairperson Daryl Brown, Trustee Jacqueline Jenkins, CHRO Jon Hall, Trustee, Local #459 Michael Finnigan, Trustee, Retirees Paul Frese, Trustee Non-Union Members Regis Yurcich, Trustee, Local #1607 Rich Piekarski, Jr., Trustee, Local #3109 Saul Polish, Trustee, Local #3911 Terry Stone, Trustee</p>	<p><u>TRUSTEES ABSENT:</u> Douglas Merrill, FOP Lodge #5 Michael Smith, CFO</p> <p><u>TRUSTEES ABSENT:</u> Judy Mitchell, First Asst. County Attorney</p> <p><u>OTHERS PRESENT:</u> Lindsey Saienni, Investment Financial News Bob Wasserbach, County Auditor</p>
<p><u>STAFF PRESENT:</u> Frank Benevento, Pension Benefits Administrator Grace Dehel, Pension Program Analyst Rowena P. Liles, Program Analyst</p>	<p><u>INVITED GUESTS:</u> Kevin Leonard, NEPC</p>

APPROVAL OF THE MINUTES

The minutes from the December 16, 2020 meeting are attached for approval.

A motion was made by Daryl Brown and seconded by Saul Polish to approve the minutes from the December 16, 2020 meeting.

*THE MOTION WAS ADOPTED UNANIMOUSLY.

APPROVAL OF THE INVOICES

Boomershine Consulting Group	\$1,572.50	Jan 2021 Valuation (Progress Billing)
Coho	\$30,960.93	4 th Quarter 2020
MFS	\$135,193.56	4 th Quarter 2020
NEPC	\$59,984.15	3 rd Quarter 2020 (Fees)
Peregrine Capital Mgt.	\$42,559.01	4 th Quarter 2020
Real Estate Mgt.	\$10,798.19	4 th Quarter 2020
Systematic Financial Mgt.	\$36,186.07	4 th 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.

COORDINATOR'S REPORT by Frank Benevento

- ❖ Gross Payroll and Employer Contributions for the month of November 2020
- ❖ Pension Trust Asset Summary – November 2020
- ❖ Pension Payments – December 2020
 - Payees for December 1,510
 - Active Participants 1,059
 - DelPen 378
 - DelPen (ret) 72
 - Benefits total \$3,737,284.02

CAPITAL CALLS

- Vista Equity \$196,669.00 01/13/2021

DISTRIBUTION OF CAPITAL

- HarbourVest Partners \$326,310.00 12/28/2020
- Lexington Partners \$34,593.00 12/28/2020
- Brookfield Cap Partners Fd IV \$194,677.10 12/30/2020
- Kennedy Lewis \$49,281.00 12/29/2020
- Northstar Mezzanine Partners \$113,409.00 01/07/2021
- Crescent Direct Lending \$130,478.00 01/12/2021
- Backcast Partners Mgt., LLC \$132,409.00 01/15/2021

APPROVAL OF THE APPLICATIONS FOR BENEFITS

Service Retirements

(05523)	\$5,764.71	12/29/2020	RetGen
(08218)	\$1,192.61	12/26/2020	RetGen (vested)
(05473)	\$3,419.64	01/01/2021	RetGen
(05938)	\$3,774.86	01/03/2021	PenPln
(05938)===Age 62 reduction===	\$2,922.60	=====	=====
(08563)	\$200.00	10/24/2020	SCGPen
(07540)	\$1,581.31	12/01/2020	RetGen

DelPen Retirements

(07710)	n/a	12/23/2020	DelPen
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APPROVAL OF THE SURVIVOR BENEFITS

(05492)	\$729.84	11/06/2020	RetGen
(14897)	\$605.27	12/20/2020	RetGen

Lump Sum Benefit

(14898)	\$2,212.53	01/01/2021	RetGen
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Refund Benefits

(14888)	\$2,577.86	01/01/2021	PenPln
(12832)	\$1,110.00	01/01/2021	SCGPen
(13938)	\$2,685.55	01/01/2021	CPGen
(13223)	\$2,730.92	01/01/2021	CPGen

Refund Benefits (Con'td)

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

***THE MOTION WAS ADOPTED UNANIMOUSLY.**

OLD BUSINESS

Update – Frank Benevento - 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 completed all the necessary contractual documents from ABS, and we are currently scheduled for a February 1, 2021 offering. We will provide a confirmation of full execution at our February 17, 2021 Pension Board meeting. Any questions? **(No action necessary)**

NEW BUSINESS

- Frank Benevento - Report of External Auditors – Clifton, Larson & Allen – Rescheduled/Update. On a normal year, we would have our external auditor Clifton, Larson & Allen present their audit report of the NCC Pension Trust Fund, but due to some scheduling conflicts and other concerns they did have on filing their reports, we had to reschedule the presentation to February 17, 2021 Pension Board meeting.

Dan – *Frank when you say concerns in filing the report what do you mean?*

Frank – *Maybe that wasn't the best word or a poor choice in words. They had challenges in meeting our deadline for this month's meeting*

- Kevin Leonard (NEPC) - Review and discussion on the 2021 Asset Class Assumptions.
- Kevin Leonard (NEPC) - Review the Preliminary Investment Performance “Flash” report for the period ending December 31, 2020.
 - Discussion on Global Asset Allocation for next month and a refresher on Hedge Funds.
 - Discussion on Fixed Income vs. Equity.
- Review of the Geometric Expected Return using a 10-year outlook.

Questions and Answers:

Dan – *NEPC's inflation target is 2.2%. How about the GDP economic growth target what does NEPC say about that?*

Kevin – *I will have to get back to you on that.*

Dan - *This is a good data point to consider based on the questions NEPC has raised.*

Terry – *What is NEPC's stance on TAS (Transportation as a Service) vehicles that are self autonomously operated?*

Kevin – *I'm not sure what TAS is. We don't have a specific view on this. There are investment managers investing in those types of technologies.*

- Asset Allocation Thoughts and Actions review.

Saul – *Going back to the assumptions I realize we are talking about a 10-year range. How much of what's happened over the last year affected what those assumptions are, and can we see what the assumptions were back at the end of 2019 pre COVID-19?*

Kevin – We can put together a chart to show those numbers from Dec 2019 – Dec 2020 to share with the board.

ADJOURNMENT

A motion was made by Saul Polish and seconded by Terry Stone to adjourn the meeting at 9:09 a.m.

***THE MOTION WAS ADOPTED UNANIMOUSLY.**