

NEW CASTLE COUNTY EMPLOYEES' PENSION PROGRAM
Minutes of May 18, 2016

The regular meeting of the Board of Trustees was held on May 18, 2016 in the Government Center
(Manager's Conference Room), 87 Reads Way, New Castle, DE 19720.

BOARD MEMBERS PRESENT:

Christine Dunning, CHRO
Daryl Brown, Trustee (by telephone)
Michael Coupe, CFO
Michael Finnigan, Trustee, Retirees
Paul Frese, Trustee Non-Union Members
Regis Yurcich, Trustee, Local #1607
Rich Piekarski, Jr., Trustee, Local #3109
Robert Barczak, Trustee, Local #459
Terry Stone, Trustee

BOARD MEMBERS ABSENT:

Daniel McFadden, Chairperson
Douglas Merrill, FOP Lodge #5
Frank Benevento, Pension Program Analyst
Saul Polish, Trustee, Local #3911

OTHERS PRESENT:

Bob Wasserbach, County Auditor
Ken Porter, NCC/Assessment
Maria Scarpa, NCC/Finance
Ron Russell, NCC/Finance

STAFF PRESENT:

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

INVITED GUESTS:

Kevin Leonard, NEPC
Will Forde, NEPC
Drew Cupps, Cupps Capital Management
Jill Zelenko, Entrust Capital
Jeffrey Chan, Entrust Capital

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

8:09 a.m. APPROVAL OF THE MINUTES

The minutes from the April 20, 2016 meeting are attached for approval.

Daryl – I have two edits on the bottom of Page 4 it says was held twice and the top of Page 5 the comment where it says "As the sub-committee" it should be ask the sub-committee.

An amended motion was made by Terry Stone and seconded by Paul Frese to approve the minutes from the April 20, 2016 meeting with the corrections.

***THE MOTION WAS PASSED UNANIMOUSLY.**

8:10 a.m. APPROVAL OF THE INVOICES

Alliance Bernstein & Co.	\$23,726.85	1 st Quarter 2016
Boomershine Consulting Group	\$20,550.00	March, 2016
Income Research & Mgt.	\$38,642.98	1 st Quarter 2016
International Foundation of Employee Benefit Plans	\$150.00	Advance Tier Group
NEPC	\$52,074.80	1 st Quarter 2016

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APPROVAL OF THE INVOICES

A motion was made by Terry Stone and seconded by Rich Piekarski to approve the payment of invoices.

***THE MOTION WAS PASSED UNANIMOUSLY.**

8:10 a.m. COORDINATOR'S REPORT by Susan Lawler

- Gross Payroll and Employer Contributions for the month of April 30, 2016.

8:10 a.m. APPROVAL OF THE APPLICATIONS FOR BENEFITS

Service Retirements

William Driscoll	\$1,369.35	May 2, 2016	RetGen
Daniel E. Conner	\$3,961.29	July 9, 2016	RetGen
Tamera Pietrazak	\$4,117.90	May 7, 2016	RetGen
Suzanne Obusek	\$2,060.31	July 2, 2016	RetGen
Sammy R. Sulpizio	\$2,106.00	May 14, 2016	PenPln
Eric Lindell	\$3,902.35	May 8, 2016	PenPln
Patricia Woods	\$4,146.98	May 21, 2016	RetGen
Angela T. Welker	\$190.00	April 15, 2016	SCGPen

A motion was made by Christine Dunning and seconded by Terry Stone to approve the service retirements.

***THE MOTION WAS PASSED UNANIMOUSLY.**

8:11 a.m. DELPEN Retirements (For Informational Purposes Only)

<u>Name</u>	<u>Effective</u>
Joseph Ragan	05/09/2016
Stephen DiVirgilio	04/13/2016
Irvin W. Watson	05/03/2016

8:11 a.m. APPROVAL OF THE LUMP SUM BENEFITS

Geraldine L. Wood (Virginia Lovett)	\$748.62	RetGen
Kathleen McMichael (Virginia Lovett)	\$748.62	RetGen
E. Clark Beck, Jr. (Lillian Kleveland)	\$910.52	RetGen
Rebecca Elliott (Lillian Kleveland)	\$910.52	RetGen

A motion was made by Paul Frese and seconded by Terry Stone to approve the lump sum benefits.

***THE MOTION WAS PASSED UNANIMOUSLY.**

8:12 a.m. OLD BUSINESS

- Unconstrained Investment Manager Selection – Kevin Leonard, NEPC – Distributed a copy of the Meeting Materials Booklet dated May 18, 2016, and the 48 Hour Letter: Crestline Offshore Fund Ltd., Crestline Partners L.P. and Crestline ERISA Fund Ltd for review.

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8:12 a.m. OLD BUSINESS (Cont'd)

A motion was made by Terry Stone and seconded by Daryl Brown to terminate Crestline Offshore Fund Ltd, as recommended by NEPC.

***THE MOTION WAS PASSED UNANIMOUSLY.**

(This motion has to be confirmed at the next board meeting due to board protocol).

- Review of Pension Section staffing - Susan Lawler (Tabled).

The discussion continued on the Unconstrained Investment Manager selection.

A motion was made by Terry Stone and seconded by Rich Piekarski to hire BlackRock Strategic Income Group, as recommended by NEPC.

***THE MOTION WAS PASSED UNANIMOUSLY.**

8:43 a.m. NEW BUSINESS

- Investment Manager Presentations

- Cupps Capital Management presentation by Drew Cupps.

A motion was made by Terry Stone and seconded by Mike Coupe to take a 5 minute break.

***THE MOTION WAS PASSED UNANIMOUSLY.**

A motion was made by Terry Stone and seconded by Paul Frese to reconvene the meeting.

***THE MOTION WAS PASSED UNANIMOUSLY.**

The meeting reconvened at 9:36 a.m.

9:36 a.m. NEW BUSINESS (Cont'd)

- Entrust Capital presentation by Jill Zelenko and Jeffrey Chan.

Kevin recommended replacing Cupps Capital Mgt. with another firm from the list they provided. They are Fiera, Artisan, Elk Creek Partners LLC, Peregrine, Putnam Rice Hall James, Summit Creek Advisors-Emerging Growth and William Blair. The recommendation is to go with the first four managers on the list. Interviews for the Small Cap Growth managers will be in July 2016.

- Review the Preliminary Investment Performance "Flash" report for the period ending April 30, 2016 – (Kevin Leonard, NEPC).

11:01 a.m. ADJOURNMENT

A motion was made by Terry Stone and seconded by Paul Frese to adjourn the meeting at 11:00 a.m.

***THE MOTION WAS PASSED UNANIMOUSLY.**