



STATE OF DELAWARE
STATE BOARD OF PENSION TRUSTEES
AND
OFFICE OF PENSIONS
MCARDLE BUILDING
860 SILVER LAKE BLVD., SUITE 1
DOVER, DE 19904-2402

When Calling Long Distance
Toll-Free Number 1-800-722-7300
E-mail: pensionoffice@delaware.gov

Telephone (302) 739-4208
FAX # (302) 739-6129
www.delawarepensions.com

BOARD OF PENSION TRUSTEES
PUBLIC MEETING MINUTES OF NOVEMBER 17, 2023

The meeting of the Board of Pension Trustees was called to order by Suzanne Grant, Chair, at 9:01 a.m., via videoconferencing.

Trustees Present

Suzanne Grant, Chair
Art Agra
Rick Geisenberger
Nancy Shevock
Ken Simpler
Harold Stafford

Trustees Absent

Cerron Cade

Others Present

Joanna Adams, Pension Administrator
Stephenie Tatman, Deputy Pension Administrator
Ryan Connell, Deputy Attorney General
Jessica Abbas, Pension Office
Kristal Diaz, Pension Office
Robin Hartnett-Sterner, Pension Office
Joshua Hitchens, Pension Office
Khairat Makanjuola, Pension Office

Kari Overington, Pension Office
Cindy Starr, Pension Office
Mary Wood, Pension Office
David Taylor, Pension Advisory Council
Keith Hammond, BDO USA, LLP
Rob Gooderham, Windmark Investment Partners
Garry Musto, Windmark Investment Partners
Cyril Espanol, journalist, *with.Intelligence*

1. OPENING COMMENTS

S. Grant welcomed everyone to the meeting virtually.

2. APPROVAL OF THE MINUTES OF THE BOARD OF PENSION TRUSTEES MEETING OF OCTOBER 27, 2023

The Public Minutes of the October 27, 2023, meeting were reviewed.

MOTION was made by A. Agra and seconded by H. Stafford to approve the Public Minutes of the October 27, 2023, Board of Pension Trustees as presented.

MOTION ADOPTED UNANIMOUSLY

The Executive Minutes of the October 27, 2023, meeting were reviewed in Executive Session.

MOTION was made by A. Agra and seconded by R. Geisenberger to approve the Executive Minutes of the October 27, 2023, Board of Pension Trustees meeting as presented.

MOTION ADOPTED UNANIMOUSLY

3. AUDIT COMMITTEE REPORT

H. Stafford gave an update on the most recent Audit Committee meeting held November 8, 2023. The Audit Committee made a motion to recommend that the Board of Pension Trustees, upon its review, approve the Fiscal Year 2023 external audit.

MOTION was made by N. Shevock and seconded by K. Simpler to enter into Executive Session to consider pension personnel matters, confidential medical records, legal matters, sensitive commercial trade secrets, and confidential financial information.

MOTION ADOPTED UNANIMOUSLY

MOTION was made by R. Geisenberger and seconded by H. Stafford to exit Executive Session.

MOTION ADOPTED UNANIMOUSLY

FISCAL YEAR 2023 EXTERNAL AUDIT

The Fiscal Year 2023 External Audit was reviewed in Executive Session.

MOTION was made by H. Stafford and seconded by N. Shevock to accept the Fiscal Year 2023 external audit as presented.

MOTION ADOPTED UNANIMOUSLY

The next Audit Committee meeting is scheduled for February 9, 2024.

4. GOVERNANCE COMMITTEE REPORT

J. Adams reported that the Governance Committee met on November 9, 2023, and welcomed a new member, K. Simpler, to the Governance Committee. D. Stratton has agreed to serve as Chair of the Governance Committee upon the retirement of current chair, P. Tikellis. A resolution was presented to officially nominate D. Stratton to serve in this capacity.

S. Grant thanked D. Stratton for her continued support of the Delaware Public Employees' Retirement System.

MOTION was made by N. Shevock and seconded by A. Agra to approve D. Stratton to serve as the Chair of the Governance Committee.

MOTION ADOPTED UNANIMOUSLY

J. Adams reported that the Governance Committee also reviewed the Fiscal Year 2023 Actuarial Valuation and the Judicial Summary Plan Description.

The next Governance Committee meeting is scheduled for February 22, 2024.

5. PENSION ADVISORY COUNCIL REPORT

The election of officers took place on November 7, 2023, at the Pension Advisory Council meeting. D. Taylor will remain as the Pension Advisory Council Chair with K. Crouse serving as the first Vice-Chair and J. VanderDecker serving as the second Vice-Chair.

The next Pension Advisory Council meeting is scheduled for January 9, 2024.

6. STATE PENSION ADMINISTRATOR'S REPORT

EMPLOYEE RECOGNITION

J. Adams recognized the Benefits team for their completion of another successful Medicare Open Enrollment.

J. Adams recognized Investments and Accounting regarding their work on the FY23 Annual Comprehensive Financial Report (ACFR).

The following employees were recognized for their service to the State of Delaware:

- Debora Schech – 5 years
- Sarah Parson – 5 years
- Amber Payson – 10 years
- Robin Hartnett-Sterner – 15 years

POSITIONS UPDATE

J. Adams reported that the HR Supervisor position in the Benefits section has been filled. The office is in the process of finalizing the Cash and Debt Manager II position with a qualified candidate and will hopefully have an announcement to share very soon. There were two Human Resource Analyst I positions, one of which is a limited term position, vacated by employees who sought promotional opportunities at other State agencies; the office is in the process of filling those positions now. The Administrative Specialist II position continues to await approval by the Department of Human Resources for reclassification.

COUNTY/MUNICIPAL NEW ENTITY RESOLUTIONS:

J. Adams reported that the City of Dover submitted a resolution requesting to participate in the County and Municipal General Pension Plan on or after January 1, 2024. The City of Dover also submitted a resolution requesting to allow firefighters to participate in the County and Municipal Police/Firefighter Pension Plan on or after October 9, 2023.

MOTION was made by A. Agra and seconded by H. Stafford to approve the City of Dover joining the County and Municipal General Pension Plan, effective January 1, 2024, and for the City of Dover firefighters joining the County and Municipal Police/Firefighter Pension Plan, effective October 9, 2023.

MOTION ADOPTED UNANIMOUSLY

7. DEPUTY ATTORNEY GENERAL REPORT

R. Connell reported that the Governance Committee approved the Board Code of Conduct, the Board Education Policy, and the DPERS Statement of Investment Objectives. There were no substantive changes worth reporting specifically.

MOTION was made by N. Shevock and seconded by A. Agra to approve the policies as recommended by the Governance Committee.

MOTION ADOPTED UNANIMOUSLY

S. Tatman reported that a fully executed actuarial audit services contract is now in place. Buck Global, LLC will begin their work in mid-December.

8. INVESTMENT COMMITTEE REPORT

R. Gooderham reported that global equity and fixed income markets fell in October amid concerns over rising interest rates, persistent inflation and the Israel-Hamas conflict. US economic data released over the period continued to point to a tight labor market and strong consumer spending. The resilient data, along with hotter than expected inflation readings, weighed on market sentiment as investors increasingly expect a higher for longer interest rate environment. US equities, as measured by the broad Russell 3000 index, declined by 2.7% during the month. Within US equities, growth fared better than value stocks and small cap lagged. International equity underperformed US equities as the MSCI All-Country World ex-U.S. stock index declined by 4.1%. In fixed income markets, rising interest rates led to losses across most assets. The benchmark 10-year US Treasury yield briefly crossed 5% for the first time since 2007. For the month, the Bloomberg Universal bond index declined by 1.5% and the Bloomberg High Yield index fell by 1.2%.

R. Gooderham reported that DPERS Fund assets at Northern Trust were estimated to be \$12,708.5 million at October 31, 2023, representing a net decrease of \$282.3 million during the month. Estimated returns through October 31st, 2023, are as follows:

	Month Ended 10-31-23	Fiscal YTD 10-31-23	Calendar YTD 10-31-23	1 Year Ended 10-31-23
Total Fund	-1.9	-4.6	0.1	1.2
DPERS Policy Benchmark**	-2.7	-5.6	4.1	7.2
S&P 500 Index	-2.1	-5.3	10.7	10.1

** Benchmark mix: 46% Russell 3000 Index, 24% MSCI ACWI ex US IMI (Net), 27.0% BB Universal Bond Index, 3% T-bills

R. Gooderham reported that, at its November 14th meeting, the Committee reviewed and discussed:

- Analysis of past investment decisions
- The Third Quarter 2023 Investment Review
- Other Business
 - DPERS Annual Cash Flow Review
 - Actuarial Update
 - NT Ladder Account
 - Viking Global Opportunities Election
 - Accel Secondaries

At the meeting, the Committee approved under its authority:

- An election request for Viking Global Opportunities Fund L.P., subject to legal review.
- To acquire up to 100% of available secondary interests in six Accel funds (Accel X, Accel Leaders, Accel Growth, Accel Growth II, Accel Growth III and Accel Growth IV) provided the total purchased value exceeds \$1 million and subject to transaction structure and legal review. Following the review, ultimate approval will be delegated to the Chair of the Investment Committee.

The next Investment Committee meeting is scheduled for Tuesday, December 12, 2023.

MOTION was made by H. Stafford and seconded by A. Agra to enter into a second Executive Session to consider pension personnel matters, confidential medical records, legal matters, sensitive commercial trade secrets, and confidential financial information.

MOTION ADOPTED UNANIMOUSLY

MOTION was made by A. Agra and seconded by H. Stafford to exit Executive Session.

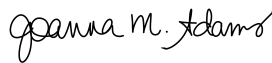
9. ADJOURNMENT

At 11:24 a.m., there being no further business:

MOTION was made by A. Agra and seconded by R. Geisenberger to adjourn the meeting.

MOTION ADOPTED UNANIMOUSLY

Respectfully submitted,



Joanna M. Adams
Pension Administrator

Suzanne B. Grant
Suzanne B. Grant (Dec 19, 2023 09:45 EST)

Suzanne B. Grant, Chair
Board of Pension Trustees