



STATE OF DELAWARE
STATE BOARD OF PENSION TRUSTEES
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BOARD OF PENSION TRUSTEES
PUBLIC MEETING MINUTES OF DECEMBER 10, 2024

The meeting of the Board of Pension Trustees was called to order by Suzanne Grant at 1:02 p.m.

Trustees Present

Suzanne Grant
Art Agra
Rick Geisenberger
Nancy Shevock
Harold Stafford

Trustees Absent

Cerron Cade
Ken Simpler

Others Present

Joanna Adams, Pension Administrator
Stephenie Tatman, Deputy Pension Administrator
Tammy LeCates, Pension Office
Arian Daniels, Pension Office
Cindy Starr, Pension Office
Josh Hitchens, Pension Office
Melanie Moore, Pension Office
Kristal Diaz, Pension Office
Kari Overington, Pension Office
Amy Cole, Pension Office
Jason Staib, Attorney General's Office
Patricia Davis, Attorney General's Office

Bert Scoglietti, Controller General's Office
David Taylor, Pension Advisory Council
Rob Gooderham, Windmark Investment Partners
Garry Musto, Windmark Investment Partners

1. OPENING COMMENTS

S. Grant welcomed everyone to the meeting.

2. PUBLIC COMMENT

No public comment.

3. APPROVAL OF THE MINUTES OF THE BOARD OF PENSION TRUSTEES MEETING OF NOVEMBER 22, 2024

The Public Minutes of the November 22, 2024, meeting were reviewed.

MOTION was made by N. Shevock and seconded by R. Geisenberger to approve the Public Minutes of the November 22, 2024, Board of Pension Trustees meeting.

MOTION ADOPTED UNANIMOUSLY.

The Executive Minutes of the November 22, 2024, meeting were reviewed in Executive Session.

MOTION was made by N. Shevock and seconded by H. Stafford to approve the Executive Minutes of the November 22, 2024, Board of Pension Trustees meeting.

MOTION ADOPTED UNANIMOUSLY

4. AUDIT COMMITTEE REPORT

The next Audit Committee meeting is scheduled for February 14, 2025.

5. PENSION ADVISORY COUNCIL REPORT

D. Taylor shared the Pension Advisory Council met on November 12, 2024 and discussed the accomplishments and disappointments from 2024. Accomplishments included revising the by-laws and a pension increase. Disappointments included the inability to get a death benefit increase and legislation to reinstate members that became inactive such as the Fraternal Order of Police and Delaware National Guard. Both disappointments will be priorities this upcoming year. Janice Vanderdecker, who represented the Delaware School Nutrition Association, retired from the Pension Advisory Council and Marie Leppo replaced her. James Testerman, who served as an at-large member, retired in June and the Council is working on a replacement.

The Pension Advisory Council also agreed on the following legislative goals for 2025:

1. Sustain retiree healthcare
2. Pension increase
3. Increase the death benefit

The next Pension Advisory Council meeting is scheduled for January 14, 2025.

6. STATE PENSION ADMINISTRATOR'S REPORT

EMPLOYEE RECOGNITION

J. Adams recognized R. Geisenberger, Secretary of Finance, and C. Cade, Director of Office of Management and Budget, for their incredible support during their tenure. Each Board member shared their appreciation for the support to the Board and pension system. R. Geisenberger recognized the function the Board has dating back to the 1970s and the fact that it has been a model for all other boards.

J. Adams shared the Pension Office successes for 2024:

1. DPERS received the GFOA Certificate of Achievement for Excellence in Financial Reporting for the 28th consecutive year and the Public Pension Coordinating Council Award for the 21st consecutive year. Successfully completed the FY24 Financial Audit and Annual Comprehensive Financial Report issued with no unmodified opinions.
2. Added 6 organizations to Retirement Centralization which transitioned the retirement onboarding process away from the agency HR representative to direct access with the subject matter experts within the Office of Pensions. Currently, the Retirement Centralization team is serving the following agencies: DHSS, Finance, DTI, Department of State, State Fire Prevention Commission, OMB, DHR, DSCYF, Office of the Governor, Office of the Lt. Governor, and Office of State Treasurer.
3. Set up 6 new private equity accounts and 2 new manager accounts. Processed 128 capital calls totaling \$138.2M and 168 distributions totaling \$272.7M.
4. Added 7 new entities to one of the County and Municipal Pension Plans.
5. Increased the recovery of foreign tax withholding to increase investment revenue and improved class action monitoring to effectively manage securities litigation claims.
6. Processed approximately 1,000 recently identified contributory refunds to former employees who had paid pension contributions but were not eligible for a pension, a 35% increase over the prior year.
7. Individually counseled active employees impacted by SS1 for SB174 who were required to make an election into the Judicial pension plan.
8. Enhanced PHRST interface reports resulting in early detection of pension enrollment errors and improved reporting.
9. Partnered with SBO to “reimplement” the Disability Insurance Program’s vendor, The Hartford. Updated the DIP eligibility file and LTD deduction file reducing errors and premium billing issues.
10. Published the ERP Modernization RFP for a new Pension Administration System. Completed vendor demos. Creating reports to identify required data cleanup prior to new system implementation.
11. Drafted the Independent Verification and Validation RFP to support the ERP Modernization efforts.
12. Completed the Summary Plan Descriptions for the Elected Officials and the New State Police Pension Plans.
13. Completed service verification for backlogged vested pension applications. Transitioned to calculating the monthly pension for the backlog and completed more than 2,000 backlogged vested pension applications.

POSITIONS UPDATE

J. Adams shared we filled four Limited Term HR Analyst I positions. The HR Manager II position has been posted and interviews are scheduled. Three HR Analyst I and the Deputy Attorney General positions remain open. The Information System Manager remains on hold.

COUNTY/MUNICIPAL NEW ENTITY

S. Tatman presented a resolution from the Bethany Beach Volunteer Fire Company to join the County and Municipal Police and Firefighters' Pension Plan.

MOTION was made by A. Agra and seconded by S. Grant to approve the resolutions to permit the Bethany Beach Volunteer Fire Company to join the County and Municipal Police and Firefighters' Pension Plan.

MOTION ADOPTED UNANIMOUSLY

ERP MODERNIZATION PROJECT:

J. Adams shared we are waiting for one outstanding vendor reference check. DTI is to provide clarification for the offshore policy. We are moving closer to a final selection.

7. DEPUTY ATTORNEY GENERAL REPORT

J. Staib shared the Legal Services Agreement for Ice Miller LLP is set to expire.

MOTION was made by R. Geisenberger and seconded by H. Stafford to approve both options of the Legal Services Agreement for Ice Miller LLP.

MOTION ADOPTED UNANIMOUSLY

MOTION was made by A. Agra and seconded by H. Stafford to approve the action discussed in executive session related to the modification of the Judicial Pension Plan.

MOTION ADOPTED UNANIMOUSLY

8. INVESTMENT COMMITTEE REPORT

J. Staib and G. Musto discussed the recommendation of the Investment Committee to approve the custodial opening of Saudi Arabia by Northern Trust and the Board indicated its agreement. R. Gooderman briefly described the Committee's joint session with the Board earlier that day, including presentations by Henry Ellenbogen, founder of manager Durable Capital and by Howard Marks, co-founder and co-chairman of manager Oaktree Capital. Summary market and performance remarks were also made by R. Gooderham, but otherwise nothing of substance was reported.

The next meeting of the Committee is scheduled for Friday, January 21, 2025.

MOTION was made by N. Shevock and seconded by R. Geisenberger 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 at 2:25 p.m. by N. Shevock and seconded by A. Agra to return to Public Session.

MOTION ADOPTED UNANIMOUSLY


10. ADJOURNMENT

At 2:29 p.m., there being no further business.


MOTION was made by N. Shevock and seconded by H. Stafford to adjourn the meeting.

MOTION ADOPTED UNANIMOUSLY

Respectfully submitted,


Joanna Adams (Feb 5, 2025 07:59 EST)

Joanna M. Adams
Pension Administrator


Suzanne B. Grant (Feb 6, 2025 21:31 EST)

Suzanne B. Grant, Chair
Board of Pension Trustees