



STATE OF DELAWARE
STATE BOARD OF PENSION TRUSTEES
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BOARD OF PENSION TRUSTEES
PUBLIC MEETING MINUTES OF NOVEMBER 22, 2024

The meeting of the Board of Pension Trustees was called to order by Suzanne Grant at 9:00 a.m.

Trustees Present

Suzanne Grant
Rick Geisenberger
Nancy Shevock
Ken Simplr

Trustees Absent

Art Agra
Harold Stafford
Cerron Cade

Others Present

Joanna Adams, 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
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
Drew Dinger, Windmark Investment Partners
Seth Yablonovitz, Windmark Investment Partners
Scott Warnetski, BDO USA, P.C.
Morgan Chako, BDO USA, P.C.
Kevin Balaod, journalist, with *Intelligence*
Alfred Crooks, reporter, with *Buyouts Insider*

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 OCTOBER 25, 2024

The Public Minutes of the October 25, 2024, meeting were reviewed.

MOTION was made by K. Simpler and seconded by N. Shevock to approve the Public Minutes of the October 25, 2024, Board of Pension Trustees meeting.

MOTION ADOPTED UNANIMOUSLY.

The Executive Minutes of the October 25, 2024, meeting were reviewed in Executive Session.

MOTION was made by R. Geisenberger and seconded by K. Simpler to approve the Executive Minutes of the October 25, 2024, Board of Pension Trustees meeting.

MOTION ADOPTED UNANIMOUSLY

4. AUDIT COMMITTEE REPORT

FISCAL YEAR 2024 ANNUAL AUDIT REPORT:

The Fiscal Year 2024 External Audit was presented by BDO in executive session.

MOTION made by N. Shevock and seconded by R. Geisenberger to approve the Fiscal Year 24 external audit as presented.

MOTION ADOPTED UNANIMOUSLY

INTERNAL AUDIT FUNCTION STATUS UPDATE:

A. Daniels reported the external audit contract is set to expire and a new request for proposal for financial audit services is in progress. The next Audit Committee meeting is scheduled for February 14, 2025.

5. PENSION ADVISORY COUNCIL REPORT

The Pension Advisory Council welcomed new member, Marie Leppo at the November 12, 2024 meeting. Election of officers also took place. D. Taylor will remain the Pension Advisory Council Chair, K. Crouse will serve as first Vice-Chair and M. Ryde will serve as second Vice-Chair. The next Pension Advisory Council meeting is scheduled for January 14, 2025.

6. STATE PENSION ADMINISTRATOR'S REPORT

EMPLOYEE RECOGNITION

J. Adams recognized M. Moore and J. Hitchens and their teams for their hard work and effort to complete the Fiscal Year 2024 Annual Comprehensive Financial Audit Report. M. Moore thanked S. Smith from Windmark, for her helpfulness. J. Adams thanked the leadership team as a whole for going above and beyond during a time where key members of leadership were out unexpectedly.

POSITIONS UPDATE

J. Adams shared we have filled Five Limited Term HR Analyst I positions. Interviews are scheduled for the HR Manager II position. Two HR Analyst I and the Deputy Attorney General positions are posted. The Information System Manager remains on hold.

COUNTY/MUNICIPAL NEW ENTITY

J. Adams presented resolutions from the Mayor and Council of Middletown and Delaware Municipal Electric Corporation ("DEMEC") to join the County and Municipal General Pension Plan.

MOTION was made by R. Geisenberger and seconded by K. Simpler to approve the resolutions to permit the Mayor and Council of Middletown and Delaware Municipal Electric Corporation (“DEMEC”) to join the County and Municipal General Pension Plan.

MOTION ADOPTED UNANIMOUSLY

ERP MODERNIZATION PROJECT:

J. Adams shared three onsite vendor demonstrations were held and narrowed down to two. This week follow up meetings were held with those two vendors. Vendor demonstrations are complete. The outstanding items include vendor reference checks and pricing compiled by Government Support Services. We are moving closer to a final selection. A presentation will be given the Board and Office of Management and Budget in the future.

7. DEPUTY ATTORNEY GENERAL REPORT

Nothing to report.

8. INVESTMENT COMMITTEE REPORT

R. Gooderham’s report said equity and fixed income markets faced a challenging environment in October. Uncertainty over the upcoming US presidential election, concerns over persistent inflation, as well as diminishing expectations on the extent of Federal Reserve interest rate cuts weighed on equity markets. The broad US equity market declined for only the second time in 2024, as the Russell 3000 index fell 0.7%. International markets experienced steeper declines as the MSCI EAFE index dropped by 5.4% and the MSCI Emerging Markets index moved lower by 4.4%. Fixed income markets also declined as interest rates moved higher as investors assessed the path of inflation and monetary policy. For the month, the Bloomberg Universal bond index fell 2.3%, while the more credit-sensitive Bloomberg High Yield index was lower by 0.5%.

DPERS Fund assets at Northern Trust were estimated to be \$15,047.4 million at October 31, 2024, representing a net decrease of \$142.9 million during the month. Estimated gross returns through September 30th, 2024, are as follows:

	Month Ended 10-31-24	Fiscal YTD 10-31-24	Calendar YTD 10-31-24	1 Year Ended 10-31-24
Total Fund	-1.5	2.9	10.3	19.2
DPERS Policy Benchmark**	-2.1	4.0	11.7	26.0
S&P 500 Index	-0.9	4.9	21.0	38.0

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

The Committee had met once since the September Board meeting, on Tuesday October 15th. At that meeting, in addition to the approved items below, the Committee had reviewed and discussed:

- Private Investment Recommendations
- The Third Quarter 2024 Investment Review
- An Actuarial Valuation Update
- Asset Allocation

The following items were approved under the Committee's authority at the October 15th meeting:

- Amendments to the Limited Partnership Agreement for Accel Growth Fund II L.P., Trident Capital Fund-VI L.P., and Trident Capital Fund-VII, L.P., subject to legal review.
- Commitments of up to \$45 million to Accel Growth VII and up to \$25 million to Accel India VIII, subject to legal review.
- To withdraw \$100 million from the Wellington Asian Opportunities account and transfer it to a new Mid-Cap index fund managed by BlackRock, subject to legal review.

The next meeting of the Committee is scheduled for Tuesday, December 10, 2024.

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 at 10:36 a.m. by N. Shevock and seconded by R. Geisenberger to return to Public Session.

MOTION ADOPTED UNANIMOUSLY

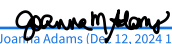
10. ADJOURNMENT

At 10:53 a.m., there being no further business.


MOTION was made by N. Shevock and seconded by R. Geisenberger to adjourn the meeting.

MOTION ADOPTED UNANIMOUSLY

Respectfully submitted,


Joanna M. Adams (Dec 12, 2024 11:23 EST)

Joanna M. Adams
Pension Administrator


Suzanne B. Grant (Dec 12, 2024 17:14 EST)

Suzanne B. Grant, Chair
Board of Pension Trustees