

STATE OF DELAWARE
STATE BOARD OF PENSION TRUSTEES
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BOARD OF PENSION TRUSTEES GOVERNANCE COMMITTEE
PUBLIC MEETING MINUTES OF NOVEMBER 9, 2023

The Governance Committee meeting was called to order by P. Tikellis, Chair, at 10:08 a.m. via video and teleconferencing.

Members Present

Pam Tikellis
Dale Stratton
Jim Burke
George Saxon
Ken Simpler

Members Absent

Harold Stafford

Others Present

Joanna Adams, Pension Office
Stephenie Tatman, Pension Office
Joshua Hitchens, Pension Office
Ryan Connell, Deputy Attorney General
Rob Gooderham, Windmark Investment Partners
Garry Musto, Windmark Investment Partners

1. OPENING COMMENTS

P. Tikellis welcomed everyone to the meeting virtually.

P. Tikellis announced that she has thoroughly enjoyed her service with the Delaware Public Employees' Retirement System (DPERS) on the Investment Committee and Governance Committee; however, she is stepping away from her role with DPERS.

The Governance Committee thanked P. Tikellis for her service and expressed appreciation for her diligence during the years she has served on the Investment and Governance Committees.

2. APPROVAL OF THE MINUTES

The Public Minutes of the August 17, 2023, Governance Committee meeting were reviewed.

MOTION made by D. Stratton and seconded by G. Saxon to approve the Public Minutes of the August 17, 2023, meeting as submitted.

MOTION ADOPTED BY THE MAJORITY, with K. Simpler abstaining.

The Executive Minutes of the August 17, 2023, Governance Committee meeting were reviewed in Executive Session.

MOTION made by D. Stratton and seconded by G. Saxon to approve the Executive Minutes of the August 17, 2023, meeting as submitted.

MOTION ADOPTED BY THE MAJORITY, with K. Simpler abstaining.

3. PENSION ADMINISTRATOR UPDATES

BOARD UPDATE:

Ms. Adams provided an overview of recent Board of Pension Trustees' activity for the months of July, September, and October.

POSITIONS UPDATE:

Ms. Adams shared that the HR Supervisor position in Benefits was filled as well as another HR Analyst I Limited Term position. The Executive Assistant position vacated by V. Schultes was also filled. Currently, there are two active postings for State HR Analyst I positions, one of which is a limited term position. A request to hire was submitted for the Cash and Debt Manager position vacated by K. Makanjuola.

ACTUARIAL VALUATION RESULTS:

Ms. Adams discussed the Fiscal Year 2023 Actuarial Valuation. The following topics were presented:

- Historical review/risk metrics – State Employees' Plan
- Changes since the 2022 valuation
- Principal 6/30/2023 valuation results
 - State Employees' details
 - Contribution results for all Plans

The following employer contribution rates for FY24 were presented to the Board by Cheiron, Inc.:

- | | |
|----------------------------|----------------------|
| • State Employees' | 12.43% |
| • State Judicial | 13.07% |
| • State Police | 29.64% |
| • County/Municipal General | 5.70% |
| • County/Municipal P & F | 14.98% |
| • Volunteer Fire | \$447.35 per member* |
| • Diamond State Port | \$0.00 |

* *Note:* This rate went up significantly in 2023 because their benefit doubled. Additional funding appropriations in Fiscal Year 2023 and 2024 aligned the volunteer fire cost per member more closely to historic rates.

COMMITTEE UPDATES

INVESTMENT COMMITTEE:

G. Saxon stated there was nothing to report in Public Session.

The DPERS' Statement of Investment Objectives was reviewed in Executive Session.

MOTION made by D. Stratton and seconded by G. Saxon to recommend the Board of Pension Trustees' approval of the DPERS' Statement of Investment Objectives.

MOTION ADOPTED UNANIMOUSLY

The next Investment Committee meeting is scheduled for November 14, 2023.

AUDIT COMMITTEE:

J. Adams reported that the Audit Committee voted during the November 8, 2023, meeting to approve the FY 24 Annual Audit Report. The report will be reviewed by the Board of Pension Trustees for their approval at the November 17, 2023, Board of Pension Trustees meeting.

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

4. DEPUTY ATTORNEY GENERAL UPDATE

R. Connell stated there was nothing to report in Public Session.

MOTION made by D. Stratton and seconded by J. Burke to recommend the Board of Pension Trustees' approval of the Board Education Policy and the Board Code of Conduct.

MOTION ADOPTED UNANIMOUSLY

MOTION made by D. Stratton and seconded by G. Saxon to enter into Executive Session to consider pension personnel matters, and confidential medical records, legal matters, sensitive commercial information, proprietary business information, trade secrets and confidential financial information.

MOTION ADOPTED UNANIMOUSLY

MOTION made by D. Stratton and seconded by G. Saxon to exit Executive Session.

MOTION ADOPTED UNANIMOUSLY

5. ADJOURNMENT

At 11:55 a.m., there being no further business, **MOTION** was made by J. Burke and seconded by D. Stratton to adjourn the meeting.

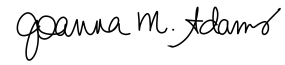
MOTION ADOPTED UNANIMOUSLY



Pamela Tikellis (Mar 13, 2024 15:34 EDT)

Pamela Tikellis, Chair
Governance Committee

Respectfully submitted,



Joanna M. Adams
Pension Administrator