KENT COUNTY LEVY COURT
Dover, DE 19901 (302) 744-2300
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Kent County Pension Review Committee
Meeting Notice and Agenda
Quarterly Meeting
Kent County Administrative Complex
555 Bay Road, Dover, DE 19901
Caucus Room 230
Thursday, February 19, 2026

Penison Review Committee Quarterly Meeting

2:00 PM, PENSION REVIEW COMMITTEE

CALL TO ORDER

ROLL CALL AND DETERMINATION OF QUORUM

ADDITIONS/DELETIONS TO THE AGENDA

APPROVAL OF AGENDA

APPROVAL OF MINUTES FROM PREVIOUS MEETING(S)
November 20, 2025 Minutes

NEW BUSINESS
1) Segal Marco Advisors – Quarterly Pension Investment Performance Report
2) Segal Marco Advisors – Annual Performance Review 457 Plan
3) DSPO/Windmark Investment Partners – Quarterly OPEB Investment Performance Report
4) Staff – FY25 Pension Valuation Report
5) Staff – GASB 74/75 OPEB Report
6) Staff – FY26 Pension Contribution Report
7) Staff – FY26 Pension Census Update
8) Staff – Quarterly Pension Activity Report
9) Any other business properly brought before the Committee.

OTHER BUSINESS
Any other business properly brought before the Committee

PUBLIC COMMENTS

NEXT MEETING DATE:
Thursday, May 21, 2026, at 2:00 p.m.?

ADJOURN

POSTING DATE: 02/04/26
POSTING TIME: 2:00 p.m.
POSTED BY: Trudena Horsey, Pension Administrator
TAKE DOWN: 02/20/26, 4:00 p.m

29 Del.C. §10004(e)(2). The Agenda items as listed may not be considered in sequence. This Agenda is subject to change to include additional items including Executive Sessions or the deletion of items including Executive Sessions, which arise at the time of the meeting.

Item Cover Page

PENSION REVIEW COMMITTEE AGENDA ITEM REPORT

DATE:	February 19, 2026
SUBMITTED BY:	Trudena Horsey, Human Resources Office
ITEM TYPE:	Minutes
AGENDA SECTION:	APPROVAL OF MINUTES FROM PREVIOUS MEETING(S)
SUBJECT:	November 20, 2025 Minutes

ATTACHMENTS:
MINUTES11202025prcFINAL.pdf

KENT COUNTY PENSION REVIEW COMMITTEE
Quarterly Meeting Minutes
Thursday, November 20, 2025
Kent County Administrative Complex
Caucus Room 237
555 S Bay Road, Dover, DE 19901

Call to Order & Determination of a Quorum: 2:03 p.m.

Members Present:

Susan Durham, Vice-Chair
Kristopher Connelly
Tim Horne
Tammy Ordway
Kevin Sipple, County Administrator
Christopher S. Smith

Members Absent:

David C. Craik, Chairman

Others Present:

Allan Angel, Levy Court Commissioner
Trudena Horsey, Human Resources Director
Joel Gartner, Director of Administration
Herb Marache, Segal Marco Advisors (Virtually)
Christian Sevier, Segal Marco Advisors (Virtually)

Vice-Chair Durham presiding.

Call of the roll revealed a quorum was present.

1. Approval of the Agenda of November 20, 2025, meeting.

A motion was made by Mr. Connelly, seconded by Mr. Horne, and carried unanimously to approve the agenda for the November 20, 2025, meeting.

2. Approval of the Minutes of August 15, 2025, meeting minutes.

A motion was made by Mr. Horne, seconded by Mrs. Ordway, and carried unanimously to approve the minutes for the August 15, 2025, meeting.

3. Segal Marco Advisors – 3rd Quarter 2025 Fund Performance Report.

Segal Marco Advisors Consultant Herb Marache presented an "Analysis of Investment Performance" through September 30, 2025. The report showed the ending market value of total pension assets as $72,632,282 with a quarterly increase of +$1,858,879 (+$3,440,319/investment gain minus -$1,581,440/net cash flows for invoices, pension contribution reimbursement payments for non-vested employees, and 3 monthly pension payments). At quarter's end, 42.1% of the assets were invested in domestic equities, 9.0% in international equities, 5.0% in global tactical asset allocation (balanced), 3.1% in real estate, 2.1% in emerging markets equities, 32.0% in fixed income, 6.3% in private markets, and 0.3% in cash. For the quarter, the pension fund matched the Policy index with a return of +4.9%. For the one-year period, the Total Fund slightly outperformed the Policy Index 11.4% vs. 10.8%, and for the three-year period it slightly outperformed the Policy Index at +14.6% vs. +13.9%. Since inception, the Total Fund has returned +9.5% compared to +8.8% for the Policy Index.

SSgA Russell Growth Index (*Large U.S. Cap Growth – 15.2%*), which replaced INTECH by direction of the Committee in June 2003, matched the index for the quarter with a return of +10.5%. The SSgA Russel Growth investment returns for the one-year period matched the index with a return of +17.2%. Since inception, SSgA Russell growth has matched the benchmark at +25.5%.

Wedge Capital (*Large U.S. Cap Value – 15.7%*), which started October 2004, slightly outperforming the index for the quarter with a return of +6.9% compared to +5.3% for the Russell 1000 value index. The Wedge investment returns for the one-year period were +13.4% compared to +9.4% for the index and maintains a +12.9% return rate compared to +10.7% for the index after 10 years.

MFS International Equity Fund (*International – 9.0%*), which was selected by the committee replacing AQR as the new International Equity fund manager in May 2023, underperforming the MSCI EAFE index with a return of +1.6% compared to +4.8% for the quarter. The MFS investment returns for the one-year period were +9.7% compared to +15.0% for the index. Since inception, MFS maintains a +11.5% return rate compared to +14.2% for the index.

Invesco Balanced-Risk Allocation (*GTAA – 5.0%*) was established May 2014 and underperformed for the quarter with a return of +3.4% versus the +5.2% for the 60%MSCI World/40% Barclays U.S. Aggregate benchmark. For the one-year period, the balanced risk investment returns were +2.9% compared to +11.7% for the policy index and for the five-year period it underperformed the Policy Index +5.1% versus +8.7%.

Segal Marco Fixed Income Group Trust (*Fixed Income – 32.0%*), which started January 1, 2019, slightly outperforming for the quarter with a return of +2.2% compared to +2.0% for the Bloomberg Capital Aggregate Bond Index. For the one-year period, the Bond composite allocation returned +4.0% compared to +2.9% for the index. Since inception, Segal Marco Fixed Income has returned +2.6% compared to +1.9%, while the total fixed income composite allocation has returned +3.3% compared to +3.0% for the index.

RCTS Emerging Markets Equity-RBC/Barrow Hanley (*Emerging Equities – 2.1%*) was established March 2018 and slightly underperformed for the quarter with a return of +10.0% compared to +10.6% for the MSCI EM (net) policy index. The RCTS investment returns for the one-year period were +18.5% compared to +17.3% for the policy index.

Since inception, the emerging markets allocation has returned +4.7% compared to +4.1% for the index.

Principal U.S. Property Account (*Real Estate – 3.1%*) was established April 2018 and slightly outperformed for the quarter with a return of +1.1% compared to +0.7% for the NCREIF ODCE Equal Weighted policy index. The Principal investment returns for the one-year period were +3.9% compared to +3.8% for the index. Since inception, the real estate allocation has returned +3.4% compared to +4.0% for the Index.

SSgA Russell Small Cap Completeness Index (*SMID – 11.2%*) was established February 2022, and the Russell Small Cap Completeness Index with a return of +10.5% matched the Growth index. The SSgA Russell Small Cap investment returns for the one-year period matched the index at +25.5%. Since inception, SSgA Russell Small Cap has returned +27.6% matching the Index.

GCM Grosvenor MAC *(Opportunistic – 6.7%)* was established August 2021, resulting from a $1.5 million funds transfer from fixed income (Segal Marco Fixed Income). Since inception, GCM has returned +14.1%.

Mr. Marache reported that the asset allocation was within allowable ranges as of the end of the quarter. He noted that the year-to-date (YTD) return of 11.4% outperformed the Policy Index return of 10.8% and the Plan has outperformed its benchmark across all other trailing time periods. Mr. Marache highlighted Wedge Capital's strong Q4 2025. He also reviewed the Plan's performance relative to similar public plans, noting that it consistently performs near the peer group median across all trailing periods. Before concluding his update, Mr. Marache reviewed the performance of Grosvenor. Although Q4 2025 performance data was not available at the time of the meeting, the fund is up 5.0% YTD and 14.1% since inception.

After additional discussion of the quarterly investment standings and inquiries regarding the current status of the investment portfolio as of October, the committee requested that Mr. Marache provide an update on the investment portfolio as of October for the committee to review how the investments are tracking and trending.

Mr. Marache noted that he would provide an update by the beginning of December.

4. DSPO – 3rd Quarter 2025 Retiree Benefits Investment Performance Report.

The State Pension Office reported that the comingled Delaware Public Employees Retirement Investment Pool (DELRIP) experienced a quarterly increase of +6.0% underperforming the DPERS Policy benchmark at +8.1%. The State Pension fund return was reported as +11.0% versus +13.1% for the benchmark for the one-year period.

The unaudited DELRIP report for July 1 – September 30, 2025, showed a market value balance of $39,441,732.10 with an increase in value of $2,060,208.12. For the quarter, the County's portion of the fund assets (0.23842%) increased by +.00123% (+$70,256.73 interest, +$49,499.72 dividends, +$404.53 securities lending income, -$6,526.68 net change accrued income, +$605,668.57 unrealized gain/loss change, +$1,363,241.13 realized gain/loss, -$189.11 custodian fees, -$60.67 securities lending fees/expense, -$18,873.89 investment manager/advisory fees, -$2,074.76 transaction fees, -$89.92 legal-investment fees.)

Ms. Horsey reported that Mr. Craik had received the following response from the State regarding the return on investments:

"The initial return on investments for the OPEB fund has been stated as 9.8%, a part of that return is for the Private Investment program, which is valued as of 3/31/25 on a lag basis. During the audit process the auditors will review the performance for the quarter of 4/1/25 - 6/30/25, to see if there is a significant change in the value of the Private Investment program. During the FY25 audit there was a gain of approximately $200 million during the last quarter of the year so the values of 6/30/25 were then incorporated into the value of the fund. With the adjustment, the rate of return was adjusted to 11.3% for FY25. Which is similar to the County's return for that period."

After extensive discussion, the committee requested detailed information from the State Pension Administrator regarding how the County's portion of the OPEB funds is invested and allocated. The committee also asked about the feasibility of withdrawing the funds from the State plan to pursue independent investment options.

Ms. Horsey stated that she would speak with Chair Dave Craik regarding the committee's request and the possibility of obtaining additional information or arranging a presentation from the State Pension Administrator.

5. Staff – Draft Pension Valuation Update (January 1, 2025).

Ms. Horsey noted that the Finance Department had requested further information from the actuary. She added that a virtual meeting would be scheduled for the Finance team to meet with the actuary and address any outstanding concerns.

6. Staff – Pension Investment Allocation Update Report.

Ms. Horsey reported that the committee had approved the Mix 2 recommendation, which includes a 52.5% equity allocation (30% Large Cap, 14.5% International, and 8% U.S.

SMID Cap), 35.5% Fixed Income, and 12% Alternatives (7% Real Estate and 5% Opportunistic), resulting in a total investment shift of 10%. She added that the Levy Court had reviewed the recommendation in a workshop on October 7th, with final approval granted on October 14th. The President of Levy Court has signed the new allocation documentation, which has been submitted to Segal for processing.

Kent County Pension Fund Allocation	***Pension Assets (06/30/25)***	***Current Fund Manager***	***Current Mgr. fee***	***Current Target (actual)/ Range***	***Recommended Target/ Range***
Large Cap Domestic Equity – *(growth)*	$11,615,798	SSgA R1000 Growth 7/1/2023	0.03% *$3,485*	**15%** *(16.4%)* *10% - 20%*	15% *10% - 20%*
Large Cap Domestic Equity – *(value)*	$10,652,053	Wedge 10/1/2004	0.55% *$58,86*	**15%** *(15.1%)* *10% - 20%*	15% *10% - 20%*
International Equities - *(developed)*	$6,334,794	MFS Int'l 5/1/2023	0.68% *$43,077*	**10%** *(9.0%)* *5% - 15%*	14.5% *9.5% - 19.5%*
Emerging Markets Equities *(emerging)*	$1,417,747	RCTS 3/1/2018	0.71% *$8,506*	**2.5%** *(2.0%)* *0% - 5%*	0% *0%*
Real Estate *(commercial & office)*	$2,232,154	Principal 4/1/2018	1.10% *$24,554*	**4.0%** *(3.2%)* *0% – 8%*	7.0% *2% – 12%*
Balanced (GTAA) *(mix of global assets)*	$3,545,876	Invesco 5/1/2014	0.38% *$13,474*	**5%** *(5%)* *0% - 10%*	0% *0%*
Small to Mid-Cap Equities - *(SMIDS)*	$7,469,125	SSgA SMID 2/1/2022	0.05% *$3,735*	**10%** (10.6%) *5% - 15%*	8% *3% - 13%*
Opportunistic Private Markets –	$4,193,531	GCM MAC III 07/13/2022	0.80% *$33,548*	**5%** (5.9%) *0% - 10%*	5% *0% - 10%*
Fixed Income Composite	$22,766,500	Segal Marco-FIGT 1/1/2019	0.26% *$50,086*	**33.5%** *(32.2%)* *23.5% - 43.5%*	35.5% *25.5% - 45.5%*
ESTIMATED TOTAL	**$70,653,345**		**$239,051**		

7. FY26 Pension Contribution Allocation ($4,539,411).

Ms. Horsey noted that the FY26 pension contribution, in the amount of $4,539,411, would be transferred before the end of calendar year 2025. She inquired which investment group would receive the funds, noting that in prior years the contribution had been allocated to the fixed income investment group.

Mr. Marache reported that he would follow up with Segal Marco Advisors to discuss how the funds would be invested. He added that he expected to provide a response by the first week of December.

10. Staff – Quarterly Pension Activity Report.

Ms. Horsey presented the Quarterly Pension Activity Reports to keep the Committee members apprised of the administrative changes to the pension fund. A summarized version of the report is presented below:

Quarterly Pension Activity Report

Pension Payment Date	Gross $ Paid	# Recipients	Comments
November 1, 2025	$409,285.61	302	-(R); -(B); +(R) +(P) Retro
October 1, 2025	$407,492.63	303	No Change
September 1, 2025	$407,492.63	303	+(B); +(P); +(R)
August 1, 2025	$405,799.63	300	-(P); +(R); +(R); 2% Retiree COLA
July 1, 2025	$391,412.49	299	-(QDRO); +(R) QDRO deceased
June 1, 2025	$391,030.31	299	+(R); +(R); +(R)
May 1, 2025	$383,862.44	296	+1(B); -1(QDRO); -(P); -1(R) Retro
April 1, 2025	$384,550.86	298	+2(R); -1(R); +1(B)
March 1, 2025	$383,897.37	296	-2(R); +1(B)
February 1, 2025	$385,332.20	297	-2(R); +2(R)
January 1, 2025	$384,684.29	297	-1(R); +11(R)
December 1, 2024	$384,449.67	297	-1(R); +(R)
November 1, 2024	$380,997.06	297	-1(P) Retro
October 1, 2024	$381,150.89	298	+1(P) Retro
September 1, 2024	$380,997.06	297	-1(R); +1(P)
August 1, 2024	$383,197.06	297	-1(R); +1(R)
July 1, 2024	$382,359.20	297	+3(R); +1(P)
Pending Pensions - Type	**Effective Date**	**Service Years/Age**	**Estimated Benefit**
(P)	09/01/25	11.1 yrs; 62	$390.69/mo Life
Pensions started – Type	**Effective Date**	**Service Years/Age**	**Monthly Benefit/Type**
- (R)	11/01/25		-$2,630.06/mo Life
- (B)	11/01/25		-$220.78/mo Life
+(R)	11/01/25	42.24 yrs; 64	$4,643.83/mo CC 5yrs
+(R)	09/01/25	13.5 yrs; 62	$1,184.34/mo CA 100%
+(B)	09/01/25		$140.78/mo Life
+(P)	09/01/25		$367.87/mo Life
+(R)	08/01/25	30 yrs; 49	$2,950.66/mo CA100%
+(R)	08/01/25	40.7 yrs; 65	$5,177.62/mo CA100%
-(P)	08/01/25		-$182.83/mo CA100%
-(QDRO)	07/01/25		-382.18/mo Life
+(R)	06/01/25	14.3 yrs; 63	$1,834.25/mo CC10yrs
+(R)	06/01/25	12..6 yrs; 62	$1,161.85/mo Life
+(R)	05/01/25	32.4 yrs; 61	$4,171.77/mo. Life
-(R)	04/01/25		-$1,286.62/mo CA100%
+(B)	04/01/25		$1,379.67/mo. Life
+(R)	04/01/25	11.3 yrs; 66	$581.17/mo. Life
-(R)	03/01/25		-$1,434.93/mo. CA100%
+(B)	03/01/25		$1,328.94/mo Life
-(R)	03/01/25		-$1,328.94/mo CA100%
+(R)	02/01/25	8.8 yrs; 63	$455.53/mo. Life
+(R)	02/01/25	19.7 yrs; 64	$1,155.57/mo. CA50%
+(B)	02/01/25		$1,379.67/mo. Life (Beneficiary)
-(R)	02/01/25		-$932.89/mo. Life
-(R)	02/01/25		-$1,418.48/mo. CA100%
+(R)	01/01/25	16 yrs; 78	$885.35/mo. Life
-(R)	01/01/25		-$650.73/mo. Life
+(R)	12/01/24	40 yrs; 65	$4,171.18/mo. Life
-(R)	11/01/24		-$718.57/mo. CC10yrs
+(P)	09/01/24	7.3 yrs; 62	$153.83/mo. Life; no beneficiary
-(R)	09/01/24		-$2,353.83/mo. Life; no beneficiary
+(R)	08/01/24	16 yrs; 64	$1,175.47/mo. CA75%

-*(R)*	08/01/24		-$337.61/mo. 50%
+*(P)*	07/01/24	11.2 yrs; 62	$744.50/mo. Life; no beneficiary
+*(R)*	07/01/24	30.1 yrs; 65	$2,850.83/mo. CC5yrs
+*(R)*	07/01/24	22.3 yrs; 63	$2,136.22/mo. CA100%
+*(R)*	07/01/24	20.6 yrs; 56	$2,411.43/mo. CA50%

R=Retiree from active service; P=Pensioner, vested former employee; R/EO=Active Elected Official receiving pension R=Retiree from active service; P=Pensioner, vested former employee; R/EO=Active Elected Official receiving pension P70=Pensioner w/Rule of 70 benefits; B=Beneficiary of deceased participant; QB=QDRO beneficiary; DR=Disabled retiree; *benefit addition or deletion retroactive to eligibility month. (#-multiplier calculation error correction)**pension interest may adjust benefit (^late death notice-same ben. $) *Life=Life Annuity; CA=Contingent annuitant (beneficiary) & %; CC=Continuous & certain for # years*

11. Any other additional business properly brought before the Committee:

None.

12. Public Comments.

None

13. Next Meeting.

Committee members agreed by consensus to schedule the next quarterly meeting for Thursday, February 19, 2026, at 2:00 p.m. in the caucus room of the Kent County Administration Complex.

A motion was made by Mr. Connolly, seconded by Mr. Horne, and carried unanimously to adjourn the meeting at 2:41 p.m.

Minutes drafted by Trudena Horsey and are subject to change at a future Committee meeting.