

James B. Testerman, Chairman
Delaware State Education Association

Lawrence Talley, 1st Vice Chairman
Delaware State Troopers' Association

Charlotte T. Lister, 2nd Vice Chairman
At-Large

Delaware Retired School Personnel Association
Delaware Association of School Administrators
Delaware School Food Service Association
Delaware National Guard
University of Delaware Salaried Staff Association
Delaware Fraternal Order of Police
(13) International Association of Firefighters
Local 1590 City of Wilmington Firefighters

STATE OF DELAWARE
STATE BOARD OF PENSION TRUSTEES
PENSION ADVISORY COUNCIL
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MINUTES OF THE STATE PENSION ADVISORY COUNCIL 1/13/09

1. The meeting was called to order at approximately 1:35 p.m. in the Board room on the 2nd floor of the McArdle Building, 860 Silver Lake Blvd., Suite 1, Dover, DE.

2. Members present:

Mary Pat Urbanik	UDSSA
Joseph Malloy	IAF
Nancy Patterson	DNG
Edward Seibert	DASA
Brian Douty	FOP, State Lodge
Larry Talley	DSTA
Charlotte Lister	At Large
Wayne Emsley	DRSPA
Jim Testerman	DSEA

3. Members absent:

Janice Vander Decker	DSFSA
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4. Others present:

David Craik	State Pension Administrator
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5. Additions to the agenda: There were no additions to the agenda.
6. Approval of the November 18, 2008 minutes: Brian Douty moved to approve the minutes, seconded by Charlotte Lister. The motion passed.
7. Announcements and correspondence: The Chairman passed out copies of the Bylaws, the Pension Office Standards Award for 2008, Advisory Council State Code Section (ss8308A) and Retirement Workshop Schedule for 2009.

Wayne Emsley was introduced as the new representative for the Delaware Retired School Personnel Association (DRSPA).

8. From the Board of Pension Trustees:

November 21, 2008 Meeting: Investment performance Month -10.7%, FY -20.4%, CY -24.8%
Total assets in the Trust Fund at the end of October were \$5,583 million. The Fund suffered severe losses in October.

December 19, 2008m Meeting: Investment performance Month -2.7%, FY -22.5%, CY -25.5%
Total assets in the Trust Fund at the end of November were \$5,414 million.

The Pension System received a Public Pension Standards Award for Funding and Administration in 2008.

A resolution was passed thanking JJ Davis for her service on the Board.

The economy has left the Board and Investment Committee in somewhat of a quandary about what exactly to do at this time and they are having many discussions, in this regard, about how to protect and enhance assets of the fund.

9. Adopting the 2009 Legislative Goals: After discussion, Brian Douty moved and seconded by Nancy Patterson, to approve the following legislative goals:

Primary Goals

- Continue appropriate annual post retirement increases
- Provide adequate annual funding for the OPEB Post Retirement Medical Benefit Fund
- Eliminate the early retirement penalty
- Insure continuation of medical benefits at the current level

Second Goals

- Implement a 2.0 pension multiplier as the only multiplier in pension benefit calculation
- Increase the pensioner death benefit from \$7,000 to \$8,000
- Encourage the State Legislature to look at some sort of Veteran's pension credit for those employed after 1976

10. Legislative outlook: Both Jim Testerman and Larry Talley, who is our Legislative Liaison, feel that we will not get anything this year. There will be tax and fee increases as well as large cuts in the budget. J. Testerman feels we might get the reimbursement for Medicare Part D in the OPEB Fund but otherwise we should work to keep our medical benefits from being reduced by increased fees and co-pays.

11. Adjournment: Larry Talley moved to adjourn, seconded by Charlotte Lister, the meeting was adjourned at 2:45 p.m.

Respectfully submitted,

Jim Testerman, Chairman