

Joseph Malloy, Chairman  
International Association of Firefighters Local 1590

Wayne Emsley, 1st Vice Chairman  
Delaware Retired School Personnel Association

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

University of Delaware Salaried Staff Association  
Delaware Association of School Administrators  
Delaware School Food Service Association  
Delaware State Education Association  
Delaware Fraternal Order of Police  
Delaware National Guard

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MINUTES OF THE STATE PENSION ADVISORY COUNCIL – May 14<sup>th</sup>, 2013

1. The meeting was called to order at 1:34 p.m. in the Boardroom on the 2<sup>nd</sup> floor of the McCardle Building, Suite 1, 860 Silver Lake Blvd., Dover, DE 19904.

**2. Members present:**

Joseph Malloy	WFD IAFF 1590
Wayne Emsley	DRSPA
James Harrison	DSEA
Charlotte Lister	At Large
Nancy Patterson	DNG
Edward Seibert	DASA
Jim Testerman	At Large
Janice Vander Decker	DSNA

**3. Members absent:**

Robert Jameson	FOP State Lodge
Mark Ryde	DSTA

**4. Other Present:**

Kim Vincent	Deputy State Pension Administrator
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**5. Additions to Agenda**

No additions to the agenda.

**6. Minutes of the April 9<sup>th</sup>, 2013 PAC meeting:**

Jim Testerman moved to approve the minutes. Charlotte Lister seconded the motion. The motion passed.

**7. Chairmans Report:**

Total assets in the trust fund as of the end of March, 2013 are \$8,063MM. The return of the trust fund for the month of March is 1.8% which is higher than the Delaware Benchmark. Fiscal year to date the trust fund is up 10.1%. However it is still 1.2% below the Delaware Benchmark.

Trust fund Numbers

Total Fund	Calendar Year-To-Date	Del.Bench.	Fiscal Year-To-Date	Del.Bench.	12 Months	Del.Bench
February 2013	0.7%	0.5%	3.8%	3.2%	8.7%	8.3%
March 2013	5.7%	4.8%	10.1%	11.3%	9.7%	9.3%

Pension Workshop for the spring sessions went well. With the State's work force getting older, more people are considering retirement. The workshops are averaging at least 50 people. I like to thank the Councils help by volunteering your time for the workshops.

I would also like to thank all the State pension employees who presented and helped with the workshops. Taking their personal time to present the workshops afterhours are commendable. Thank You

The Pension Office has received 264 applications for retirement from Jan – Mar. Fiscal year 2013 to date retirement applications are at 1274. Pension Deletions due to return to work or pensioners passing are at 545 for fiscal 2013. They have received 14,984 phone calls and 74,680 internet home page hits for the same fiscal year.

On behalf of the PAC I have met with Senator Harris McDowell III regarding Pension Increases and O.P.E.B funding. He cautioned about the possibility of a PRI or OPEB funding increase due to the discouraging report of the first mark up. He told me not to be discouraged a keep pushing for the increases.

**8. Old Business:**

PAC discussed the possible consequences if SB 28 passes. The ability to have one retired group to work in a pensionable position without a earnings limit while others do doesn't seem fair. The bill has passed the Senate. The Pension office has concerns the IRS possibly could change the tax exemption status of the pension trust fund if SB28 passes, or future legislation is passed eliminating or raising the earning limits of employees while they are receiving a service pension.

Joe Malloy asked about the status of SB 21, and what the affect Delaware public employees with representation on the Committee of employees benefits would have on the Pension Office and healthcare cost in the future. Although medical benefits are offered to State retirees by the Pension office, the Pension office does not administer the health plan.

**9. New Business:**

Wayne Emsley is with DRSPA trying to get the Legislation to introduce and pass a bill requiring the Sate to provide identity theft protection for State employees and retirees if their private information accidentally released or stolen. Wayne also expressed the bill should include modern definitions to what identity theft is.

Joe Malloy passed on information he received from David Craik to the PAC. It is a article written by Keith Brainard titled Books, Budgets, and Bonds What Do All Those Pension Numbers Mean? This article leads a good discussion on the GASB changes and what affects it might have on our pension plan.

Kim Vincent stated even with the GASB changes Delaware is in the top percentile when it comes to State pension plans.

Wayne Emsley announced he is the new Executive Director of Delaware Retired School Employees Association. Wayne informed the PAC he is resigning his position on the PAC due to his new position. The DRSPA through Wayne Emsley appointed David Taylor to take his position on the PAC as the representative of the DRSPA. With Wayne Emsley leaving the PAC the 1<sup>st</sup> Vice Chair position is now open. Joe Malloy requested nominations for the position at the next meeting.

**10. Adjournment:**

Motion made by Jim Testerman, seconded by Mark Ryde for adjournment. The motion passed. The meeting was adjourned at 2:16 pm. Next PAC meeting is June 11<sup>th</sup>, 2013 1:30 pm.

Sincerely,

Joseph P. Malloy  
Chair