

Joseph Malloy, Chairman
Local 1590 City of Wilmington Firefighters

Robert S. Jameson, 1st Vice Chairman
Delaware Fraternal Order of Police

Janice Vander Decker, 2nd Vice Chairman
Delaware School Nutrition Service Association

International Assoc. of Local 1590 City of Wilmington Firefighters
Delaware Retired School Personnel Association
Delaware Association of School Administrators
Delaware School Nutrition Service Association
Delaware State Education Association
Delaware Fraternal Order of Police
Delaware State Troopers Association
Delaware National Guard
Two at-Large Members

**STATE OF DELAWARE
STATE BOARD OF PENSION TRUSTEES
PENSION ADVISORY COUNCIL
MCARDLE BUILDING
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DOVER, DE 19904**

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MINUTES OF THE STATE PENSION ADVISORY COUNCIL – May 13, 2014

1. The meeting was called to order at 1:30 p.m. in the Boardroom on the 2nd floor of the McArdle Building, Suite 1, 860 Silver Lake Blvd., Dover, DE 19904.

2. **Members present:**

Joseph Malloy	WFD IAFF 1590
Janice Vander Decker	DSNA
Charlotte Lister	At Large
Edward Seibert	DASA
David Taylor	DRSPA
Mark Ryde	DSTA

3. **Members absent:**

Nancy Patterson	DNG
Robert Jameson	FOP State Lodge
Jim Testerman	At Large
James Harrison	DSEA

4. **Other Present:**

David Craik	State Pension Administrator
Fred Calhoun	FOP State Lodge

5. **Additions to Agenda**

No additions to the agenda

6. Minutes of the April 8, 2014 PAC meeting:

David Taylor moved to approve the minutes. Janice Vander Decker seconded the motion. The motion passed.

7. Chairmans Report:

Total assets in the Fund grew from \$8,855 million towards the end of February to \$8,902 million towards the end of March. The Fund's March return of 0.08% outperformed the Delaware Benchmark return. For the fiscal year to date, the total fund is up 12.8%, 1.2% above the Delaware Benchmark.

Trust Fund Numbers

Total Fund	Month	+/-Del.Bench.	Fiscal Year-To-Date	+/-Del.Bench.	12 Months	+/-Del.Bench.
Feb 2014	3.3%	0.2%	12.0%	0.7%	15.1%	2.7%
Mar 2014	0.8%	0.6%	12.8%	1.2%	13.9%	3.0%

8. Old Business:

Joe Malloy spoke with the JFC for follow up after the OMB hearings asking for a PRI increase. The overwhelming answer was if money is available we will consider it.

The Council as a whole did an outstanding job attending the preretirement workshops. Thanks to everyone for the support in the work shops

The Council discussed HB #137 realignment of survivor benefits for all pensions' plans. David Craik stated it will be in the Senate Finance Committee.

The Council discussed HB #279 allowing paramedics into the County Municipal Police and Fire Pension Plan. David Craik informed the Council it will also be in the Senate Finance Committee.

The Council discussed HB #213 which establishes medical insurance for retired members of the County Municipal Police and Fire Pension Plans. An amendment was placed on the Bill.

House Bill #158. This bill provides for the state to pay for health care coverage of dependent children for persons that have died in the line-of-duty after August 20, 2009. This Bill is in the Senate.

House Bill #207 which allows State employees considered Hazardous Duty Level A-1 to retire at 25 years without early retirement penalty. The Bill passed and received a favorable ruling from the IRS. This Bill becomes effective January 1, 2015 for correction officers.

9. New Business:

Joe Malloy asked David Craik if the Council could have a list of all the PRI increases the State Pension Plan has since its creation. David Craik informed the Council he would provide the information.

Edward Seibert asked David Craik if the Legislature is linking PRI increases with raises with current State Employees. David Craik's opinion is that they are not. If the State employees get a raise it is asked that the pensioners get an increase but it is not guaranteed.

Robert D. Gooderham from Ashford Consulting Group, Inc. and an advisor for the Board of Pension Trustees asked if we could have our next PAC meeting in his office so he could give us a presentation on what his office offers the State Pension Plan. The Council agreed.

Mark Ryde asked David Craik and the Council about the cost of moving some personnel who are in the FOP from State Pension Plan to the New State Police Pension Plan. David Craik stated it was approximately 400 to 500 positions and would cost approximately \$40 million dollar liability and a yearly \$6 million dollar cost.

David Craik asked the Council for input regarding the \$7 thousand dollar burial benefit for State retirees. He would like to see it changed from a separate check sent to the beneficiary to be added to the last pension check sent to the pensioner or his/her estate. The Council would canvas its membership and inform David Craik in a couple of months.

10. Adjournment:

Charlotte Lister made a motion for adjournment. Mark Ryde seconded the motion. The motion passed, the meeting was adjourned at 1:56 pm.

Next council meeting will be held at the Ashford Consulting Group Inc., One Walker's Mill Road, Wilmington, DE 19807, on June 10, 2014 at 1:30 pm.