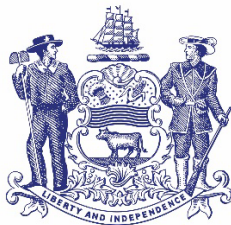


Joseph Malloy, Chairman
Local 1590 City of Wilmington Firefighters

Fred Calhoun, 1st Vice Chairman (retired)
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
Two at-Large Members



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PENSION ADVISORY COUNCIL
MEETING MINUTES FROM JANUARY 10, 2023

Members present:

Joseph Malloy	WFD IAFF 1590
Janice Vander Decker	DSNA
Kevin Carson	DASA
David Taylor	DRSPA
Charlotte Lister	At large
Karen Crouse	DSEA
Mark Ryde	DSTA
Jim Testerman	At Large

Member's absent:

Fred Calhoun	FOP
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Others present:

Joanna Adams	Pension Administrator
Stephenie Tatman	Deputy Pension Administrator
Vicki Schultes	Executive Assistant to Pension Administrator
William O'Brien	Deputy Attorney General

1. CALL TO ORDER:

Mr. Malloy welcomed everyone and called the meeting to order at 1:31 p.m.

2. OPENING COMMENTS:

Ms. Adams introduced Deputy Attorney General William "Bill" O'Brien, the second attorney for the Pensions Office, who joined the team three months ago. Mr. O'Brien is serving in the position Ann Marie Johnson vacated upon her retirement. Mr. O'Brien introduced himself and shared an overview of his background. He moved to

Delaware from the Washington D.C. area in 1994. Since then, he has worked periodically for the Public Service Commission, Conectiv Energy, and for seven years with Chesapeake Utilities as the in-house counsel. The Pension Advisory Council warmly welcomed Mr. O'Brien to the meeting and introduced themselves to him as well.

3. ADDITIONS TO THE AGENDA:

There were no additions to the agenda.

4. APPROVAL OF THE NOVEMBER 15 2022 MINUTES:

Mr. Taylor offered a suggestion to identify the commenting parties under "7. NEW BUSINESS – RETIREE HEALTHCARE:"

Motion was made by J. Testerman and seconded by C. Lister to approve the minutes with technical changes as noted. The motion was adopted unanimously.

5. CHAIRMAN'S REPORT:

Mr. Malloy reiterated that he is unable to continue serving as Pension Advisory Council Chairman. In addition, Fred Calhoun has retired and is no longer a member of the FOP, resulting in a vacant position and lack of FOP representation within the Pension Advisory Council ("the Council") membership.

Mr. Malloy continued by asserting that the role of Chairman and/or Vice Chair, as well as at-large personnel, would need to be determined before the conclusion of the meeting, as this was his last meeting as acting Council Chairman.

Mr. Taylor asked if there could be a role of Co-Chair, as he could possibly preside over meetings or present to the Joint Finance Committee (JFC.), however, he is unable to perform all the duties that Mr. Malloy has carried out during his tenure as Council Chairman. Mr. Malloy stated that the functions could be split between Chair and Co-chairs, and volunteers are needed for several roles. Ms. Lister indicated she spends much of her time outside of Delaware and is unable to serve in a leadership capacity. Mr. Ryde asked if Jamie Leonard, a standing member of the FOP, had been contacted about serving on the Council. Mr. Malloy responded that he has emailed both Mr. Calhoun, and cc'ing Mr. Leonard on several occasions, with no response from Mr. Leonard.

Further, Ms. Crouse stated that she is unable to serve as Chair but is willing to serve as Co-Chair with Mr. Taylor. Mr. Taylor agreed to work together with Ms. Crouse should they each assume the role of Co-Chair of the Pension Advisory Council.

Motion was made for Karen Crouse and David Taylor to each serve as Co-Chair of the Pension Advisory Council for the forthcoming year by Ms. Lister, seconded by Mr. Testerman. The motion was adopted unanimously.

Mr. Taylor shared that Mr. Testerman was the first Chairman of the Council when it was established in 1992. Mr. Taylor asked Mr. Testerman to provide a history of the pension calculation over the years (including pension calculation based on the five highest-paid years of service, and how the process has changed over the years.) Mr. Testerman recalled there was a time when your pension would be reduced by a calculation involving your Social Security income.

Lastly, all Council members commended Mr. Malloy for his outstanding job as Chairman during his tenure with the Council. Mr. Malloy appreciated the kind remarks and stated there is a lot of interest among the new members of WFD IAFF 1590.

6. OLD BUSINESS:

There was nothing to report.

7. NEW BUSINESS:

LEGISLATIVE GOALS FOR THE 1ST LEG OF THE 151ST GENERAL ASSEMBLY:

Mr. Testerman shared a priority should be to at least continue funding the Post-retirement Increase (PRI). Mr. Taylor indicated that what the Delaware Retired School Personnel Association (DRSPA) has historically done is focus on the following three priorities:

- Pension increase;
- Maintain healthcare benefits at their current level with no increase in copays or premiums; and
- Increase the death benefit.

Ms. Lister requested clarification on the wording of the priority, “no change to the level of benefit coverage” – that is different than saying “no increase to the cost to the employee or retiree”. The level of benefit coverage could remain the same, but that doesn’t guarantee that the costs involved would also remain unchanged.

Mr. Taylor asked if the Council has a primary focus on retirees. Ms. Lister affirmed that health benefits are not guaranteed, unlike pension benefits. Retirees under the age of Medicare eligibility have the same coverage and costs as active employees. The priority for the Council is to promote a consistent, unchanged level of coverage with no increased cost to the retiree.

Mr. Malloy explained that whatever is saved for retirees is also going to have an impact on active employees until they are Medicare-eligible. The Council needs to reiterate that they want the level of health benefits coverage and cost to remain the same.

Statistics need to be researched and presented to justify increasing the death benefit (to “X” – (specific amount)). Mr. Taylor stated he met with his State representative from the Delaware Economic and Financial Advisory Council (DEFAC); DEFAC is anticipating some surplus this year, but we should not assume anything.

Motion was made by Mr. Malloy and seconded by Mr. Ryde for the Council to accept the three objectives (shared by Mr. Taylor, bulleted above) to present to the legislature. The motion was adopted unanimously.

8. PENSION ADMINISTRATOR’S REPORT:

Ms. Adams shared that today (January 10, 2023) is the first day of the first leg of the 151st Delaware General Assembly. Ms. Adams confirmed that hot legislative topics that the legislators have been getting inquiries about include the burial and Return to Work benefits.

Mr. Malloy inquired about the status of the Medicare Advantage implementation and court stay. Ms. Adams reported that the case is still being processed in the court system.

In addition, the OMB hearing with the JFC is scheduled for January 31, 2023. It is common for many retirees to attend to provide public comment. Anyone who would like to provide public comment should request a time slot with the JFC in advance of the hearing. Instructions are provided in the public meeting calendar entry for the hearing.

9. ADJOURNMENT:

The next meeting of the Pension Advisory Council is scheduled for April 11, 2023.

Being no further business, the motion to adjourn was made by Mr. Testerman and seconded by Mr. Taylor at 2:32 p.m. The motion was adopted unanimously.

Respectfully submitted,

Joseph P. Malloy, Chairman
Pension Advisory Council