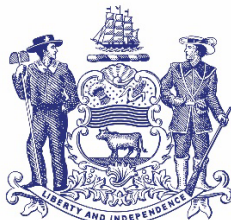


Karen Crouse, Chair
Delaware State Education Association

Mark Ryde, 1st Vice Chair
Delaware State Troopers 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
Two at-Large Members



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**PENSION ADVISORY COUNCIL
MEETING MINUTES FROM JUNE 10, 2025**

Members Present:

Karen Crouse	DSEA
Mark Ryde	DSTA
Charlotte Lister	At Large
Joseph Malloy	WFD IAFF 1590
Marie Leppo	DSNA
Meg Mason	DRSPA

Members Absent:

Kevin Carson	DASA
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Others Present:

Joanna Adams	Pension Administrator
Tammy LeCates	Executive Assistant
William Tate	Deputy Attorney General
Joe Ebisa	<i>With Intelligence</i>

1. CALL TO ORDER:

K. Crouse called the meeting to order at 1:32 p.m. and welcomed Meg Mason to the Council on behalf of the Delaware Retired School Personnel Association ("DRSPA"). A quorum was present.

2. PUBLIC COMMENT:

No public comment was given.

3. OPENING COMMENTS:

K. Crouse welcomed everyone to the meeting.

4. ADDITIONS TO THE AGENDA:

No additions to the agenda.

5. APPROVAL OF THE May 13, 2025 MINUTES:

Motion to approve the minutes by Joseph Malloy, seconded by Mark Ryde. Motion carried.

6. Co-CHAIRMEN'S REPORT:

K. Crouse reported that she was unable to attend the Board of Pension Trustees' meeting in May.

7. OLD BUSINESS:

Current Legislation

House Bill 2 – Sponsored by Representative Carson increases the death benefit from \$7,000 to \$8,000. This bill is assigned to the House Appropriations Committee.

Senate Bill 31 - Sponsored by Senator Brown increases the death benefit from \$7,000 to \$10,000. This bill is currently in the Senate Finance Committee.

Senate Bill 52, sponsored by Senator Buckson, passed the Senate and is assigned to the House Administration Committee. This bill seeks to change the “return-to-work” restrictions for retirees who return to work for the State of Delaware. The key changes:

1. Reduce the required bona fide separation from 6 months to 3 months;
2. Reduce the bona fide separation requirement from age 65 to age 59 ½; and
3. Eliminate the annual earnings limit.

House Bill 108, sponsored by Representative Yearick is assigned to the Revenue & Finance Committee. This bill seeks to amend Title 30 of the Delaware Code relating to personal income tax modifications subtracted from federal adjusted gross income. This bill increases the personal income tax pension exclusion from \$12,500 to \$25,000.

House Substitute 3 for House Bill 113, sponsored by Representative Shupe, has been voted out of Committee. This bill denies retirement and disability benefits to Education employees if they were convicted of sexual abuse of a child, sexual solicitation of a child, or promoting sexual solicitation of a child. Amendment 1 makes provisions of the Act applicable to all State employees rather than just education employees. Amendment 2 applies to the State Police. Amendment 3 excludes county and municipal police and firefighters.

House Bill 192, sponsored by Michael Smith has been assigned to the House Economic Development/Banking/Insurance & Commerce Committee. This bill allows for additional disbursements from a special fund created by the General Assembly to ensure adequate pensions for affected police officers and firefighters, and their surviving spouses. This bill raises the pension level an individual is permitted to receive and still be eligible for a distribution from the special fund from \$35,000 to \$55,000 or less. It also ensures that those eligible to receive a distribution from the special fund will be able to do so upon enactment, and not have to wait until the current date permitted under the Code.

House Bill 207, sponsored by Representative Bolden has been assigned to the Administration Committee, increases the monthly service, disability, and survivor pension for retired State employees. For pensions before June 30, 2005 the increase is 3%. For pensions after June 30, 2005 the increase is 2%.

House Bill 236, sponsored by Representative Wilson-Anton has been assigned to the Judiciary Committee. This bill allows a paid emergency medical technician working for a participating employer to be eligible for the County Municipal Police/Firefighter Pension Plan. It also makes conforming changes to other sections of the Code. In addition, this Act will exclude firefighters and EMTs hired after the effective date of this Act from participating in the County and Municipal Employees' Fund, in order to ensure the State's pension plans comply with federal tax and pension law. Going forward, employees who work as paid firefighters, EMTs, or both will be eligible only for the Police/Firefighter Pension Fund. Technical corrections to existing statutory language are also made as follows: (i) to eliminate § 8806 of Title 11, which is

duplicative of § 8308 of Title 29 and therefore unnecessary; (ii) to conform the title of § 8814 with its content; (iii) to correctly list the entities which may participate in each plan and the requirements for doing so; (iv) to correct cross-references that are incorrect in the current Code.

Membership

K. Crouse shared the drafted membership legislation that she discussed with Senator Laura Sturgeon and Taylor Hawk and Jeff Taschner of the Delaware State Education Association (“DSEA”) and the response received. B. Tate expressed his surprise to the response. J. Adams suggested B. Tate communicate with Mark Cutrona, Esquire to discuss future options.

8. NEW BUSINESS:

No new business.

9. PENSION ADMINISTRATOR’S REPORT:

J. Adams shared the Audit Committee met on May 9, 2025, which was the last meeting for Mark Finfrock, Chair. M. Finfrock was very knowledgeable and an outstanding leader of the committee. The Audit Committee has very qualified members who do a great job recruiting replacements when they retire. The Chair of the Board of Pension Trustees is interviewing for the one vacant seat on that committee.

The Pension Office is nearing the end of the fiscal year. The Cash & Debt Manager is responsible for the accounting activities and the compilation of the Annual Comprehensive Financial Report (ACFR). Due to the position remaining vacant, the Audit Committee and the Board of Pension Trustees approved a Professional Services Agreement with Santora CPA for one year to provide compilation services for the fiscal year 2025 ACFR.

The ERP Executive Sponsors have approved TELUS Health as our software vendor. An introductory meeting was held with staff from the Office of Pensions, Computer Aid, Inc., Department of Justice, and Ice Miller, LLP, to kick off the ERP Modernization Project contract negotiations. Computer Aid, Inc. drafted an email that was sent to TELUS Health via Government Support Services Procurement Officer to reduce their cost of implementation. Today, interviews were completed for the Independent Verification & Validation (IV&V) vendor. The IV&V vendor will continuously review the work completed by the project managers and pension office to identify risks as an independent resource. This is best practice and standard.

J. Adams shared that, from an investment perspective, market volatility is not what it once was. With 20 days remaining, we are focused on reaching our goal of a 7% return.

J. Adams shared this legislative session is the most active since entering this role. There are multiple legislative matters pending through June 30, 2025.

M. Ryde requested a list of the original members of the Pension Advisory Council. J. Adams shared the list is located at 29 Del. C. §8308A. T. LeCates will provide a copy of the list to council members.

C. Lister questioned voting rights for members at-large. B. Tate’s position is that member at-large have voting privileges.

10. ADJOURNMENT:

M. Ryde motioned to adjourn the meeting at 1:54 p.m., seconded by Joseph Malloy. Motion carried.

Respectfully submitted,



Karen Crouse, Chair
Pension Advisory Council