



# **Sussex County Council Public/Media Packet**

**MEETING:  
March 25, 2014**

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**Sussex County Council  
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MICHAEL H. VINCENT, PRESIDENT  
SAMUEL R. WILSON JR., VICE PRESIDENT  
GEORGE B. COLE  
JOAN R. DEEVER  
VANCE PHILLIPS



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# Sussex County Council

## AGENDA

March 25, 2014

10:00 A.M.

### Call to Order

### Approval of Agenda

### Approval of Minutes

### Reading of Correspondence

### John Ashman, Director of Utility Planning

#### **1. Dagsboro/Frankford Sanitary Sewer District – Valliant Expansion**

##### **A. Request to Prepare and Post Notices**

### Loran George, District Manager, South Coastal

#### **1. Bulk Delivery of Sodium Hypochlorite**

##### **A. Bid Award**

#### **2. Bulk Delivery of Granular Lime**

##### **A. Bid Award**

### Attorney General's Office –

#### **Freedom of Information Act (FOIA) Road Show Presentation**

### Todd Lawson, County Administrator

#### **1. Library Advisory Board Appointment**

#### **2. Request to withdraw Change of Zone No. 1737 filed on behalf of Robert & Julie Norwood**



**3. Discussion of Wastewater Agreements**

**4. Administrator's Report**

**Gina Jennings, Finance Director**

**1. Pension Committee Update**

**A. OPEB Actuarial Assumptions**

**B. Discussion and Possible Introduction of a Proposed Ordinance relating to pension.**

**Hal Godwin, Deputy County Administrator**

**1. Legislative Update/Committee Action Update**

**Grant Requests**

- 1. Delaware Ducks Unlimited for Annual Greenwing Event expenses.**
- 2. Dagsboro Volunteer Fire Department for the Alley Cat Competition Dance Troupe.**
- 3. Millville Volunteer Fire Company for Traffic Control Unit.**
- 4. City of Seaford for Nanticoke Riverfest.**

**Introduction of Proposed Zoning Ordinances**

**Any Additional Business Brought Before Council**

**Executive Session – Personnel pursuant to 29 Del. C. §10004(b)**

**Possible Action on Executive Session Items**

**1:30 p.m. Public Hearings**

**Conditional Use No. 1979 filed on behalf of Thomas and Judy Munce**

**“AN ORDINANCE TO GRANT A CONDITIONAL USE OF LAND IN AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT FOR A RETAIL PACKAGE STORE AND TAVERN TO BE LOCATED ON A CERTAIN PARCEL OF LAND LYING AND BEING IN CEDAR CREEK HUNDRED, SUSSEX COUNTY, CONTAINING 3.033 ACRES, MORE OR LESS” (land lying east of U.S. Route 113 and 2,800 feet north of Route 16) (Tax Map I.D. 230-26.00-35.01) (911 Address: 12327 DuPont Boulevard, Ellendale, DE 19941)**

**Change of Zone No. 1740 filed on behalf of Zhenguo Zhang**

**“AN ORDINANCE TO AMEND THE COMPREHENSIVE ZONING MAP OF SUSSEX COUNTY FROM AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT TO A CR-1 COMMERCIAL RESIDENTIAL DISTRICT FOR A CERTAIN PARCEL OF LAND LYING AND BEING IN BROADKILL HUNDRED, SUSSEX COUNTY, CONTAINING 2.3522 ACRES, MORE OR LESS” (land lying southwest of Route One (Coastal Highway) 1,000 feet northwest of Road 258 (Hudson Road) (Tax Map I.D. 235-16.00-64.00) (911 Address: 14614 Coastal Highway, Milton, DE 19968**

**Change of Zone No. 1743 filed on behalf of Charles and Cristy Greaves**

**“AN ORDINANCE TO AMEND THE COMPREHENSIVE ZONING MAP OF SUSSEX COUNTY FROM AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT TO A CR-1 COMMERCIAL RESIDENTIAL DISTRICT FOR A CERTAIN PARCEL OF LAND LYING AND BEING IN BROADKILL HUNDRED, SUSSEX COUNTY, CONTAINING 18,886 SQUARE FEET, MORE OR LESS” (land lying southeast of Route 16 (Broadkill Road) across from Road 233 (Reynolds Road) (Tax Map I.D. 235-15.00-25.00) (911 Address: 26285 Broadkill Road, Milton, DE 19968)**

**Change of Zone No. 1744 filed on behalf of Phillip Cross and Prentice Watkins**

**“AN ORDINANCE TO AMEND THE COMPREHENSIVE ZONING MAP OF SUSSEX COUNTY FROM AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT TO A CR-1 COMMERCIAL RESIDENTIAL DISTRICT FOR A CERTAIN PARCEL OF LAND LYING AND BEING IN BROADKILL HUNDRED, SUSSEX COUNTY, CONTAINING 4.85 ACRES, MORE OR LESS” (land lying south of Route 18 (Lewes Georgetown Highway) 1,500 feet west of Road 258 (Hudson Road) (Tax Map I.D. 235-30.00-55.00) (911 Address: 26986 Lewes Georgetown Highway, Harbeson, DE 19951)**

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Sussex County Council meetings can be monitored on the internet at [www.sussexcountyde.gov](http://www.sussexcountyde.gov).

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In accordance with 29 Del. C. §10004(e)(2), this Agenda was posted on March 18, 2014 at 5:20 p.m., and at least seven (7) days in advance of the meeting.

This Agenda was prepared by the County Administrator and is subject to change to include the addition or deletion of items, including Executive Sessions, which arise at the time of the Meeting.

Agenda items listed may be considered out of sequence.

###

**SUSSEX COUNTY COUNCIL - GEORGETOWN, DELAWARE, MARCH 18, 2014**

A regularly scheduled meeting of the Sussex County Council was held on Tuesday, March 18, 2014, at 10:00 a.m., in the Council Chambers, Sussex County Administrative Office Building, Georgetown, Delaware, with the following present:

<b>Michael H. Vincent</b>	<b>President</b>
<b>Samuel R. Wilson, Jr.</b>	<b>Vice President</b>
<b>George B. Cole</b>	<b>Councilman</b>
<b>Joan R. Deaver</b>	<b>Councilwoman</b>
<b>Vance Phillips</b>	<b>Councilman</b>
<b>Todd F. Lawson</b>	<b>County Administrator</b>
<b>Gina A. Jennings</b>	<b>Finance Director</b>
<b>J. Everett Moore, Jr.</b>	<b>County Attorney</b>

The Invocation and Pledge of Allegiance were led by Mr. Vincent.

**Call to  
Order**

Mr. Vincent called the meeting to order.

**M 110 14  
Approve  
Agenda**

A Motion was made by Mr. Wilson, seconded by Mrs. Deaver, to approve the Agenda, as posted.

Motion Adopted: 5 Yeas.

Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea;  
Mr. Phillips, Yea; Mr. Wilson, Yea;  
Mr. Vincent, Yea

**Minutes**

The minutes of February 25, 2014 were approved by consent.

**Corre-  
spondence**

Mr. Moore read the following correspondence:

**BIG BROTHERS BIG SISTERS OF DELAWARE, INC.,  
GEORGETOWN, DELAWARE.**

**RE: Letter in appreciation of grant for the At Risk Kids of Sussex County.**

**TOWN OF LAUREL, LAUREL, DELAWARE.**

**RE: Letter in appreciation of grant for the Laurel Heritage Museum.**

**PETER C. SCHWARTZKOPF, SPEAKER OF THE HOUSE, HOUSE OF  
REPRESENTATIVES, DOVER, DELAWARE.**

**RE: Route 1 Pedestrian Safety Task Force Report.**

**Meeting  
Schedule/  
Frequency**

The Council discussed its meeting schedule and meeting frequency. Mr. Lawson reported that a memo and research findings were included in Council packets including research by the County Attorney's office showing

**Meeting  
Schedule/  
Frequency  
Discussion  
(continued)**

a summary of meeting frequencies in nearby jurisdictions.

Mr. Lawson reviewed the Agenda process and he stated that in consideration of the County's current level of activity, there has been a downturn in the amount of items to be placed on weekly agendas. He noted that it would be too confusing to set a schedule for meetings to be held every-other-week for the remainder of 2014 due to the already established 2014 schedule which includes public hearing dates. He further noted that, perhaps the 2015 Council schedule could be set differently. After a discussion and based on Mr. Lawson's report, it was the consensus of the Council to determine the meeting schedule on a weekly basis to be based on the amount of business items that are before Council.

**Wetlands  
Advisory  
Committee  
Report**

Mr. Lawson reported on the Wetlands Advisory Committee meeting that he attended on Wednesday, March 12th. On that date, the Committee met to continue its discussion and consideration of developing recommendations to protect non-tidal wetlands to be submitted to the Department of Natural Resources and Environmental Control (DNREC). Mr. Lawson reported that the vast majority of the meeting was spent reviewing presentations by the members of the Committee and DNREC staff. A copy of each presentation was included in the Council packets.

Mr. Lawson provided an overview of the presentation entitled "Biddle Responses to Cat 1 Questions" since it provides valuable information about the mission of the Committee. Information included types of non-tidal wetlands in Delaware; total acreage of Category 1 Wetlands; regulated (not isolated) and unregulated (isolated) Category 1 Wetlands; how many are vulnerable and need to be protected; how many are protected – public versus private lands; Category 1 Wetland Ownership in Sussex, Kent, and New Castle counties; and examples of Category 1 wetland losses from 1992-2007. (A discussion was held throughout Mr. Lawson's presentation and can be heard in its entirety on the audio recording of this meeting. Additionally, a copy of the power point presentation is available upon request in the County Council office.)

Mr. Lawson referenced the vote that was scheduled to take place at the Committee's meeting on March 12th on the following questions:

- 1) Does the Committee recommend that DNREC be given the authority to adopt a freshwater program to protect Category I wetlands that are currently regulated by the Corps, assuming federal nationwide permit authority is delegated by DNREC?
- 2) Does the Committee recommend that DNREC be given the authority to adopt a freshwater wetland program to protect Category I wetlands that are not currently regulated by the Corps?

**Wetlands  
Advisory  
Committee  
Report  
(continued)**

Mr. Lawson reported that, since the Committee spent its time reviewing the aforementioned presentations, the vote was deferred until the April 9th meeting.

Mr. Lawson stated that, at the April 9th meeting, the Committee is going to be asked to review and comment on incentive based suggestions and Committee members will be asked to show its support or non-support of those incentives. Mr. Lawson stated that he will report to the Council on those incentives for feedback and direction from the Council. [Mr. Phillips asked that other Sussex County members of the Committee be made aware of when this report will be made to Council.]

**Adminis-  
trator's  
Report**

Mr. Lawson read the following information in his Administrator's Report:

1. **Advisory Committee on Aging & Adults with Physical Disabilities for Sussex County**

The Advisory Committee on Aging & Adults with Physical Disabilities for Sussex County will hold a meeting on Monday, March 24, at 10:00 a.m. at the Lewes Senior Center located at 32083 Janice Road in Lewes. This meeting was originally scheduled for yesterday, but was postponed due to the inclement weather and will feature a presentation on Parkinson's disease in Sussex County. A copy of the agenda is attached.

2. **Delaware State Police Activity Report – January 2014**

Per the attached Delaware State Police activity report for January, there were 3,104 total traffic arrests and 1,554 total criminal arrests. Of that 1,554, 641 were felony and 913 were misdemeanor criminal arrests. Of the total hours on duty, 40 percent were spent on criminal investigations.

3. **Sussex County Emergency Operations Center Call Statistics – February 2014**

Attached please find the call statistics for the Fire and Ambulance Callboard for February 2014. There were 12,180 total calls handled in the month of February. Of those 9-1-1 calls in February, 76 percent were made from wireless phones.

4. **Sussex County Workshop on Building Height Limits – April 1, 2014**

Sussex County Council will host a workshop to discuss the County's current limits on building heights on Tuesday, April 1, 2014, at 1:30 P.M. at the County's West Complex in Georgetown. The workshop will provide members of the Council, Board of Adjustment, and Planning & Zoning Commission an opportunity to discuss the topic and determine if the County Code should be amended. The

Adminis- trator's Report (continued)	<p>workshop will feature presentations from county staff and DeIDOT representatives.</p> <p>5. <u>Sussex County Economic Development Director Update</u></p> <p>As you know, the County's previous Economic Development Director resigned from her position effective February 28<sup>th</sup>. In the interim, the responsibilities of the office will be absorbed and covered by the County Administration staff, including myself, Mr. Hal Godwin and Mr. Chip Guy.</p> <p>In the meantime, I am working with the Director of Human Resources to move forward with filling this critical position in the County's organization. I anticipate further discussion with the Council and perhaps a decision on our path forward in the next few weeks.</p> <p>[Attachments to the Administrator's Report are not attachments to the minutes.]</p>
Legislative Update	<p>Hal Godwin, Deputy County Administrator, reported that the General Assembly reconvened on this date and therefore, there was not much to report on.</p> <p><u>House Bill No. 167</u> – "AN ACT TO AMEND TITLES 19 AND 29 OF THE DELAWARE CODE WITH REGARD TO EMPLOYMENT PRACTICES".</p> <p>Mr. Godwin reported that, at the February 25th meeting, the Council opposed this Bill, even with the amendments. Mr. Godwin stated that he has conveyed the Council's opposition to all the members of the Senate Industrial Relations Committee and that he has requested notice of any meeting to discuss the legislation as he would like to attend.</p> <p>Mr. Godwin and Council members continued discussion on the mission of the Wetlands Advisory Committee.</p>
Comment on Adminis- trator's Report	<p>Mrs. Deaver commented on Item No. 5 in the Administrator's Report and questioned the County's plans for Economic Development. Mr. Lawson stated that in the interim, the vacancy will be covered by administration staff and a path forward will be planned to fill the position of Economic Development Director. Mr. Phillips referenced SEDAC (Sussex Economic Development Action Committee) which has County representation and he commented that, possibly, the County could look into a public/private partnership with that organization.</p>
Wastewater Agreements	<p>Mr. Godwin presented wastewater agreements for the Council's consideration.</p>



**M 111 14**  
**Execute**  
**Wastewater**  
**Agreement/**  
**Millville**  
**By The**  
**Sea**

A Motion was made by Mr. Cole, seconded by Mr. Wilson, based upon the recommendation of the Sussex County Engineering Department, for Sussex County Project No. 81-04, Agreement No. 856-3, that the Sussex County Council execute a Construction Administration and Construction Inspection Agreement between Sussex County Council and Millville Town Center, LLC for wastewater facilities to be constructed in Millville By The Sea, Sub Phase 2B-2 North – Model Homes – 4 Lot Expansion, located in the Millville Expansion of the Bethany Beach Sanitary Sewer District.

**Motion Adopted: 5 Yeas.**

**Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea;**  
**Mr. Phillips, Yea; Mr. Wilson, Yea;**  
**Mr. Vincent, Yea**

**M 112 14**  
**Execute**  
**Wastewater**  
**Agreement/**  
**Fairway**  
**Village**

A Motion was made by Mr. Cole, seconded by Mrs. Deaver, based upon the recommendation of the Sussex County Engineering Department, for Sussex County Project No. 81-04, Agreement No. 844-6, that the Sussex County Council execute a Construction Administration and Construction Inspection Agreement between Sussex County Council and Fairway Cap, LLC for wastewater facilities to be constructed in Fairway Village – Phase 5, located in the Bethany Beach Sanitary Sewer District.

**Motion Adopted: 5 Yeas.**

**Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea;**  
**Mr. Phillips, Yea; Mr. Wilson, Yea;**  
**Mr. Vincent, Yea**

**M 113 14**  
**Execute**  
**Wastewater**  
**Agreement/**  
**Batson**  
**Creek**  
**Estates/**  
**Phase 1**

A Motion was made by Mr. Phillips, seconded by Mr. Wilson, based upon the recommendation of the Sussex County Engineering Department, for Sussex County Project No. 81-04, Agreement No. 887, that the Sussex County Council execute a Construction Administration and Construction Inspection Agreement between Sussex County Council and Fenwick Communities, LLC for wastewater facilities to be constructed in Batson Creek Estates – Phase 1, located in the Johnson's Corner Sanitary Sewer District.

**Motion Adopted: 5 Yeas.**

**Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea;**  
**Mr. Phillips, Yea; Mr. Wilson, Yea;**  
**Mr. Vincent, Yea**

**M 114 14**  
**Execute**  
**Wastewater**  
**Agreement/**

A Motion was made by Mr. Cole, seconded by Mrs. Deaver, based upon the recommendation of the Sussex County Engineering Department, for Sussex County Project No. 81-04, Agreement No. 887-1, that the Sussex County Council execute a Construction Administration and Construction Inspection Agreement between Sussex County Council and Fenwick

- M 114 14**  
**Execute**  
**Wastewater**  
**Agreement/**  
**Batson**  
**Creek**  
**Estates/**  
**Phase 2**  
**(continued)**
- Communities, LLC, for wastewater facilities to be constructed in Batson Creek Estates – Phase 2, located in the Johnson’s Corner Sanitary Sewer District.**
- Motion Adopted: 5 Yeas.**
- Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea;  
Mr. Phillips, Yea; Mr. Wilson, Yea;  
Mr. Vincent, Yea**
- M 115 14**  
**Execute**  
**Wastewater**  
**Agreement/**  
**Senators**  
**Phase 2A**
- A Motion was made by Mrs. Deaver, seconded by Mr. Phillips, based upon the recommendation of the Sussex County Engineering Department, for Sussex County Project No. 81-04, Agreement No. 766-4, that the Sussex County Council execute a Construction Administration and Construction Inspection Agreement between Sussex County Council and Senators Lewes, LP, for wastewater facilities to be constructed in Senators Phase 2A, located in the West Rehoboth Expansion of the Dewey Beach Sanitary Sewer District.**
- Motion Adopted: 5 Yeas.**
- Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea;  
Mr. Phillips, Yea; Mr. Wilson, Yea;  
Mr. Vincent, Yea**
- M 116 14**  
**Execute**  
**Wastewater**  
**Agreement/**  
**Senators**  
**Phase 2B**
- A Motion was made by Mrs. Deaver, seconded by Mr. Cole, based upon the recommendation of the Sussex County Engineering Department, for Sussex County Project No. 81-04, Agreement No. 766-7, that the Sussex County Council execute a Construction Administration and Construction Inspection Agreement between Sussex County Council and Senators Lewes, LP, for wastewater facilities to be constructed in Senators Phase 2B, located in the West Rehoboth Expansion of the Dewey Beach Sanitary Sewer District.**
- Motion Adopted: 5 Yeas.**
- Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea;  
Mr. Phillips, Yea; Mr. Wilson, Yea;  
Mr. Vincent, Yea**
- M 117 14**  
**Execute**  
**Wastewater**  
**Agreement/**  
**Americana**  
**Bayside**  
**Parcel H,**  
**AKA**  
**Parcel 16**
- A Motion was made by Mr. Wilson, seconded by Mr. Phillips, based upon the recommendation of the Sussex County Engineering Department, for Sussex County Project No. 81-04, Agreement No. 978, that the Sussex County Council execute a Construction Administration and Construction Inspection Agreement between Sussex County Council and CFM Bayside, LLC, for wastewater facilities to be constructed in Americana Bayside, Parcel H, AKA Parcel 16, located in the Fenwick Island Sanitary Sewer District.**

**M 117 14  
(continued)**

**Motion Adopted: 5 Yeas.**

**Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea;  
Mr. Phillips, Yea; Mr. Wilson, Yea;  
Mr. Vincent, Yea**

**Grant  
Requests**

**Mrs. Jennings presented grant requests for the Council's consideration.**

**M 118 14  
Council-  
manic  
Grant**

**A Motion was made by Mr. Wilson, seconded by Mr. Phillips, to give \$300.00 from Mr. Wilson's Councilmanic Grant Account to Milford High School for After-Prom Party expenses.**

**Motion Adopted: 5 Yeas.**

**Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea;  
Mr. Phillips, Yea; Mr. Wilson, Yea;  
Mr. Vincent, Yea**

**Grant  
Request**

**Lion Janet McCarty was in attendance to present the Millsboro Lions Club's grant request and to explain their Vision Program.**

**M 119 14  
Council-  
manic  
Grant**

**A Motion was made by Mr. Phillips, seconded by Mr. Cole, to give \$2,000.00 (\$1,200.00 from Mr. Phillips' Councilmanic Grant Account and \$200.00 each from Mr. Cole's, Mrs. Deaver's, Mr. Vincent's and Mr. Wilson's Councilmanic Grant Accounts) to the Millsboro Lions Club for their Vision Program.**

**Motion Adopted: 5 Yeas.**

**Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea;  
Mr. Phillips, Yea; Mr. Wilson, Yea;  
Mr. Vincent, Yea**

**M 120 14  
Council-  
manic  
Grant**

**A Motion was made by Mr. Phillips, seconded by Mr. Cole, to give \$1,000.00 (\$500.00 each from Mr. Phillips' and Mr. Vincent's Councilmanic Grant Accounts) to Ducks Unlimited (Nanticoke Chapter) for conservation of wetlands efforts.**

**Motion Adopted: 5 Yeas.**

**Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea;  
Mr. Phillips, Yea; Mr. Wilson, Yea;  
Mr. Vincent, Yea**

**M 121 14  
Council-  
manic  
Grant**

**A Motion was made by Mrs. Deaver, seconded by Mr. Cole, to give \$500.00 (\$250.00 each from Mr. Cole's and Mrs. Deaver's Councilmanic Grant Accounts) to the Lewes-Rehoboth Rotary Club for publication of their Trail Guidebook.**

**M 121 14  
(continued)**

**Motion Adopted: 5 Yeas.**

**Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea;  
Mr. Phillips, Yea; Mr. Wilson, Yea;  
Mr. Vincent, Yea**

**Introduction  
of Proposed  
Ordinances**

**Mr. Wilson introduced the Proposed Ordinance entitled AN ORDINANCE TO GRANT A CONDITIONAL USE OF LAND IN AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT FOR A CROSS FIT TRAINING GYM TO BE LOCATED ON A CERTAIN PARCEL OF LAND LYING AND BEING IN INDIAN RIVER HUNDRED, SUSSEX COUNTY, CONTAINING 8.50 ACRES, MORE OR LESS” (Tax Map I.D. 234-8.00-51.00) (Conditional Use No. 1987) filed on behalf of Brian and Kelly DeLeon.**

**Mr. Phillips introduced the Proposed Ordinance entitled “AN ORDINANCE TO AMEND THE COMPREHENSIVE ZONING MAP OF SUSSEX COUNTY FROM AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT TO A MR-RPC MEDIUM DENSITY RESIDENTIAL DISTRICT – RESIDENTIAL PLANNED COMMUNITY FOR A CERTAIN PARCEL OF LAND LYING AND BEING IN BALTIMORE HUNDRED, SUSSEX COUNTY, CONTAINING 27.896 ACRES, MORE OR LESS” (Tax Map I.D. No. 533-19.00-287.00) (Change of Zone No. 1748) filed on behalf of CMF Bayside, LLC.**

**Mrs. Deaver introduced the Proposed Ordinance entitled “AN ORDINANCE TO AMEND THE COMPREHENSIVE ZONING MAP OF SUSSEX COUNTY FROM AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT TO A CR-1 COMMERCIAL RESIDENTIAL DISTRICT FOR A CERTAIN PARCEL OF LAND LYING AND BEING IN LEWES AND REHOBOTH HUNDRED, SUSSEX COUNTY, CONTAINING 22,024 SQUARE FEET, MORE OR LESS” (Tax Map I.D. No. 334-5.00-73.00) (Change of Zone No. 1749) filed on behalf of Bruce and Cathy King.**

**Mr. Wilson introduced the Proposed Ordinance entitled “AN ORDINANCE TO AMEND THE COMPREHENSIVE ZONING MAP OF SUSSEX COUNTY FROM AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT TO A CR-1 COMMERCIAL RESIDENTIAL DISTRICT FOR A CERTAIN PARCEL OF LAND LYING AND BEING IN GEORGETOWN HUNDRED, SUSSEX COUNTY, CONTAINING 14,400 SQUARE FEET, MORE OR LESS” (Tax Map I.D. No. 135-15.00-83.00) (Change of Zone No. 1750) filed on behalf of BLN, LLC.**

**The Proposed Ordinances will be advertised for Public Hearing.**

**Additional  
Business**

**Under Additional Business, Dan Kramer commented on the regulation of wetlands, specifically wetlands on agricultural lands.**

**Wastewater Agreements**      **Mr. Cole questioned if wastewater agreements have to come before the Council for approval or if they can be approved administratively. Mr. Lawson stated that he would look into the matter and report back to the Council.**

**M 122 14 Recess**      **A Motion was made by Mr. Cole, seconded by Mrs. Deaver, to recess at 11:44 a.m.**

**Motion Adopted:      5 Yeas.**

**Vote by Roll Call:      Mrs. Deaver, Yea; Mr. Cole, Yea;  
Mr. Phillips, Yea; Mr. Wilson, Yea;  
Mr. Vincent, Yea**

**M 123 14 Reconvene**      **At 1:34 p.m., a Motion was made by Mr. Wilson, seconded by Mr. Phillips, to reconvene.**

**Motion Adopted:      5 Yeas.**

**Vote by Roll Call:      Mrs. Deaver, Yea; Mr. Cole, Yea;  
Mr. Phillips, Yea; Mr. Wilson, Yea;  
Mr. Vincent, Yea**

**Mr. Moore read the rules of procedure for Public Hearings.**

**Mr. Cole recused himself from the Public Hearing on Conditional Use No. 1978 and left the room due to a potential conflict of interest.**

**Public Hearing/  
C/U  
No. 1978**      **A Public Hearing was held on the Proposed Ordinance entitled “AN ORDINANCE TO GRANT A CONDITIONAL USE OF LAND IN AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT FOR A PROFESSIONAL OFFICE WITH CONTRACTOR STORAGE TO BE LOCATED ON A CERTAIN PARCEL OF LAND LYING AND BEING IN INDIAN RIVER HUNDRED, SUSSEX COUNTY, CONTAINING 4.6425 ACRES, MORE OR LESS” (Conditional Use No. 1978) filed on behalf of John W. Davidson.**

**The Planning and Zoning Commission held a Public Hearing on this application on February 13, 2014 at which time action was deferred. On February 27, 2014, the Commission recommended that the application be approved with the following conditions:**

- A. The use shall be limited to professional offices and contracting, including the Applicants’ masonry, dumpster rental, and house moving business.**
- B. Although permitted for use as the Applicant’s house moving business, the site shall not become a sales facility for used or relocated houses, mobile homes or manufactured homes.**
- C. All security lighting shall be screened from view so that it does not**

**Public  
Hearing/  
C/U  
No. 1978  
(continued)**

- shine on neighboring properties or roadways.
- D. No junked or unregistered vehicles, trailers or similar equipment shall be stored on the site.**
  - E. The Final Site Plan shall depict all areas used for outside storage, including:**
    - a) Vehicles, trailers and similar equipment storage and parking.**
    - b) Storage of house moving materials such as beams, axles, dunnage, jacks, etc.**
    - c) Materials associated with the masonry business;**
    - d) Construction dumpsters**
    - e) Structures temporarily moved to the site while in transit between locations.**
    - f) Any other outside storage associated with the Applicant's business.**
  - F. The Final Site Plan shall contain the approval of the Sussex Conservation District for all required storm water management governed by that office.**
  - G. The Final Site Plan shall be subject to the review and approval of the Sussex County Planning and zoning Commission.**
  - H. The project shall be subject to all DelDOT requirements regarding entrances and roadway improvements.**
  - I. The hours of operation on this site shall be from 7:00 a.m. until 5:00 p.m.**

(See the minutes of the meeting of the Planning and Zoning Commission dated February 13 and 27, 2014.)

Lawrence Lank, Director of Planning and Zoning, read a summary of the Commission's Public Hearing.

Mr. Lank distributed Exhibit Booklets which were previously submitted by the Applicant.

Mr. Lank reported that one additional comment was received following the Public Hearing before the Commission; an email was received on March 5th from Glen Urquhart & Company stating that they own the adjoining property and expressing concern that the property will be used for salvage operations. Mr. Urquhart questioned the location of the outside storage areas and asked that it not adjoin their property but be held to the area between the office and the 9,000 square foot storage building and that it be screened. Further, he asked that, if the application is approved, that a 30 foot landscaped buffer strip between the site and their recorded residential home lots be required with appropriate evergreen screening and landscaping.

The Council found that John W. Davidson was present with Heidi Gilmore, Attorney. Mrs. Gilmore stated that the Applicant owns East Coast Structural Movers; that the site is currently vacant; that the site is approximately 600 feet from his existing business; that the purpose of the

**Public  
Hearing/  
C/U  
No. 1978  
(continued)**

Conditional Use application is for storage of his current operation; that the proposal is for a dwelling in the front and storage building in the rear; that the proposal is for approximately 5 employees to utilize the site; that the property is located on Route 5 and Indian Mission Road where established businesses already exist; that most of them are zoned C-1 including the Applicant's current site; that no traffic issues are anticipated; that they will be seeking DelDOT's approval once the County process is complete; that he is proposing to have downward illuminated lighting; that the building will be lock secured; that fencing is proposed; that they would like for the recommended conditions to be amended to allow hours between 6:00 a.m. and 6:00 p.m.; that the Applicant provides a valuable service which promotes good jobs; and that the use is consistent with the County Comprehensive Plan and the low density classification this property is in. Mr. Davidson stated that he does not have any problem with a 30 foot buffer and that the back of the property has not been tilled in years and trees are starting to grow up in it and that he intends to let it grow up natural; and that regarding flooding in the area (as mentioned by Mrs. Deaver), that he is not responsible for the ditches in the area. Mr. Davidson stated that most of his storage would be inside the building with some exceptions, i.e. steel beams which will probably be stored to the south side of the building (the building would block any view from the Hurdle property located to the north).

There were no public comments in support of the application.

Public comments were heard in opposition to the application.

Debra Coker stated that she is not really opposed to the application but that she has concerns regarding drainage and flooding; that she wants the Applicant to be responsible; and that she does not want the Applicant to add any ditches or pipes, etc.

In response to questions raised by Mr. Vincent, Mr. Lank stated that the site plan will require approval by the Sussex Conservation District.

There were no additional public comments and the Public Hearing and public record were closed.

**M 124 14  
Amend  
Conditions  
Recom-  
mended  
by P&Z  
(C/U  
No. 1978)**

A Motion was made by Mr. Phillips, seconded by Mrs. Deaver, to amend Condition I recommended by the Planning and Zoning Commission to read as follows: The hours of operation on this site shall be from 6:00 a.m. until 6:00 p.m.

**Motion Adopted: 4 Yeas, 1 Absent.**

**Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Absent;  
Mr. Phillips, Yea; Mr. Wilson, Yea;  
Mr. Vincent, Yea**

**M 125 14  
Adopt  
Ordinance  
No. 2340  
(C/U  
No. 1978)**

**A Motion was made by Mr. Phillips, seconded by Mr. Wilson, to Adopt Ordinance No. 2340 entitled “AN ORDINANCE TO GRANT A CONDITIONAL USE OF LAND IN AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT FOR A PROFESSIONAL OFFICE WITH CONTRACTOR STORAGE TO BE LOCATED ON A CERTAIN PARCEL OF LAND LYING AND BEING IN INDIAN RIVER HUNDRED, SUSSEX COUNTY, CONTAINING 4.6425 ACRES, MORE OR LESS” (Conditional Use No. 1978) filed on behalf of John W. Davidson, with the following conditions, as amended:**

- A. The use shall be limited to professional offices and contracting, including the Applicants’ masonry, dumpster rental, and house moving business.**
- B. Although permitted for use as the Applicant’s house moving business, the site shall not become a sales facility for used or relocated houses, mobile homes or manufactured homes.**
- C. All security lighting shall be screened from view so that it does not shine on neighboring properties or roadways.**
- D. No junked or unregistered vehicles, trailers or similar equipment shall be stored on the site.**
- E. The Final Site Plan shall depict all areas used for outside storage, including:**
  - g) Vehicles, trailers and similar equipment storage and parking.**
  - h) Storage of house moving materials such as beams, axles, dunnage, jacks, etc.**
  - i) Materials associated with the masonry business;**
  - j) Construction dumpsters**
  - k) Structures temporarily moved to the site while in transit between locations.**
  - l) Any other outside storage associated with the Applicant’s business.**
- F. The Final Site Plan shall contain the approval of the Sussex Conservation District for all required storm water management governed by that office.**
- G. The Final Site Plan shall be subject to the review and approval of the Sussex County Planning and zoning Commission.**
- H. The project shall be subject to all DelDOT requirements regarding entrances and roadway improvements.**
- I. The hours of operation on this site shall be from 6:00 a.m. until 6:00 p.m.**

**Motion Adopted: 4 Yeas, 1 Absent.**

**Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Absent;  
Mr. Phillips, Yea; Mr. Wilson, Yea;  
Mr. Vincent, Yea**

**Mr. Cole rejoined the meeting.**



**Public  
Hearing/  
C/Z  
No. 1742**

**A Public Hearing was held on the Proposed Ordinance entitled “AN ORDINANCE TO AMEND THE COMPREHENSIVE ZONING MAP OF SUSSEX COUNTY FROM AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT TO A MR-RPC MEDIUM DENSITY RESIDENTIAL DISTRICT – RESIDENTIAL PLANNED COMMUNITY FOR A CERTAIN PARCEL OF LAND LYING AND BEING IN LEWES AND REHOBOTH HUNDRED, SUSSEX COUNTY, CONTAINING 37.516 ACRES, MORE OR LESS (Tax Map I.D. 334-18.00-40.00) (Change of Zone No. 1742) filed on behalf of Seaside Communities, RDC, LLC.**

**The Planning and Zoning Commission held a Public Hearing on this application on February 13, 2014 at which time action was deferred for further consideration. The record was left open for Commissioner Johnson’s participation (if he so choses) and for receipt of the Technical Advisory Committee’s comments.**

**(See the minutes of the meeting of the Planning and Zoning Commission dated February 13, 2014.)**

**Lawrence Lank, Director of Planning and Zoning, read a summary of the Commission’s Public Hearing.**

**Mr. Lank distributed Exhibit Books which were previously submitted by the Applicant.**

**The Council found that Eugene Bayard, Attorney, was present on behalf of the Applicant with Frank Kea and Jason Palkewicz of Solutions IPeM; Derrick Kennedy with Rybinski Engineering; Ed Launey of Environmental Resources, Inc.; and the developers, Dan and Mark McGreevy. They stated that the site is adjacent to Briarwood Estates Subdivision and Hart’s Landing Residential Planned Community, the proposed Cape Henlopen School site, the proposed State Police Troop 7 site, and a proposed EMT facility; that the entrance to the property is at the current entrance to the Windswept Farm; that the topography of the site is fairly dramatic; that the homes would be organized so that they are running generally downhill from front to back; that the application is a proposal for 115 homes; that it is proposed as a Residential Planned Community; that a Traffic Impact Study (TIS) has been done and was paid for by the developer by paying into the fund and DelDOT’s consultant did the traffic study; that the TIS letter with recommendations for improvements was issued; that the developer is participating in the improvements to Route 24; that the project is in an Investment Level 2 Area; that the site is located within the low to medium density area of the Comprehensive Plan and is in the Environmentally Sensitive Development Area; that the design of the project does not disturb any wetlands, the Hetty Fisher Pond, or any woodlands; that a clubhouse, pool, tot-lots and picnic areas, and other recreational features are planned; that sidewalks are proposed on both sides of the streets; that buffer landscaping will be provided along those perimeter areas that are not currently wooded; that a portion of the existing barn on the property may**

Public  
Hearing/  
C/Z  
No. 1742  
(continued)

be converted into the clubhouse; that Hart's Landing, The Retreat, and the Reserves at Lewes Landing are some of the Residential Planned Communities in the area; that the project is designed for single family detached condominium units, which provides for a maintenance company maintaining the grounds, open spaces, common areas, etc.; that the proposed units will be similar to units in Ellis Point near Bethany Beach, The Avenue on Rehoboth Avenue Extended, and Nassau Grove near Red Mill Pond; that DelDOT has performed a study of the area and determined specific road entrance and intersection improvements in the area, including lanes, bus stops, bicycle paths, etc. at the developers expense; that the site has been largely developed as a horse farm with pastures, riding rings, barns, stables, and out buildings; that it is not the developers intent to disturb any of the existing wetlands or woodlands; that all proposed improvements will be located in the already disturbed areas; that a wetland delineation has already been performed and submitted to the Army Corps. of Engineers; that there are no Federally listed endangered species reported to be on this site; that all street and urbanized run-off will go to the proposed stormwater pond on the site; that the site contains 37.5 acres which would allow for up to 151 units; that 115 units are proposed at a density of 3.3 units per acre; that there will be 15 acres of open space, including the ponds, tot lots, preserved wetlands and woodlands; that central sewer will be provided by the County; that central water will be provided by Tidewater Utilities; that all stormwater will be maintained on site; that this is an infill project surrounded by other existing and proposed projects; that the application is consistent with the development trends in the area; that Route 24 improvements will be funded by the developer and the Federal government; that DelDOT has reported that this project is consistent with the Strategies for State Policies and Spending and the Sussex County Comprehensive Plan Update for 2008; that some filter strips will be created and will provide for improved runoff quality on the site; that the site has a lot of changes in the topography, but contains well drained soils; that no formal phasing plan has been proposed; that they anticipate that the site will be developed in two phases; that the larger stormwater pond in the center of the project will remain wet and will flow to the small wetland area in the southwest corner of the site to a culvert under Route 24; that the HOA documents can include reference to signage for designating the wetlands boundaries; that it has not been determined if they will provide a central postal system at the clubhouse or install a series of mail receptacles; that the design of the project works around the existing topographic features of the site; that the perimeter buffers will be maintained with at least a 20 foot wide landscaping as provided in the Subdivision Ordinance; that the project has gone to PLUS and a PLUS response has been prepared; that there were no significant issues in the PLUS response; that the proposal has been through the Technical Advisory Committee and the Committee's comments can be addressed and resolved; that one comment in the TAC comments was from DNREC in regards to the large pond on the site; that stormwater management is not 100% designed yet and that will be done with the Conservation District in accordance with current regulations; that the water will have to be treated in alternate ways before it gets to the

**Public  
Hearing/  
C/Z  
No. 1742  
(continued)**

pond; that TAC commented that they will need to do alternate BMPs which they will; that there is no concern about the capacity in the pond – that the level will be maintained; that no activities are planned in the wetland areas; that the proposal is consistent with the character and trend of development in the area; that there is a clear and rising demand for residential housing in this area; that there will be no adverse impact on the area; and that DelDOT confirms that the proposed development is in Level 2 and is consistent with the State Quality of Life Act; and that DelDOT states that it is consistent with the County's Comprehensive Plan.

**Public comments were heard.**

**There were no public comments in support of the application.**

**James Schneider spoke in opposition to the application. Mr. Schneider read and submitted a letter which references that he is not against development in this area; that he is not specifically against this development; that he is against zoning changes that allow more density which compounds the traffic situation on Route 24; that quality of life is already impacted by heavy congestion on Route 24, but more important is the safety issues that arise from traffic congestion; that he has read the Traffic Impact Study and the DelDOT acceptance of the Study; that the recommendations will help, but does not go far enough to improve traffic; that before future developments are approved, our government and communities must design and implement specific plans to improve the traffic situation on Route 24; that Route 24 is a major artery that has become increasingly traveled and has become dangerous with many accidents, including a fatal; that at least two Hart's Landing residents have had accidents leaving the development and turning onto Route 24; that he cannot make a left turn out of his community to go east in the mornings when Beacon Middle School is in session or from 11:00 am to 1:00 pm during weekends in the summer; that he must turn right and go out of his way and double back on local roads to get to an easterly destination due to the traffic; that this is an inconvenience to the residents in his community and other communities along Route 24; that the Council needs to visualize the safety risks that residents take if they are trying to turn into traffic; that the new elementary school on Route 24, this development, and the proposed RV parks will make the situation even worse; that a population study completed by the University of Delaware shows district population growth concentrated along the Route 24 corridor; that if the Cape Henlopen School Board and the University of Delaware can see the growth along Route 24 corridor then he does not understand why DelDOT and the County cannot support this growth with infrastructure improvements that reduce safety risks and add to the taxpayers quality of life; that he is offering suggestions for improving Route 24 (included in his letter); that, to continue growing the County responsibly, we must plan for the future and not look at projects one at a time; and that we need a broader infrastructure plan that will meet the expected growth. Mr. Schneider stated that, at the Public Hearing before the Commission, one Commissioner stated that the Commission has as much control over State**

**Public  
Hearing/  
C/Z  
No. 1742  
(continued)**

roads as Mr. Schneider does (implying that he has little control over the process). Mr. Schneider stated that, if the Commission and the Council believe that the roads need more improvement, then the influence the two bodies could have is to deny zoning changes that add to traffic problems and cite road safety concerns as one of the reasons for denying the application and that this would get the State's and DelDOT's attention and may even get the developers to petition DelDOT to improve the roads. Mr. Schneider stated that continued zoning changes that allow more development without infrastructure improvements reduces quality of life, increases safety risks, may reduce property values, and may influence people's decisions to come here.

Henry Glowiak spoke in opposition to the application and stated that he has witnessed the irresponsible growth that has taken place in the County since 1974; that the proposed application is a totally unneeded and unnecessary upzoning; that the County's Comprehensive Plan is a recipe for sprawl; that it is the most liberal plan of any county on the Delmarva Peninsula; that the County needs to uphold the present AR-1 zoning in this instance; that the area is an environmentally sensitive zone close to the Inland Bays; that the proposed density is almost twice what is allowed under AR-1 zoning; that there are wetlands on the property; that it eventually drains into the Inland Bays; that regarding impervious surfaces and this area of the Inland Bays, the Center for the Inland Bays recommends not to go over 10% impervious surface, which has already been surpassed; that the developer of the proposed project has been fined for environmental run-off into Red Mill Pond; that this area of the Inland Bays is over-developed as far as impervious surface goes; that this doubling of the capacity of what is already zoned is strictly profit driven; and that the County should stick with the Land Use Plan (even though he does not like the Plan).

There were no additional public comments and the Public Hearing and public record were closed.

**M 126 14  
Defer  
Action  
on  
C/Z  
No. 1742**

A Motion was made by Mrs. Deaver, seconded by Mr. Wilson, to defer action on Change of Zone No. 1742 filed on behalf of Seaside Communities, RDC, LLC.

**Motion Adopted: 5 Yeas.**

**Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea;  
Mr. Phillips, Yea; Mr. Wilson, Yea;  
Mr. Vincent, Yea**

**M 127 14  
Adjourn**

A Motion was made by Mr. Phillips, seconded by Mrs. Deaver, to adjourn at 3:15 p.m.

**Motion Adopted: 5 Yeas.**

**M 127 14**  
**(continued)**

**Vote by Roll Call:**

**Mrs. Deaver, Yea; Mr. Cole, Yea;  
Mr. Phillips, Yea; Mr. Wilson, Yea;  
Mr. Vincent, Yea**

**Respectfully submitted,**

**Robin A. Griffith  
Clerk of the Council**

DRAFT

March 4, 2014

Sussex County Engineering Dept

P.O. Box 589

Georgetown, De. 19947

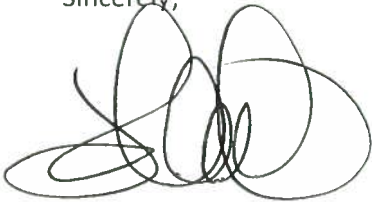
Att: John Ashman

John,

I would like to ask that my property ( Tax Map 4-33-6.11-6 ) which contains 15.66 acres located on Honolulu road be annexed into the Dagsboro Frankford Sanitary Sewer District. I would like to begin the development planning process for single family homes. The property is currently served by a six inch lateral that was installed in 1992 I have enclosed a check for \$1500.00 as requested.

Please keep me informed.

Sincerely,

A handwritten signature in black ink, appearing to be 'John Valliant', with a large, stylized initial 'J'.

John Valliant

36463 Rodney lane

Selbyville, De. 19975

302-462-7732

Skip@skipvalliant.com

RECEIVED

MAR 5 2014

Sussex County Engineering Dept.  
Utility Planning & Permits

# Expansion of the Dagsboro/ Frankford Sanitary Sewer District



Valliant Property

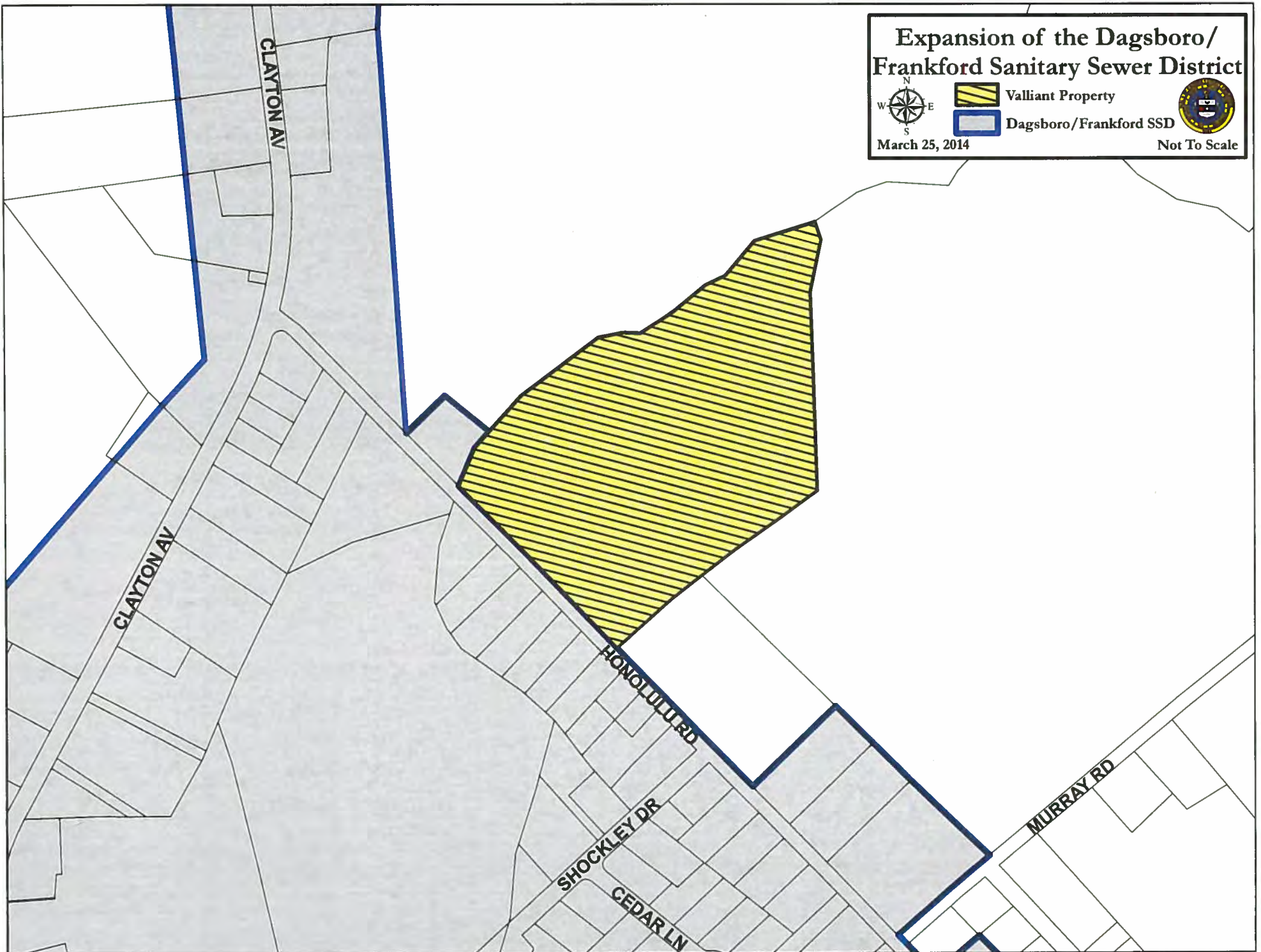


Dagsboro/Frankford SSD



March 25, 2014

Not To Scale



**PROPOSED MOTION**

BE IT MOVED BY THE SUSSEX COUNTY COUNCIL THAT THE SUSSEX COUNTY ENGINEERING DEPARTMENT IS AUTHORIZED TO PREPARE AND POST NOTICES FOR THE EXTENSION OF THE DAGSBORO - FRANKFORD SANITARY SEWER DISTRICT BOUNDARY TO INCLUDE PARCEL 433-6.11-6.00 OWNED BY JOHN VALLIANT, AS PRESENTED ON MARCH 25, 2014.

JOHN J. ASHMAN  
FILE: O&M 8.05.36  
MARCH 25, 2014



Sussex County Project Project 14-02		
<i>Bulk Delivery of Sodium Hypochlorite</i>		
		Base Bid (\$/gal)
Coyne Chemical	Croydon, PA	\$1.078
Colony Pool Service	Wilmington, DE	\$1.125
Intercoastal Trading, Inc.	Secretary, MD	\$1.17
Kuehne Chemical	South Kearny, NJ	4.00

**NOTE: Previous Contract Award @ \$1.05 per gallon to Intercoastal Trading, Inc.**

Sussex County Project Project 14-03		
<i>Bulk Delivery of Granular Lime</i>		
		Base Bid (\$/ton)
Greer Lime Company	Morgantown, WV	\$175.00
Intercoastal Trading, Inc.	Secretary, MD	\$194.32

**NOTE: Previous Contract Award @ \$167.00 per ton to Greer Lime Company**

## MOTION

BE IT MOVED BASED UPON THE RECOMMENDATION OF THE SUSSEX COUNTY ENGINEERING DEPARTMENT, THAT SUSSEX COUNTY PROJECT 14-02, **“BULK DELIVERY OF SODIUM HYPOCHLORITE”**, BE AWARDED TO COYNE CHEMICAL CO., OF CROYDON, PA , FOR THE TIME PERIOD OF ONE YEAR, BEGINNING ON JULY 1, 2014, AT THE BID AMOUNT OF **\$1.078 PER GALLON**.

Loran George  
March 25, 2014

## **MOTION**

BE IT MOVED BASED UPON THE RECOMMENDATION OF THE SUSSEX COUNTY ENGINEERING DEPARTMENT, THAT SUSSEX COUNTY PROJECT 14-03 **“BULK DELIVERY OF GRANULAR LIME”**, BE AWARDED TO GREER LIME COMPANY, OF MORGANTOWN, WV, FOR THE TIME PERIOD OF ONE YEAR, BEGINNING ON JULY 1, 2014, AT THE BID AMOUNT OF **\$175.00 PER TON**.

Loran George  
March 25, 2014

GINA A. JENNINGS, MBA, MPA  
FINANCE DIRECTOR  
(302) 855-7741 T  
(302) 855-7749 F  
gjennings@sussexcountype.gov



**Sussex County**  
DELAWARE  
sussexcountype.gov

## **Memorandum**

TO: Sussex County Council  
The Honorable Michael H. Vincent, President  
The Honorable Samuel R. Wilson, Jr., Vice President  
The Honorable George B. Cole  
The Honorable Joan R. Deaver  
The Honorable Vance Phillips

FROM: Gina A. Jennings  
Finance Director

RE: **SUSSEX COUNTY PENSION UPDATE**

DATE: March 20, 2014

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On Tuesday, I will be discussing the County's pension performance, the OPEB actuarial assumptions, and a pension ordinance amendment. Attached for your review are the draft minutes of the February 20, 2014 Pension Committee Meeting and the Investment Performance Report as of December 31, 2013.

### **Pension Performance**

Both pension funds have done well this year. Both are ranked above average for their performance when compared to other pension funds.

### **Summary of the Pension Investment Analysis**

- Market value was \$69,649,239 as of December 31, 2013.
- Year-to-date gain of \$10.2 million, or 17.7 percent, net of investment fees.
- The fund's performance ranked in the top 29 percent for pension funds.

### **Summary of the OPEB Investment Analysis**

- Market value was \$31,028,918 as of December 31, 2013.
- Year-to-date return of \$4.1 million, or 16.0 percent, net of investment fees.
- The fund's performance ranked in the top 44 percent for OPEB funds.



### OPEB Actuarial Assumptions

The Pension Committee is recommending adjustments to the OPEB assumptions as a result of a study performed by our actuary. Council adopted similar changes to the pension fund in November. The new OPEB assumptions are attached for your review.

The new assumptions would lower the unfunded liability by \$658,000. This makes our funded percentage increase from 70.6 percent to 72.4 percent. The committee is recommending the County change its payroll growth assumption to 0 percent, which ensures that we amortize our liability at a fixed 30 years. This assumption, combined with the other assumptions, increases our annual required contribution by \$135,000.

### Pension Ordinance Amendment

Also at Tuesday's meeting, I will be asking Council to introduce an ordinance to amend the pension ordinance. In the FY2014 budget, Council approved that new employees hired after January 1, 2014 would contribute 3 percent of their gross salary after the first \$6,000 is earned. The pension ordinance must be amended to reflect this change. Timothy Snyder, of Young, Conaway, Stargatt and Taylor, will be at the meeting to discuss the changes. A copy of the ordinance is attached.

Please contact me if you have any questions or concerns.

Attachments

pc: Mr. Todd F. Lawson

## Sussex County Employee OPEB Plan

### 2013 EXPERIENCE STUDY

#### Cost Impact of Recommended Assumption Changes

<u>Recommended Assumption Change</u>	<u>Annual Required Contribution for 2013 (as if Adopted 1/1/2013)</u>	<u>Difference from Current Plan</u>	<u>Actuarial Accrued Liability (as if Adopted 1/1/2013)</u>	<u>Unfunded Actuarial Accrued Liability</u>	<u>Difference from Current Plan</u>	
Current Assumptions	1,744,289		37,234,965	10,945,590		
Retirement	1,808,189	63,900	37,627,332	11,337,957	392,367	Earlier retirements than expected
Termination	1,660,436	(83,853)	36,279,751	9,990,376	(955,214)	More people leave before they are vested
Investment Rate	2,009,296	265,007	40,201,754	13,912,379	2,966,789	Change from 8% to 7.5%
Future Participation	1,561,258	(183,031)	35,752,875	9,463,500	(1,482,090)	100% to 90% participation
Marital (actives only)	1,560,303	(183,986)	35,792,975	9,503,600	(1,441,990)	100% to 65% married
Payroll Growth (0.0%)	2,033,470	289,181	37,234,965	10,945,590	0	3.5% to 0%
All New Assumptions	1,879,544	135,255	36,577,029	10,287,654	(657,936)	
<hr/>						
Mortality (Possible Future Required Change)	1,905,836	161,547	38,990,254	12,700,879	1,755,289	

## 14. Valuation Methods and Assumptions (Proposed)

### Cost Method

Projected Unit Credit cost method

### Amortization Method

Past service liability is amortized over an open 30 year period as level dollar (change from percentage of projected payroll).

### Asset Method

Fair Value.

### Employees Included in the Calculations

Below are the assumed participation rates for the health plans:

	Pre 65	Medicare
(1) General Employees Hired Prior to July 1, 2001	90%	90%
(2) General Employees Hired On or After to July 1, 2001:		
(a) Age 18 and 8 years of Service	0%	0%
(b) Age 60 and 15 years of Service	50%	20%
(c) Age 18 and 25 years of Service	90%	90%
(3) Elected Officials Hired On or After to July 1, 2001:		
(a) Age 60 and 5 years of Service	0%	0%
(b) Age 55 and 10 years of Service	50%	20%
(c) Age 60 and 15 years of Service	85%	85%
(d) Age 55 and 20 years of Service	90%	90%

### Marital Status and Age of Spouse

The following marriage, family coverage and spouse's age difference assumption have been made for active participants:

	Male	Female
(1) Married	65%	65%
(2) Elect Spouse Coverage	55%	60%
(3) Spouse Age Difference	3 years younger	3 years older

## 14. Valuation Methods and Assumptions (cont.)

### Interest Discounting and Salary Growth

	01/01/2013
(1) Interest Rate	7.50%
(2) General Inflation	2.50%
(3) Salary Growth	N/A
(4) Salary Scale	N/A

### Future Medical Plan Election

Future retirees who elect medical coverage are expected to elect between available options as follows.

	Silver	Gold
(1) Medical Plan Election	10%	90%

### Claims

The chart below shows the medical, drug and dental claim level per person (used for the 12-month period beginning January 1, 2013). The claims were aged to the mid point of the valuation and include administrative expenses.

	01/01/2013 Valuation	
(1) Description	Silver	Gold
(2) Individual Coverage:		
(a) Age 52	\$8,066	\$8,685
(b) Age 57	\$9,411	\$10,133
(c) Age 62	\$11,244	\$12,107
(d) Age 67	\$3,990	\$4,296
(e) Age 72	\$4,508	\$4,854
(f) Age 77	\$4,985	\$5,367



## 14. Valuation Methods and Assumptions (cont.)

### Trend Assumptions

		Base Medical and Drug	Base Dental and Vision	Sensitivity Medical and Drug	Sensitivity Dental and Vision
(1)	01/01/2013 – 12/31/2013	8.50%	6.50%	9.50%	7.50%
(2)	01/01/2014 – 12/31/2014	8.00%	6.00%	9.00%	7.00%
(3)	01/01/2015 – 12/31/2015	7.50%	5.50%	8.50%	6.50%
(4)	01/01/2016 – 12/31/2016	7.00%	5.00%	8.00%	6.00%
(5)	01/01/2017 – 12/31/2017	6.50%	5.00%	7.50%	6.00%
(6)	01/01/2018 – 12/31/2018	6.00%	5.00%	7.00%	6.00%
(7)	01/01/2019 – 12/31/2019	5.50%	5.00%	6.50%	6.00%
(8)	Ultimate	5.00%	5.00%	6.00%	6.00%

### Decrement Assumptions

Below is a summary of decrements used in this valuation. Sample Retirement and Termination rates are illustrated in the tables below. Turnover during the first 5 years of employment reflect a higher incidence male factor of 2.0/2.0/1.2/1.2/1.0/1.0 and female factor of 1.2/0.5/0.5/0.5/1.0/0.5 respectively. No disability was assumed.

Mortality Decrements	Description
(1) Healthy	RP 2000 IRS Generational Non-Annuitant/Annuitant Mortality Table
(2) Disabled	RP 2000 IRS Generational Non-Annuitant/Annuitant Mortality Table

Retirement				Termination		
Decrement Age	General Rate	Dispatchers & Paramedics		Decrement Age	Rate Male	Rate Female
	Early/Norm	30&out	All			
54	0.0%	15.0%	0.0%	20	11.6%	17.4%
55	0.0%	15.0%	100.0%	25	9.2%	13.8%
56 - 59	0.0%	8.0%	N/A	30	7.2%	10.8%
60	20.0%	8.0%	N/A	35	5.6%	8.4%
61	20.0%	40.0%	N/A	40	4.4%	6.6%
62	20.0%	30.0%	N/A	45	3.6%	5.4%
63	25.0%	30.0%	N/A	50	2.4%	3.6%
64	10.0%	10.0%	N/A	55	3.4%	4.0%
65	50.0%	25.0%	N/A	60	9.6%	0.0%
66-67	10.0%	10.0%	N/A			
68	15.0%	10.0%	N/A			
69	15.0%	100.0%	N/A			
70	100.0%	N/A	N/A			

ORDINANCE NO. \_\_\_\_

**AN ORDINANCE TO AMEND CHAPTER 26 OF THE CODE OF SUSSEX COUNTY RELATING TO PENSION BENEFITS FOR SUSSEX COUNTY EMPLOYEES.**

**WHEREAS, Sussex County Code, Chapter 26 governs Sussex County employee pension benefits; and**

**WHEREAS, Sussex County desires to amend Chapter 26 as it relates to “Allowable interruptions” as set forth in § 26-3; “Eligibility” as set forth in § 26-6; “Computation of benefits” as set forth in § 26-7; and “Funding” as set forth in § 26-9.**

**NOW THEREFORE, THE COUNTY OF SUSSEX HEREBY ORDAINS:**

**Section 1. Amend Sussex County Code, Chapter 26, § 26-3, Allowable interruptions, by adding a new paragraph F. as follows:**

**F. For a covered employee hired by Sussex County after December 31, 2013, covered employment for calculating benefits and vesting shall not include any period of uncompensated Allowable Interruption unless, within 12 months after returning from the uncompensated Allowable Interruption, such covered employee contributes from his compensation the employee contributions that such covered employee would have contributed if he was not on an uncompensated Allowable Interruption at the rate of base compensation that such covered employee was earning at the commencement of the Allowable Interruption.**

**Section 2. Amend Sussex County Code, Chapter 26, § 26-6, Eligibility, by inserting the additional underlined language to the end of paragraph A. as follows:**

**A. A covered employee who shall have service with Sussex County in continuous employment for at least eight years shall be considered eligible for retirement benefits within the meaning of this chapter, except as otherwise provided. Elected County officials (including the Recorder of Deeds, Register of Wills, Sheriff, Clerk of Peace and members of County Council) would be eligible to retire and receive a pension with five years of elected official service at the age of 60 or with 10 years of elected official service at the age of 55. In no event shall a covered employee hired after December 31, 2013 receive credit for covered employment for benefit purposes for any period of employment during which the covered employee does not make the full 3% employee contribution, except for the period of the year during which the covered employee is working and earning the first \$6,000 of base compensation.**

Section 3. Amend Sussex County Code, Chapter 26, § 26-6, Eligibility, by inserting the additional underlined language to the end of paragraph E. as follows:

E. Time in federal military service or federally acceptable substitute service shall be computed as time as a covered employee, provided that the individual was an employee of the Sussex County Council prior to the entry into such service. This subsection shall apply to the entire period of service, not exceeding four years; except that no one receiving retirement compensation for such service shall be eligible for benefits under this chapter. For a covered employee hired after December 31, 2013 to receive such credit for covered employment for time in the federal military service or federally acceptable substitute service, a covered employee must, within the period starting with the date of reemployment and continuing a minimum period of at least 12 months but, if greater than 12 months, no longer than the lesser of (i) 3 times the length of the covered employee's immediate past period of federal military service or federally acceptable substitute service, and (ii) 5 years, contribute from his compensation the employee contributions that such covered employee would have contributed if he had not spent time in the federal military service or federally acceptable substitute service at the rate of compensation that such covered employee was earning at the commencement of the Allowable Interruption federal military service or federally acceptable substitute service.

Section 4. Amend Sussex County Code, Chapter 26, § 26-7, Computation of benefits, by adding new paragraphs E. and F. to read as follows:

E. Minimum Death Benefit. Upon the death of a covered employee hired after December 31, 2013, former employee hired after December 31, 2013 or pensioner hired after December 31, 2013, or if a survivor's pension is payable upon such death, when such pension ceases to be payable, there shall be paid to the designated beneficiary or, in the absence of a designated beneficiary, to the estate of such covered employee, such former employee or such pensioner a lump sum equal to the excess, if any, of the accumulated employee contributions with 2% interest per annum over the aggregate of all pension payments made.

F. Withdrawal Benefit. Upon the withdrawal from service of a covered employee hired after December 31, 2013, and who is not eligible for a service pension under Section 26-6 A, the employee's total employee contributions paid while the employee was a covered employee, with simple interest at the rate of 2% per annum, shall be paid to the covered employee.

Section 5. Amend Sussex County Code, Chapter 26, § 26-9, Funding, by adding new paragraphs F. and G. to read as follows:

F. Employee Contributions.

(1) Covered employees hired by Sussex County after December 31, 2013, shall make employee contributions to the Fund equal to 3% of the covered employees' total annual base compensation in excess of \$6,000. In no event shall the total base compensation of a covered employee during any calendar year in excess of \$6,000 be exempt from employee contributions. A covered employee shall at all times be 100% vested in his employee contributions.

(2) Covered employees who were hired by Sussex County prior to January 1, 2014 and who terminate employment with Sussex County at any time and are subsequently re-employed by Sussex County after December 31, 2013 shall be required to make employee contributions to the Plan upon their re-employment except that no employee contributions shall be required from the following covered employees:

a. A covered employee who prior to such termination of employment had service with Sussex County in continuous employment for at least eight (8) years and who again becomes a covered employee within sixty (60) months of such covered employee's termination of employment; and

b. A covered employee who prior to such termination of employment did not have service with Sussex County in continuous employment for at least eight (8) years and who again becomes a covered employee within twelve (12) months of such covered employee's termination of employment.

G. Employer pickup of employee contributions.

(1) The Sussex County Council, pursuant to the provisions of § 414(h)(2) of the United States Internal Revenue Code [26 U.S.C. § 414 (h)(2)], shall pick up and pay the contributions which would otherwise be payable by the employees under § 26-9 F. of this Chapter. The contributions so picked up shall be treated as employer contributions for purposes of determining the amounts of federal income taxes to withhold from the employee's compensation.

(2) Employee contributions picked up by The Sussex County Council shall be paid from the same source of funds used for the payment of compensation to an employee. A deduction shall be made from each covered employee's compensation equal to the amount of the employee's contributions picked up by the employer. This deduction, however, shall not

reduce the employee's compensation for purposes of computing benefits under the retirement system pursuant to this chapter.

(3) The contributions, although designated as employee contributions, are being paid by the employer in lieu of the contributions by the employee. The employee will not be given the option of choosing to receive the contributed amounts directly instead of having them paid by the employer to the retirement system.

Section 6. Effective Date. This Ordinance shall become effective immediately upon approval.

### Synopsis

This Ordinance amends Sussex County Code, Chapter 26, which governs employee pension benefits, by amending the following code provisions: “Allowable interruptions” as set forth in § 26-3 by adding a new paragraph F.; “Eligibility” as set forth in § 26-6 by adding additional language to the end of paragraphs A. and E.; “Computation of benefits” as set forth in § 26-7 by adding new paragraphs E. and F.; and “Funding” as set forth in § 26-9 by adding new paragraphs F. and G.

There is no deleted text. Additional text is underlined.

## **PENSION FUND COMMITTEE**

### ***Minutes of Meeting***

**February 20, 2014**

The Sussex County Pension Fund Committee met on February 20, 2014, at 10:00 a.m. in the County Council Chambers, Georgetown, Delaware. Those in attendance included members: Gina Jennings, Todd Lawson, Karen Brewington, and Jeffrey James. Also in attendance was Michael Shone of Peirce Park Group, the County's Pension Investment Consultant. Committee members David Baker, Hugh Leahy and Lynda Messick were unable to attend.

On February 12, 2014, the Agenda for today's meeting was posted in the County's locked bulletin board located in the lobby of the County Administrative Office, as well as posted on the County's website.

Ms. Jennings called the meeting to order.

1. **Approval of Minutes**

The minutes of the November 13, 2013 meeting were approved by consent.

2. **Actuary Assumptions for OPEB Plan**

Ms. Jennings reviewed a chart entitled, "Sussex County Employee OPEB Plan – 2013 Experience Study", with Valuation Methods and Assumptions also included. At the November 13, 2013 Pension meeting, an Experience Study was reviewed for the Pension Plan. Today's information pertains to a similar study performed for the OPEB Plan. The information reflects the cost impact of the recommended assumption changes. If needed, Mr. Schooley, of Aon (the County's actuary), was available by conference call. The recommended assumptions include:

a. **Retirement Rates** – More early retirements occur than previously thought.

The recommended retirement assumptions include:

Decrement Age	General Rate		Dispatchers & Paramedics
	<u>Early/Norm</u>	<u>30&amp;Out</u>	<u>All</u>
54	0.0%	15.0%	0.0%
55	0.0%	15.0%	100.0%
56 – 59	0.0%	8.0%	N/A
60	20.0%	8.0%	N/A
61	20.0%	40.0%	N/A
62	20.0%	30.0%	N/A
63	25.0%	30.0%	N/A
64	10.0%	10.0%	N/A
65	50.0%	25.0%	N/A
66 – 67	10.0%	10.0%	N/A
68	15.0%	10.0%	N/A
69	15.0%	100.0%	N/A
70	100.0%	N/A	N/A

Taking the above recommended changes into consideration for the retirement assumptions, an increase of \$63,900 would be realized for the annual required contribution; the unfunded liability would increase \$392,367.

- b. Termination Rates – More employees are leaving the County prior to becoming vested. The new recommended assumptions are noted in red:

Decrement Age	Rate	
	Male	Female
20	11.6%	17.4%
25	9.2%	13.8%
30	7.2%	10.8%
35	5.6%	8.4%
40	4.4%	6.6%
45	3.6%	5.4%
50	2.4%	3.6%
55	3.4%	4.0%
60	9.6%	0.0%

Taking the two above recommended changes [Age 55: 3.4% (Male) and 4.0% (Female)] and [Age 60: 9.6% (Male) and 0.0% (Female)] into consideration for the termination assumptions, a decrease of \$83,853 would be realized for the annual required contribution; the unfunded liability would decrease \$955,214.

- c. Investment Rate – A similar reduction from an 8 percent to a 7.50 percent assumed rate of return that was recently done for the Pension Plan is also recommended for the OPEB Plan.

Taking into consideration this recommended change in the investment rate assumption, an increase of \$265,007 would be realized for the annual required contribution; the unfunded liability would increase \$2,966,789.

- d. Future Participation – The original assumption was that 100 percent of retirees participated in the County's pension benefits; the actual number is 90 percent.

Taking into consideration the recommended revision to the future participation rate assumption, a decrease of \$183,031 would be realized for the annual required contribution; the unfunded liability would decrease \$1,482,090.

- e. Marital (actives only) – The County had assumed that 100 percent of the pensioners were married; the actual number is 65 percent.

Taking into consideration the recommended change for the marital assumption, a decrease of \$183,986 would be realized for the annual required contribution; the unfunded liability would decrease \$1,441,990.

- f. Payroll Growth – This pertains to the amortization of the County's liabilities; while this has no effect on the unfunded liability, it does increase the County's annual required contribution.

Taking into consideration all of the recommended assumptions for the OPEB Plan, the County's annual required contribution would increase by \$135,255; the unfunded liability would decrease by \$657,936. Previously, the County's OPEB Plan was 70.6 percent. With the recommended assumptions, the Plan would become 72.4 percent funded.

The effect of the new mortality rates (possible future required change) would result in the County's unfunded liability increasing to \$12,700,879, and would lower the unfunded liability to 67.4 percent. The adoption of the recommended revisions to the above assumptions would help offset the impact of the new mortality tables.

A Motion was made by Mr. James, seconded Mr. Lawson, to make recommendation to the Sussex County Council for the adoption of the 2013 OPEB Experience Study as outlined by Ms. Jennings.



Motion Adopted: 4 Yea.

Vote by Roll Call: Mr. James, Yea; Ms. Brewington, Yea;  
Mr. Lawson, Yea; Ms. Jennings, Yea

3. **Investment Analysis for the Quarter Ended December 31, 2013**

Mr. Shone distributed copies of a booklet entitled, “Sussex County Investment Performance Report, December 31, 2013”. The report includes information regarding the market environment for the fourth quarter of 2013, as well as quarterly and annual performances of the Pension and OPEB Plans. Although the report should be referenced for a more detailed analysis, discussion highlights include:

Mr. Shone referred members to Market Environment – 4<sup>th</sup> Quarter of 2013 (Tab 1). He reported that it had been a very good year for the stock market, as well as for the County.

The U. S. Real Gross Domestic Product grew at an annualized rate of 4.1 percent in the third quarter. Inventory accumulation drove most of the gain and reflects businesses expectations that future demand will be strong. If this does not turn out to be the case, future production will likely slow, leaving inventory investment a drag on near-term economic growth.

The unemployment rate fell to 6.7 percent and has been steadily decreasing since June 2009. Although the unemployment rate has been decreasing, there has not been significant hiring. The Federal funds rate (the overnight interest rate at which banks lend money held at the Fed to other banks) has been zero since 2008; this was done with hope that the banks would, in turn, do significant lending, which did not occur.

The U. S. Stock market was up 32.6 percent and international markets were up 21 percent; both had very strong fourth quarters. Emerging markets were negative during 2013 partly due to the slowing Chinese economy. U. S. bonds (fixed income) were down 2 percent for the year and .1 percent for the quarter. High yield (junk) bonds saw positive returns; international bonds had a very negative year; inflation-sensitive assets struggled; TIPS (Treasury Inflation-Protected Securities) were down 8.6 percent for 2013; commodities were down 9.5 percent; and REITs (real estate investments) saw an increase of only 2.9 percent. U. S. equity markets did very well in the fourth quarter – all realizing 30+ percent returns, with the exception of small cap, which saw an increase of 40+ percent.

International equity markets were up 21 percent; Europe (excluding United Kingdom) – up 27.6 percent; Pacific (excluding Japan) – up 5.5 percent; United Kingdom – up 20.7 percent; and Japan – up 27.2 percent.

The U. S. dollar weakened against European currencies, but rose against most other major currencies as well as emerging market currencies. Relative to the dollar, the Euro appreciated by 4.50 percent, while the yen depreciated by 17.7 percent.

U. S. core fixed income returned -2 percent; this marked its first negative annual return since 1999. Due to the County's very conservative fixed income investment approach, no investments are made in Long Government Bonds, which were down 12.5 percent.

Mr. Shone directed members to the Pension Fund Performance Report (Tab II). The Pension Fund realized a fourth quarter gain of \$3.55 million (net of all of investment management fees), a fourth quarter return of 5.7 percent (gross) and 5.6 percent (net – of all management fees). For 2013, a gain of \$10.21 million (net) was realized, or a return of 18.1 percent (gross) and 17.7 percent (net). The fund, as of the end of the fourth quarter in 2013, had a valuation of \$69.6 million, or a time weighted return of 5.7 percent. The County's investment portfolio is very well protected in the down markets; DuPont Capital realized very good returns; and the County made actuarial changes.

### **2013 Accomplishments**

- Strong returns (improved funded status, lowered projected ARC, and increased asset value)
- Changes were made to the Wilmington Trust Investment Management Guidelines

### **Looking Ahead**

- Consider slightly increasing equity target and/or
- Decrease return assumption (slightly)

### **Peirce Park Group 2013 Accomplishments**

- Hired additional CFA investment analyst
- Enhanced performance report format
- Upgraded backup systems
- Extensive fixed income research

- Hired as investment consultant to Blair and Lawrence County, PA, and Caroline County, MD

### **Peirce Park Group Goals for 2014**

- Hire additional analyst
- Alternatives research
- Website enhancement

For the quarter ending December 31, 2013, DuPont Capital Investment had an ending market value of \$12,158,709, Fidelity Low Price Stock - \$4,986,326, Operating Account - \$3,781,046, State of Delaware Investment Pool - \$41,603,867, and Wilmington Trust Bonds - \$7,119,292, for a total of \$69,649,239.

As of December 31, 2013, Sussex County's Pension Asset Allocation included: State of Delaware Investment Pool – 59.7 percent; Cash – 5.4 percent; Domestic Fixed income – 10.2 percent; and Domestic Equity – 24.6 percent.

For the 4<sup>th</sup> quarter of 2013, the County's pension fund was up 5.7 percent and the County ranked in the top 29 percent nationwide (out of approximately 225 public fund plans ranging in value from \$10 million to tens of billions). The average plan is larger than the County's and more aggressively invested in equities. Year-to-date, the County's plan was up 18.1 percent (gross) and ranked in the 24<sup>th</sup> percentile; 2 years – up 13.9 percent (51<sup>st</sup> percentile); and 3 years – up 10.2 percent (27<sup>th</sup> percentile). The County's good performance is based on the types of equities contained in the County's portfolio. Mr. Shone again reiterated that the County is very well protected in down markets. DuPont Capital was up 33.8 percent for 2013 and 11.3 for the quarter – beating their benchmark. Since inception (September 2008), Fidelity has realized returns of 16.3 percent versus 12.4 percent. Wilmington Trust is performing exactly as hoped – very steady, buying very conservative bonds, and holding them to maturity; also buying some treasuries in January.

As a discussion point, Mr. Shone noted that the Committee may want the actuary to present information as to the impact of an additional slight reduction in the assumed rate of return; the effect of decreasing the return assumption is that the funded ratio decreases and the annual required contribution increases.

Mr. Shone referred members to the OPEB Fund Performance Report (Tab III). The OPEB Fund realized investment returns for the fourth quarter of 2013 of \$1.49 million, a return of 5.5 percent (gross) and 5.5 percent (net), which slightly outperformed the benchmark by 0.25 percent (25 basis points). For 2013, the County had a \$4.06 million gain (net), or a 16.3 percent return (gross), and 16.0 percent (net). The OPEB Plan has a very low expense ratio, about half of the pension fund.

### **2013 Accomplishments**

- Very strong returns (improved funded status, lowered projected ARC and increased asset value)
- Manager changes: Hired: Harding Loevner International Equity and Terminated: BlackRock Equity Dividend and Harding Loevner Global Equity
- Changes made to the Wilmington Trust Investment Management Guidelines

Mr. Shone noted that the following items should be considered by the Committee: Consulting Plus for the OEPB Plan, and slightly increasing equity target and/or slightly lowering return assumption. It was noted that Peirce Park had put Harding Loevner (growth manager) on a watch list due to decreased performance, as well as the implementation of fund changes on January 14, 2014.

Mr. Shone stated that the ending market value of the OPEB Plan as of December 31, 2013 was \$31,028,917. With a current funding status of 70.6 percent, he went on to estimate that the County was probably in the top 1 percent nationally in the funding of this liability and that the residents of Sussex County should be aware of the County's good standing. Mr. Shone will report back to the Committee regarding specific statistics to allow the County to better speak to Council as to how well positioned the County is compared to other funds. In 5 to 6 years, the County has gone from zero percent OPEB funding to 70 percent, which, according to Mr. Shone, is "unheard of". Mr. Lawson spoke to the benefit and recommended that Mr. Shone appear to Council to speak to this issue.

The County's OPEB Plan is in the 35<sup>th</sup> percentile nationally for the fourth quarter of 2013, and in the 44<sup>th</sup> percentile for the year-to-date. The OPEB Plan is even more conservatively invested than the County's Pension Plan.

Mr. Shone referred members to a separate handout entitled, "Sussex County OPEB Trust – Provisional Performance Summary as of February 14, 2014".

As of February 14, the County's OPEB Plan was down half a percent and bonds were positive (.8 percent). Going into 2014, the County had been over allocated in equities (63 percent versus 60 percent) and the stock market was down in January 2014; the County's OPEB fund was subsequently rebalanced on February 14. It was also noted that more than half of the recommended funds outperformed their benchmark.

Mr. Shone referred members to an article contained in Peirce Park's winter 2014 Newsletter regarding estimated returns and the conclusions used by Peirce Park. Mr. Shone inquired as to the Committee's preference to receive this newsletter by email or by hard copy. It was the consensus of the Committee to receive the newsletter by email.

Ms. Jennings thanked Mr. Shone for his presentation.

4. **Employee Pension Plan – Investment Policy Statement (IPS)**

Ms. Jennings stated that she had been working with Mr. Shone regarding revisions to the IPS, which has not been updated since 2007. With the absence of three Committee members, she requested that discussion be postponed until the May meeting. Mr. Shone then inquired as to the possibility of rescheduling the May meeting due to a prior commitment. Ms. Jennings will contact members by email regarding May's meeting and as to whether November's meeting will need to be rescheduled as well.

5. **Pension Ordinance Discussion**

Ms. Jennings referred Committee members to the revised Ordinance dealing with pension benefits for County employees. She went on to explain that the revisions were needed as a result of now requesting new employees to contribute 3 percent toward their pension benefit (after the first \$6,000 of compensation).

To discuss and add explanation as to the proposed changes, a conference call was placed with Timothy Snyder, Esquire, of Young Conaway Stargatt & Taylor, L.L.P., the County's employment attorney. Mr. Snyder noted he was asked to make the necessary ordinance modifications to address the County's requirement that employees – hired after December 31, 2013 – to make a three percent pension contribution (after the first \$6,000 of compensation). He noted that, consequently, this revision impacted other portions of the ordinance and required additional amendments.

The revisions to the Proposed Ordinance are included herein in their entirety, with discussion points set out in parenthesis and italics.

## ORDINANCE NO.

### AN ORDINANCE TO AMEND CHAPTER 26 OF THE CODE OF SUSSEX COUNTY RELATING TO PENSION BENEFITS FOR SUSSEX COUNTY EMPLOYEES.

Section 1. Amend Sussex County Code, Chapter 26, §26-3 ALLOWABLE INTERRUPTIONS by adding a new paragraph F.:

F. For a covered employee hired by Sussex County after December 31, 2013, covered employment for calculating benefits and vesting shall not include any period of uncompensated Allowable Interruption unless, within 12 months after returning from the uncompensated Allowable Interruption, such covered employee contributes from his compensation the employee contributions that such covered employee would have contributed if he was not on an uncompensated Allowable Interruption at the rate of compensation that such covered employee was earning at the commencement of the Allowable Interruption.

*(Currently, if an employee goes on an allowable interruption, the plan provides that it counts toward service. It was decided that if someone is going to be earning credit – since the plan is now a contributory plan – they should make contributions when they are in an allowable interruption.)*

Section 2. Amend Sussex County Code, Chapter 26, § 26-6 ELIGIBILITY by adding additional language to the end of paragraphs A. and E. as follows:

A. .... In no event shall a covered employee hired after December 31, 2013 receive credit for covered employment for benefit purposes for any period of employment during which the covered employee does not make the full 3% employee contribution, except for the period of the year during which the covered employee is working and earning the first \$6,000 of compensation.

*(No covered employee will receive credit for any time in which they do not make the three percent contribution, except while they are earning the first \$6,000.)*

E. .... To receive such credit for covered employment for time in the federal military service or federally acceptable substitute service, a

covered employee must, within the 12 months after returning from time in the federal military service or federally acceptable substitute service, contribute from his compensation the employee contributions that such covered employee would have contributed if he had not spent time in the federal military service or federally acceptable substitute service at the rate of compensation that such covered employee was earning at the commencement of the Allowable Interruption federal military service or federally acceptable substitute service.

*(Under USERRA [Uniformed Services Employment and Reemployment Rights Act], for an employee to receive such credit for the time while on federal military service, they must make contributions.)*

Section 3. Amend Sussex County Code, Chapter 26, § 26-7 COMPUTATION OF BENEFITS by adding new paragraphs E. and F. to read as follows:

E. Minimum Death Benefit. Upon the death of a covered employee, former employee or pensioner, or if a survivor's pension is payable upon such death, when such pension ceases to be payable, there shall be paid to the designated beneficiary or, in the absence of a designated beneficiary, to the estate of the covered employee, former employee or pensioner a lump sum equal to the excess, if any, of the accumulated employee contributions with interest over the aggregate of all pension payments made.

*(This provision ensures that an eligible employee or survivor will receive, at the very least, a benefit equivalent of their contributions plus interest.)*

F. Withdrawal Benefit. Upon the withdrawal from service of a covered employee who is not eligible for a service pension under Section 26-6 A, the employee's total employee contributions paid while the employee was a covered employee, with simple interest at the rate of 2% per annum, shall be paid to the covered employee.

*(When an employee leaves the service of the County and is not vested in the plan, at that point they would receive a return of their contributions, plus interest at the rate of 2 percent per annum.)*

Section 4. Amend Sussex County Code, Chapter 26, § 26-9 FUNDING by adding new paragraphs F. and G. to read as follows:

F. Employee Contributions.

- (1) Covered employees hired by Sussex County after December 31, 2013, shall make employee contributions to the Fund equal to 3% of total annual compensation in excess of \$6,000. In no event shall total compensation during any calendar year in excess of \$6,000 be exempt from contributions. A covered employee shall at all times be 100% vested in his employee contributions.

*(This is a basic provision stating that anyone hired after December 31, 2013, shall make the 3 percent contributions and will be 100 percent vested in their contributions.)*

- (2) Covered employees who were hired by Sussex County prior to January 1, 2014 and who terminate employment with Sussex County at any time and are subsequently re-employed by Sussex County after December 31, 2013 shall be required to make employee contributions to the Plan upon their re-employment except that no employee contributions shall be required from the following covered employees:

- a. A covered employee who prior to such termination of employment had service with Sussex County in continuous employment for at least eight (8) years and who again becomes a covered employee within sixty (60) months of such covered employee's termination of employment; and
- b. A covered employee who prior to such termination of employment did not have service with Sussex County in continuous employment for at least eight (8) years and who again becomes a covered employee within twenty-four (24) months of such covered employee's termination of employment.

*(Mr. Snyder stated that a compromise is proposed that if an employee is vested – with at least 8 years of service – and are rehired within 60 months of termination of employment, then they will be treated as a grandfathered employee. For those employees who do not have 8 years of service and are not vested when their employment terminates, they will be treated as a new employee if they are not hired within 24 months of their termination.)*

G. Employer pickup of employee contributions



- (1) The Sussex County Council, pursuant to the provisions of § 414 (h)(2) of the United States Internal Revenue Code [26 U.S.C. § 414(h)(2)], shall pick up and pay the contributions which would otherwise be payable by the employees under § 26-9 F. of this Chapter. The contributions so picked up shall be treated as employer contributions for purposes of determining the amounts of federal income taxes to withhold from the employee's compensation.
- (2) Employee contributions picked up by The Sussex County Council shall be paid from the same source of funds used for the payment of compensation to an employee. A deduction shall be made from each covered employee's compensation equal to the amount of the employee's contributions picked up by the employer. This deduction, however, shall not reduce the employee's compensation for purposes of computing benefits under the retirement system pursuant to this chapter.

*(‘Employer Pickup’ is a technical term from the Internal Revenue Code and provides that employees still make the contributions; without the pickup provisions, the contributions would be considered after-tax contributions. The effect of the employer pickup is that after-tax contributions are being converted to pretax contributions. When contributions are made after-tax and the pension is paid, there must be some allocation in each pension payment between what was and was not previously taxed. Although the benefits provided with the employee contributions would be not taxable, the benefits provided with the employer contribution would be. However, if the employer picks them up, everything that is paid as pensions would be taxable because it was all pretax money.)*

- (3) The contributions, although designated as employee contributions, are being paid by the employer in lieu of the contributions by the employee. The employee will not be given the option of choosing to receive the contributed amounts directly instead of having them paid by the employer to the retirement system.

Discussion took place regarding two suggestions offered by Ms. Brewington:

1. Section 2. A. ... add the word 'base', to read “, except for the period of the year during which the covered employee is working and earning the first \$6,000 of **base** compensation”; and
2. Section 4. (2) b. change “twenty-four (24) months” to “twelve (12) months”, to read “a covered employee within **twelve (12) months** of such covered employee’s termination of employment”

Mr. Lawson inquired as to how the lengths of time were determined in sections 2. A. and 2. B. Mr. Snyder explained that the County’s plan is not covered by ERISA (Employee Retirement Income Security Act), but 60 months is included within the Act and was the benchmark for usage with the County. Ms. Brewington stated that this is consistent with how the County handles a returning employee -- if the employee returns within that 5-year period, the employee would receive their leave accruals.

Mr. Lawson noted that interest rate language used in Section F. specifically states 2 percent and questioned if this same language should also be included in Section 3. E. Both Mr. Snyder and Ms. Brewington noted agreement that 2 percent per annum should be included in Section 3. E., to read, “... if any, of the accumulated employee contributions, **with a simple interest at the rate of 2% per annum**, interest over the aggregate of all pension payments made.”

Mr. Snyder will make the three additional revisions and forward them later today to Ms. Brewington.

Ms. Brewington thanked Mr. Snyder for his time and assistance.

Mr. Lawson stated that Mr. Snyder’s format and the three additional changes will have to be included in the original ordinance, which Mr. Moore, the County’s attorney, could assist with the appropriate format. Mr. Lawson also stated the benefit of Mr. Snyder’s attendance the day the proposed ordinance is presented to Council for introduction.

A Motion was made by Ms. Brewington, seconded by Mr. Lawson, that the Committee recommend to County Council the introduction of the Proposed Pension Benefits Ordinance as presented today, with the additional 3 revisions.

Motion Adopted: 4 Yea.

Vote by Roll Call: Mr. James, Yea; Ms. Brewington, Yea;  
Mr. Lawson, Yea; Ms. Jennings, Yea

6. **Additional Business**

Ms. Jennings stated that Mr. Baker and Mr. Leahy were unable to attend today's meeting. Due to work conflicts, Ms. Jennings reported that Ms. Messick found it necessary to resign from the Committee; the name(s) of a recommended replacement should be emailed to Ms. Jennings. A perspective replacement would need to be a community member; could not be an employee or a pensioner; should have some type of investment background; and have no conflict of interest with the County's current investments.

Mr. James noted the County's milestone and achievement in reaching total combined Pension and OPEB assets of \$100 million.

Ms. Jennings thanked everyone for their attendance.

At 11:18, a Motion was made by Mr. James, seconded by Ms. Brewington, to adjourn.

Motion Adopted: 4 Yea.

Vote by Roll Call: Mr. James, Yea; Ms. Brewington, Yea;  
Mr. Lawson, Yea; Ms. Jennings, Yea

Respectfully submitted,

Nancy J. Cordrey  
Administrative Secretary



# SUSSEX COUNTY

## Investment Performance Report

### December 31, 2013



PEIRCE PARK GROUP

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I. Market Environment

II. Pension

III. OPEB





# PEIRCE PARK GROUP

## PERFORMANCE EVALUATION AND REPORTING SERVICES INFORMATION DISCLAIMER

Peirce Park Group has exercised reasonable professional care in the preparation of this performance report. Depending on the specific client's account, Peirce Park Group may rely on the investment managers to provide individual security holdings, or it may rely on the client's custodian for market values and transaction dates. Custodial information may differ from investment manager records. When we rely on the client's custodian values, **returns are calculated using the custodian's statements. Every effort is made to identify and reconcile discrepancies.** There may be discrepancies in asset values and returns with managers due to different values or methodologies used by the managers and/or custodians. When the manager(s) and the custodian are one and the same, we have no ability to determine the accuracy of the asset values put forth. Information in this report on market indices, security characteristics, and universe comparisons is received from external sources. Therefore, we can make no guarantee as to the completeness or accuracy of the report.

Where we use the InvestorForce database, total fund universes are generally comprised using gross of management fee return calculations. When clients have investment managers that provide net of fee return calculations or asset values (e.g. mutual funds), we increase (gross-up) the total fund return by an amount that reflects, as accurately as possible, the internal costs of the manager or fund (internal costs include, but are not limited to, management fees, advisory/sub-advisory fees, administrative fees, interest expenses and fee reimbursements). In determining a manager or fund's cost, we attempt to obtain accurate information that is readily available. Our results may differ from other reported sources such as Morningstar. As such, we can make no guarantee as to the accuracy of fee calculations.

Depending on the client, we may use attribution on segments of the portfolio to help explain sources of return. It is important to note that total fund attribution is calculated using the total fund's policy index. When attribution is used, we analyze each segment and then combine the results to calculate total fund effects. Although the sum of segment benchmarks is very close to the total fund policy index, there may not be an exact match.

The value of securities held by mutual fund investment companies is the market value when market quotations are readily available. When market quotations are not readily available, a fund must use "fair values", as determined in good faith by the fund's board of directors or Fair Valuation Committee. Mutual funds that hold international securities value these holdings using Fair Market Valuation. International markets are closed when U.S. markets are open and trading. Once the international market is closed, there is a static value to the security in that particular market, while the value of that security on the U.S. market may fluctuate, due to supply and demand for the security. Therefore, the valuation of the security in the U.S. market is based on the fluctuations that take place in the U.S. market during the hours that the international market was closed. Benchmarks do not use Fair Market Valuation. Therefore, the difference in returns between benchmarks and mutual funds may be attributable to this phenomenon.

**2013-04-22**

**Information Disclaimer**

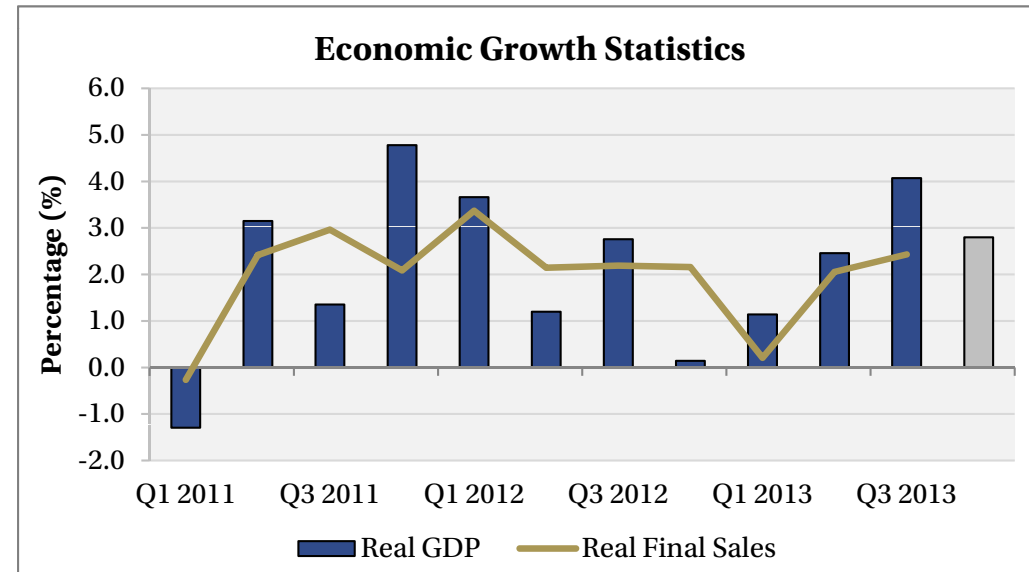
# MARKET ENVIRONMENT

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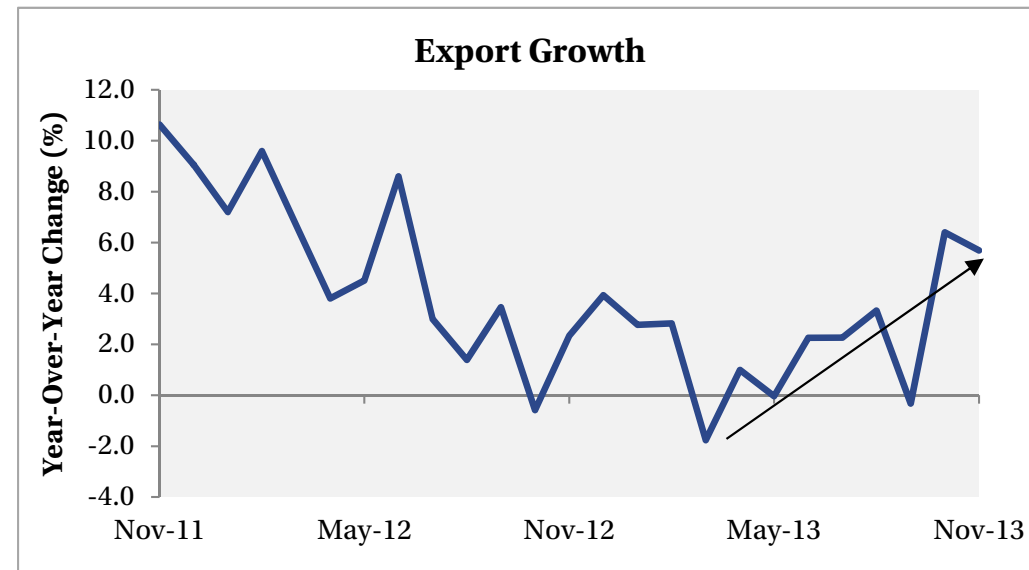


# ECONOMIC SUMMARY

- U.S. real GDP grew at an annualized rate of 4.1% in the third quarter. Inventory accumulation drove much of the gain, with real final sales (GDP growth excluding inventory investment) growing at just 2.4%. Economists now call for real GDP growth of 2.8% in Q4.
- Inventory accumulation likely reflects businesses expectations that future demand will be strong. However, if this turns out to not be the case, future production will likely slow, leaving inventory investment a drag on near-term economic growth.
- If inventory investment does slow, other aspects of the economy may pick up the slack. For instance, the U.S. trade balance continues to improve, buoyed by strengthening exports.



Source: Board of Governors of the Federal Reserve System/FRED. Q4 2013 real GDP reflects the average estimate from the Wall Street Journal's Economic Forecasting Survey.

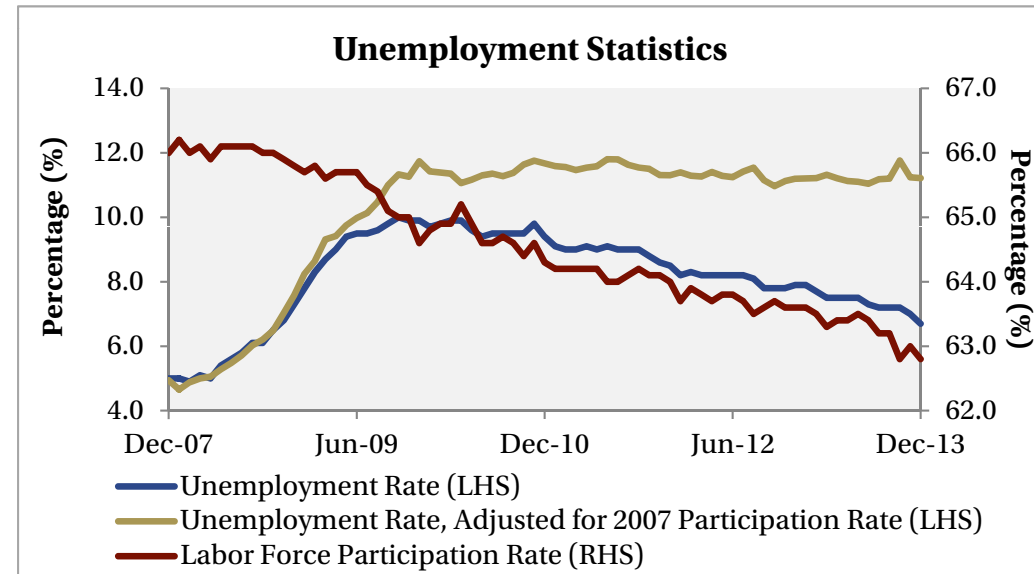


Source: Census Bureau and Thomson Reuters Datastream.

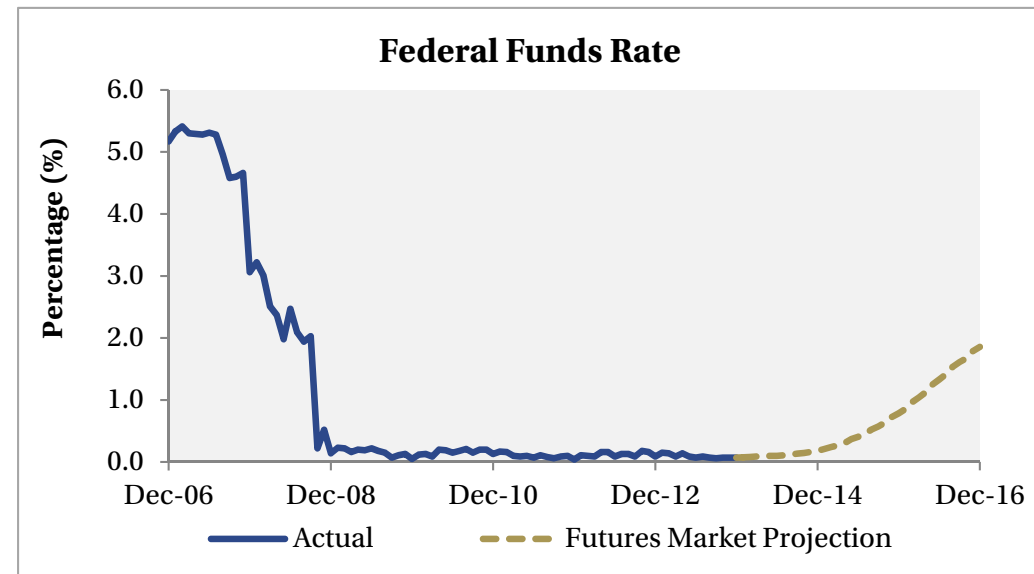


# ECONOMIC SUMMARY

- The unemployment rate fell to just 6.7% in December—its lowest level since October 2008. However, much of its decline over the past few years has come from workers leaving the labor force. The unemployment rate, adjusted for the labor participation rate at the end of 2007, is 11%.
- The Fed announced a reduction in the amount of its monthly bond purchases by \$10 billion. At the same time, they reiterated that interest rates will remain very low for quite some time.
- The federal funds rate (the overnight interest rate at which banks lend money held at the Fed to other banks) has now been near zero for approximately five years. The futures market currently projects that short-term rates will remain near zero until about mid-2015.



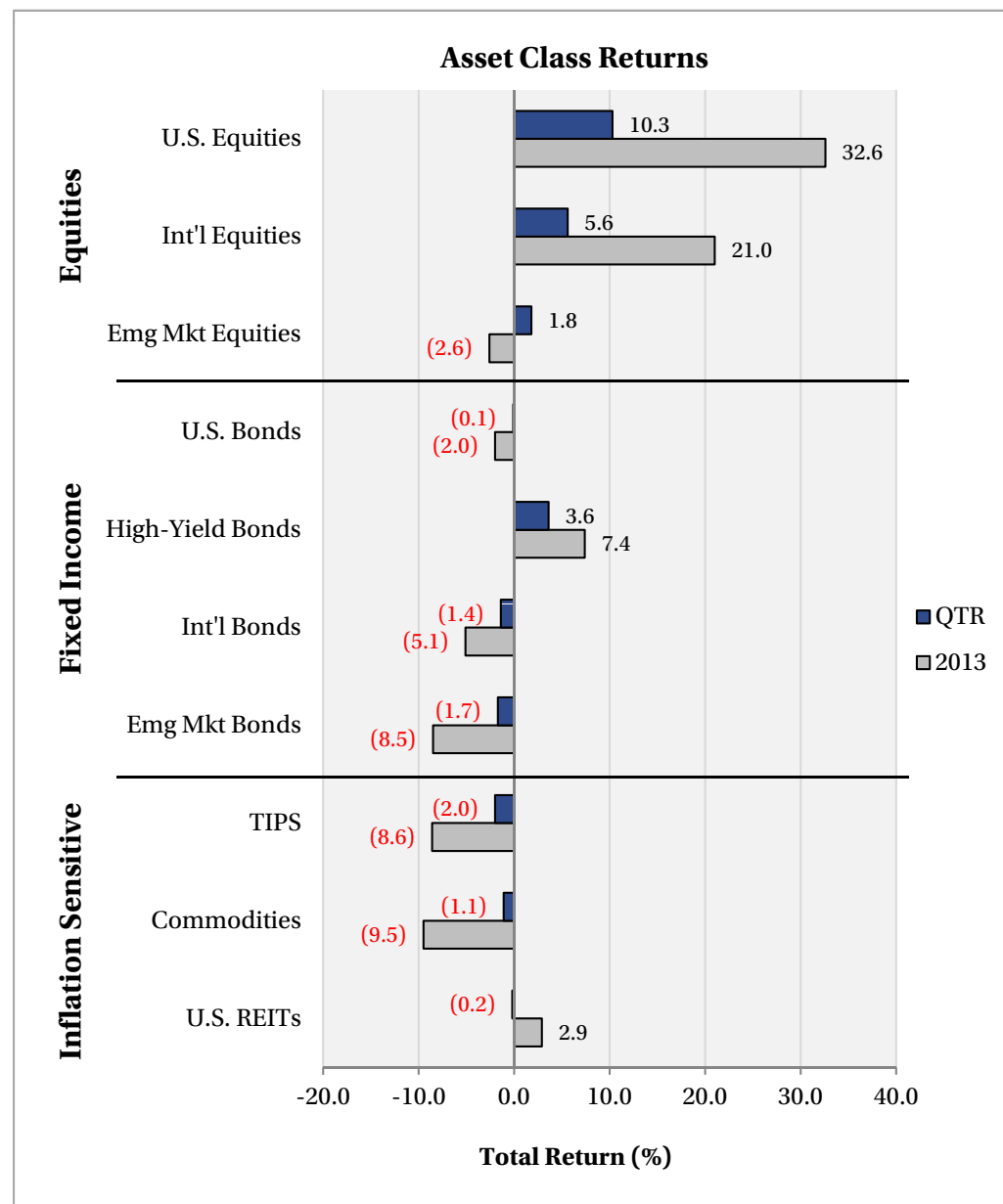
Source: Board of Governors of the Federal Reserve System/FRED.



Source: Board of Governors of the Federal Reserve System/FRED and Chicago Mercantile Exchange.

# GLOBAL ASSET CLASS PERFORMANCE

- Developed equities rallied once again in Q4, capping a strong year. The U.S. was the third-best performer among developed markets.
- Outside of developed markets equities, however, few assets did well in 2013. Emerging markets stocks struggled amid a myriad of concerns, such as the slowing Chinese economy.
- While high-yield bonds had a strong year, core fixed income finished 2013 in the red. The Barclays Aggregate Bond Index posted its first negative annual return since 1999.
- Inflation-sensitive assets also struggled. TIPS returned -8.6% for the year, while commodities were also negative thanks in large part to poor returns among precious metals.

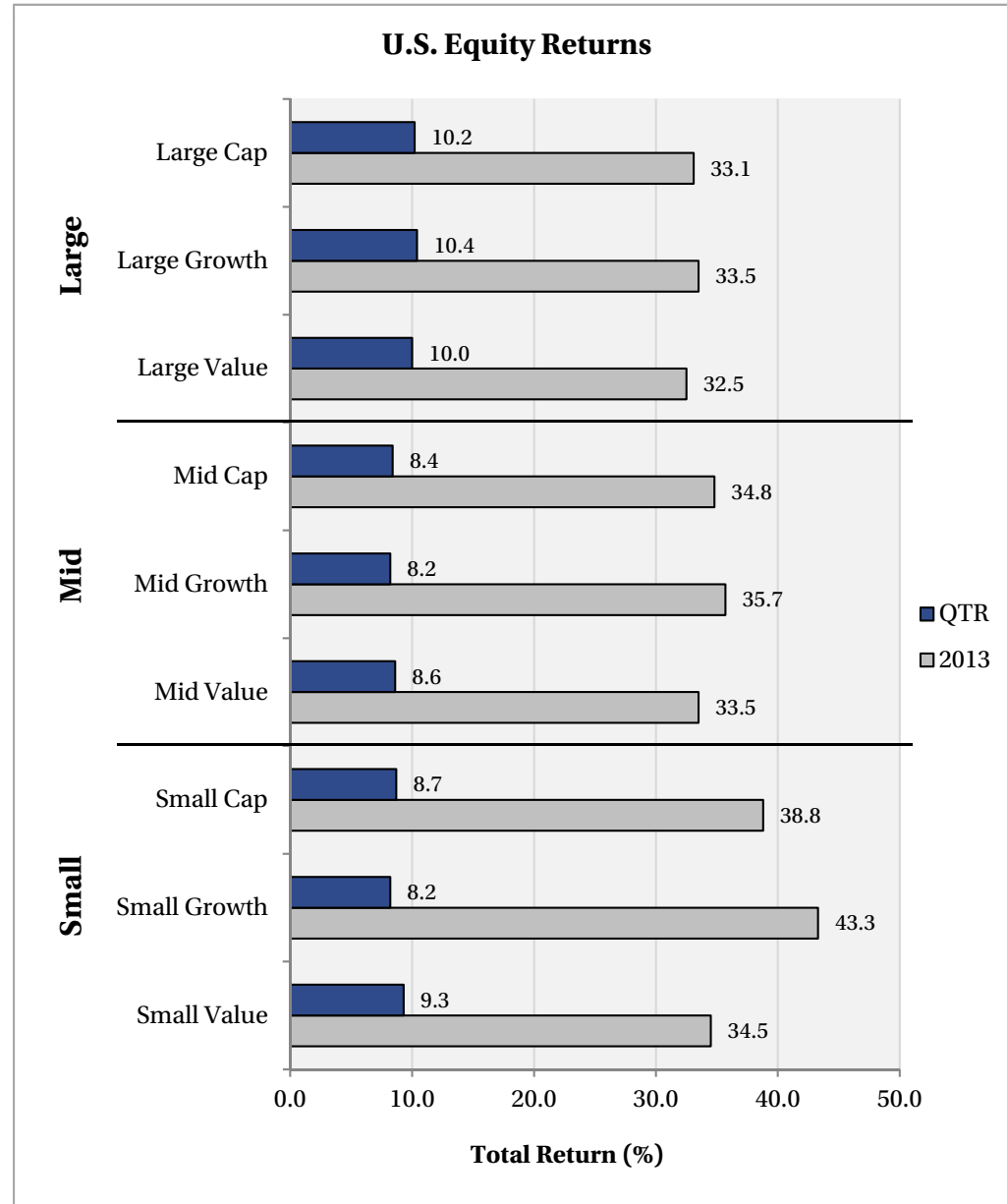


Source: Morningstar



# U.S. EQUITIES

- U.S. equity markets (as measured by the Russell 3000 Index) rallied once again in Q4. The 2013 return marked the best calendar-year return since 1995.
- While corporate earnings growth was rather sluggish, historic policy measures by the Fed—for the year, the central bank bought more than \$1 trillion of bonds—boosted investor sentiment.
- Large caps outperformed small- and mid-cap stocks for the quarter, but lagged slightly for the year.
- Style segments were mixed in Q4, with growth outperforming within large caps, but value leading among small and mid caps. For the year, growth bested value across the capitalization spectrum.

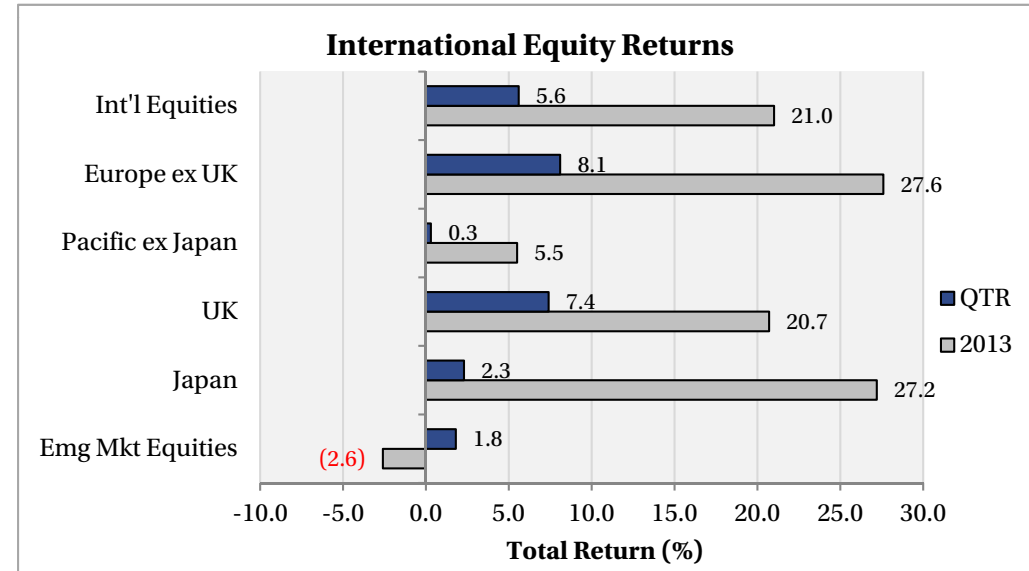


Source: Russell

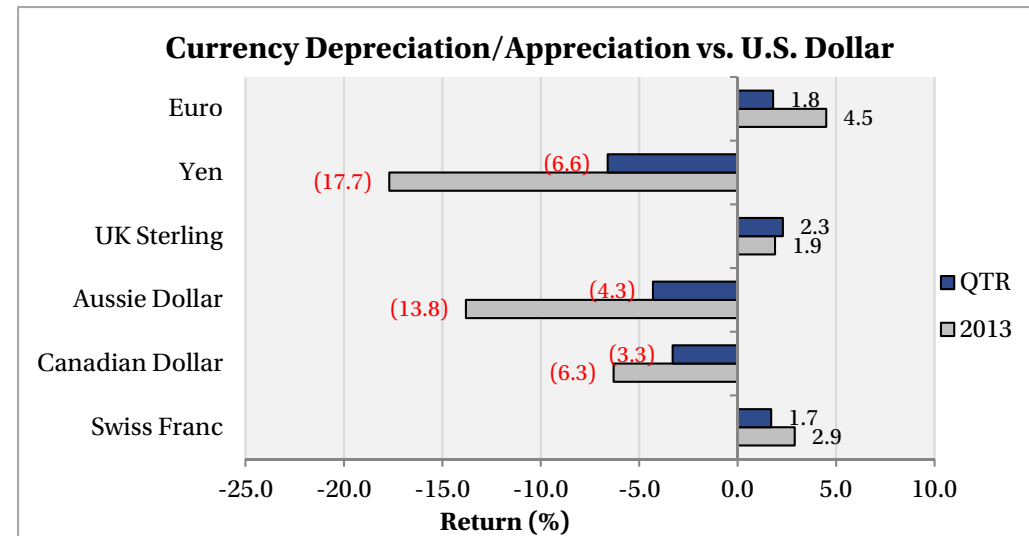


# INTERNATIONAL EQUITIES

- Non-U.S. developed markets also posted very strong returns. Continental European and Japanese equities led gains in 2013. The latter returned nearly 55% , but Japanese yen weakness cut this return in half for unhedged dollar-based investors.
- Emerging markets stocks struggled due to concerns over the Chinese economy. Returns were just above breakeven for the quarter, but in the red for the year.
- The U.S. dollar was mixed in Q4 and the year. It weakened against European currencies, but rose against most other major currencies as well as emerging markets currencies.



Source: MSCI Net total return indices reinvest dividends after deducting withholding taxes, using (for international indices) a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties.



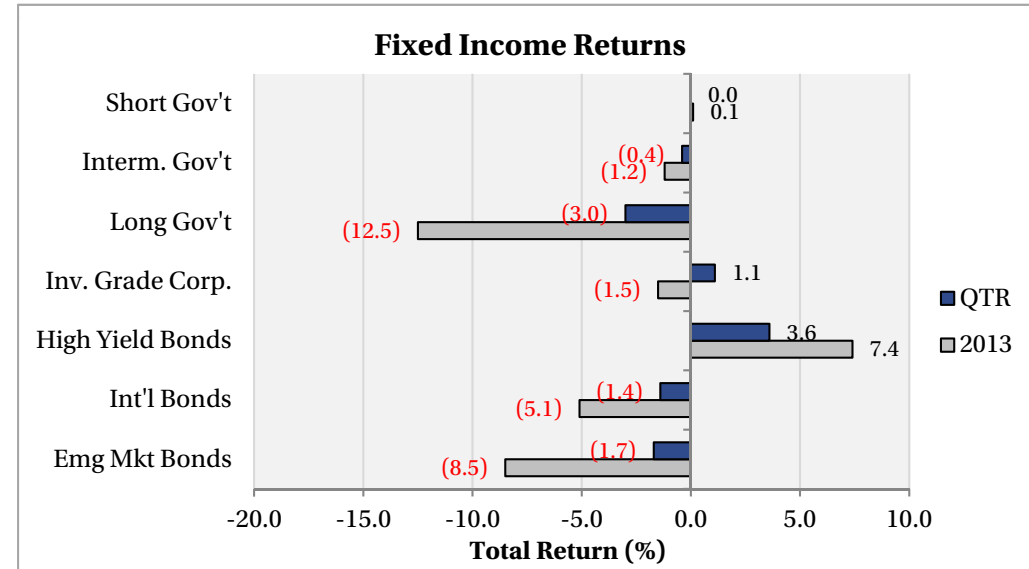
Source: Markov Processes International

Note: Negative returns reflect depreciation against the U.S. dollar and vice versa.

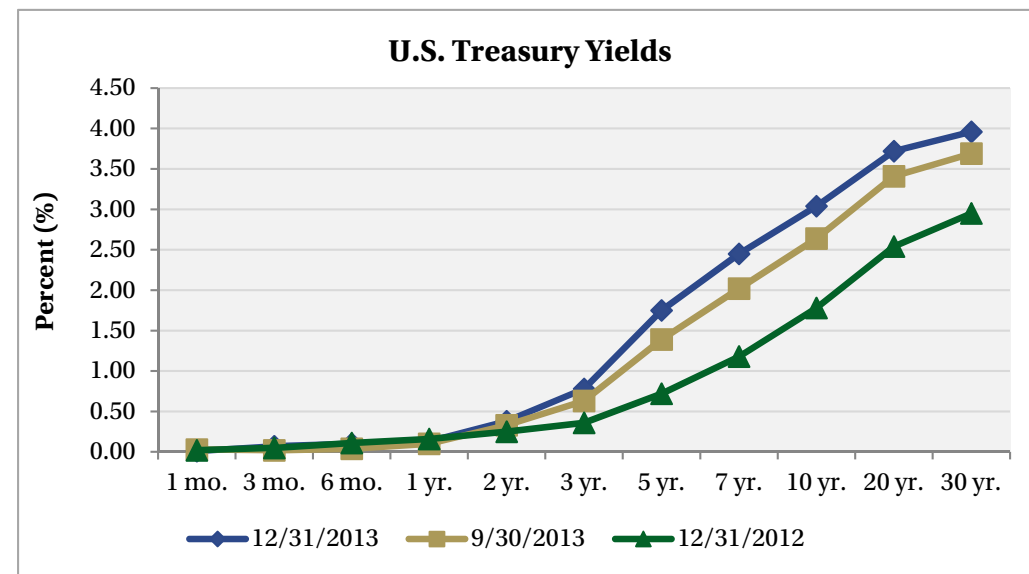


# FIXED INCOME

- U.S. core fixed income (as measured by the Barclays Aggregate Bond Index) returned -2%. This marked its first negative annual return since 1999. Weakness was widespread—treasuries, agencies, mortgage-backed securities, and investment-grade credits all posted declines.
- High-yield bonds, on the other hand, did well. Option-adjusted spreads over Treasuries for the Barclays High Yield Bond Index ended the year at 382 basis points, its lowest level since June 2007.
- International developed market sovereign debt and emerging market bonds were in the red for the quarter and the year. Currency weakness was largely responsible for the negative returns.



Source: Morningstar



Source: U.S. Department of the Treasury

# U.S. SIZE, STYLE, AND SECTOR PERFORMANCE

DOMESTIC EQUITY	<u>QTR</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
S&P 500 Index	10.5	32.4	16.2	17.9	7.4
Russell 3000 Index	10.1	33.6	16.2	18.7	7.9
Russell 3000 Growth Index	10.2	34.2	16.5	20.6	8.0
Russell 3000 Value Index	10.0	32.7	15.9	16.7	7.7
Russell TOP 200 Index	11.1	32.4	16.5	17.2	6.9
Russell TOP 200 Growth Index	11.5	32.7	16.9	19.4	7.2
Russell TOP 200 Value Index	10.6	32.1	16.1	14.9	6.5
Russell 1000 Index	10.2	33.1	16.3	18.6	7.8
Russell 1000 Growth Index	10.4	33.5	16.5	20.4	7.8
Russell 1000 Value Index	10.0	32.5	16.1	16.7	7.6
Russell Mid-Cap Index	8.4	34.8	15.9	22.4	10.2
Russell Mid-Cap Growth Index	8.2	35.7	15.6	23.4	9.8
Russell Mid-Cap Value Index	8.6	33.5	16.0	21.2	10.3
Russell 2000 Index	8.7	38.8	15.7	20.1	9.1
Russell 2000 Growth Index	8.2	43.3	16.8	22.6	9.4
Russell 2000 Value Index	9.3	34.5	14.5	17.6	8.6
DOMESTIC EQUITY BY SECTOR (MSCI)					
Consumer Discretionary	10.4	43.7	23.1	29.1	9.6
Consumer Staples	8.6	27.4	17.2	16.3	10.3
Energy	7.9	25.7	10.5	14.3	13.7
Financials	9.7	33.1	13.0	13.6	1.4
Health Care	9.8	42.8	23.5	19.6	9.4
Industrials	13.2	42.1	17.7	20.6	9.6
Information Technology	12.2	31.1	14.7	22.5	7.6
Materials	10.5	25.0	10.0	20.3	9.5
Telecommunication Services	7.0	14.7	12.5	13.5	8.3
Utilities	3.1	15.1	11.9	10.9	9.4

# REGIONAL PERFORMANCE ACROSS MARKETS

INTERNATIONAL/GLOBAL EQUITY	QTR	1 Year	3 Year	5 Year	10 Year
MSCI EAFE (Net)	5.7	22.8	8.2	12.4	6.9
MSCI EAFE Growth (Net)	5.2	22.5	8.0	12.8	7.0
MSCI EAFE Value (Net)	6.3	23.0	8.3	12.0	6.8
MSCI EAFE Small Cap (Net)	5.9	29.3	9.3	18.5	9.5
MSCI AC World Index (Net)	7.3	22.8	9.7	14.9	7.2
MSCI AC World Index Growth (Net)	7.4	23.2	10.0	16.1	7.3
MSCI AC World Index Value (Net)	7.2	22.4	9.4	13.7	7.0
MSCI Europe ex UK (Net)	8.1	27.6	9.5	12.1	7.4
MSCI United Kingdom (Net)	7.4	20.7	10.7	16.1	7.1
MSCI Pacific ex Japan (Net)	0.3	5.5	4.7	18.3	11.2
MSCI Japan (Net)	2.3	27.2	5.6	7.6	4.2
MSCI Emerging Markets (Net)	1.8	(2.6)	(2.1)	14.8	11.2
FIXED INCOME					
Merrill Lynch 3-month T-Bill	0.0	0.1	0.1	0.1	1.7
Barclays Intermediate Government/Credit	0.0	(0.9)	2.9	4.0	4.1
Barclays Aggregate Bond	(0.1)	(2.0)	3.3	4.4	4.5
Barclays Short Government	0.0	0.1	0.5	0.9	2.2
Barclays Intermediate Government	(0.4)	(1.2)	2.1	2.2	3.7
Barclays Long Government	(3.0)	(12.5)	5.5	2.4	5.9
Barclays Investment Grade Corporates	1.1	(1.5)	5.4	8.6	5.3
Barclays High Yield Corporate Bond	3.6	7.4	9.3	18.9	8.6
JPMorgan Global ex US Bond	(1.4)	(5.1)	0.5	2.4	4.2
JPMorgan Emerging Market Bond	(1.7)	(8.5)	1.0	7.6	8.6
INFLATION SENSITIVE					
Consumer Price Index	(0.5)	1.5	2.1	2.1	2.4
Barclays TIPS	(2.0)	(8.6)	3.5	5.6	4.8
DJ-UBS Commodity Index	(1.1)	(9.5)	(8.1)	1.5	0.9
DJ-UBS Gold Index	(9.5)	(28.7)	(6.0)	5.6	10.3
FTSE NAREIT Equity REITs	(0.7)	2.5	9.4	16.5	8.4
FTSE EPRA/NAREIT Global REITs	(1.1)	2.2	6.8	15.6	-

Source: Russell, S&P, MSCI, Merrill Lynch, Barclays Capital, FTSE

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# PENSION

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# OBSERVATIONS & ACCOMPLISHMENTS

## Observations

- Q4 gain - \$3.55M (net)
- Q4 return – 5.7% (gross)  
5.6% (net)
- 2013 gain - \$10.21M (net)
- 2013 return – 18.1% (gross)  
17.7% (net)
- Fund value - \$69.6M
- Very good protection in down markets
- Very good returns by DuPont Capital
- Actuarial changes

## 2013 Accomplishments

- Strong returns
  - Improved funded status
  - Lowered projected ARC
  - Increased asset value
- Changes to Wilmington Trust Investment Management guidelines



# LOOKING AHEAD FOR SUSSEX PENSION

- Consider slightly increasing equity target and/or
- Decrease return assumption (a little more)



# PEIRCE PARK GROUP

## **2013 Accomplishments**

- Hired additional CFA investment analyst
- Enhanced performance report format
- Upgraded back up systems
- Extensive fixed income research
- Hired as Investment Consultant to Blair and Lawrence County, PA and Caroline County, MD

## **Goals for 2014**

- Hire additional analyst
- Alternatives research
- Website enhancement



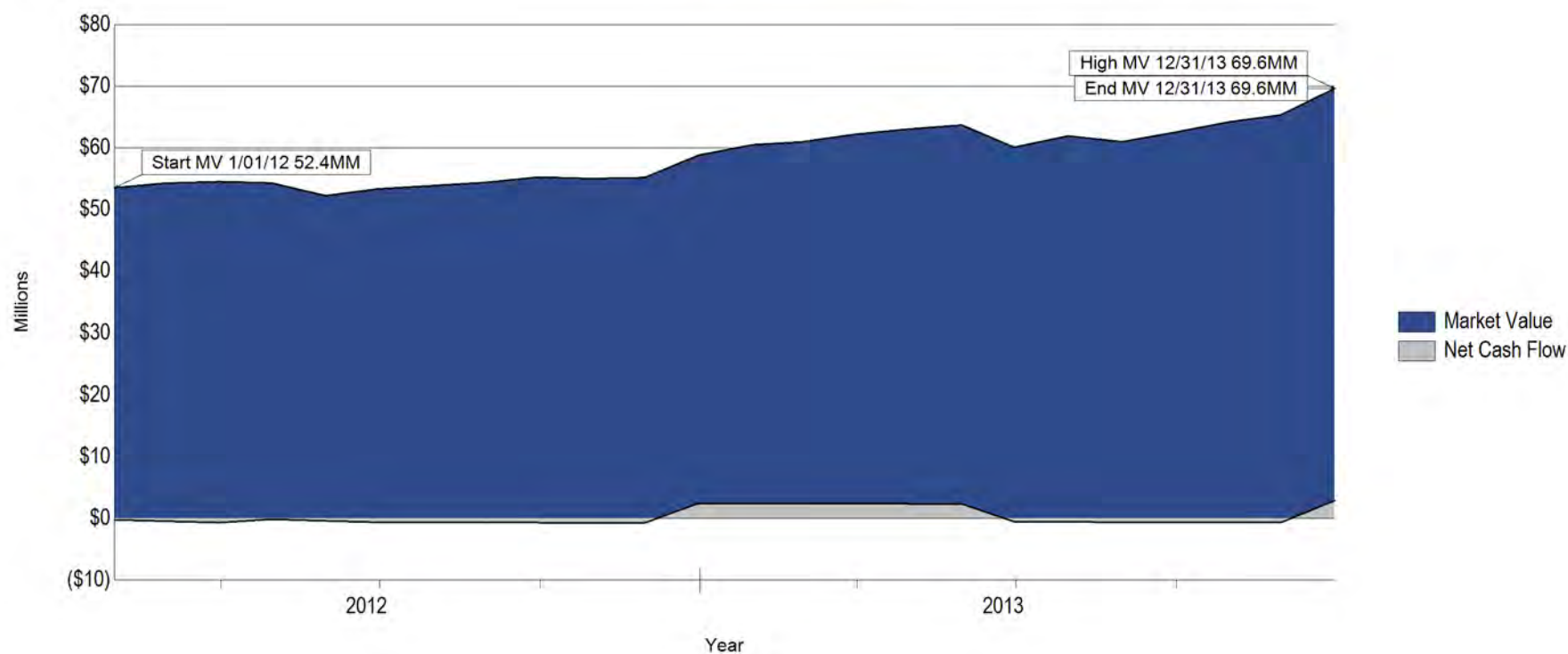
# Sussex County Pension Total Fund Composite

Summary of Cash Flows

As of December 31, 2013

	Fourth Quarter	Year-To-Date	Two Years
<b>Beginning Market Value</b>	<b>\$62,514,074.7</b>	<b>\$58,813,167.3</b>	<b>\$52,366,508.0</b>
Net Additions/Withdrawals	\$3,577,284.8	\$625,695.5	\$2,069,533.0
Investment Earnings	\$3,557,879.1	\$10,210,375.8	\$15,213,197.6
<b>Ending Market Value</b>	<b>\$69,649,238.6</b>	<b>\$69,649,238.6</b>	<b>\$69,649,238.6</b>
Time Weighted Return	5.7%	18.1%	13.9%

Market Value History  
2 Years Ending 12/31/13



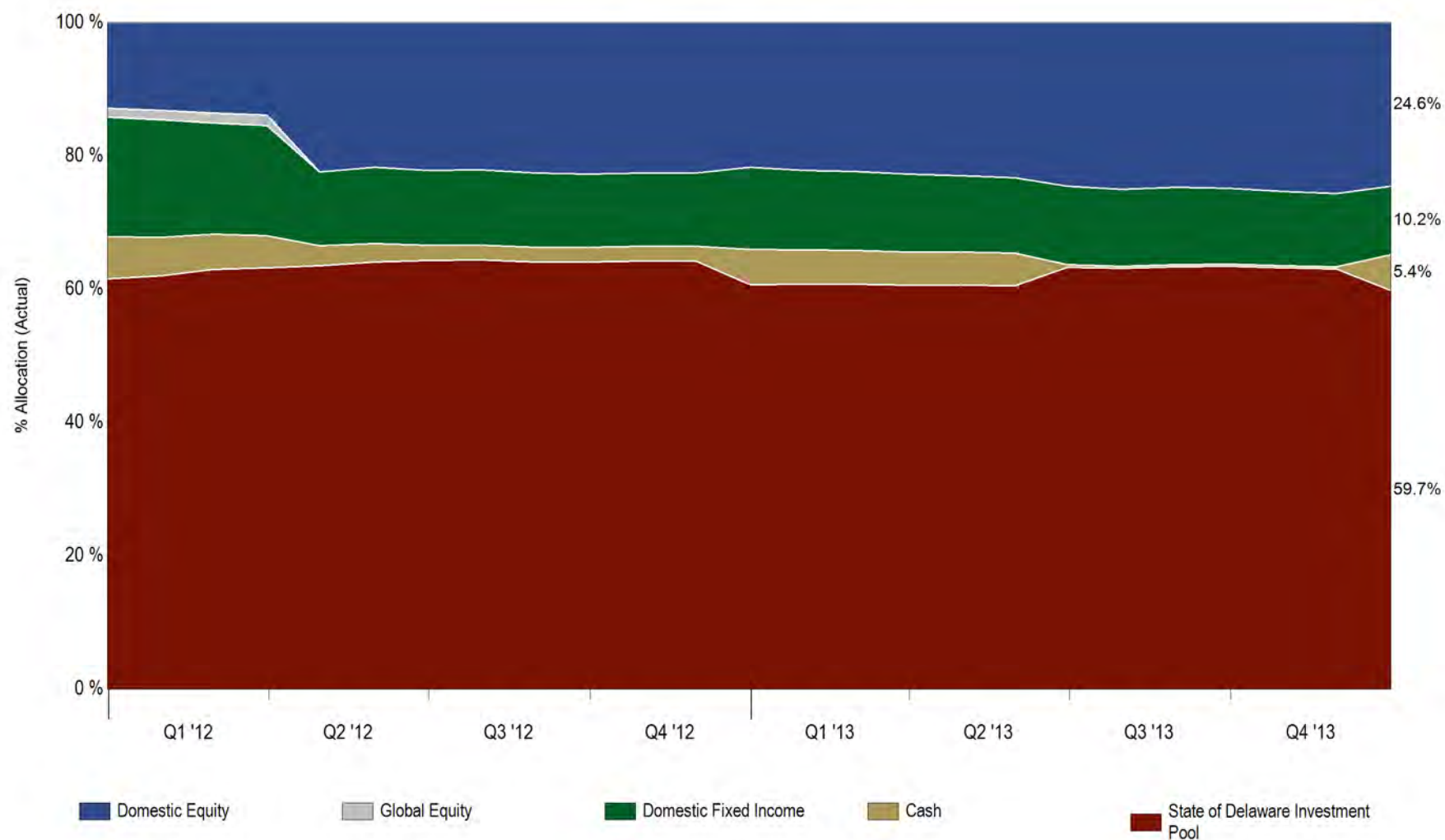
As of December 31, 2013

	Quarter Ending December 31, 2013			
	Beginning Market Value	Net Cash Flow	Net Investment Change	Ending Market Value
Dupont Capital Investment	\$10,923,750	-\$2,035	\$1,236,993	\$12,158,709
Fidelity Low Price Stock	\$4,622,791	\$0	\$363,535	\$4,986,326
Operating Account	\$193,680	\$3,587,012	\$353	\$3,781,046
State of Delaware Investment Pool	\$39,628,971	-\$4,163	\$1,979,059	\$41,603,867
Wilmington Trust Bonds	\$7,144,883	-\$3,529	-\$22,062	\$7,119,292
<b>Total</b>	<b>\$62,514,075</b>	<b>\$3,577,285</b>	<b>\$3,557,879</b>	<b>\$69,649,239</b>

# Sussex County Pension Total Fund Composite

As of December 31, 2013

Asset Allocation History  
2 Years Ending December 31, 2013



# Sussex County Pension Total Fund Composite

Total Plan Performance

As of December 31, 2013

	Ending December 31, 2013												Inception	
	2013 Q4	Rank	YTD	Rank	2 Yrs	Rank	3 Yrs	Rank	2013	Rank	2012	Rank	Return	Since
Total Fund Composite	5.7%	29	18.1%	24	13.9%	51	10.2%	27	18.1%	24	10.0%	82	12.1%	Jan-09
Pension Policy Index	5.4%	39	17.4%	33	14.4%	42	10.0%	35	17.4%	33	11.6%	64	12.7%	Jan-09
Secondary Benchmark	5.2%	44	16.3%	44	13.9%	52	9.4%	52	16.3%	44	11.5%	66	12.2%	Jan-09

IFx Public DB Gross Accounts  
Ending December 31, 2013



Current Policy Index: 46% Russell 3000 / 40% Barclays Intermediate Gov't/Credit / 14% MSCI EAFE (Net)

Current Secondary Benchmark: 46% Russell 3000 / 40% Barclays Intermediate Gov't/Credit / 14% MSCI ACWI ex US (Net)

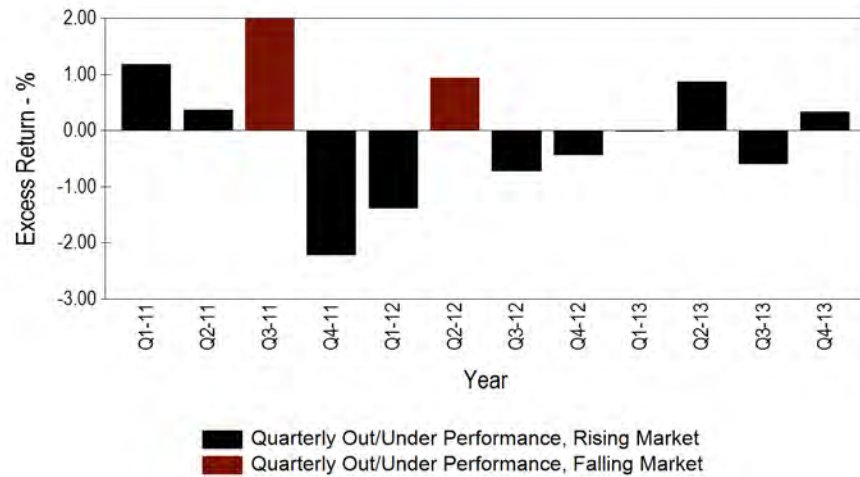


# Sussex County Pension Total Fund Composite

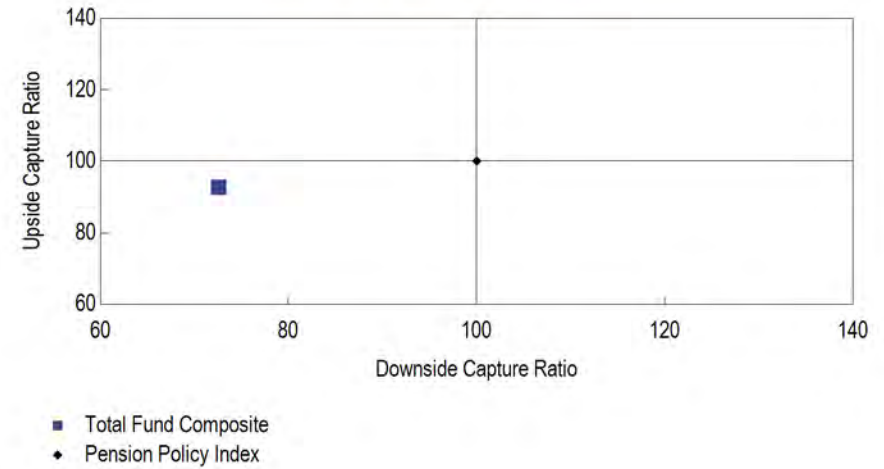
Total Plan Information

As of December 31, 2013

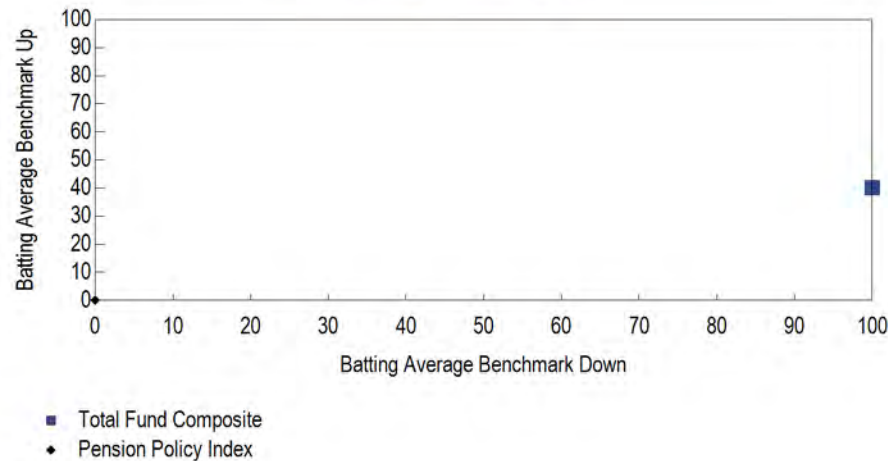
Quarterly Excess Performance



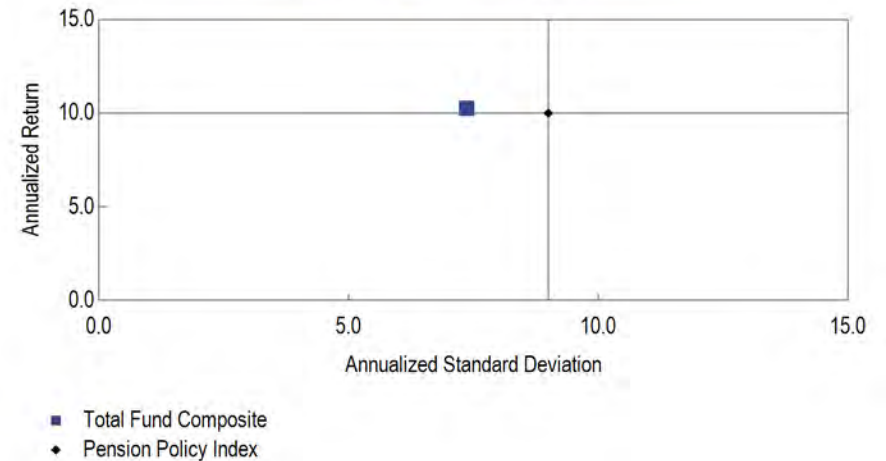
Upside Capture Ratio vs. Downside Capture Ratio  
3 Years Ending December 31, 2013



Batting Average Benchmark Up vs. Batting Average Benchmark Down  
3 Years Ending December 31, 2013



Annualized Return vs. Annualized Standard Deviation  
3 Years Ending December 31, 2013



Sussex County Pension  
Total Fund Composite

Performance Summary

As of December 31, 2013

		Ending December 31, 2013										Inception			
	% of Portfolio	2013 Q4 Rank	YTD Rank	1 Yr Rank	3 Yrs Rank	2013 Rank	2012 Rank	Return	Since						
Total Fund Composite	100.0%	5.7%	29	18.1%	24	18.1%	24	10.2%	27	18.1%	24	10.0%	82	12.1%	Jan-09
Pension Policy Index		5.4%	39	17.4%	33	17.4%	33	10.0%	35	17.4%	33	11.6%	64	12.7%	Jan-09
Secondary Benchmark		5.2%	44	16.3%	44	16.3%	44	9.4%	52	16.3%	44	11.5%	66	12.2%	Jan-09
Dupont Capital Investment	17.5%	11.3%	18	33.8%	40	33.8%	40	17.5%	20	33.8%	40	15.4%	52	--	Apr-10
S&P 500		10.5%	39	32.4%	56	32.4%	56	16.2%	42	32.4%	56	16.0%	44	--	Apr-10
Fidelity Low Price Stock	7.2%	8.0%	86	35.3%	80	35.3%	80	17.7%	25	35.3%	80	19.5%	12	16.3%	Sep-08
Russell 2000		8.7%	70	38.8%	41	38.8%	41	15.7%	54	38.8%	41	16.3%	39	12.4%	Sep-08
Wilmington Trust Bonds	10.2%	-0.3%	--	-1.3%	--	-1.3%	--	2.4%	--	-1.3%	--	2.6%	--	1.7%	Sep-10
Barclays Int Govt.		-0.4%	--	-1.2%	--	-1.2%	--	2.1%	--	-1.2%	--	1.7%	--	1.5%	Sep-10
Operating Account	5.4%	0.0%	--	0.1%	--	0.1%	--	--	--	0.1%	--	0.0%	--	0.1%	Sep-11
91 Day T-Bills		0.0%	--	0.0%	--	0.0%	--	--	--	0.0%	--	0.1%	--	0.1%	Sep-11
State of Delaware Investment Pool	59.7%	5.1%	--	17.0%	--	17.0%	--	10.2%	--	17.0%	--	11.2%	--	--	
Balanced Pooled Fund Policy Index		4.8%	--	14.3%	--	14.3%	--	8.9%	--	14.3%	--	12.0%	--	--	

Current Policy Index: 46% Russell 3000 / 40% Barclays Intermediate Gov't/Credit / 14% MSCI EAFE (Net)

Please note: All returns shown are gross of fees, including mutual funds. Mutual fund rankings are calculated using gross of fee returns. It is important to note the mutual fund universes use net of fee returns. Therefore rankings will be higher due to this fee advantage. All returns over one year are annualized.

Please note: All returns shown are gross of fees, including mutual funds. All returns over one year are annualized.

Sussex County Pension  
Total Fund Composite

As of December 31, 2013

Account	Fee Schedule	Market Value As of 12/31/2013	% of Portfolio	Estimated Annual Fee (\$)	Estimated Annual Fee (%)
Dupont Capital Investment	0.35% of First \$25.0 Mil, 0.30% of Next \$25.0 Mil, 0.25% Thereafter	\$12,158,709	17.5%	\$42,555	0.35%
Fidelity Low Price Stock	0.83% of Assets	\$4,986,326	7.2%	\$41,387	0.83%
Wilmington Trust Bonds	0.20% of Assets	\$7,119,292	10.2%	\$14,239	0.20%
Operating Account	No Fee	\$3,781,046	5.4%	--	--
State of Delaware Investment Pool	0.70% of Assets	\$41,603,867	59.7%	\$290,395	0.70%
<b>Investment Management Fee</b>		<b>\$69,649,239</b>	<b>100.0%</b>	<b>\$388,576</b>	<b>0.56%</b>

Please note: Expense Ratio of 0.70% was provided to Peirce Park Group by the Delaware Public Employees' Retirement System.

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# U.S. EQUITIES

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# Sussex County Pension Dupont Capital Investment

As of December 31, 2013

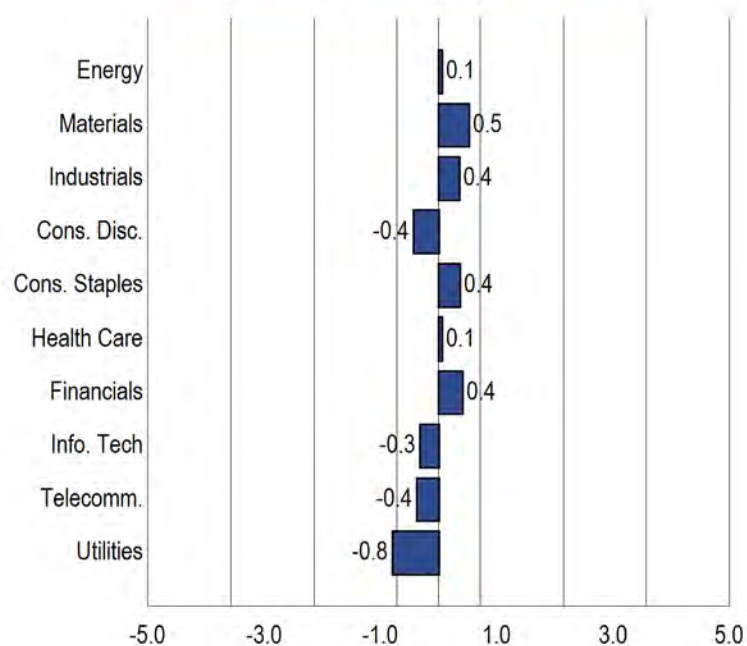
## Manager Summary

- Strategy seeks to systematically identify companies with sustainable earnings power trading at reasonable valuations.
- Quantitative approach looks for companies with the strongest relative value within their industries through a combination of valuation, quality and momentum characteristics.
- Focuses on companies that are under-priced relative to their long-term intrinsic value and supported by sustainable, high quality earnings and realistic cash flows expectations.
- Enhanced index portfolio of 100 to 200 securities, targets a tracking error between 1.5% and 2.25 relative to the S&P 500.

## Portfolio Information

	Portfolio	S&P 500
Number of Holdings	165	500
Weighted Avg. Market Cap. (\$B)	115.28	116.13
Median Market Cap. (\$B)	30.17	16.40
Price To Earnings	18.99	20.26
Price To Book	3.21	3.94
Price To Sales	1.83	2.19
Return on Equity (%)	17.86	17.94
Yield (%)	2.02	1.97
Beta	1.01	1.00

Sector Over/Under Allocation (%) vs S&P 500



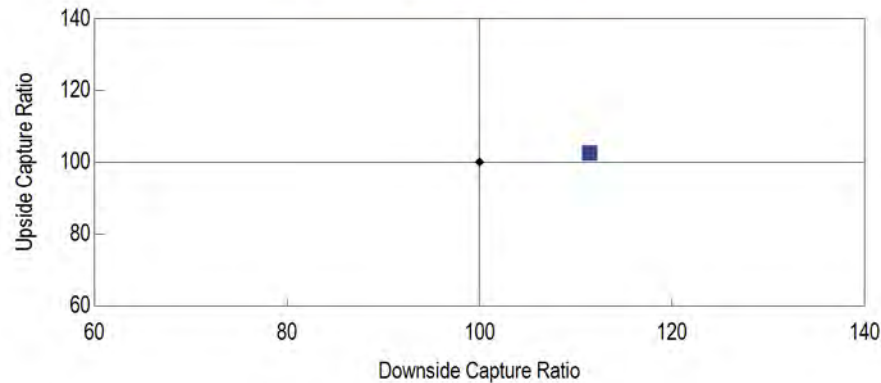
## Top Ten Holdings

APPLE	3.4%
EXXON MOBIL	2.6%
PFIZER	2.3%
CHEVRON	2.2%
JP MORGAN CHASE & CO.	2.1%
MICROSOFT	1.9%
WELLS FARGO & CO	1.9%
GOOGLE 'A'	1.6%
CITIGROUP	1.6%
GENERAL ELECTRIC	1.5%
<b>Total For Top Ten Holdings</b>	<b>21.3%</b>

# Sussex County Pension Dupont Capital Investment

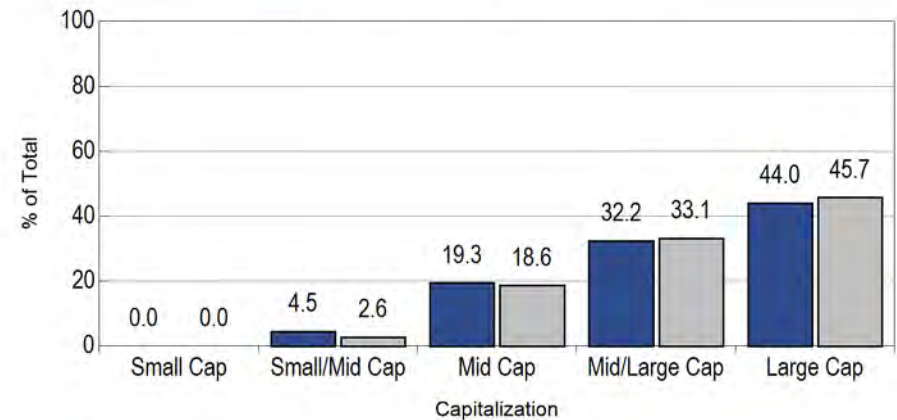
As of December 31, 2013

Upside Capture Ratio vs. Downside Capture Ratio  
2 Years Ending December 31, 2013



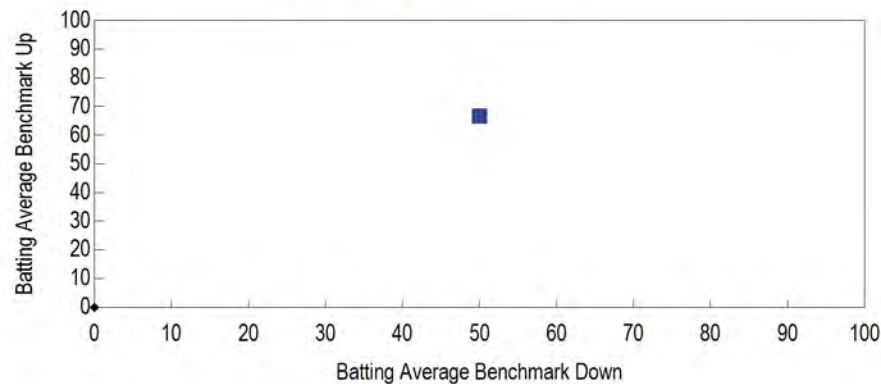
- Dupont Capital Investment
- ◆ S&P 500

Market Capitalization As Of December 31, 2013



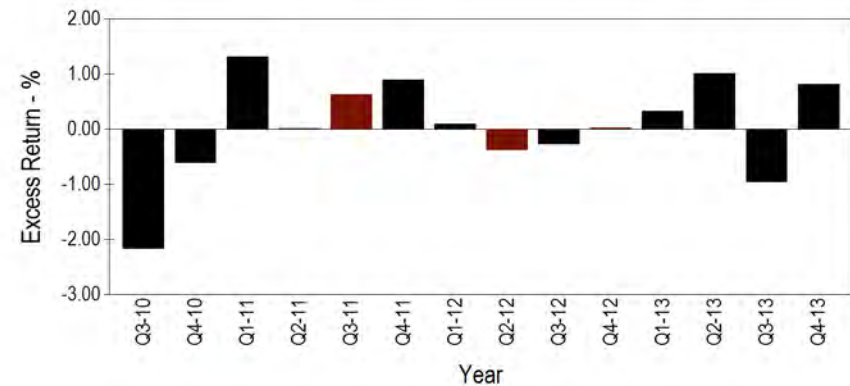
- Dupont Capital Investment
- S&P 500

Batting Average Benchmark Up vs. Batting Average Benchmark Down  
2 Years Ending December 31, 2013



- Dupont Capital Investment
- ◆ S&P 500

Quarterly Excess Performance



- Quarterly Out/Under Performance, Rising Market
- Quarterly Out/Under Performance, Falling Market

Sussex County Pension  
Fidelity Low Price Stock

As of December 31, 2013

**Manager Summary**

- Strategy focuses on stocks that are priced at or below \$35 per share.
- Premise of the strategy is that low-priced stocks may offer significant growth potential because they are often overlooked by many investors.
- Fund will invest globally in both value and growth stocks, predominantly small and mid capitalization companies.

**Top Holdings as of 10/31/2013**

UNITEDHEALTH GROUP INC	3.4%
SEAGATE TECHNOLOGY PLC	3.2%
NEXT PLC	3.2%
MICROSOFT CORPORATION	2.4%
BEST BUY CO INC	2.2%
ROSS STORES, INC.	1.7%
METRO INC.	1.5%
UNUM GROUP	1.1%
BED BATH & BEYOND, INC.	1.1%
ENI SPA	1.1%

**Fund Characteristics as of 10/31/2013**

Versus Russell 2000

Sharpe Ratio (3 Year)	1.24
Average Market Cap (\$mm)	5,107.01
Price/Earnings	13.40
Price/Book	1.55
Price/Sales	0.61
Price/Cash Flow	5.80
Dividend Yield	1.85
Number of Equity Holdings	873
R-Squared (3 Year)	0.90
Alpha (3 Year)	0.35%

**Sector Allocation as of 10/31/2013**

BASIC MATERIALS	3.2%
COMMUNICATION SERVICES	0.2%
CONSUMER CYCLICAL	24.7%
CONSUMER DEFENSIVE	9.2%
ENERGY	4.7%
FINANCIAL SERVICES	10.9%
HEALTHCARE	7.9%
INDUSTRIALS	8.7%
REAL ESTATE	0.3%
TECHNOLOGY	16.2%
UTILITIES	0.2%

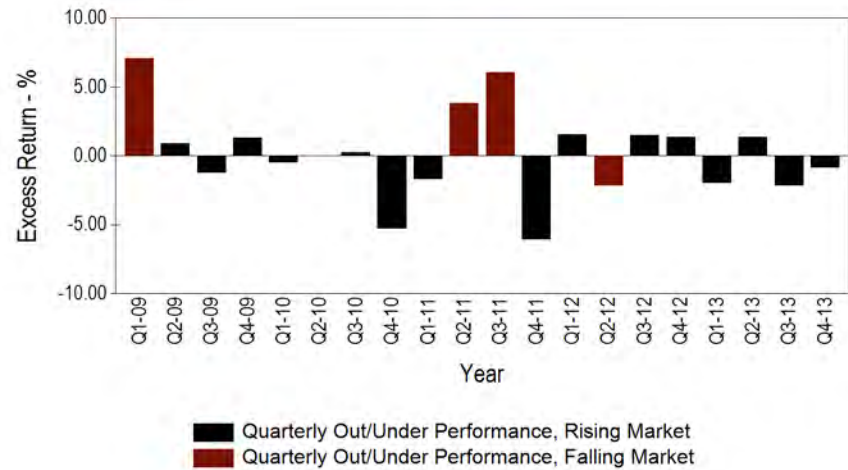


# Sussex County Pension

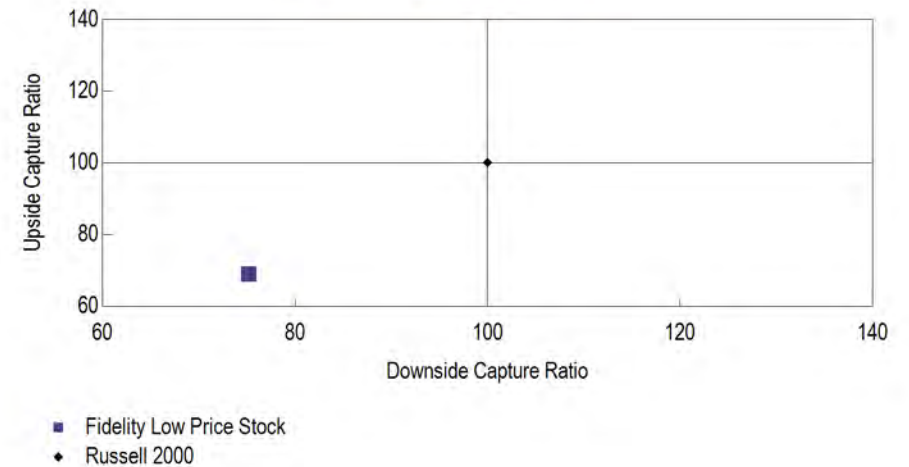
## Fidelity Low Price Stock

As of December 31, 2013

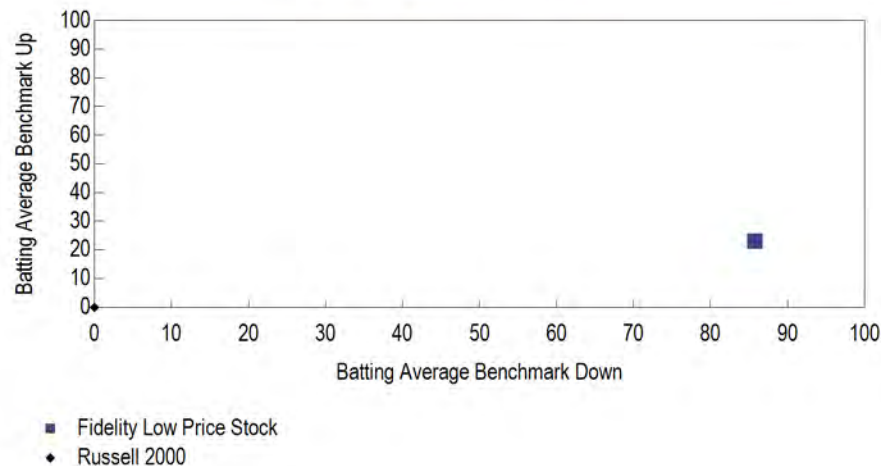
Quarterly Excess Performance



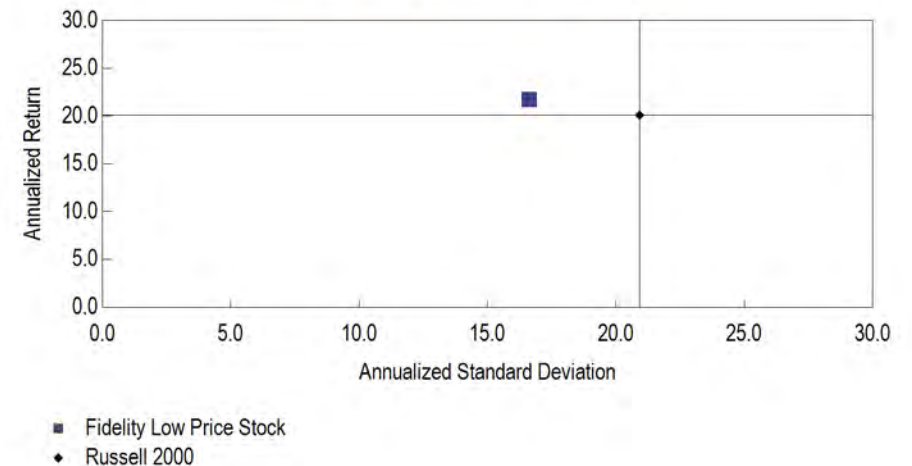
Upside Capture Ratio vs. Downside Capture Ratio  
5 Years Ending December 31, 2013



Batting Average Benchmark Up vs. Batting Average Benchmark Down  
5 Years Ending December 31, 2013



Annualized Return vs. Annualized Standard Deviation  
5 Years Ending December 31, 2013



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# U.S. FIXED INCOME

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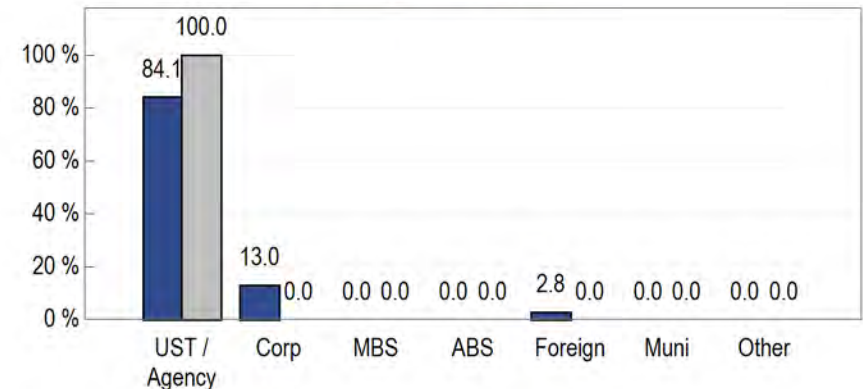


As of December 31, 2013

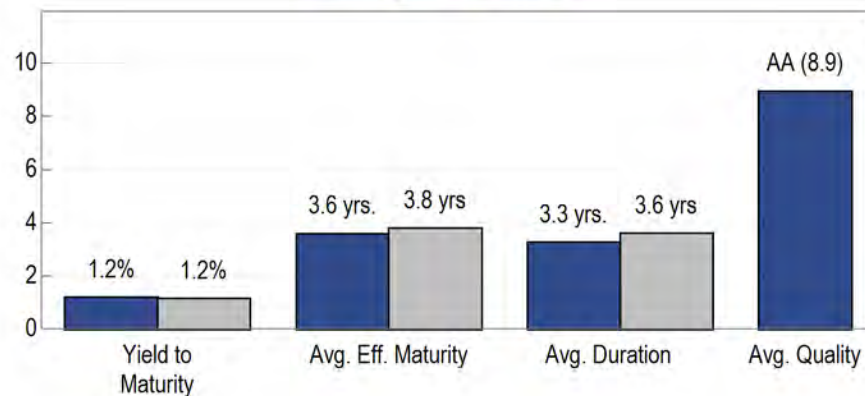
### Manager Summary

- Strategy focuses equally on duration management, sector selection and yield curve exposure.
- Assess overall market environment and position portfolio to benefit from realistic expectations.
- Will actively trade, including analysis of technical factors, price momentum, interest rate outlook and yield curve movement.

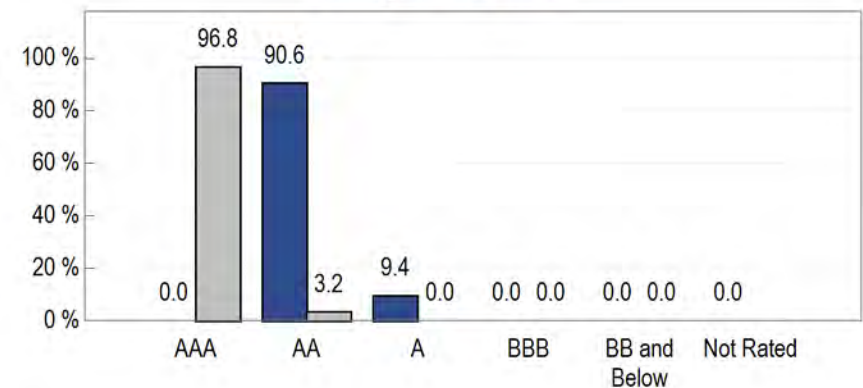
Sectors  
Wilmington Trust Bonds



Characteristics  
Wilmington Trust Bonds



Quality Ratings  
Wilmington Trust Bonds



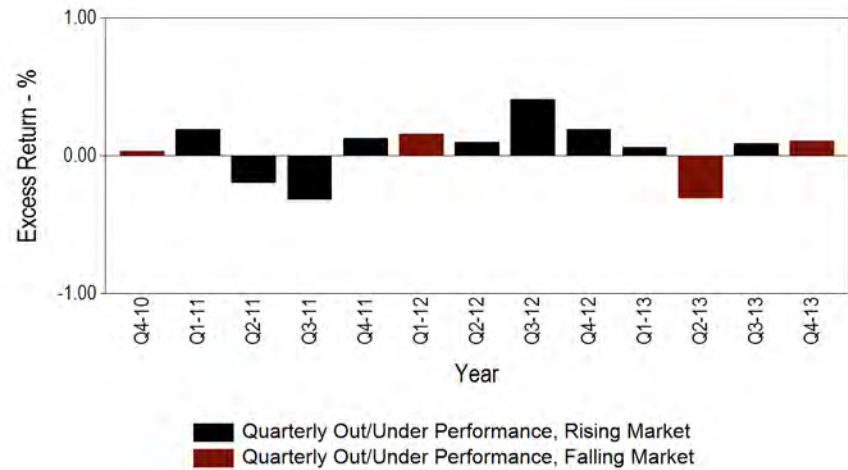
■ Wilmington Trust Bonds ■ Barclays Int Govt.

Actual holdings use S&P rankings whereas the Barclays Index uses the median of the three ratings agencies.

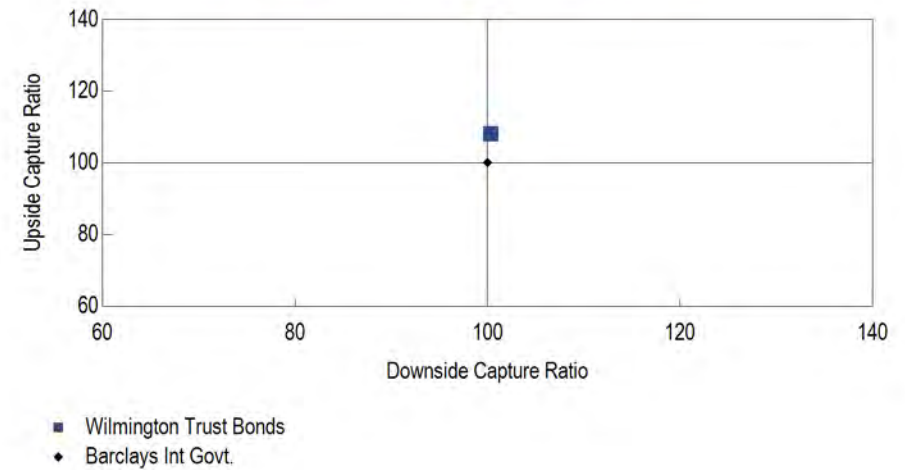
# Sussex County Pension Wilmington Trust Bonds

As of December 31, 2013

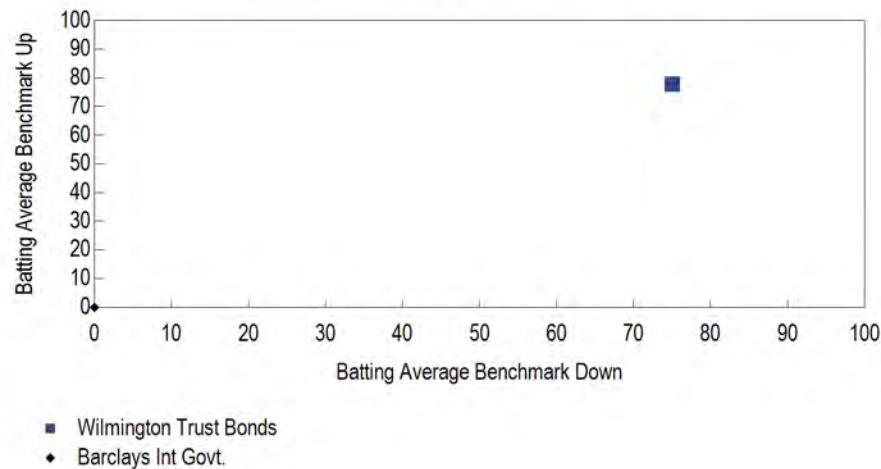
Quarterly Excess Performance



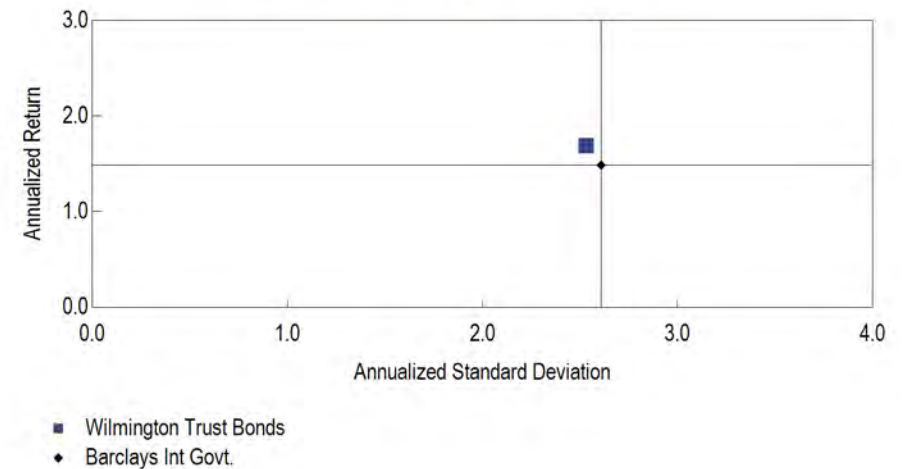
Upside Capture Ratio vs. Downside Capture Ratio  
3 Years 3 Months Ending December 31, 2013



Batting Average Benchmark Up vs. Batting Average Benchmark Down  
3 Years 3 Months Ending December 31, 2013



Annualized Return vs. Annualized Standard Deviation  
3 Years 3 Months Ending December 31, 2013



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# BALANCED

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## ◆ Allocation Schedule - Market Value

		-704- Sussex County DELRIP	PLAN TOTALS
<b>Beginning Totals</b>	Balance	<b>41,172,083.79</b>	<b>41,172,083.79</b>
<b>Period Totals</b>	Audit Expenses	(256.28)	(256.28)
		<b>(256.28)</b>	<b>(256.28)</b>
<b>Time-Weighted</b>	Audit Expenses	(74.40)	(74.40)
		<b>(74.40)</b>	<b>(74.40)</b>
<b>Allocation</b>	Balance	41,172,009.39	41,172,009.39
	Percent	0.47600%	0.47600%
<b>Earnings</b>	Interest	35,882.72	35,882.72
	Dividends	22,678.99	22,678.99
	Securities Lending Income	30.86	30.86
	Net Change Accrued Income	(9,544.42)	(9,544.42)
	Unrealized Gain/Loss Change	(253,324.26)	(253,324.26)
	Realized Gain/Loss	639,261.64	639,261.64
	Accrued Expense Change	(11.60)	(11.60)
	Securities Lending Fees/Expenses	(4.63)	(4.63)
	Investment Manager/Advisory Fees	(2,152.52)	(2,152.52)
	Transaction Fees	(777.60)	(777.60)
		<b>432,039.18</b>	<b>432,039.18</b>
<b>Ending Totals</b>	Balance	<b>41,603,866.69</b>	<b>41,603,866.69</b>
	Percent	<b>0.47694%</b>	<b>0.47694%</b>

Although this report has been prepared using information believed to be reliable, it may contain information provided by third parties or derived from third party information, and/or information that may have been obtained from, categorized or otherwise reported based upon client direction. The Northern Trust Company does not guarantee the accuracy, timeliness or completeness of any such information. The information included in this report is intended to assist clients with their financial reporting needs, but you must consult with your accountants, auditors and/or legal counsel to ensure your accounting and financial reporting complies with applicable laws, regulations and accounting guidance. The Northern Trust Company and its affiliates shall have no responsibility for the consequences of investment decisions made in reliance on information contained in this report.

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## Policy Tree

January 28, 2014

Trust : Delaware Retirement System  
Reference Date : 12/31/13  
Asset Class : Total Fund Gross of Fees

Current View : Policy Hierarchy

Group/Account	12/31/13 Market Value	% of Total	Inception Date	% Rate of Return							
				1 Mo.	3 Mos.	YTD	1 Yr.	3 Yrs.	5 Yrs.	10 Yrs.	15 Yrs.
Delaware Retirement System (1073815228)	8,738,943,934	100.00%	6/30/71	1.05	5.05	16.92	16.92	10.12	13.37	8.12	7.23
<i>Delaware Benchmark</i>				<i>0.99</i>	<i>4.79</i>	<i>14.30</i>	<i>14.30</i>	<i>8.86</i>	<i>12.12</i>	--	--
DPERS w/o Vol. Firemen Fund (1073817595)	8,723,028,134	99.82%	4/30/08	1.05	5.05	16.92	16.92	10.12	13.38	--	--
Volunteer Firemen Fund (1073817596)	15,915,800	0.18%	5/31/08	1.04	4.75	14.07	14.07	8.63	10.77	--	--

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# OPEB

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# OBSERVATIONS & ACCOMPLISHMENTS

## Observations

- Q4 gain - \$1.49M (net)
- Q4 return – 5.5% (gross)  
5.5% (net)
- 2013 gain - \$4.06M (net)
- 2013 return – 16.3% (gross)  
16.0% (net)
- Very low expense ratio
- Q4 – outperformed benchmark by 0.25%

## 2013 Accomplishments

- Very strong returns
  - Improved funded status
  - Lowered projected ARC
  - Increased asset value
- Manager changes:
  - Hired: Harding Loevner International Equity
  - Terminated: BlackRock Equity Dividend and Harding Loevner Global Equity
- Changes to Wilmington Trust Investment Management guidelines



# LOOKING AHEAD FOR SUSSEX OPEB

- Consulting Plus for the OPEB plan
- Completed Fund changes in January 2014
- Watch list – Harding Loevner
- Consider slightly increasing equity target and/or slightly lowering return assumption



# PEIRCE PARK GROUP

## **2013 Accomplishments**

- Hired additional CFA investment analyst
- Enhanced performance report format
- Upgraded back up systems
- Extensive fixed income research
- Hired as Investment Consultant to Blair and Lawrence County, PA and Caroline County, MD

## **Goals for 2014**

- Hire additional analyst
- Alternatives research
- Website enhancement

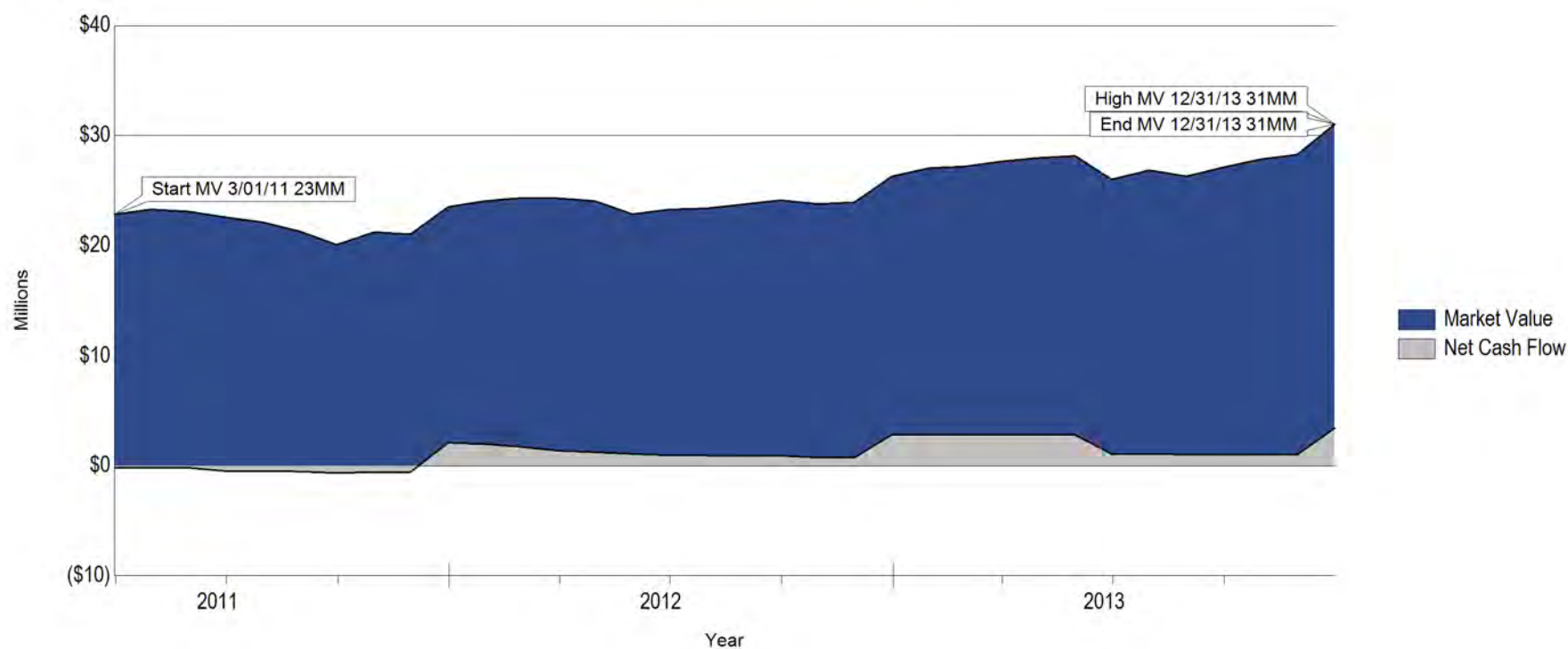


## Summary of Cash Flows

As of December 31, 2013

	Fourth Quarter	Year-To-Date	Two Years	Inception 3/1/11
<b>Beginning Market Value</b>	<b>\$27,102,650.5</b>	<b>\$26,289,374.6</b>	<b>\$23,502,150.8</b>	<b>\$23,985,446.9</b>
Net Additions/Withdrawals	\$2,427,366.3	\$673,105.2	\$1,534,694.3	\$2,790,762.3
Investment Earnings	\$1,498,900.9	\$4,066,437.9	\$5,992,072.6	\$4,252,708.5
<b>Ending Market Value</b>	<b>\$31,028,917.7</b>	<b>\$31,028,917.7</b>	<b>\$31,028,917.7</b>	<b>\$31,028,917.7</b>
Time Weighted Return	5.5%	16.3%	12.5%	6.4%

Market Value History  
2 Years 10 Months Ending 12/31/13



As of December 31, 2013

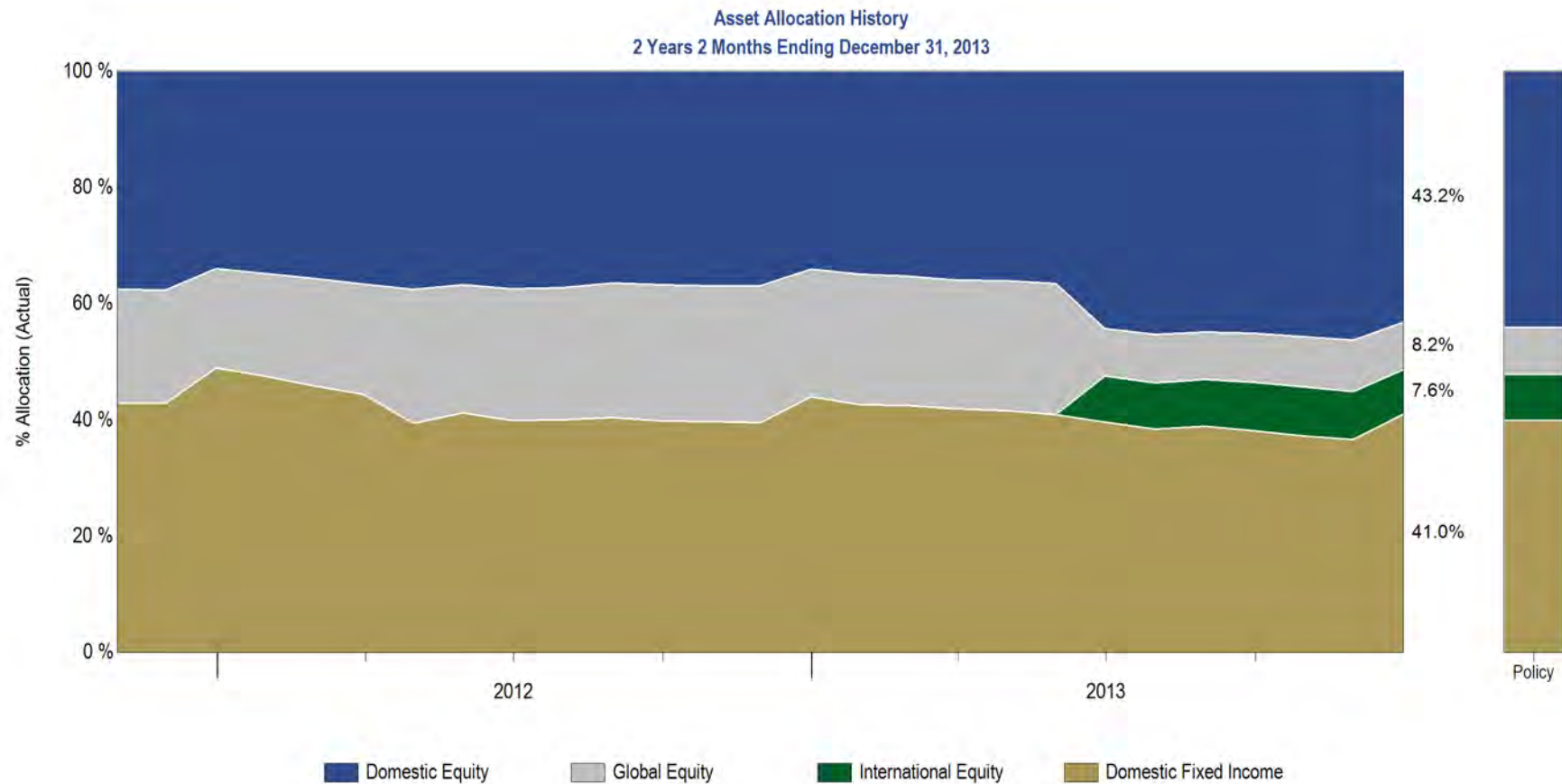
	Quarter Ending December 31, 2013			
	Beginning Market Value	Net Cash Flow	Net Investment Change	Ending Market Value
Vanguard Dividend Growth	\$2,303,217	\$0	\$210,730	\$2,513,947
Vanguard Russell 1000 Index	\$7,017,792	\$0	\$715,495	\$7,733,287
Vanguard Mid Cap Index	\$1,427,973	\$0	\$123,140	\$1,551,113
Ridgeworth Small Cap Value	\$1,456,520	\$0	\$139,739	\$1,596,259
Dodge & Cox Global	\$2,298,308	\$0	\$233,002	\$2,531,310
Harding Loevner International Equity	\$2,266,476	\$0	\$103,640	\$2,370,116
Wilmington Trust Fixed Income	\$9,661,521	\$0	-\$27,185	\$9,634,335
Operating Account	\$371,032	\$2,433,752	\$330	\$2,805,114
Mutual Fund Cash	\$299,812	-\$6,386	\$9	\$293,435
<b>Total</b>	<b>\$27,102,650</b>	<b>\$2,427,366</b>	<b>\$1,498,901</b>	<b>\$31,028,918</b>



## Asset Allocation vs. Target

As of December 31, 2013

	Policy	Policy Range	Current	Within Range
Domestic Equity	44.0%	39.0% - 49.0%	43.2%	Yes
Global Equity	8.0%	3.0% - 13.0%	8.2%	Yes
International Equity	8.0%	3.0% - 13.0%	7.6%	Yes
Domestic Fixed Income	40.0%	35.0% - 50.0%	41.0%	Yes
<b>Total</b>	<b>100.0%</b>		<b>100.0%</b>	

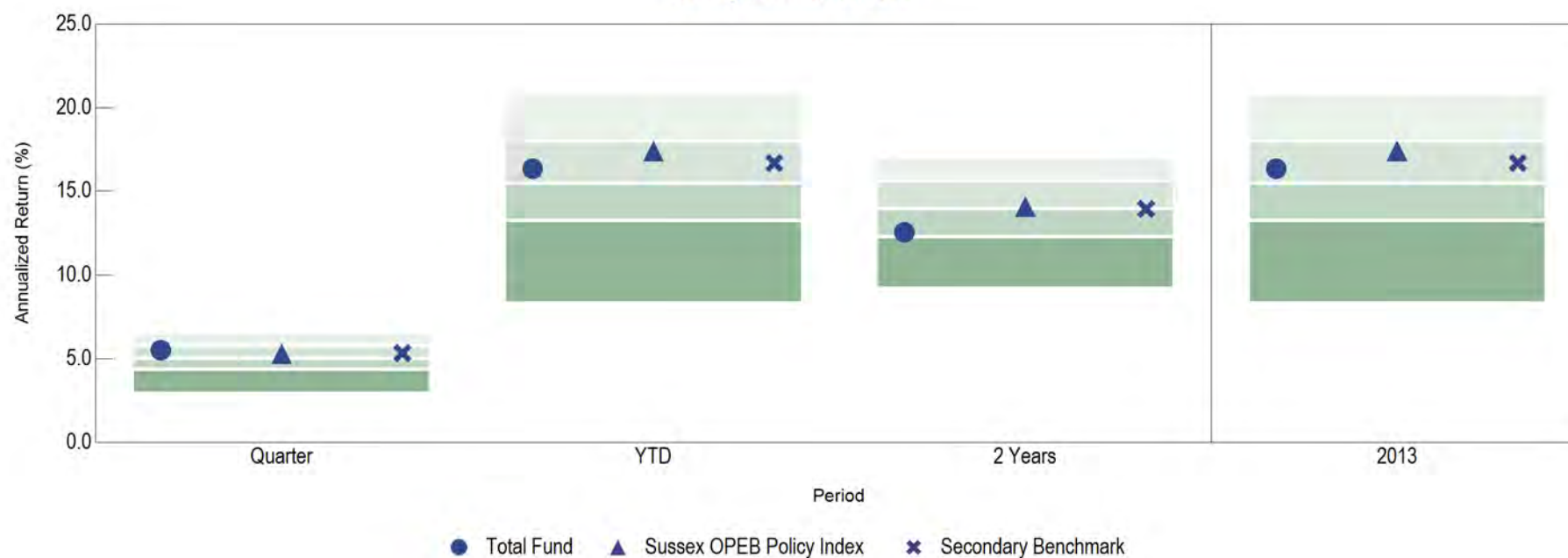


Total Plan Performance

As of December 31, 2013

	Ending December 31, 2013						Inception			
	2013 Q4	Rank	YTD	Rank	2 Yrs	Rank	2013	Rank	Return	Since
<b>Total Fund</b>	<b>5.5%</b>	<b>35</b>	<b>16.3%</b>	<b>44</b>	<b>12.5%</b>	<b>72</b>	<b>16.3%</b>	<b>44</b>	<b>6.4%</b>	<b>Mar-11</b>
<i>Sussex OPEB Policy Index</i>	5.3%	42	17.4%	32	14.1%	48	17.4%	32	8.2%	Mar-11
<i>Secondary Benchmark</i>	5.3%	40	16.7%	41	13.9%	51	16.7%	41	8.1%	Mar-11

IFx Public DB Gross Accounts  
Ending December 31, 2013



Policy Index (as of 4/1/2012): 48% Russell 3000 / 12% MSCI EAFE (Net) / 40% Barclays Intermediate Government.

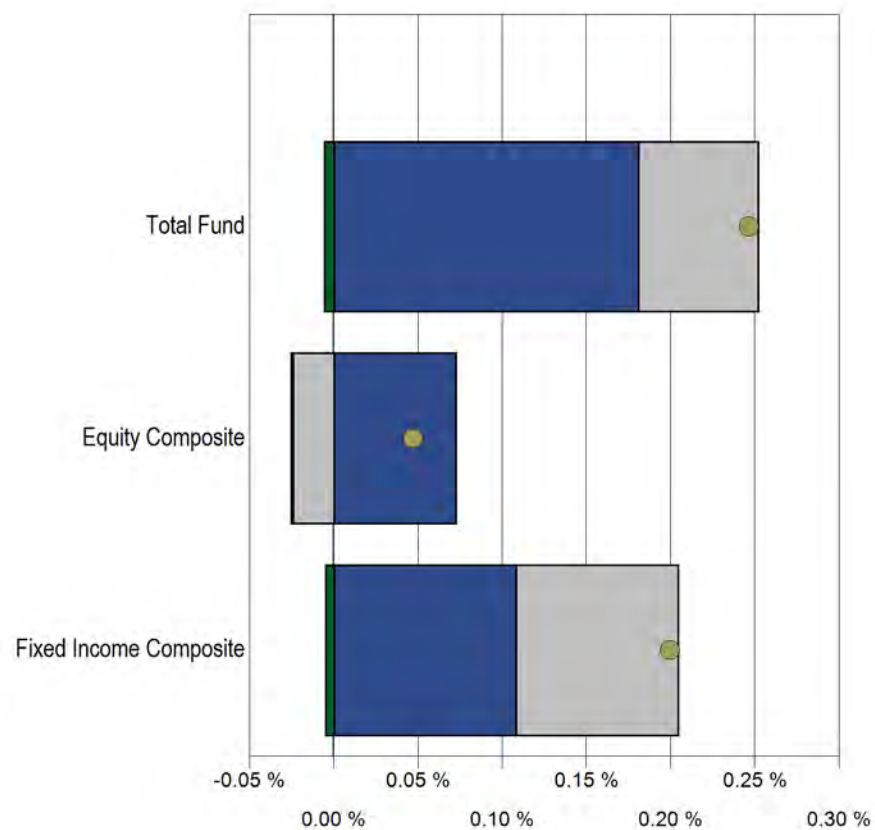
Secondary Benchmark (as of 4/1/2012): 48% Russell 3000 / 12% MSCI ACWI ex US (Net) / 40% Barclays Intermediate Government.

Please note: All returns shown are gross of fees. All returns over one year are annualized.

## Attribution Analysis

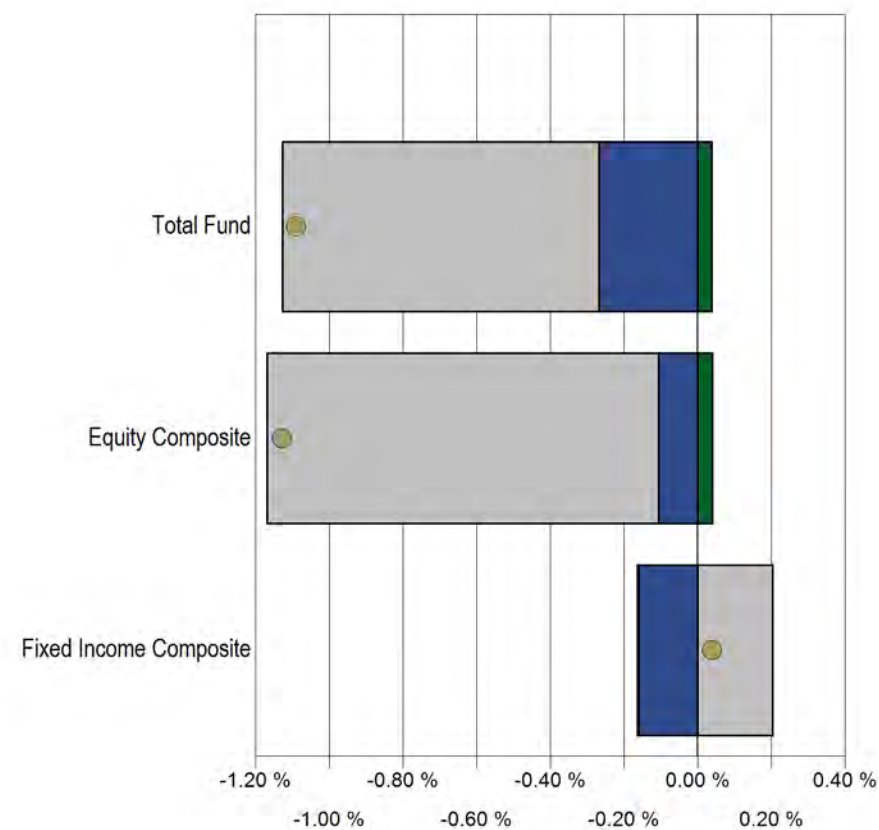
As of December 31, 2013

Attribution Effects  
3 Months Ending December 31, 2013



Allocation Effect  
Selection Effect  
Interaction Effects  
Total Effect

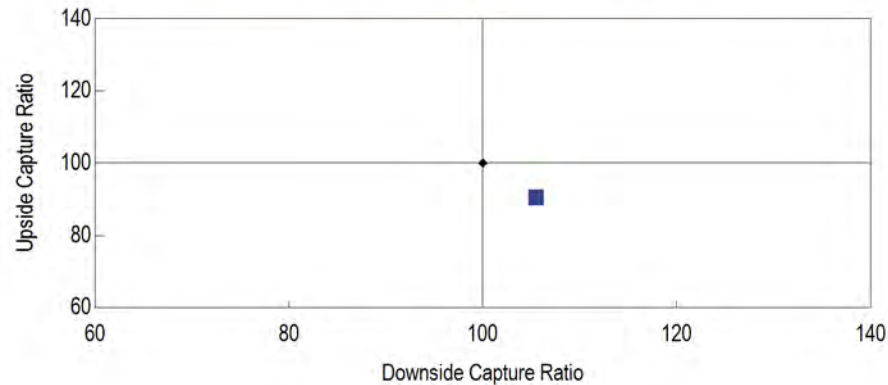
Attribution Effects  
1 Year Ending December 31, 2013



Allocation Effect  
Selection Effect  
Interaction Effects  
Total Effect

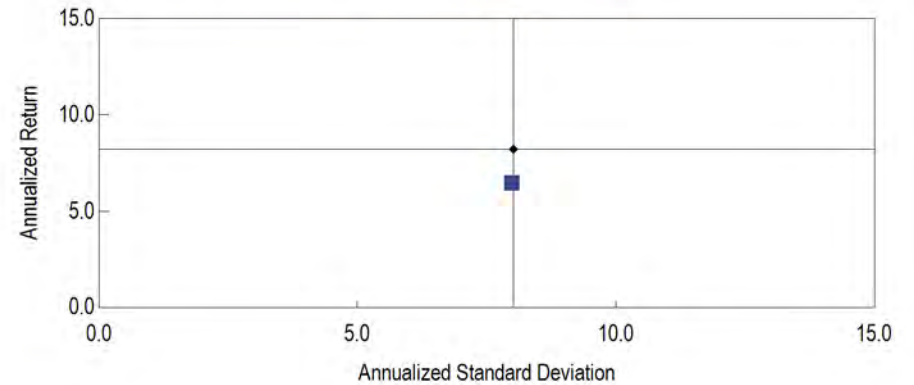
As of December 31, 2013

Upside Capture Ratio vs. Downside Capture Ratio  
2 Years 10 Months Ending December 31, 2013



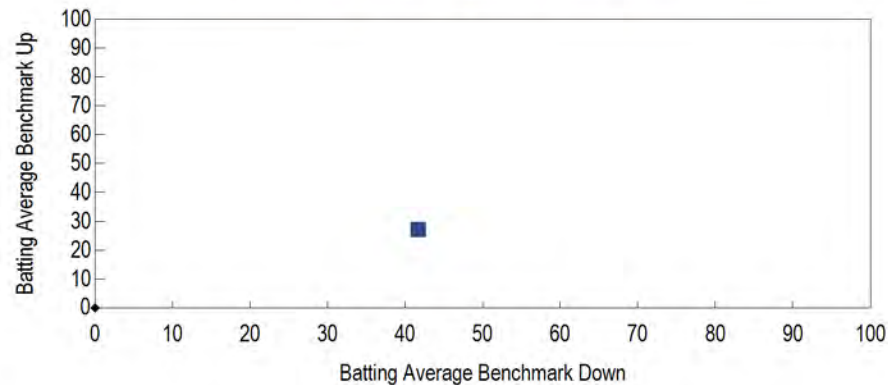
- Total Fund
- ◆ Sussex OPEB Policy Index

Annualized Return vs. Annualized Standard Deviation  
2 Years 10 Months Ending December 31, 2013



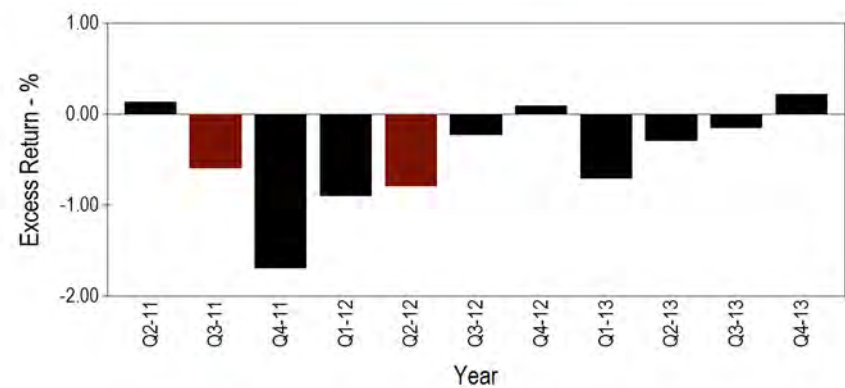
- Total Fund
- ◆ Sussex OPEB Policy Index

Batting Average Benchmark Up vs. Batting Average Benchmark Down  
2 Years 10 Months Ending December 31, 2013



- Total Fund
- ◆ Sussex OPEB Policy Index

Quarterly Excess Performance



- Quarterly Out/Under Performance, Rising Market
- Quarterly Out/Under Performance, Falling Market

## Performance Summary

As of December 31, 2013

	% of Portfolio	Policy %	2013 Q4	Rank	Ending December 31, 2013					Inception	
					1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	Return Since
<b>Equity Composite</b>	<b>59.0</b>	<b>60.0</b>									
Vanguard Dividend Growth	8.1		9.1	76	31.9	60	16.8	17	16.7	69	24.0 Aug-12
<i>S&amp;P 500</i>			10.5	31	32.4	44	16.2	27	17.9	36	25.7 Aug-12
Vanguard Russell 1000 Index	24.9		10.2	49	33.0	39	16.2	27	--	--	26.7 Aug-12
<i>Russell 1000</i>			10.2	49	33.1	38	16.3	25	--	--	26.8 Aug-12
Vanguard Mid Cap Index	5.0		8.6	58	35.2	47	15.4	56	22.1	27	35.2 Dec-12
<i>Spliced Mid Cap Index</i>			8.6	57	35.4	43	15.5	51	22.2	25	35.4 Dec-12
Ridgeworth Small Cap Value	5.1		9.6	41	35.0	61	14.9	47	21.6	32	14.5 Feb-11
<i>Russell 2000 Value</i>			9.3	51	34.5	65	14.5	52	17.6	86	13.4 Feb-11
Dodge & Cox Global	8.2		10.1	7	33.2	15	12.6	27	19.3	12	11.4 Feb-11
<i>MSCI ACWI Value (Net)</i>			7.2	58	22.4	62	9.4	76	13.7	78	7.8 Feb-11
Harding Loevner International Equity	7.6		4.6	88	14.0	89	7.4	52	15.4	11	14.7 Jun-13
<i>MSCI ACWI ex USA</i>			4.8	85	15.3	80	5.1	84	12.8	43	15.3 Jun-13
<b>Fixed Income Composite</b>	<b>41.0</b>	<b>40.0</b>									
Wilmington Trust Fixed Income	31.0		-0.3	--	-1.4	--	--	--	--	--	0.6 Mar-12
<i>Barclays Int Govt.</i>			-0.4	--	-1.2	--	--	--	--	--	0.5 Mar-12
Operating Account	9.0		0.0	--	0.1	--	--	--	--	--	0.1 Sep-11
Mutual Fund Cash	0.9		0.0	--	0.0	--	--	--	--	--	0.0 Jul-12
<i>BofA Merrill Lynch 91-Day T-Bill</i>			0.0	--	0.1	--	--	--	--	--	0.1 Jul-12

Please note: All returns shown are net of fees. All returns over one year are annualized.

Please note: Returns prior to inception are reported by the mutual funds and are for informational purposes only. They are not the returns realized by the plan.

Spliced Mid Cap Index: MSCI US Mid Cap 450 through January 31, 2013; CRSP US Mid Cap Index thereafter.

## Fee Schedule

As of December 31, 2013

Account	Fee Schedule	Market Value As of 12/31/2013	% of Portfolio	Estimated Annual Fee (\$)	Estimated Annual Fee (%)
Vanguard Dividend Growth	0.29% of Assets	\$2,513,947	8.1%	\$7,290	0.29%
Vanguard Russell 1000 Index	0.08% of Assets	\$7,733,287	24.9%	\$6,187	0.08%
Vanguard Mid Cap Index	0.10% of Assets	\$1,551,113	5.0%	\$1,551	0.10%
Ridgeworth Small Cap Value	1.21% of Assets	\$1,596,259	5.1%	\$19,315	1.21%
Dodge & Cox Global	0.69% of Assets	\$2,531,310	8.2%	\$17,466	0.69%
Harding Loevner International Equity	0.86% of Assets	\$2,370,116	7.6%	\$20,383	0.86%
Wilmington Trust Fixed Income	0.20% of Assets	\$9,634,335	31.0%	\$19,269	0.20%
Operating Account	No Fee	\$2,805,114	9.0%	--	--
Mutual Fund Cash	No Fee	\$293,435	0.9%	--	--
<b>Investment Management Fee</b>		<b>\$31,028,918</b>	<b>100.0%</b>	<b>\$91,461</b>	<b>0.29%</b>

# U.S. EQUITIES

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# Sussex County OPEB Trust

## Vanguard Dividend Growth

As of December 31, 2013

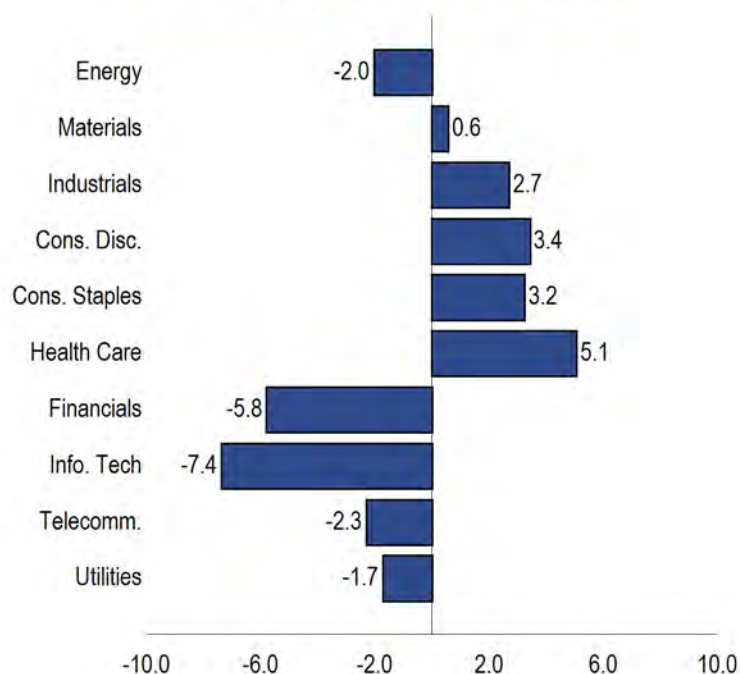
### Manager Summary

- Invest in large cap equities, emphasizing dividend-paying stocks of high quality companies.
- Sub-advised by Wellington Management Company.
- Seeks companies with strong operating characteristics, including confidence to sustainably grow dividends.
- Concentrated strategy. Tends to do well in defensive markets.

### Portfolio Information

	Portfolio	S&P 500
Number of Holdings	52	500
Weighted Avg. Market Cap. (\$B)	108.06	116.13
Median Market Cap. (\$B)	60.33	16.40
Price To Earnings	22.25	20.26
Price To Book	5.18	3.94
Price To Sales	2.05	2.19
Return on Equity (%)	22.43	17.94
Yield (%)	2.34	1.97
Beta	0.75	1.00

### Sector Over/Under Allocation (%) vs S&P 500



### Top Ten Holdings

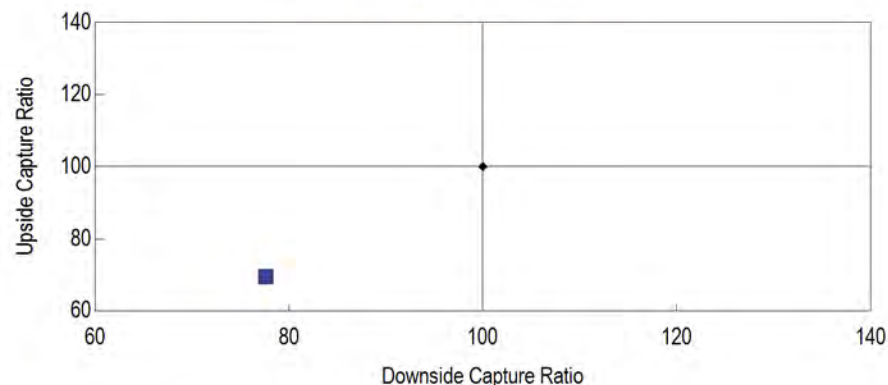
CASH - USD	4.2%
UNITED PARCEL SER.'B'	3.0%
MCDONALDS	2.8%
MICROSOFT	2.7%
WAL MART STORES	2.6%
MERCK & CO.	2.6%
PRAXAIR	2.5%
LOCKHEED MARTIN	2.4%
CARDINAL HEALTH	2.4%
UNITEDHEALTH GP.	2.3%
<b>Total For Top Ten Holdings</b>	<b>27.5%</b>



# Vanguard Dividend Growth

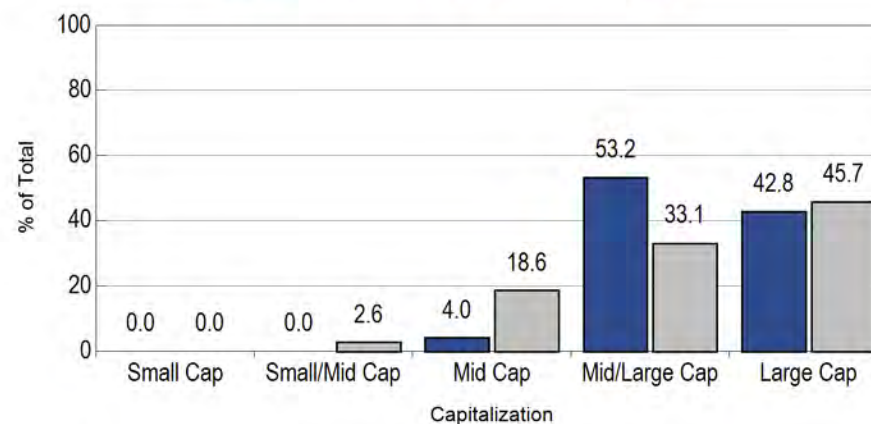
As of December 31, 2013

Upside Capture Ratio vs. Downside Capture Ratio  
5 Years Ending December 31, 2013



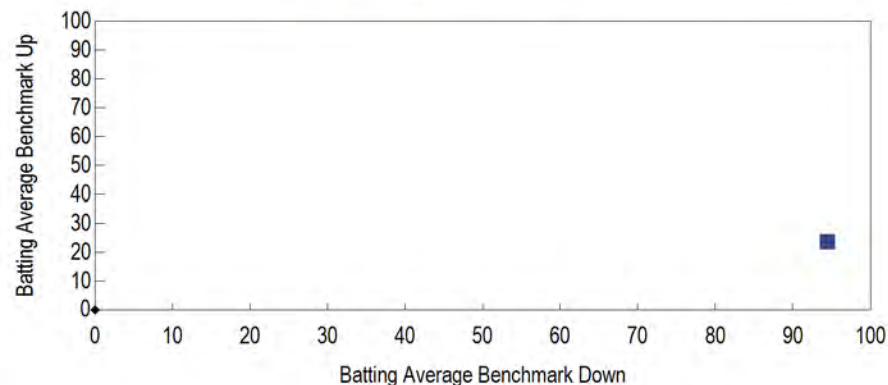
- Vanguard Dividend Growth
- ◆ S&P 500

Market Capitalization As Of December 31, 2013



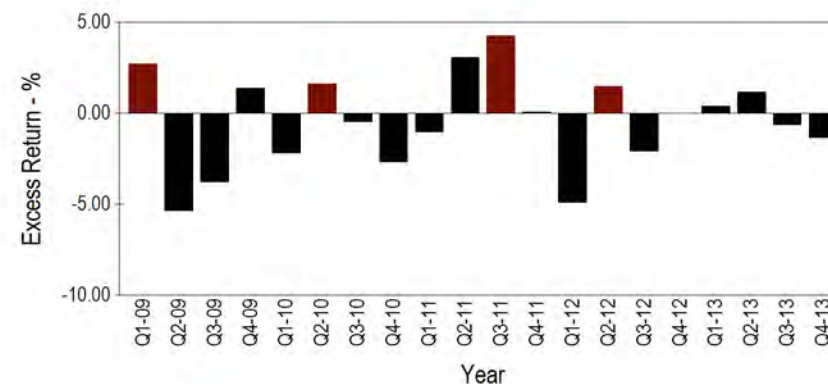
- Vanguard Dividend Growth
- S&P 500

Batting Average Benchmark Up vs. Batting Average Benchmark Down  
5 Years Ending December 31, 2013



- Vanguard Dividend Growth
- ◆ S&P 500

Quarterly Excess Performance



- Quarterly Out/Under Performance, Rising Market
- Quarterly Out/Under Performance, Falling Market

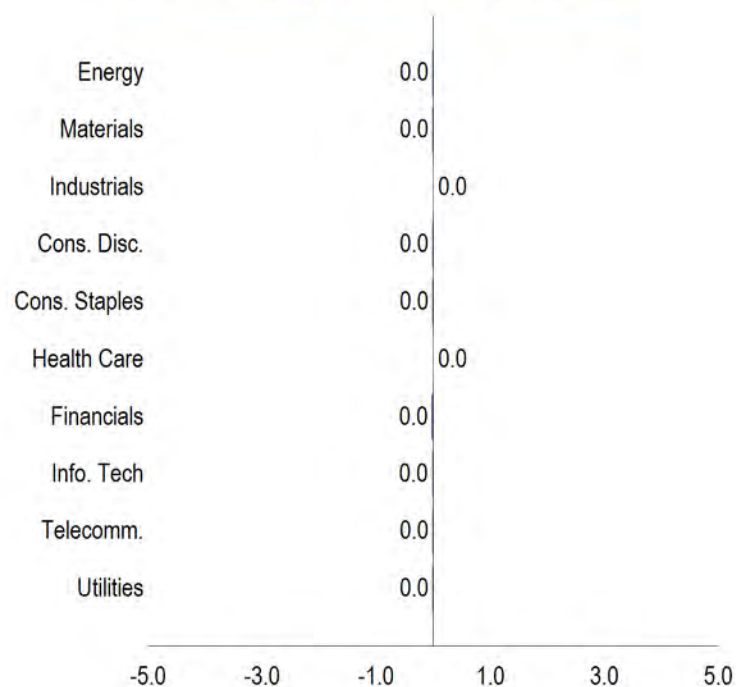
## Vanguard Russell 1000 Index

As of December 31, 2013

## Manager Summary

- Passively managed.
- Seeks to track the performance of the Russell 1000 Index.
- Invests in large equities across value and growth styles.
- Strategy remains fully invested.

Sector Over/Under Allocation (%) vs Russell 1000



## Portfolio Information

	Portfolio	Russell 1000
Number of Holdings	1,019	1,015
Weighted Avg. Market Cap. (\$B)	103.70	109.00
Median Market Cap. (\$B)	7.47	7.52
Price To Earnings	21.92	19.93
Price To Book	4.14	2.68
Price To Sales	2.54	1.83
Return on Equity (%)	18.60	16.87
Yield (%)	1.89	1.89
Beta	1.00	1.00

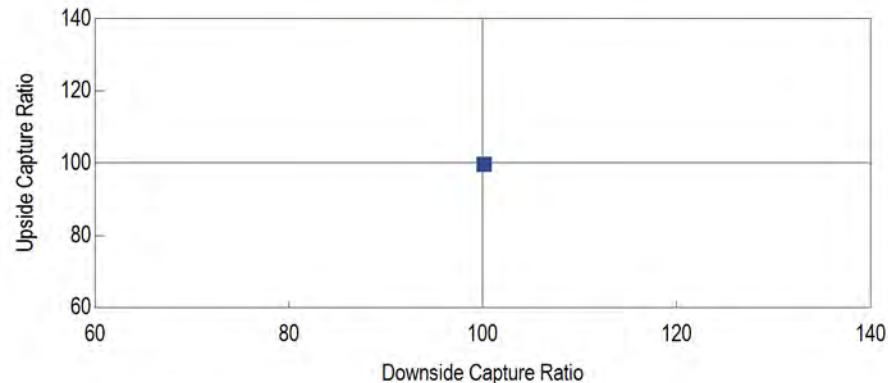
## Top Ten Holdings

APPLE	2.8%
EXXON MOBIL	2.4%
MICROSOFT	1.6%
GOOGLE 'A'	1.6%
GENERAL ELECTRIC	1.5%
JOHNSON & JOHNSON	1.4%
CHEVRON	1.3%
PROCTER & GAMBLE	1.2%
JP MORGAN CHASE & CO.	1.2%
WELLS FARGO & CO	1.2%
<b>Total For Top Ten Holdings</b>	<b>16.0%</b>

# Vanguard Russell 1000 Index

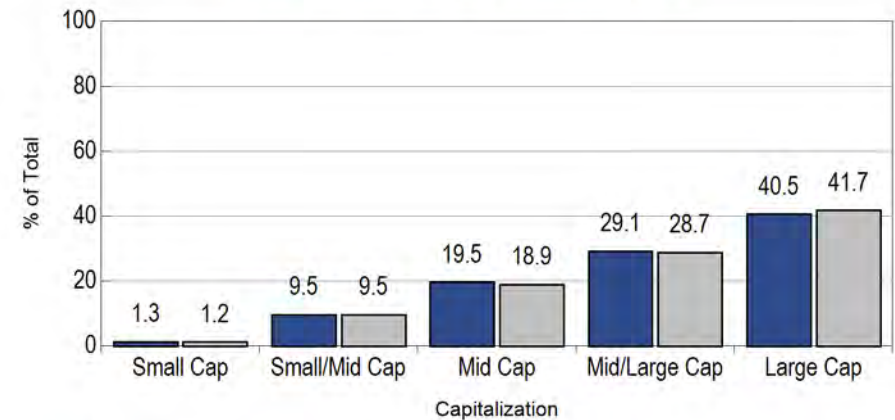
As of December 31, 2013

Upside Capture Ratio vs. Downside Capture Ratio  
3 Years 3 Months Ending December 31, 2013



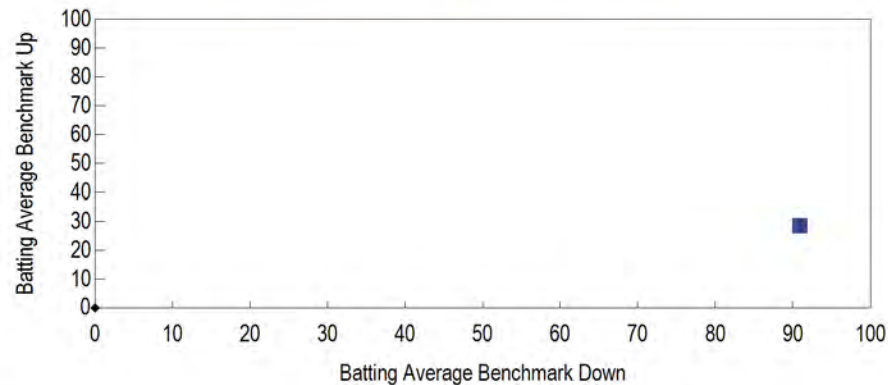
- Vanguard Russell 1000 Index
- ◆ Russell 1000

Market Capitalization As Of December 31, 2013



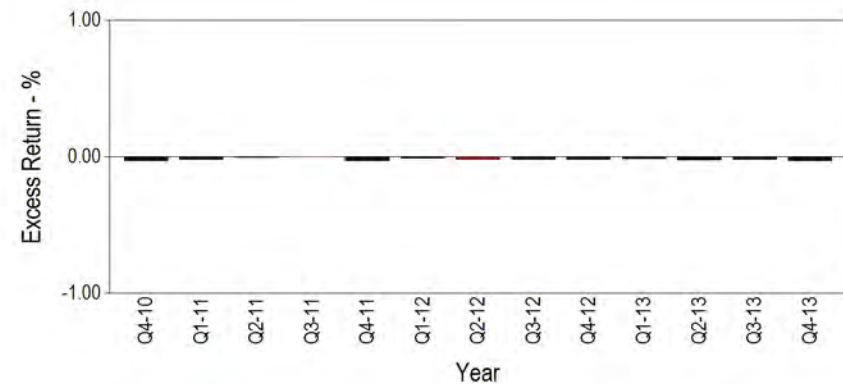
- Vanguard Russell 1000 Index
- Russell 1000

Batting Average Benchmark Up vs. Batting Average Benchmark Down  
3 Years 3 Months Ending December 31, 2013



- Vanguard Dividend Growth
- ◆ S&P 500

Quarterly Excess Performance



- Quarterly Out/Under Performance, Rising Market
- Quarterly Out/Under Performance, Falling Market

# Sussex County OPEB Trust

## Vanguard Mid Cap Index

As of December 31, 2013

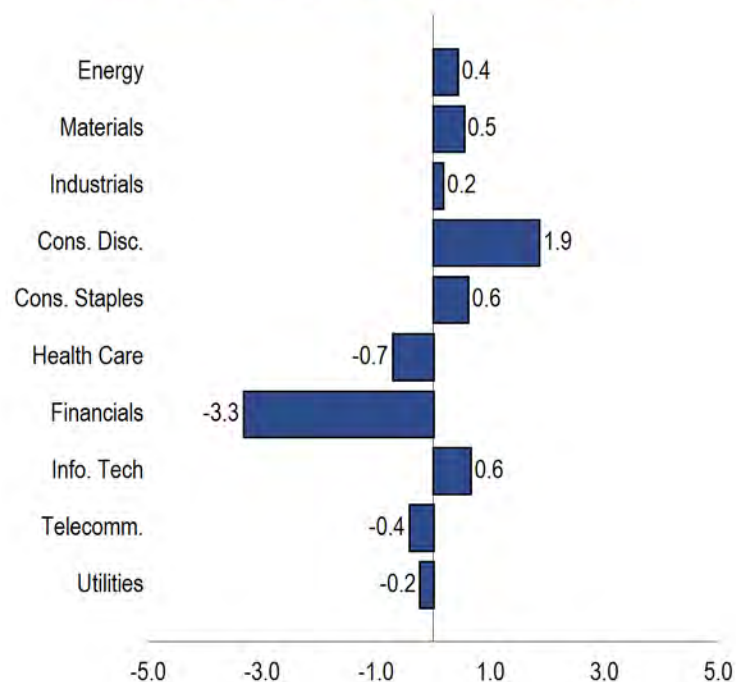
### Manager Summary

- Passively-managed.
- Seeks to track the performance of the CRSP US Mid Cap Index.
- Invests in value stocks of medium-size U.S. companies.
- Fund remains fully invested.

### Portfolio Information

	Portfolio	MSCI US Mid Cap 450
Number of Holdings	374	450
Weighted Avg. Market Cap. (\$B)	10.68	9.30
Median Market Cap. (\$B)	8.16	7.15
Price To Earnings	25.78	24.97
Price To Book	4.27	3.68
Price To Sales	2.59	2.29
Return on Equity (%)	17.17	15.35
Yield (%)	1.34	1.27
Beta	0.99	1.00

### Sector Over/Under Allocation (%) vs Russell MidCap

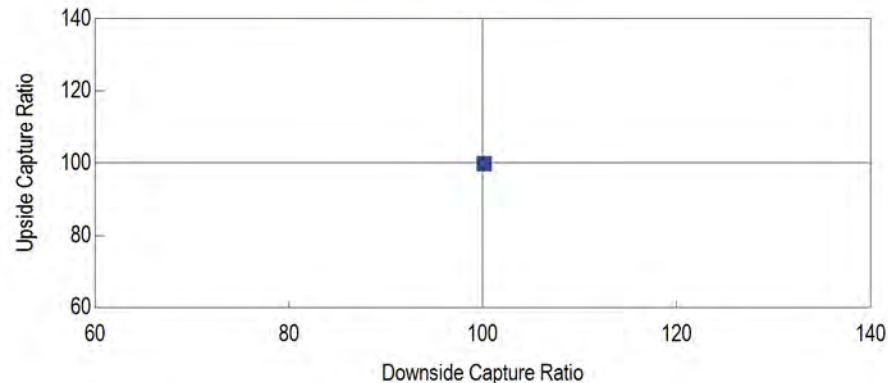


### Top Ten Holdings

MACY'S	0.7%
WESTERN DIGITAL	0.6%
DELPHI AUTOMOTIVE	0.6%
SEAGATE TECH.	0.6%
VERTEX PHARMS.	0.6%
CERNER	0.6%
MOODY'S	0.6%
MYLAN	0.6%
CHIPOTLE MEXN.GRILL	0.5%
CABOT OIL & GAS 'A'	0.5%
<b>Total For Top Ten Holdings</b>	<b>5.8%</b>

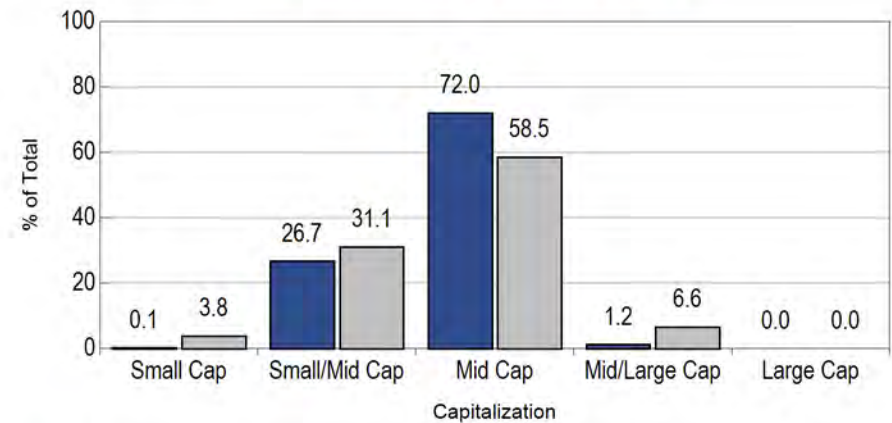
As of December 31, 2013

Upside Capture Ratio vs. Downside Capture Ratio  
5 Years Ending December 31, 2013



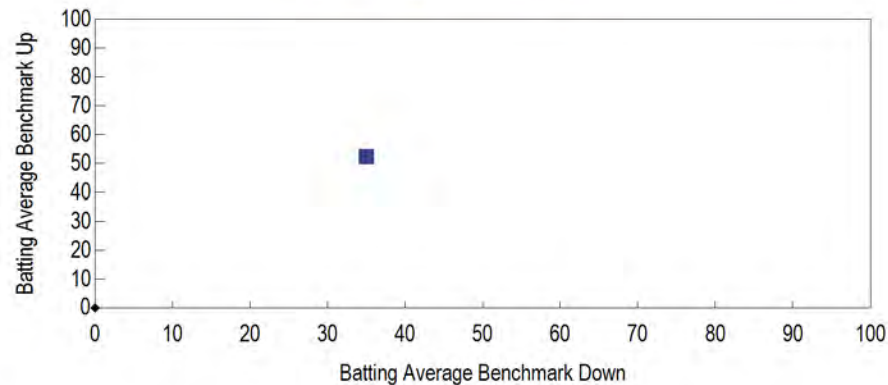
- Vanguard Mid Cap Index
- ◆ Spliced Mid Cap Index

Market Capitalization As Of December 31, 2013



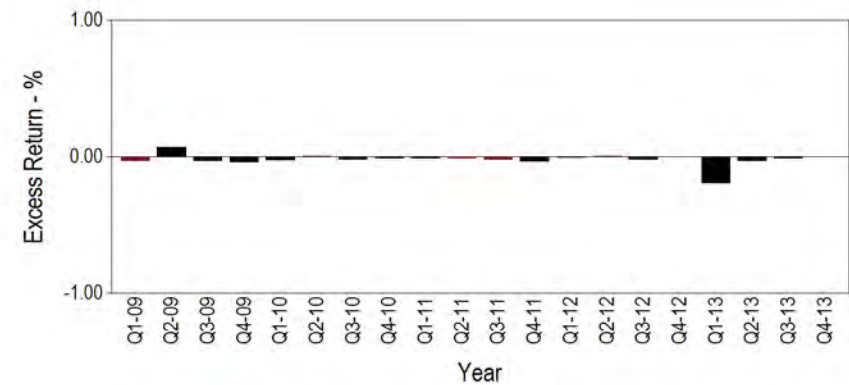
- Vanguard Mid Cap Index
- Russell MidCap

Batting Average Benchmark Up vs. Batting Average Benchmark Down  
5 Years Ending December 31, 2013



- Vanguard Mid Cap Index
- ◆ Spliced Mid Cap Index

Quarterly Excess Performance



- Quarterly Out/Under Performance, Rising Market
- Quarterly Out/Under Performance, Falling Market



# Sussex County OPEB Trust

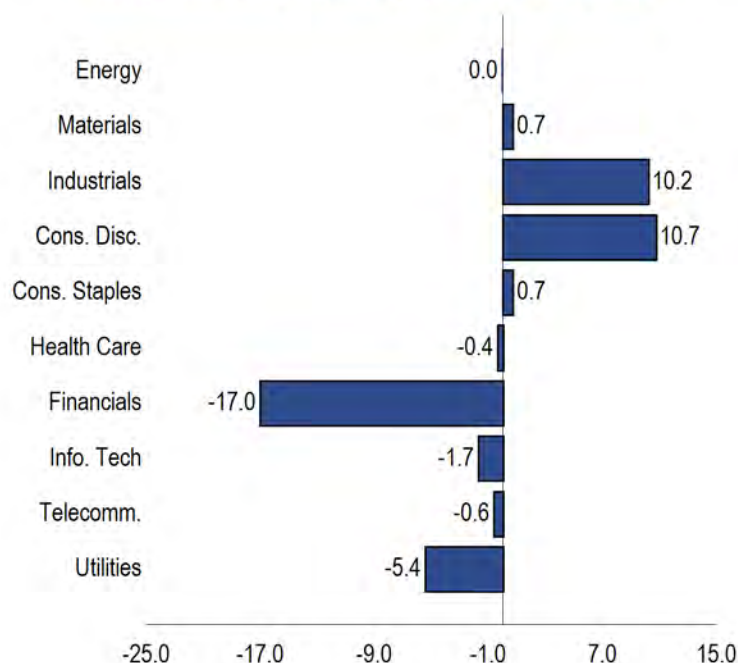
## Ridgeworth Small Cap Value

As of December 31, 2013

### Manager Summary

- Focus on investing in companies with market capitalizations ranging from \$50 million to \$3 billion at the time of purchase.
- Emphasize:
  - Dividends - strategy only invests in companies that pay dividends. Ceredex Value Advisors, the fund's sub-advisor, believes dividends are a good indicator of management's confidence in the earnings potential of the company.
  - Valuation - seeks companies that trade at a lower third of their historical valuations.
  - Fundamentals - seeks catalysts that could drive meaningful price appreciation in the next 18-36 months.

Sector Over/Under Allocation (%) vs Russell 2000 Value



### Portfolio Information

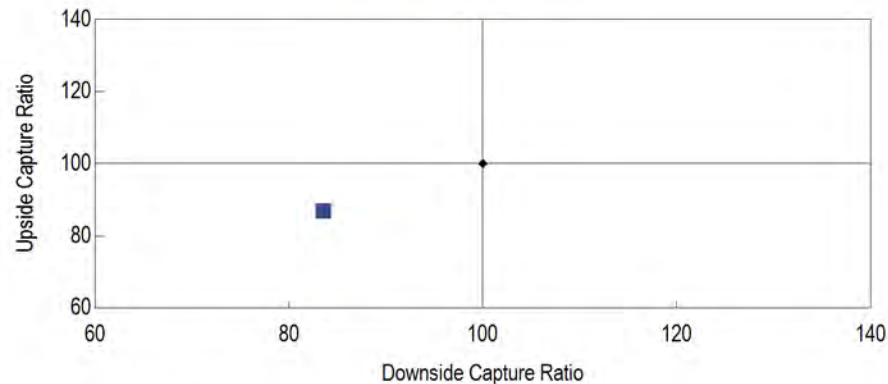
	Portfolio	Russell 2000 Value
Number of Holdings	87	1,394
Weighted Avg. Market Cap. (\$B)	2.46	1.54
Median Market Cap. (\$B)	1.96	0.62
Price To Earnings	23.57	26.69
Price To Book	3.01	1.60
Price To Sales	1.61	1.37
Return on Equity (%)	13.08	6.67
Yield (%)	1.83	1.92
Beta	0.91	1.00

### Top Ten Holdings

STANCORP FINL.GP.	3.6%
HSN	3.4%
CARBO CERAMICS	3.1%
GUESS	3.0%
PROGRESSIVE WASTE SLTN.	2.7%
INTERFACE	2.6%
SMITH (AO)	2.3%
CABOT	2.3%
HANOVER INSURANCE GROUP	2.2%
BRISTOW GROUP	2.2%
<b>Total For Top Ten Holdings</b>	<b>27.6%</b>

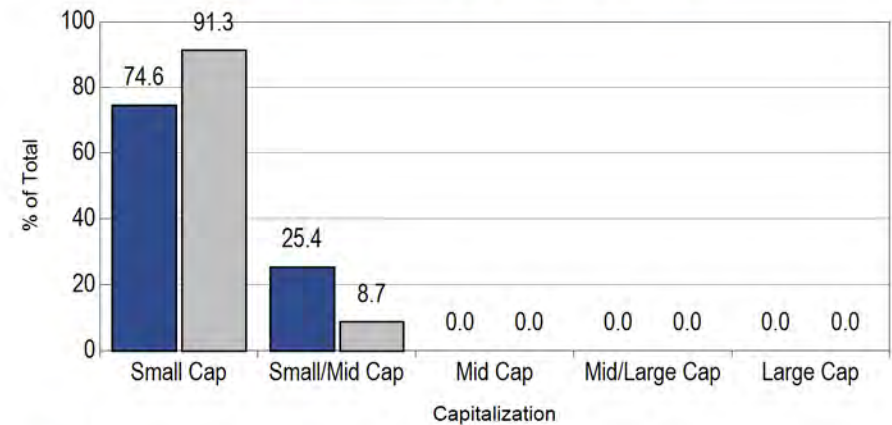
As of December 31, 2013

Upside Capture Ratio vs. Downside Capture Ratio  
5 Years Ending December 31, 2013



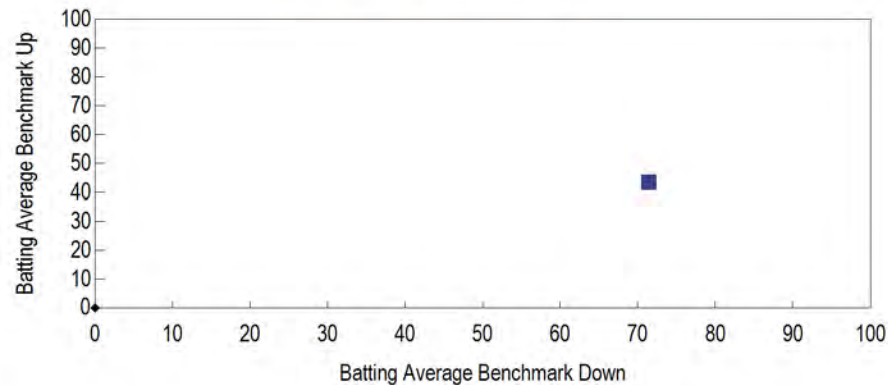
- Ridgeworth Small Cap Value
- ◆ Russell 2000 Value

Market Capitalization As Of December 31, 2013



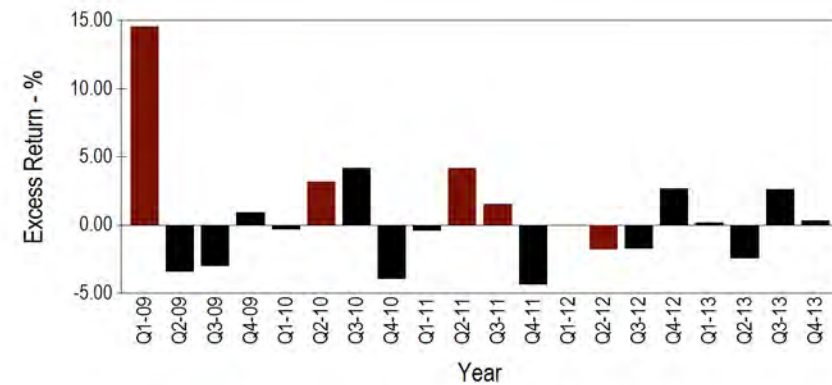
- Ridgeworth Small Cap Value
- Russell 2000 Value

Batting Average Benchmark Up vs. Batting Average Benchmark Down  
5 Years Ending December 31, 2013



- Ridgeworth Small Cap Value
- ◆ Russell 2000 Value

Quarterly Excess Performance



- Quarterly Out/Under Performance, Rising Market
- Quarterly Out/Under Performance, Falling Market

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# GLOBAL EQUITIES

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As of December 31, 2013

**Manager Summary**

- Focuses on identifying large, well-established companies across the globe that trade at a discount to their long-term profit opportunities.
- Emphasize fundamental research, attempting to understand risks facing businesses over a 3-5 year time horizon.
- Seek companies with solid management teams and strong, competitive franchises.
- Strategy tends to hold deep value stocks that may be out-of-favor in the short-term but offer good value for the long-term investor.

**Country Allocation****Versus MSCI World - Quarter Ending December 31, 2013**

	Manager Ending Allocation (USD)	Index Ending Allocation (USD)
<b>Top 5 Largest Countries</b>		
United States	42.1%	54.4%
Switzerland	8.2%	3.7%
United Kingdom	6.2%	9.1%
Japan	6.2%	8.7%
France	5.3%	4.2%
<b>Total-Top 5 Largest Countries</b>	<b>68.0%</b>	<b>80.1%</b>
<b>Totals</b>		
Developed	81.8%	100.0%
Emerging*	14.1%	0.0%
Cash	4.1%	

**Portfolio Information**

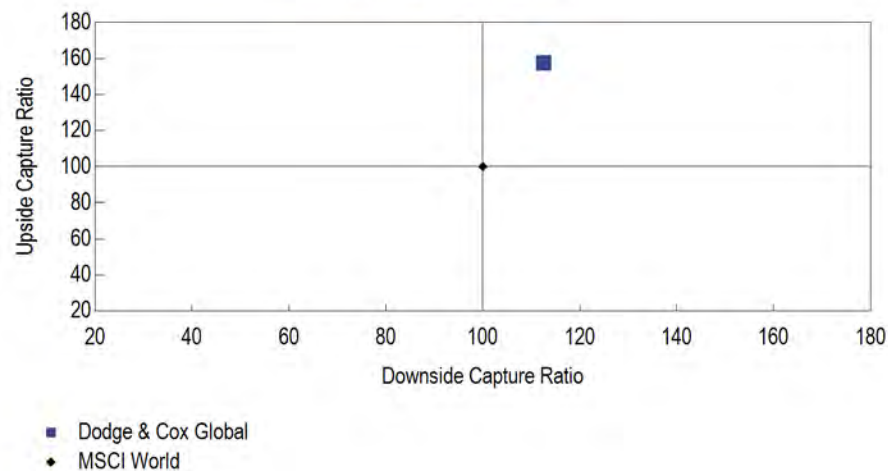
	Portfolio	MSCI World
Number of Holdings	89	1,610
Weighted Avg. Market Cap. (\$B)	75.48	88.00
Median Market Cap. (\$B)	34.32	10.78
Price To Earnings	22.56	19.79
Price To Book	3.25	3.15
Price To Sales	1.94	2.05
Return on Equity (%)	15.13	16.19
Yield (%)	2.14	2.37
Beta	1.14	1.00

**Top Ten Holdings**

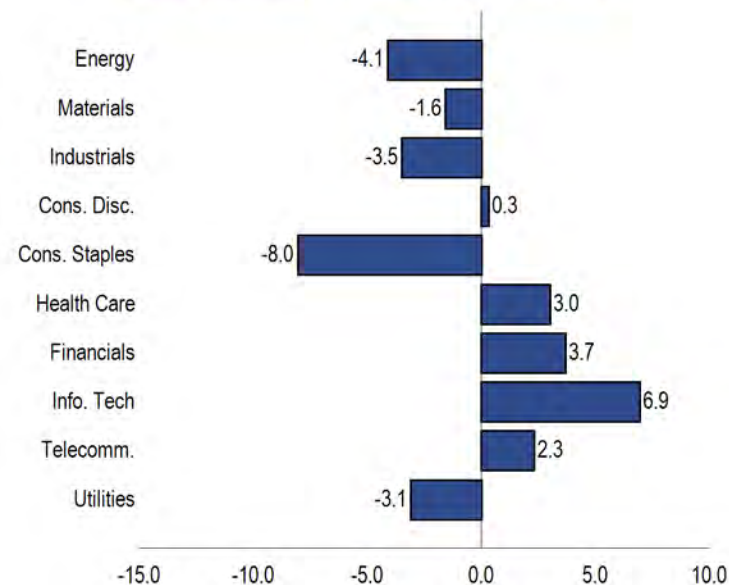
CASH - USD	4.1%
HEWLETT-PACKARD	3.8%
MICROSOFT	2.9%
ROCHE HOLDING	2.6%
SANOFI	2.5%
NASPERS	2.1%
CHARLES SCHWAB	2.1%
CAPITAL ONE FINL.	2.1%
WELLS FARGO & CO	2.0%
SCHLUMBERGER	1.8%
<b>Total For Top Ten Holdings</b>	<b>26.0%</b>

As of December 31, 2013

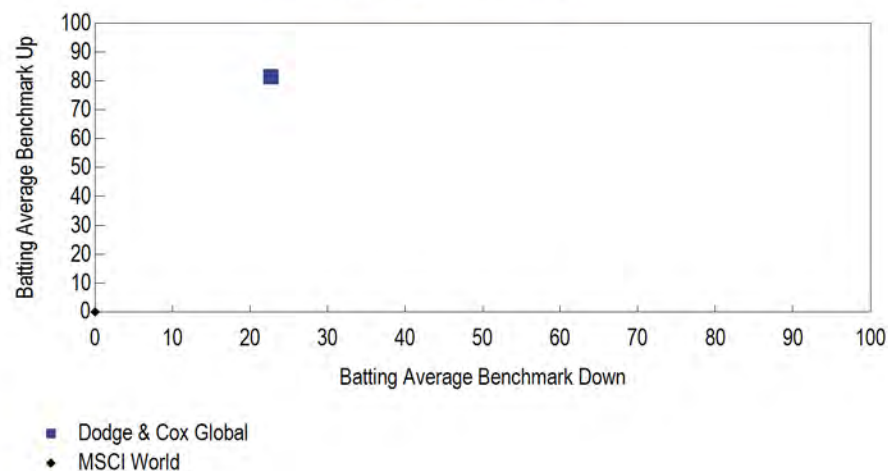
Upside Capture Ratio vs. Downside Capture Ratio  
5 Years Ending December 31, 2013



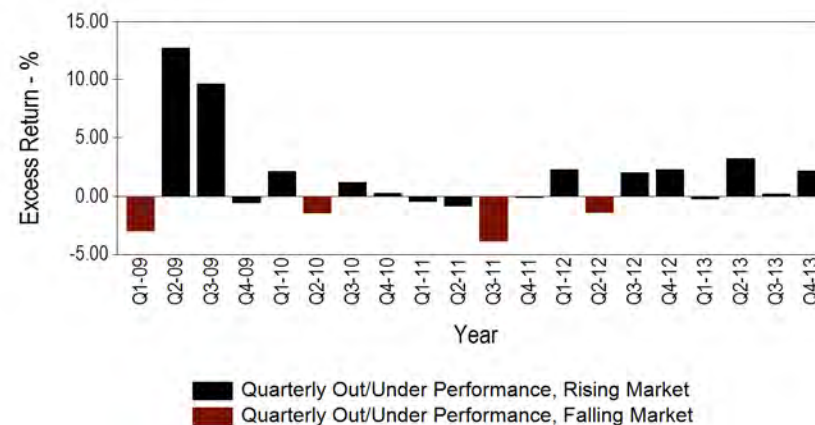
Sector Over/Under Allocation (%) vs MSCI World



Batting Average Benchmark Up vs. Batting Average Benchmark Down  
5 Years Ending December 31, 2013



Quarterly Excess Performance



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# INTERNATIONAL EQUITIES

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## Harding Loevner International Equity

As of December 31, 2013

## Manager Summary

- Focuses on investing in high quality, growing companies that can be purchased at reasonable prices.
- Emphasizes four critical characteristics before a company is considered for purchase:
  - Capable management
  - Competitive advantages
  - Durable growth
  - Financial strength
- Seeks to understand companies from a fundamental perspective (bottom-up) and from an industry perspective (relative to peers).

## Country Allocation

Versus MSCI ACWI ex USA - Quarter Ending December 31, 2013

	Manager Ending Allocation (USD)	Index Ending Allocation (USD)
<b>Top 5 Largest Countries</b>		
Japan	14.5%	15.1%
France	12.5%	7.3%
Germany	11.8%	6.8%
United Kingdom	9.5%	15.9%
Switzerland	9.0%	6.4%
<b>Total-Top 5 Largest Countries</b>	<b>57.4%</b>	<b>51.5%</b>
<b>Totals</b>		
Developed	81.4%	79.5%
Emerging*	16.6%	20.5%
Cash	2.1%	

## Portfolio Information

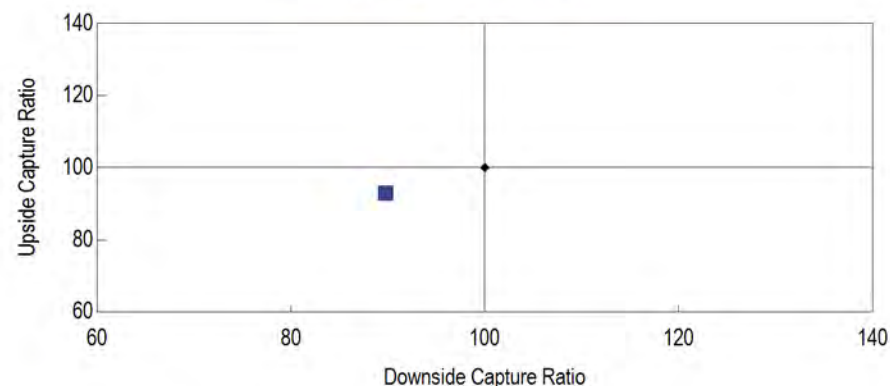
	Portfolio	MSCI ACWI ex USA
Number of Holdings	59	1,824
Weighted Avg. Market Cap. (\$B)	59.36	55.56
Median Market Cap. (\$B)	31.92	6.78
Price To Earnings	22.67	18.17
Price To Book	4.40	2.43
Price To Sales	3.54	1.80
Return on Equity (%)	18.59	15.00
Yield (%)	1.99	2.84
Beta	0.90	1.00

## Top Ten Holdings

SAP ADR 1:1	3.9%
WPP	3.4%
NESTLE SPN.ADR.REGD.SHS. ADR 1:1	3.4%
DASSAULT SYSTEMES	3.4%
ALLIANZ	3.1%
AIR LIQUIDE	3.0%
ROCHE HOLDING	3.0%
AIA GROUP	2.7%
FANUC	2.6%
JGC	2.6%
<b>Total For Top Ten Holdings</b>	<b>31.2%</b>

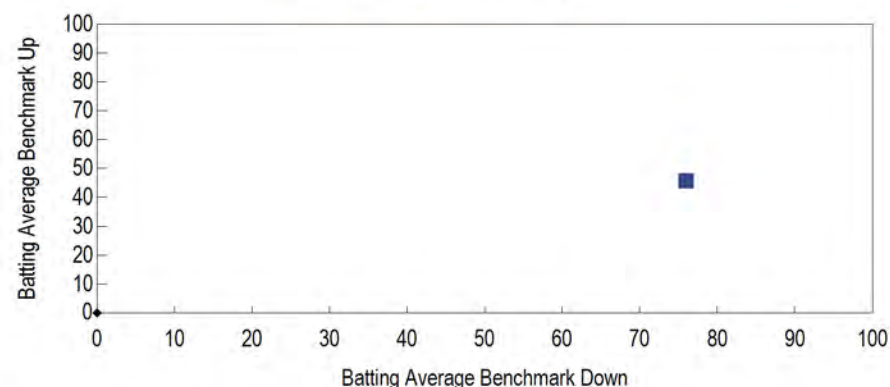
As of December 31, 2013

Upside Capture Ratio vs. Downside Capture Ratio  
5 Years Ending December 31, 2013



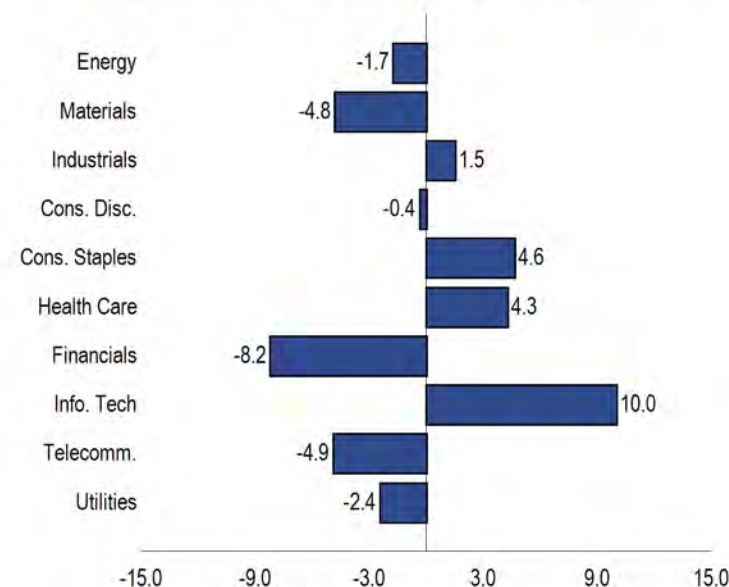
- Harding Loevner International Equity
- ◆ MSCI ACWI ex USA

Batting Average Benchmark Up vs. Batting Average Benchmark Down  
5 Years Ending December 31, 2013

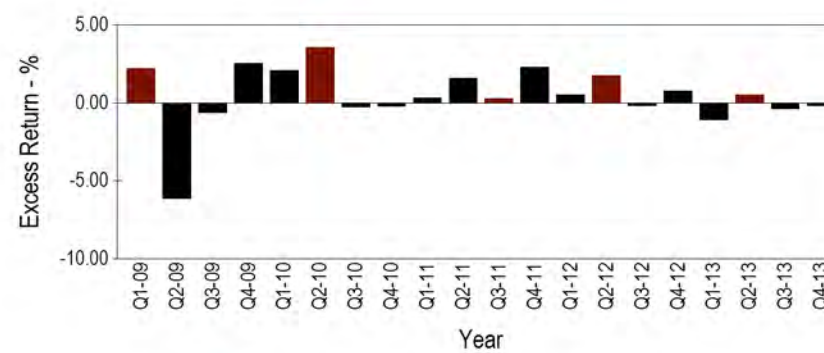


- Harding Loevner International Equity
- ◆ MSCI ACWI ex USA

Sector Over/Under Allocation (%) vs MSCI ACWI ex USA



Quarterly Excess Performance



- Quarterly Out/Under Performance, Rising Market
- Quarterly Out/Under Performance, Falling Market

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# U.S. FIXED INCOME

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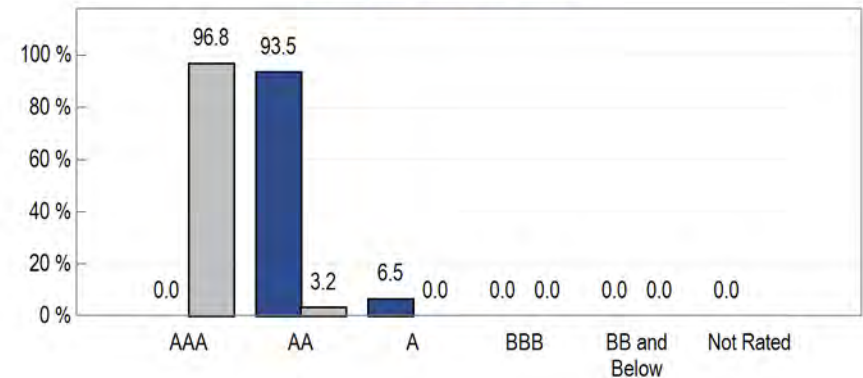


As of December 31, 2013

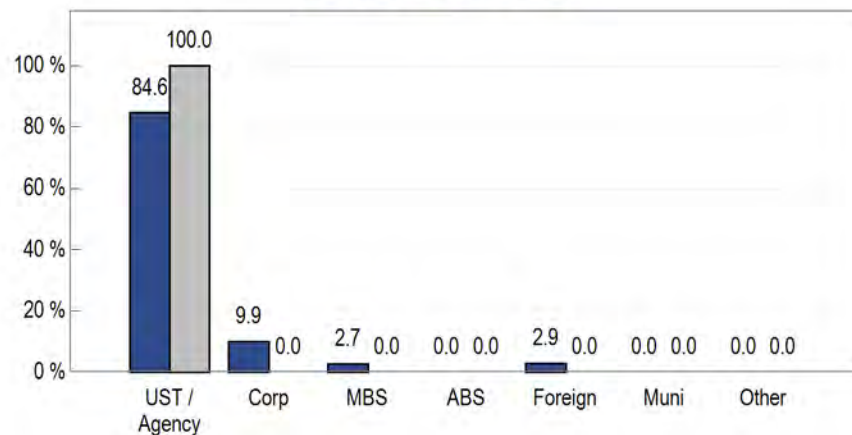
### Manager Summary

- Strategy focuses equally on duration management, sector selection and yield curve exposure.
- Assess overall market environment and position portfolio to benefit from realistic expectations.
- Will actively trade, including analysis of technical factors, price momentum, interest rate outlook and yield curve movement.

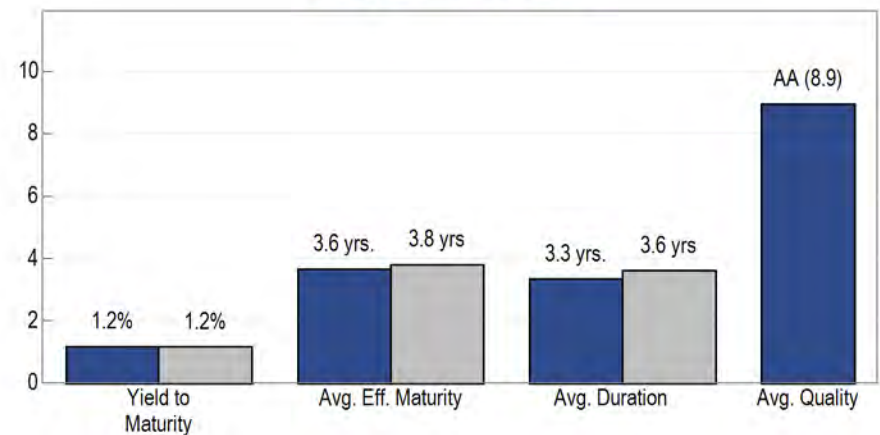
Quality Ratings  
Wilmington Trust Fixed Income



Sectors  
Wilmington Trust Fixed Income



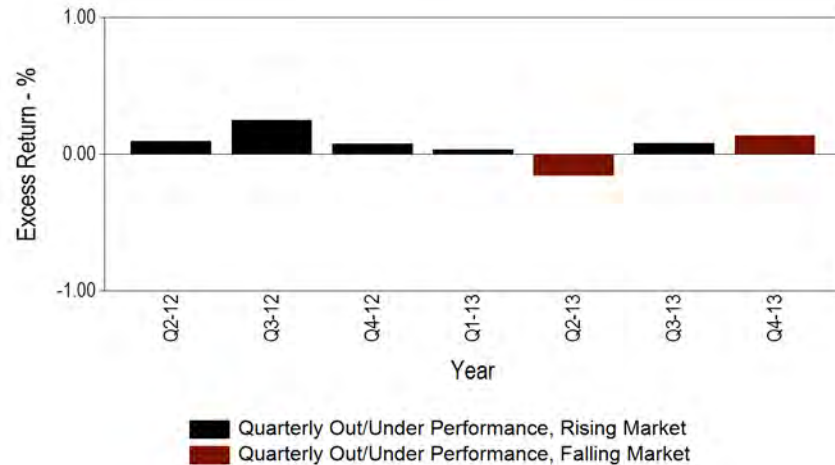
Characteristics  
Wilmington Trust Fixed Income



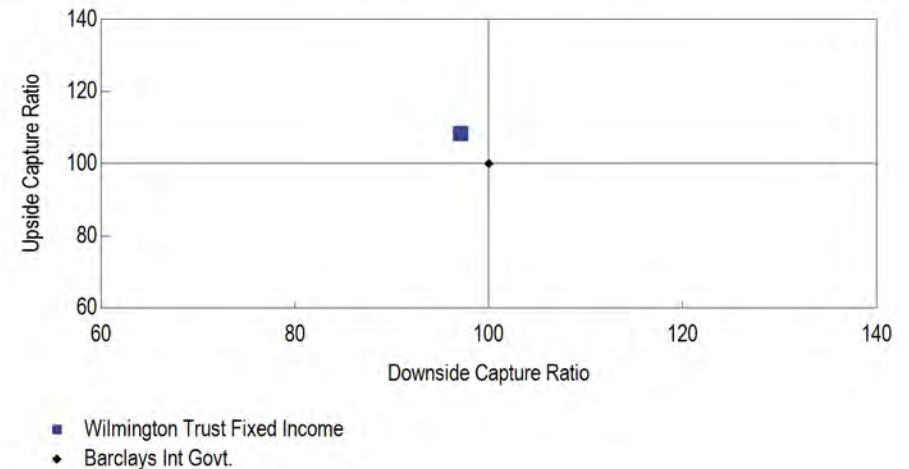
Wilmington Trust Fixed Income    Barclays Int Govt.

Actual holdings use S&P rankings whereas the Barclays Index uses the median of the three ratings agencies.

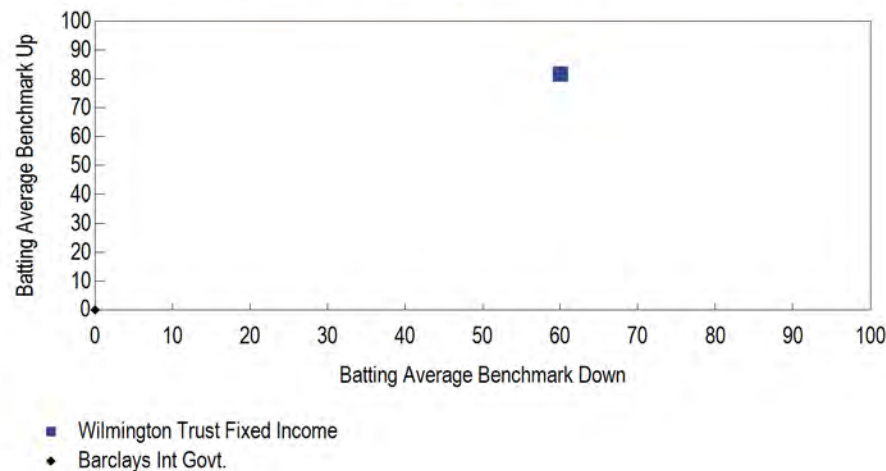
Quarterly Excess Performance



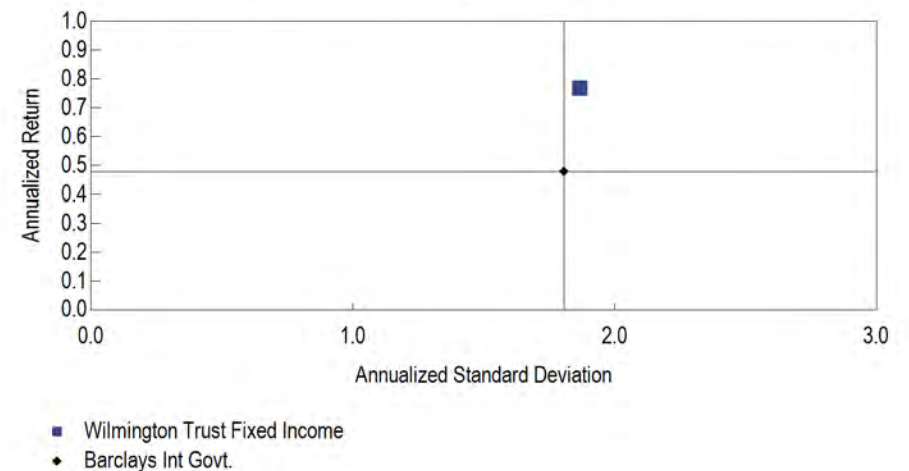
Upside Capture Ratio vs. Downside Capture Ratio  
1 Year 9 Months Ending December 31, 2013



Batting Average Benchmark Up vs. Batting Average Benchmark Down  
1 Year 9 Months Ending December 31, 2013



Annualized Return vs. Annualized Standard Deviation  
1 Year 9 Months Ending December 31, 2013





**RE: 10<sup>TH</sup> ANNUAL GREENWING EVENT-OWENS STATION, DELAWARE**

*Dear Greenwing Supporter*

*Over the last 9 years Delaware Ducks Unlimited has provided a day outdoors for the kids to learn about conservation, participate in outdoor activities and have some good old fashioned fun. This full day program is free for each and every child and includes a one year Greenwing membership, lunch, giveaways and some wonderful outdoor activities and memories for each child.*

*Please help us keep this event going and free of cost for all children. If you would like to see this event continue and all of the smiles that come with it, you can send your donation to:*

*Delaware Ducks Unlimited  
C/O ....Louis A. Caputo, Jr.  
222 Delaware Avenue, 18th Floor  
Wilmington, Delaware 19801*

*Please see our enclosed flyer and our fun fact sheet for this event. Your help will keep this event going for the kids. If you have any questions, you can contact me directly at 302.429.2727.*

*Sincerely,*

*Louis A. Caputo, Jr.  
State Chairman*

# DELAWARE DUCKS UNLIMITED

## Event Sponsor

Donation of at least **\$3000.00**

- Recognition as a State Youth in Education Greenwing program major donor
- Unlimited exhibitor space for displays for maximum marketing exposure to a variety of target
- Audiences for your business at the 2014 Greenwing event
- Custom made banners to be hung at the 2014 Greenwing event
- Tax deductible donation supporting the education of youth and a very important cause

## Gold Event Sponsor

Donation of at least **\$1500.00**

- Recognition as a State Youth in Education Greenwing program sponsor
- 10'x50' exhibitor space for displays for maximum marketing exposure to a variety of target
- Audiences for your business at the 2014 Greenwing event
- Custom Made banner to be hung at the 2014 Greenwing event
- Tax deductible donation supporting the education of youth and a very important cause

## Silver Event Sponsor

Donation of at least **\$750.00**

- Recognition as a State Youth in Education Greenwing program sponsor
- 10'x50' exhibitor space for displays for maximum marketing exposure to a variety of target
- Audiences for your business at the 2014 Greenwing event
- Banner (provided by donor) to be hung at the 2014 Greenwing event
- Tax deductible donation supporting the education of youth and a very important cause

## Bronze Event Sponsor

Donation of at least **\$500.00**

- Recognition as a State Youth in Education Greenwing program sponsor
- 10'x20' exhibitor space for displays for maximum marketing exposure to a variety of target
- Audiences for your business at the 2014 Greenwing event
- Any banner (provided by donor) to be hung at the 2014 Greenwing event
- Tax deductible donation supporting the education of youth and a very important cause

## Event Supporter / Station Shoot Sponsor

Donation of at least **\$200.00**

- Recognition as a State Youth in Education Greenwing program supporter
- Business or Personal will be placed a shoot station
- Tax deductible donation supporting the education of youth and a very important cause

\* Sign up today \*

**OR COMPLETE AND MAIL FORM TO:**

Greenwing Registration  
Attn: Christy Willis  
379 Lake Drive  
Smyrna, DE 19977

GROUP NAME

YOUTH PARTICIPANT NAME (required)

STREET ADDRESS (required)

CITY STATE ZIP (required)

YOUTH PARTICIPANT DATE OF BIRTH (mm/dd/yy)

To gauge the level of interest...the above registrant  
may have interest in participating in...

- ☐ Youth Duck and Goose calling contest
- ☐ Decoy carving contest
- ☐ Wildlife and Outdoor Photography contest
- PLEASE REGISTER FOR THE ABOVE EVENTS  
AS SOON AS YOU ARRIVE ON 4/12/14

PLEASE Post Mark by April 7, 2014  
Will accept registration day of event

For additional registration  
information contact:  
Christy Willis [christy@willisgm.com](mailto:christy@willisgm.com)  
302-270-1218

**ACTIVITIES SCHEDULED:**

- Archery demonstration by Nick Kale who has won three consecutive Team Overall Archery National Championships with James Madison University. He was accepted into the highly competitive USA Archery Residency Program in Chula Vista and is a strong candidate to represent the US in the 2016 Olympics.
  - Conservation education and wildlife management exhibit
  - Retriever and bird dog demonstrations
  - Duck banding demonstration
  - DE State Police helicopters
  - Delaware State Police fingerprinting
  - Delaware Forestry Department
  - Boating safety
  - Fly fishing demonstration
  - Build a bluebird box
  - Decoy carving demonstration
  - Gun safety and clay target shooting
  - Archery safety and target shooting
  - Air rifle safety and target shooting
  - 9<sup>th</sup> Annual Youth Duck/Goose Calling Contest
  - 8<sup>th</sup> Annual Youth Decoy Carving Contest
  - 5<sup>th</sup> Annual Youth Wildlife/Outdoors Photography Contest
- And much more.....

The Greenwing Event has been a highly successful day of outdoor fun and wetlands conservation directed at educating the children that are the future of preserving and protecting the natural resources not only in Delaware but throughout North America.



**Delaware Ducks Unlimited  
Presents  
2014 Youth  
Conservation Festival**

**Saturday April 12, 2014**

**\*\*\* SIGN UP TODAY \*\*\***

12613 Road 602, Owens Station  
Greenwood, DE

Event Registration: 8:00 to 10:00 AM  
Activities: 9:00 AM to 3:30 PM

***Conservation education  
starts with our youth  
and STARTS HERE!!***

A day for the youth to learn about  
conservation & outdoor activities

This program is **free** and includes a  
one-year Greenwing membership,  
lunch, and more!



# CLAYS

for

## Kids



**Please Join Us for Our Annual  
Greenwing Fund Raiser  
Sporting Clay Shoot  
Sunday April 13, 2014**

**Owens Station, Greenwood, DE**

**LEWIS CLASS, CLAYS, LUNCH,  
RAFFLES,  
and AUCTIONS  
\$65/Adult  
\$45/Youth**

**\$5.00 OFF for youth that attend  
Delaware's Youth Conservation  
Festival on Saturday  
April 12, 2014**

## \* Save the date \*

### 9th annual Youth Duck and Goose calling contest

This is one of our most popular contests with the youth. **Please visit the Calling Contest station early upon your arrival at the Greenwing event, to register your child in this contest.**

### 8th annual Decoy carving contest

One of the oldest folk art traditions carried on through the youth of today. Puddle Ducks, Diver Ducks, Geese and Confidence Decoys will be the acceptable decoys for this competition. **ALL decoy entries must be submitted prior to the event or brought to the event and registered by 10am.** For more information contact Lou Caputo at 302.429.2727, or via e-mail at [Louis.Caputo@pnc.com](mailto:Louis.Caputo@pnc.com)

### 5th annual Wildlife and Outdoor Photography contest

Entries must be in printed photo format, no smaller than a 4x6 and no larger than 8x10. Photos must be of some form of wildlife, natural living plant, or outdoor natural scene. **PLEASE ENSURE MAILED ENTIRES ARE SENT PRIOR TO 3/25, all other entries can be brought to the event and registered by 10am.** Please submit entries to: Greenwing Photo contest; 379 Lake Drive; Smyrna, DE 19977

## Sponsorship & General Information

### LEARN HOW YOU CAN GET INVOLVED AND SUPPORT DELAWARE CONSERVATION

Interested in displaying  
an exhibit at the event,  
becoming a sponsor,  
or for more general  
information  
please contact:

Tony Senn  
[tsenn@ducks.org](mailto:tsenn@ducks.org)  
302-422-5068

Sean Terzaghi  
[Seanterzaghi@msn.com](mailto:Seanterzaghi@msn.com)  
609-636-2868

Jason Crook  
[jasoncrook@gmail.com](mailto:jasoncrook@gmail.com)  
302-218-5503



## DELAWARE GREENWING

### FUN FACTS

- FIRST EVENT WAS HELD ON MARCH 27, 2004 AT OWENS STATION
- THE EVENT HAS RUN FOR 9 CONSECUTIVE YEARS
- 2014-10<sup>TH</sup> YEAR IN A ROW FOR THE EVENT
- 12,650 HAVE BEEN REGISTERED AS GREENWINGS SINCE INCEPTION
- 750 BLUE BIRD BOXES CONSTRUCTED BY THE KIDS
- 1200 WOOD DUCK BOXES CONSTRUCTED BY THE KIDS
- 475 BOY SCOUTS ATTENDED OVER NIGHT CAMPING TRIPS
- 9000 HOT DOGS SERVED
- 3400 SLICES OF PIZZA EATEN
- 3925 GALLONS OF BEVERAGES CONSUMED
- 4400 CLAY TARGETS THROWN
- 8600 ARROWS SHOT
- 600 DUCKS BANDED
- 2100 KIDS PARTICIPATED IN DUCK AND GOOSE CALLING

WITH YOUR HELP AND GENEROSITY WE CAN CONTINUE TO HOLD THIS EVENT FOR THE CHILDREN, GET THEM OUTDOORS FOR A FUN DAY OF HANDS ON ACTIVITIES AND BUILD THEIR AWARENESS OF CONSERVATION AND CONSERVING NATURAL RESOURCES WHILE HAVING FUN.

PLEASE HELP US IN ANY WAY THAT YOU CAN!

Thank you,  
Lou Caputo, Jr.  
State Chairman





**Dagsboro Volunteer Fire department**  
*Serving our Communities Since 1943*

**FIRE • RESCUE • EMERGENCY MEDICAL SERVICES**

**31818 Waples Street Dagsboro, Delaware 19939**  
**Voice: (302) 732-6151 & (302) 732-9673 ♦ Fax: (302) 732-1091**

Also on the Web at:  
**WWW.DAGSBOROVFD.COM**

**March 18, 2014**

**Dear Sponsor,**

**The Dagsboro Volunteer Fire Department proudly protects over 5000 people living in an area of 25 square miles. We operate out of one station that protects a primarily residential area.**

**Our Fire Department is a volunteer organization that responds to an average of 120 alarms a year and 400 ambulance calls. Our services include Fire, EMS, Haz-Mat, Water Rescue, Search and Rescue and Extrication. The Fire Department has active members, honorary members, junior members, auxiliary members and lifetime members. Route 113 locates us ten miles west of the Atlantic Ocean.**

**We are seeking a monetary donation to support the Alley Cat Competition Dance Troupe. For tax purposes, please note that the Dagsboro Volunteer Fire Department's Tax ID Number is 51-0206210. Your support to Dagsboro VFD and The Alley Cat Dance Troupe is greatly appreciated.**

**Respectfully,**

✓

**Holly Donaway  
Event Coordinator  
Dagsboro Volunteer Fire Department**

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**DONATION RECEIPT:**

**Donor Name:** Sussex County Council

**City/State/Zip Code:** Georgetown, DE 19947

**Phone:** \_\_\_\_\_

**Donation/Value:** \$500.00

**Dagsboro VFD Tax ID No. 51-0206210**



# MILLVILLE VOLUNTEER FIRE CO., INC.

STATION 84

P.O. Box 64

Millville, Delaware 19970



Tel.: 302-539-9535

Web: [www.millville84.com](http://www.millville84.com)

Fax: 302-539-7319

January 20, 2014

Mr. George Cole  
Sussex County Councilman  
Ocean View, DE 19970

Dear Mr. Cole,

The Millville Volunteer Fire Company is requesting your help in applying for a Grant-In-Aid to assist in the purchase of a new Traffic Control Unit at an approximate cost of \$70,000. This unit will replace an existing 1984 vehicle that was purchased used from a fire company in New Jersey. The current unit has continuing mechanical problems due to its age and is not worth us putting any more good money into it.

With the upcoming road work in conjunction with the widening of Atlantic Avenue, we believe this unit would be an asset to the Millville Volunteer Fire Company and public in rerouting traffic as necessary during an alarm. In addition, over the course of the past three years, we have responded to a combination of 5,935 fire and EMS calls. Obviously, there were numerous occasions when the Traffic Control Unit responded to help assist in the direction of traffic around the emergency scenes.

Mr. Cole, any help you can provide the Millville Volunteer Fire Company will be greatly appreciated. If you have any questions, please feel free to contact me at 302-841-4003.

Respectfully,

Harold Lloyd, Fire Police Captain

Millville Volunteer Fire Company



March 5, 2014

Sussex County Council  
PO Box 589  
Georgetown, DE 19947

Dear Councilman Vincent,

Do you remember going to the Nanticoke Riverfest throughout the years? What are some of your favorite memories? Was it the first time you floated down the Nanticoke River? The first time you watched the Canoe and Kayak races? Or, even the first time you ate "Taco in a Bag"? Nanticoke Riverfest has been creating those types of memories for our patrons, young and old, for 20 years now. That's right; the Nanticoke Riverfest is celebrating its 20<sup>th</sup> anniversary!

In honor of the occasion, this year's Riverfest is going to be bigger and better than ever! This year we will be "Roarin' on the Nanticoke" July 11-12th. We have plenty of new entertainment acts lined up; the Children's area is being revamped with new craft projects for the kids, activities and event new entertainment. We will also be having an all new challenge for "The Mayor's Challenge". As always, we will have our signature event, the Riverfest Float-in, wonderful vendors, the Nanticoke Rotary carnival, Little/Junior Miss Riverfest pageant, car show, and so much more!

We could not have reached this milestone, without the support of our local businesses. It is only through partnerships with businesses such as yours, that we have been able to provide such high-quality entertainment at no charge to our patrons for the last 20 years. In return for your continued kindness, the Nanticoke Riverfest would like to offer high-profile advertisements to your business on a variety of levels. The potential benefits include having your company name or logo displayed in many different advertising venues, including signage at the event, a listing on our website [www.nanticokeriverfest.com](http://www.nanticokeriverfest.com), and recognition in the Riverfest booklet, which is distributed through both the local newspaper and at the event.

Please take a minute to look through the attached flyer containing our various sponsorship levels. There are several benefits in each level that your business can receive for a monetary or in-kind donation. Donations of all sizes are accepted and appreciated, so we hope you will consider us when planning your gifts and donations for the year.

If you have any questions, please do not hesitate to contact us at Seaford's City Hall at 302-629-9173. Thank you so much for your continued support!

Sincerely,

Trisha Newcomer  
Nanticoke Riverfest Co-Chair

Amanda Lloyd  
Nanticoke Riverfest Co-Chair

**Please Make Checks Payable to:**

City of Seaford  
PO Box 1100  
Seaford, DE 19973

## PUBLIC HEARINGS

March 25, 2014

This is to certify that on February 27, 2014 the Sussex County Planning and Zoning Commission conducted public hearings on the below listed applications for Conditional Use and Change of Zone.. At the conclusion of the public hearings, the Commission moved and passed that these applications be forwarded to the Sussex County Council with the recommendations as stated.

Respectfully submitted:

COUNTY PLANNING AND ZONING

COMMISSION OF SUSSEX COUNTY

Lawrence B. Lank

Director of Planning and Zoning

The attached comments relating to the public hearings are findings of the Planning and Zoning Commission based on a summary of comments read into the record, and comments stated by interested parties during the public hearings.

### **Conditional Use #1979 – Thomas and Judy Munce**

Application of **THOMAS AND JUDY MUNCE** to consider the Conditional Use of land in an AR-1 Agricultural Residential District for a retail package store and tavern to be located on a certain parcel of land lying and being in Cedar Creek Hundred, Sussex County, containing 3.033 acres, more or less, lying east of U.S. Route 113 and 2,800 feet north of Route 16 (Tax Map I.D. 2-30-26.00-35.01).

The Commission found that on September 30, 2013 DelDOT provided comments in the form of a memorandum referencing that a Traffic Impact Study was not recommended and that the current Level of Service “B” of U.S. Route 113 at this location will not change as a result of this application.

The Commission found that on February 26, 2014 the County Engineering Department Utility Planning Division provided comments in the form of a memorandum referencing that the site is not in a proposed or current County operated and maintained sanitary sewer and/or water district; that the site is located in the Ellendale Primary Planning Area; that an on-site septic system is proposed; that conformity to the North Coastal Planning Study will be required; that the proposed use is not in an area where the County has a schedule to provide sewer service at this time; and that a concept plan is not required.

Mr. Lank advised the Commission that the site is located in a Developing Area according to the Sussex County Comprehensive Plan Update.

The Commission found that Mr. and Mrs. Thomas Munce were present and stated in their presentation and in response to questions raised by the Commission that they want to reopen the package store/tavern that has historically existed at this site; that they are proposing that the tavern be open for business from 12:00 Noon to 12:00 Midnight, and that the package store be closed at 9:00 p.m.; that they are not planning on cooking any foods on premise; that they will be offering snacks; that they anticipate a total of 3 to 4 employees; that DelDOT has reviewed their entrances and no changes have been determined; that they applied for the Conditional Use since the business had been closed in excess of two years; that they plan on using the existing signage on the premise; and that they have no plans to expand the building at this time.

The Commission found that there were no parties present in support of or in opposition to this application.

At the conclusion of the public hearings, the Commission discussed this application.

On February 27, 2014 there was a motion by Mr. Burton, seconded by Mr. Johnson, and carried unanimously to defer action for further consideration. Motion carried 5 – 0.

On March 13, 2014 the Commission discussed this application under Old Business.

Mr. Burton stated that he would move that the Commission recommend approval of Conditional Use #1979 for Thomas and Judy Munce for a conditional use of land for a retail package store and tavern based upon the record made during the public hearing and for the following reasons:

1. This site has historically been used as a tavern and package store. Such a use has been located at this site on U.S. Route 113 for many years, well before zoning was put into place.
2. The use was a legal non-conforming use (in other words, grandfathered), but lost its status due to delays in reopening the business. Since it was closed for more than 2 years, the legal non-conforming status expired.
3. The Applicants intend to use the premises in its current condition, with existing signage. They have stated that they have no plans to expand the building or the use at this time.
4. The use, which has been in existence for a very long time prior to the 2 year interruption, will not have any adverse impact on traffic, the neighborhood or neighboring property values.
5. No parties appeared in opposition to the Application.
6. This recommendation is subject to the following conditions:
  - A. The use as a tavern shall occur between the hours of noon and 1:00 a.m.
  - B. The hours of operation for the package store shall be between noon and 1:00a.m.

- C. There shall be no restaurant or cooking facilities on the premises.
- D. The use shall comply with all Sussex County parking requirements.
- E. The existing signage shall be permitted.
- F. Security lighting shall be provided. It shall be downward screened to provide safety but shall not shine on neighboring properties or roadways.
- G. The structure shall exist in its current configuration. Any expansion shall require additional site plan approvals by the Sussex County Planning and Zoning Commission.
- H. Any dumpsters on the site shall be screened from view of neighboring properties and roadways.
- I. The Final Site Plan shall be subject to the review and approval of the Sussex County Planning and Zoning Commission.

Motion by Mr. Burton, seconded by Mr. Johnson and carried unanimously to forward this application to the Sussex County Council with the recommendation that it be approved, for the reasons, and with the conditions stated. Motion carried 5 – 0.

#### **Change of Zone #1740 – Zhenguo Zhang**

Application of **ZHENGUO ZHANG** to amend the Comprehensive Zoning Map of Sussex County from an AR-1 Agricultural Residential District to a CR-1 Commercial Residential District for a certain parcel of land lying and being in Broadkill Hundred, Sussex County, containing 2.3522 acres, more or less, land lying southwest of Route One (Coastal Highway) 1,000 feet northwest of Road 258 (Hudson Road) (Tax Map I.D. 2-35-16.00-64.00).

The Commission found that on September 17, 2013 DelDOT provided comments in the form of a letter and memorandum referencing that the Department recommends that this rezoning application be considered without a Traffic Impact Study and that the need for a Traffic Impact Study will be evaluated when a subdivision or land development plan is proposed; that the property owner can develop a rights-in / rights-out access to Delaware Route One for a site generating an average of 40 vehicle trips per day; and that the current Level of Service “E” of Route One will not change as a result of this application.

The Commission found that on February 26, 2014 the County Engineering Department Utility Planning Division provided comments in the form of a memorandum referencing that the site is not in a proposed or current County operated and maintained sanitary sewer and/or water district; that the site is located in the North Coastal Planning Area; that an on-site septic system is proposed; that conformity to the North Coastal Planning Study will be required; that the proposed use is not in an area where the County has a schedule to provide sewer service at this time; and that a concept plan is not required.

The Commission found that on January 17, 2014 the Office of State Planning Coordination provided comments in the form of a letter referencing that the Applicant met with State agency planners on December 18, 2013 for a Preliminary Land Use Service meeting and that this letter

provides comments on the Strategies for State Policies and Spending, and comments on Code Requirements and Agency Permitting Requirements from DelDOT, the Department of Natural Resources and Environmental Control, and referencing that the Applicant shall provide to the local jurisdiction and the Office of State Planning Coordination a written response to comments received as a result of the pre-application process, noting whether comments were incorporated into the project design or not, and the reason therefore.

Mr. Lank advised the Commission that he has not yet received a response from the Applicant relating to the comments from the State agency planners.

Mr. Lank advised the Commission that the site is located in a Low Density Area according to the Sussex County Comprehensive Plan Update.

The Commission found that Zhenguo Zhang and Miaohou Xu were present and stated in their presentation and in response to questions raised by the Commission that Mr. Zhang is a practicing Acupuncturist; that he needs an office in this area for his patients; that he purchased this property so that he can develop an office on the premise; that he may also offer massage therapy and chiropractic services; that he has offices in Dover and Lewes; that he will be open at this location three (3) times per week seeing approximately five (5) patients per day; that other commercial zoning and uses exist in the immediate area; and that he chose to apply for the rezoning, rather than Conditional Use.

The Commission found that there were no parties present in support of or in opposition to this application.

At the conclusion of the public hearings, the Commission discussed this application.

On February 27, 2014 there was a motion by Mr. Burton, seconded by Mr. Johnson, and carried unanimously to defer action for further consideration. Motion carried 5 – 0.

On March 13, 2014 the Commission discussed this application under Old Business.

Mr. Burton stated that he would move that the Commission recommend denial of Change in Zone #1740 for Zhenguo Zhang for a change in zone from AR-1 Agricultural Residential to CR-1 Commercial Residential based upon the record made during the public hearing and for the following reasons:

1. Although this site is located along State Route One, it is in an area that has not developed with other commercially or business zoned properties. As a result, the re-zoning to CR-1 would create a stand-alone 2.35 acre parcel that is not compatible with the adjacent or surrounding properties.
2. The recent applications for properties in this general area have sought Conditional Use or B-1 approvals, not re-zonings to CR-1. This property should be treated in a similar way.
3. The Applicant presented this re-zoning request for a specific use that does not appear to require CR-1 Zoning. Instead, it could be operated under a Conditional Use approval or possible B-1 Zoning.

4. The property is not located in a developing area according to the Sussex County Comprehensive Plan.
5. It is my recommendation that if the Applicant chooses to pursue a Conditional Use that the Application Fees for doing so should be waived by the County.

Motion by Mr. Burton, seconded by Mr. Johnson and carried unanimously to forward this application to the Sussex County Council with the recommendation that it be denied for the reasons stated. Motion carried 5 – 0.

### **Change of Zone #1743 – Charles and Cristy Greaves**

Application of **CHARLES AND CRISTY GREAVES** to amend the Comprehensive Zoning Map of Sussex County from an AR-1 Agricultural Residential District to a CR-1 Commercial Residential District for a certain parcel of land lying and being in Broadkill Hundred, Sussex County, containing 18,886 square feet, more or less, land lying southeast of Route 16 (Broadkill Road) across from Road 233 (Reynolds Road) (Tax Map I.D. 2-35-15.00-25.00).

The Commission found that on November 13, 2013 DelDOT provided comments in the form of a memorandum referencing that a Traffic Impact Study was not recommended and that the current Level of Service “C” of Route 16 at this location will not change as a result of this application.

The Commission found that on February 26, 2014 the County Engineering Department Utility Planning Division provided comments in the form of a memorandum referencing that the site is not in a proposed or current County operated and maintained sanitary sewer and/or water district; that the site is located in the North Coastal Planning Area; that an on-site septic system is proposed; that conformity to the North Coastal Planning Study will be required; that the proposed use is not in an area where the County has a schedule to provide sewer service at this time; and that a concept plan is not required.

Mr. Lank advised the Commission that Mr. Greaves submitted a request to be reviewed by the Preliminary Land Use Service agency planners on December 10, 2013; that he was scheduled for a PLUS meeting on January 22, 2014; and that the Department has not received any comments from the Office of State Planning Coordination to date.

Mr. Lank provided the Commission with a copy of an exhibit packet provided by the Applicant on February 18, 2014 which included a copy of the application form; a statement by the Applicant; a copy of the survey of the property; and a series of aerial photograph and aerial Google maps, and photographs of the properties around the site.

Mr. Lank advised the Commission that the site is located in a Developing Area according to the Sussex County Comprehensive Plan Update.

The Commission found that Charles and Cristy Greaves were present and stated in their presentation and in response to questions raised by the Commission that they are hoping to improve the value of the property; that the residence is surrounded by commercial properties on three (3) sides and across from commercial property; that the only historical property in the area



is the Robbins Homestead across Route 16; that there are no burial grounds on this property; that an on-site septic system and well exist on the property; that he met with the Office of State Planning Coordination and the PLUS agencies; that retail and professional office space are proposed; that the building will not be used as a dwelling; that a 35 foot wide commercial entrance exist adjacent to the property; that they are proposing an antique store in the front and office space in the rear; and that there will not be any residential occupancy of the building.

The Commission found that there were no parties present in support of or in opposition to this application.

At the conclusion of the public hearings, the Commission discussed this application.

Mr. Burton stated that he would move that the Commission recommend approval of C/Z #1743 for Charles and Cristy Greaves for a change of zone from AR-1 to CR-1 based upon the record made during the public hearing and for the following reasons:

- 1) The parcel is surrounded by commercially zoned property, and residential use is no longer the highest and best use of the property. A rezoning will make the parcel consistent with its surroundings.
- 2) The location along Route 16 is appropriate for a CR-1 zoning.
- 3) The rezoning will not adversely affect the adjacent properties, the neighborhood or area roadways.
- 4) No parties appeared in opposition to the application.
- 5) Any change in the site will require site plan approval from the Sussex County Planning and Zoning Commission.

Motion by Mr. Burton, seconded by Mr. Johnson, and carried unanimously to forward this application to the Sussex County Council with the recommendation that the application be approved for the reasons stated. Motion carried 5 – 0.

#### **Change of Zone #1744 – Phillip Cross and Prentice Watkins**

Application of **PHILLIP CROSS AND PRENTICE WATKINS** to amend the Comprehensive Zoning Map of Sussex County from an AR-1 Agricultural Residential District to a CR-1 Commercial Residential District for a certain parcel of land lying and being in Broadkill Hundred, Sussex County, containing 4.85 acres, more or less, land lying south of Route 18 (Lewes Georgetown Highway) 1,500 feet west of Road 258 (Hudson Road) (Tax Map I.D. 2-35-30.00-55.00).

The Commission found that the site was originally approved on June 19, 2006 by the Sussex County Board of Adjustment for a Special Use Exception for commercial greenhouse and nursery on less than five (5) acres; that DelDOT granted approval for the existing commercial entrance on January 5, 2007; and that the Office of Planning and Zoning approved the site plan for the produce stand and greenhouses on March 2, 2007.

The Commission found that on February 26, 2014 the County Engineering Department Utility Planning Division provided comments in the form of a memorandum referencing that the site is not in a proposed or current County operated and maintained sanitary sewer and/or water district; that the site is located in the North Coastal Planning Area; that an on-site septic system is proposed; that conformity to the North Coastal Planning Study will be required; that the proposed use is not in an area where the County has a schedule to provide sewer service at this time; and that a concept plan is not required.

Mr. Lank advised the Commission that the site is located in a Development Area according to the Sussex County Comprehensive Plan Update.

The Commission found that Phillip Cross and Prentice Watkins were present and stated in their presentation and in response to questions raised by the Commission that they operated the Veggie Shack on the site since 2007; that the property is for sale, and that they have had a lot of inquiries; that the Realtor suggested that they apply for rezoning; that other commercial uses and zoning (B-1 Neighborhood Business, C-1 General Commercial, CR-1 Commercial Residential, and Conditional Uses) exist in the immediate area; that some of those commercial type uses include Peachtree Acres Rehab., Donut Connection, an automotive repair, and a retail bird and supply store; that large commercial areas exist to the east and west of the site; and that the property runs back to the railroad.

The Commission found that there were no parties present in support of or in opposition to this application.

At the conclusion of the public hearings, the Commission discussed this application.

Mr. Johnson stated that he would move that the Commission recommend approval of C/Z #1744 for Phillip Cross and Prentice Watkins for a change of zone from AR-1 to CR-1 based upon the record made during the public hearing and for the following reasons:

- 1) The parcel has nearby and adjacent commercial properties; the parcel has been used in the past as commercial property for a vegetable stand; and the property has an existing commercial entrance.
- 2) The location along Route 9 (Route 18) is appropriate for CR-1 zoning.
- 3) The rezoning will not adversely affect the adjacent properties, the neighborhood, or area roadways.
- 4) No parties appeared in opposition to the application.
- 5) Any change in the site will require site plan approval from the Sussex County Planning and Zoning Commission.

Motion by Mr. Johnson, seconded by Mr. Burton, and carried unanimously to forward this application to the Sussex County Council with the recommendation that this application be approved for the reasons stated. Motion carried 5 – 0.

**ORDINANCE NO. \_\_\_\_**

**AN ORDINANCE TO GRANT A CONDITIONAL USE OF LAND IN AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT FOR A RETAIL PACKAGE STORE AND TAVERN TO BE LOCATED ON A CERTAIN PARCEL OF LAND LYING AND BEING IN CEDAR CREEK HUNDRED, SUSSEX COUNTY, CONTAINING 3.033 ACRES, MORE OR LESS (Tax Map I.D. 230-26.00-35.01)**

**WHEREAS, on the 11th day of December 2013, a conditional use application denominated Conditional Use No. 1979 was filed on behalf of Thomas and Judy Munce; and**

**WHEREAS, on the \_\_\_\_ day of \_\_\_\_\_ 2014, a public hearing was held, after notice, before the Planning and Zoning Commission of Sussex County and said Planning and Zoning Commission recommended that Conditional Use No. 1979 be \_\_\_\_\_; and**

**WHEREAS, on the \_\_\_\_ day of \_\_\_\_\_ 2014, a public hearing was held, after notice, before the County Council of Sussex County and the County Council of Sussex County determined, based on the findings of facts, that said conditional use is in accordance with the Comprehensive Development Plan and promotes the health, safety, morals, convenience, order, prosperity and welfare of the present and future inhabitants of Sussex County, and that the conditional use is for the general convenience and welfare of the inhabitants of Sussex County.**

**NOW, THEREFORE, THE COUNTY OF SUSSEX HEREBY ORDAINS:**


**Section 1. That Chapter 115, Article IV, Subsection 115-22, Code of Sussex County, be amended by adding the designation of Conditional Use No. 1979 as it applies to the property hereinafter described.**

**Section 2. The subject property is described as follows:**


**ALL that certain tract, piece or parcel of land, lying and being situate in Cedar Creek Hundred, Sussex County, Delaware, and lying east of U.S. Route 113 and 2,800 feet north of Route 16 and being more particularly described as Parcel No. 4 on survey of “Lands of Sheila J. Stevens” as recorded in Plot Book 85, Page 50 in the Office of the Recorder of Deeds in and for Sussex County, said parcel containing 3.033 acres, more or less.**

**This Ordinance shall take effect immediately upon its adoption by majority vote of all members of the County Council of Sussex County, Delaware.**

33



# Conditional Use Application #1979



**Legend**

Parcels	Agricultural - AR-2	General Commercial - C-1
Parcel Lines	Medium Residential - MR	Commercial Residential - CR-1
Roads	General Residential - GR	Marine - M
Railroad	High Density Residential	Limited Industrial - LI-1
Municipal Boundaries	Vacation, Retire, Resident - VRP	Light Industrial - LI-2
Agricultural - AR-1	Neighborhood Business - B-1	Heavy Industrial - HI-1

04080160240320

Feet

1 inch = 125 feet

DUPONT BLVD

DUPONT

209

15

26.1

PB 85-50

188.7

15

4

3.03 AC.

35.01

227.81

35.03

2

7.56 AC.



# Conditional Use Application #1979

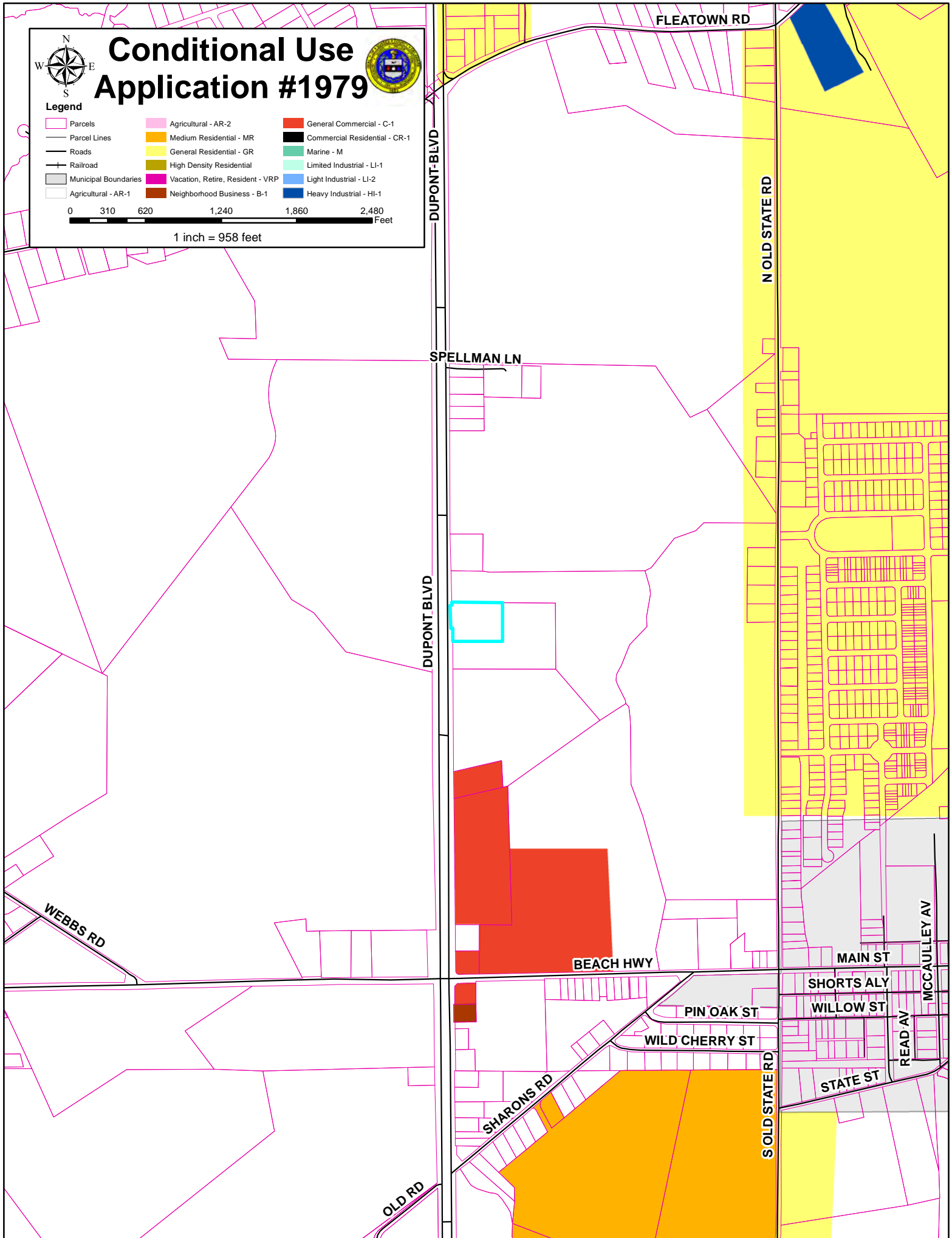


## Legend

Parcels	Agricultural - AR-2	General Commercial - C-1
Parcel Lines	Medium Residential - MR	Commercial Residential - CR-1
Roads	General Residential - GR	Marine - M
Railroad	High Density Residential	Limited Industrial - LI-1
Municipal Boundaries	Vacation, Retire, Resident - VRP	Light Industrial - LI-2
Agricultural - AR-1	Neighborhood Business - B-1	Heavy Industrial - HI-1

0 310 620 1,240 1,860 2,480 Feet

1 inch = 958 feet





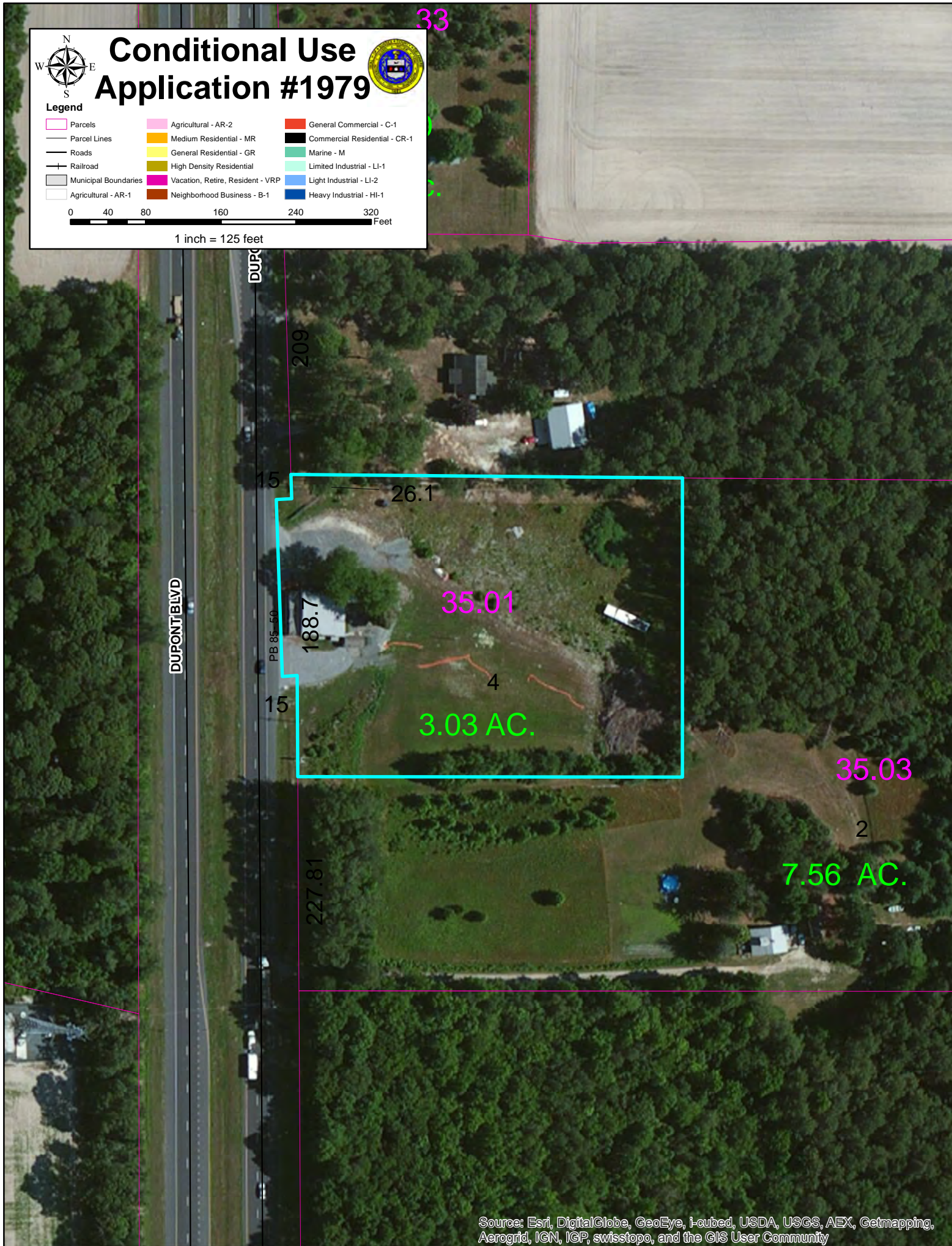
# Conditional Use Application #1979

**Legend**

Parcels	Agricultural - AR-2	General Commercial - C-1
Parcel Lines	Medium Residential - MR	Commercial Residential - CR-1
Roads	General Residential - GR	Marine - M
Railroad	High Density Residential	Limited Industrial - LI-1
Municipal Boundaries	Vacation, Retire, Resident - VRP	Light Industrial - LI-2
Agricultural - AR-1	Neighborhood Business - B-1	Heavy Industrial - HI-1

0 40 80 160 240 320 Feet

1 inch = 125 feet



911 Address:  
14614 Coastal Highway  
Milton, DE 19968

**ORDINANCE NO. \_\_\_\_**

**AN ORDINANCE TO AMEND THE COMPREHENSIVE ZONING MAP OF SUSSEX COUNTY FROM AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT TO A CR-1 COMMERCIAL RESIDENTIAL DISTRICT FOR A CERTAIN PARCEL OF LAND LYING AND BEING IN BROADKILL HUNDRED, SUSSEX COUNTY, CONTAINING 2.3522 ACRES, MORE OR LESS (Tax Map I.D. 2-35-16.00-64.00)**

**WHEREAS, on the 25th day of September 2013, a zoning application, denominated Change of Zone No. 1740 was filed on behalf of Zhenguo Zhang; and**

**WHEREAS, on the \_\_\_\_ day of \_\_\_\_\_ 2013, a public hearing was held, after notice, before the Planning and Zoning Commission of Sussex County and said Planning and Zoning Commission recommended that Change of Zone No. 1740 be \_\_\_\_\_; and**

**WHEREAS, on the \_\_\_\_ day of \_\_\_\_\_ 2013, a public hearing was held, after notice, before the County Council of Sussex County and the County Council of Sussex County has determined, based on the findings of facts, that said change of zone is in accordance with the Comprehensive Development Plan and promotes the health, safety, morals, convenience, order, prosperity and welfare of the present and future inhabitants of Sussex County,**

**NOW, THEREFORE,**

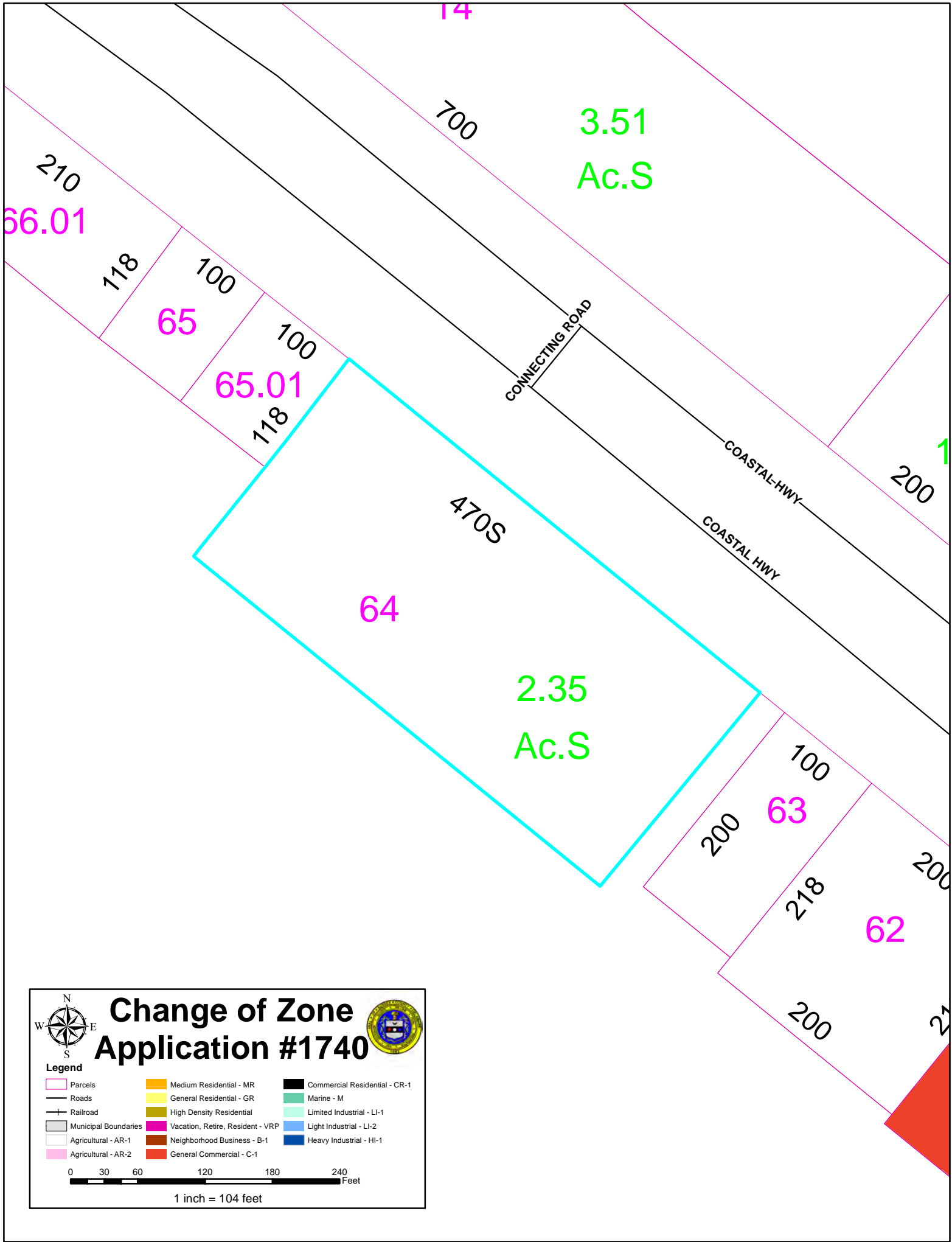
**THE COUNTY OF SUSSEX HEREBY ORDAINS:**

**Section 1. That Chapter 115, Article II, Subsection 115-7, Code of Sussex County, be amended by deleting from the Comprehensive Zoning Map of Sussex County the zoning classification of [AR-1 Agricultural Residential District] and adding in lieu thereof the designation CR-1 Commercial Residential District as it applies to the property hereinafter described.**

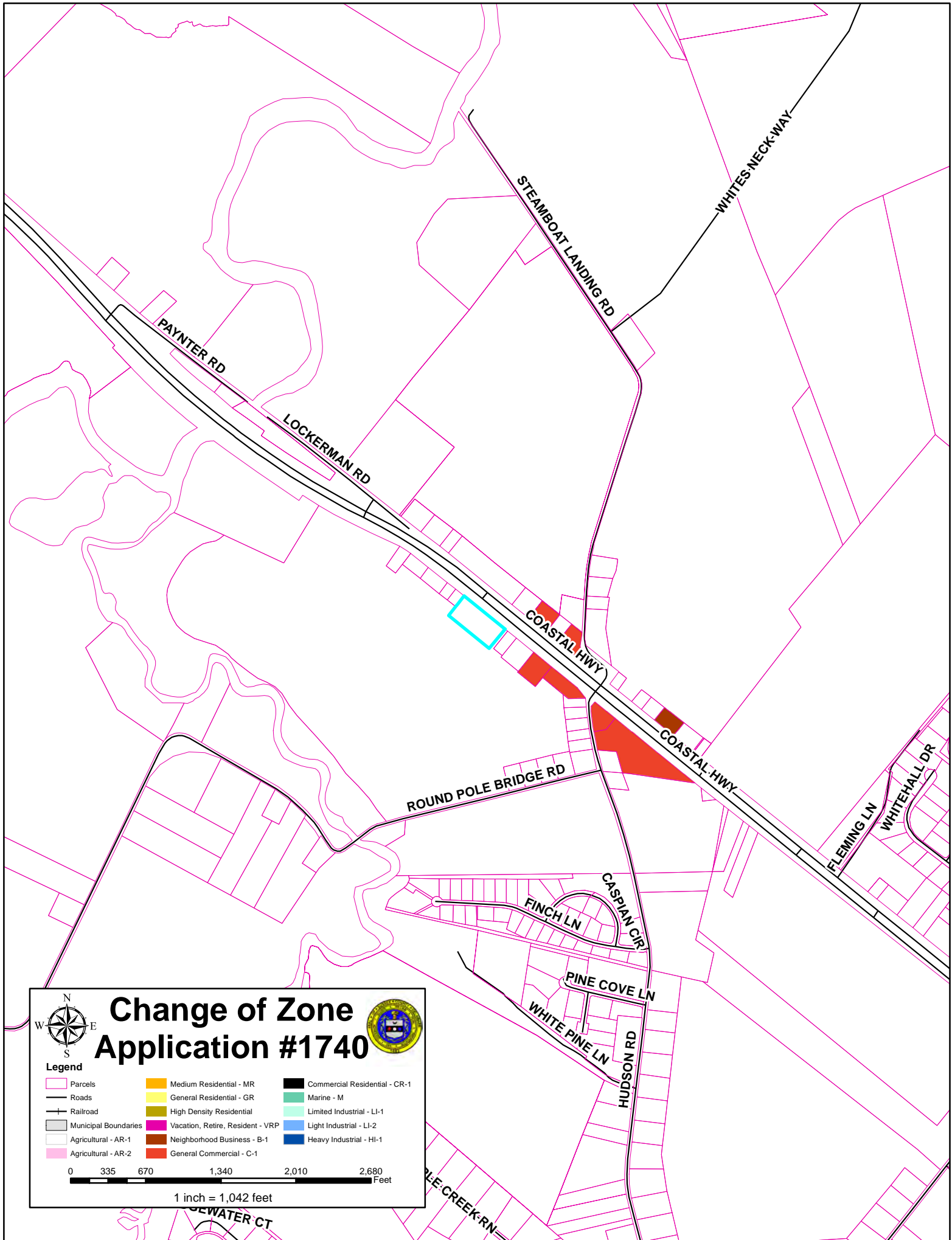
**Section 2. The subject property is described as follows:**

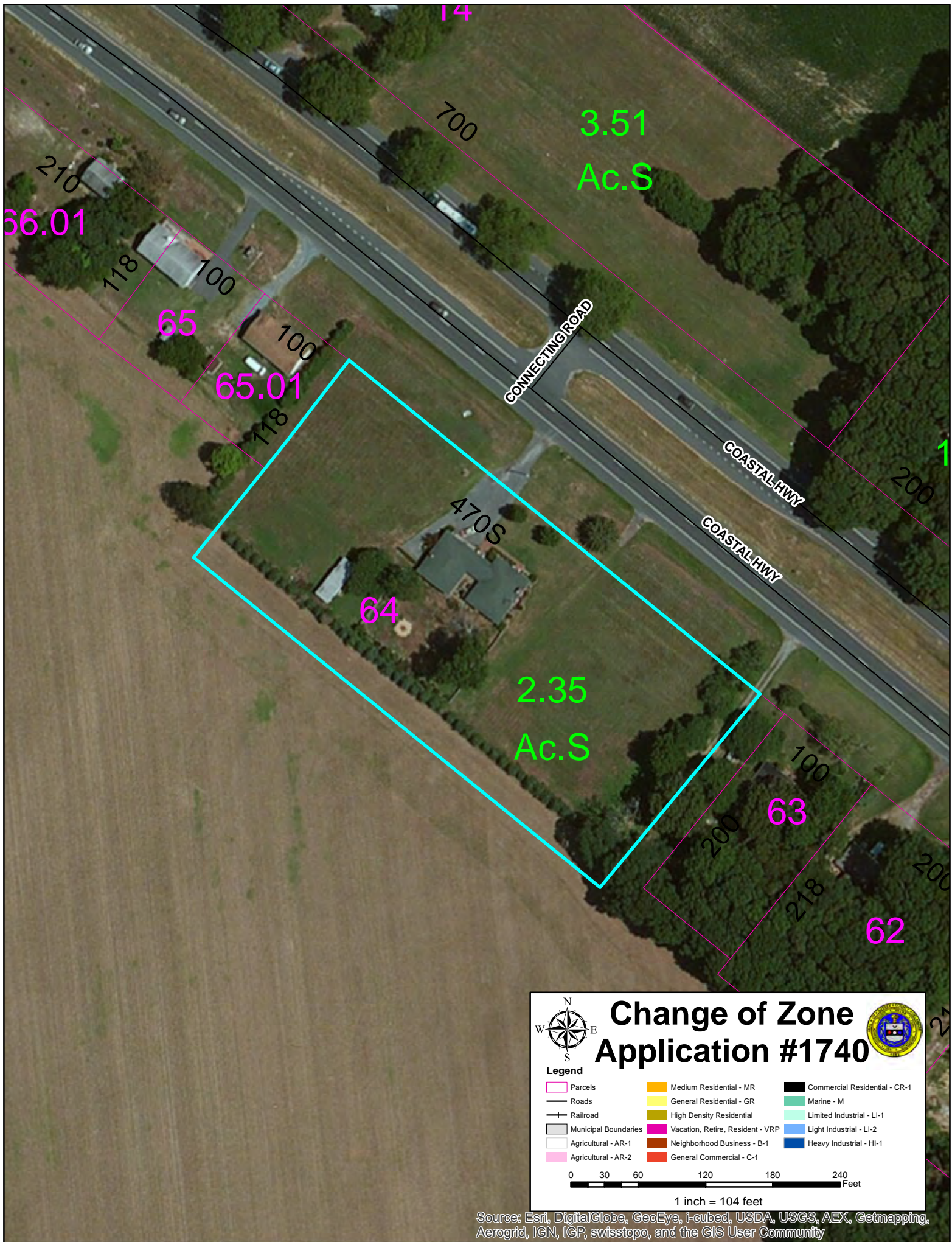
**ALL that certain tract, piece or parcel of land lying and being situate in Broadkill Hundred, Sussex County, Delaware, and lying southwest of Route One (Coastal Highway) 1,000 feet northwest of Road 258 (Hudson Road) and being more particularly described in Deed Book 4164, Page 308 in the Office of the Recorder of Deeds in and for Sussex County, said parcel containing 2.3522 acres, more or less.**

**This Ordinance shall take effect immediately upon its adoption by majority vote of all members of the County Council of Sussex County, Delaware.**











**ORDINANCE NO. \_\_\_\_**

**AN ORDINANCE TO AMEND THE COMPREHENSIVE ZONING MAP OF SUSSEX COUNTY FROM AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT TO A CR-1 COMMERCIAL RESIDENTIAL DISTRICT FOR A CERTAIN PARCEL OF LAND LYING AND BEING IN BROADKILL HUNDRED, SUSSEX COUNTY, CONTAINING 18,886 SQUARE FEET, MORE OR LESS (Tax Map I.D. 235-15.00-25.00)**

**WHEREAS, on the 25th day of November 2013, a zoning application denominated Change of Zone No. 1743 was filed on behalf of Charles and Cristy Greaves; and**

**WHEREAS, on the \_\_\_\_ day of \_\_\_\_\_ 2014, a public hearing was held, after notice, before the Planning and Zoning Commission of Sussex County and said Planning and Zoning Commission recommended that Change of Zone No. 1743 be \_\_\_\_\_; and**

**WHEREAS, on the \_\_\_\_ day of \_\_\_\_\_ 2014, a public hearing was held, after notice, before the County Council of Sussex County and the County Council of Sussex County has determined, based on the findings of facts, that said change of zone is in accordance with the Comprehensive Development Plan and promotes the health, safety, morals, convenience, order, prosperity and welfare of the present and future inhabitants of Sussex County,**

**NOW, THEREFORE,**

**THE COUNTY OF SUSSEX HEREBY ORDAINS:**

**Section 1. That Chapter 115, Article II, Subsection 115-7, Code of Sussex County, be amended by deleting from the Comprehensive Zoning Map of Sussex County the zoning classification of [AR-1 Agricultural Residential District] and adding in lieu thereof the designation CR-1 Commercial Residential District as it applies to the property hereinafter described.**

**Section 2. The subject property is described as follows:**

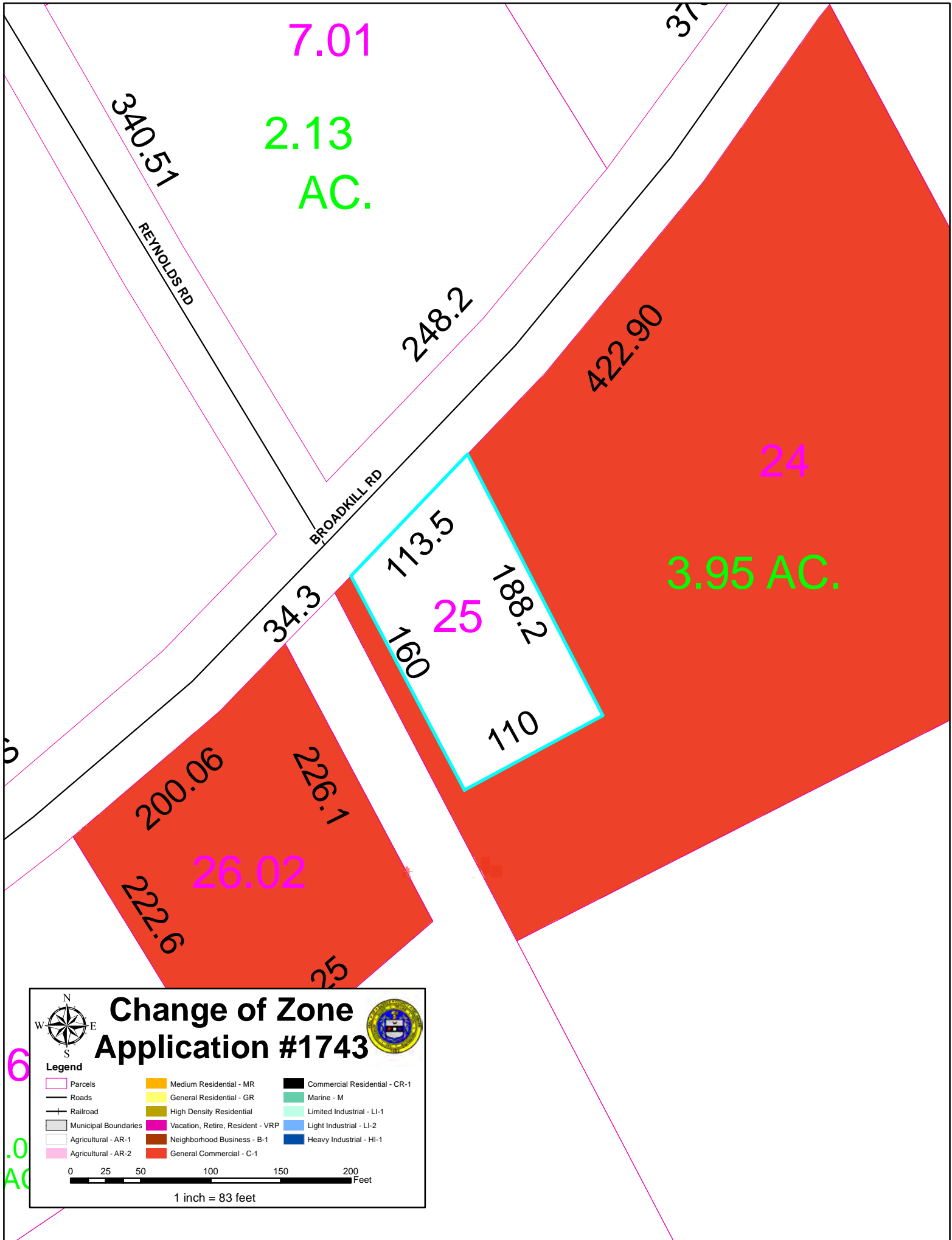
**ALL that certain tract, piece or parcel of land lying and being situate in Broadkill Hundred, Sussex County, Delaware, and lying southeast of Route 16 (Broadkill Road) across from Road 233 (Reynolds Road) and being more particularly described as follows:**

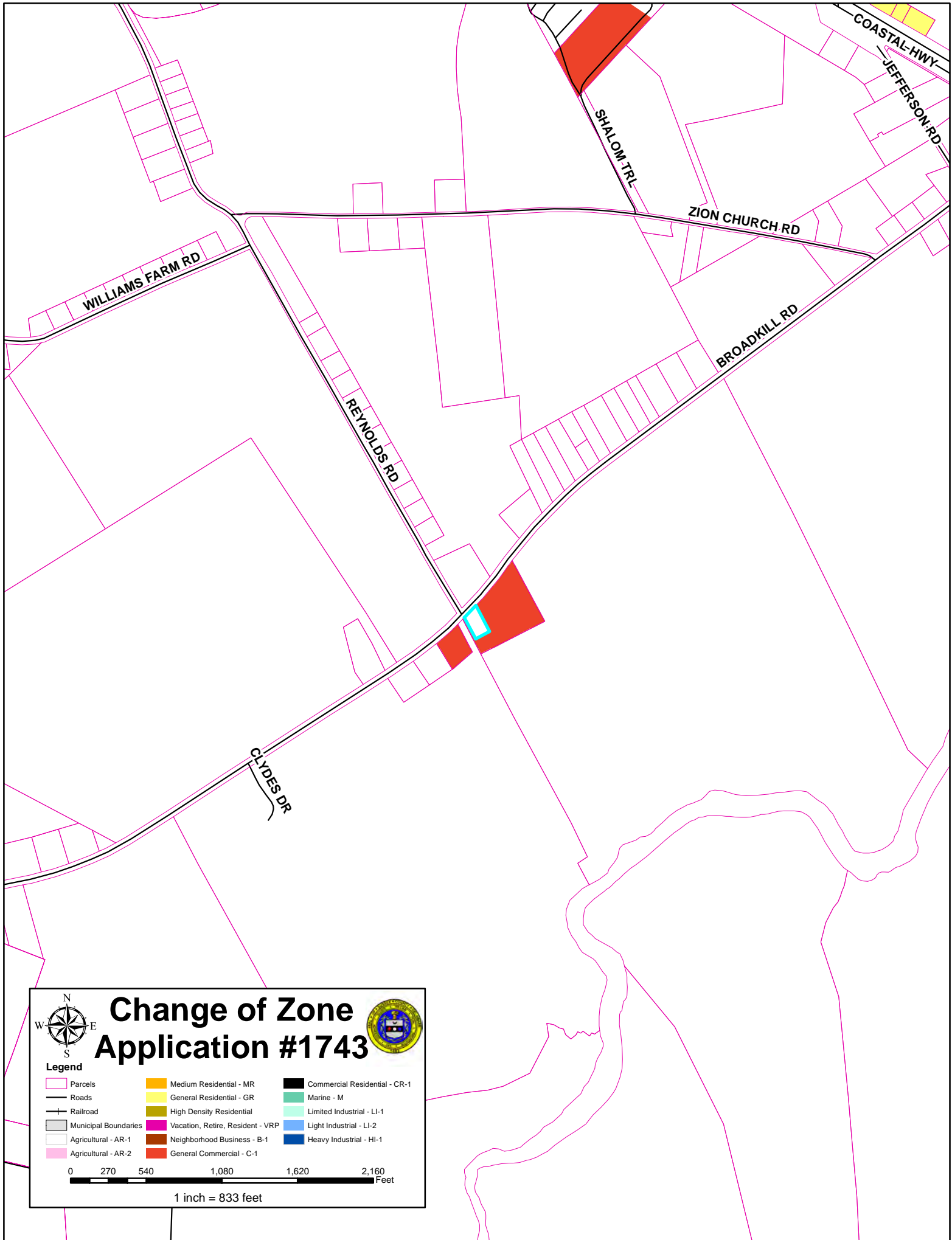
**BEGINNING at a point on the southeasterly right-of-way of Route 16, a corner from**

these subject lands and lands of Lockwood Design and Construction Co., Inc.; thence following said Incorporation lands the following three (3) courses: south 21°42'55" east 194.75 feet to a point; south 79°39'24" west 111.61 feet to a point; and north 21°35'00" west 149.41 feet to a point on the southeasterly right-of-way of Route 16; thence northeasterly 114.64 feet along the southeasterly right-of-way of Route 16 to the point and place of beginning, said parcel containing 18,886 square feet, more or less.

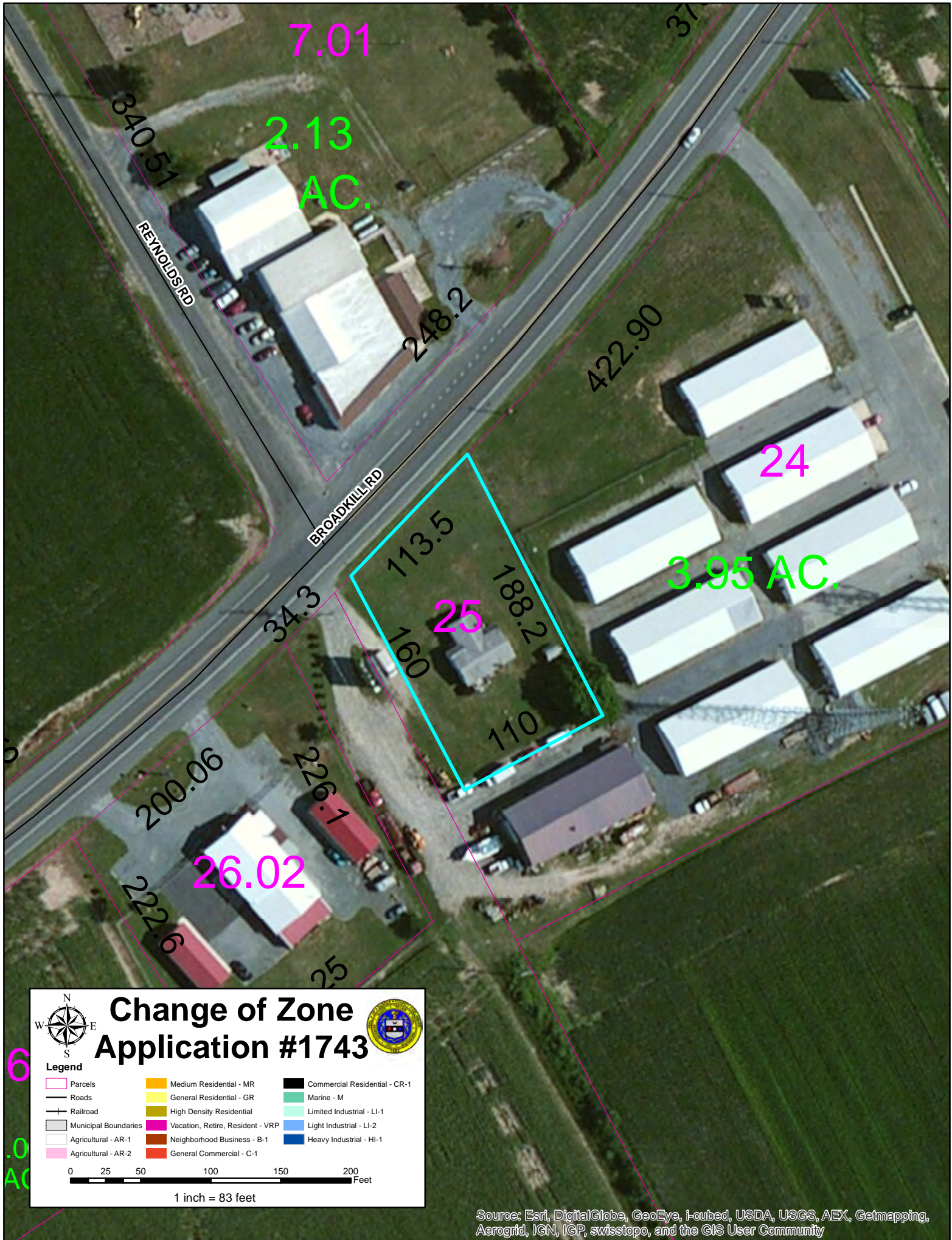
This Ordinance shall take effect immediately upon its adoption by majority vote of all members of the County Council of Sussex County, Delaware.

PROPOSED









**ORDINANCE NO. \_\_\_\_**

**AN ORDINANCE TO AMEND THE COMPREHENSIVE ZONING MAP OF SUSSEX COUNTY FROM AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT TO A CR-1 COMMERCIAL RESIDENTIAL DISTRICT FOR A CERTAIN PARCEL OF LAND LYING AND BEING IN BROADKILL HUNDRED, SUSSEX COUNTY, CONTAINING 4.85 ACRES, MORE OR LESS (Tax Map I.D. 235-30.00-55.00)**

**WHEREAS, on the 20th day of December 2013, a zoning application denominated Change of Zone No. 1744 was filed on behalf of Phillip Cross and Prentice Watkins; and**

**WHEREAS, on the \_\_\_\_ day of \_\_\_\_\_ 2014, a public hearing was held, after notice, before the Planning and Zoning Commission of Sussex County and said Planning and Zoning Commission recommended that Change of Zone No. 1744 be \_\_\_\_\_; and**

**WHEREAS, on the \_\_\_\_ day of \_\_\_\_\_ 2014, a public hearing was held, after notice, before the County Council of Sussex County and the County Council of Sussex County has determined, based on the findings of facts, that said change of zone is in accordance with the Comprehensive Development Plan and promotes the health, safety, morals, convenience, order, prosperity and welfare of the present and future inhabitants of Sussex County,**

**NOW, THEREFORE,**

**THE COUNTY OF SUSSEX HEREBY ORDAINS:**

**Section 1. That Chapter 115, Article II, Subsection 115-7, Code of Sussex County, be amended by deleting from the Comprehensive Zoning Map of Sussex County the zoning classification of [AR-1 Agricultural Residential District] and adding in lieu thereof the designation CR-1 Commercial Residential District as it applies to the property hereinafter described.**

**Section 2. The subject property is described as follows:**

**ALL that certain tract, piece or parcel of land lying and being situate in Broadkill Hundred, Sussex County, Delaware, and lying south of Route 18 (Lewes Georgetown Highway) 1,500 feet west of Road 258 (Hudson Road) and being more particularly described in Deed Book 2777, Page 234, in the Office of the Recorder of Deeds in and for Sussex County, said parcel containing 4.85 acres, more or less.**

**This Ordinance shall take effect immediately upon its adoption by majority vote of all members of the County Council of Sussex County, Delaware.**



