



Sussex County Council Public/Media Packet

**MEETING:
September 23, 2014**

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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

September 23, 2014

10:00 A.M.

****AMENDED ON SEPTEMBER 18, 2014 at 11:00 A.M.!**

Call to Order

Approval of Agenda

Approval of Minutes

Reading of Correspondence

Todd Lawson, County Administrator

1. 2014 Election Year Scholarship Contest
2. FEMA Flood Ordinance Update
3. Administrator's Report

Gina Jennings, Finance Director

1. Pension Committee Update and Recommendations

Hal Godwin, Deputy County Administrator

- ** 1. Wetlands Advisory Committee Update**

Old Business

- ** Redden Ridge Annexation – Rob Davis, Senior Planner
West Rehoboth Expansion of the Dewey Beach Sanitary Sewer District**

Old Business

**Change of Zone No. 1742
Seaside Communities, RDC, LLC**



Grant Requests

1. Rehoboth Beach Main Street for July 4th Fireworks Show – 2015
2. Overfalls Maritime Museum Foundation for Maintenance Expenses of Historic Vessel
3. Delmarva Clergy United in Social Action Foundation for After School Program
4. Bayside Breeze Fastpitch Youth Softball for Team Sponsorship
5. Mason Dixon Woodworkers for Toys for Children in Need
6. Millsboro Historical Society for Godwin School Maintenance Expenses

Executive Session – Job Applicants’ Qualifications, Personnel, and Land Acquisition pursuant to 29 Del. C. §10004(b)

Possible Action on Executive Session Items

Any Additional Business Brought Before Council

Sussex County Council meetings can be monitored on the internet at www.sussexcountyde.gov.

In accordance with 29 Del. C. §10004(e)(2), this Agenda was posted on September 16, 2014 at 4:30 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.

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¹ Per 29 Del. C. § 10004 (e) (5) and Attorney General Opinion No. 13-IB02, this agenda was amended to include Wetlands Advisory Committee Update and Old Business – Redden Ridge Annexation. The agenda amendment was required to address these matters which need immediate Council attention and which arose after the initial posting of the agenda, but before the start of the Council meeting.

SUSSEX COUNTY COUNCIL - GEORGETOWN, DELAWARE, SEPTEMBER 16, 2014

A regularly scheduled meeting of the Sussex County Council was held on Tuesday, September 16, 2014, at 10:00 a.m., in the Council Chambers, Sussex County Administrative Office Building, Georgetown, Delaware, with the following present:

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

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

**Call to
Order**

Mr. Vincent called the meeting to order.

**M 428 14
Approve
Agenda**

A Motion was made by Mrs. Deaver, seconded by Mr. Cole, 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 September 9, 2014, were approved by consent.

**Corre-
spondence**

Mr. Moore read the following correspondence:

**RICK MICKOWSKI, CHAIRMAN, DELAWARE ENVIROTHON, C/O
DELAWARE ASSOCIATION OF CONSERVATION DISTRICTS,
DOVER, DELAWARE.**

RE: Letter in appreciation of donation.

Mrs. Deaver stated she received a letter from Janet Godshall (Millsboro, Delaware) expressing concern with regard to roadside vendor regulations.

**Employee
of the
Quarter**

The Council recognized Alan Scott Baker, Employee of the Third Quarter. Mr. Baker is an employee in the Department of Environmental Services, Dewey Beach Water District.

**DelDOT
2016-2021
CTP
Request**

Mr. Lawson presented to Council the DelDOT 2016-2021 Capital Transportation Program (CTP) Request. This report highlights the County's long-term infrastructure needs and requests for the State's next capital budget which focuses on major investments such as highways, bridges, and intersection improvements throughout the State.

Mr. Lawson stated that, as done in past years, County Administration, along with input from Council and the public, has assembled this year's request. Particular emphasis has been placed on a variety of improvements including pedestrian and bicycle safety enhancements on SR 1, upgrades to the County's east-west corridors, and the Runway Expansion Project at the Sussex County Airport.

Chip Guy, Communications Director, reviewed the CTP, noting that this year's request is much the same as last year due to funding limitations that have precluded DelDOT from addressing many of the prior requests that have been put forth. Sussex County's transportation priorities are: SR 1 improvements; Sussex County Airport, Park Avenue/US 9 Truck Route; east-west improvements (SR 24, SR 26, Routes 404/9); bicycling/walking trails; north-south highway improvements; local roads; intersections, signage and signalization; and alternative transportation.

Mr. Cole voiced concern regarding pedestrian safety along major corridors in the resort communities and requested that verbiage be included in the County's CTP Request asking the State to evaluate pedestrian right-of-way laws, particularly in high-traffic corridors where speeds exceed 25 miles per hour.

The Sussex County 2016-2021 Capital Transportation Program Request (revised as noted above) will be presented at a Public Workshop on September 25, 2014, from 4:00 to 7:00 p.m. at the DelDOT South District Office in Georgetown.

**Route 1
CPP**

Mrs. Deaver requested a report on the Route 1 Corridor Preservation Program at some point in the future.

**Adminis-
trator's
Report**

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

1. Sussex County Annual Property Taxes Due September 30th

Property owners are reminded to pay their annual County property tax bill by Tuesday, September 30th. Payments can be made online, in person, by phone, or by mail. Any payments mailed must be postmarked no later than September 30th or thereafter be subject to a penalty.

**Adminis-
trator's
Report
(continued)**

This year's tax bills once again feature an easier-to-read format, unveiled in 2013, to help taxpayers better understand their bills and payment options. For more information, please visit the County's website at sussexcountvde.gov.

2. Sussex County Homebuyer Fair

The County, in partnership with the Delaware State Housing Authority, Sussex County Association of REALTORS®, First State Community Action Agency, and NCALL Research, Inc., will host the inaugural Sussex County Homebuyer Fair on Saturday, September 27th. Attendees will receive free credit reports and mini counseling sessions with HUD-approved housing counselors. There will also be exhibitors on-site to share their programs, services, and resources pertaining to home ownership. The event is from 9:00 a.m. to 1:00 p.m. at Delaware Technical & Community College in Georgetown. Visit the County's website to pre-register.

**Public
Hearing/
Redden
Ridge
Annexation/
WRE of
DBSSD**

At 10:30 a.m., a Public Hearing was held to consider the expansion of the West Rehoboth Expansion of the Dewey Beach Sanitary Sewer District to include five parcels of land situated along Old Landing Road and Warrington Road, southwest of the City of Rehoboth Beach (Redden Ridge Annexation).

Rob Davis, Senior Planner, Utility Planning Division, explained that the parcels being proposed to be annexed into the West Rehoboth Expansion of the Dewey Beach Sanitary Sewer District include the proposed Redden Ridge Subdivision and four additional parcels along Old Landing Road and Warrington Road. A written request was received from the developer of the proposed Redden Ridge Subdivision for annexation. The parcel adjoins the West Rehoboth Expansion of the Dewey Beach Sanitary Sewer District. The owner of the property wishes to begin the development planning process for single-family homes on the parcel. The developer will be responsible for system connection charges in the amount of \$5,500 per EDU based on current rates. The developer will also be responsible for extending sewer lines to the property lines of two of four additional parcels to be annexed, provide a pump station site, several pipeline easements, and contribute to future system upgrades.

Public comments were heard from George Madison, Paul Struweg, and R. Wayne Battaglini. Concerns were expressed as to the easement location and the cost associated with sewer hook-ups by individual property owners.

It was the consensus of Council that Mr. Davis meet with the developer of the proposed Redden Ridge Subdivision to discuss revision of the easement location to provide a more cost-effective means and allow for easier access for individual parcel hook-ups to occur.

M 429 14
Leave
Record
Open/
Redden
Ridge
Annexation/
WRE of
DBSSD

A Motion was made by Mr. Cole, seconded by Mrs. Deaver, to leave the Public Hearing record open for one week (until September 23, 2014) on the Redden Ridge Annexation of the West Rehoboth Expansion of the Dewey Beach Sanitary Sewer District to allow for additional comment.

Motion Adopted: 5 Yeas.

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

M 430 14
Defer
Action/
Redden
Ridge
Annexation/
WRE of
DBSSD

A Motion was made by Mr. Cole, seconded by Mrs. Deaver, to defer action for one week (until September 23, 2014) on the Redden Ridge Annexation of 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**

Wetland
Advisory
Committee
Update

Hal Godwin, Deputy County Administrator, submitted to Council the Delaware Wetland Advisory Committee Draft Final Report dated September 2014. Mr. Godwin advised that the Wetland Advisory Committee will be meeting again on September 23, 2014, for additional comments prior to sending the report to the Department of Natural Resources and Environmental Control, and ultimately on to the General Assembly and Governor for approval.

Mr. Cole requested that Mr. Godwin provide Council a synopsis of the contents of the Draft Final Report and that the Report be placed on the September 23, 2014, Council Agenda for discussion.

Presen-
tation/
Nanticoke
Heritage
Byway
Project

Dan Parsons, Historic Preservation Planner, was present to update Council on the status of the Nanticoke Heritage Byway Project along with Ann Gravatt, Delaware Byways Coordinator, and Andy Nicol of TranSystems, the management plan consultant. Mr. Parsons took the opportunity to recognize members of the Steering Committee who were in the audience and have been very involved in the Nanticoke Heritage Byway Project.

Andy Nicol reviewed a PowerPoint presentation on the Nanticoke Heritage Byway, beginning with a little background information. Mr. Nicol stated that the National Scenic Byways Program, founded in 1990, is a grass-roots collaborative effort established to recognize, preserve, and enhance selected roads throughout the United States. Designations are based on archaeological, cultural, historic, natural, recreational, and scenic qualities.

**Presenta-
tion/
Nanticoke
Heritage
Byway
Project
(continued)**

The Delaware Byways Program established in 2000 consists of six State Designated Byways as follows: Brandywine Byway, Red Clay Byway, Delaware Bayshore, Harriet Tubman Underground Railroad Byway, Lewes Byway, and the Nanticoke Heritage Byway. The 39.8-mile Nanticoke Heritage Byway extends from the Hearn & Rawlins Mill in the north to Trap Pond State Park in the south. Spanning nearly 40 miles through Sussex County, the Nanticoke Heritage Byway features outdoor recreational activities, museums and educational centers, historic landmarks, and scenic vistas. Mr. Nicol noted that a Scenic Byway designation not only protects community character and provides economic opportunities, it allows for both State and nationally designated byways to be eligible to compete for Federal grant funds.

In accordance with Federal and State regulations, Mr. Nicol advised that designation of a Scenic Byway requires the development of a Corridor Management Plan (CMP). The CMP addresses the long-term objectives and management of a Scenic Byway and ensures that the visions and goals of the byway are met and sustained. Mr. Nicol stated that the kick-off meeting of the Steering Committee was held in August 2013, and since that time Committee meetings and workshops have been held to develop the Nanticoke Heritage Byway CMP, which is 80 percent complete. Long-term and short-term action items have been established, with ongoing efforts to focus on the conservation, protection, and preservation of the region's waterways, and to continue to coordinate and develop strong partnerships.

Mr. Phillips questioned the effect of a Scenic Byway designation on property owner rights. Mr. Parsons advised that the Byway itself does not infringe on property rights, except for the signage issue stipulating no billboards along the route. Mr. Phillips stated that reference in the CMP indicating no infringement on property rights, excluding signage, would be beneficial.

Mr. Wilson inquired if any members of the Steering Committee are farmers. Although the Committee consists of a very diverse group, Mr. Parsons stated there are no farmers on the Steering Committee; however, farmer representation is welcome.

**Grant
Requests**

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

**M 431 14
Council-
manic
Grant**

A Motion was made by Mr. Wilson, seconded by Mr. Cole, to give \$1,000.00 (\$650.00 from Mr. Wilson's Councilmanic Grant Account, \$250.00 from Mr. Vincent's Councilmanic Grant Account, and \$100.00 from Mr. Phillips' Councilmanic Grant Account) to Primeros Pasos for pre-school program operating costs.

Motion Adopted: 5 Yeas.

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

**M 431 14
(continued)**

**Mr. Phillips, Yea; Mr. Wilson, Yea;
Mr. Vincent, Yea**

**M 432 14
Council-
manic
Grant**

A Motion was made by Mr. Wilson, seconded by Mr. Cole, to give \$750.00 from Mr. Wilson’s Councilmanic Grant Account to Everlasting Hope Ministries for their annual drug march and rally.

Motion Adopted: 5 Yeas.

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

**M 433 14
Council-
manic
Grant**

A Motion was made by Mr. Cole, seconded by Mr. Phillips, to give \$500.00 from Mr. Cole’s Councilmanic Grant Account to Del-Mar-Va Council, Boy Scouts of America, for Cub Scout Pack 5 for program expenses.

Motion Adopted: 5 Yeas.

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

**M 434 14
Council-
manic
Grant**

A Motion was made by Mrs. Deaver, seconded by Mr. Cole, to give \$500.00 from Mrs. Deaver’s Councilmanic Grant Account to Calvary Pentecostal Church for community outreach programs for children.

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
Ordinance**

Mr. Phillips introduced the Proposed Ordinance entitled “AN ORDINANCE TO GRANT A CONDITIONAL USE OF LAND IN AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT FOR A RETAIL STORE TO BE LOCATED ON A CERTAIN PARCEL OF LAND LYING AND BEING IN BALTIMORE HUNDRED, SUSSEX COUNTY, CONTAINING 32,829 SQUARE FEET, MORE OR LESS” (Conditional Use No. 2003) filed on behalf of Thomas E. Lowe (Tax I.D. #134-14.00-6.00, part of) (911 Address: 31854 James Lowe Road, Frankford). The Proposed Ordinance will be advertised for Public Hearing.

**M 435 14
Recess/
Go Into
Executive
Session**

At 11:25 a.m., a Motion was made by Mr. Wilson, seconded by Mr. Cole, to recess the Regular Session and go into Executive Session for the purpose of discussing job applicants’ qualifications, personnel, and land acquisition.

Motion Adopted: 5 Yeas.

**Public
Hearing/
C/U
No. 1989
(continued)**

- C. The business shall not have any employees aside from the Applicant and his family.**
- D. No repair work shall be performed outside, except for limited testing of the engines.**
- E. There shall not be any retail sales of lawn mowers, small engines or similar equipment.**
- F. All waste oils and similar fluids shall be disposed of properly or taken to the appropriate State Recycling Center.**
- G. One lighted sign, not to exceed 32 square feet per side, shall be permitted.**
- H. Any dumpster on the site shall be screened from view of neighboring properties and roadways.**
- I. Any security lights associated with the Conditional Use shall be downward screened so that they do not shine on neighboring properties or roadways.**
- J. The Final Site Plan shall be subject to the review and approval of the Sussex County Planning and Zoning Commission.**

(See the minutes of the Planning and Zoning Commission on July 10 and July 24, 2014.)

Shane Abbott, Assistant Director of Planning and Zoning, read a summary of the Commission's Public Hearing.

The Council found that Bruce Sentman, Jr., was present and stated that he lives on the property; that he plans on being open for business Monday through Friday after 5:30 p.m. and on Saturday from 8:00 a.m. to 5:00 p.m.; that the only repair work that will be performed outside will be testing the engines; that he has no intent to get into lawn mower sales; that he will be working on small engines, lawn equipment, and generators; and that he purchased the lot from Richard Smith and advised Mr. Smith of his intent.

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

**M 437 14
Amend
Conditions
for C/U
No. 1989**

A Motion was made by Mr. Cole, seconded by Mr. Wilson, to amend Condition B recommended by the Planning and Zoning Commission to read as follows: No outside repair work after 9:00 p.m. No Sunday hours.

Motion Adopted: 4 Yeas, 1 Absent.

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

**M 438 14
Amend
Conditions
for C/U
No. 1989**

A Motion was made by Mr. Cole, seconded by Mrs. Deaver, to amend Condition E recommended by the Planning and Zoning Commission to read as follows: There shall not be any retail sales.

Motion Adopted: 4 Yeas, 1 Absent.

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

**M 439 14
Adopt
Ordinance
No. 2364/
C/U
No. 1989**

A Motion was made by Mr. Cole, seconded by Mrs. Deaver, to Adopt Ordinance No. 2364 entitled “AN ORDINANCE TO GRANT A CONDITIONAL USE OF LAND IN AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT FOR A SMALL ENGINE AND LAWN MOWER REPAIR SHOP TO BE LOCATED ON A CERTAIN PARCEL OF LAND LYING AND BEING IN DAGSBORO HUNDRED, SUSSEX COUNTY, CONTAINING 42,961 SQUARE FEET, MORE OR LESS” (Tax Map I.D. No. 133-16.00-73.03) (Conditional Use No. 1989) filed on behalf of Bruce Sentman, Jr., with the following conditions:

- A. The use shall be limited to the repair of small engines, generators, and lawn mowers. No automobiles, boats, trucks, or other similar vehicles shall be repaired on the site as part of the Applicant’s business.**
- B. No outside repair work after 9:00 p.m. No Sunday hours.**
- C. The business shall not have any employees aside from the Applicant and his family.**
- D. No repair work shall be performed outside, except for limited testing of the engines.**
- E. There shall not be any retail sales.**
- F. All waste oils and similar fluids shall be disposed of properly or taken to the appropriate State Recycling Center.**
- G. One lighted sign, not to exceed 32 square feet per side, shall be permitted.**
- H. Any dumpster on the site shall be screened from view of neighboring properties and roadways.**
- I. Any security lights associated with the Conditional Use shall be downward screened so that they do not shine on neighboring properties or roadways.**
- J. The Final Site Plan shall be subject to the review and approval of the Sussex County Planning and Zoning Commission.**

Motion Adopted: 4 Yeas, 1 Absent.

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

**Public
Hearing/
C/U
No. 1990**

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 NURSERY AND LANDSCAPING BUSINESS TO BE LOCATED ON A CERTAIN PARCEL OF LAND LYING AND BEING IN DAGSBORO HUNDRED, SUSSEX COUNTY, CONTAINING 5.436 ACRES, MORE OR LESS” (Tax Map I.D. 133-5.00-26.00) (Conditional Use No. 1990) filed on behalf of Olsen Enterprises, Inc.

The Planning and Zoning Commission held a Public Hearing on this application on July 10, 2014, at which time action was deferred. On July 24, 2014, the Commission recommended that the application be approved with the following conditions:

- A. The Final Site Plan shall specifically show all areas for existing and proposed greenhouses and nursery stock, as well as vehicle and truck parking. It shall also show existing and proposed storage containers on the site. Those storage containers shall be screened from view of neighboring properties.**
- B. All materials and equipment storage shall be within the existing pole building.**
- C. One lighted sign, not to exceed 6 square feet per side, shall be permitted.**
- D. The Applicant has proposed to extensively landscape the property. The Final Site Plan shall contain a proposed landscaping plan for the site.**
- E. The Applicant shall confirm on the Final Site Plan whether the ditch on the property is a Tax Ditch. If it is a Tax Ditch, all Tax Ditch Easements shall be shown on the Final Site Plan.**
- F. The hours of operation for the business shall be from 6:00 a.m. to 6:00 p.m. Monday through Saturday.**
- G. The Final Site Plan shall be subject to the review and approval of the Sussex County Planning and Zoning Commission.**

(See the minutes of the Planning and Zoning Commission dated July 10 and July 24, 2014.)

Shane Abbott, Assistant Director of Planning and Zoning, read a summary of the Commission’s Public Hearing.

Mr. Abbott distributed Exhibit Books that were previously provided by the Applicant.

The Council found that Patrick Olsen was present with Dennis Schrader, Attorney, and stated that Mr. Olsen lives on the premises and proposes to operate a landscaping business with future greenhouses and nursery stock; that the site was previously used for a beauty shop; that the use is compatible with other agricultural uses in the area; that the State Strategies

**Public
Hearing/
C/U
No. 1990
(continued)**

reference that this site is located in an Investment Level 4 area which supports agricultural uses; that an on-site mound septic system and on-site well already exist; that a new DeDOT entrance is proposed to serve the business; that it is not clear if the ditch on the property is a Tax Ditch; that Mr. Olsen has been in this type of business since 2008; that the company provides contracting services in Delaware and Maryland, and provides full service for landscaping, hardscaping, and irrigation; that Mr. Olsen normally employs 8 to 12 employees, but less in the winter months; that their season runs from April through November; that they do some snow removal in the winter months; that material and equipment storage will be in the pole building; that the entire area around the pole building is planned for landscape screening; that two dumpsters are maintained on-site for the disposal of trash; that there are existing storage containers on the site; and that Mr. Olsen hopes to start a nursery stock area in front of the pond to benefit his business and the appearance of the property.

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

**M 440 14
Amend
Conditions
for C/U
No. 1990**

A Motion was made by Mrs. Deaver, seconded by Mr. Wilson, to amend the conditions recommended by the Planning and Zoning Commission by deleting Condition F in its entirety.

Motion Adopted: 4 Yeas, 1 Absent.

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

**M 441 14
Adopt
Ordinance
No. 2365/
C/U
No. 1990**

A Motion was made by Mrs. Deaver, seconded by Mr. Cole, to Adopt Ordinance No. 2365 entitled "AN ORDINANCE TO GRANT A CONDITIONAL USE OF LAND IN AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT FOR A NURSERY AND LANDSCAPING BUSINESS TO BE LOCATED ON A CERTAIN PARCEL OF LAND LYING AND BEING IN DAGSBORO HUNDRED, SUSSEX COUNTY, CONTAINING 5.436 ACRES, MORE OR LESS" (Tax Map I.D. 133-5.00-26.00) (Conditional Use No. 1990) filed on behalf of Olsen Enterprises, Inc., with the following conditions:

- A. The Final Site Plan shall specifically show all areas for existing and proposed greenhouses and nursery stock, as well as vehicle and truck parking. It shall also show existing and proposed storage containers on the site. Those storage containers shall be screened from view of neighboring properties.
- B. All materials and equipment storage shall be within the existing pole building.
- C. One lighted sign, not to exceed 6 square feet per side, shall be permitted.

**M 441 14
(continued)**

- D. The Applicant has proposed to extensively landscape the property. The Final Site Plan shall contain a proposed landscaping plan for the site.**
- E. The Applicant shall confirm on the Final Site Plan whether the ditch on the property is a Tax Ditch. If it is a Tax Ditch, all Tax Ditch Easements shall be shown on the Final Site Plan.**
- F. The Final Site Plan shall be subject to the review and approval of the Sussex County Planning and Zoning Commission.**

Motion Adopted: 4 Yeas, 1 Absent.

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

**M 442 14
Adjourn**

A Motion was made by Mr. Cole, seconded by Mr. Wilson, to adjourn at 2:20 p.m.

Motion Adopted: 4 Yeas, 1 Absent.

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

Respectfully submitted,

**Susan W. Webb
Administrative Secretary**

TODD F. LAWSON
COUNTY ADMINISTRATOR

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Sussex County
DELAWARE
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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 C. Phillips

FROM: Todd F. Lawson 
County Administrator

RE: FEMA Flood Ordinance

DATE: September 19, 2014

During Tuesday's meeting, there will be an update on the FEMA Flood Ordinance as well as our required next steps.

Since Sussex County participates in the National Flood Insurance Program, the County is required to update certain information or regulations to remain compliant. Case in point, with the assistance of DNREC and FEMA, the County is currently required to update the FEMA flood maps and implement an updated zoning ordinance related to flood prone areas. The latter is what we commonly refer to as the "FEMA Flood Ordinance" and is what will be discussed on Tuesday.

Since this is a nationwide effort being administered by FEMA, the agency has already drafted what is known as a "Basic Model Ordinance" for counties and municipalities to use in drafting their own regulation. After reviewing the Model Ordinance, it is clear to staff that we should follow the Model Ordinance. To attempt to completely rewrite the County's ordinance without using the Model Ordinance would be nearly impossible.

On Tuesday, staff will review some of the critical aspects of the Model Ordinance. Please keep in mind, this Ordinance only affects properties within a specific flood zone. All other properties outside a flood zone will not fall under this regulation.



One decision the Council must determine involves a construction requirement known as “freeboard.” Freeboard refers to the additional height requirement a county or municipality may adopt for the minimum height of construction above base flood elevation. For example, currently a structure in Broadkill Beach could be required to build at a minimum height of 10 feet above mean sea level. If the County adopts an additional 1 foot of freeboard, that structure will now be built at 11 feet above the mean sea level. I have attached an image to better illustrate freeboard. Note, this is for reference only, this is not an actual requirement we are considering.

Freeboard is not required by FEMA, but it is highly recommended. When a county or municipality adopts a freeboard requirement, the costs of flood insurance to individual property owners is lowered.

FEMA recommends a freeboard requirement of 12” – 18” in its Model Ordinance. For comparison, Kent County adopted an 18” freeboard while Rehoboth Beach has a 12” freeboard requirement.

Several municipalities, including Slaughter Beach, Lewes, Dewey Beach, and Bethany are considering their freeboard requirements and are waiting to see what the County implements with the possibility of having a universal standard for all jurisdictions.

Looking ahead, the FEMA Flood Ordinance will require the County to go through the normal steps of an ordinance amendment, including the public hearing process by both the Planning and Zoning Commission and the County Council. FEMA has set the deadline for the total implementation of the new ordinance by mid-March 2015. The ordinance must be adopted and approved by this date to avoid jeopardizing Sussex County’s flood insurance coverage. As such, we intend to introduce the proposed ordinance by late 2014 and have the public hearings in the beginning of 2015 to meet FEMA’s deadlines.

Please let me know if you have any questions.

Attachment

xc: J. Everett Moore, Jr., Esquire
Vince G. Robertson, Esquire
Lawrence B. Lank
C. Shane Abbott
Jeffrey C. Shockley

WITHOUT FREEBOARD



WITH 3' FREEBOARD



GINA A. JENNINGS, MBA, MPA
FINANCE DIRECTOR

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Sussex County

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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 AND RECOMMENDATIONS**

DATE: September 19, 2014

On Tuesday, I will be discussing the County's pension performance, the OPEB Investment Policy Statement, and a reallocation recommendation. Attached for your review are the draft minutes of the August 21, 2014 Pension Committee meeting and the Investment Performance Report as of June 30, 2014.

Pension Performance

Summary of the Pension Investment Analysis

- Market value was \$70.9 million as of June 30, 2014
- Year-to-date gain of \$4.4 million with \$2.7 million coming from this quarter
- Year-to-date return of 6.3 percent and a one year return of 16.8 percent, net of fees
- Top 10 percent ranking for year-to-date returns when compared to the other 230 plans followed by Peirce Park Group

Summary of the OPEB Investment Analysis

- Market value was \$30.3 million as of June 30, 2014
- One year gain of \$3.8 million, or 14.2 percent, net of fees
- While the fund's performance ranked slightly below average for OPEB funds, the fund outperformed its benchmark.
- The committee is making recommendations to continue to improve the OPEB fund.

OPEB Allocation Recommendations

The Pension Committee has recommended changes to the County's OPEB Investment Policy Statement as far as asset allocation.



The changes recommended are:

1. Decrease fixed income target from 40 percent to 39 percent;
2. Increase cash target from 0 percent to 1 percent;
3. Increase international equity target from 12 percent to 14 percent;
4. Decrease domestic equity target from 48 percent to 46 percent;
5. Change international equity benchmark from MSCI EAFE (net) to MSCI ACWI ex US (net)

The reason for these change is there is a growth in the international equity market that will give the County more opportunity to invest in additional value and growth equities without increasing the County's risk. These changes still align within the current investment policy range. The recommendation only moves the target a couple percentage points.

Fidelity's Performance

The committee had concerns regarding Fidelity's Low-Priced Stock Fund cost of .83 percent. We reviewed options to see if we could get another manager with similar performance and exposures at a lower cost. We compared manager information from 2008 to 2013 for the Fidelity Low-Priced Stock Fund with DuPont Small Cap Equity, and Vanguard Extended Market Index.

Below is a summary of the comparison:

	Pros	Cons	Cost
DuPont	<ul style="list-style-type: none">• Long-term track record• Inexpensive option	<ul style="list-style-type: none">• Moderate performance• Minimal mid-cap exposure	.50 percent
Vanguard	<ul style="list-style-type: none">• Very inexpensive• Access to small and mid-cap	<ul style="list-style-type: none">• No value tilt	.10 percent
Fidelity	<ul style="list-style-type: none">• Existing manager• Decent long-term track record	<ul style="list-style-type: none">• Expensive	.83 percent

The recommendation is to move half of the \$5.2 million, or \$2.6 million, that is with Fidelity to Vanguard. This will save the OPEB fund close to \$19,000 in annual fees. Due to Fidelity's past performance, the committee feels that moving the remaining funds might jeopardize the returns that we have seen, which could diminish the expected savings.

Please contact me if you have any questions or concerns.

Attachments

pc: Mr. Todd F. Lawson

PENSION FUND COMMITTEE

Minutes of Meeting

August 21, 2014

The Sussex County Pension Fund Committee met on August 21, 2014, at 10:00 a.m. in the County Council Chambers, Georgetown, Delaware. Those in attendance included members: Gina Jennings, Todd Lawson, Jeffrey James, David Baker, Hugh Leahy, and Kit Ryan. Also in attendance were Michael Shone of Peirce Park Group, the County's Pension Investment Consultant, as well as Michael Schooley, of Aon, the County's Actuary. Committee member Karen Brewington was unable to attend.

On August 13, 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 May 22, 2014 meeting were approved by consent.

2. **2014 Annual Actuary Report**

Committee members were provided with two reports entitled, "Sussex County 2014 Pension Actuarial Report" and "Sussex County Draft Actuarial Report for GASB 43 and 45" prepared by Aon; both have a valuation date of January 1, 2014. Ms. Jennings also provided members with a one-page summary of both reports, "2014 Actuarial Report as of January 1, 2014". Comparing 2013 and 2014, Ms. Jennings noted that the Pension Plan had a \$10,505,682 increase. Using 2013 standards, the Pension Plan would reflect a 93.8 percent funding level, which is a 10 percent increase; under the new standards, the Pension Plan would be 87.7 percent funded. Below are recent

annual required contributions, as well as actual contributions, for both the Pension and OPEB Trust Funds:

Pension Trust Fund

Fiscal Year	Annual Req'd Contribution	Actual Contribution	% Contributed
2010	\$2,036,037	\$2,738,014.00	134%
2011	\$2,169,173	\$2,370,522.00	109%
2012	\$2,342,663	\$3,668,932.00	157%
2013	\$2,798,351	\$3,198,312.00	114%
2014	\$2,868,624	\$3,587,012.00	125%
2015 Budget	\$2,757,068	\$3,287,217.78	119%

OPEB Trust Fund

Fiscal Year	Annual Req'd Contribution	Actual Contribution	% Contributed
2010	\$2,932,734	\$2,747,989.00	94%
2011	\$1,278,049	\$1,356,683.00	106%
2012	\$1,488,338	\$2,661,772.00	179%
2013	\$1,863,189	\$2,106,808.00	113%
2014	\$1,744,289	\$2,433,752.00	140%
2015 Budget	\$1,723,687	\$2,055,130.51	119%

GASB regulations have not changed for the OPEB, which allowed the plan to realize an 8 percent funding increase from 2013 to 2014; 70.5 percent in 2013 and 78.2 percent in 2014. For easy reference, below is Ms. Jennings summary:

Description	2013	2014	Change
Market Value of Pension Assets	\$57,641,924	\$68,147,606	\$10,505,682
Pension Funded % - previous standard	83.8%	93.8%	10%
Pension Actuarial Liability – previous standard	\$12,891,124	\$8,239,626	(\$4,651,498)
Pension Funded Percentage – new standard	83.8%	87.7%	4%
Pension Actuarial Liability – new standard	\$12,891,124	\$9,574,062	(\$3,317,062)
Total Pension Liability – new standard	\$70,565,693	\$77,721,668	\$7,155,975
Pension Annual Req'd Contribution (ARC)	\$2,868,624	\$2,757,068	(\$111,556)
Market Value of OPEB Assets	\$26,289,375	\$30,120,575	\$3,831,200
OPEB Funded Percentage	70.6%	78.2%	8%
OPEB Annual Req'd Contribution (ARC)	\$1,744,289	\$1,723,687	(\$20,602)
OPEB Actuarial Liability	\$12,585,421	\$10,945,590	(\$1,639,831)
Average Compensation	\$41,930	\$42,557	\$627
Average Age	46.4	47.0	0.6
Average Service	11.7	11.9	0.2
Number of Retirees	180	185	5

It was pointed out that the County has been consistently contributing more than the annual required contribution and will continue in the Fiscal 2015 Budget Year.

The meeting was turned over to Mr. Schooley who was in attendance to review the new GASB (Governmental Accounting Standards Board) regulations. Mr. Schooley provided members with a two-page handout reflecting the changes and their impact to the County. At the current time, the GASB 67 and 68 Statements have been released. GASB 68 will affect the Pension Plan for Fiscal Year 2015, and GASB 67 will affect Fiscal Year 2014. Statement No. 67, *Financial Reporting for Pension Plans*, addresses note disclosure reporting for state and local government pension plans. Statement No. 68, *Accounting and Financial Reporting for Pensions*, establishes new accounting and financial reporting requirements for governments that provide their employees with pensions. The regulations in these Statements will change how governments calculate and report the costs and obligations associated with pensions in their financial statements. The changes in reporting methods provide consistency and comparability of pension information used by all government entities. For the OPEB Plan, changes will take effect in Fiscal Year 2018. The main change of Statement 68 from GASB 27 is what has to be reported as a liability.

For reference, Mr. Schooley's overview of 'GASP 68 – Key Changes in Account Rules' and their impact include:

GASB 68 – Key Changes in Accounting Rules

'GASB has significantly changed how the pension results are reported for fiscal years ending 2015 and later. This will be a major step toward getting the full pension obligation into the financial statement. Until now, even though the actuarial liability or true obligation was footnoted in the Comprehensive Annual Financial Report (CAFR), in the balance sheet a pension obligation was reported as the running total of the annual expense less employer contributions. This sent a confusing message to most readers. The obligation will be replaced by the unfunded liability, which is the difference in the actuarial liability, or what the employer owes participants, and trust assets. Making the unfunded liability not just a footnoted item, but a disclosed obligation in the face of the financial statement alongside other liabilities, such as outstanding bonds and long-term leases, emphasizes that the pension liability is another obligation that the government agency will be required to fulfill. This could impact cash outlays and employer bond ratings.'

'There are key decisions that will need to be made in the upcoming year relating to plan funding, measurement timing and assumption review. Below is an overview of the key items that impact the County:'

	Current GASB 27	Current GASB 68	Impact
Separation of Funding/Accounting	Defined a contribution approach in order to keep the obligation at zero	No contribution method	Need to work with actuary to develop appropriate funding approach
Annual Pension Cost (APC)	Normal cost plus amortization of the unfunded	Normal cost plus Full plan change recognition plus liability gain/loss amortization, plus interest on the actuarial liability less expected asset returns	Plan changes will have significant impact in any given year, see attached exhibit of how the initial year could be impacted
Balance Sheet Liability (NPO)	Cumulative difference between APC and contributions	Funding Status at Measurement Date	Large Increase, see attached exhibit of example of how the initial year could be impacted
Timing – Measurement Date	Lots of leeway, practice varies	As early as prior fiscal year end; results from an earlier valuation (up to 30 months and 1 day prior to FYE) may be rolled forward to Measurement	Would be good to discuss, Recommend 6 months prior to fiscal year or change timing of data collection
Discount Rate	Based on expected long-term return on funding vehicle	Same method for projected benefits that do not exceed the projected trust, else 20 year municipal bond rate (AA/Aa or higher)	May need to state the policy to avoid discount rate issues
Funding Method	May use one of seven approved methods, currently using Entry Age for Accounting	Must use Entry Age	Different liability from funding
Asset Method	Asset value may be based on an asset gain/loss smoothed method	Market value	For Accounting purposes the 5 year smoothing method will be set to market value.
Amortization Method	A factor based on 30 years, optional projected payroll growth and optional open/closed method that allows reamortization each year	A factor equal to 5 years for assets gains/losses, average expected service including inactive lives for liability gains/losses with no option to reamortize. Plan changes are recognized immediately.	Shorter recognition of the unfunded liability.

According to Mr. Schooley's additional financial information, the County had a liability at the end of fiscal year 2014 that was actually an asset of almost \$19 million (\$18,807,623); the new rules will require the County to show this a liability of \$9,574,062. Since the County is not 100 percent funded (87.7 percent), the key impact is that some assets will move to a liability. The County, however, is better funded than most of the public sector plans, who are at the 80 percent mark. The other main change will be the breakdown of funding versus expensing. The County's funding calculations will remain the same, but the calculations will be done using different assumptions – different cost methods. The 7.5 percent assumed rate of return will still be used. Mr. Schooley noted that the overall present value of future benefits is the same under each method (\$91,920,999), and

revisions will result in a greater expense fluctuation. Key disclosures under the new GASB Statement include: (1) a funding policy is required and (2) a measurement date, or timing of measurements. Currently, this date is January 1 for the County and Aon is recommending it remain the same. Mr. Schooley noted that he would provide the County with a sample funding policy.

Mr. Schooley referred members to a “Forecast of Results” illustrating a 5-year projection resulting from GASB changes. In Fiscal Year 2017, it is projected the County will have a \$4,494,795 asset showing on the County’s balance sheet. Looking ahead to 2018, it will be seen as a liability of \$13,889,281. Although these changes will impact the bond ratings of many governments, Mr. Schooley noted the County’s Pension Plan is so well funded that no impact is expected to the County’s bond ratings.

Pension Plan contributions are 13.5 percent of gross salaries and 10 percent for the OPEB; Ms. Jennings noted that 25 percent was used for the budget, which is over the required contribution of 23 percent for both.

It was also noted that the percentages used in the “Sensitivity” information should have been 6.50 percent (1% decrease), 7.50 percent (current rate), and 8.50 percent (1% increase). The dollar amounts stated are accurate.

Ms. Jennings stated that if the current funding method is used, the County will meet the obligation to become fully funded. She noted concern that if the expense method is used and reduces the percentage, the new method will get the County closer to becoming fully funded. Mr. Schooley explained that the County could switch from a projected to an entry age funding method, which may increase the County’s contributions now, but would ultimately lower them later on. The two funding methods will come together as the group ages so one method will not necessarily be a faster funding method over the other. In switching to an entry age funding method, a probable contribution increase of \$10,000 would be realized. Ms. Jennings stated that the differing methods might be confusing to those not well versed in pension reporting. Mr. Schooley was requested to provide both numbers (expense and entry age) in the next actuary report.

Ms. Jennings thanked Mr. Schooley for his time and presentation.

3. **Investment Analysis for the Quarter Ended June 30, 2014**

Mr. Shone began by stating that the County has one of the best funded Pension Plans, and is absolutely better funded than most funds on the OPEB

side. Mr. Shone distributed copies of a booklet entitled, “Sussex County Investment Performance Report, June 30, 2014”. The report includes information regarding the market environment for the second quarter of 2014, 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 – 2nd Quarter of 2014 (Tab 1). Although negative for the first quarter of 2014, the real GDP (Gross Domestic Product) growth (inflation adjusted) realized an increase in Quarter 2 of 4 percent. Initial jobless claims and the unemployment rate have been decreasing. Despite various economic volatility in the first half of 2014, inflation expectations have remained fairly stable. Both market and consumer expectations have changed little over the past two years. The Federal Reserve has kept its short-term interest rates at approximately zero and has lowered its bond purchases.

For the second quarter, U. S Equities realized a 4.9 percent return, and 6.9 for the year-to-date. Emerging Equities have been the big winner for the quarter. Bonds have performed better than expected and saw a return of 3.9 percent for the first half of 2014. The County does not have exposure to high yield (junk) bonds in the OPEB Fund, and only a slight exposure – through the State Pool – in the Pension Plan. Inflation-sensitive investments (TIPS, commodities and U.S. REITs) have performed well this year.

At 10:28 a.m., Mr. Lawson exited the meeting.

The U. S. Equity Markets posted a positive second quarter of nearly 5 percent; Small Caps continued to lag; and Mid Cap Value were the best performers year-to-date. The County’s OPEB Fund has a slight tilt toward Value Stocks.

Mr. Shone referred members to the Pension Fund Performance Report (Tab II).

Observations for the Sussex County Pension Fund:

- As of June 30, 2014, the Pension Fund had a market value of \$70.9 million and realized a second quarter gain of \$2.69 million (net of all investment management fees), or 3.8 percent; a year-to-date gain of \$4.38 million (net), or 6.3 percent.
- Continued very strong performance/returns

Looking Ahead

- Cash Management
- Fidelity Replacement?

Mr. Shone noted that he and Ms. Jennings had been in discussion regarding cash management. For quite a few years, the County's process has been to make the ARC contribution in December, which covers the actual pension costs for the year that are paid out in June. It is recommended that monthly ARC contributions be made, which are closely equal to actual expenses, instead of on a one-time yearly basis. This will allow investments to remain invested and permit the portfolio to remain better balanced, realizing a more even cash flow.

The ending market value of the Sussex County Pension Plan as of June 30, 2014 was \$70,904,338, which included DuPont Capital Investment - \$13,217,885, Fidelity Low Priced Stock - \$5,230,299, Operating Account - \$689,823, State of Delaware Investment Pool - \$44,534,700, Wilmington Trust Bonds - \$7,231,631, and Wilmington Trust Short Term - \$0.

As of June 30, 2014, Sussex County's Pension Asset Allocation included: State of Delaware Investment Pool - 62.8 percent; Cash - 1.0 percent; Domestic Fixed Income - 10.2 percent; and Domestic Equity - 26.0 percent.

For the second quarter of 2014, the County's Pension Fund was up 3.8 percent. Year-to-date the fund increased 6.4 percent and ranked in the top 10 percent nationwide (out of approximately 230 public plans). The County's Plan is much more conservative (60 percent in equities) than Peirce Park's average plan, which is in the 65 percent range for equities. The one year annualized returns were 17.2 percent; 2 year - 14.5 percent, and 3-year - 10.3 percent. Since its inception in January 2009, the County's Pension Plan has realized an average return of 12.2 percent per year. Sixty percent of the County's portfolio is handled by the State.

For the second quarter of 2014, DuPont Capital realized returns of 5.8 percent and year-to-date 8.8 percent. The State had a very good quarter realizing 4.2 percent returns and year-to-date of 7.3 percent. Over the past three years, the total Pension Fund realized returns of 10.3 percent, DuPont Capital - 18.0 percent, Fidelity - 16.4 percent, Wilmington Trust Bonds - 2.2 percent, and State of Delaware - 10.1 percent. For the first quarter, the County realized returns of 3.8 percent versus 4.2 percent for the State.

4. Review Fidelity's Low-Priced Fund

Mr. Shone referred members to the second handout entitled, “Sussex County – Discussion Materials August 2014”. As a result of discussion held at the May 2014 meeting, the Committee had requested Mr. Shone to present an analysis regarding Fidelity’s Low-Priced Stock. Low-priced refers to the price of the stock which can range only from \$5 to \$20 per share. Regarding holdings style, Fidelity has a slight tilt to value, with most being mid-cap. From a returns-based perspective, the Fidelity Low-Priced Stock Fund has drifted significantly. Fund assets are approximately \$48 billion; the fund holds more than 900 securities; and contains a material amount in non-U.S. stocks (approximately 50 percent U. S. and 50 percent non-U.S.). Options include:

- No change
- Move funds to DuPont
 - DuPont can manage their small-cap strategy along with the large-cap portfolio they currently manage for Sussex Pension
 - They have proposed a fee of 0.50% for the small-cap portfolio (the normal fee is 0.85%, but they have decided to lower it as trading costs would cause a large drag on portfolio performance, given the potential portfolio size (\$2 million)
- Passive Index Exposure
 - Vanguard Extended Market Index provides small and mid-cap exposure

The below manager information was provided for DuPont, Vanguard and Fidelity:

	DuPont Small Cap Equity	Vanguard Extended Market Index	Fidelity Low-Priced Stock Fund
Location	Wilmington, DE	Malvern, PA	Boston, MA
Firm Inception	1975	1975	1946
Firm Assets (\$B)	38	2,843	2,004
Style	Quantitative & Fundamental, bottom-up	Index	Fundamental, bottom-up
Strategy Inception	1999	1987	1990
Strategy Assets (\$B)	0.2	38.3	48.4
Fees	0.50%	0.10%	0.83%
Vehicle	Separate Account	Mutual Fund	Mutual Fund
Preferred Benchmark	Russell 2000	S & P Completion Index	Russell 2000
# of Holdings	182	3200	902

Yearly percentage returns include:

	2008	2009	2010	2011	2012	2013
DuPont	-30.3	20.0	28.1	2.6	11.8	34.3
Vanguard	-38.6	37.6	27.6	-3.6	18.5	38.4
Fidelity	-36.2	39.1	20.7	-0.1	18.5	34.3
Russell 2000	-33.8	27.2	26.9	-4.2	16.4	38.8
Russell 2500	-36.8	34.4	26.7	-2.5	17.9	36.8

Cumulative Returns Annualized (%) include:

	Q2	YTD	1 Year	5 Year	7 Year
DuPont	1.1	2.4	20.3	20.2	6.8
Vanguard	3.3	6.1	27.0	21.9	8.1
Fidelity	2.8	4.9	22.2	20.1	7.8
Russell 2000	2.0	3.2	23.6	20.2	6.7
Russell 2500	3.6	5.9	25.6	21.6	7.6

It was noted that, cumulatively, Vanguard has been the best performer at 8.1 percent. All information presented is net of fees.

Pros and cons given for each manager include:

	Pros	Cons
DuPont Small Cap Equity	Long-term track record All U.S. equities managed by same firm Inexpensive option for active management	Moderate performance Minimal mid-cap exposure
Vanguard Extended Market Index	Very inexpensive approach Access to small and mid-cap exposures Mutual fund vehicle	No value tilt
Fidelity Low-Priced Stock	Existing manager Decent long-term track record Mutual fund vehicle	Expensive Has many off-bench allocations

The Committee discussed the information presented and the various options available, as well as the oversight the Committee may need to provide with some options. More specifically, the Committee inquired as to whether DuPont Capital would be willing to manage half of the Fidelity money for the same fee. Mr. Shone noted that DuPont Capital would not be able, but noted that Vanguard could manage half of the fund.

A Motion was made by Mr. Leahy, seconded by Ms. Ryan, that the Sussex County Pension Fund Committee recommend to the Sussex County Council to transfer \$2.6 million from Fidelity Low-Priced Stock to the Vanguard Extended Market Index.

Motion Adopted: 5 Yea.

Vote by Roll Call: Mr. James, Yea; Mr. Baker, Yea; Mr. Leahy, Yea;
Ms. Ryan, Yea; Ms. Jennings, Yea

It should be noted that the \$2.6 million transferred to Vanguard does represent half of the Fidelity money, and the Committee will continue to monitor the allocation.

5. **Investment Education (Fixed Income) – Types of Bonds and Duration of Investments**

Wilmington Trust's fixed income bonds include treasuries, government agency bonds, and corporates (short term duration). In remaining with very high credit quality investments, the tradeoff is lower returns. After discussion held at the May 2014 meeting regarding the possibility of taking on more risk to realize higher returns, the Committee requested Mr. Shone to report – from an educational perspective – regarding the types of investments available for the County's consideration.

Mr. Shone's report, "Sussex County – Discussion Materials August 2014", included 'Fixed Income Discussion' under Tab II. This report included types of bonds (Treasuries, Agencies, Mortgaged Backed Securities, Commercial Mortgaged Backed Securities, Asset Backed Securities, Investment Grade Corporates, High Yield, and Bank Loans), definitions (maturity, duration, quality, yield-to-maturity and spread), bond quality ratings (investment and non-investment grade bonds), the rationale of interest rates and the impact on bond prices; characteristics of U. S. Bonds (credit risk, benchmark and benchmark duration); fixed income guidelines for the County's Pension and OPEB Plans; roles of fixed income (investors must first define the role they want bonds to play in their portfolios before determining the appropriate fixed income securities, relevant benchmark, and proper implementation); portfolio protection (treasury and agency bonds are solid portfolio protection amid periods of economic contraction and financial stress); the fixed income spectrum (some areas of fixed income have higher equity risk (beta) than others); maximize total return (bonds with more credit risk should add return (relative to low credit risk securities) to the portfolio and provide some diversification to equities); current environment (yields across all types of fixed income are near or at historic lows); return outlook; and a summary.

Mr. Shone noted that he would present a few highlights and the committee could review the specifics in further detail at the next meeting.

According to the Investment Policy Statement, the County is allowed to go down to 50 percent in U. S. Treasuries and Agencies (Government Securities); the County is currently at 72.7 percent. Mr. Shone will consult with Wilmington Trust as to their current allocation and how to achieve enhanced returns without greater additional risk.

3. Investment Analysis for the Quarter Ended June 30, 2014 – (Con't.)

Mr. Shone continued with the investment analysis and referred members back to the OPEB Fund Performance Report (Tab III). As of June 30, 2014, the OPEB Fund had a market value of \$30.3 million and realized a second quarter gain of \$1.0 million (net of all investment management fees), or 3.4 percent; a one year gain of \$3.8 million (net), or 14.7 percent. The County was reimbursed at the end of the fiscal year.

Mr. Shone noted that the following items should be considered by the Committee: Investment Policy Statement (cash target, equity target, international equity target); and cash flow management.

Currently, the County's Investment Policy Statement does not have a target for cash. Although the County has a target of 12 percent in international equities, Mr. Shone made the recommendation to increase this target to at least 14 percent, or possibly 16 percent.

Mr. Leahy stated the possible benefit of a singular approach in handling the OPEB and Pension Plans under one Investment Policy Statement.

6. OPEB Allocations

Mr. Shone referred members to a separate handout regarding a proposed addendum to the OPEB Investment Policy Statement. Proposed revisions include the following:

- a. decreasing fixed income target from 40 percent to 39 percent
- b. increasing cash target from 0% to 1%
- c. increasing international equity target from 12% to 14%
- d. decreasing domestic equity target from 48% to 46%
- e. change international equity benchmark from MSCI EAFE (net) to MSCI ACWI ex U.S. (net)

A Motion was made by Mr. Leahy, seconded by Mr. Baker, that the Sussex County Pension Fund Committee recommend to the Sussex County Council to adopt the Addendum, as presented by Mr. Shone, to the Sussex County,

Delaware Employee OPEB Plan Investment Policy Statement Dated December 2010 (amended April 22, 2013).

Motion Adopted: 5 Yea.

Vote by Roll Call: Mr. James, Yea; Mr. Baker, Yea; Mr. Leahy, Yea; Ms. Ryan, Yea; Ms. Jennings, Yea

The Committee thanked Mr. Shone for his time and presentation.

7. **Additional Business**

Ms. Jennings reported that the State of Delaware had recently passed a regulation that would allow County Paramedics to participate in the State's Pension Plan (not the OPEB) if they so choose. An analysis is currently being performed by the State as to the cost to the County. The County will then have their actuary review and make comment as to the impact to the County. Participation is voluntary, but all County Paramedics would have to elect to take part in the State's Pension Plan.

Ms. Jennings explained that Mr. Lawson exited the meeting earlier due to a scheduled visit from Senator Carper at the Sussex County Airport. Ms. Jennings thanked everyone for their attendance.

At 11:58 a.m., a Motion was made by Mr. Leahy, seconded by Ms. Ryan, to adjourn.

Motion Adopted: 5 Yea.

Vote by Roll Call: Mr. James, Yea; Mr. Baker, Yea; Mr. Leahy, Yea; Ms. Ryan, Yea; Ms. Jennings, Yea

Respectfully submitted,



Nancy J. Cordrey
Administrative Secretary



SUSSEX COUNTY

Investment Performance Report
June 30, 2014



PEIRCE PARK GROUP

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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.

Total fund returns are calculated using the modified-dietz method of return, utilizing market values and cash flows from the custodian statements. Time weighted method of calculating returns may be utilized for individual managers if a significant cash flow occurs during the measurement period. There may be discrepancies in asset values and returns with managers, due to different values or methodologies used by the managers and custodians. Information in this report on market indices, security characteristics, and universe comparisons is received from third party vendors. 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.

2014-04-24

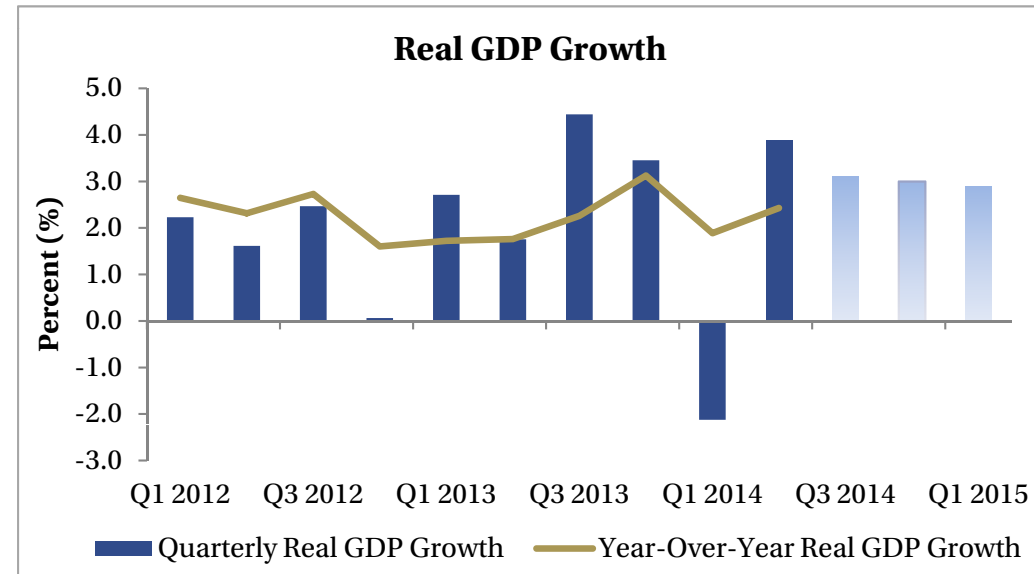
Information Disclaimer

MARKET ENVIRONMENT

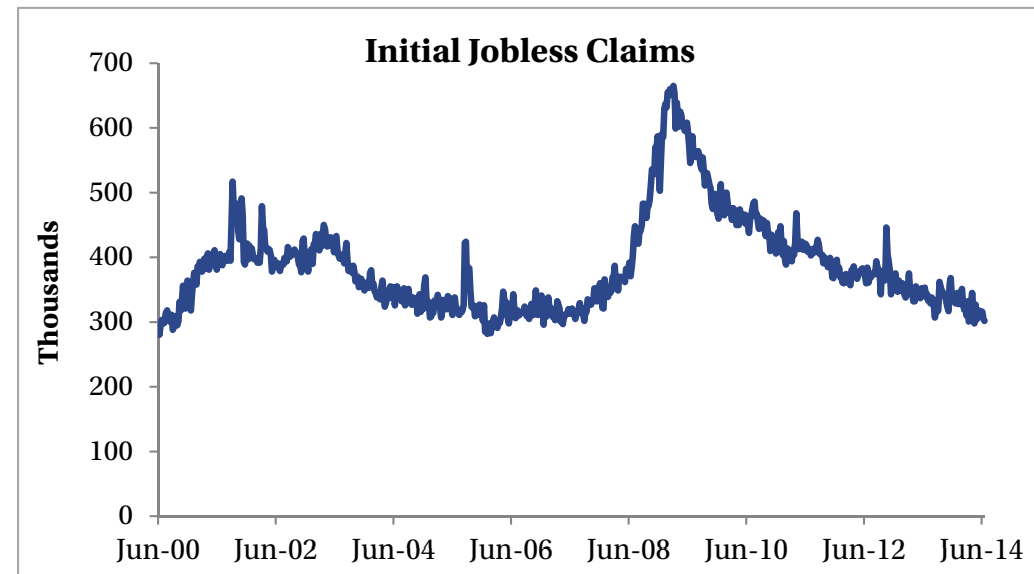


ECONOMIC SUMMARY

- While Q1 real GDP growth showed a 2.9% annualized *decline*, most economists attributed the slowdown to a harsh winter across much of the U.S. Economic activity in Q2 rebounded sharply, with real GDP growing at 4.0%.
- Other economic indicators appeared much stronger. Payrolls rose by an average monthly gain of 231,000 during the first half of the year. Jobless claims, meanwhile, held near post-recessions lows.
- The manufacturing sector also exhibited strength. The Purchasing Managers Index (PMI) averaged 52.7 in the first quarter—comfortably above 50, which separates expansion from contraction.



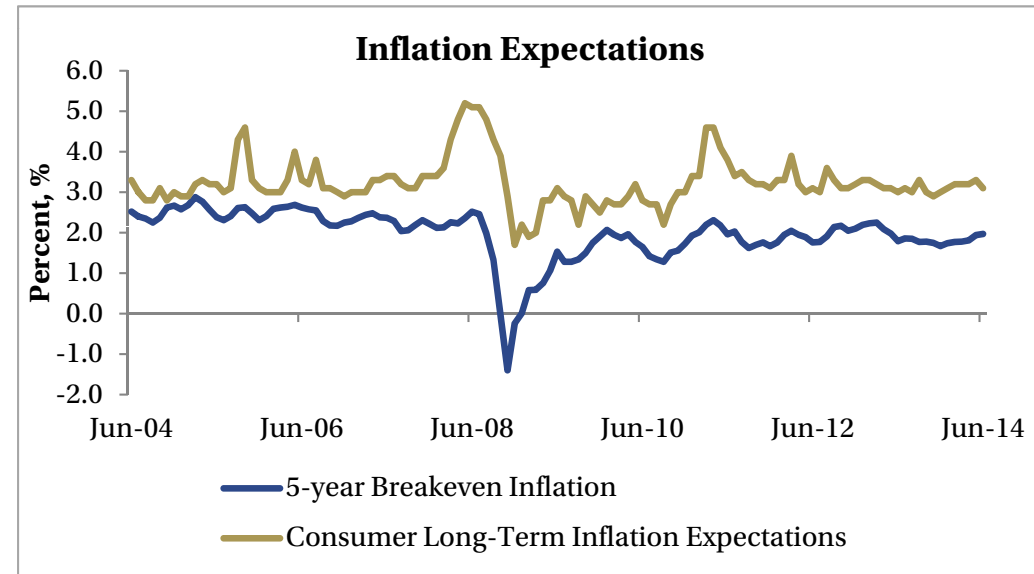
Source: Board of Governors of the Federal Reserve System/FRED. Light bars reflect analyst estimates.



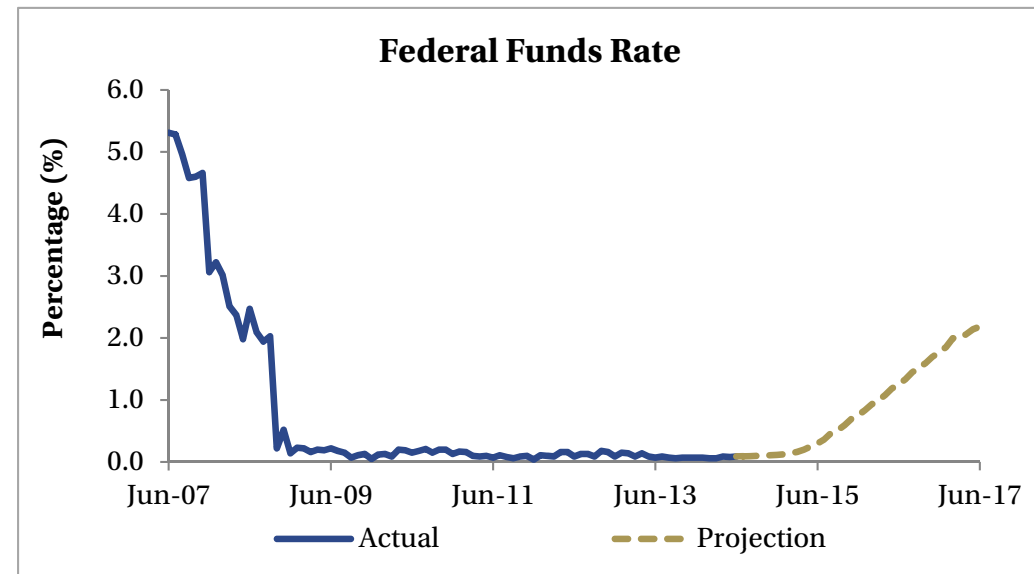
Source: Barclays Capital.

ECONOMIC SUMMARY

- Despite some economic volatility in the first half of 2014, inflation expectations remained fairly stable. Both market and consumer expectations have changed little over the past two years.
- The Federal Reserve (Fed) maintained its policy path, keeping short-term interest rates at approximately zero and lowering bond purchases. At the current rate, the Fed will complete its bond buying program in October.
- Futures markets currently project that short-term rates will remain anchored to zero until the summer of 2015. Markets also expect rates will remain at or below 2.0% for another three years.



Source: Thomson Reuters Datastream.

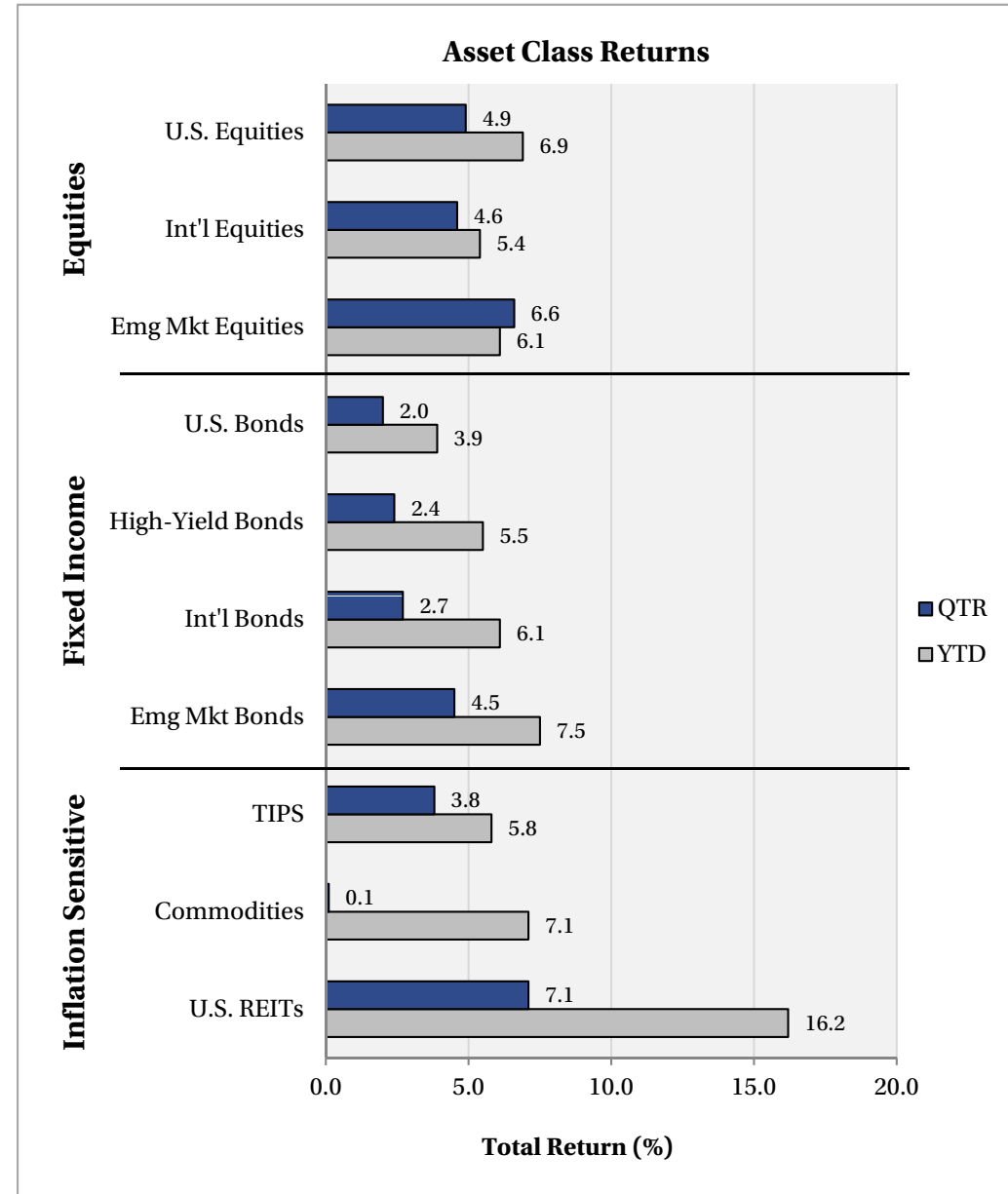


Source: Thomson Reuters Datastream.



GLOBAL ASSET CLASS PERFORMANCE

- **Equities** within developed U.S. and international markets posted another solid gain in Q2, as the MSCI World Index returned 4.9%. It was the eighth consecutive quarterly gain for the index—its longest streak since the mid-1990s.
- **Fixed income** also continued its strong run for 2014. Returns were uniformly positive across sectors, with longer-dated bonds once again outperforming amid a flattening yield curve. More credit-sensitive areas also did well.
- **Inflation-sensitive assets** gained ground amid rising tensions in Iraq along with other geopolitical worries (e.g., Ukraine and Russia). U.S. REITs, meanwhile, posted another strong quarter amid a further decline in interest rates.

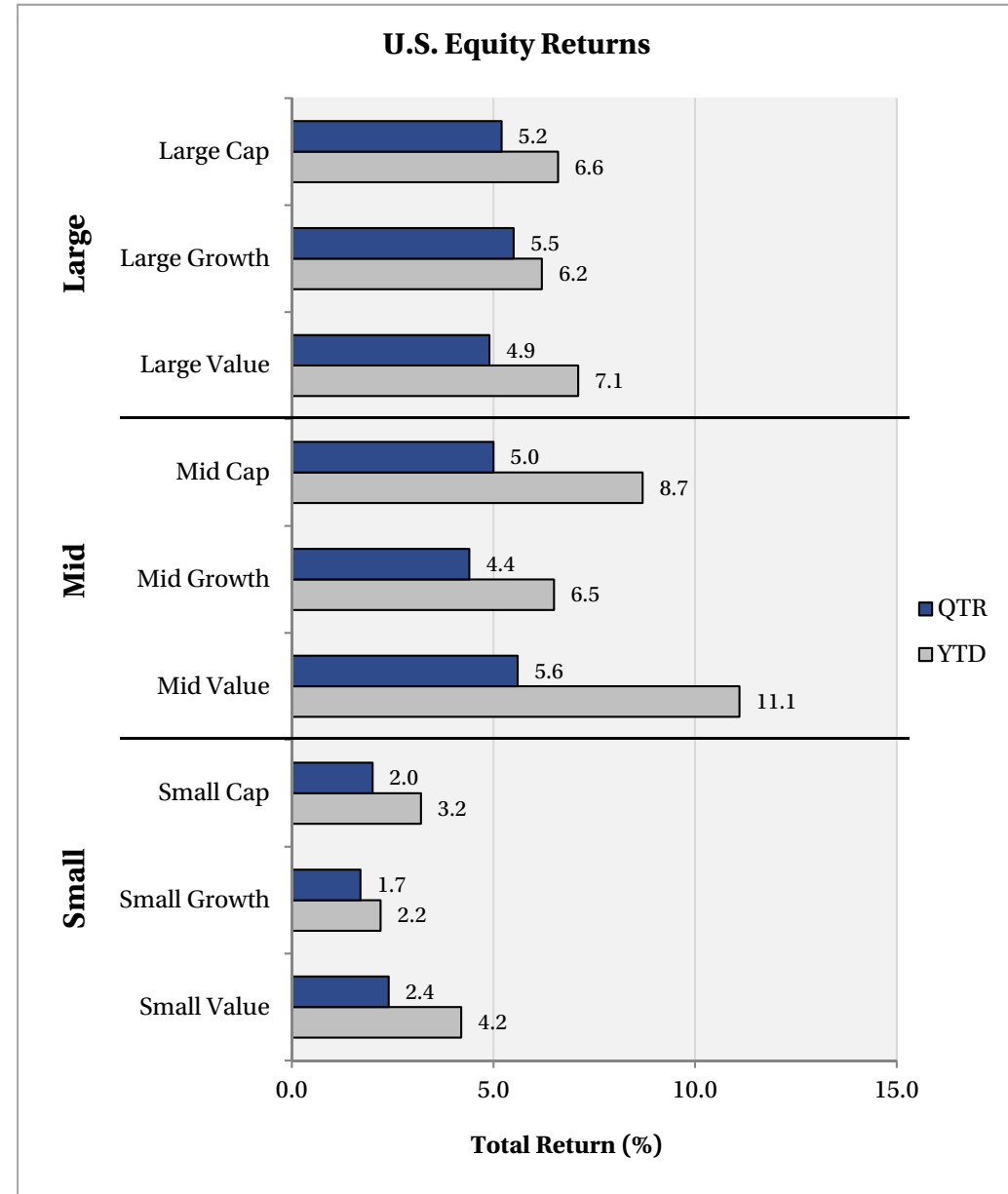


Source: Morningstar



U.S. EQUITIES

- U.S. equities returned nearly 5.0% for the quarter. Investors focused on comments from the Federal Reserve that inflation was contained and that most asset prices appeared to be trading in line with historical norms.
- Gains were broad-based, though small caps continued to lag. Mid caps were the best-performing segment, outperforming their large-cap peers by approximately 20 basis points.
- From a style perspective, relative performance between value and growth equities was essentially the same, with the Russell 3000 Growth Index and the Russell 3000 Value Index each returning 4.9% in Q2.

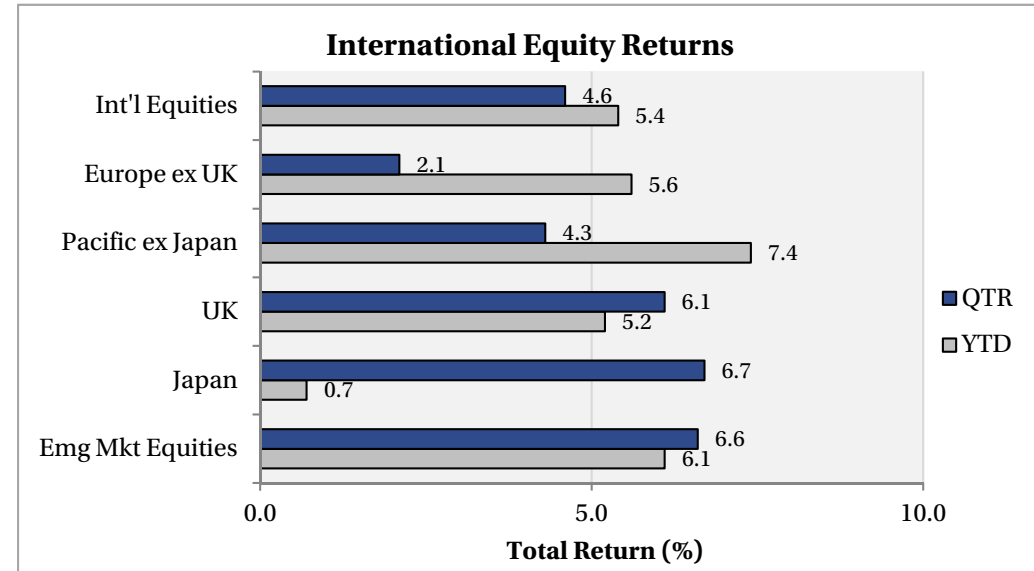


Source: Russell

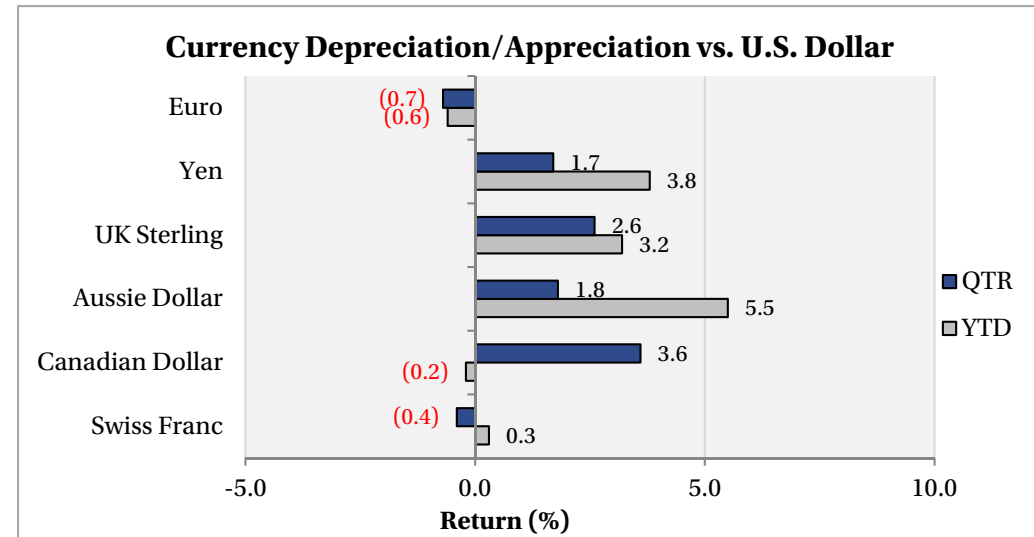


INTERNATIONAL EQUITIES

- Non-U.S. developed markets posted solid gains in Q2, returning 4.6%. Japanese equities led the way. Continental European markets, on the other hand, trailed peers, given a decline in earnings expectations for the region.
- Emerging markets equities outperformed for the first time since Q4 2012. Similar to the U.S. market, energy stocks registered some of the strongest gains, supported by rising oil prices.
- The U.S. dollar generally lost ground in Q2, boosting international equity returns. Weakness in the greenback turned a 3.9% local currency return for the MSCI ACWI ex U.S. Index into a return of 5.0% in U.S. dollars.



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.



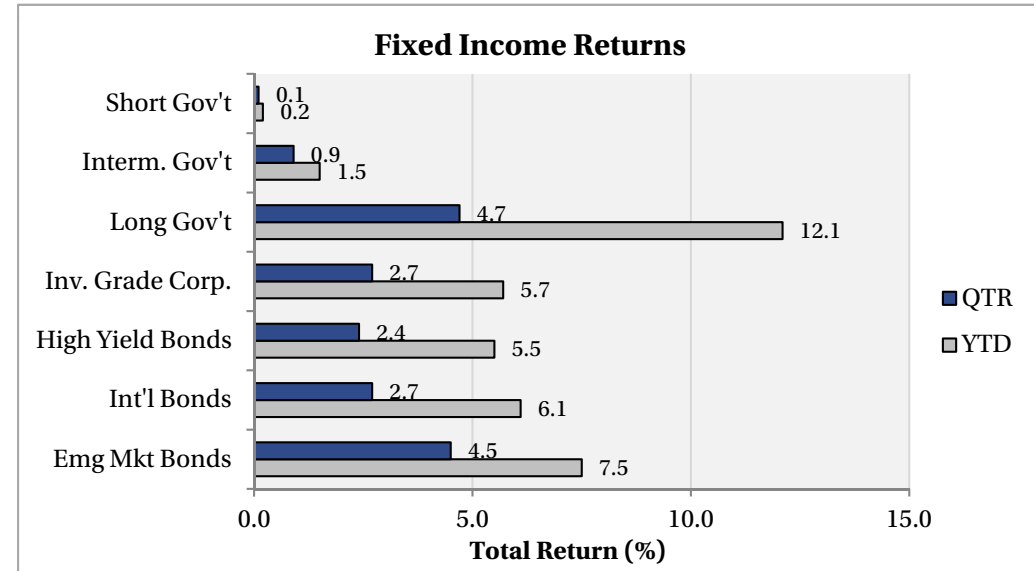
Source: Markov Processes International

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

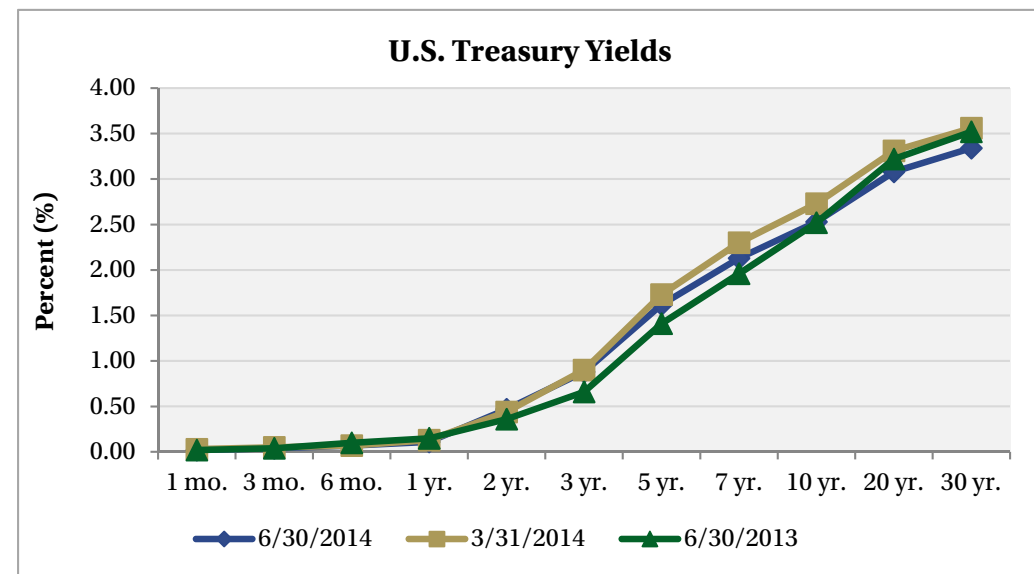


FIXED INCOME

- U.S. core fixed income enjoyed another solid quarter. Bond prices rose in part to a number of factors, including continued geopolitical tensions, particularly in Russia, Ukraine, and Iraq.
- Longer-dated government bonds outperformed given flattening in the yield curve. Credit also did well, though high-yield bonds underperformed their investment-grade corporate counterparts for the first time since Q2 2012.
- International developed sovereign debt was also in the black, while emerging markets debt staged a strong rally thanks in part to a rebound in Ukrainian and Russian debt.



Source: Morningstar



Source: U.S. Department of the Treasury



U.S. SIZE, STYLE, AND SECTOR PERFORMANCE

DOMESTIC EQUITY	<u>QTR</u>	<u>YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
S&P 500 Index	5.2	7.1	24.6	16.6	18.8	7.8
Russell 3000 Index	4.9	6.9	25.2	16.5	19.3	8.2
Russell 3000 Growth Index	4.9	6.0	26.8	16.1	19.3	8.3
Russell 3000 Value Index	4.9	8.0	23.7	16.7	19.3	8.0
Russell TOP 200 Index	5.2	6.6	24.7	16.8	18.1	7.3
Russell TOP 200 Growth Index	5.5	6.2	27.3	17.1	18.6	7.7
Russell TOP 200 Value Index	4.9	7.1	22.2	16.6	17.7	6.9
Russell 1000 Index	5.1	7.3	25.4	16.6	19.3	8.2
Russell 1000 Growth Index	5.1	6.3	26.9	16.3	19.2	8.2
Russell 1000 Value Index	5.1	8.3	23.8	16.9	19.2	8.0
Russell Mid-Cap Index	5.0	8.7	26.9	16.1	22.1	10.4
Russell Mid-Cap Growth Index	4.4	6.5	26.0	14.5	21.2	9.8
Russell Mid-Cap Value Index	5.6	11.1	27.8	17.6	23.0	10.7
Russell 2000 Index	2.0	3.2	23.6	14.6	20.2	8.7
Russell 2000 Growth Index	1.7	2.2	24.7	14.5	20.5	9.0
Russell 2000 Value Index	2.4	4.2	22.5	14.6	19.9	8.2
DOMESTIC EQUITY BY SECTOR (MSCI)						
Consumer Discretionary	3.2	1.1	21.2	20.3	26.4	9.6
Consumer Staples	4.7	5.3	16.0	16.0	17.8	10.2
Energy	12.2	13.9	30.4	11.4	17.0	13.6
Financials	2.4	5.2	18.7	15.6	16.3	1.7
Health Care	4.4	10.4	30.9	22.2	21.4	10.0
Industrials	3.7	4.3	29.3	16.6	22.7	9.2
Information Technology	5.8	8.1	32.3	16.5	19.0	8.5
Materials	5.2	8.4	31.8	11.4	19.0	10.1
Telecommunication Services	4.0	4.3	8.0	11.5	15.0	8.4
Utilities	7.7	18.0	22.2	14.7	15.1	10.8

REGIONAL PERFORMANCE ACROSS MARKETS

INTERNATIONAL/GLOBAL EQUITY	QTR	YTD	1 Year	3 Year	5 Year	10 Year
MSCI EAFE (Net)	4.1	4.8	23.6	8.1	11.8	6.9
MSCI EAFE Growth (Net)	3.5	3.6	20.3	7.7	12.2	7.1
MSCI EAFE Value (Net)	4.7	6.0	26.9	8.5	11.2	6.7
MSCI EAFE Small Cap (Net)	2.1	5.5	29.1	9.8	15.2	8.7
MSCI AC World Index (Net)	5.0	6.2	23.0	10.3	14.3	7.5
MSCI AC World Index Growth (Net)	5.0	5.4	23.1	10.4	14.8	7.6
MSCI AC World Index Value (Net)	5.1	7.0	22.8	10.1	13.8	7.3
MSCI Europe ex UK (Net)	2.1	5.6	30.7	7.7	12.3	7.7
MSCI United Kingdom (Net)	6.1	5.2	26.6	10.5	14.5	7.3
MSCI Pacific ex Japan (Net)	4.3	7.4	18.8	6.3	14.0	11.9
MSCI Japan (Net)	6.7	0.7	9.8	7.6	7.2	3.2
MSCI Emerging Markets (Net)	6.6	6.1	14.3	(0.4)	9.2	11.9
FIXED INCOME						
Merrill Lynch 3-month T-Bill	0.0	0.0	0.1	0.1	0.1	1.6
Barclays Intermediate Government/Credit	1.2	2.3	2.9	2.8	4.1	4.3
Barclays Aggregate Bond	2.0	3.9	4.4	3.7	4.9	4.9
Barclays Short Government	0.1	0.2	0.4	0.4	0.8	2.2
Barclays Intermediate Government	0.9	1.5	1.5	2.0	2.8	3.9
Barclays Long Government	4.7	12.1	6.4	8.7	7.4	7.2
Barclays Investment Grade Corporates	2.7	5.7	7.7	6.2	8.1	5.9
Barclays High Yield Corporate Bond	2.4	5.5	11.7	9.5	14.0	9.0
JPMorgan Global ex US Bond	2.7	6.1	8.9	0.9	3.8	5.1
JPMorgan Emerging Market Bond	4.5	7.5	5.9	0.9	7.4	9.3
INFLATION SENSITIVE						
Consumer Price Index	-	-	-	-	-	-
BC TIPS	3.8	5.8	4.4	3.6	5.6	5.2
Commodities	0.1	7.1	8.2	(5.2)	2.0	0.9
Gold	3.0	9.9	7.7	(4.7)	6.7	12.0
REITs	7.0	17.7	13.2	11.8	23.5	9.6
FTSE EPRA/NAREIT Global REITs	7.2	11.4	12.5	9.1	16.3	-

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

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TOTAL FUND



OBSERVATIONS FOR SUSSEX COUNTY PENSION

- Market value June 30, 2014: \$70.9 million
- 2nd quarter gain – \$2.69 million(net) 2nd quarter return: 3.8% (gross)
- YTD gain – \$4.38 million (net) YTD return: 6.3% (gross)
- Continued very strong performance



LOOKING AHEAD FOR SUSSEX COUNTY PENSION

- Cash management
- Fidelity replacement?



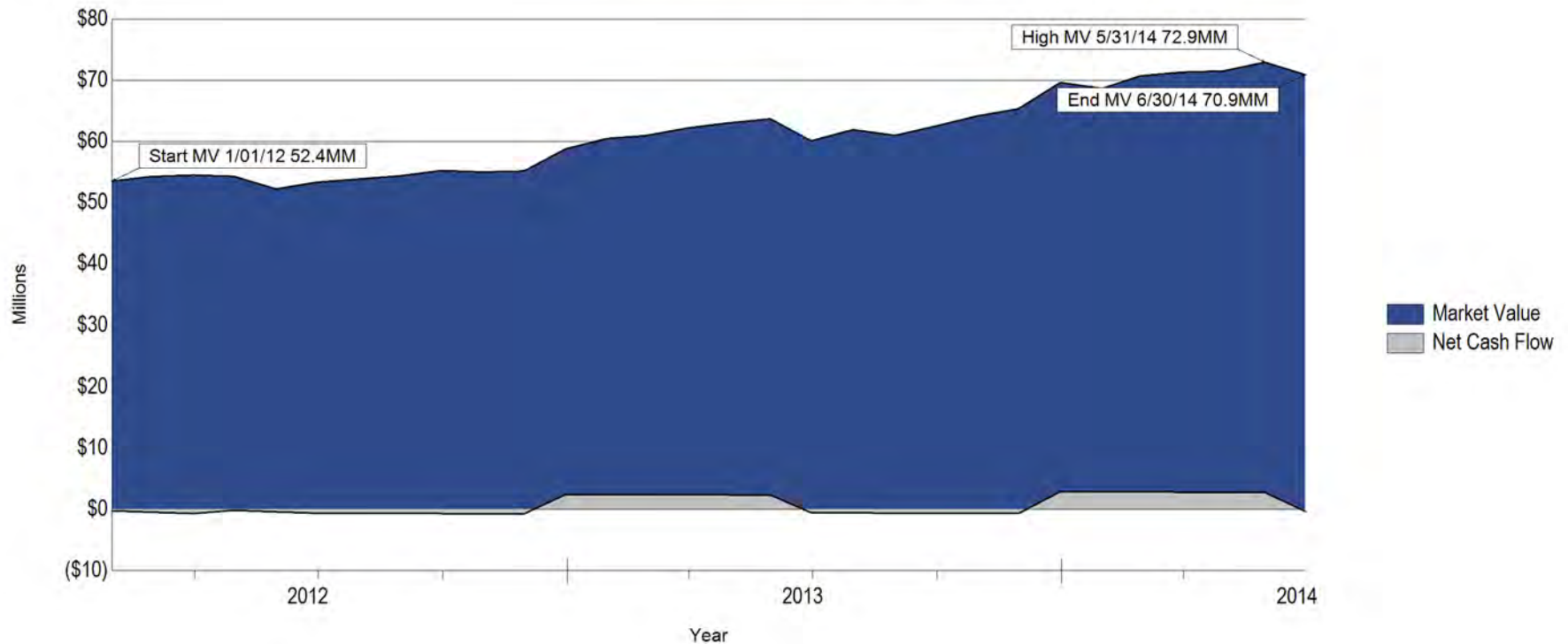
Sussex County Pension
Total Fund Composite

Summary of Cash Flows

As of June 30, 2014

	Second Quarter	Year-To-Date	One Year	Two Years
Beginning Market Value	\$71,322,868.6	\$69,649,238.6	\$60,110,352.6	\$53,343,263.8
Net Additions/Withdrawals	-\$3,096,258.5	-\$3,110,801.6	\$406,428.0	\$689,718.8
Investment Earnings	\$2,693,358.3	\$4,381,531.3	\$10,403,187.8	\$16,886,985.8
Ending Market Value	\$70,919,968.3	\$70,919,968.3	\$70,919,968.3	\$70,919,968.3
Time Weighted Return	3.8%	6.3%	16.8%	14.2%

Market Value History
2 Years 6 Months Ending June 30, 2014



Sussex County Pension
Total Fund Composite

As of June 30, 2014

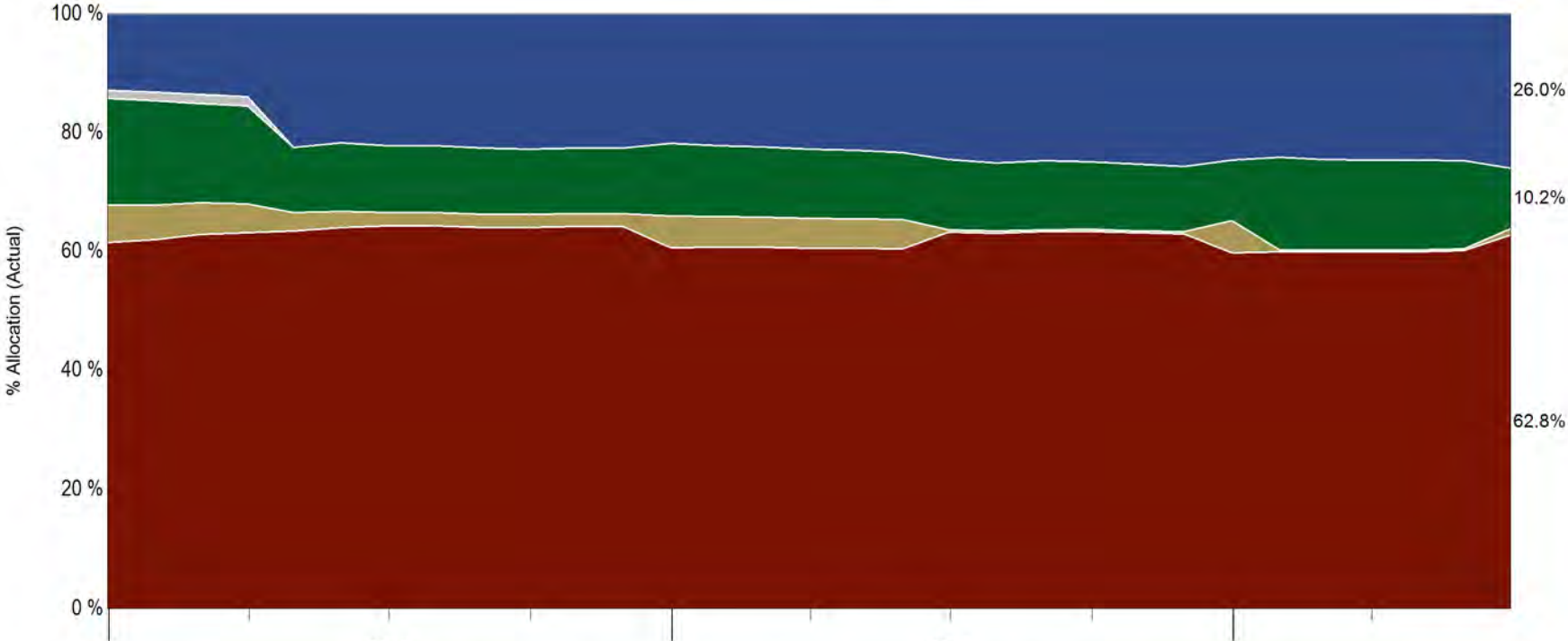
Quarter Ending June 30, 2014

	Beginning Market Value	Net Cash Flow	Net Investment Change	Ending Market Value
Dupont Capital Investment	\$12,493,746	-\$2,309	\$726,449	\$13,217,885
Fidelity Low Price Stock	\$5,087,141	\$0	\$143,158	\$5,230,299
Operating Account	\$194,098	\$511,252	\$103	\$705,453
State of Delaware Investment Pool	\$42,793,005	-\$17,075	\$1,758,770	\$44,534,700
Wilmington Trust Bonds	\$7,166,931	\$0	\$64,700	\$7,231,631
Wilmington Trust Short Term	\$3,587,947	-\$3,588,126	\$179	\$0
Total	\$71,322,869	-\$3,096,259	\$2,693,358	\$70,919,968

Sussex County Pension
 Total Fund Composite

As of June 30, 2014

Asset Allocation History
 2 Years 6 Months Ending June 30, 2014



	2012				2013					
Domestic Equity	13.9	22.2	22.8	21.8	22.8	24.6	24.9	24.6	24.6	26.0
Global Equity	1.5	--	--	--	--	--	--	--	--	--
Domestic Fixed Income	16.5	11.3	11.0	12.3	11.6	11.8	11.4	10.2	15.1	10.2
Cash	4.9	2.3	2.2	5.3	5.0	0.4	0.3	5.4	0.3	1.0
State of Delaware Investment Pool	63.2	64.3	64.1	60.7	60.6	63.2	63.4	59.7	60.0	62.8

■ Domestic Equity
 ■ Global Equity
 ■ Domestic Fixed Income
 ■ Cash
 ■ State of Delaware Investment Pool

Sussex County Pension
Total Fund Composite

Total Plan Performance

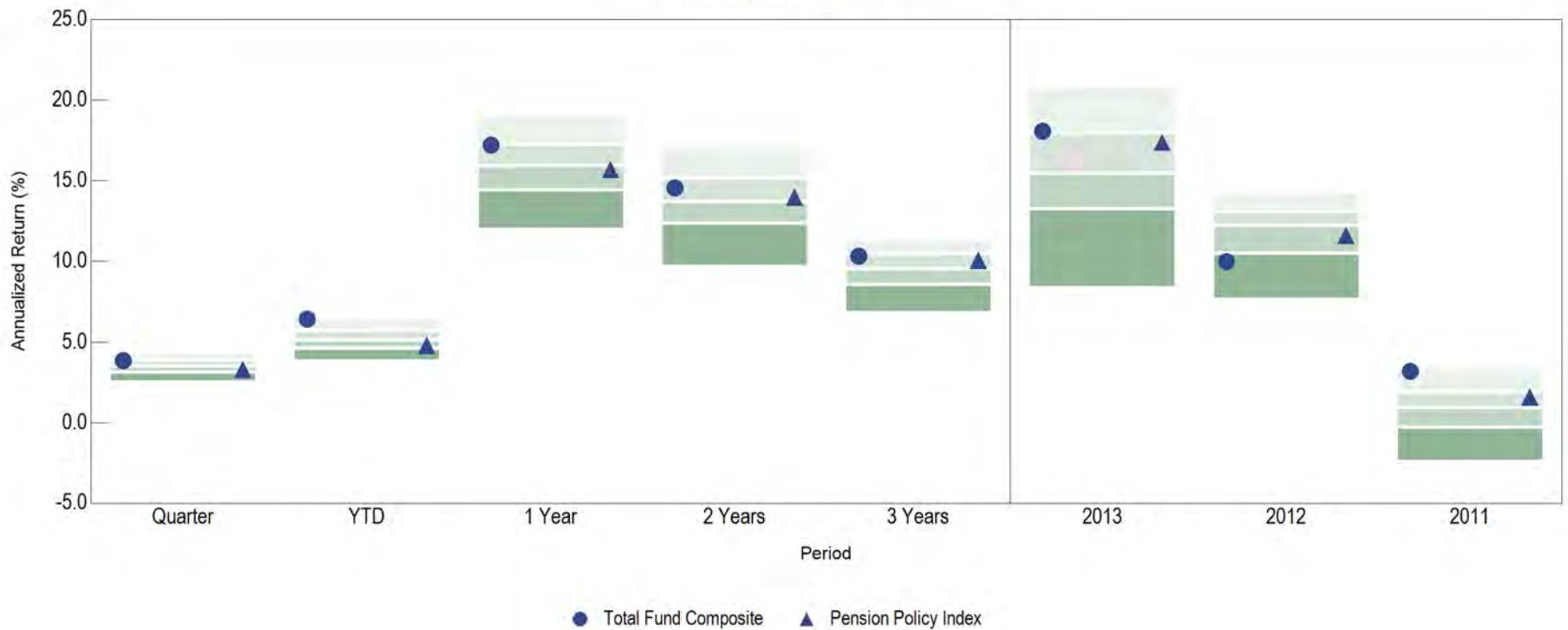
As of June 30, 2014

Ending June 30, 2014

Inception

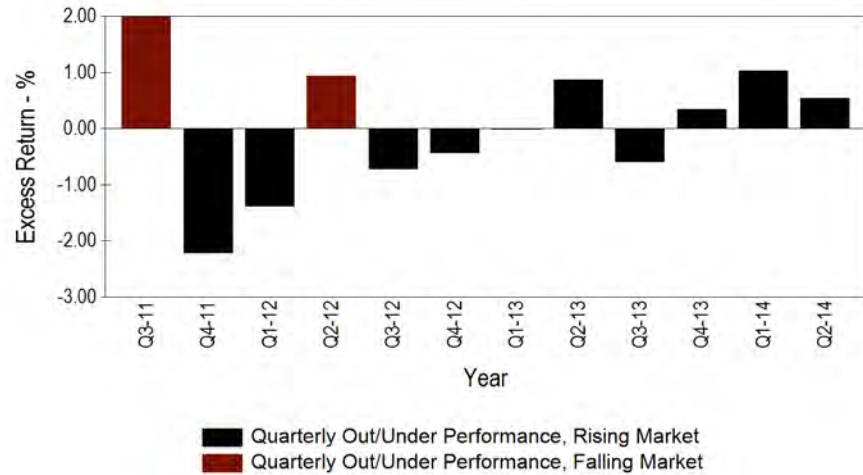
	2014 Q2	Rank	YTD	Rank	1 Yr	Rank	2 Yrs	Rank	3 Yrs	Rank	2013	Rank	2012	Rank	Return	Since
Total Fund Composite	3.8%	27	6.4%	10	17.2%	27	14.5%	37	10.3%	29	18.1%	24	10.0%	82	12.2%	Jan-09
<i>Pension Policy Index</i>	3.3%	66	4.8%	70	15.7%	55	14.0%	46	10.0%	36	17.4%	33	11.6%	64	12.4%	Jan-09

InvestorForce Public DB Gross Accounts
Ending June 30, 2014

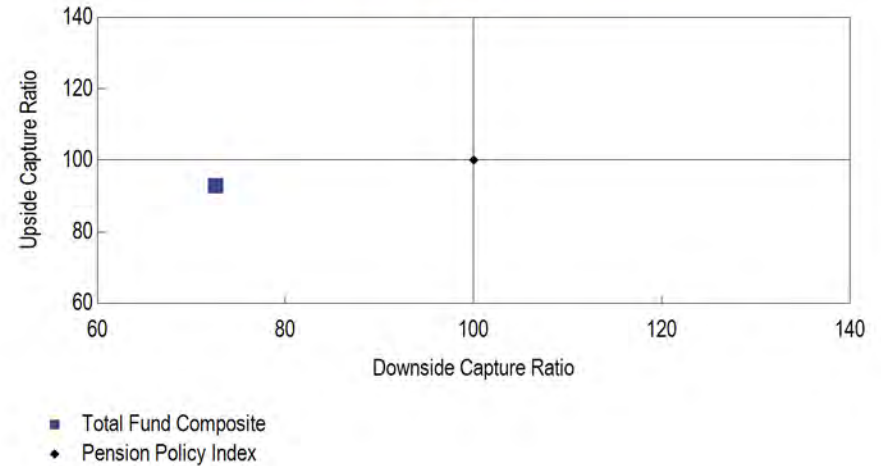


Current Policy Index: 46% Russell 3000 / 40% Barclays Intermediate Gov't/Credit / 14% MSCI EAFE (Net)

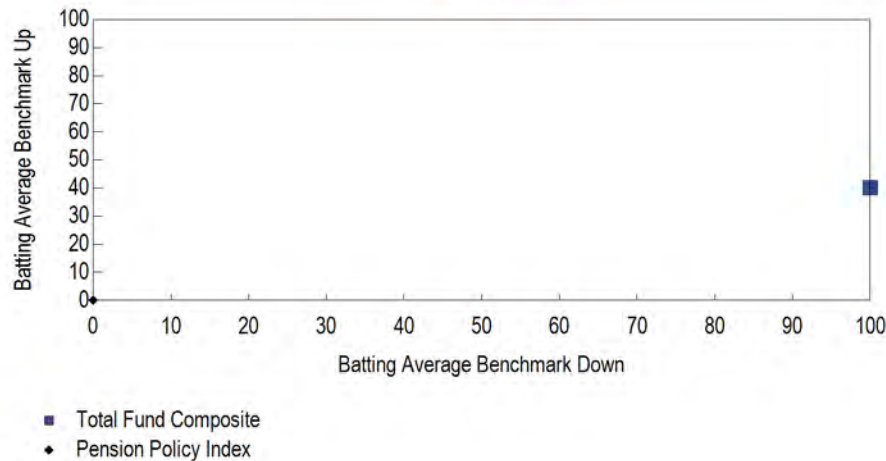
Quarterly Excess Performance



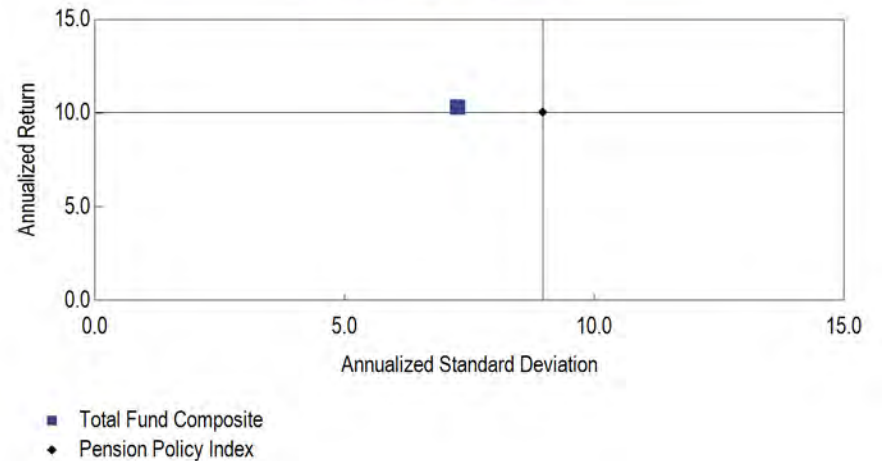
Upside Capture Ratio vs. Downside Capture Ratio
3 Years Ending June 30, 2014



Batting Average Benchmark Up vs. Batting Average Benchmark Down
3 Years Ending June 30, 2014



Annualized Return vs. Annualized Standard Deviation
3 Years Ending June 30, 2014



Sussex County Pension
Total Fund Composite

Performance Summary

As of June 30, 2014

	% of Portfolio	Ending June 30, 2014								Inception					
		2014 Q2 Rank	YTD Rank	1 Yr Rank	3 Yrs Rank	2013 Rank	2012 Rank	Return	Since						
Total Fund Composite	100.0%	3.8%	27	6.4%	10	17.2%	27	10.3%	29	18.1%	24	10.0%	82	12.2%	Jan-09
<i>Pension Policy Index</i>		3.3%	66	4.8%	70	15.7%	55	10.0%	36	17.4%	33	11.6%	64	12.4%	Jan-09
Dupont Capital Investment	18.6%	5.8%	14	8.8%	14	26.3%	35	18.0%	14	33.8%	40	15.4%	52	--	Apr-10
<i>S&P 500</i>		5.2%	30	7.1%	40	24.6%	54	16.6%	37	32.4%	56	16.0%	44	--	Apr-10
Fidelity Low Price Stock	7.4%	3.0%	31	5.3%	23	23.2%	68	16.4%	25	35.4%	79	19.5%	12	15.8%	Sep-08
<i>Russell 2000</i>		2.0%	59	3.2%	66	23.6%	61	14.6%	54	38.8%	41	16.3%	39	11.8%	Sep-08
Wilmington Trust Bonds	10.2%	1.0%	--	1.7%	--	1.9%	--	2.2%	--	-1.3%	--	2.6%	--	1.9%	Sep-10
<i>Barclays Int Govt.</i>		0.9%	--	1.5%	--	1.5%	--	2.0%	--	-1.2%	--	1.7%	--	1.7%	Sep-10
Operating Account	1.0%	0.0%	--	0.0%	--	0.1%	--	--	--	0.1%	--	0.0%	--	0.1%	Sep-11
<i>91 Day T-Bills</i>		0.0%	--	0.0%	--	0.0%	--	--	--	0.0%	--	0.1%	--	0.1%	Sep-11
State of Delaware Investment Pool	62.8%	4.2%	--	7.3%	--	17.7%	--	10.1%	--	17.0%	--	11.2%	--	--	
<i>Balanced Pooled Fund Policy Index</i>		3.8%	--	5.5%	--	15.8%	--	9.2%	--	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 June 30, 2014

Account	Fee Schedule	Market Value As of 6/30/2014	% 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	\$13,217,885	18.6%	\$46,263	0.35%
Fidelity Low Price Stock	0.83% of Assets	\$5,230,299	7.4%	\$43,411	0.83%
Wilmington Trust Bonds	0.20% of Assets	\$7,231,631	10.2%	\$14,463	0.20%
Wilmington Trust Short Term	No Fee	\$0	0.0%	--	--
Operating Account	No Fee	\$705,453	1.0%	--	--
State of Delaware Investment Pool	0.70% of Assets	\$44,534,700	62.8%	\$310,852	0.70%
Investment Management Fee		\$70,919,968	100.0%	\$414,990	0.59%

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

U.S. EQUITIES



As of June 30, 2014

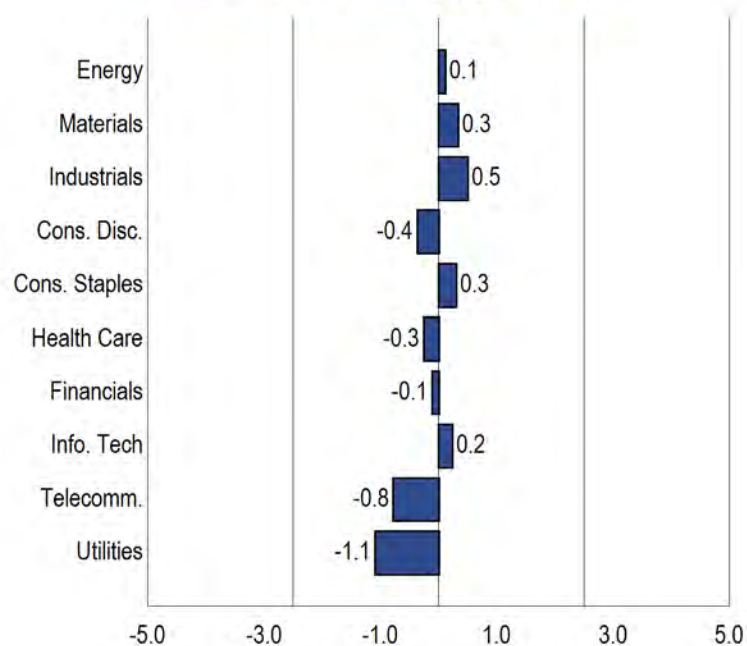
Manager Summary

- 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	168	501
Weighted Avg. Market Cap. (\$B)	117.24	118.12
Median Market Cap. (\$B)	38.91	17.46
Price To Earnings	19.19	20.38
Price To Book	3.16	3.89
Price To Sales	2.43	2.72
Return on Equity (%)	18.57	18.76
Yield (%)	1.99	2.00
Beta	1.00	1.00

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

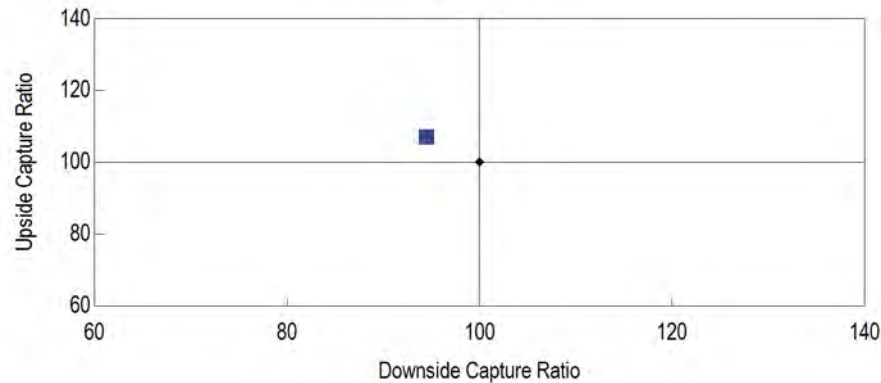


Top Ten Holdings

APPLE	3.6%
EXXON MOBIL	2.1%
WELLS FARGO & CO	2.0%
PFIZER	1.9%
JOHNSON & JOHNSON	1.8%
MICROSOFT	1.5%
CHEVRON	1.5%
QUALCOMM	1.5%
INTEL	1.5%
JP MORGAN CHASE & CO.	1.4%
Total For Top Ten Holdings	19.0%

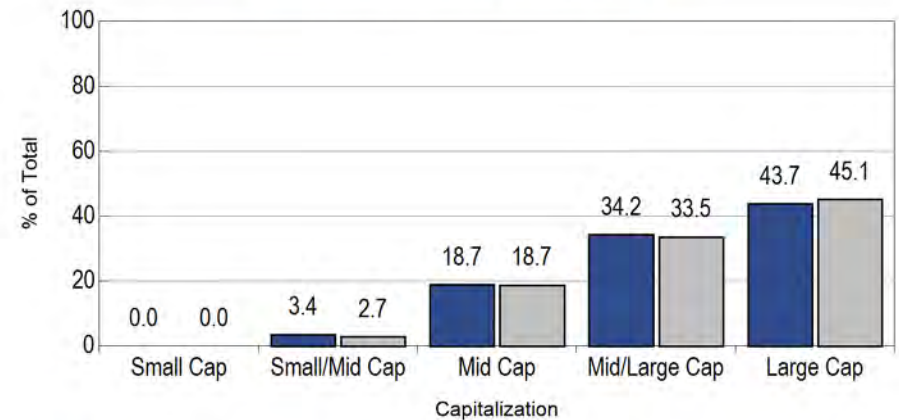
As of June 30, 2014

**Upside Capture Ratio vs. Downside Capture Ratio
 2 Years Ending June 30, 2014**



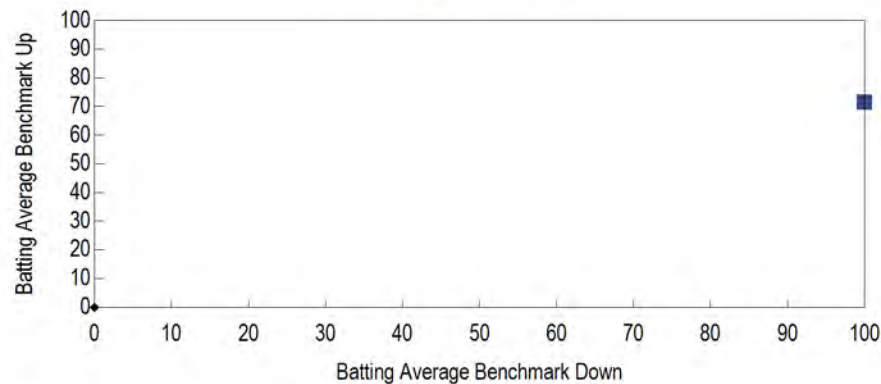
- Dupont Capital Investment
- ◆ S&P 500

Market Capitalization As Of June 30, 2014



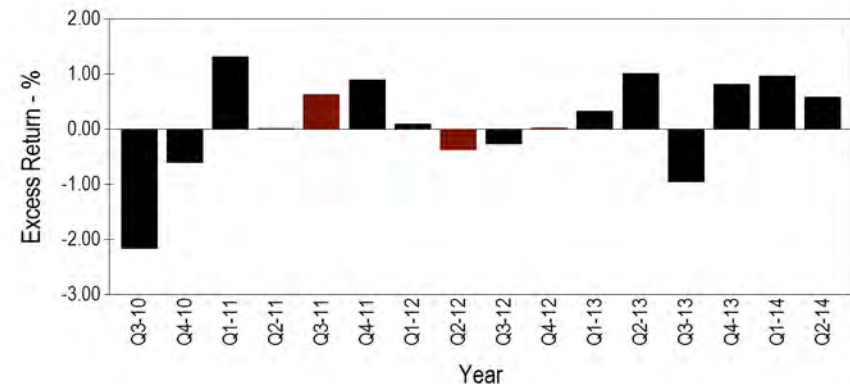
- Dupont Capital Investment
- S&P 500

**Batting Average Benchmark Up vs. Batting Average Benchmark Down
 2 Years Ending June 30, 2014**



- Dupont Capital Investment
- ◆ S&P 500

Quarterly Excess Performance



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

As of June 30, 2014

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 04/30/2014

NEXT PLC	3.8%
UNITEDHEALTH GROUP INC	3.5%
SEAGATE TECHNOLOGY PLC	3.3%
MICROSOFT CORP	2.6%
BEST BUY CO INC	1.9%
ROSS STORES INC	1.4%
METRO INC	1.4%
ORACLE CORPORATION	1.2%
UNUM GROUP	1.2%
ENI SPA	1.1%

Fund Characteristics as of 04/30/2014
 Versus Russell 2000

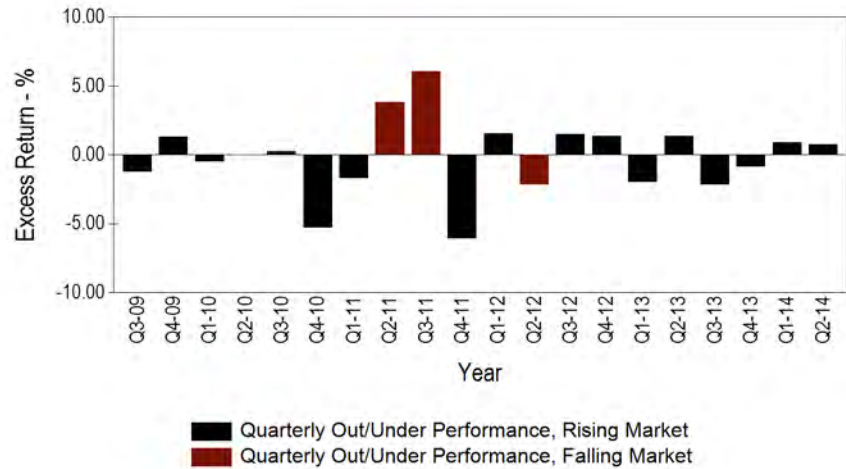
Sharpe Ratio (3 Year)	1.13
Average Market Cap (\$mm)	5,325.21
Price/Earnings	13.12
Price/Book	1.58
Price/Sales	0.56
Price/Cash Flow	6.60
Dividend Yield	1.95
Number of Equity Holdings	904
R-Squared (3 Year)	0.90
Alpha (3 Year)	0.32%

Sector Allocation as of 04/30/2014

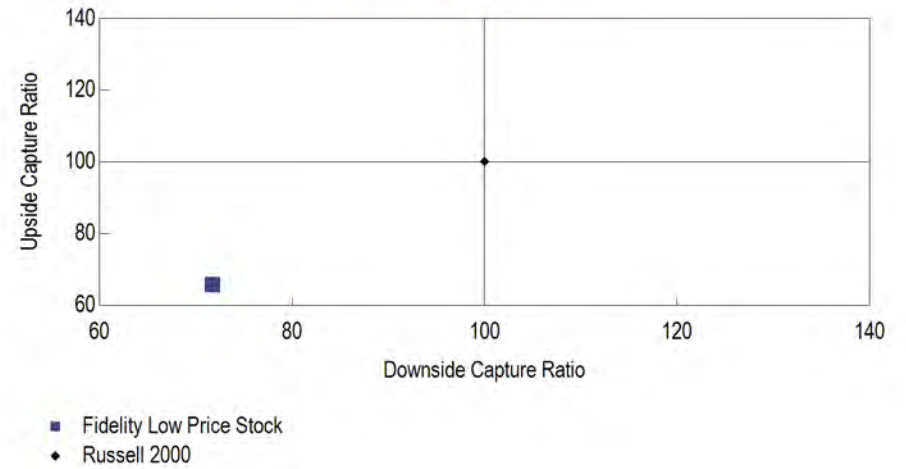
BASIC MATERIALS	2.9%
COMMUNICATION SERVICES	0.3%
CONSUMER CYCLICAL	23.5%
CONSUMER DEFENSIVE	7.8%
ENERGY	4.3%
FINANCIAL SERVICES	11.3%
HEALTHCARE	8.2%
INDUSTRIALS	8.7%
REAL ESTATE	0.5%
TECHNOLOGY	17.3%
UTILITIES	0.3%

As of June 30, 2014

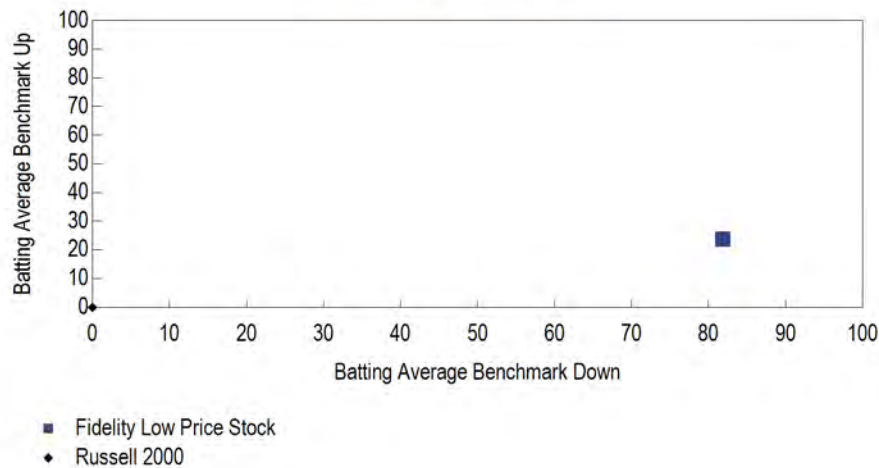
Quarterly Excess Performance



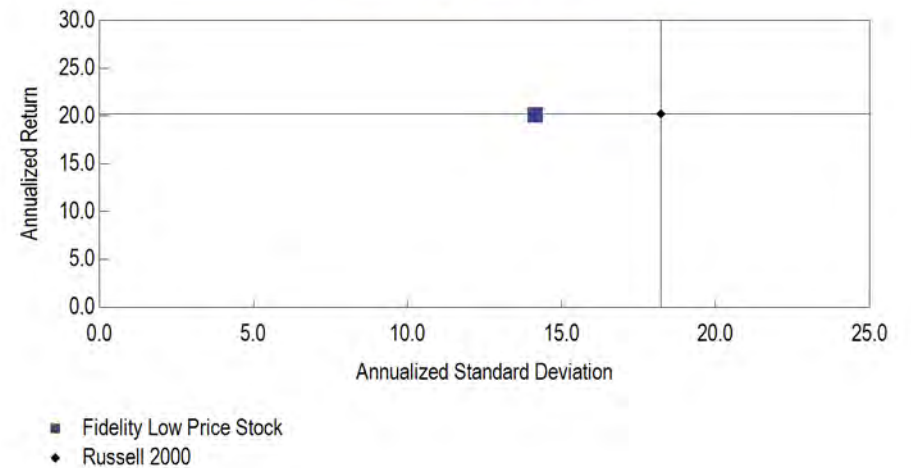
Upside Capture Ratio vs. Downside Capture Ratio
 5 Years Ending June 30, 2014



Batting Average Benchmark Up vs. Batting Average Benchmark Down
 5 Years Ending June 30, 2014



Annualized Return vs. Annualized Standard Deviation
 5 Years Ending June 30, 2014



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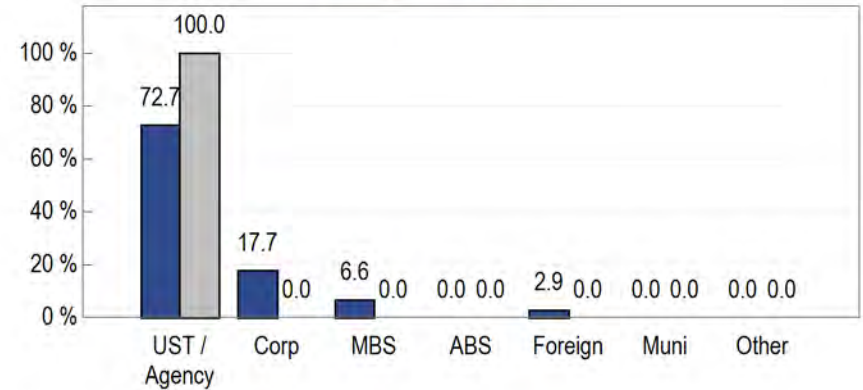
U.S. FIXED INCOME



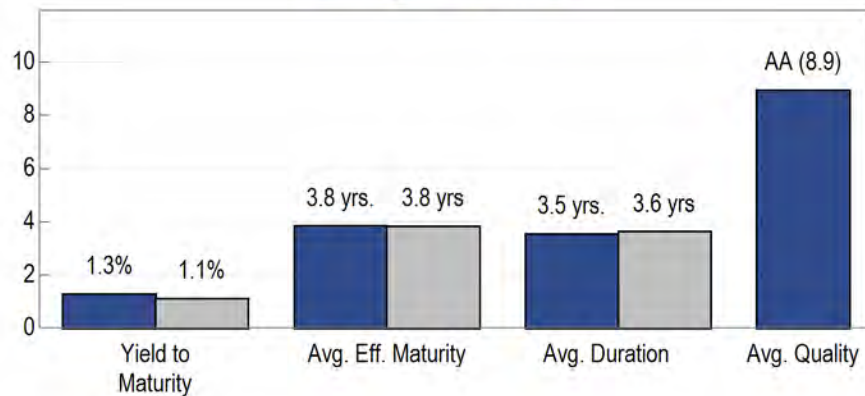
Manager Summary

- 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.

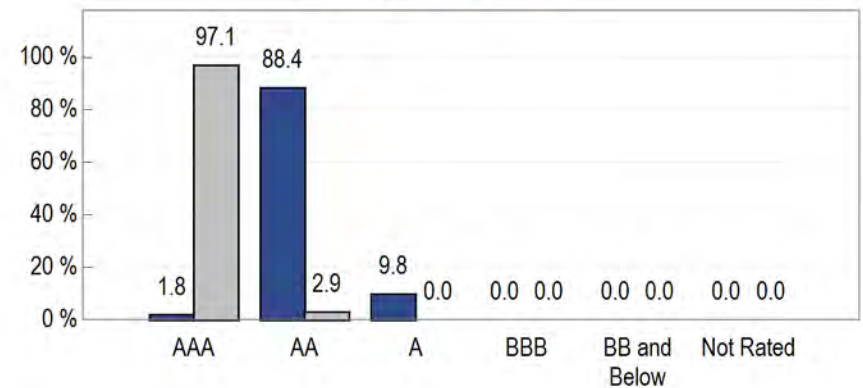
Sectors
Wilmington Trust Bonds



Characteristics
Wilmington Trust Bonds



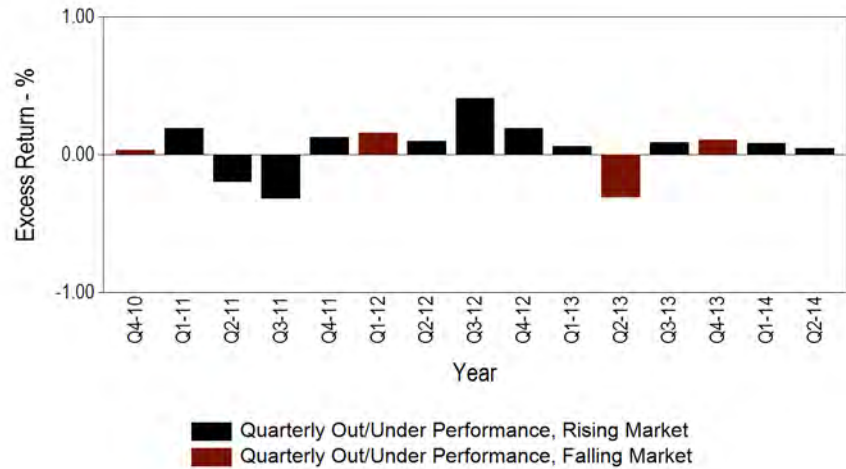
Quality Ratings
Wilmington Trust Bonds



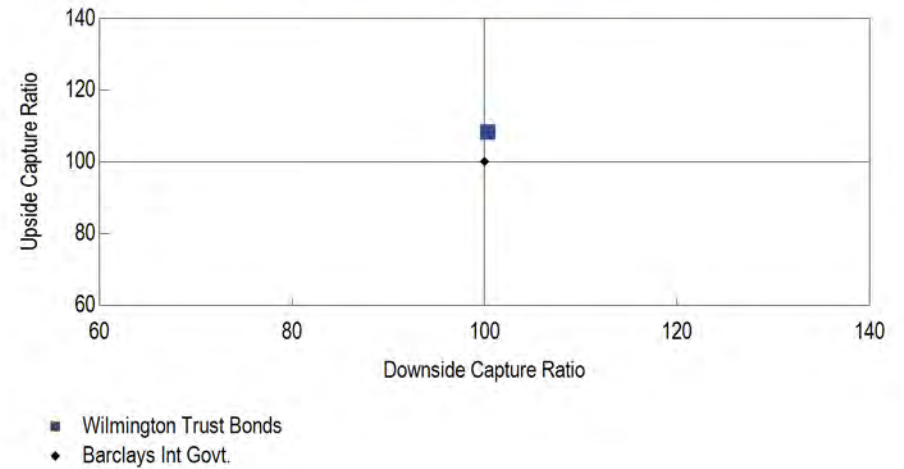
■ Wilmington Trust Bonds ■ Barclays Int Govt.

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

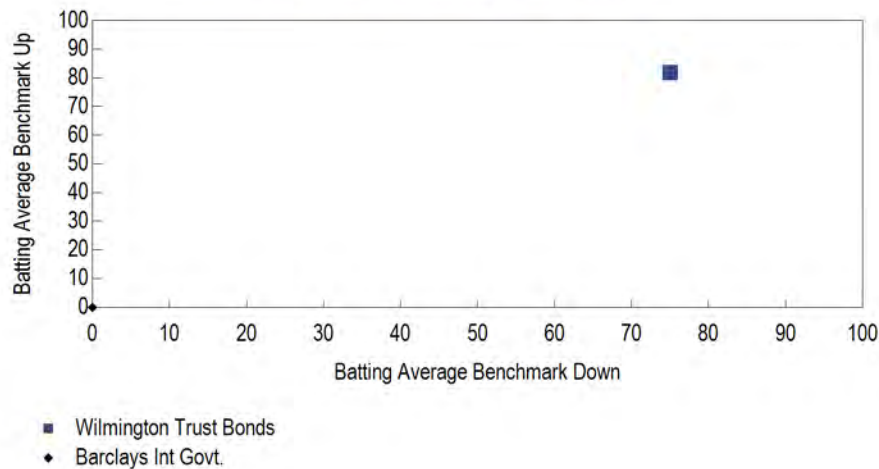
Quarterly Excess Performance



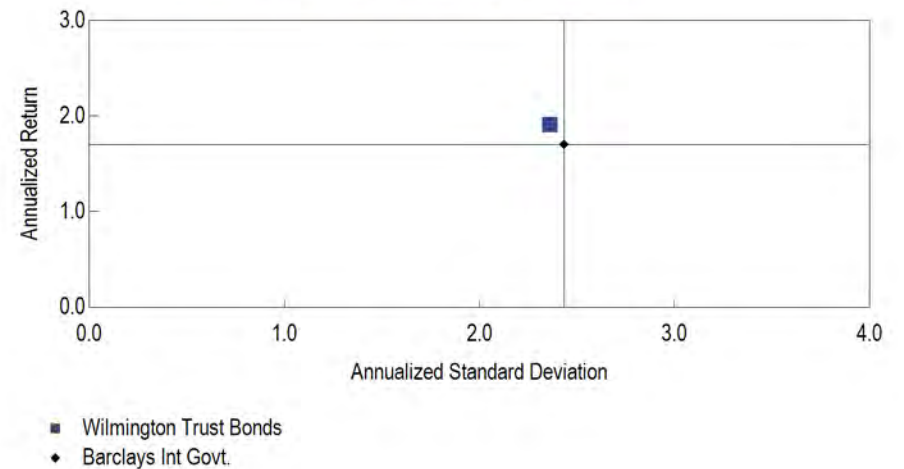
Upside Capture Ratio vs. Downside Capture Ratio
 3 Years 9 Months Ending June 30, 2014



Batting Average Benchmark Up vs. Batting Average Benchmark Down
 3 Years 9 Months Ending June 30, 2014



Annualized Return vs. Annualized Standard Deviation
 3 Years 9 Months Ending June 30, 2014



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BALANCED





Investment Hierarchy

July 22, 2014

Trust : Delaware Retirement System

Reference Date : 06/30/14

Asset Class : Total Fund Gross of Fees

Current View : Investment Hierarchy

Group/Account	06/30/14 Market Value	% of Total	% Rate of Return				
			1 Mo.	3 Mos.	YTD	1 Yr.	3 Yrs.
Delaware Retirement System	9,225,917,208	100.00%	1.46	4.14	7.17	17.50	10.01
<i>Delaware Benchmark</i>			1.35	3.76	5.51	15.78	9.24
DPERS w/o Vol. Firemen Fund	9,208,443,278	99.81%	1.46	4.14	7.18	17.50	10.02
Asset Allocation	0	0.00%	--	--	--	--	--
<i>TAA Benchmark</i>			--	--	--	--	--
Total Equity	5,034,893,647	54.57%	2.34	4.74	7.24	23.05	12.20
Total Fixed Income	1,924,830,828	20.86%	0.67	2.86	5.26	7.01	5.60
<i>BC U.S. Aggregate</i>			0.05	2.04	3.93	4.37	3.66
Private Equity/Venture Cap.	1,371,004,112	14.86%	-0.08	6.10	12.48	20.11	12.55
<i>90 Day T-Bill + 4%</i>			0.33	0.99	2.00	4.04	4.06
Hedge Funds	410,903,338	4.45%	1.41	1.53	6.78	13.97	9.04
<i>HFRI Fund of Funds Composite</i>			1.04	1.60	2.16	7.68	3.32
Cash	466,811,354	5.06%	0.00	0.01	0.02	0.07	0.15
Volunteer Firemen Fund	17,473,930	0.19%	1.34	3.50	5.09	15.10	8.93
3-8380 Volunteer Fire	258,802	0.00%	0.00	0.01	0.02	0.04	0.08
Mellon EB DV	6,885,345	0.07%	0.06	2.08	--	--	--
Vanguard Total Bond Market	2,721	0.00%	--	--	--	--	--
Vanguard Total Intl Index Fd	3,505,505	0.04%	1.74	5.03	5.88	22.52	5.91
Vanguard Total Stock Market	6,821,557	0.07%	2.55	4.86	7.12	25.35	16.46



SUSSEX COUNTY - OPEB

Investment Performance Report

June 30, 2014



PEIRCE PARK GROUP

TABLE OF CONTENTS

I. Market Environment

II. Total Fund

III. Investment Managers



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.

Total fund returns are calculated using the modified-dietz method of return, utilizing market values and cash flows from the custodian statements. Time weighted method of calculating returns may be utilized for individual managers if a significant cash flow occurs during the measurement period. There may be discrepancies in asset values and returns with managers, due to different values or methodologies used by the managers and custodians. Information in this report on market indices, security characteristics, and universe comparisons is received from third party vendors. 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.

2014-04-24

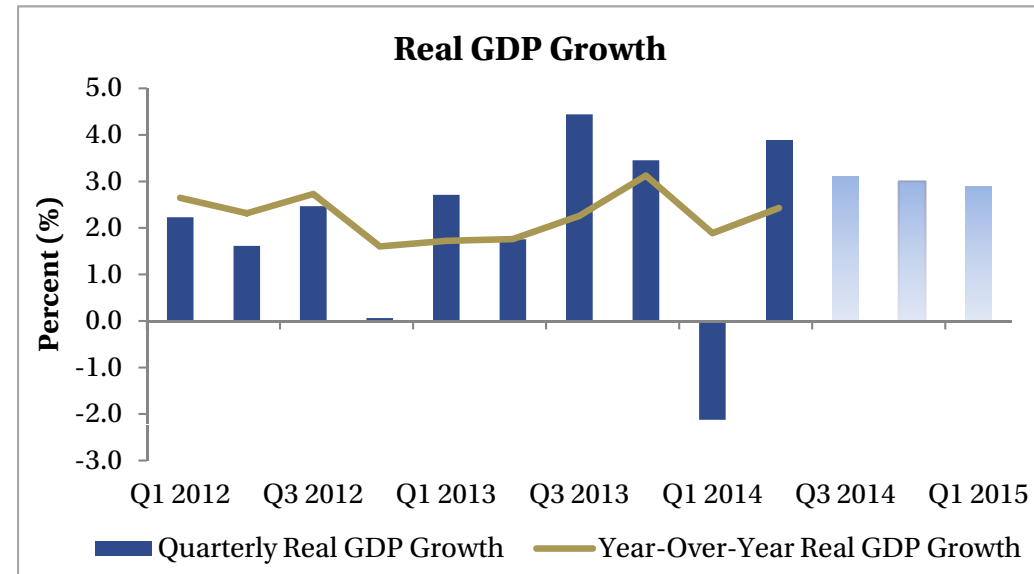
Information Disclaimer

MARKET ENVIRONMENT

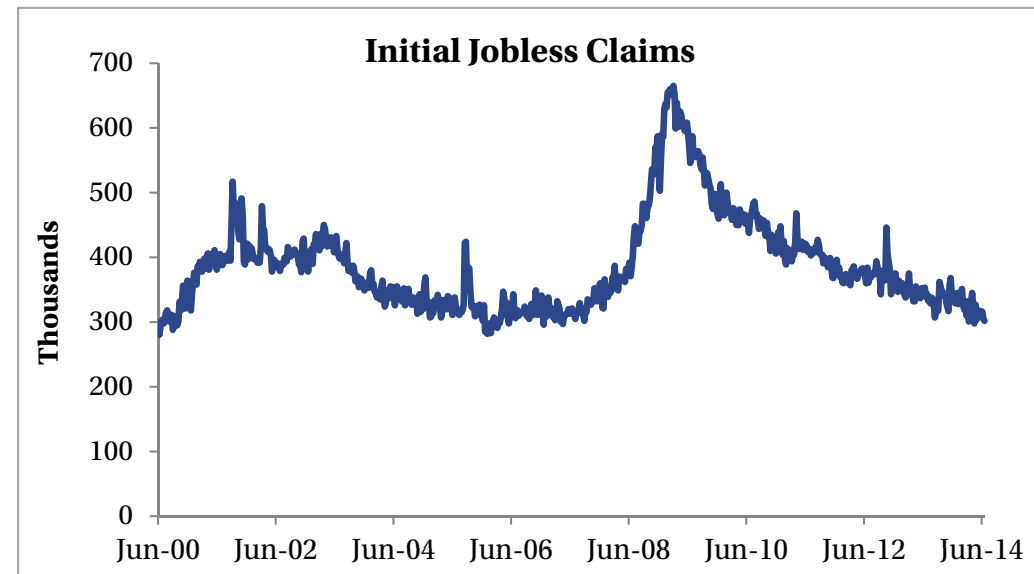


ECONOMIC SUMMARY

- While Q1 real GDP growth showed a 2.9% annualized *decline*, most economists attributed the slowdown to a harsh winter across much of the U.S. Economic activity in Q2 rebounded sharply, with real GDP growing at 4.0%.
- Other economic indicators appeared much stronger. Payrolls rose by an average monthly gain of 231,000 during the first half of the year. Jobless claims, meanwhile, held near post-recessions lows.
- The manufacturing sector also exhibited strength. The Purchasing Managers Index (PMI) averaged 52.7 in the first quarter—comfortably above 50, which separates expansion from contraction.



Source: Board of Governors of the Federal Reserve System/FRED. Light bars reflect analyst estimates.

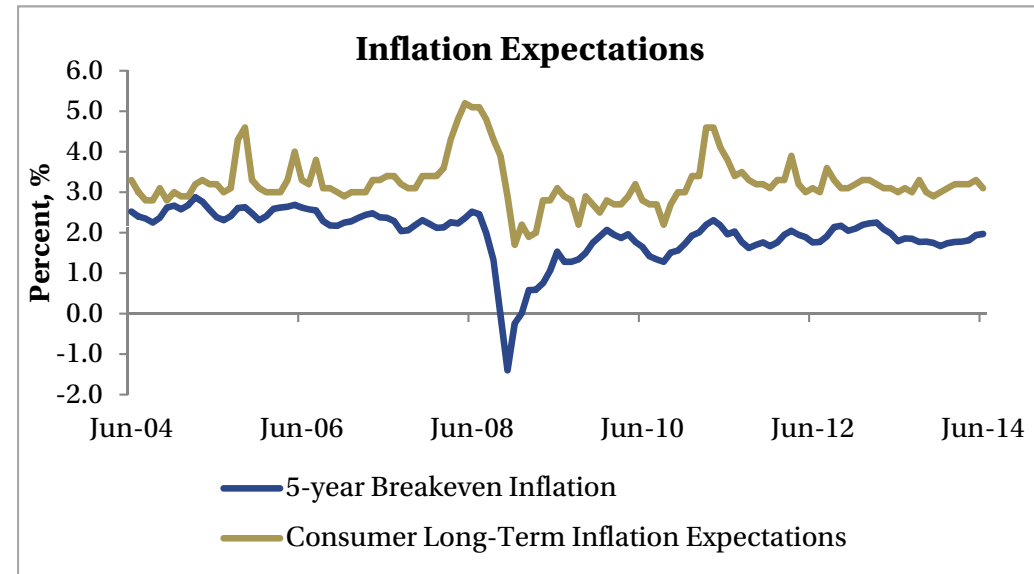


Source: Barclays Capital.

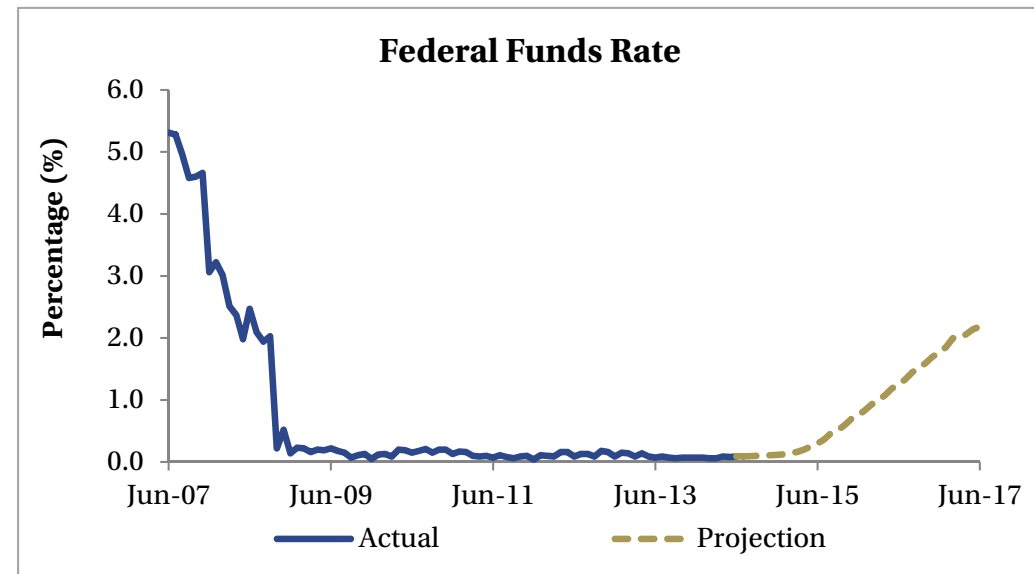


ECONOMIC SUMMARY

- Despite some economic volatility in the first half of 2014, inflation expectations remained fairly stable. Both market and consumer expectations have changed little over the past two years.
- The Federal Reserve (Fed) maintained its policy path, keeping short-term interest rates at approximately zero and lowering bond purchases. At the current rate, the Fed will complete its bond buying program in October.
- Futures markets currently project that short-term rates will remain anchored to zero until the summer of 2015. Markets also expect rates will remain at or below 2.0% for another three years.



Source: Thomson Reuters Datastream.

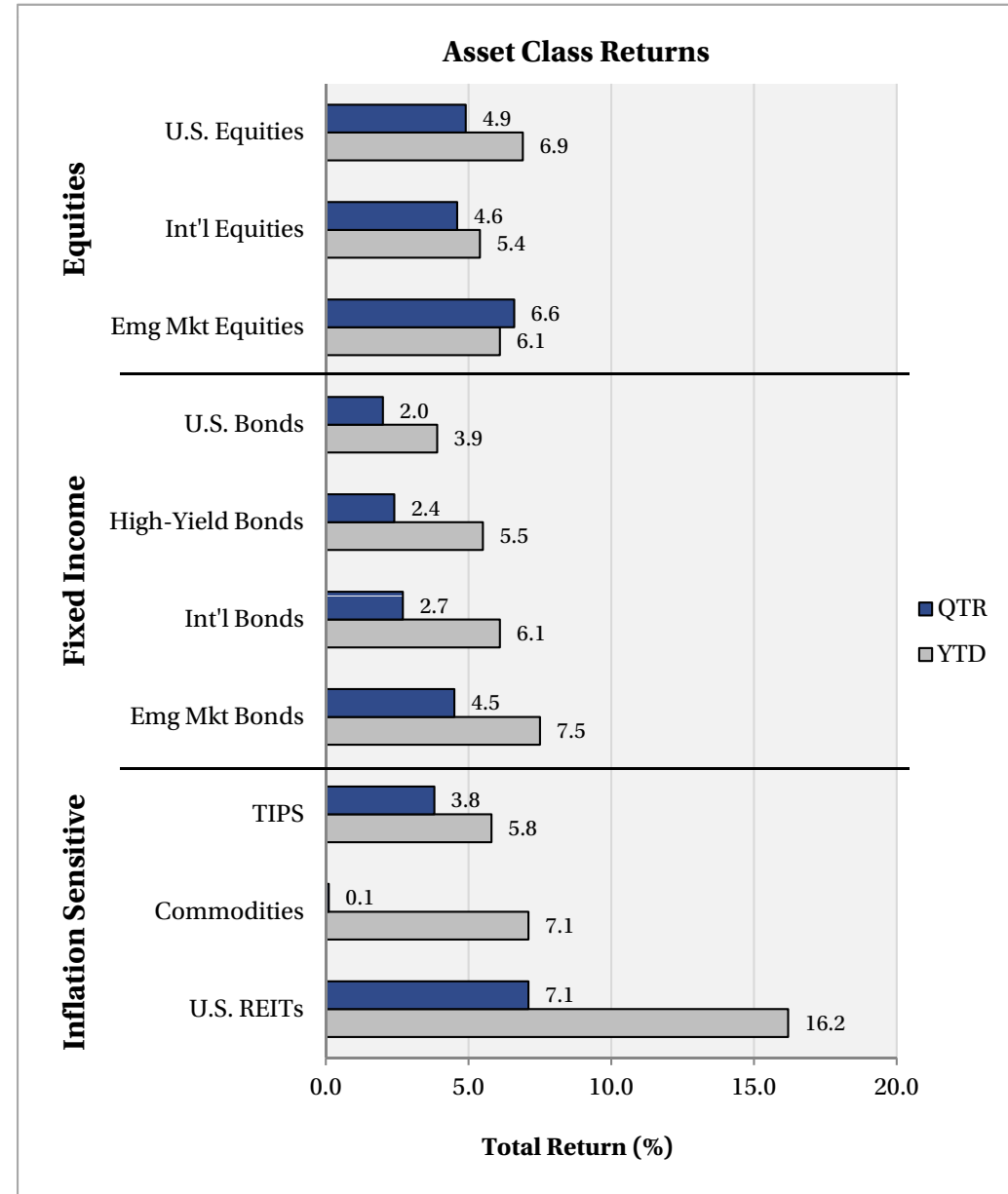


Source: Thomson Reuters Datastream.



GLOBAL ASSET CLASS PERFORMANCE

- **Equities** within developed U.S. and international markets posted another solid gain in Q2, as the MSCI World Index returned 4.9%. It was the eighth consecutive quarterly gain for the index—its longest streak since the mid-1990s.
- **Fixed income** also continued its strong run for 2014. Returns were uniformly positive across sectors, with longer-dated bonds once again outperforming amid a flattening yield curve. More credit-sensitive areas also did well.
- **Inflation-sensitive assets** gained ground amid rising tensions in Iraq along with other geopolitical worries (e.g., Ukraine and Russia). U.S. REITs, meanwhile, posted another strong quarter amid a further decline in interest rates.

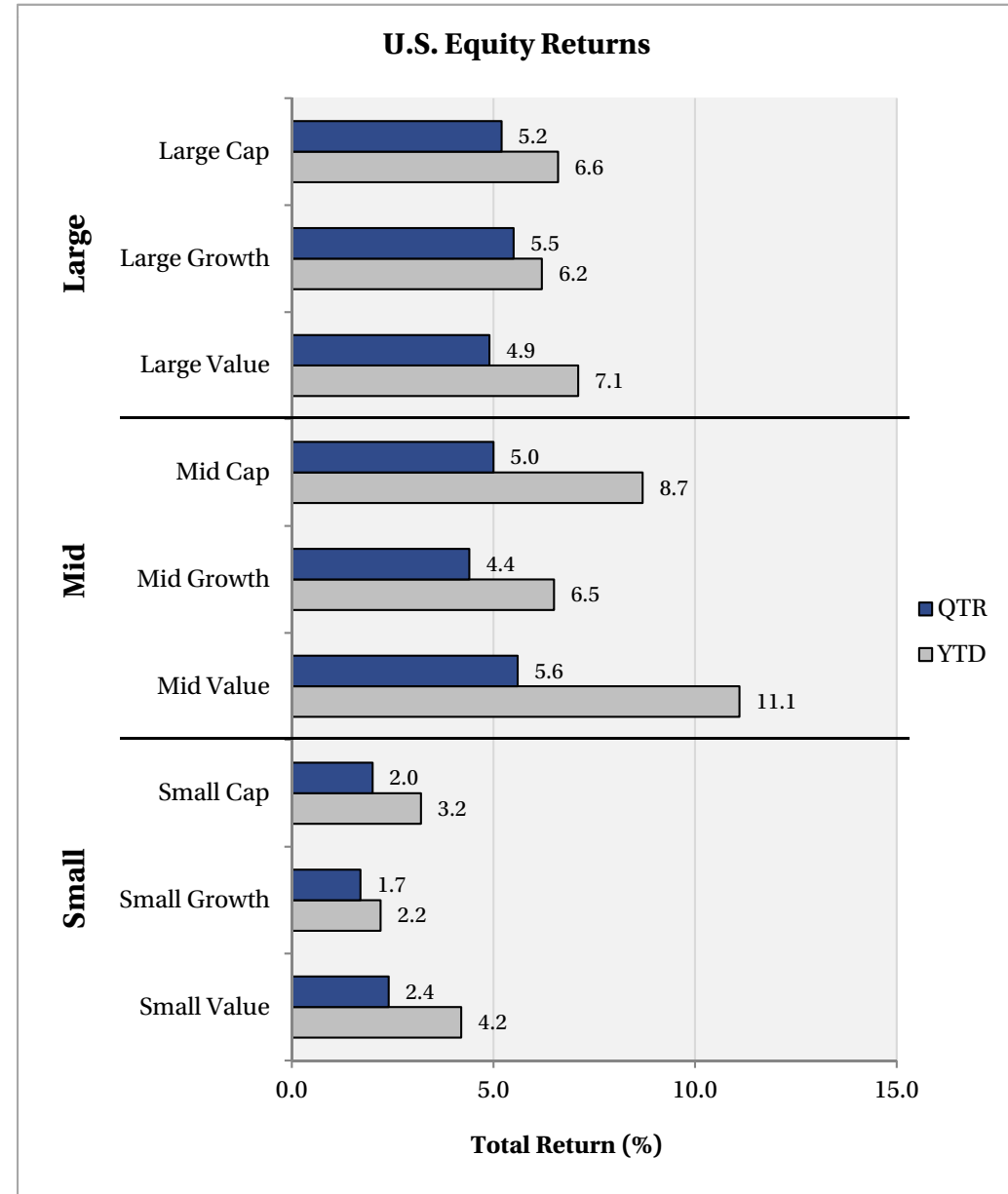


Source: Morningstar



U.S. EQUITIES

- U.S. equities returned nearly 5.0% for the quarter. Investors focused on comments from the Federal Reserve that inflation was contained and that most asset prices appeared to be trading in line with historical norms.
- Gains were broad-based, though small caps continued to lag. Mid caps were the best-performing segment, outperforming their large-cap peers by approximately 20 basis points.
- From a style perspective, relative performance between value and growth equities was essentially the same, with the Russell 3000 Growth Index and the Russell 3000 Value Index each returning 4.9% in Q2.

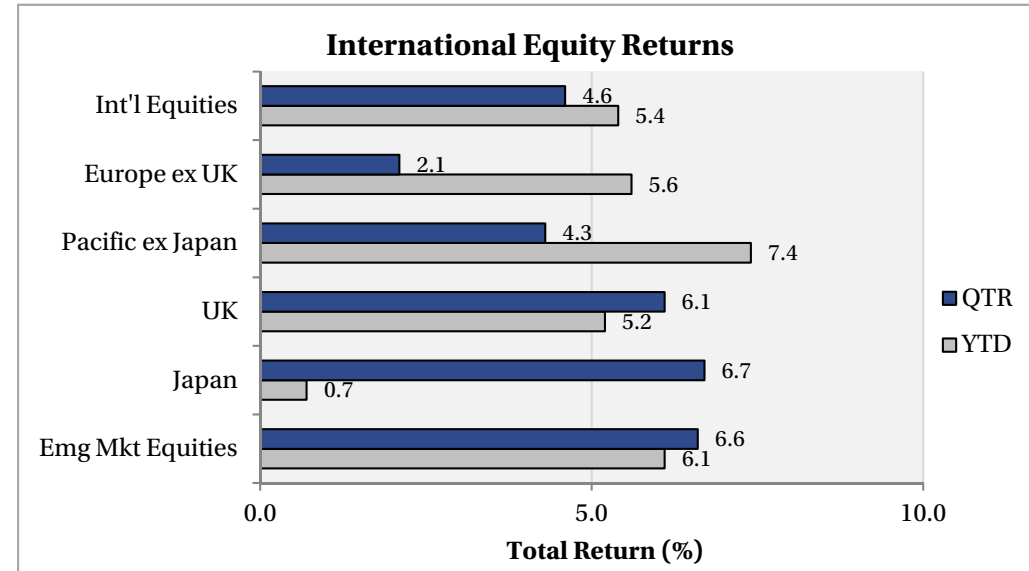


Source: Russell

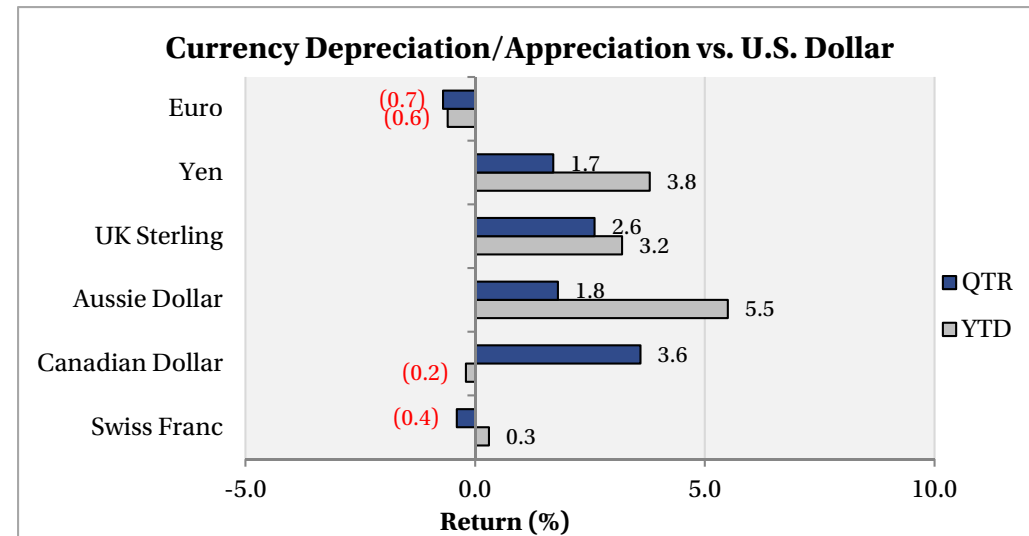


INTERNATIONAL EQUITIES

- Non-U.S. developed markets posted solid gains in Q2, returning 4.6%. Japanese equities led the way. Continental European markets, on the other hand, trailed peers, given a decline in earnings expectations for the region.
- Emerging markets equities outperformed for the first time since Q4 2012. Similar to the U.S. market, energy stocks registered some of the strongest gains, supported by rising oil prices.
- The U.S. dollar generally lost ground in Q2, boosting international equity returns. Weakness in the greenback turned a 3.9% local currency return for the MSCI ACWI ex U.S. Index into a return of 5.0% in U.S. dollars.



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.



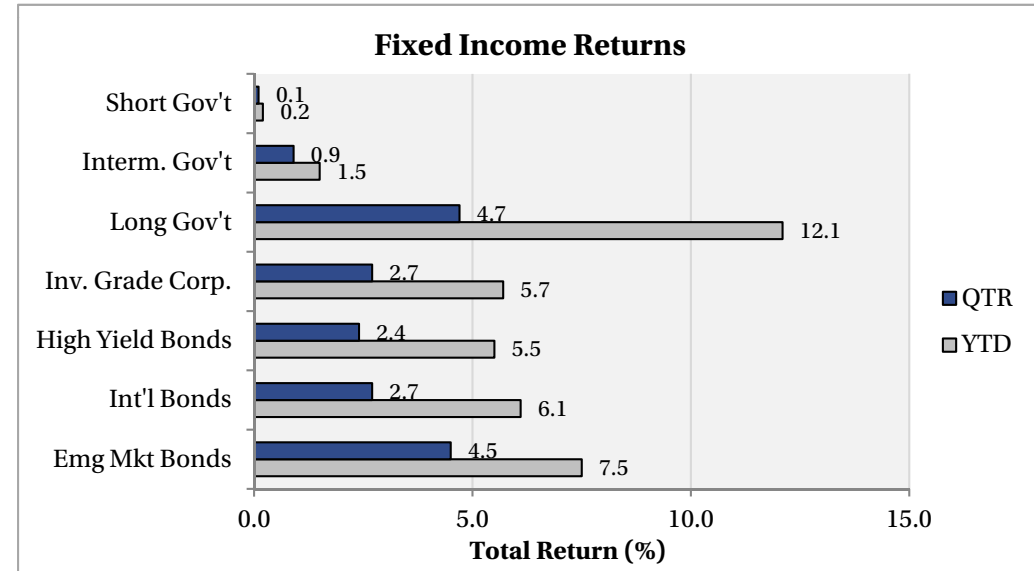
Source: Markov Processes International

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

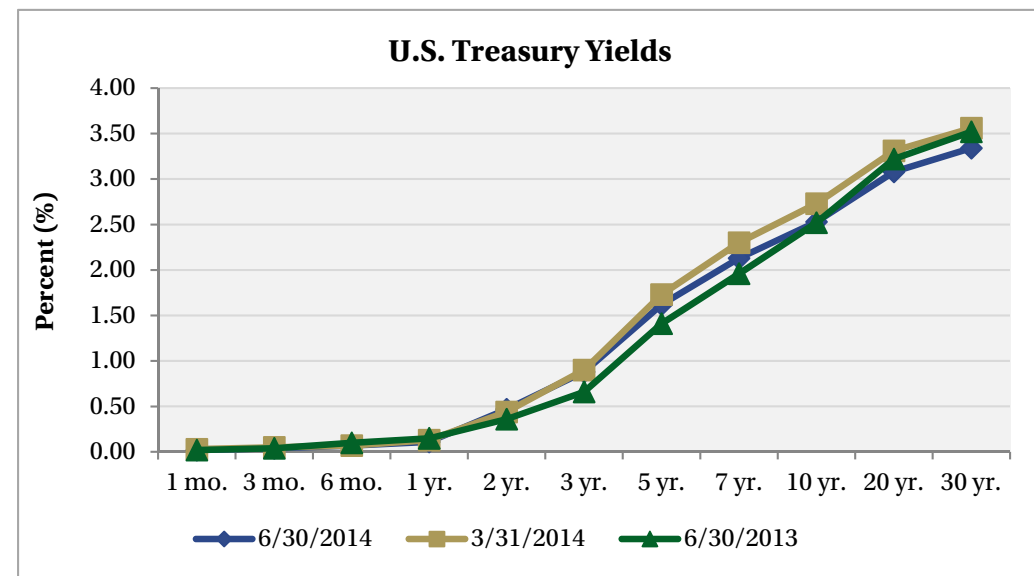


FIXED INCOME

- U.S. core fixed income enjoyed another solid quarter. Bond prices rose in part to a number of factors, including continued geopolitical tensions, particularly in Russia, Ukraine, and Iraq.
- Longer-dated government bonds outperformed given flattening in the yield curve. Credit also did well, though high-yield bonds underperformed their investment-grade corporate counterparts for the first time since Q2 2012.
- International developed sovereign debt was also in the black, while emerging markets debt staged a strong rally thanks in part to a rebound in Ukrainian and Russian debt.



Source: Morningstar



Source: U.S. Department of the Treasury



U.S. SIZE, STYLE, AND SECTOR PERFORMANCE

DOMESTIC EQUITY	<u>QTR</u>	<u>YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
S&P 500 Index	5.2	7.1	24.6	16.6	18.8	7.8
Russell 3000 Index	4.9	6.9	25.2	16.5	19.3	8.2
Russell 3000 Growth Index	4.9	6.0	26.8	16.1	19.3	8.3
Russell 3000 Value Index	4.9	8.0	23.7	16.7	19.3	8.0
Russell TOP 200 Index	5.2	6.6	24.7	16.8	18.1	7.3
Russell TOP 200 Growth Index	5.5	6.2	27.3	17.1	18.6	7.7
Russell TOP 200 Value Index	4.9	7.1	22.2	16.6	17.7	6.9
Russell 1000 Index	5.1	7.3	25.4	16.6	19.3	8.2
Russell 1000 Growth Index	5.1	6.3	26.9	16.3	19.2	8.2
Russell 1000 Value Index	5.1	8.3	23.8	16.9	19.2	8.0
Russell Mid-Cap Index	5.0	8.7	26.9	16.1	22.1	10.4
Russell Mid-Cap Growth Index	4.4	6.5	26.0	14.5	21.2	9.8
Russell Mid-Cap Value Index	5.6	11.1	27.8	17.6	23.0	10.7
Russell 2000 Index	2.0	3.2	23.6	14.6	20.2	8.7
Russell 2000 Growth Index	1.7	2.2	24.7	14.5	20.5	9.0
Russell 2000 Value Index	2.4	4.2	22.5	14.6	19.9	8.2
DOMESTIC EQUITY BY SECTOR (MSCI)						
Consumer Discretionary	3.2	1.1	21.2	20.3	26.4	9.6
Consumer Staples	4.7	5.3	16.0	16.0	17.8	10.2
Energy	12.2	13.9	30.4	11.4	17.0	13.6
Financials	2.4	5.2	18.7	15.6	16.3	1.7
Health Care	4.4	10.4	30.9	22.2	21.4	10.0
Industrials	3.7	4.3	29.3	16.6	22.7	9.2
Information Technology	5.8	8.1	32.3	16.5	19.0	8.5
Materials	5.2	8.4	31.8	11.4	19.0	10.1
Telecommunication Services	4.0	4.3	8.0	11.5	15.0	8.4
Utilities	7.7	18.0	22.2	14.7	15.1	10.8

REGIONAL PERFORMANCE ACROSS MARKETS

INTERNATIONAL/GLOBAL EQUITY	QTR	YTD	1 Year	3 Year	5 Year	10 Year
MSCI EAFE (Net)	4.1	4.8	23.6	8.1	11.8	6.9
MSCI EAFE Growth (Net)	3.5	3.6	20.3	7.7	12.2	7.1
MSCI EAFE Value (Net)	4.7	6.0	26.9	8.5	11.2	6.7
MSCI EAFE Small Cap (Net)	2.1	5.5	29.1	9.8	15.2	8.7
MSCI AC World Index (Net)	5.0	6.2	23.0	10.3	14.3	7.5
MSCI AC World Index Growth (Net)	5.0	5.4	23.1	10.4	14.8	7.6
MSCI AC World Index Value (Net)	5.1	7.0	22.8	10.1	13.8	7.3
MSCI Europe ex UK (Net)	2.1	5.6	30.7	7.7	12.3	7.7
MSCI United Kingdom (Net)	6.1	5.2	26.6	10.5	14.5	7.3
MSCI Pacific ex Japan (Net)	4.3	7.4	18.8	6.3	14.0	11.9
MSCI Japan (Net)	6.7	0.7	9.8	7.6	7.2	3.2
MSCI Emerging Markets (Net)	6.6	6.1	14.3	(0.4)	9.2	11.9
FIXED INCOME						
Merrill Lynch 3-month T-Bill	0.0	0.0	0.1	0.1	0.1	1.6
Barclays Intermediate Government/Credit	1.2	2.3	2.9	2.8	4.1	4.3
Barclays Aggregate Bond	2.0	3.9	4.4	3.7	4.9	4.9
Barclays Short Government	0.1	0.2	0.4	0.4	0.8	2.2
Barclays Intermediate Government	0.9	1.5	1.5	2.0	2.8	3.9
Barclays Long Government	4.7	12.1	6.4	8.7	7.4	7.2
Barclays Investment Grade Corporates	2.7	5.7	7.7	6.2	8.1	5.9
Barclays High Yield Corporate Bond	2.4	5.5	11.7	9.5	14.0	9.0
JPMorgan Global ex US Bond	2.7	6.1	8.9	0.9	3.8	5.1
JPMorgan Emerging Market Bond	4.5	7.5	5.9	0.9	7.4	9.3
INFLATION SENSITIVE						
Consumer Price Index	-	-	-	-	-	-
BC TIPS	3.8	5.8	4.4	3.6	5.6	5.2
Commodities	0.1	7.1	8.2	(5.2)	2.0	0.9
Gold	3.0	9.9	7.7	(4.7)	6.7	12.0
REITs	7.0	17.7	13.2	11.8	23.5	9.6
FTSE EPRA/NAREIT Global REITs	7.2	11.4	12.5	9.1	16.3	-

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

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TOTAL FUND



OBSERVATIONS FOR SUSSEX COUNTY OPEB

- June 30, 2014 market value: \$31.2 million
- 2nd quarter gain - \$1.0 million (net) 2nd quarter return: 3.4% (gross)
3.3% (net)
- 1 year gain - \$3.8 million (net) 1 year return: 14.7% (gross)
14.3% (net)
- County reimbursed at end of fiscal year



LOOKING AHEAD FOR SUSSEX COUNTY OPEB

- Investment Policy Statement
 - Cash target
 - Equity target
 - International equity target
- Cash flow management

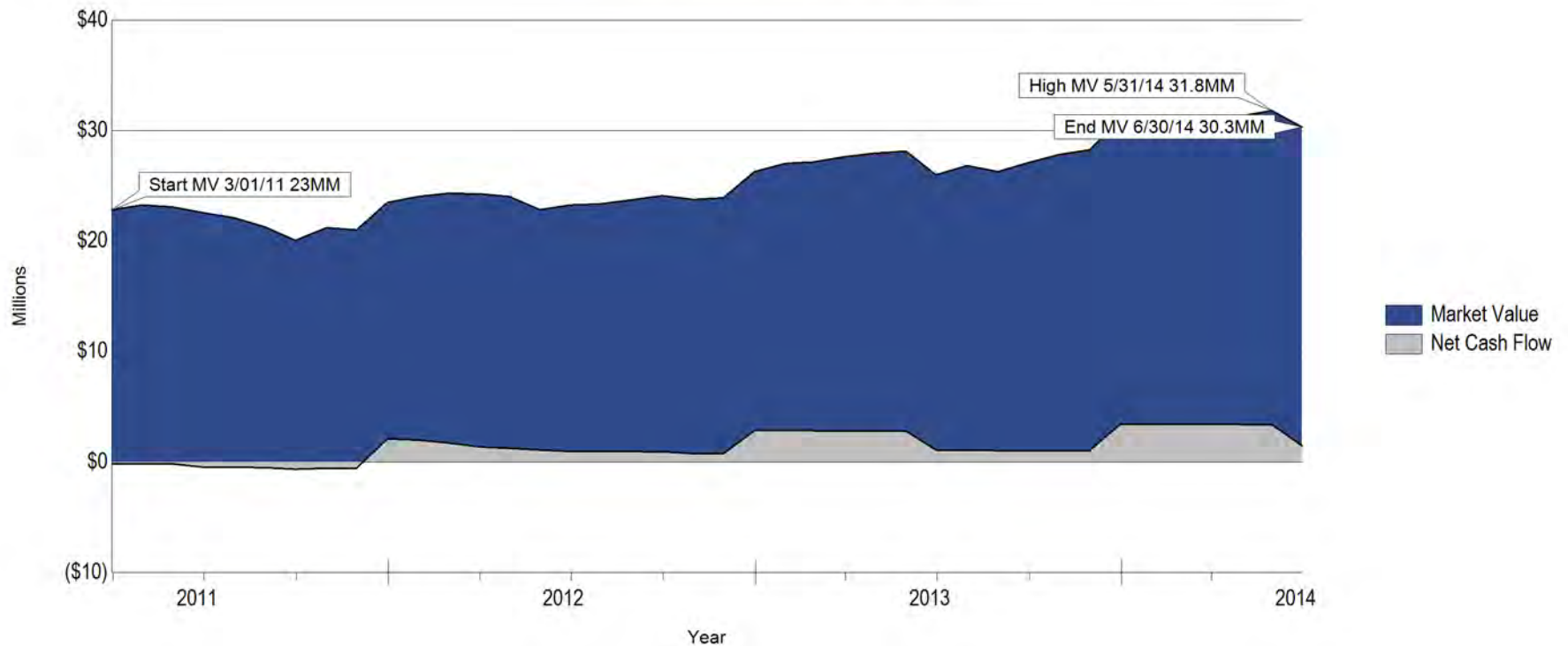


Summary of Cash Flows

As of June 30, 2014

	Second Quarter	Year-To-Date	One Year	Two Years	Three Years	Inception 3/1/11
Beginning Market Value	\$31,198,313.2	\$31,028,917.7	\$26,000,954.4	\$23,267,866.3	\$22,567,758.8	\$23,985,446.9
Net Additions/Withdrawals	-\$1,902,109.7	-\$1,908,726.0	\$481,079.9	\$708,391.0	\$2,195,615.6	\$882,036.2
Investment Earnings	\$1,035,149.3	\$1,211,161.2	\$3,849,318.6	\$6,355,095.6	\$5,567,978.4	\$5,463,869.7
Ending Market Value	\$30,331,352.8	\$30,331,352.8	\$30,331,352.8	\$30,331,352.8	\$30,331,352.8	\$30,331,352.8
Time Weighted Return	3.4%	4.1%	14.7%	12.7%	7.3%	6.7%

Market Value History
3 Years 4 Months Ending June 30, 2014



As of June 30, 2014

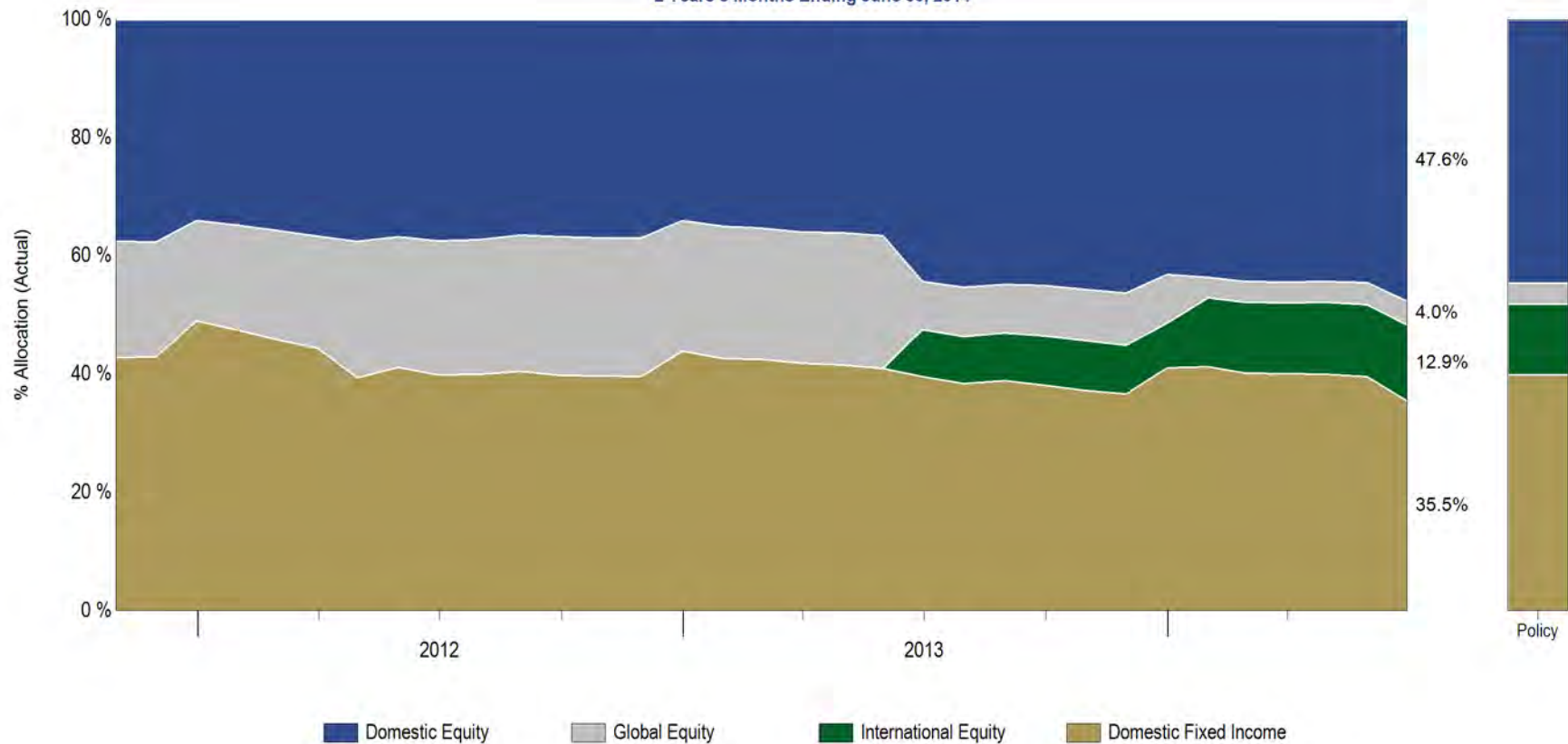
	Quarter Ending June 30, 2014			
	Beginning Market Value	Net Cash Flow	Net Investment Change	Ending Market Value
American Funds Washington Mutual	\$1,895,257	\$0	\$88,077	\$1,983,334
Vanguard Institutional Index	\$5,445,816	\$0	\$284,556	\$5,730,371
Vanguard Dividend Growth	\$1,578,111	\$0	\$42,029	\$1,620,140
T. Rowe Price Inst'l Large Cap Core Growth	\$1,527,924	\$0	\$62,883	\$1,590,807
Vanguard Mid Cap Value	\$956,900	\$0	\$47,298	\$1,004,198
Eaton Vance Atlanta Capital SMID	\$1,506,454	\$0	\$42,864	\$1,549,318
Target Small Capitalization Value	\$941,623	\$0	\$32,553	\$974,176
Thornburg Global Opportunities	\$1,101,860	\$0	\$106,120	\$1,207,980
American Funds Int'l Growth & Income	\$1,744,883	\$0	\$86,985	\$1,831,868
MFS International Value	\$1,106,191	\$0	\$50,517	\$1,156,708
Harding Loevner International Equity	\$885,076	\$0	\$42,076	\$927,151
Wilmington Trust Fixed Income	\$9,701,598	\$0	\$90,554	\$9,792,152
Wilmington Trust Short Term	\$2,434,386	-\$2,434,507	\$122	\$0
Operating Account	\$371,468	\$529,153	\$122	\$900,743
Mutual Fund Cash	\$767	\$3,244	\$58,394	\$62,405
Total	\$31,198,313	-\$1,902,110	\$1,035,149	\$30,331,353

Asset Allocation vs. Target

As of June 30, 2014

	Policy	Policy Range	Current	Within Range
Domestic Equity	44.5%	39.5% - 49.5%	47.6%	Yes
Global Equity	3.5%	0.0% - 8.5%	4.0%	Yes
International Equity	12.0%	7.0% - 17.0%	12.9%	Yes
Domestic Fixed Income	40.0%	35.0% - 50.0%	35.5%	Yes
Total	100.0%		100.0%	

Asset Allocation History
2 Years 8 Months Ending June 30, 2014



Total Plan Performance

As of June 30, 2014

Ending June 30, 2014

Inception

	2014 Q2 Rank	YTD Rank	1 Yr Rank	2 Yrs Rank	3 Yrs Rank	2013 Rank	2012 Rank	Return	Since
Total Fund	3.4% 61	4.1% 93	14.7% 70	12.7% 71	7.3% 94	16.3% 44	8.9% 93	6.7%	Mar-11
<i>Sussex OPEB Policy Index</i>	<i>3.2%</i> <i>73</i>	<i>4.6%</i> <i>79</i>	<i>15.1%</i> <i>63</i>	<i>13.5%</i> <i>56</i>	<i>9.3%</i> <i>58</i>	<i>17.4%</i> <i>32</i>	<i>10.8%</i> <i>72</i>	<i>8.4%</i>	<i>Mar-11</i>

InvestorForce Public DB Gross Accounts
Ending June 30, 2014



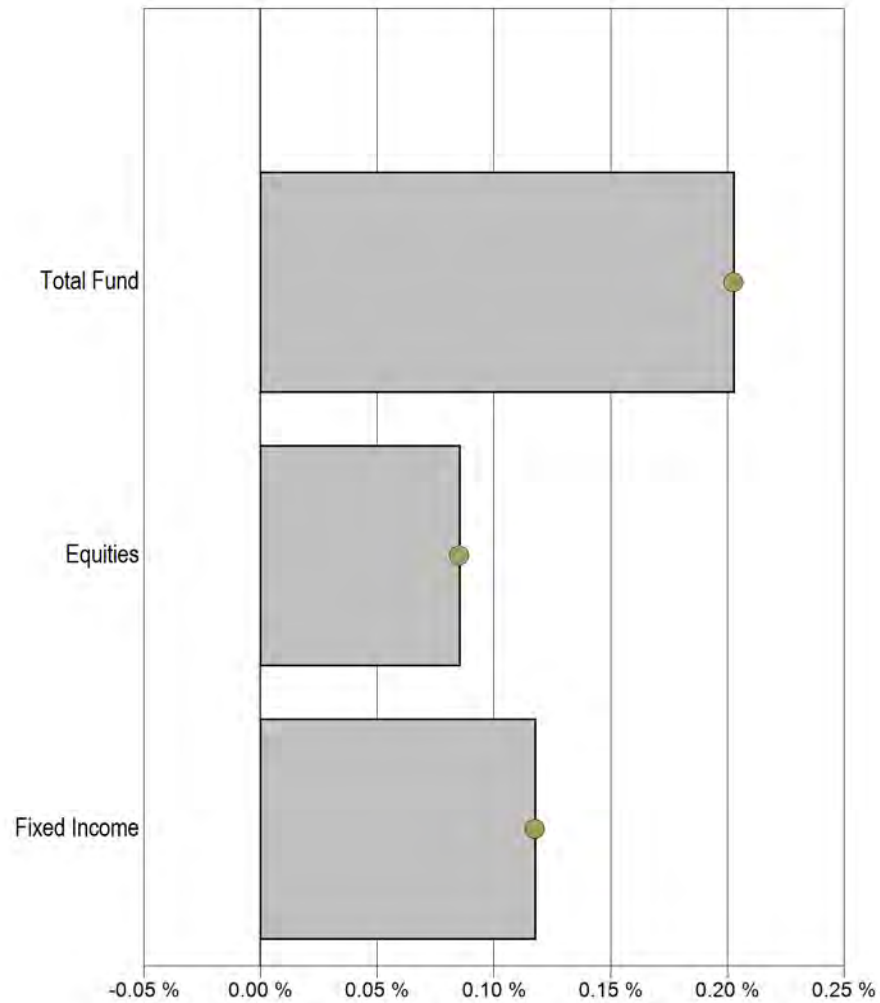
Policy Index (as of 4/1/2012): 48% Russell 3000 / 12% MSCI EAFE (Net) / 40% Barclays Intermediate Government.

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

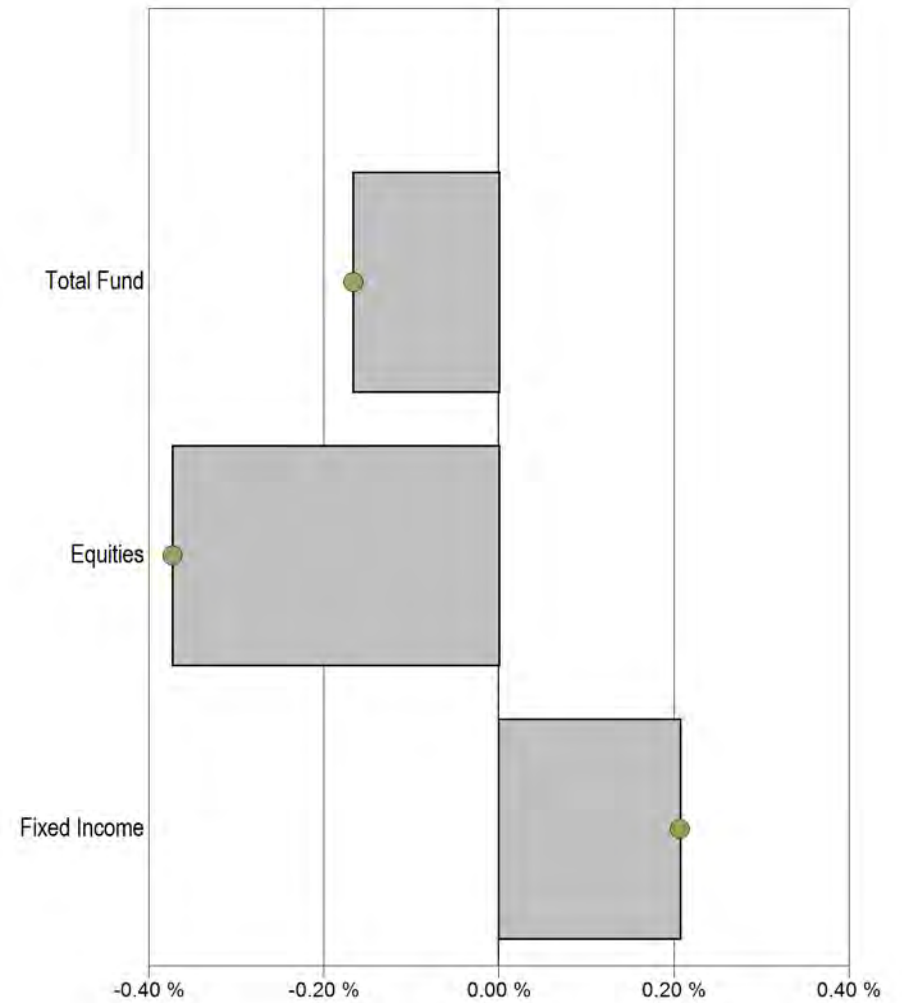
Attribution Analysis

As of June 30, 2014

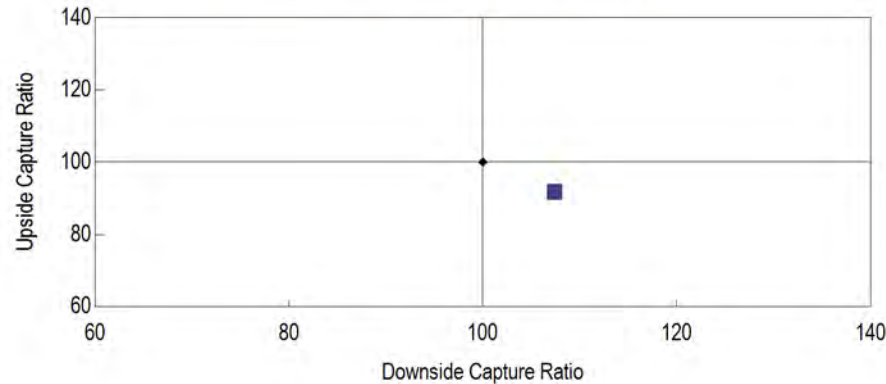
Attribution Effects
3 Months Ending June 30, 2014



Attribution Effects
1 Year Ending June 30, 2014

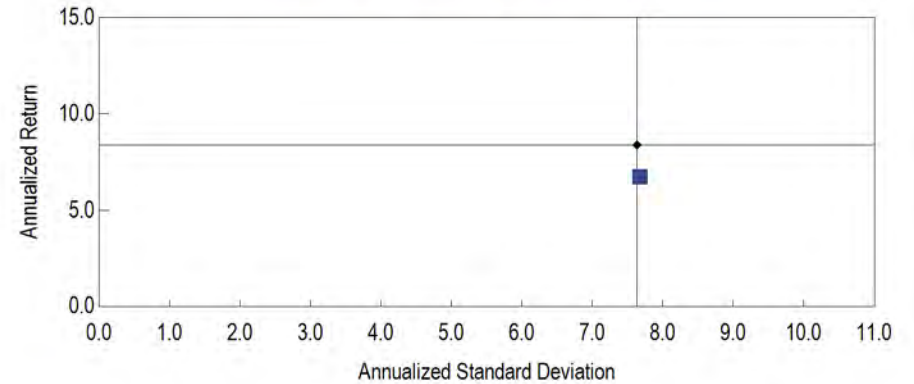


Upside Capture Ratio vs. Downside Capture Ratio
3 Years 4 Months Ending June 30, 2014



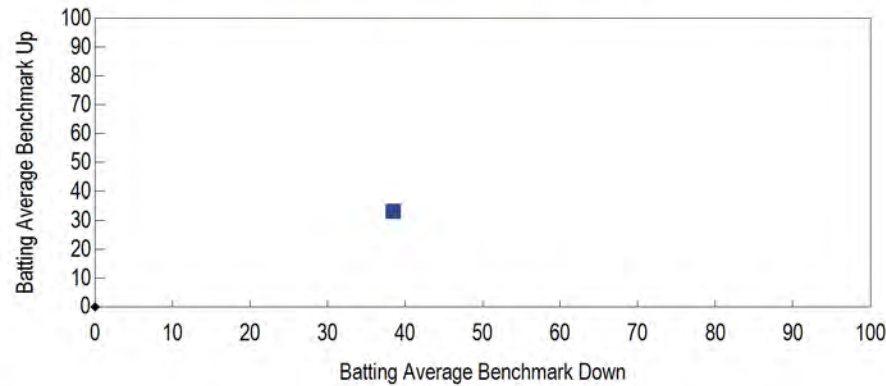
- Total Fund
- ◆ Sussex OPEB Policy Index

Annualized Return vs. Annualized Standard Deviation
3 Years 4 Months Ending June 30, 2014



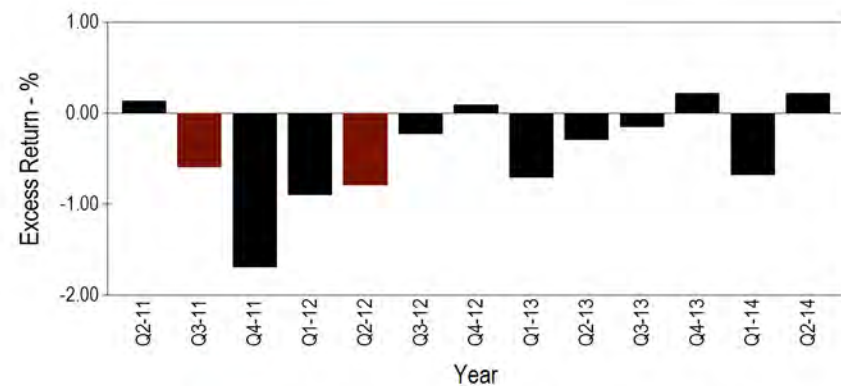
- Total Fund
- ◆ Sussex OPEB Policy Index

Batting Average Benchmark Up vs. Batting Average Benchmark Down
3 Years 4 Months Ending June 30, 2014



- 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 June 30, 2014

	% of Portfolio	Policy %	Ending June 30, 2014										Inception	
			2014 Q2	Rank	YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	Return	Since
Equities	64.5	60.0												
American Funds Washington Mutual	6.5		4.6	50	6.7	64	22.8	49	16.5	35	18.8	23	6.7	Jan-14
<i>Russell Top 200 Value</i>			4.9	45	7.1	55	22.2	59	16.6	28	17.7	62	7.1	Jan-14
Vanguard Institutional Index	18.9		5.2	21	7.1	30	24.6	44	16.6	25	18.8	24	7.1	Jan-14
<i>S&P 500</i>			5.2	20	7.1	29	24.6	43	16.6	24	18.8	24	7.1	Jan-14
Vanguard Dividend Growth	5.3		2.7	97	4.6	90	19.4	92	15.5	55	17.4	61	20.0	Aug-12
<i>S&P 500</i>			5.2	20	7.1	29	24.6	43	16.6	24	18.8	24	22.8	Aug-12
T. Rowe Price Inst'l Large Cap Core Growth	5.2		4.1	59	3.0	80	29.9	20	18.0	5	20.1	12	3.0	Jan-14
<i>Russell Top 200 Growth</i>			5.5	16	6.2	26	27.3	40	17.1	12	18.6	38	6.2	Jan-14
Vanguard Mid Cap Value	3.3		4.9	41	9.0	29	28.4	20	17.6	18	22.9	11	9.0	Jan-14
<i>Spliced Mid Cap Value Index</i>			5.0	41	9.1	28	28.5	16	17.6	15	22.9	8	9.1	Jan-14
Eaton Vance Atlanta Capital SMID	5.1		2.8	53	1.0	95	18.8	93	14.9	53	20.3	56	1.0	Jan-14
<i>Russell 2500</i>			3.6	37	5.9	37	25.6	39	15.5	39	21.6	28	5.9	Jan-14
Target Small Capitalization Value	3.2		3.5	35	4.8	56	23.6	56	14.7	53	20.1	58	4.8	Jan-14
<i>Russell 2000 Value</i>			2.4	71	4.2	68	22.5	71	14.6	53	19.9	61	4.2	Jan-14
Thornburg Global Opportunities	4.0		9.6	2	14.0	5	35.4	2	14.6	6	19.3	8	14.0	Jan-14
<i>MSCI ACWI</i>			5.0	26	6.2	43	22.9	52	10.3	69	14.3	66	6.2	Jan-14
American Funds Int'l Growth & Income	6.0		5.0	19	6.9	9	23.0	32	9.7	8	13.4	13	6.9	Jan-14
<i>MSCI ACWI ex USA</i>			5.0	17	5.6	21	21.8	48	5.7	75	11.1	67	5.6	Jan-14
MFS International Value	3.8		4.6	36	5.6	39	19.9	87	13.0	1	15.0	2	5.6	Jan-14
<i>MSCI EAFE Value</i>			4.7	29	6.0	36	26.9	18	8.5	27	11.2	59	6.0	Jan-14
Harding Loevner International Equity	3.1		4.8	27	3.9	57	19.1	80	6.7	59	13.8	9	19.1	Jun-13
<i>MSCI ACWI ex USA Growth</i>			4.4	35	4.8	34	19.3	78	5.5	81	11.4	63	19.3	Jun-13

Please see footnotes & disclosures on the second page of the performance summary.

Performance Summary

As of June 30, 2014

	% of Portfolio	Policy %	Ending June 30, 2014										Inception	
			2014 Q2	Rank	YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	Return	Since
Fixed Income	35.5	40.0												
Wilmington Trust Fixed Income	32.3		0.9	--	1.5	--	1.6	--	--	--	--	--	1.1	Mar-12
<i>Barclays Int Govt.</i>			0.9	--	1.5	--	1.5	--	--	--	--	--	1.1	Mar-12
Operating Account	3.0													
Mutual Fund Cash	0.2													
<i>BofA Merrill Lynch 91-Day T-Bill</i>														

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.

Sussex County OPEB Trust

Total Fund

Fee Schedule

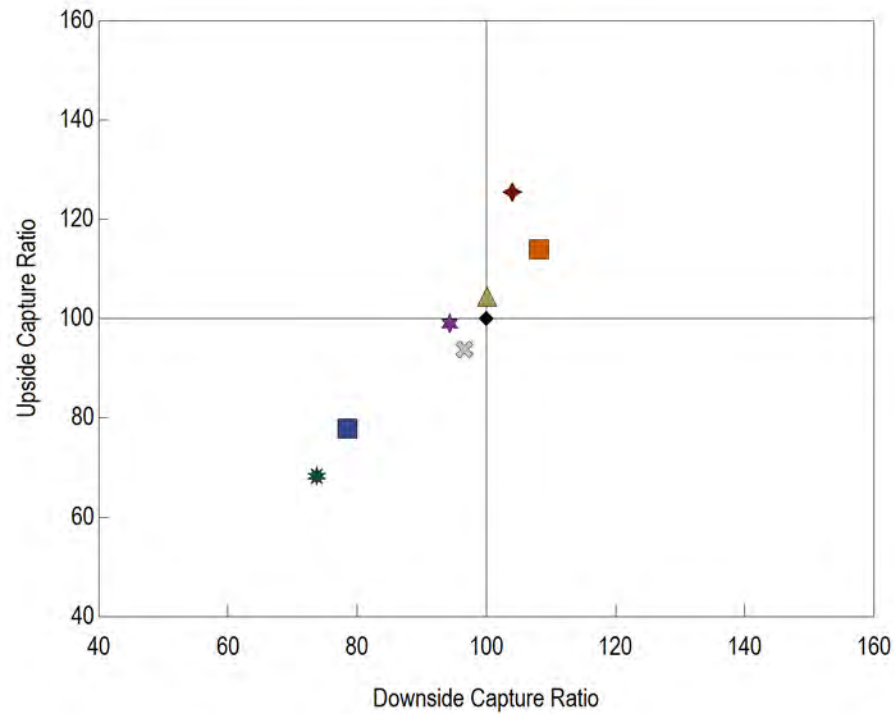
As of June 30, 2014

Account	Fee Schedule	Market Value As of 6/30/2014	% of Portfolio	Estimated Annual Fee (\$)	Estimated Annual Fee (%)
American Funds Washington Mutual	0.30% of Assets	\$1,983,334	6.5%	\$5,950	0.30%
Vanguard Institutional Index	0.04% of Assets	\$5,730,371	18.9%	\$2,292	0.04%
Vanguard Dividend Growth	0.29% of Assets	\$1,620,140	5.3%	\$4,698	0.29%
T. Rowe Price Inst'l Large Cap Core Growth	0.65% of Assets	\$1,590,807	5.2%	\$10,340	0.65%
Vanguard Mid Cap Value	0.10% of Assets	\$1,004,198	3.3%	\$1,004	0.10%
Eaton Vance Atlanta Capital SMID	1.00% of Assets	\$1,549,318	5.1%	\$15,493	1.00%
Target Small Capitalization Value	0.68% of Assets	\$974,176	3.2%	\$6,624	0.68%
Thornburg Global Opportunities	1.10% of Assets	\$1,207,980	4.0%	\$13,288	1.10%
American Funds Int'l Growth & Income	0.61% of Assets	\$1,831,868	6.0%	\$11,174	0.61%
MFS International Value	0.82% of Assets	\$1,156,708	3.8%	\$9,485	0.82%
Harding Loevner International Equity	0.86% of Assets	\$927,151	3.1%	\$7,974	0.86%
Wilmington Trust Fixed Income	0.20% of Assets	\$9,792,152	32.3%	\$19,584	0.20%
Wilmington Trust Short Term	No Fee	\$0	0.0%	--	--
Operating Account	No Fee	\$900,743	3.0%	--	--
Mutual Fund Cash	No Fee	\$62,405	0.2%	--	--
Investment Management Fee		\$30,331,353	100.0%	\$107,908	0.36%

U.S. EQUITIES

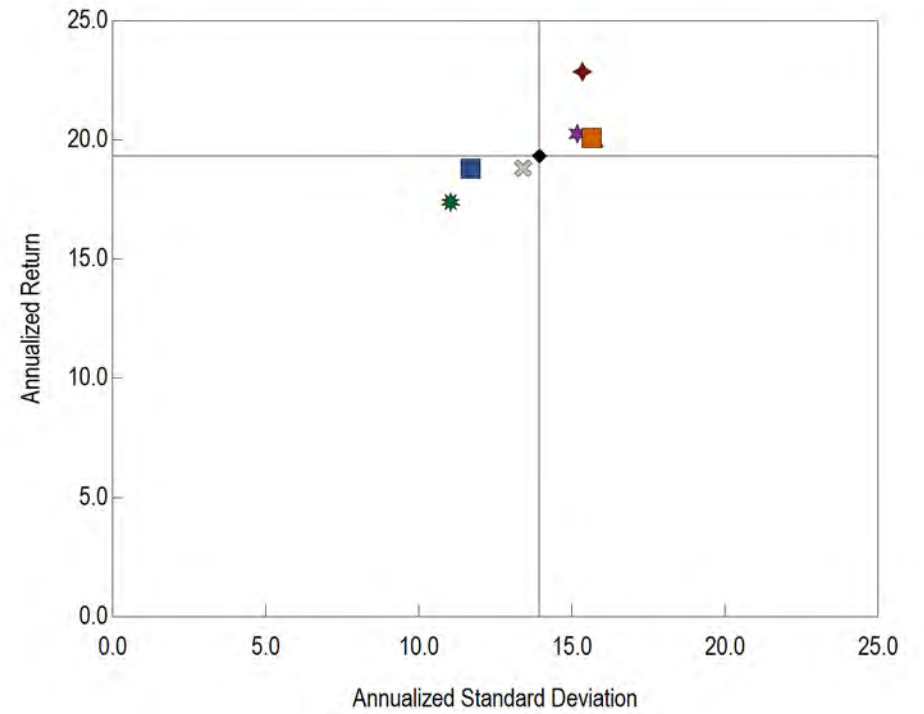


Upside Capture Ratio vs. Downside Capture Ratio
5 Years Ending June 30, 2014



- American Funds Washington Mutual
- ⊗ Vanguard Institutional Index
- ✱ Vanguard Dividend Growth
- ▲ T. Rowe Price Inst'l Large Cap Core Growth
- ◆ Vanguard Mid Cap Value
- ✳ Eaton Vance Atlanta Capital SMID
- Target Small Capitalization Value
- ◆ Russell 3000

Annualized Return vs. Annualized Standard Deviation
5 Years Ending June 30, 2014



- American Funds Washington Mutual
- ⊗ Vanguard Institutional Index
- ✱ Vanguard Dividend Growth
- ▲ T. Rowe Price Inst'l Large Cap Core Growth
- ◆ Vanguard Mid Cap Value
- ✳ Eaton Vance Atlanta Capital SMID
- Target Small Capitalization Value
- ◆ Russell 3000

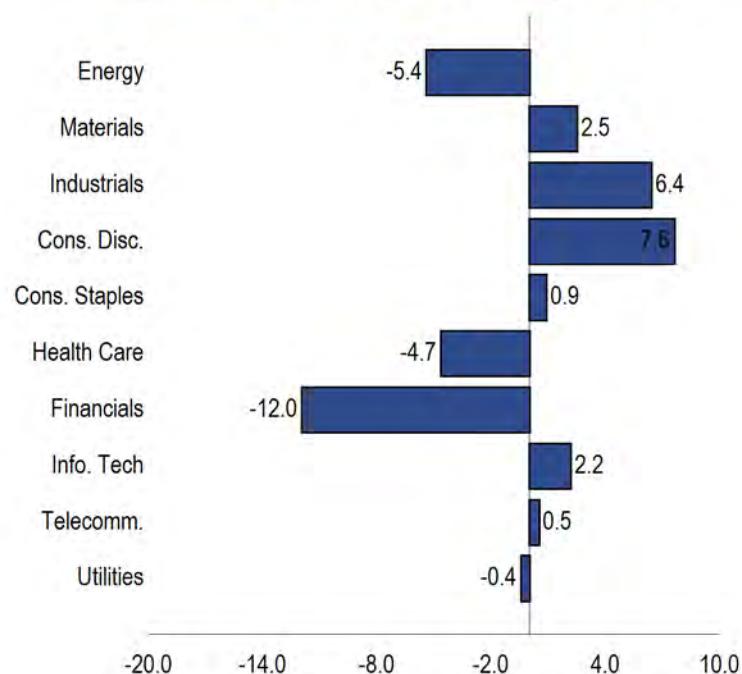
As of June 30, 2014

Manager Summary

- Focus on investing in high quality, blue-chip companies.
- Emphasis on companies that pay dividends and fully earn the income passed on to shareholders.
- Most companies based in the U.S. with high quality balance sheets and strong cash flows.
- Strategy mostly invests in large capitalization companies that tend to offer resiliency in down markets.

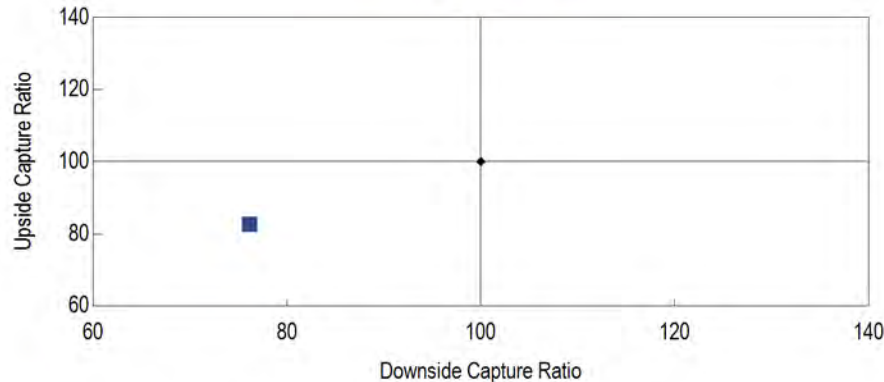
Portfolio Information

	Portfolio	Russell Top 200 Value
Number of Holdings	152	124
Weighted Avg. Market Cap. (\$B)	129.68	148.09
Median Market Cap. (\$B)	50.33	44.69
Price To Earnings	20.61	17.46
Price To Book	4.34	2.30
Price To Sales	2.50	2.11
Return on Equity (%)	20.68	14.54
Yield (%)	2.51	2.43
Beta	0.78	1.00

Sector Over/Under Allocation (%) vs Russell Top 200 Value**Top Ten Holdings**

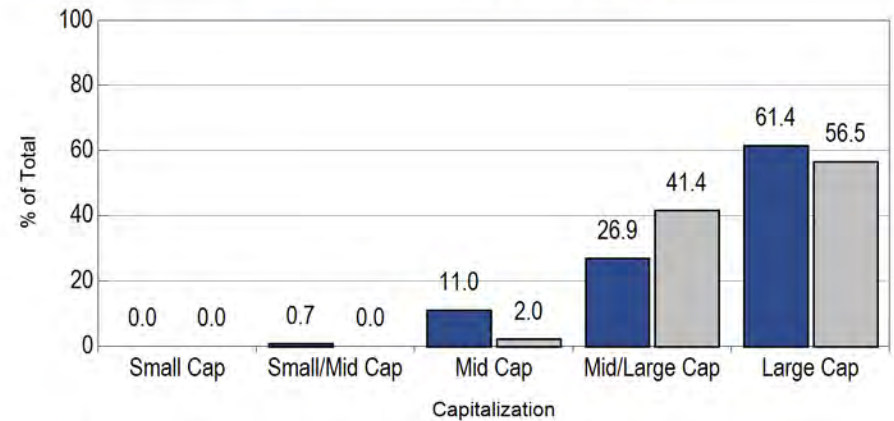
MICROSOFT	5.0%
BOEING	4.2%
HOME DEPOT	3.9%
MERCK & COMPANY	3.7%
WELLS FARGO & CO	3.6%
ROYAL DUTCH SHELL B ADR 1:2	3.5%
AMERICAN EXPRESS	2.8%
CHEVRON	2.6%
COCA COLA	2.6%
VERIZON COMMUNICATIONS	2.5%
Total For Top Ten Holdings	34.4%

Upside Capture Ratio vs. Downside Capture Ratio
5 Years Ending June 30, 2014



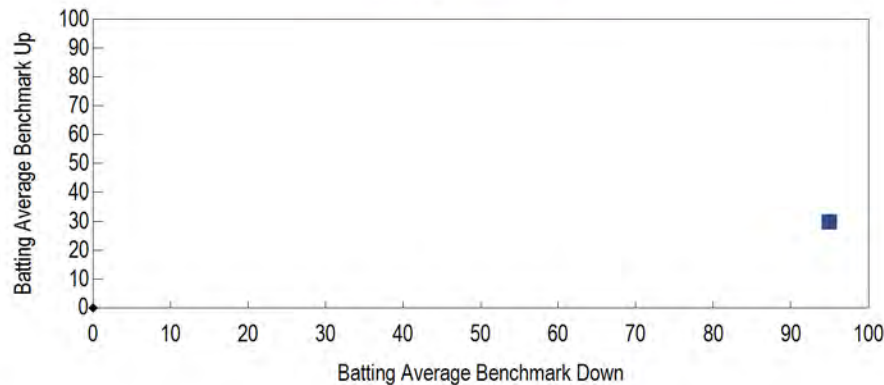
- American Funds Washington Mutual
- ◆ Russell Top 200 Value

Market Capitalization As Of June 30, 2014



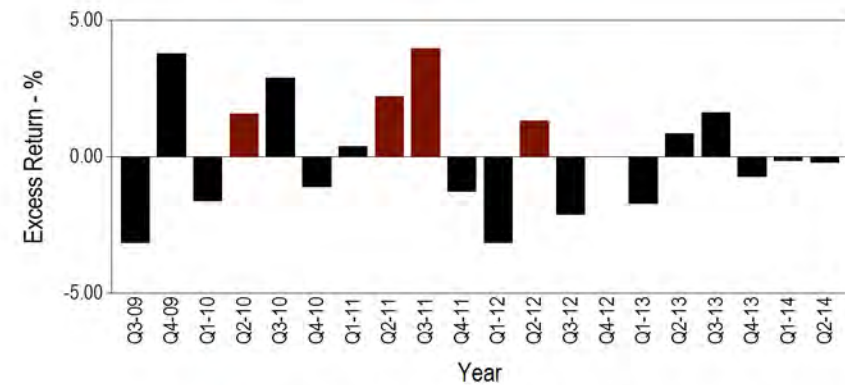
- American Funds Washington Mutual
- Russell Top 200 Value

Batting Average Benchmark Up vs. Batting Average Benchmark Down
5 Years Ending June 30, 2014



- American Funds Washington Mutual
- ◆ Russell Top 200 Value

Quarterly Excess Performance



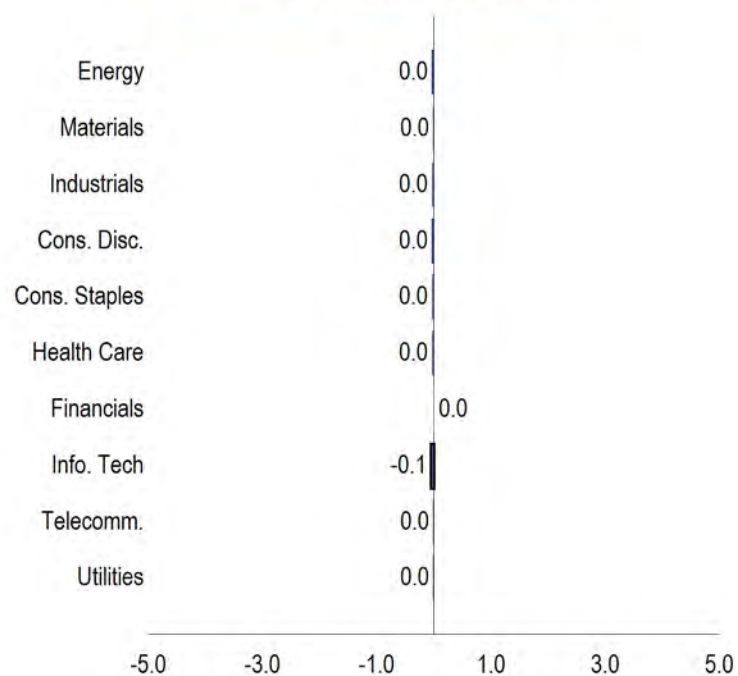
- Quarterly Out/Under Performance, Rising Market
- Quarterly Out/Under Performance, Falling Market

As of June 30, 2014

Manager Summary

- Passively-managed.
- Seeks to track the performance of the S&P 500 Index.
- Invests in large-cap U.S. equities diversified among growth and value styles.
- Fund remains fully invested.

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



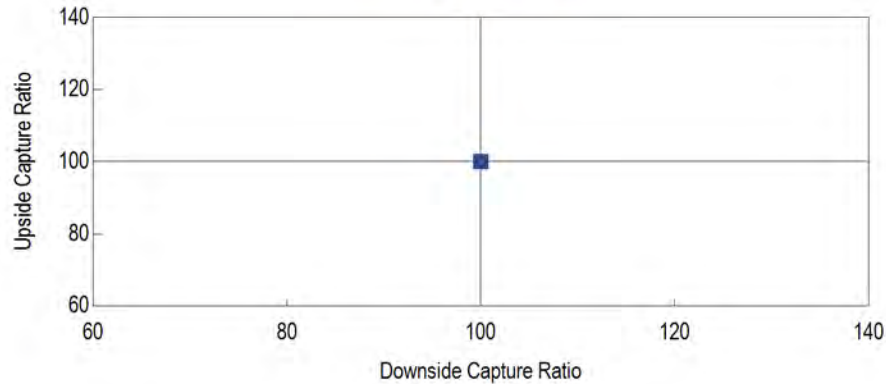
Portfolio Information

	Portfolio	S&P 500
Number of Holdings	512	501
Weighted Avg. Market Cap. (\$B)	118.03	118.12
Median Market Cap. (\$B)	17.47	17.46
Price To Earnings	21.49	20.38
Price To Book	4.21	3.89
Price To Sales	3.01	2.72
Return on Equity (%)	19.99	18.76
Yield (%)	2.00	2.00
Beta	1.00	1.00

Top Ten Holdings

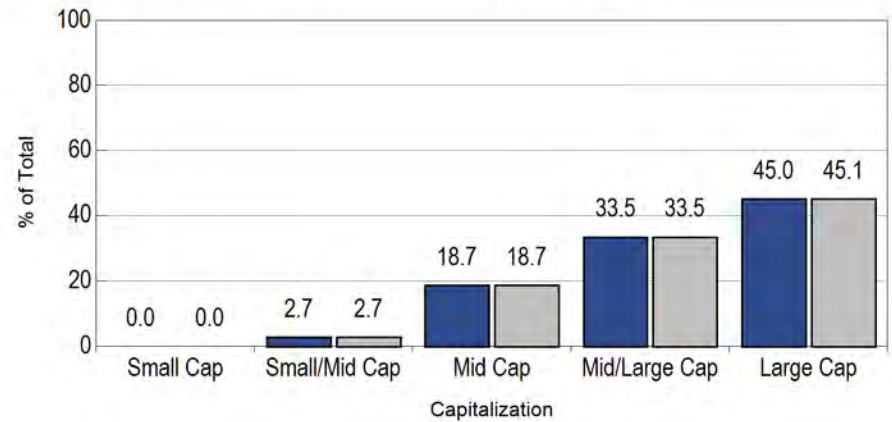
APPLE	3.2%
EXXON MOBIL	2.5%
MICROSOFT	1.8%
JOHNSON & JOHNSON	1.7%
GENERAL ELECTRIC	1.5%
WELLS FARGO & CO	1.4%
CHEVRON	1.4%
JP MORGAN CHASE & CO.	1.2%
BERKSHIRE HATHAWAY 'B'	1.2%
PROCTER & GAMBLE	1.2%
Total For Top Ten Holdings	17.2%

Upside Capture Ratio vs. Downside Capture Ratio
5 Years Ending June 30, 2014



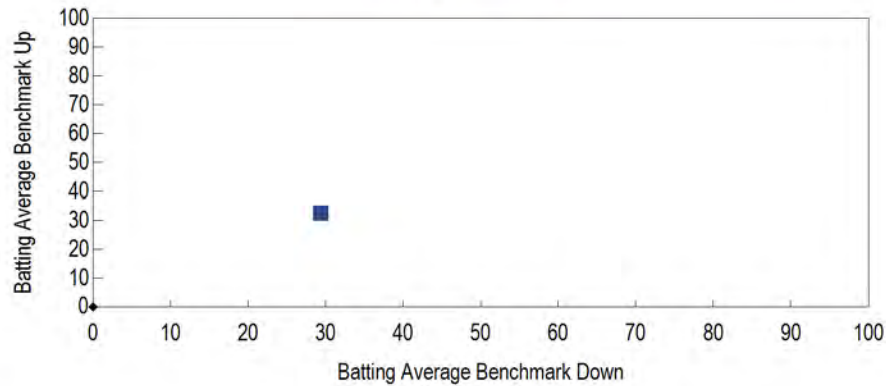
- Vanguard Institutional Index
- ◆ S&P 500

Market Capitalization As Of June 30, 2014



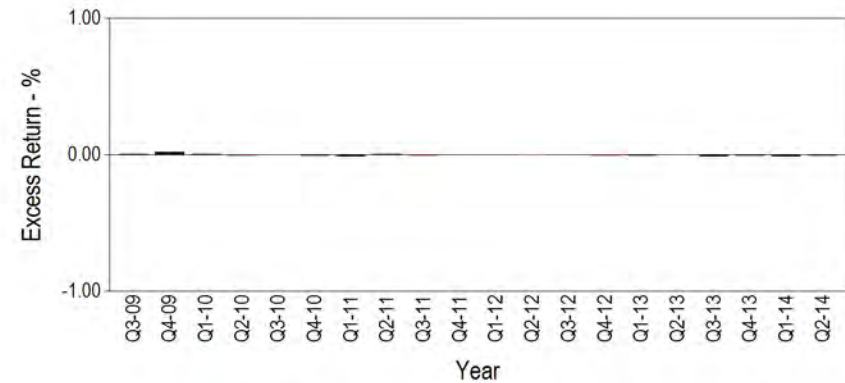
- Vanguard Institutional Index
- S&P 500

Batting Average Benchmark Up vs. Batting Average Benchmark Down
5 Years Ending June 30, 2014



- Vanguard Institutional Index
- ◆ S&P 500

Quarterly Excess Performance



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

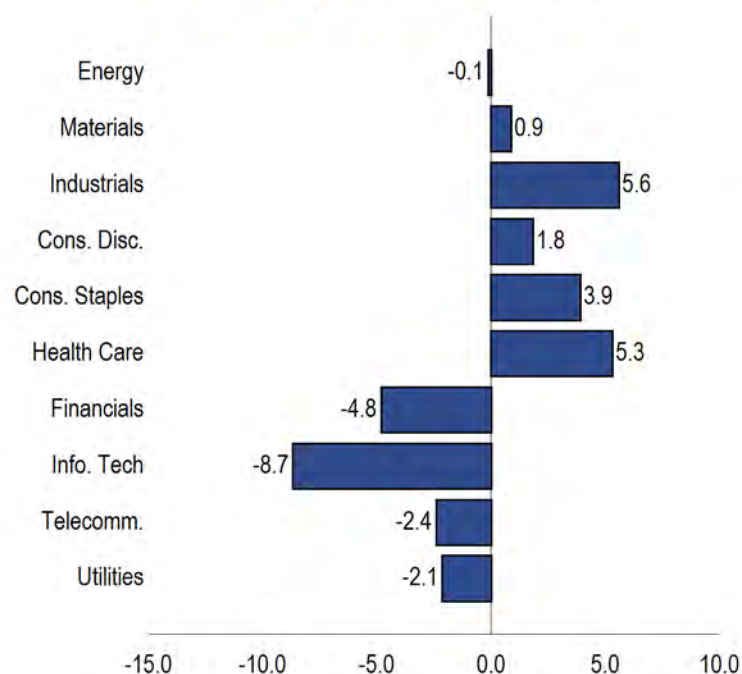
As of June 30, 2014

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

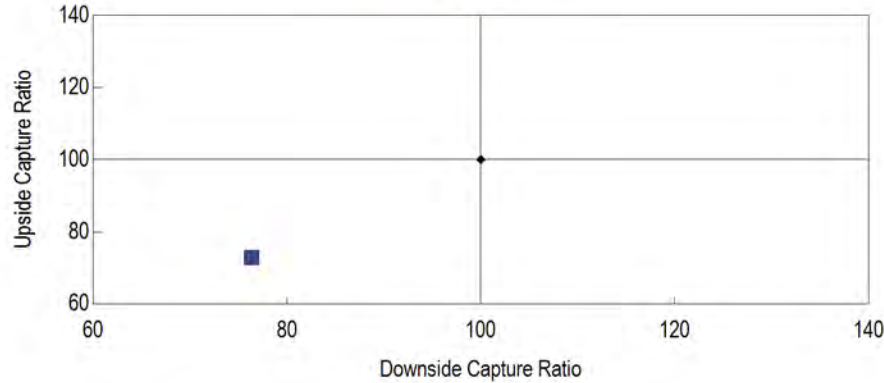
	Portfolio	S&P 500
Number of Holdings	51	501
Weighted Avg. Market Cap. (\$B)	112.49	118.12
Median Market Cap. (\$B)	67.75	17.46
Price To Earnings	21.96	20.38
Price To Book	5.14	3.89
Price To Sales	2.63	2.72
Return on Equity (%)	25.79	18.76
Yield (%)	2.32	2.00
Beta	0.78	1.00

Sector Over/Under Allocation (%) vs S&P 500**Top Ten Holdings**

UNITED PARCEL SER.'B'	3.1%
UNITEDHEALTH GROUP	2.9%
BG GROUP	2.8%
WAL MART STORES	2.7%
LOCKHEED MARTIN	2.7%
TJX	2.7%
MEDTRONIC	2.6%
JOHNSON & JOHNSON	2.6%
CHEVRON	2.6%
PRAXAIR	2.5%
Total For Top Ten Holdings	27.1%

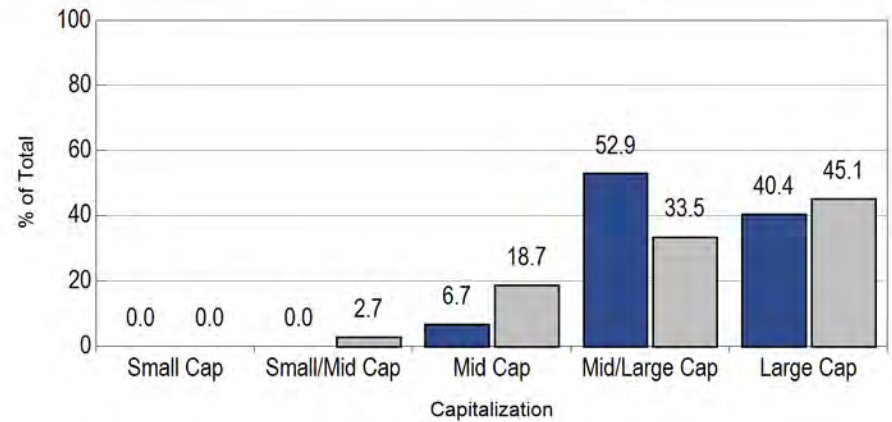
As of June 30, 2014

**Upside Capture Ratio vs. Downside Capture Ratio
 5 Years Ending June 30, 2014**



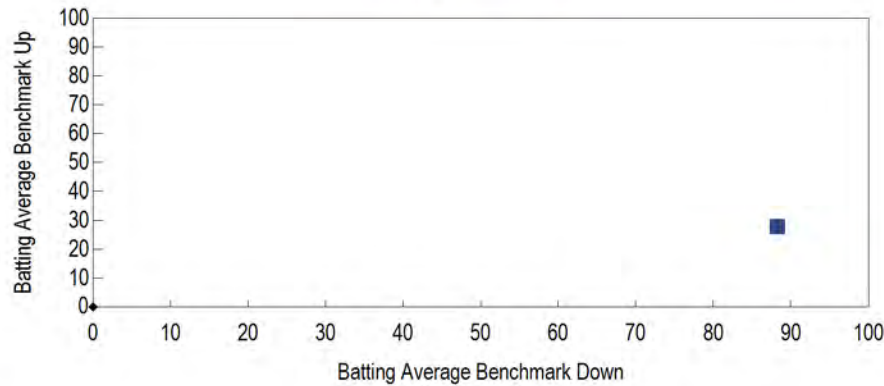
- Vanguard Dividend Growth
- ◆ S&P 500

Market Capitalization As Of June 30, 2014



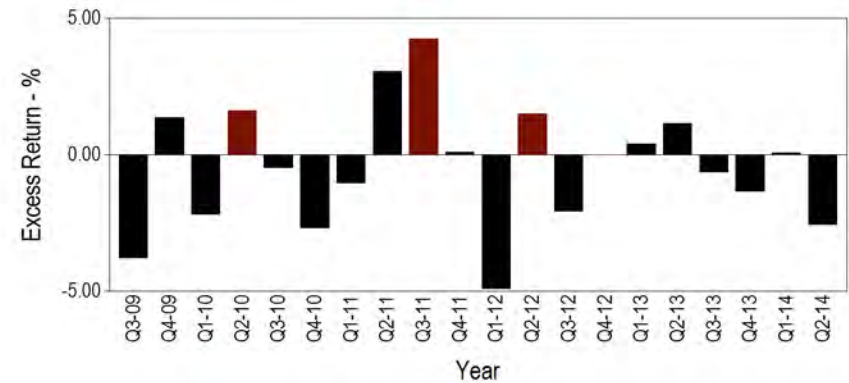
- Vanguard Dividend Growth
- S&P 500

**Batting Average Benchmark Up vs. Batting Average Benchmark Down
 5 Years Ending June 30, 2014**



- Vanguard Dividend Growth
- ◆ S&P 500

Quarterly Excess Performance



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

T. Rowe Price Inst'l Large Cap Core Growth

As of June 30, 2014

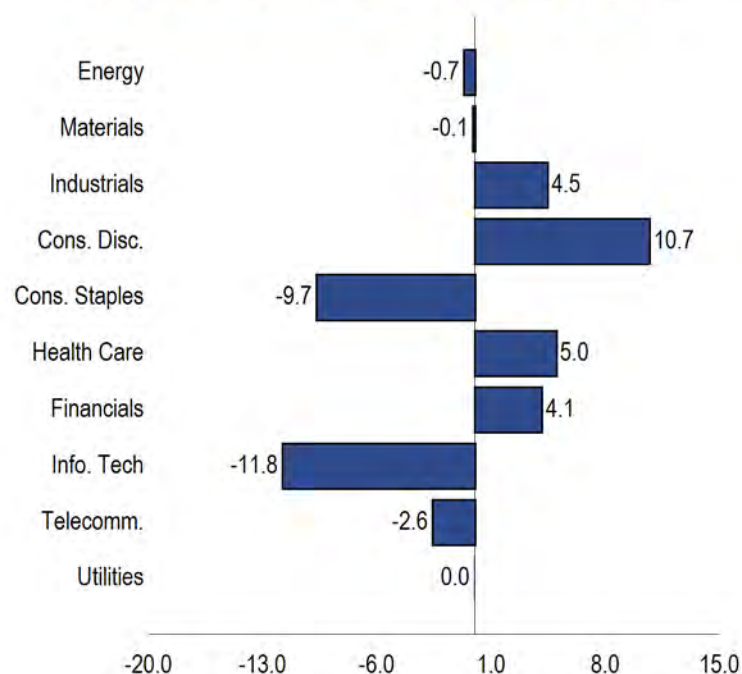
Manager Summary

- The team believes that high-quality, large-cap companies (>\$5 billion in market cap) with sustainable competitive advantages will produce attractive returns with moderate risk.
- Strategy focuses on companies operating in growth sectors of the economy that possess attractive business models, operational and financial flexibility, and seasoned management.
- Investment process emphasizes fundamental research and active, bottom-up stock selection, though macro views may modestly influence sector management.
- Portfolio consists of 75 to 100 companies, with annual turnover as just 20-25%.

Portfolio Information

	Portfolio	Russell Top 200 Growth
Number of Holdings	143	128
Weighted Avg. Market Cap. (\$B)	68.52	144.34
Median Market Cap. (\$B)	23.06	50.47
Price To Earnings	31.40	21.79
Price To Book	7.40	5.95
Price To Sales	5.74	3.80
Return on Equity (%)	22.82	25.09
Yield (%)	0.68	1.73
Beta	1.23	1.00

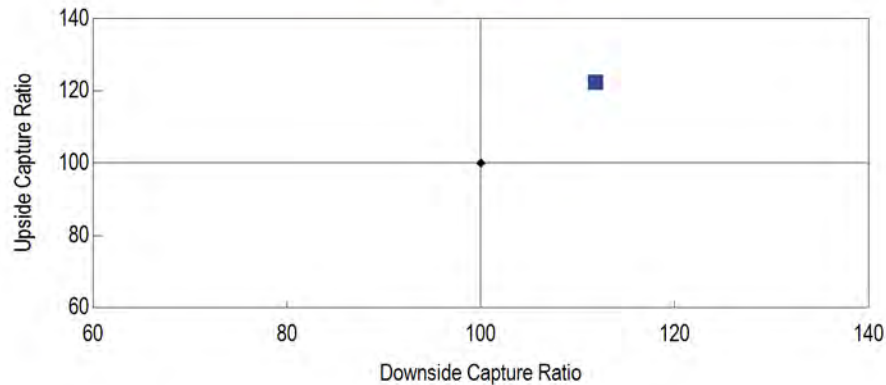
Sector Over/Under Allocation (%) vs Russell Top 200 Growth



Top Ten Holdings

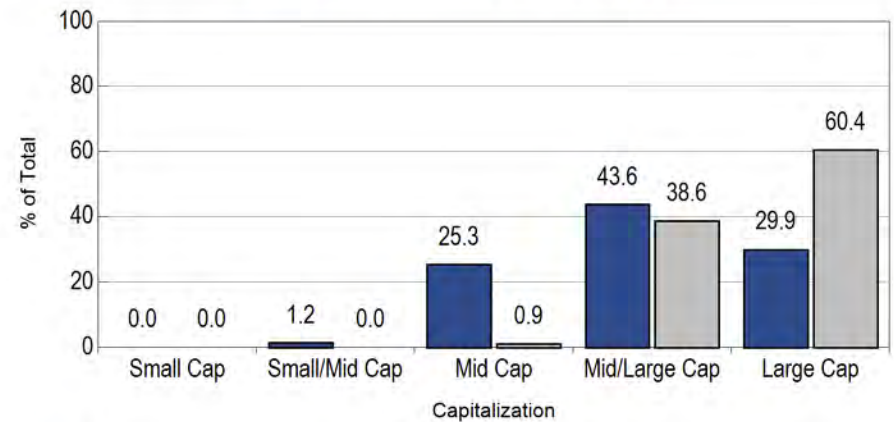
AMAZON.COM	4.5%
PRICELINE GROUP	3.3%
GILEAD SCIENCES	3.3%
GOOGLE 'A'	2.9%
GOOGLE 'C'	2.8%
DANAHER	2.6%
MCKESSON	2.6%
MASTERCARD	2.4%
BIOGEN IDEC	2.3%
VISA 'A'	2.1%
Total For Top Ten Holdings	28.8%

Upside Capture Ratio vs. Downside Capture Ratio
5 Years Ending June 30, 2014



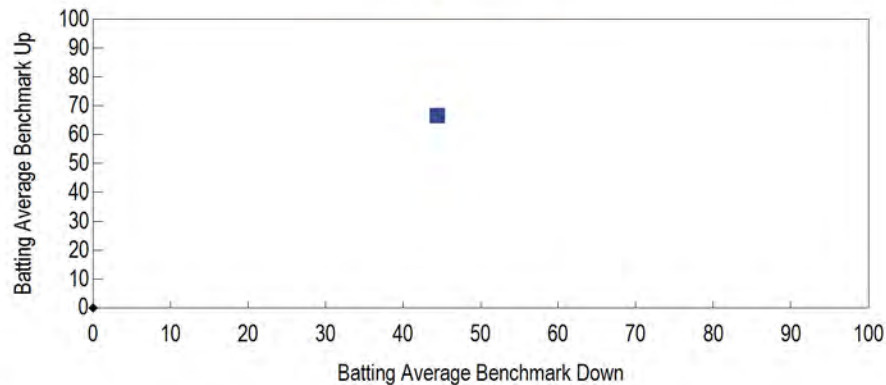
- T. Rowe Price Inst'l Large Cap Core Growth
- ◆ Russell Top 200 Growth

Market Capitalization As Of June 30, 2014



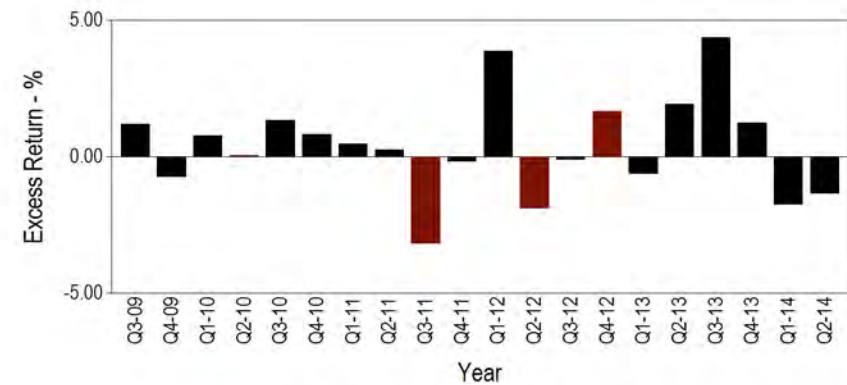
- T. Rowe Price Inst'l Large Cap Core Growth
- Russell Top 200 Growth

Batting Average Benchmark Up vs. Batting Average Benchmark Down
5 Years Ending June 30, 2014



- T. Rowe Price Inst'l Large Cap Core Growth
- ◆ Russell Top 200 Growth

Quarterly Excess Performance



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

Sussex County OPEB Trust
Vanguard Mid Cap Value

As of June 30, 2014

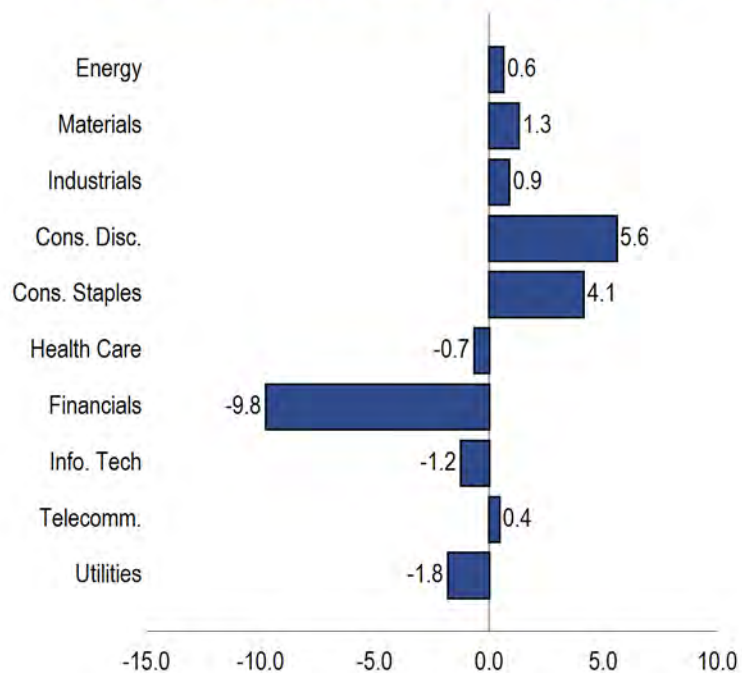
Manager Summary

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

Portfolio Information

	Portfolio	Russell MidCap Value
Number of Holdings	207	561
Weighted Avg. Market Cap. (\$B)	10.59	11.13
Median Market Cap. (\$B)	8.43	5.98
Price To Earnings	21.86	21.59
Price To Book	2.90	2.18
Price To Sales	1.84	2.39
Return on Equity (%)	15.96	10.64
Yield (%)	1.93	1.99
Beta	0.99	1.00

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

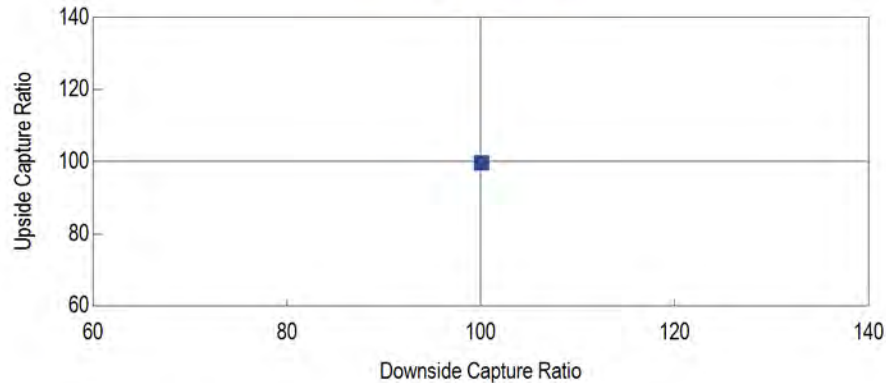


Top Ten Holdings

DELPHI AUTOMOTIVE	1.3%
WESTERN DIGITAL	1.3%
MYLAN	1.2%
SEAGATE TECH.	1.1%
ALCOA	1.1%
BOSTON SCIENTIFIC	1.1%
HARTFORD FINL.SVS.GP.	1.0%
AMERISOURCEBERGEN	1.0%
UNITED CONTINENTAL HDG.	1.0%
NORTHEAST UTILITIES	0.9%
Total For Top Ten Holdings	10.9%

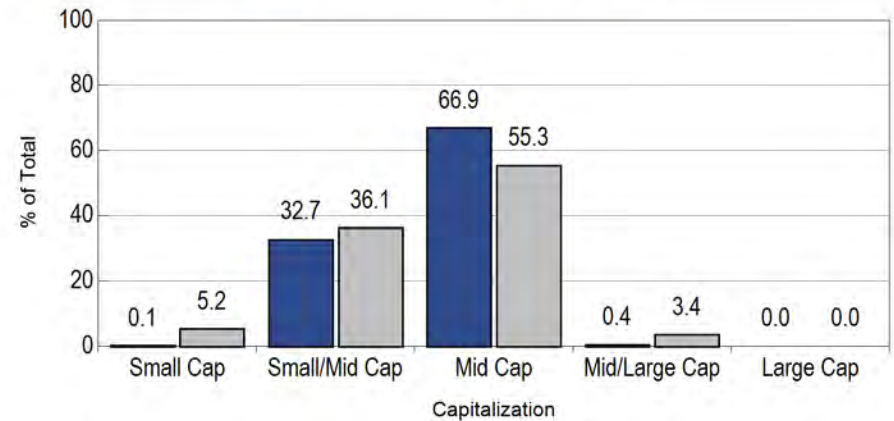
As of June 30, 2014

Upside Capture Ratio vs. Downside Capture Ratio
 5 Years Ending June 30, 2014



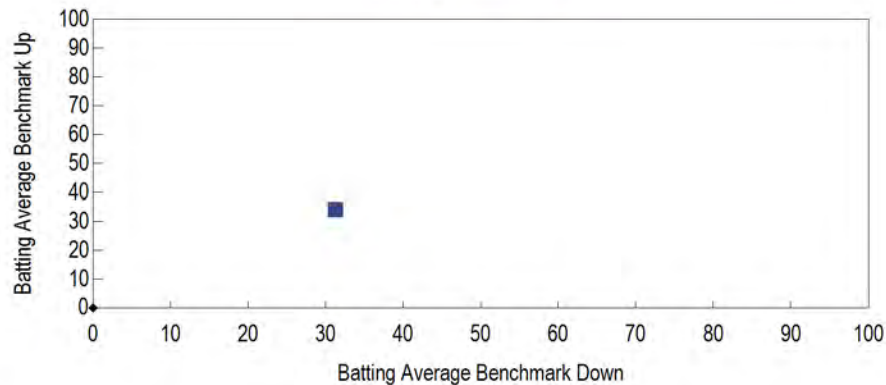
- Vanguard Mid Cap Value
- ◆ Spliced Mid Cap Value Index

Market Capitalization As Of June 30, 2014



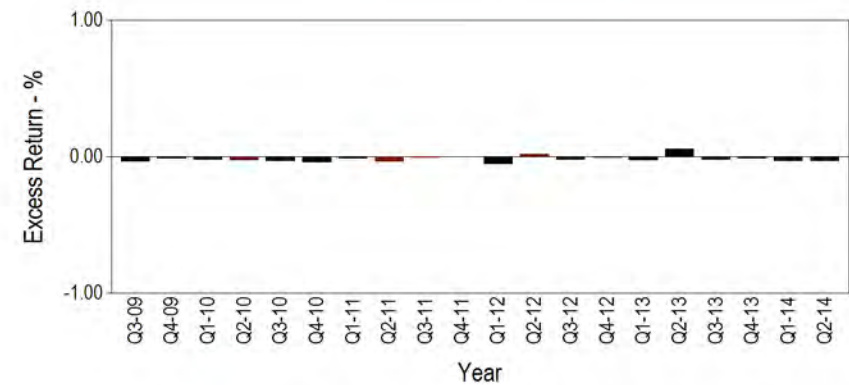
- Vanguard Mid Cap Value
- Russell MidCap Value

Batting Average Benchmark Up vs. Batting Average Benchmark Down
 5 Years Ending June 30, 2014



- Vanguard Mid Cap Value
- ◆ Spliced Mid Cap Value Index

Quarterly Excess Performance



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

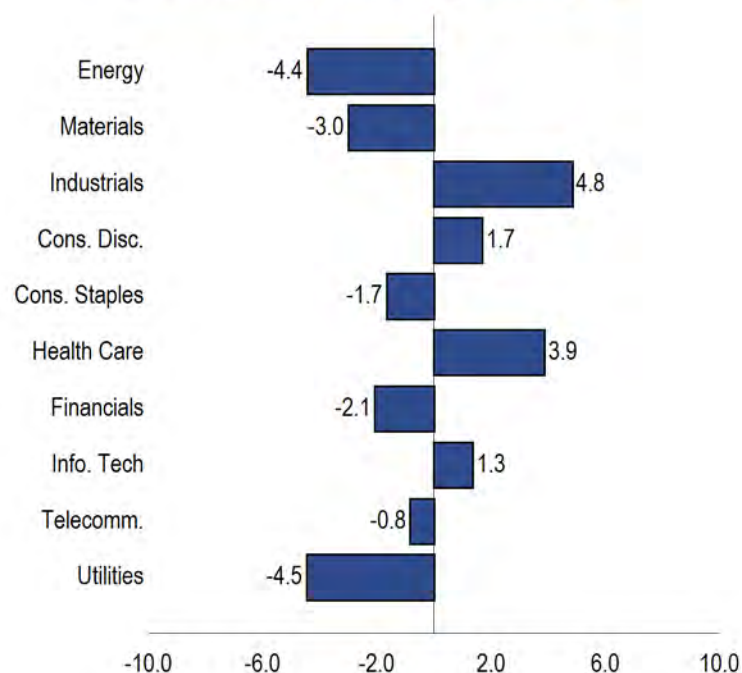
As of June 30, 2014

Manager Summary

- Focus on investing in high-quality companies with a history of stable and consistent earnings.
- Emphasize innovative business models, shareholder-friendly managements and companies with limited Wall Street coverage.
- Seek high levels of free cash flow with low volatility over time.
- Portfolio comprised of companies with high credit ratings - tends to outperform when quality is in favor.

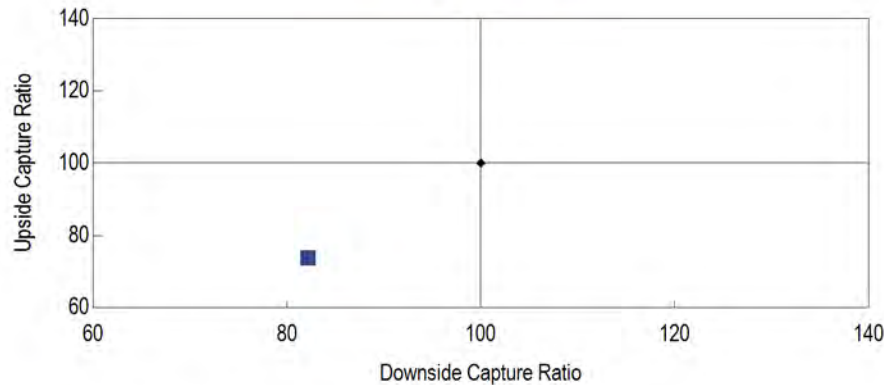
Portfolio Information

	Portfolio	Russell 2500
Number of Holdings	50	2,499
Weighted Avg. Market Cap. (\$B)	5.94	3.90
Median Market Cap. (\$B)	5.54	0.96
Price To Earnings	26.91	23.81
Price To Book	3.19	3.22
Price To Sales	3.35	2.70
Return on Equity (%)	16.89	12.33
Yield (%)	0.83	1.21
Beta	0.80	1.00

Sector Over/Under Allocation (%) vs Russell 2500**Top Ten Holdings**

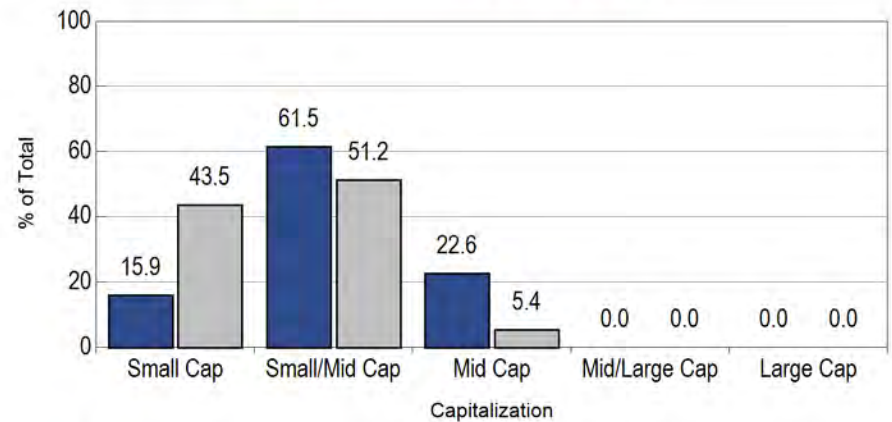
CASH - USD	4.7%
MARKEL	4.6%
MORNINGSTAR	4.3%
DENTSPLY INTL.	4.1%
HCC INSURANCE HDG.	3.7%
ANSYS	3.7%
BIO-RAD LABORATORIES 'A'	3.5%
SALLY BEAUTY HOLDINGS	3.2%
LKQ	2.7%
GENTEX	2.7%
Total For Top Ten Holdings	37.1%

Upside Capture Ratio vs. Downside Capture Ratio
5 Years Ending June 30, 2014



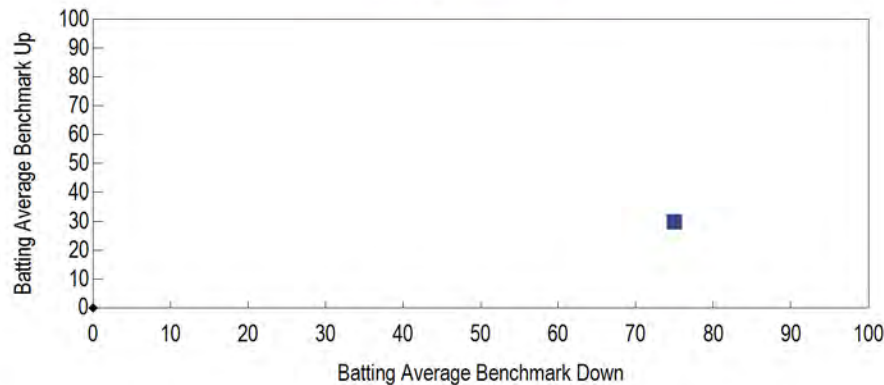
- Eaton Vance Atlanta Capital SMID
- ◆ Russell 2500

Market Capitalization As Of June 30, 2014



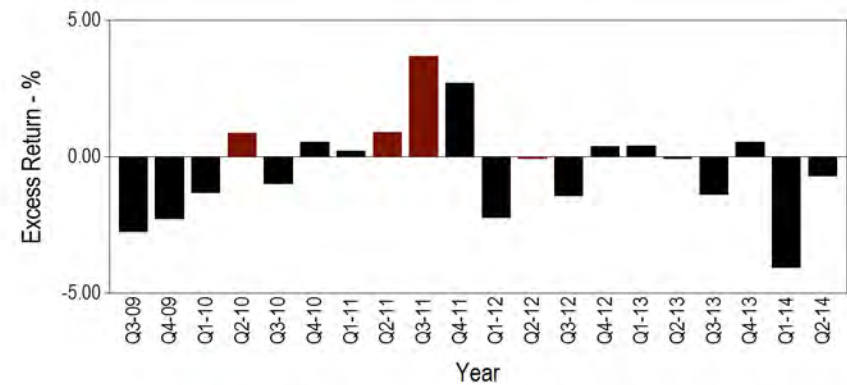
- Eaton Vance Atlanta Capital SMID
- Russell 2500

Batting Average Benchmark Up vs. Batting Average Benchmark Down
5 Years Ending June 30, 2014



- Eaton Vance Atlanta Capital SMID
- ◆ Russell 2500

Quarterly Excess Performance



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

Target Small Capitalization Value

As of June 30, 2014

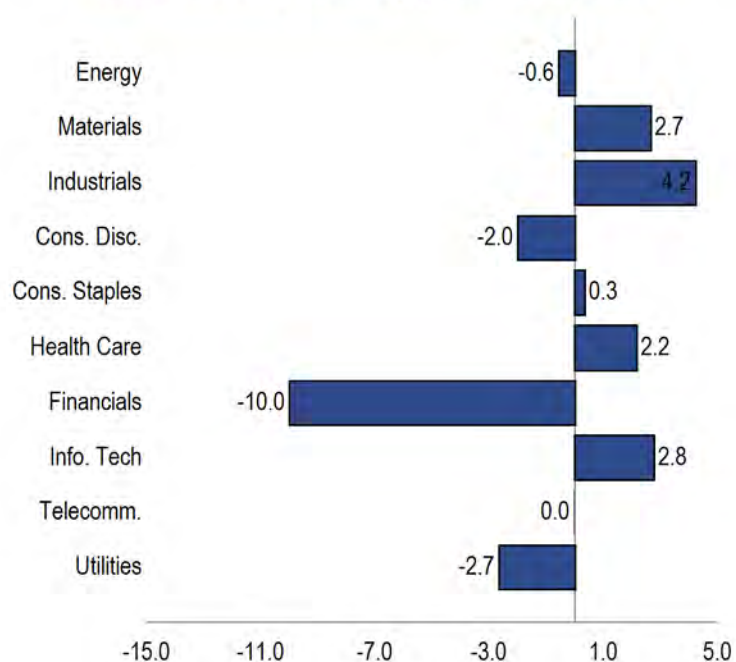
Manager Summary

- Multiple manager approach:
 - Earnest Partners - relative value
 - NFJ Investment Group - deep value with a dividend focus
 - Lee Munder Capital Group - traditional value with a quality bias
 - Vaughn Nelson Investment Mgmt - traditional value with an absolute return focus
 - JPMorgan Asset Management - index structured product
 - Sterling Capital Management - quantitative deep value
- Prudential's Strategic Investment Research Group is the advisor to the Fund.
- Complementary styles seek small capitalization companies that are believed to be undervalued.

Portfolio Information

	Portfolio	Russell 2000 Value
Number of Holdings	819	1,321
Weighted Avg. Market Cap. (\$B)	2.79	1.65
Median Market Cap. (\$B)	1.39	0.65
Price To Earnings	22.60	20.04
Price To Book	2.47	1.75
Price To Sales	2.14	2.40
Return on Equity (%)	12.51	7.52
Yield (%)	1.69	1.63
Beta	0.90	1.00

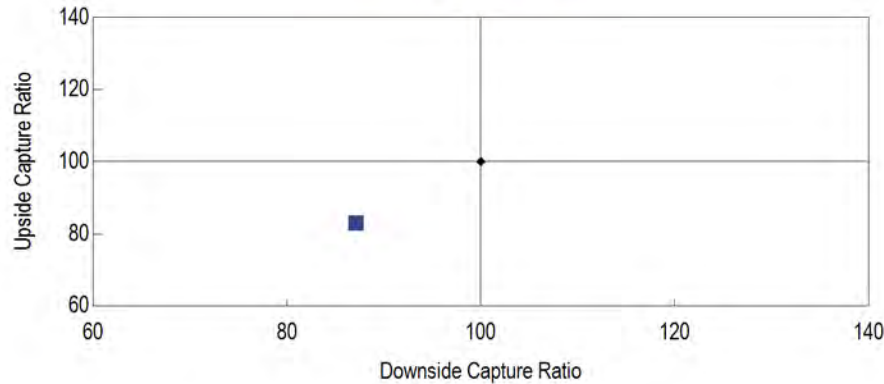
Sector Over/Under Allocation (%) vs Russell 2000 Value



Top Ten Holdings

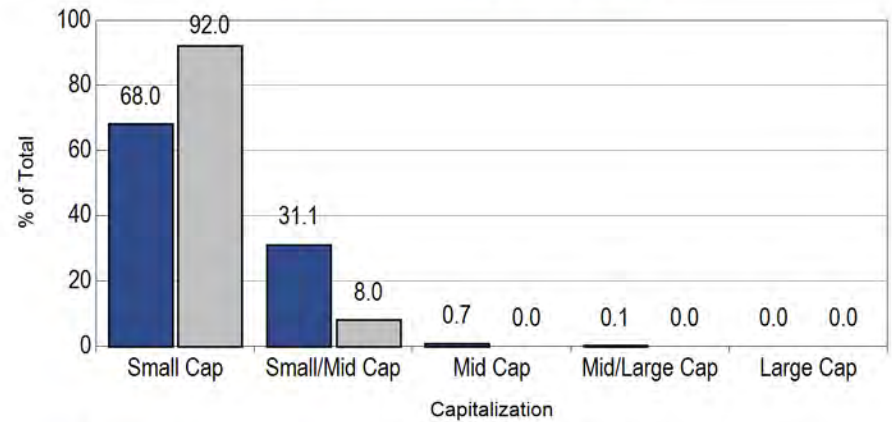
CASH - USD	3.0%
FIRSTMERIT	0.9%
BRISTOW GROUP	0.8%
PROTECTIVE LIFE	0.7%
AMERICAN EQ.INV.LF.HLDG.	0.7%
TELEFLEX	0.7%
KAR AUCTION SERVICES	0.7%
SILGAN HOLDINGS	0.7%
ENERSYS	0.7%
GATX	0.7%
Total For Top Ten Holdings	9.5%

Upside Capture Ratio vs. Downside Capture Ratio
5 Years Ending June 30, 2014



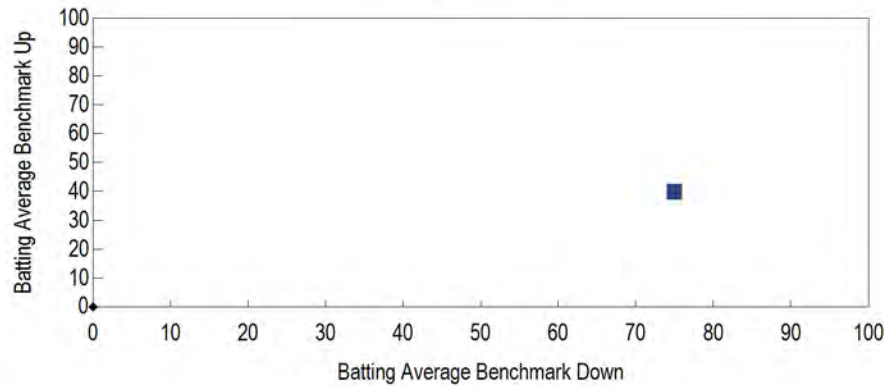
- Target Small Capitalization Value
- ◆ Russell 2000 Value

Market Capitalization As Of June 30, 2014



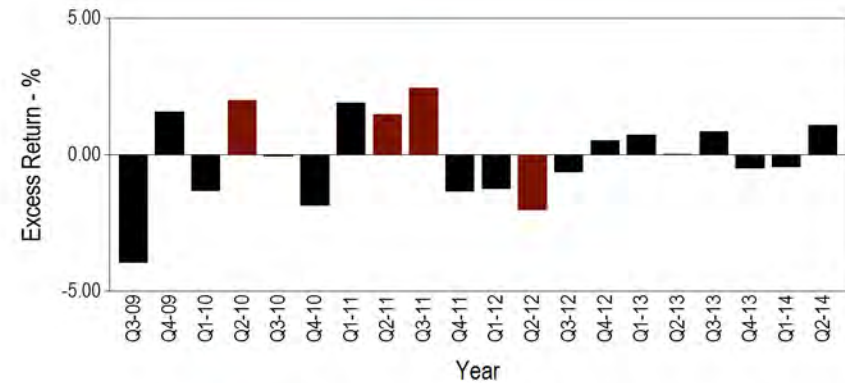
- Target Small Capitalization Value
- Russell 2000 Value

Batting Average Benchmark Up vs. Batting Average Benchmark Down
5 Years Ending June 30, 2014



- Target Small Capitalization Value
- ◆ Russell 2000 Value

Quarterly Excess Performance



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

GLOBAL EQUITIES



As of June 30, 2014

Manager Summary

- Focus on investing in companies trading at a discount to their intrinsic value.
- Emphasizes good management, strong corporate culture and easy to understand business models.
- Portfolio tends to hold 30-40 stocks and will typically experience higher than average volatility.
- Will invest opportunistically across the globe in small, medium and large companies.

Country Allocation**Versus MSCI ACWI - Quarter Ending June 30, 2014**

	Manager Ending Allocation (USD)	Index Ending Allocation (USD)
Top 6 Largest Countries		
United States	48.8%	48.9%
Canada	10.9%	3.9%
Cash	10.1%	0.0%
Korea*	5.5%	1.7%
Brazil*	4.0%	1.2%
France	3.8%	3.7%
Total-Top 6 Largest Countries	83.2%	59.3%
Totals		
Developed	80.4%	89.2%
Emerging*	9.5%	10.8%
Cash	10.1%	

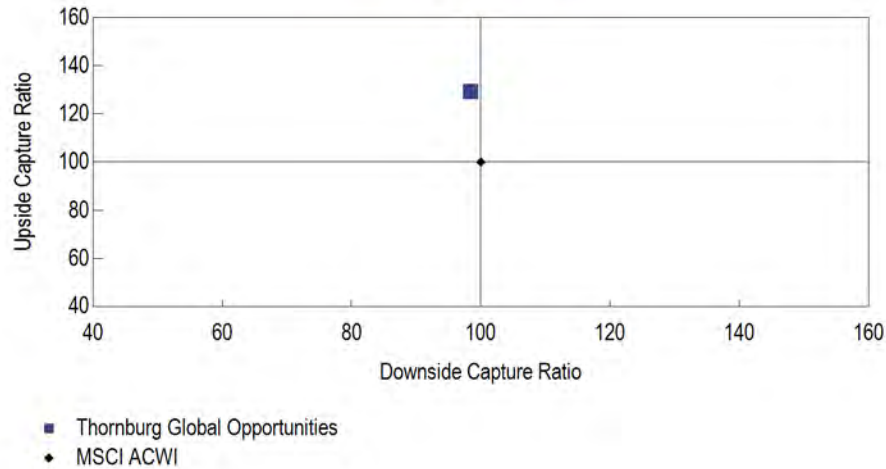
Portfolio Information

	Portfolio	MSCI ACWI
Number of Holdings	37	2,446
Weighted Avg. Market Cap. (\$B)	51.35	84.04
Median Market Cap. (\$B)	20.87	9.07
Price To Earnings	25.17	19.66
Price To Book	5.01	3.04
Price To Sales	2.27	2.36
Return on Equity (%)	13.98	16.40
Yield (%)	1.29	2.43
Beta	1.08	1.00

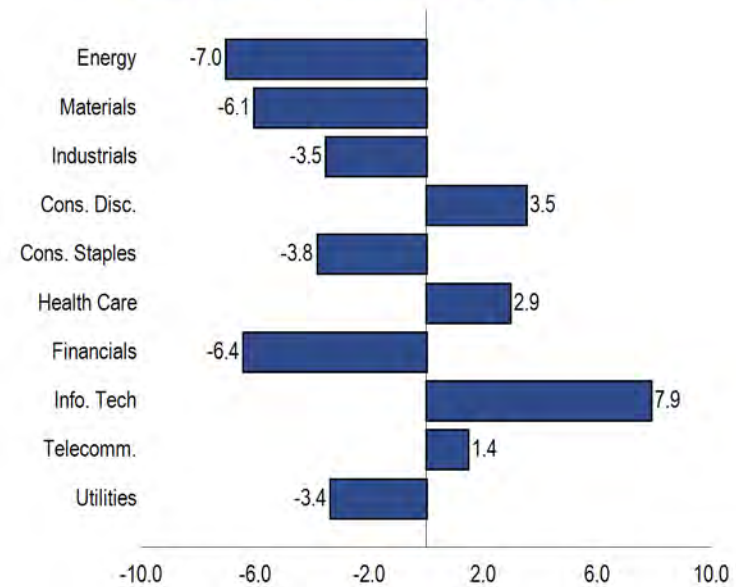
Top Ten Holdings

CASH - USD	10.1%
LEVEL 3 COMMS.	5.3%
INTERXION HOLDING	4.8%
VALEANT PHARMS. (NYS) INTL.	4.8%
ECHOSTAR	4.3%
EXPRESS SCRIPTS HOLDING	3.9%
BRF FOODS ON	3.9%
NUMERICABLE GROUP	3.8%
RYMAN HOSPITALITY PROPS.	3.7%
PARADISE	3.6%
Total For Top Ten Holdings	48.1%

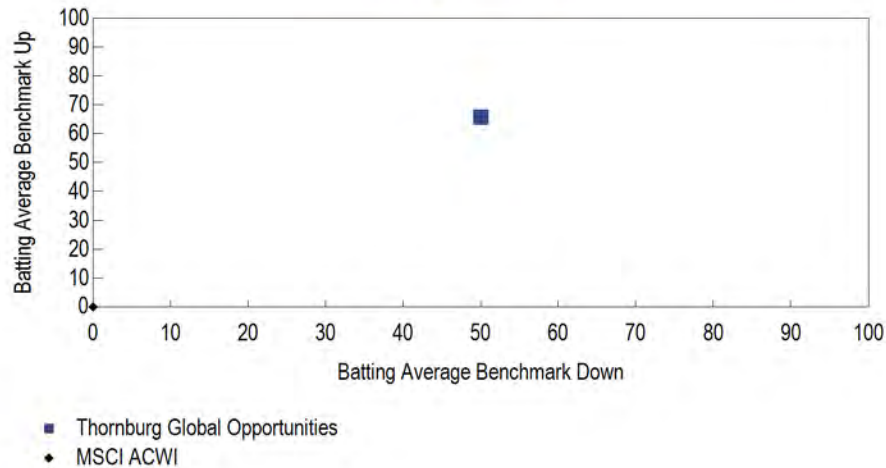
Upside Capture Ratio vs. Downside Capture Ratio
5 Years Ending June 30, 2014



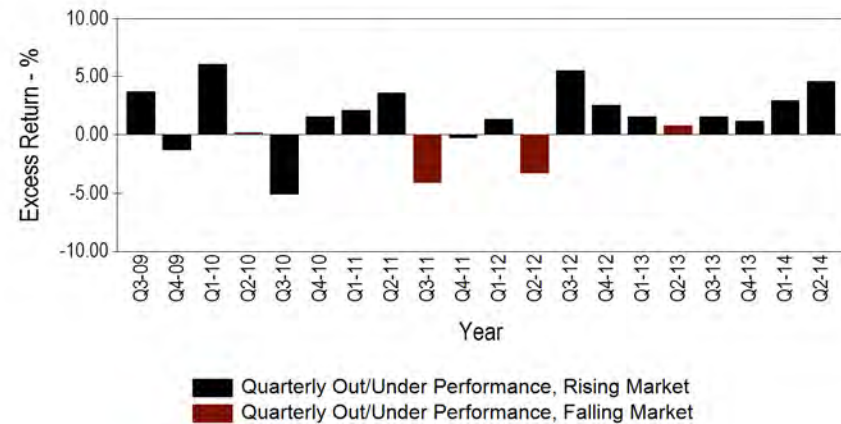
Sector Over/Under Allocation (%) vs MSCI ACWI



Batting Average Benchmark Up vs. Batting Average Benchmark Down
5 Years Ending June 30, 2014



Quarterly Excess Performance

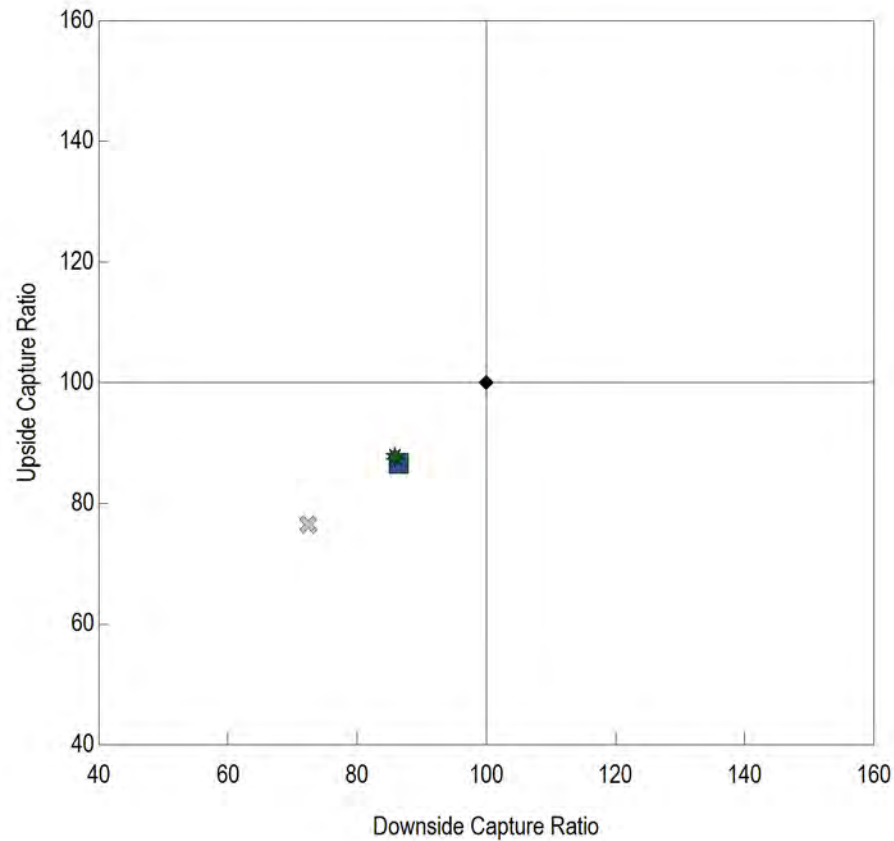


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U.S. EQUITIES

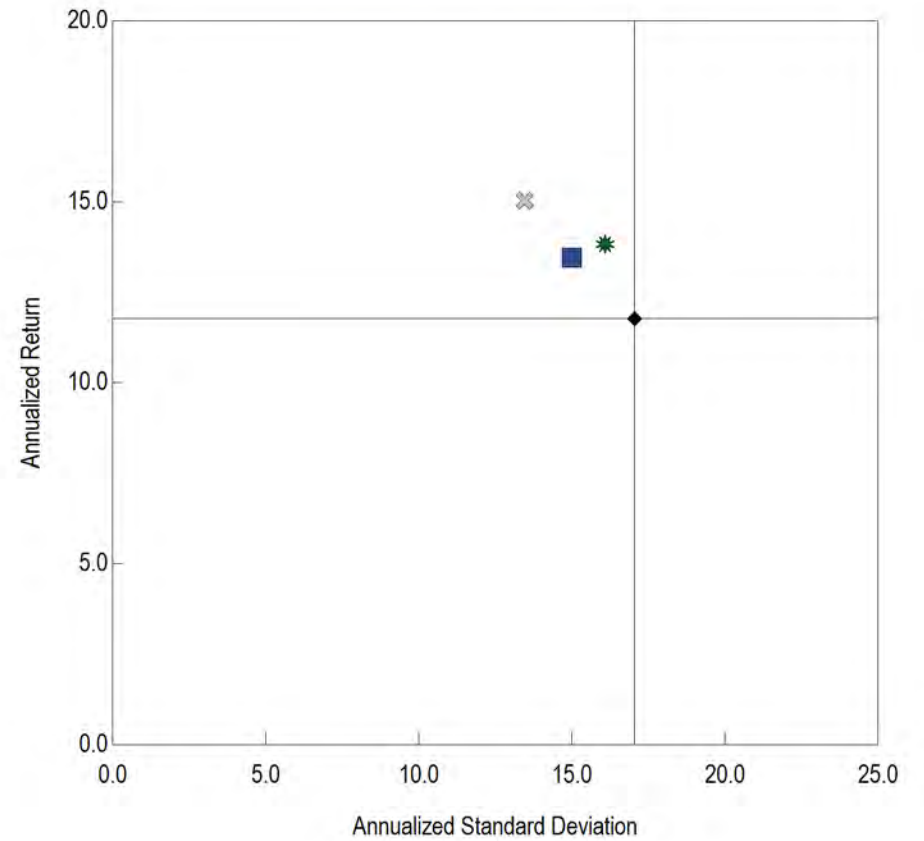


Upside Capture Ratio vs. Downside Capture Ratio
5 Years Ending June 30, 2014



- American Funds Int'l Growth & Income
- ⊗ MFS International Value
- * Harding Loevner International Equity
- ◆ MSCI EAFE

Annualized Return vs. Annualized Standard Deviation
5 Years Ending June 30, 2014



- American Funds Int'l Growth & Income
- ⊗ MFS International Value
- * Harding Loevner International Equity
- ◆ MSCI EAFE

As of June 30, 2014

Manager Summary

- Focuses on investing in established companies that pay dividends.
- Emphasis on companies that may be relatively resilient during economic hardship.
- Multiple portfolio managers provide complementary investment styles of contrarian value, relative value and capital appreciation.
- Strategy tends to have dividend yield higher than the benchmark.

Country Allocation**Versus MSCI ACWI ex USA - Quarter Ending June 30, 2014**

	Manager Ending Allocation (USD)	Index Ending Allocation (USD)
Top 6 Largest Countries		
United Kingdom	18.7%	15.3%
France	13.7%	7.2%
Japan	9.2%	14.4%
Hong Kong	6.6%	2.0%
United States	6.2%	0.0%
Switzerland	5.6%	6.4%
Total-Top 6 Largest Countries	60.0%	45.4%
Totals		
Developed	85.2%	78.8%
Emerging*	13.9%	21.2%
Other	0.7%	
Cash	0.2%	

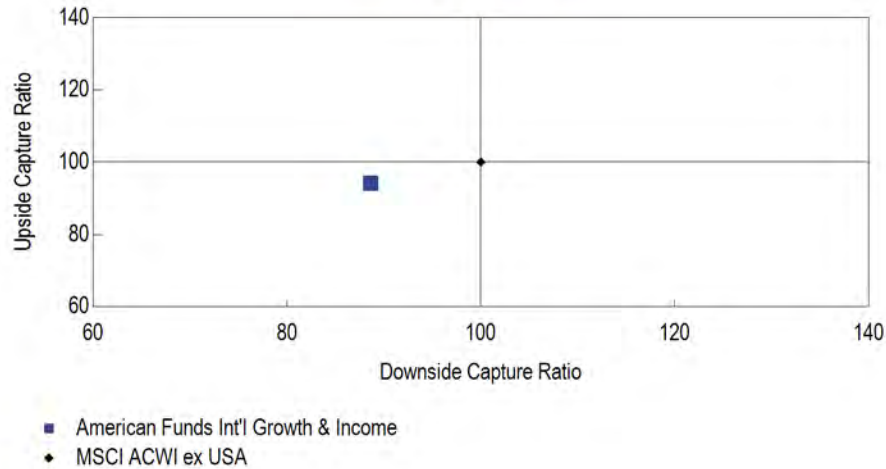
Portfolio Information

	Portfolio	MSCI ACWI ex USA
Number of Holdings	177	1,829
Weighted Avg. Market Cap. (\$B)	54.17	56.23
Median Market Cap. (\$B)	23.40	7.33
Price To Earnings	20.62	18.58
Price To Book	2.86	2.38
Price To Sales	2.43	1.97
Return on Equity (%)	15.07	14.44
Yield (%)	3.36	2.90
Beta	0.82	1.00

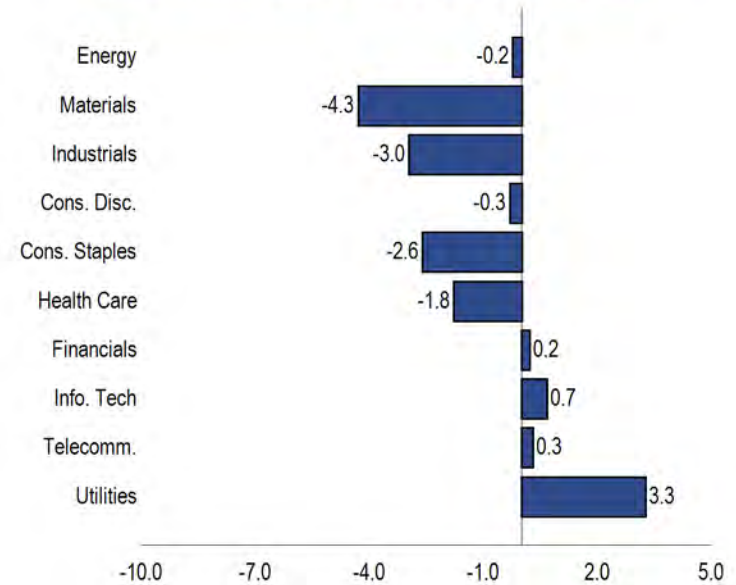
Top Ten Holdings

AXA	2.6%
EDP ENERGIAS DE PORTUGAL	2.5%
NOVARTIS 'R'	2.4%
ASTRAZENECA	2.2%
TAIWAN SEMICON.MNFG.	2.2%
IMPERIAL TOBACCO GP.	2.1%
ROYAL DUTCH SHELL B	2.1%
PRUDENTIAL	2.0%
TOTAL	2.0%
BRITISH AMERICAN TOBACCO	1.9%
Total For Top Ten Holdings	22.1%

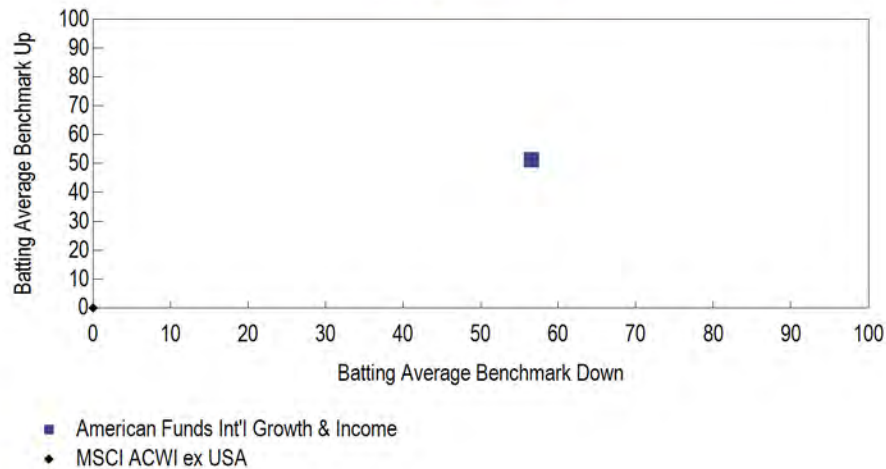
Upside Capture Ratio vs. Downside Capture Ratio
5 Years Ending June 30, 2014



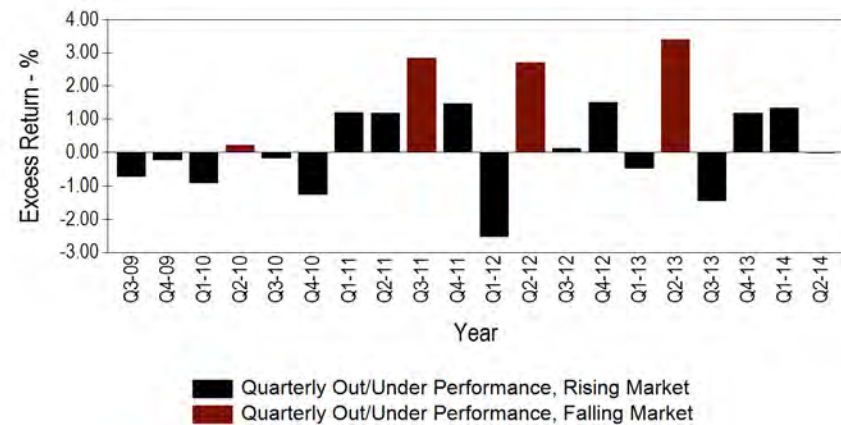
Sector Over/Under Allocation (%) vs MSCI ACWI ex USA



Batting Average Benchmark Up vs. Batting Average Benchmark Down
5 Years Ending June 30, 2014



Quarterly Excess Performance



As of June 30, 2014

Manager Summary

- The strategy seeks sustainable returns in various market environments.
- Team focuses on the durability of returns and intrinsic value:
 - Quality - company's ability to generate returns above its cost of capital on a sustainable basis.
 - Valuation - stocks that are cheap on a wide range of valuation metrics.
 - Improvement potential - potential value from improving structural conditions.
- Portfolio construction process is based on bottom-up, fundamental research. Sector, industry, country, and regional weightings are generally the residual of this process.
- Portfolio consists of 85 to 100 companies and is fully invested at all times.

Country Allocation**Versus MSCI EAFE Value - Quarter Ending June 30, 2014**

	Manager Ending Allocation (USD)	Index Ending Allocation (USD)
Top 6 Largest Countries		
Japan	24.2%	20.4%
United Kingdom	21.1%	23.5%
Switzerland	12.6%	5.7%
Germany	10.4%	9.9%
France	8.3%	11.0%
Cash	6.3%	0.0%
Total-Top 6 Largest Countries	82.9%	70.6%
Totals		
Developed	92.3%	100.0%
Emerging*	1.3%	0.0%
Cash	6.3%	

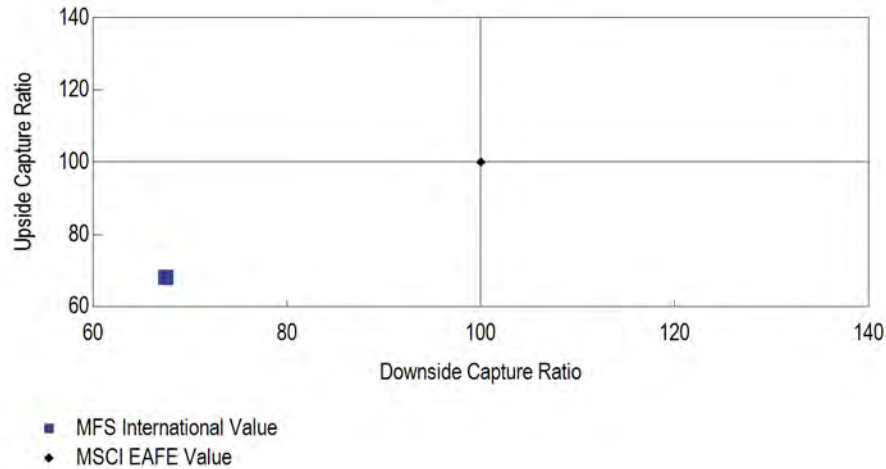
Portfolio Information

	Portfolio	MSCI EAFE Value
Number of Holdings	92	472
Weighted Avg. Market Cap. (\$B)	53.09	68.55
Median Market Cap. (\$B)	7.52	8.88
Price To Earnings	20.54	16.11
Price To Book	3.38	1.62
Price To Sales	2.25	1.37
Return on Equity (%)	19.64	10.87
Yield (%)	2.60	3.84
Beta	0.67	1.00

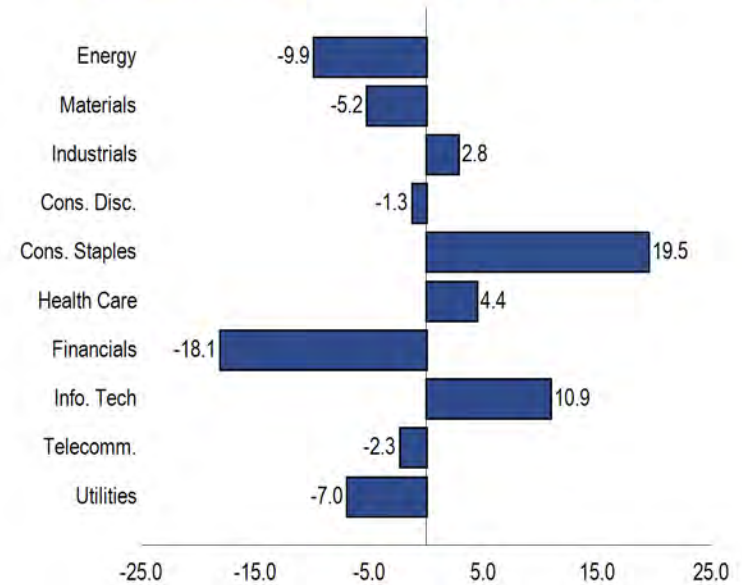
Top Ten Holdings

CASH - USD	6.3%
DANONE	3.7%
NESTLE 'R'	3.1%
KDDI	3.1%
RECKITT BENCKISER GROUP	2.9%
COMPASS GROUP	2.9%
KAO	2.8%
NOVARTIS 'R'	2.7%
GLAXOSMITHKLINE	2.6%
BAYER	2.3%
Total For Top Ten Holdings	32.4%

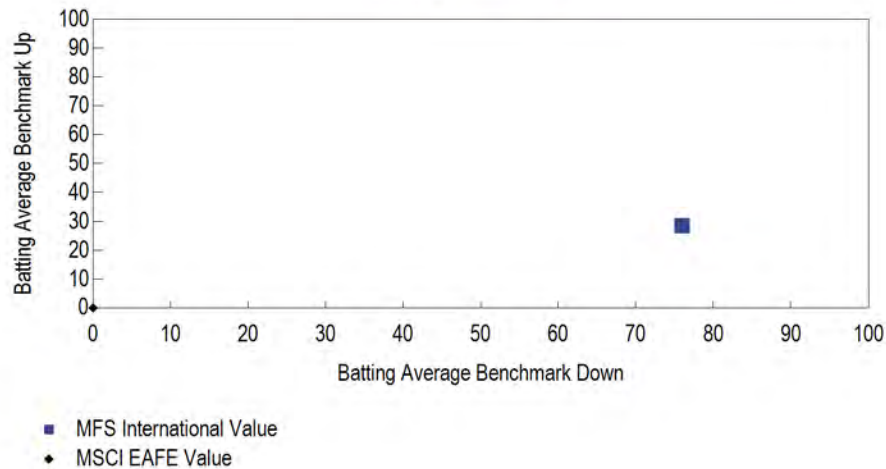
Upside Capture Ratio vs. Downside Capture Ratio
5 Years Ending June 30, 2014



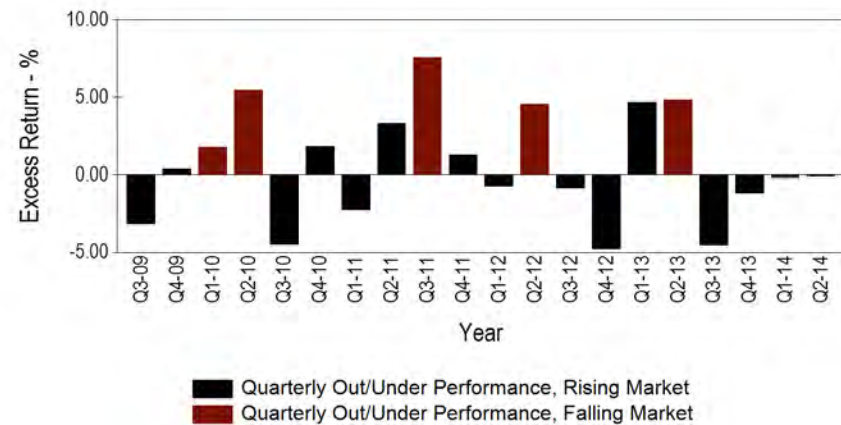
Sector Over/Under Allocation (%) vs MSCI EAFE Value



Batting Average Benchmark Up vs. Batting Average Benchmark Down
5 Years Ending June 30, 2014



Quarterly Excess Performance



As of June 30, 2014

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 June 30, 2014**

	Manager Ending Allocation (USD)	Index Ending Allocation (USD)
Top 6 Largest Countries		
Japan	13.7%	14.4%
France	12.5%	7.2%
Germany	10.8%	6.6%
Switzerland	9.5%	6.4%
United Kingdom	8.5%	15.3%
Hong Kong	6.0%	2.0%
Total-Top 6 Largest Countries	61.0%	52.0%
Totals		
Developed	81.4%	78.8%
Emerging*	16.8%	21.2%
Cash	1.8%	

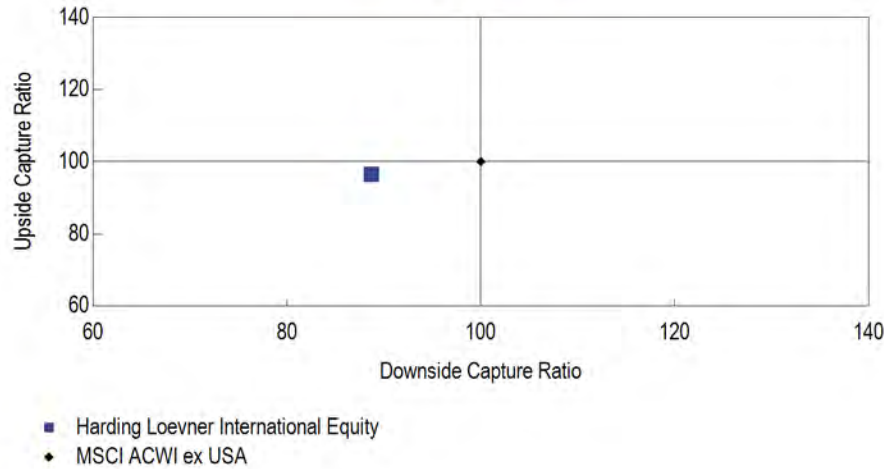
Portfolio Information

	Portfolio	MSCI ACWI ex USA
Number of Holdings	57	1,829
Weighted Avg. Market Cap. (\$B)	63.69	56.23
Median Market Cap. (\$B)	33.72	7.33
Price To Earnings	23.31	18.58
Price To Book	4.55	2.38
Price To Sales	3.56	1.97
Return on Equity (%)	21.04	14.44
Yield (%)	2.07	2.90
Beta	0.92	1.00

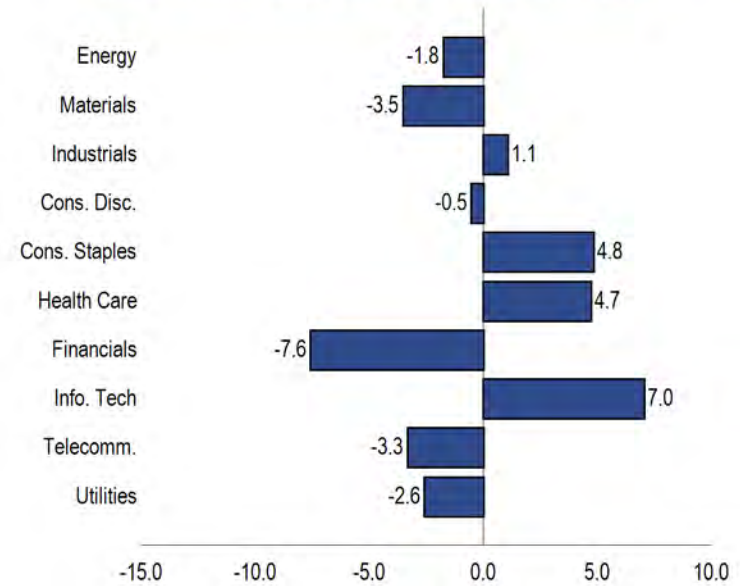
Top Ten Holdings

NESTLE SPN.ADR.REGD.SHS. ADR 1:1	3.9%
DASSAULT SYSTEMES	3.4%
WPP	3.2%
ROCHE HOLDING	3.1%
AIR LIQUIDE	3.1%
ITAU UNIBANCO BANCO HLDG.ADR 1:1	2.8%
ALLIANZ	2.8%
SCHLUMBERGER	2.7%
ICICI BK.ADR 1:2	2.7%
AIA GROUP	2.6%
Total For Top Ten Holdings	30.2%

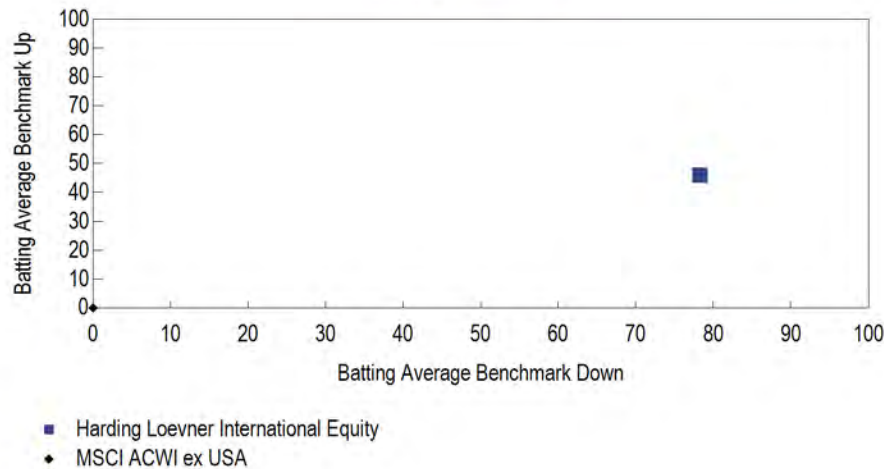
Upside Capture Ratio vs. Downside Capture Ratio
5 Years Ending June 30, 2014



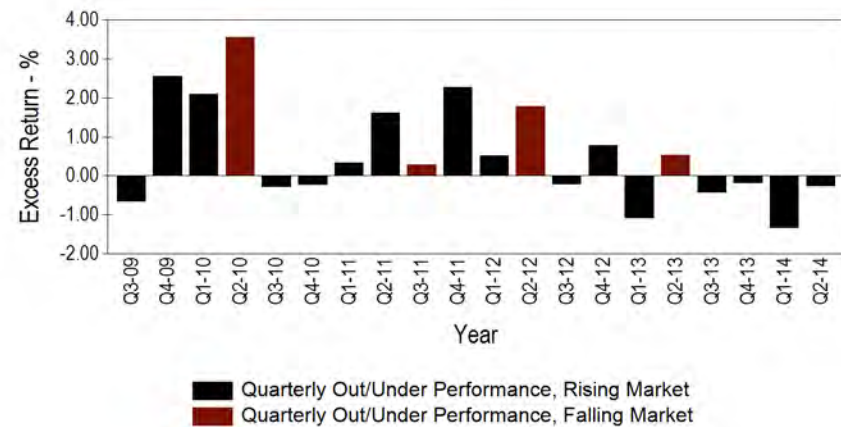
Sector Over/Under Allocation (%) vs MSCI ACWI ex USA



Batting Average Benchmark Up vs. Batting Average Benchmark Down
5 Years Ending June 30, 2014



Quarterly Excess Performance



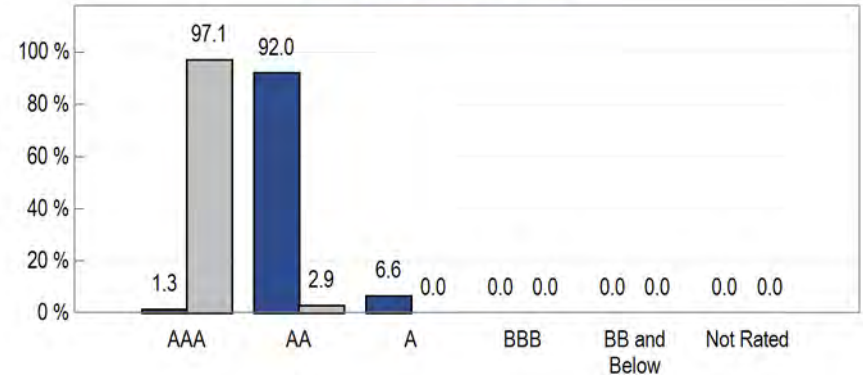
U.S. FIXED INCOME



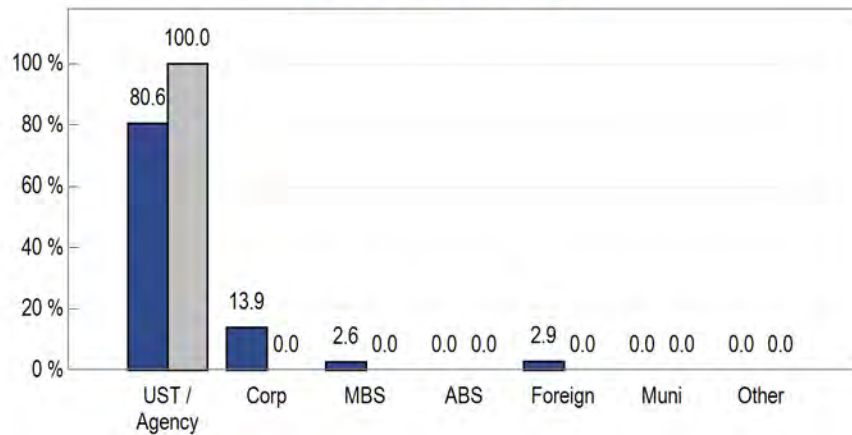
Manager Summary

- 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.

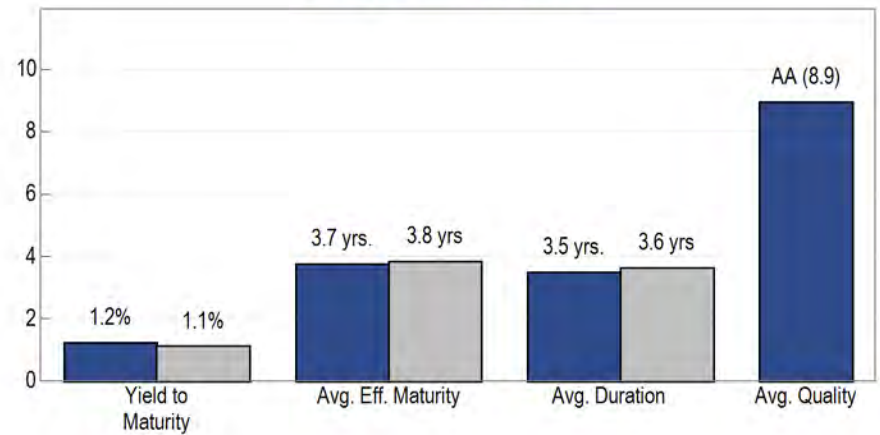
Quality Ratings
Wilmington Trust Fixed Income



Sectors
Wilmington Trust Fixed Income



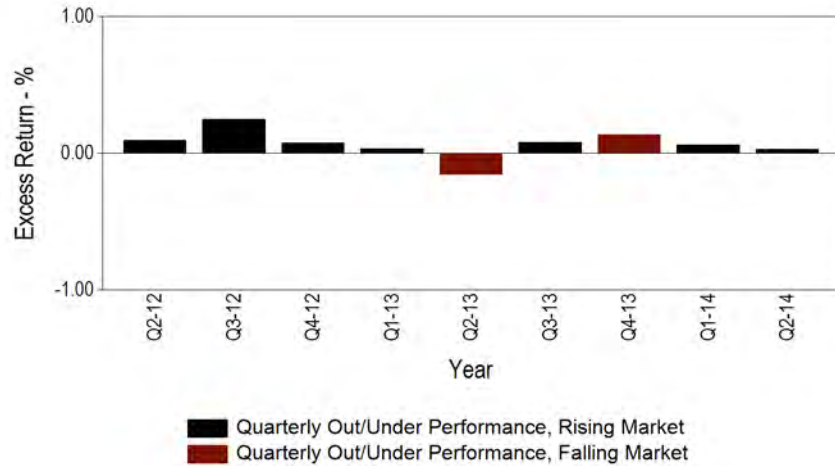
Characteristics
Wilmington Trust Fixed Income



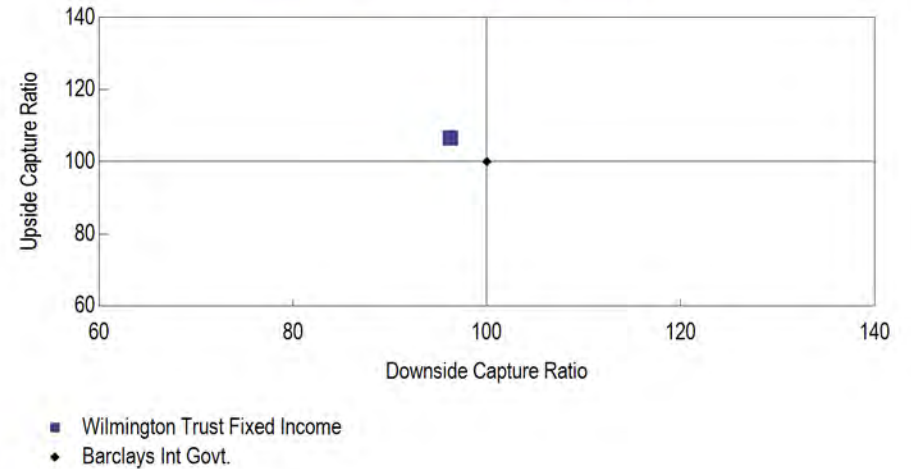
■ Wilmington Trust Fixed Income ■ Barclays Int Govt.

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

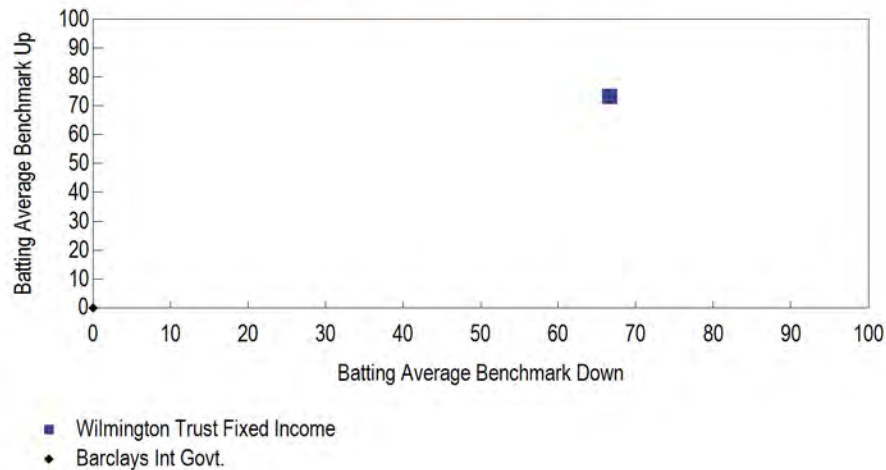
Quarterly Excess Performance



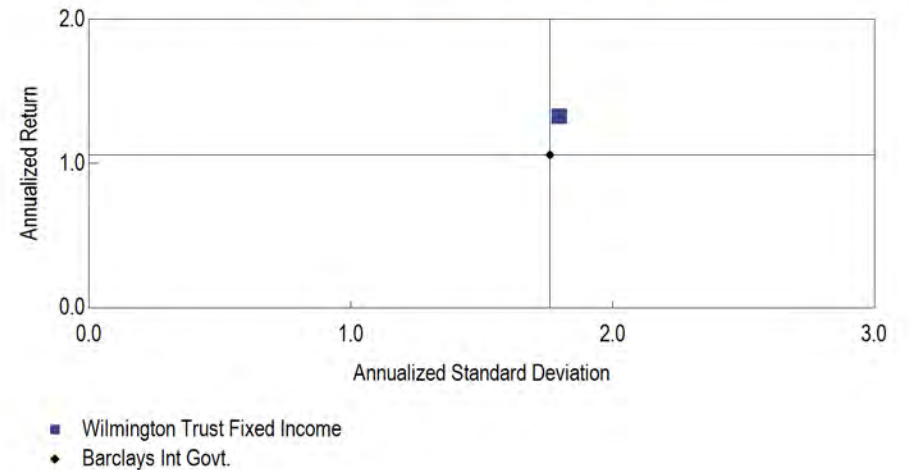
Upside Capture Ratio vs. Downside Capture Ratio
2 Years 3 Months Ending June 30, 2014



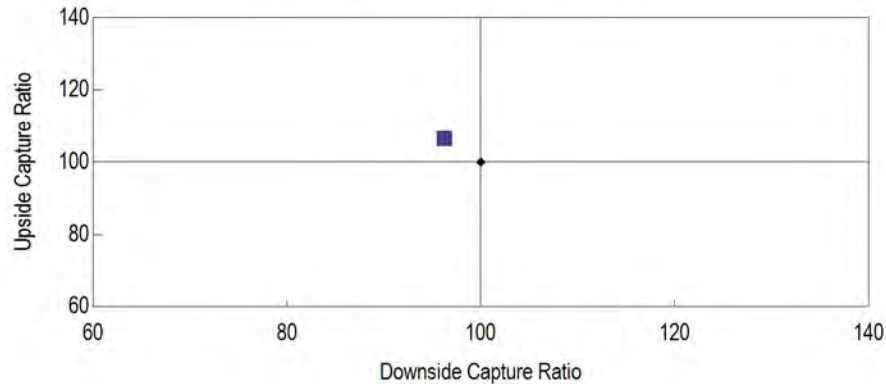
Batting Average Benchmark Up vs. Batting Average Benchmark Down
2 Years 3 Months Ending June 30, 2014



Annualized Return vs. Annualized Standard Deviation
2 Years 3 Months Ending June 30, 2014

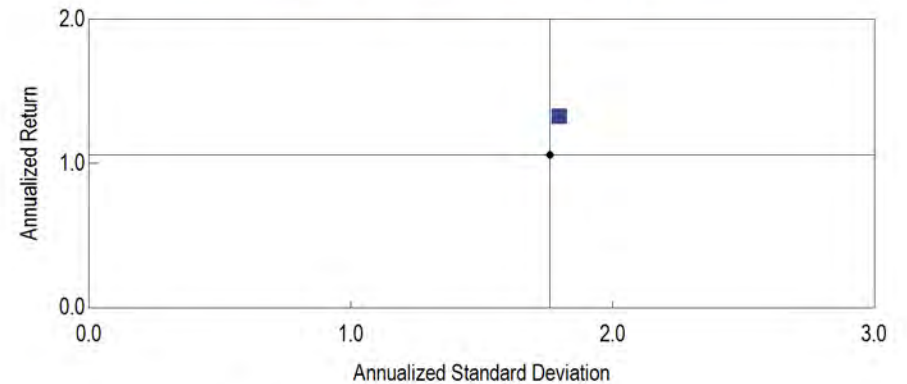


Upside Capture Ratio vs. Downside Capture Ratio
2 Years 3 Months Ending June 30, 2014



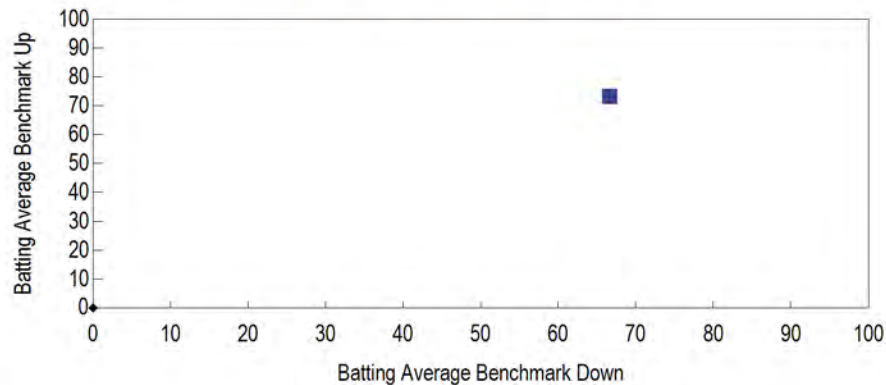
- Wilmington Trust Fixed Income
- ◆ Barclays Int Govt.

Annualized Return vs. Annualized Standard Deviation
2 Years 3 Months Ending June 30, 2014



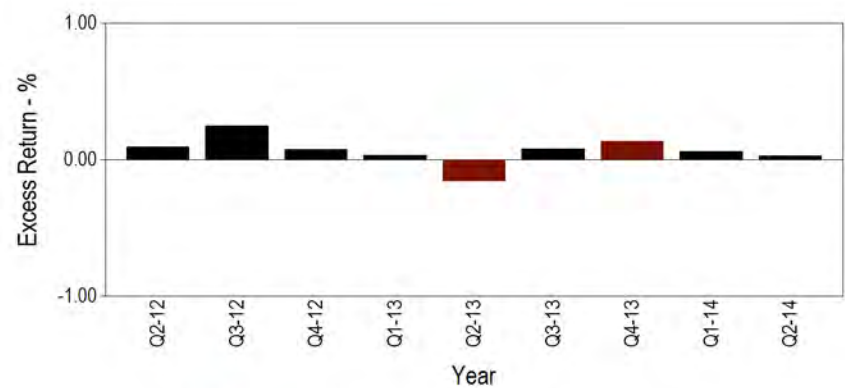
- Wilmington Trust Fixed Income
- ◆ Barclays Int Govt.

Batting Average Benchmark Up vs. Batting Average Benchmark Down
2 Years 3 Months Ending June 30, 2014



- Wilmington Trust Fixed Income
- ◆ Barclays Int Govt.

Quarterly Excess Performance



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

ADDENDUM

**SUSSEX COUNTY, DELAWARE EMPLOYEE OPEB PLAN
INVESTMENT POLICY STATEMENT**

**DATED DECEMBER 2010
(AMENDED APRIL 22, 2013)**

DOCUMENT CHANGES:

ASSET ALLOCATION.....PAGE 11

DECREASING FIXED INCOME TARGET FROM 40% TO 39%

INCREASING CASH TARGET FROM 0% TO 1%

INCREASING INTERNATIONAL EQUITY TARGET FROM 12% TO 14%

DECREASING DOMESTIC EQUITY TARGET FROM 48% TO 46%

**CHANGE INTERNATIONAL EQUITY BENCHMARK FROM MSCI EAFE
(NET) TO MSCI ACWI EX U.S. (NET)**

THE EFFECTIVE DATE OF THIS ADDENDUM IS SEPTEMBER 23, 2014

PRESIDENT OF COUNTY COUNCIL

DATE

SUSSEX COUNTY FINANCE DIRECTOR

DATE

INVESTMENT POLICY

Investment Policy delineates controls and the associated monitoring intended to enhance the likelihood of meeting Investment Objectives:

ASSET ALLOCATION

Asset class allocation, resulting in so-called asset mix, is intended to afford an appropriate approach toward Fund Investment Objectives while limiting investment risk by providing basic diversification. The percentages of asset classes delineated below provide a framework through which the Fund's investments may be adjusted to meet economic and/or investment market conditions while remaining centered on the allocation target deemed appropriate to the Fund's long-term Investment Objectives.

<u>Asset Class</u>	<u>Minimum %</u>	<u>Target %</u>	<u>Maximum %</u>	<u>Benchmark</u>
Domestic Equity	41	46	51	Russell 3000
International Equity	9	14	19	MSCI ACWI ex US (net)
Fixed Income	34	39	49	Barclay Intermediate Govt/Credit
Cash*	0	1	10	90-Day T-Bill

* Cash as an asset class excludes amounts budgeted to pay benefits in the current fiscal year.

In the event an Investment Manager invests in more than one asset class, for example, a balanced manager or global equity manager, the manager's allocation to each asset class will be attributed to that particular asset class. For example, if a global equity manager is allocated 10% of the *total fund* and invests 60% of their allocation in international equities, 60% of their allocations will be attributed to international equities and therefore, 6% of the *total fund* allocated to international equities, while the remaining 40% will be attributed to domestic equities and therefore 4% of the *total fund* allocated to domestic equities.

ALLOCATION MONITORING/REBALANCING

The Committee or its designee(s) shall review asset allocation quarterly to monitor Fund asset allocation targets. In the event that asset allocations fall moderately outside the ranges in the tables above, the appointed Custodian(s) and Investment Manager(s) may, in the Committee's discretion, be notified and instructed by the Committee to adjust cash flows to return the Fund to appropriate asset allocation levels. Should an allowable range be breached substantially, the Investment Manager(s) involved may be required by the Committee to adjust assets immediately, as determined by the Committee in its discretion. The Committee may consider a variety of factors in exercising its discretion, including but not limited to:

HAL GODWIN
DEPUTY COUNTY ADMINISTRATOR
(302) 854-5060 T
(302) 855-7749 F
hgodwin@sussexcountyde.gov



Sussex County
DELAWARE
sussexcountyde.gov

MEMORANDUM:

TO: Sussex County Council
The Honorable Michael A. 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: Hal Godwin
Deputy County Administrator

RE: **WETLANDS ADVISORY COMMITTEE UPDATE**

DATE: September 19, 2014

The “*bottom line*” is, the Committee recommends incentives to landowners that own Category 1 wetlands and no new regulations.

Eight recommendations were brought to a Committee vote. Three relate to creating a state freshwater regulatory program. Two are specific to Category 1 wetlands and one for all freshwater wetlands. All three of these recommendations failed to pass Committee vote. Five recommendations relate to voluntary landowner incentive actions. Two recommend consistent funding be provided to the Forestland Preservation Program, one of which specified \$200,000 annually. Two relate to updating the Conservation Tax Credit Program, one recommends that the availability and limits of tax credits be amended and expanded, the other amending the program to include Category 1 wetlands as conservation value, adjusting the individual maximum credit, and allowing transfer of tax credits to third parties. The last recommendation directs privately owned Category 1 wetlands be mapped by DNREC to increase participation in the Tax Credit Program, and other landowner incentive programs. All five of these recommendations passed Committee vote.

Incentive-based Proposals

A subcommittee forms focusing on landowner incentives to prioritize, develop, and present concepts for voluntary freshwater wetland conservation and restoration. The subcommittee

investigates incentive opportunities that focus on forested habitats that contain wetland complexes, especially those owned privately. The subcommittee presents and discusses three concepts to the Committee that leads to recommendations and votes:

Recommendation #4 - Does the Committee recommend that a consistent source of funding be provided for the purchase of forestland preservation easements in the Forestland Preservation Program established under Subchapter V, Chapter 9, Title 3, Delaware Code? This recommendation passes vote. (23 yes, 2 no, 3 not voting)

This recommendation was later amended to specify a yearly allocation of \$200,000 to the Forestland Preservation Program through separate allocation. This recommendation passes vote. (21 yes, 2 absent, 2 abstaining, 3 not voting) Senators Hocker and Venables abstained from voting due to conflict of interest due to their positions on the Bond Bill Committee.

Recommendation #5 - Does the Committee recommend that the availability and limits of tax credits covered under the Delaware Land and Historic Resources Protection Incentives Act of 1999 (subchapter 1, Chapter 18, Title 30 DelCode) be amended and expanded to create greater incentives to private landowners to protect and preserve freshwater wetland and adjacent natural resource areas?

This recommendation was later amended.

The Committee recommends that the existing Delaware Land and Historic Resources Protection Act of 1999 be amended and expanded as follows:

1. Category 1 freshwater wetlands and adjacent areas qualify and are identified as a conservation value for the Conservation Tax Credit Program.
2. The Tax Credit Program maintain:
 - A. The existing 40% of Fair Market Value limit;
 - i. Category 1 wetland 100% of Fair Market Value;
 - B. The existing 5-year carry forward period; and
 - C. The existing statewide cap of \$1,000,000 per year.
3. The Tax Credit Program be expanded to include:
 - A. An individual maximum credit from \$50,000 to \$100,000; and
 - B. The allowance of transfer of tax credits to third parties.

This recommendation passed vote. (20 yes, 4 absent, 1 abstaining, 3 not voting) Mr. Manus abstained due to potential conflict of interest.

Recommendation #8 – Category 1 wetlands should be verified with a map and an onsite visit, estimating one year to update maps on the 4,019 acres of privately owned Category 1 wetlands.

Recommendation:

1. DNREC prepare aerial maps of privately owned Category 1 wetlands that would be eligible for that tax credit.

2. DNREC meet with landowners and provide the aerial maps to landowners with information regarding the tax credit program.
3. DNREC allow landowners to seek the opportunity to verify the location on aerial maps based on Category 1 criteria.
4. DNREC verify the eligibility for the tax credit.
5. DNREC promotes the Tax Credit program.

This recommendation passes vote. (21 yes, 4 absent, 3 not voting)

The final report includes all of the work of the Wetlands Advisory Committee, plus many opposition statements from some members.

HG/nc

PUBLIC HEARING

Redden Ridge Area Annexation **West Rehoboth Expansion** **of the** **Dewey Beach Sanitary Sewer District**

- The public hearing is to consider annexing parcels of land into the West Rehoboth Expansion area.
- The proposed annexation area is south of Warrington Road, and west of Old Landing Road.
- The area is in Mr. Cole's Councilmatic District.
- A public hearing notice is included within this packet and the area proposed to added is shown crosshatched.
- The area includes the proposed Redden Ridge subdivision and 4 additional parcels.

RESOLUTION

A RESOLUTION TO EXTEND THE BOUNDARY OF THE WEST REHOBOTH EXPANSION OF THE DEWEY BEACH SANITARY SEWER DISTRICT (WRSSD) TO INCLUDE PARCELS OF LAND ALONG COUNTY ROADS (CR) 274 (OLD LANDING ROAD) AND 275 (WARRINGTON ROAD) SOUTHWEST OF THE CITY OF REHOBOTH BEACH, BEING IN LEWES & REHOBOTH HUNDRED, SUSSEX COUNTY, DELAWARE.

WHEREAS, Sussex County has established the West Rehoboth Expansion of the Dewey Beach Sanitary Sewer District (WRSSD); and

WHEREAS, in the best interests of the present district and to enhance the general health and welfare of that portion of Sussex County west and south of the WRSSD, which is contiguous to the WRSSD, the inclusion of this area will be beneficial; and

WHEREAS, in accordance with 9 Del.C., Section 6502 (a), the Sussex County Council may, upon request of the County Engineer, revise the boundary of an established sewer district when 50 or more houses have been connected by posting a public notice in four public places in the district describing the new or revised boundary; and

WHEREAS, the Sussex County Council has caused to be posted a public notice in at least four public places in the district, as verified by the affidavit of Rob Davis, a copy of which affidavit and public notice is attached hereto and made a part hereof; and

WHEREAS, in accordance with 9 Del.C., Section 6502 (b), the Sussex County Council shall, within thirty days after posting the public notices pass a formal resolution establishing the new boundary of the district;

NOW, THEREFORE,

BE IT RESOLVED the Sussex County Council hereby revises the boundary of the WRSSD to include parcels of land along CR 274 and 275, as follows:

BEGINNING at a point situate on the northerly right of way (ROW) of County Road 275 (Warrington Road), said point being approximately 550 feet west of the

intersection of Warrington Road and Old Landing Road and the southwesternmost corner of lands now or formally (N/F) of Robino-Sea Chase, LLC and a point along the WRSSD boundary line; thence following said WRSSD boundary the following directions and distances; southeasterly 285± feet, southwesterly 360± feet, southeasterly 295± feet, southerly 120± feet, northwesterly 310± feet, southwesterly 115± feet, southeasterly 318± feet, southerly 860± feet, northwesterly 1600± feet to a point, said point being the southwesternmost corner of lands N/F of JG Townsend Jr, thence following said lands of Townsend the following directions and distances; northeasterly 962± feet, southeasterly 92± feet, northeasterly 140± feet, southeasterly 478± feet, northeasterly 185± feet to a point, said point being a point on the southerly ROW of County Warrington Road.; thence crossing said ROW in a northerly direction 60± feet to a point, said point being on the southerly boundary of lands N/F of Hood Woods, LLC, thence following said ROW in a southeasterly direction 335± feet to a point, said point being that of the **BEGINNING**.

BE IT FURTHER RESOLVED that the Sussex County Council directs the County Engineer and the Attorney for the County Council to procure the necessary lands and right-of-way by purchase, agreement, or condemnation in accordance with the existing statutes; and

BE IT FURTHER RESOLVED that the County Engineer is hereby directed to prepare maps, plans, specifications, and estimates, let contracts for and supervise the construction and maintenance of, or enlarging and remodeling of, any and all structures required to provide for the safe disposal of sewage in the sanitary sewer district, as amended.

WEST REHOBOTH EXPANSION OF THE
DEWEY BEACH SANITARY SEWER DISTRICT
REDDEN RIDGE AREA ANNEXATION
AFFIDAVIT FOR PUBLIC HEARING

STATE OF DELAWARE)(:
COUNTY OF SUSSEX)(

BE IT REMEMBERED That the subscriber, ROB DAVIS, personally appeared before me and known to me personally to be such, who being by me duly sworn to law did depose and say as follows:

- A. On August 27, 2014 he was a Utility Planner for the Sussex County Engineering Department, Sussex County, State of Delaware, and
- B. On August 27, 2014 he did post the attached "Public Notice," prepared by the Sussex County Engineering Department, at the following locations:
 - 1. On community bulletin board, U.S. Post Office, Five Points Plaza, 1111 Highway One, Nassau, Delaware.
 - 2. On Conectiv pole 59519/07336, intersection of Savannah Road and Ritter Lane/Dove Drive, Lewes, Delaware.
 - 3. On Conectiv pole 58287/07197, intersection of County Road 265 and Edgewater Drive, Lewes, Delaware.
 - 4. On parcels of land being considered for the proposed extension of the West Rehoboth Expansion Area in four locations as follows:
 - a. On a stake on parcel 334-12.00-122.03 at a point along the parcel's frontage on Old Landing Road at a point approximately 245.0 feet southward from the south property line of parcel 334-12.00-122.02;
 - b. On a stake on parcel 334-12.00-121.02 near the parcel's southeasterly property corner;
 - c. On a utility pole on parcel 334-12.00-119 near the intersection of Pine Lane with Warrington Road;
 - d. On a stake on parcel 334-12.00-122.03 at a point along

the parcel's frontage on Warrington Road approximately 100.0 feet southeastward of the parcel's northwesterly property corner.

5. Given to town official for display in community bulletin case next to front entry door, Dewey Beach Town Hall, 105 Rodney Avenue, Dewey Beach, Delaware.
6. On bulletin board in Wawa Market, Route One and Wolfe Neck Road (County Road 270), Rehoboth Beach, Delaware.
7. On bulletin board, Wawa Food Market, Route One and Dartmouth Drive, Lewes, Delaware.


ROB DAVIS

SWORN TO AND SUBSCRIBED before me on this 2nd day of Sept. A.D., 2014.


NOTARY PUBLIC

Jayne E. Dickerson
Notary Public
Commission Expires 5/31/2015

My Commission Expires _____.

**NOTICE
PROPOSED ANNEXATION
TO THE WEST REHOBOTH EXPANSION OF THE
DEWEY BEACH SANITARY SEWER DISTRICT TO INCLUDE FIVE PARCELS OF LAND
LOCATED ALONG COUNTY ROAD 274 (OLD LANDING ROAD) AND COUNTY ROAD
275 (WARRINGTON ROAD)**

NOTICE IS HEREBY GIVEN that the Sussex County Council voted on July 15, 2014, to consider extending the boundary of the West Rehoboth Expansion of the Dewey Beach Sanitary Sewer District (WRSSD) to include five parcels of land located along **County Road 274 (Old Landing Road) and County Road 275 (Warrington Road)**, southwest of the City of Rehoboth Beach, being in Lewes & Rehoboth Hundred, Sussex County, Delaware, being tax map 334-12.00 parcels 122.03, 119.00, 122.00, 121.02 and 122.02. File number OM 9.13-AK.

This action is in conformity with 9 Del.C. §6502.

A description of the area, which is contiguous to and to be added to the WRE is described as follows:

BEGINNING at a point situate on the northerly right of way (ROW) of County Road 275 (Warrington Road), said point being approximately 550 feet west of the intersection of Warrington Road and Old Landing Road and the southwesternmost corner of lands now or formally (N/F) of Robino-Sea Chase, LLC and a point along the WRSSD boundary line; thence following said WRSSD boundary the following directions and distances; southeasterly 285± feet, southwesterly 360± feet, southeasterly 295± feet, southerly 120± feet, northwesterly 310± feet, southwesterly 115± feet, southeasterly 318± feet, southerly 860± feet, northwesterly 1600± feet to a point, said point being the southwesternmost corner of lands N/F of JG Townsend Jr, thence following said lands of Townsend the following directions and distances; northeasterly 962± feet, southeasterly 92± feet, northeasterly 140± feet, southeasterly 478± feet, northeasterly 185± feet to a point, said point being a point on the southerly ROW of County Warrington Road.; thence crossing said ROW in a northerly direction 60± feet to a point, said point being on the southerly boundary of lands N/F of Hood Woods, LLC, thence following said ROW in a southeasterly direction 335± feet to a point, said point being that of the **BEGINNING**.

The proposed expansion of the WRE is within these boundaries and said to contain 41.13 acres, more or less. The boundary description has been prepared using Sussex County Tax Map Number 334-12.00.

A map outlining and describing the extension to the WRE is attached. The area involved is crosshatched.

The public hearing will be held on this issue at **10.30 a.m. September 16, 2014** in the Sussex County Council Chambers, County Administrative Offices, 2 The Circle, Georgetown, Delaware. All interested persons, officials, residents, voters, taxpayers, property owners, or corporations in any way affected by this boundary extension are welcome to attend. There will be an opportunity for questions and answers. The Sussex County Council following the hearing, at one of their regularly scheduled meetings, will make the final decision on the boundary extension.

For further information, please call or write the Sussex County Engineering Department, 2 The Circle, Post Office Box 589, Georgetown, DE 19947 – (302) 855-7718.

Michael A. Izzo, P. E.
County Engineer

File: OM-9.13-AK

Redden Ridge Area Annexation

West Rehoboth Expansion of the
Dewey Beach Sanitary Sewer District



July 15, 2014



Annexation Area

WRXDBSSD



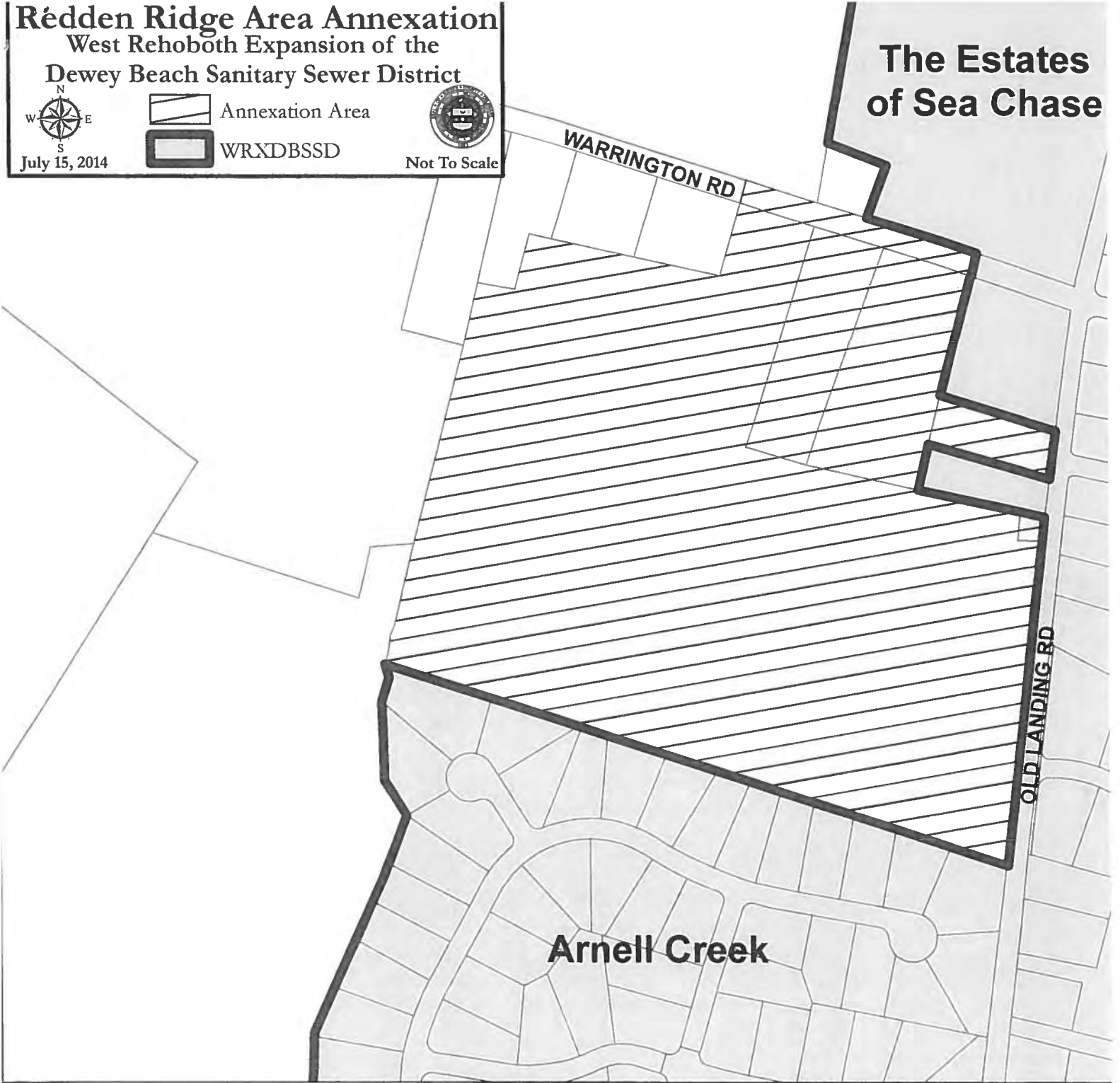
Not To Scale

**The Estates
of Sea Chase**

WARRINGTON RD

OLD LANDING RD

Arnell Creek



OLD BUSINESS

September 23, 2014

This is to certify that on February 13, 2014 the Sussex County Planning and Zoning Commission conducted a public hearing on the below listed application for Change of Zone.. At the conclusion of the public hearing, the Commission moved and passed that this application be forwarded to the Sussex County Council with the recommendation 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 hearing 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 hearing.

Change of Zone #1742 Seaside Communities RDC, LLC

Application of **SEASIDE COMMUNITIES RDC, LLC** to amend Comprehensive Zoning Map of Sussex County from an AR-1 Agricultural Residential District to MR-RPC Medium Density Residential – 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, land lying northeast corner of Route 24 (John J. Williams Highway) and Tanglewood Drive, a private street providing access to Briarwood Estates Subdivision (Tax Map I.D. 3-34-18.00-40.00).

The Commission found that the Applicants had provided an Exhibit Booklet on January 31, 2014 for consideration and that the Booklet contains a list of the project team; an Executive Summary; a project overview: including a boundary plat, topographic and non-tidal wetland survey; an overview of current site conditions; a site analysis; DeIDOT improvements; and a copy of the PLUS (Preliminary Land Use Service) Report; references to compliance with applicable regulations: a statement of compliance with County Zoning Regulations; a statement of compliance with Chapter 99, the Subdivision Ordinance; a statement of compliance with the 2008 Comprehensive Land Use Plan Update; and a statement of compliance with the Environmentally Sensitive Developing District Overlay Zone; a conclusion statement;

suggested/proposed Findings of Fact and Conditions of Approval; letters of support; and a series of maps, aerials, site plans, and photographs.

Mr. Lank advised the Commission that the file contains copies of Letters received from DelDOT dated December 6, 2013, December 18, 2013, and February 5, 2014.

Mr. Lank advised the Commission that the file also contains copies of the PLUS Report, dated August 21, 2013 and a copy of the Applicant's response to the PLUS Report, dated November 1, 2013.

Mr. Lank advised the Commission that the Department has requested that the Technical Advisory Committee agencies provide their written comments to the Department by March 20, 2014.

Mr. Lank advised the Commission that the County Engineering Department Utility Planning Division provided comments on February 10, 2014 referencing that the site is located in the Goslee Creek Planning Area; that wastewater capacity is available for the project; that Ordinance 38 compliance will be required; that the current System Connection Charge Rate is \$4,822.00 per EDU; that sewer service has not yet been extended to the Goslee Creek Planning Area, and that a connection point will be determined at a later date; that the project is capable of being annexed into the sewer district pending the completion of the Goslee Creek Planning Study; that conformity to the Goslee Creek Planning Study will be required; that the project is located in the Goslee Creek Planning Area for sewer service, and the County has undertaken a planning study to determine how service to the Planning Area will be provided; that the proposed project is included as a priority project in the Study, and a means for providing service will be included as a work item; that upon completion of the Study, the County Engineering Department expects to recommend a sewer district expansion to include the parcel; that the County requires design and construction of the collection and transmission system to meet County sewer standards and specifications; that the County Engineer must approve the connection point; that a sewer concept plan must be submitted for review and approval prior to design of the sewer system; that a checklist is provided for preparing concept plans; that one time system connection charges will apply; and that a concept plan is required.

Mr. Lank advised the Commission that the Applicants had Solutions Integrated Planning Engineering & Management, LLC (Solutions IPEM) forward Letters and Concept Renderings to Briarwood Estates Property Owners Association, Inc., Harts Landing Homeowners Association, the Lewes Fire Department, Inc., and the Cape Henlopen School District.

The Commission found that Paul Townsend, President, of J. G. Townsend Jr. & Co. Frozen Foods provided a letter in support of the application.

The Commission found that the Department received an email in opposition to this application from Steven Britz referencing that he opposes the application since traffic is frequently backed up along this stretch of Route 24; that the developers will be able to construct 75 dwelling units which will exacerbate an already bad situation; that approval for more homes is a privilege that must be weighed against the burden that will be imposed on the citizens of the County; that the

traffic situation must be remedied; that if developers want special consideration then they should pay for the improvements on Route 24, not the residents of the surrounding communities.

The Commission found that Gene Bayard, Esquire, of Morris James Wilson Halbrook & Bayard, LLP was present on behalf of the Applicants with Frank Kea, RLA, and Jason Palkewicz, P.E. of Solutions IPEM, and Ed Launey of Environmental Resources, Inc. and that they stated in their presentations and in response to questions raised by the Commission 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 design of the project does not disturb any wetlands, the Heidi 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 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 14 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; and that the

perimeter buffers will be maintained with at least a 20 foot wide landscaping as provided in the Subdivision Ordinance.

The Commission found that there were no parties present in support of the application.

The Commission found that Jeff Meredith, the owner/operator of Sussex Tree, a neighboring property owner, was present and questioned if berms and landscaping are planned to separate his property from the project, and added that he is not in opposition to the project, only concerned that he may get future complaints about his business that operates 5 to 6 days per week handling mulch and landscaping, which generates some equipment noise.

The Commission found that James Schneider, a resident of Hart's Landing, was present, not specifically in opposition but with some concerns. 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 the 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 traffic situations on Route 24; that Route 24 is a major road 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 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 Commission 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 Commission can't support this growth with infrastructure improvements that reduce safety risks and add to the taxpayers quality of life; that he recommends: that Route 24 be made a two lane road in each direction from the Love Creek Bridge to Route One and eliminate left turn lanes; put a traffic light at Mulberry Knoll Road with a jug handle or a cloverleaf at that location and at Plantation Road; that the school put its entrance to the new Elementary School on Mulberry Knoll Road and relocate its entrance to Beacon School onto Mulberry Knoll Road, not Route 24; and that the light at the current entrance to the Beacon Middle School be move to the entrance of Hart's Landing and Bookhammer Estates; and added that to continue growing the County and increasing the value in our area we must plan for the future and not look at things one at a time; and that we need a broader infrastructure plan that will meet the expected growth.

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

On February 13, 2014 there was a motion by Mr. Smith, seconded by Mr. Burton, and carried unanimously to defer action for further consideration and to leave the record open for Mr. Johnson's participation, if he so chooses, and for receipt of the T.A.C. (Technical Advisory Committee) comments. Motion carried 4 – 0.

On March 27, 2014 the Commission discussed this application under Old Business.

Mr. Robertson advised the Commission that action was deferred at the February 13, 2014 after the public hearing for receipt of the Technical Advisory Committee (TAC) comments.

Mr. Abbott advised the Commission that the TAC comments were mailed to the Commission on March 20, 2014.

Motion by Mr. Smith, seconded by Mr. Burton and carried unanimously to defer action for further consideration. Motion carried 5 – 0.

On April 10, 2014 the Commission discussed this application under Old Business.

Mr. Johnson stated that he was out of State during the original public hearing; that he has listened to the recording of the public hearing; and would like more time to review the file and record.

Motion by Mr. Ross, seconded by Mr. Smith and carried unanimously to defer action. Motion carried 5 – 0.

On May 22, 2014 the Commission discussed this application under Old Business.

Mr. Ross stated that he would move that the Commission recommend approval of C/Z #1742 for Seaside Communities, RDC, LLC, for a change in zone from AR-1 to MR/RPC based upon the information contained in the record and for the following reasons:

- 1) The proposed MR/RPC project meets the purpose of the Zoning Ordinance it that it promotes the orderly growth of the County because the proposed project is in a Development District as established by the Comprehensive Land Use Plan.
- 2) Under the current AR-1 Zoning with the cluster option, the site could be designed and developed to 81 lots. The developer is apparently seeking the MR/RPC zoning designation to accomplish a development of single family style condominium units. The RPC density should remain consistent with the prior density.
- 3) The development of this site at 81 units is consistent with the densities of surrounding RPCs and other developments, including Hart's Landing, Briarwood Estates, and the Retreat at Love Creek.
- 4) The project is within a Developing Area according to the Sussex County Comprehensive Land Use Plan.
- 5) Sewer service will be provided as part of a County operated Sanitary Sewer District, and adequate wastewater capacity is available for the project.
- 6) Central water will be provided to the project.

- 7) With the conditions placed upon this project, the RPC designation is appropriate for this parcel of land in that the purpose of an RPC is to encourage large scale development as a means to create superior living environments and the use of design ingenuity. This development, in a single family condominium format achieves this goal. The design also retains a great deal of open space and protects wetlands.
- 8) DeIDOT has performed a study of the area where this development is located and has determined specific road entrance and intersection improvements in the area, including additional lanes, intersection and roadway improvements, bus stops and other improvements. The developer will be required to contribute to the overall costs of the area roadway improvements in addition to actual roadway improvements along Route 24 near the development and its entrance. All of these improvements will be beneficial to Route 24.
- 9) This recommendation is subject to the following conditions:
 - A. The maximum number of residential units shall not exceed 81 units.
 - B. Site Plan review shall be required for each phase of development.
 - C. All entrance, intersection, interconnection, roadway and multi-modal improvements required by DeIDOT shall be completed by the Applicant in accordance with DeIDOT's requirements, or in accordance with any further modifications required by DeIDOT.
 - D. As proffered by the Applicant, recreational facilities and amenities shall be constructed and open to use by residents of the development within 2 years of the issuance of the first building permit. These recreational facilities shall include a tot lot, swimming pool, and bath house.
 - E. The development shall be served as part of the West Rehoboth Sanitary Sewer District in accordance with the Sussex County Engineering Department specifications and regulations.
 - F. The MR/RPC shall be served by a public central water system providing adequate drinking water and fire protection as required by applicable regulations.
 - G. Stormwater management and erosion and sediment control facilities shall be constructed in accordance with applicable State and County requirements. These facilities shall be operated in a manner that is consistent with Best Management Practices (BMPs). The Final Site Plan shall contain the approval of the Sussex Conservation District.
 - H. The interior street design shall be in accordance with or exceed Sussex County street design requirements and/or specifications. As proffered by the Applicant, the street design shall include sidewalks on both sides of the streets and street lighting.
 - I. The Applicant shall submit as part of the site plan review a landscape plan showing the proposed street and shrub landscape design.
 - J. Construction, site work, grading, and deliveries of construction materials, landscaping materials and fill on, off or to the property shall only occur from Monday through Saturday and only between the hours of 7:00 a.m. and 6:00 p.m.

- K. The Applicant shall cause to be formed a homeowners' or condominium association to be responsible for the maintenance of the streets, roads, buffers, open spaces, stormwater management facilities, and other common areas.
- L. Federal and State wetlands shall be maintained as non-disturbance areas, except where authorized by Federal or State permits. The wetland areas shall be clearly marked on the site with permanent markers.
- M. The Final Site Plan shall be subject to the review and approval of the Sussex County Planning and Zoning Commission.

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

ORDINANCE NO. ____

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 - no 911 address available)

WHEREAS, on the 8th day of November 2013, a zoning application, denominated Change of Zone No. 1742 was filed on behalf of Seaside Communities, RDC, LLC; 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. 1742 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,

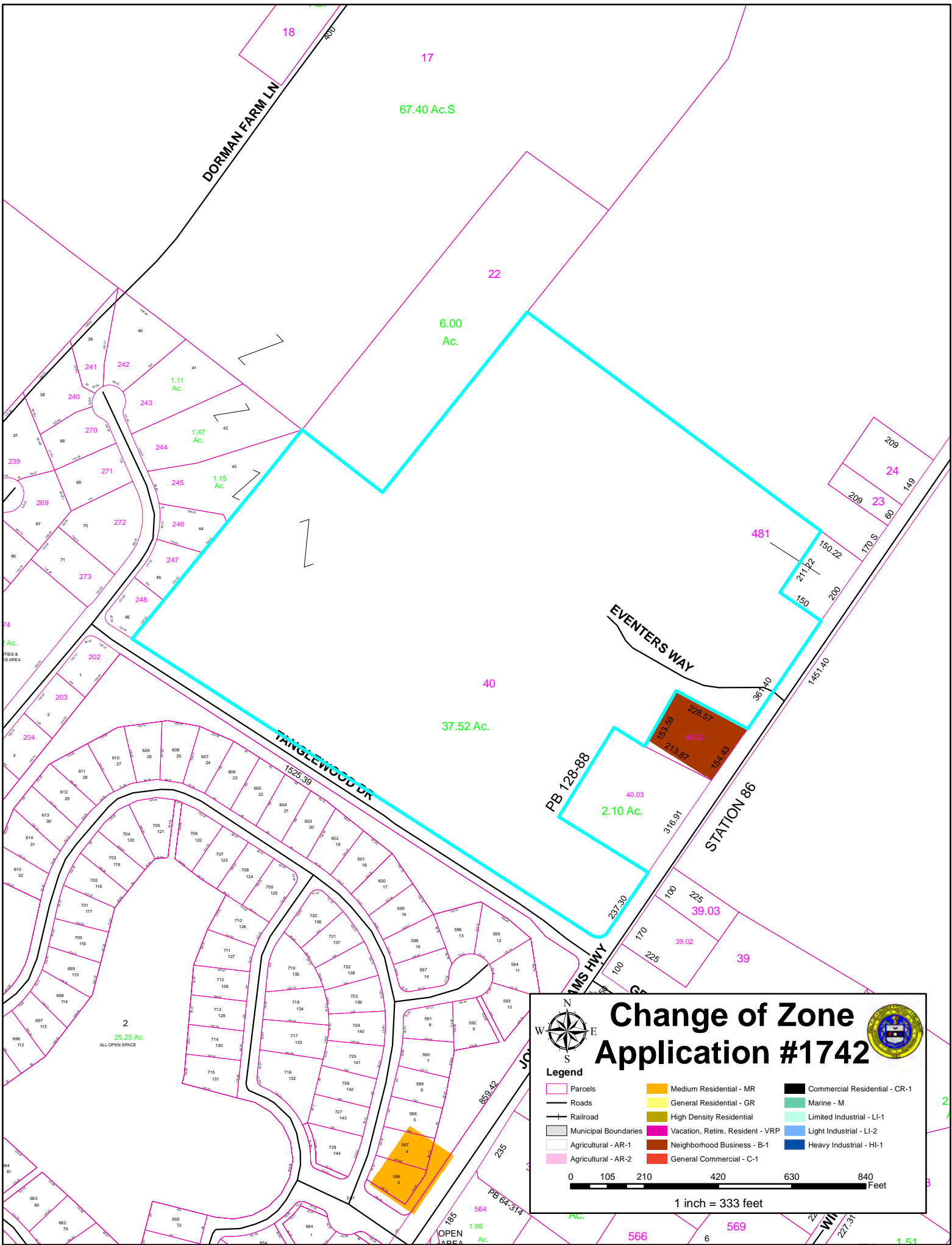
THE COUNTY OF SUSSEX HEREBY ORDAINS:

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 MR-RPC Medium Density Residential District – Residential Planned Community 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 Lewes and Rehoboth Hundred, Sussex County, Delaware, and lying at the northeast corner of Route 24 (John J. Williams Highway) and Tanglewood Drive, a private street providing access to Briarwood Estates Subdivision, and also being 0.6 mile southwest of Road 284 (Mulberry Knoll Road) and being more particularly described per the attached legal description prepared by Solutions IPEM, LLC.

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



DORMAN FARM LN

TANGLEWOOD DR

EVENTS WAY

STATION 86

PB 128-88

MMS HWY

Change of Zone Application #1742

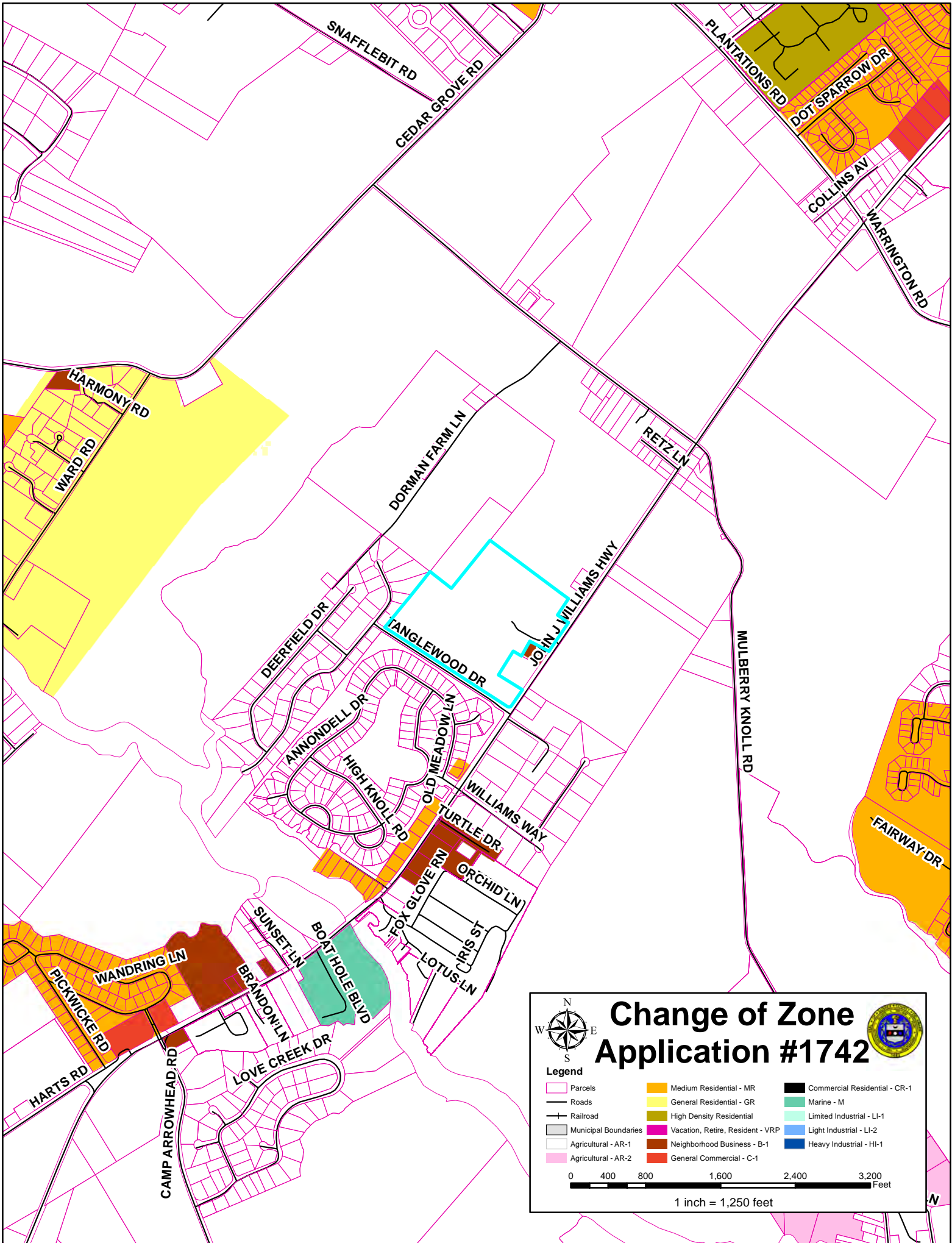


Legend

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

0 105 210 420 630 840 Feet

1 inch = 333 feet



SNAFFLEBIT RD

CEDAR GROVE RD

PLANTATIONS RD

DOT SPARROW DR

COLLINS AV

WARRINGTON RD

HARMONY RD

WARD RD

DORMAN FARM LN

RETZ LN

JOHN J WILLIAMS HWY

MULBERRY KNOLL RD

DEERFIELD DR

FANGLEWOOD DR

ANNONDELL DR

HIGH KNOLL RD

OLD MEADOW LN

TURTLE DR

ORCHID LN

LOTUS LN

FOX GLOVE RN

BOAT HOLE BLVD

SUNSET LN

BRANDON LN

LOVE CREEK DR

WANDRING LN

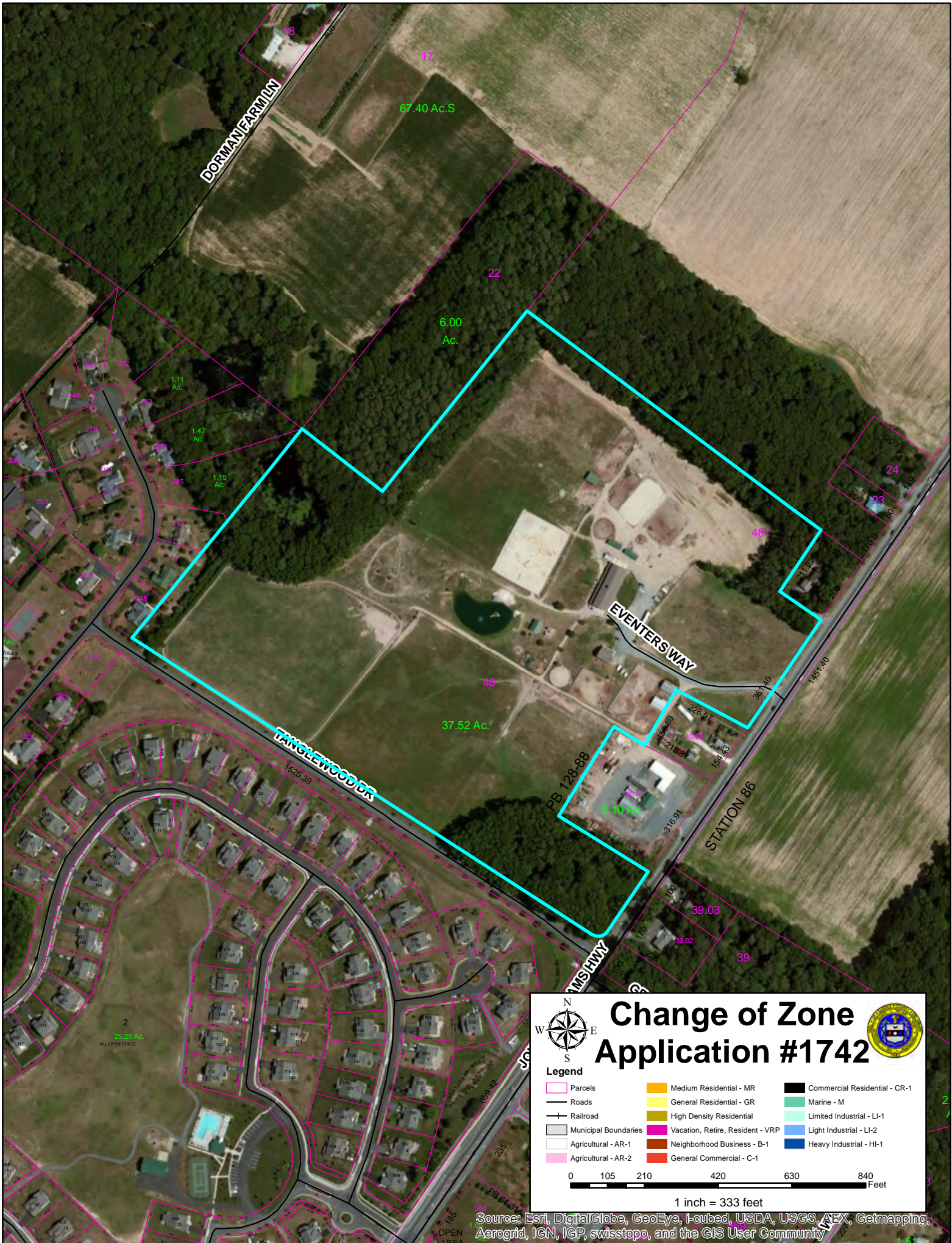
PICKWICKE RD

HARTS RD

CAMP ARROWHEAD RD

FAIRWAY DR





Change of Zone Application #1742

Legend

Parcels	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
Agricultural - AR-2	General Commercial - C-1	

1 inch = 333 feet

Source: Esri, DigitalGlobe, GeoEye, Earthstar, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community



PO Box 50
Rehoboth Beach, DE 19971
302.227.2772
Downtownrehoboth.com
info@downtownrehoboth.com

September 9, 2014

Dear Councilman Cole:

I wanted to write to you personally, since your previous donation of \$500.00 for the Rehoboth Beach firework display was so important to us! Each year, the fireworks boost tourism and many families choose Rehoboth for that holiday weekend because of our fireworks celebration. We couldn't do it without your support!

Rehoboth Beach Main Street (RBMS) will host our 19th annual spectacular fireworks show on **Saturday, JULY 4th** at approx. 9:15 PM on the beach. We dazzle the spectators with an awesome display. Over 80,000 people visit downtown Rehoboth each year for the big night. Fireworks funding comes **entirely** from generous citizens such as yourself.

We hope we can count on you again to help fund this annual family tradition. Since RBMS is a 501(c) 3 non-profit organization, all donations to the fireworks program are **100% tax deductible** to the full extent of the law. We will provide the same kind of publicity and newspaper coverage as we have in the past: all donors will be listed in the paper after the event. Major donors of \$1,000 or more will take a photo with our famous "big check" in the pre-event press.

Please contribute to the Rehoboth Beach firework show by sending your donation to Rehoboth Beach Main Street, PO Box 50, Rehoboth Beach, DE 19971 or now online at www.downtownrehoboth.com via PayPal for your convenience.

Your past donations have gone a long way toward making our fireworks programs such a wonderful success, and we look forward to continuing our collaboration.

Thank you



Kathy McGuinness

Fireworks Chair

Rehoboth Beach Main Street, Inc.





P.O. 413
Lewes, DE 19958
302 644 8050

August 2014

Dear Friend,

Again this year thousands of visitors have come to the Overfalls site to experience the virtual life of a lightship sailor. All are amazed to learn that a small group of hardworking people could turn a broken down old ship into a National Historic Landmark. Indeed, we are proud to be an icon for the Lewes community. Images of our ship appear in dozens of promotional advertisements and travel articles across the entire mid-Atlantic region. None of this would have been possible without the generous donations of time and money that friends like you have provided over the years that this vision was in the making.

This has been a year of bringing the multi-year Pilot House/Monomoy Boat project to closure. As a result, in June we inaugurated the American Lightship Museum in the restored pilot house from the historic Lewes fishing boat *Stephanie Anne*. The Monomoy boat, once in derelict condition, is in the last stages of restoration. Look for her this Christmas in the grand boat shed constructed for us by Schell Bros. By spring we hope to begin interactive use of this historic lifeboat for rowing activities involving our local youth. Later this fall the entire area will experience improved walkways, further enhancing the accessibility of our site.

Thanks to all of the volunteer help, we have managed to move forward on our limited budget. Still costs continue to rise and the ship needs to be preserved. Even though the ship looks great with her fresh paint this year, we are already planning her future trip to the shipyard for hull maintenance which will be very expensive. We raise the needed money through annual giving, membership dues and special events.

At this time we are asking our members and friends for support, as well as reaching out into the community. We hope you will consider a gift to the Overfalls Foundation at this time, thus maintaining this historic vessel for generations to come...every dollar makes a difference.

Very truly yours,

John and Evelyn Kyritsis
Co-Chairmen, Overfalls Annual Giving Campaign



Delmarva Clergy United in Social Action Foundation

*Bishop M. Foster
President/CEO*

*Elder Brian Adams
Chief Operating Officer*

*Zabrina Gibbs
Secretary*

*Dr. Aaron Green
Board Member*

*Harold Truxon
Board Member*

*Elder William Downing
Board Member*

*Juanita Gill
Fundraiser*

*Sharon Austin
Board Member*

*Pattie Hinton
Board Member*

*Leon Bailey
Board Member*

*Vanessa Hinton
Board Member*

*Sandra Green
Board Member*

*Grace Young
Board Member*

August 23, 2014

Attention: Joan Deaver
Sussex County Council
2 The Circle
P.O. Box 589
Georgetown, DE 19947

Re: After School Program

Proposal: Background information and description of organization's activities

Background Information

Delmarva Clergy United in Social Action, Foundation (DCUSA) is a group of people from all ages and religious affiliations that strive to develop and cultivate the human potential of self-esteem and dignity for all people. We practice the principles of love, caring inclusiveness, justice and peace to enhance the emotional physical and social well being of individuals and families in our communities.

Since 1986, DCUSA has provided a means for residents in local low-income communities to move from dependence towards independence. For over a decade DCUSA has provided services to single adolescent parents, youth at risk for negative life outcomes, pregnancy, disease, crime, poverty and those who are education deprived. DCUSA is a catalyst in which persons in the community will be able to acquire their education and everyday life skills from our programs.

The mission of Delmarva Clergy United in Social Action, Foundation is:

- * To improve self-esteem in the community.
- * To decrease illiteracy.
- * To help decrease child abuse.
- * To increase the knowledge and technology skills.
- * To decrease juvenile crime, alcohol and drugs within the area.
- * To curtail those individuals who are low-income and disadvantaged to improve or enhance their lives.

Delmarva Clergy United in Social Action Foundation

Organization Activities

DCUSA offers a variety of Programs whose sole purpose is to fulfill the mission and vision statements of the organization. Brief descriptions of programs offered in which DCUSA provides for low to moderate income community members are detailed as follows. Each program assures that its clients are educated in accordance to their specific need.

The DCUSA Recreation Center seeks to build stronger communities and to meet the needs of parents and their children in the greater Ellendale, DE, (Sussex County), area. The Center will prove to be a safe haven that provides engaging and educational supervised activities for area youth. Also, tutors and health professionals will be available to address any scholastic or health issues participants may encounter.

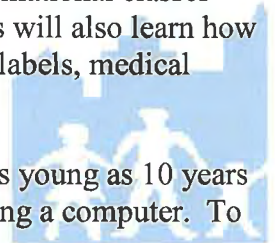
The Summer Youth Program recruits youth at risk & low-income youth between the ages of 14 through 21 allowing participants the opportunities to experience real time employment experiences. Youth are assigned to a wide range of work sites to benefit from training and job seeking, performing assigned job tasks and retaining employment. Our main focus is keeping youth off of the streets and giving them something positive to do during the summer months. This program assures success in all areas such as: work readiness (prepare for the initial interview, how to write a professional resume, the proper way to dress, professionalism on the job, etc...) and hands on the job training.

The Philadelphia Shelter Home helps individuals regain control over the current crisis in their lives while providing a safe and stable living environment. The staff offers training for independent living and money management skills. Residents also receive assistance with navigating through the often tedious process of qualifying and receiving state and federal benefits such as food stamps and/or subsidized housing.

The Hand In Hand Childcare Center services children between the ages of 6 weeks to 12 years of age. The Center takes a holistic approach to enrich the quality of family life by providing peace of mind to parents and by enhancing the life experiences of the children in our care. To enhance our students education (future and present), the center uses the nationally recognized creative curriculum.

The free **English as a Second Language, Adult Basic Education and GED and high school diploma courses** focuses on developing adults life skills so they may become productive members of society. This educational program offers informational classes and/or individualized tutoring based on a student's needs. Participants will also learn how to balance a checkbook, complete job applications, read menus, food labels, medical information and books to their children.

The Computer World Program is designed to educate/train youth as young as 10 years of age and up on the basic fundamental skills of the proper way in using a computer. To



13726 South Old State Road, Ellendale, DE 19941
302-422-2350 (Office) 302-422-6848 (Fax)
info@dcusafoundation.org
EIN: 22-5330018

Delmarva Clergy United in Social Action Foundation

elaborate on some of the things our students become knowledgeable in is: Mouse, modem and keyboard basics, basics of files and folders, computer dictionary, basics of menus, buttons and windows, basics of working with written text documents, how to avoid 5 common & costly computer mistakes. Followed by a mini-course on learning to type. We also train our students on the entire Microsoft office suite and show them how to properly use the internet to job seek, do research and be safe while doing so.

The After School Program is designed to assist with providing education after-school for children that struggle with reading, writing or math skills. This program is designed to serve youth ages 6-18 years of age. In addition to educating the youth in these basic areas, the curriculum is designed to incorporate age appropriate trainings in financial literacy as well. The youth will learn how to make, manage and save money. They will learn the importance of investing money (turning it into more money), and how they can go about donating to help others.

The Teen Crisis Program consists of 35 at risk teens who will benefit from the program's goals of promoting healthy behavior and lifestyles within themselves. A variety of services are provided including counseling, awareness about drugs and alcohol, tools for responding to peer pressure and building positive relationships with their parents.

The Philadelphia Arms Town Homes, Inc. are housing units for low-income poverty stricken families who are offered the opportunity of home ownership at an affordable price. These homes are a place where families can grow, heal and prosper.

The DCUSA Food Program helps those in need of nutritious meals and food which is provide at no charge for program recipients. Classes are offered in meal preparation and household budgeting specifically emphasizing the importance of budgeting for food and other household supplies. The Soup Kitchen is open to the public on Mondays, Wednesdays and Fridays and on an emergency basis as needed.

The Griffin Place Program provides educational training, safe and stable housing and life skill resources for young adult males between the ages of 18 through 21 years old have exhausted foster care services.

The Health Development and Crisis Center Program (HDCC) provides educational and residential services to at risk pregnant teens and teens pregnant as a result of abuse. The HDCC will provide counseling and aftercare services to ensure that resident mothers will become nurturing parents and independent mothers in society.

In School Youth Program (HYRE) serves low income at risk youth/seniors in high school. This program objective is to assure that these seniors graduate with a high school diploma or an equivalent degree and is enrolled in college or placed in employment part time or full time. The employment must be maintained for at least 6 months before youth has exit the program. Once the youth has exit the program they go through 12 month



13726 South Old State Road, Ellendale, DE 19941
302-422-2350 (Office) 302-422-6848 (Fax)
info@dcusafoundation.org
EIN: 22-5330018



Delmarva Clergy United in Social Action Foundation

post exit follow up process. Each youth receives some type of credential training as well to assure success in the program.

The Dolls Tea Party our latest program for girls ages 6-8 (the purpose of this program is to help the girls academically, with hygiene and obesity. We have expanded as the need has grown in an attempt to meet the diverse needs of those who seek our assistance; however, as we are a non-profit organization, receiving funding to cover these programs is always a challenge.

These programs have allowed DCUSA's staff the needed tools to manage the financial and administrative aspects of each program effectively. By utilizing these skills the programs are sustainable resulting in several community members receiving services.

On behalf of the Board of Directors and Staff, I respectfully submit this request for funding in the amount of **\$1,000.00** in support of our many Educational programs that DCUSA offers to the community (current focus: Griffins Place and After School Program).

Sincerely,



Helena Gibbs
Executive Director



Dr. Bishop Major Foster
President/CEO





September 10, 2014

Sussex County Council
P.O. Box 589
Georgetown, DE 19947

Dear Michael Vincent:

I am writing to you on behalf of the Bayside Breeze U14 Fastpitch Softball Team. Our team is comprised of young ladies who live throughout Sussex County, Kent County and some are from Maryland. We are a very competitive team and enjoy competing in tournaments ranging from \$450 to \$500 for each tournament. I am writing to you to ask if you would like to help sponsor our team. Any amount that you could give me will be greatly appreciated.

The Bayside Breeze organization is a 501C3 youth non-profit organization using softball as an avenue to create good citizens and build character and teamwork for the youth. Our EI# is 45-4597498.

Sincerely,

A handwritten signature in black ink that reads "Scott Gray". The signature is written in a cursive style with a long, sweeping underline.

Scott Gray, Manager
26480 Old Carriage Road
Seaford, DE 19973

841-4550



*Community
Foundation*
America's Local Giving Authority

Sussex County Council
PO Box 589, 2 The Circle
Georgetown, DE 19947



P.O. Box 103, Delmar, DE. 19940

501 C-(3) Tax Exempt Organization, #16-1697546

Dear Sam Wilson,

The Mason Dixon Woodworkers is very appreciative of you past support to our annual charitable outreach program of making toys for needy children.

Our dedicated toy makers have been turning out toys for almost 2 decades and are on target for finishing up another 1300 toys for distribution to the organizations listed on the next page. These organizations will in turn be redistributing the toys to children who might not otherwise receive toys for Christmas.

This year our production costs have remained low at about \$6.00 per toy. The finished products are quite nice and have an average retail value of at least \$25 each. We calculate the total value of the 1300 toys produced this year to be at least \$32,500. We are able to maintain this low cost and good value because of our volunteer staff of wood workers, donated material, and careful shopping. You can view some of our toys at masondixonwoodworkers.org and look under Community service.

We are hopeful that you will be able to help us again this year by contributing to our fund raising effort for 2014/2015. We have already started buying and accumulating material and supplies for 2015.

Several of our corporate sponsors, over the past several years have made tax deductible contributions of \$200 to \$1,000 in support of our program. A tax deductible donation of \$500 is sufficient for us to produce approximately 83 toys with a value of approximately \$2075. Of course, a donation of any amount would be greatly appreciated, not only by our organization, but by the many children on the lower shore area that receive the toys.

Donations made by check should be made payable to the **Mason Dixon Woodworkers** and forwarded in the enclosed envelope.

Sincerely,

Patrick Lemley, Chairman, Fund raising
Phone -- 410 742 3863/ e-mail -- dplemley@gmail.com

Ltr.eb&org



Organizations that receive our toys for distribution in 2013

1. Adopt A Family, Milford, DE
2. Baptist Toy Ministry, Salisbury, MD
3. Beacon of Light Community Svc, Salisbury, MD
4. Christ United Methodist Church, Salisbury, MD
5. Countryside Christian Church, Federalsburg, MD
6. DAPI, Seaford, DE
7. Delmar Elementary School, Delmar, MD
8. Elks Lodge #2926, Seaford, DE
9. First Baptist Church, Delmar, MD
10. Fraternal Order of Eagles, Salisbury, MD
11. Georgetown State Services Center, Georgetown, DE
12. Grace Methodist Church, Georgetown, DE
13. Grace Methodist Church, Georgetown, DE
14. Hebron U.M. Church, Hebron, MD
15. Joseph House, Salisbury, MD
16. Longneck U.M. Church, Millsboro, DE
17. Love, Inc, Seaford, DE
18. Lutheran Church Bible School, Seaford, DE
19. Miracle Revival Center, Seaford, DE
20. Nanticoke Hospital, Seaford, DE
21. Salisbury Urban Industries, Salisbury, MD
22. Salvation Army, Salisbury, MD
23. Salvation Army, Seaford, DE
24. Save Our Kids, Salisbury, MD
25. The Journey, Millsboro, DE
26. Tony Tank Tribe #149, Fruitland, MD
27. UM United Methodist Church, Pittsville, MD
28. Union U.M. Church, Bridgeville, DE
29. Village of Hope, Salisbury, MD
30. Westside Community Center, Bivalve, MD
31. Zoar U.M. Church, Millsboro, DE

August 19, 2014

The Godwin School
28499 Conaway Road
Georgetown, DE 19947

Sussex County Council
Attn: Vance Phillips
2 The Circle
P.O. Box 589
Georgetown, DE 19947

The Godwin School located on Route 20 in Millsboro is requesting a state grant to help with the yearly expenses of the school.

Our school is a historic landmark and is a source of pride for the Millsboro and Georgetown communities as well as tourists that visit Delaware. We also enjoy and encourage schools to share the knowledge of one-room schools of yesteryears.

This grant money will be used for necessary maintenance such as painting, shingle and shutter replacement, as well as power washing. In addition, this money will contribute to Open House projects and other needed expenses deemed important to the Godwin Committee.

We appreciate your consideration of our request and if accepted can be forwarded to:

Margaret Mitchell, President
28499 Conaway Road
Georgetown, DE 19947

This grant money will then be turned over to William Pusey, a certified public accountant and the treasurer of the Godwin School finances.

Sincerely,



Margaret Mitchell, President