Delaware Public Employees' Retirement System
County & Municipal Police/Firefighters Pension Plan

Retirement Planning

Presented by the State of Delaware Office of Pensions

SERVING THOSE WHO SERVE DELAWARE
1971- 2021

This Photo by Unknown Author is licensed under CC BY-NC-ND

Current Statistics *(as of 6/30/21)*

- 38,048 Retirees (including terminated vested) from all nine plans
  - 377 from CM Police/Firefighters' Pension Plan

- 45,242 Active Members in all nine plans
  - 1,284 in CM Police/Firefighters' Pension Plan

- Over $14.6 billion in the Delaware Public Employees' Retirement System (8 pension plans, 1 length of service award plan, 3 post-retirement trusts, 1 investment pool made of three entities)
  - Assets of $626 million in CM Police/Firefighters' Pension Plan
  - 128.2% funding ratio for CM Police/Firefighters' Pension Plan

Pension Contributions

- Member Contributions
  - 7% of base pay

- Employer Contributions
  - FY 2023 – 11.34%

Retirement Eligibility – Service Pension

- 20 years of credited service
- 5 consecutive years of credited service and retired under provisions of §8811 mandatory retirement established by employer
- Age plus credited service (but not less than 10 years) equals 75
- Age 62 with 5 consecutive years of credited service

Retirement Eligibility – Vested Pension

- Must have 5 consecutive years of credited service
- Pension is effective first of the month following 62nd birthday

Unified Pension

May combine service in the following Pension Plans with service in the County & Municipal Police & Firefighters Plan, provided not collecting a monthly pension from them.

- County & Municipal General Employees'
- State Employees'
- New State Police

Amount of Service Pension

- Service up to and including 20 years
  - Multiplied by 2.5% of final average monthly compensation

- Service above and beyond 20 years
  - Multiplied by 3.5% of final average monthly compensation

Final average monthly compensation: The monthly average of the highest 36 consecutive months of compensation (excluding overtime and special pay for extra duties)

Disability Pension Eligibility

- Duty Connected – Immediate
  - A disability resulting from an act which would normally occur only while employed as a police officer (e.g. high-speed chase, effecting an arrest, pursuing a suspect, patrolling [criminal or traffic], etc.)

- Non-Duty Connected – 5 years credited service

- Condition expected to last for at least 12 months

Amount of Disability Pension - Duty

- Total - 75% of final average monthly compensation plus 10% for each eligible dependent not to exceed 25% for dependents

- Partial - calculated the same as Service Pension subject to minimum 50% of final average monthly compensation

Amount of Disability Pension – Non-Duty

- Total - calculated the same as Service Pension subject to minimum 50% of final average monthly compensation plus 5% for each eligible dependent not to exceed 20% for dependents

- Partial - calculated the same as Service Pension subject to a minimum of 30% of final average monthly compensation

Buy-In Options Upon Retirement

- Actuarial – Full-time Uniformed Police Service

- Can be used to establish eligibility

*Buy-in option must be approved and/or verified by the Office of Pensions prior to retirement

Who is an Eligible Survivor?

A survivor is a person eligible to receive a monthly pension at the time of the active member or pensioner's death

- Spouse
- Child/children under age 18, unmarried, and if between the ages of 18 and 22, a full-time student
- Child permanently disabled as a result of a disability that began before the child attained age 18
- Dependent parents

Amount of Survivor Pension

- Death of an active member = 75% of the service pension the member would have been eligible to receive
- Death of an active member in the line of duty = 75% of the member's monthly average compensation
- Death of a retired member = 50%, 66.67%, 75%, or 100% of service or disability pension according to election at time of retirement

Who is a Beneficiary?

- A *beneficiary* is named on the Member Actuarial Information form or the Contributory Designation/Change of Beneficiary form and receives a lump sum distribution of the balance of member paid pension contributions, plus interest, in the event there is no eligible survivor at the time of the member's death.

Calculating Your Estimated Monthly Pension

Visit www.delawarepensions.com

Calculating Your Estimated Monthly Pension

Benefits Calculator

Select an option below:

- State Employees Pension Calculator
- Correctional/Specified Peace Officer Pension Calculator
- New State Police Pension Calculator
- Revised Judicial Pension Calculator
- Diamond State Port Corporation
- Delaware Volunteer Firemen Pension Calculator
- County and Municipal (General)
- County and Municipal (Police/Firefighter)
- Tax Withholdings (Federal and State)

Estimated Credited Service

County Municipal (Police/Firefighter) Calculator

1 ESTIMATED CREDITED SERVICE

Compute your estimated monthly pension:
Your pension amount is primarily based on your years of credited service and your Final Average Compensation*.

Amount of Ordinary Service Compensation:
Your *monthly pension* is the sum of 2.5% of your Final Average Compensation multiplied by up to 20 years of credited service under the County Municipal (Police/Firefighter) Plan inclusive, **plus** 3.5% of your Final Average Compensation multiplied by all years of service exceeding 20 under the County Municipal (Police/Firefighter) Plan.

Helpful Hint:
Do not use commas in the combined highest 3 year compensation field. For example, type 100000 instead of 100,000.

mini-calculator

1	2	3	+
4	5	6	-
7	8	9	x
c	0	=	/

Click '=' will auto-fill Compensation Amount

Please choose the nearest month or decimal in accordance with your State of Delaware service.

Enter your credited service up to and including 20 years: Years 20 **Months** 0.0 months = .0000

Enter the additional credited service above and beyond 20. Years 5 **Months** 0.0 months = .0000

***COMBINED* HIGHEST 3 YEAR COMPENSATION: $** 169738.77

Monthly Estimated Pension

2 YOUR MONTHLY EARNINGS PENSION INFORMATION

CALCULATIONS ARE ESTIMATED

		$	$	$	$
Monthly Final Average Earnings	4714.97	3182.60	3118.95	3087.12	2991.65
Calculation factor (Average Monthly Compensation x 2.5%) for your first 20 years of credited service	117.87	**estimated** monthly pension if electing **50%** survivor option.	**estimated** monthly pension if electing **66.67%** survivor option.	**estimated** monthly pension if electing **75%** survivor option.	**estimated** monthly pension if electing **100%** survivor option.
Calculation factor (Average Monthly Compensation x 3.5%) for your first years of credited service beyond 20	165.02				
Credited number years of service 20 years or below	20.0000				
Credited number years of service above and beyond 20	5.0000				

* Your Final Average Compensation shall mean 1/36 of the compensation paid to an employee during any period of 36 consecutive months for services rendered during those 36 months, in the years of credited service in which the compensation was highest. The pension is calculated based on the highest 36 consecutive months.

Actuarial Buy In

IF ACTUARIAL BUY-IN (1 year Buy-in amount)...

Select Age at Retirement- then click 'COMPUTE'

50

Calculate with After Years of Service
(Select before clicking COMPUTE)

Monthly pension Increased by buy-in option:	$ 165.02
Buy-in Cost:	$ 24753.57
Recoupment Period (No. of Years):	12.5000

$	$	$	$
3347.63	3280.67	3247.20	3146.77
Estimated monthly pension if electing **50%** survivor option with buy-in	**Estimated** monthly pension if electing **66.67%** survivor option with buy-in	**Estimated** monthly pension if electing **75%** survivor option with buy-in	**Estimated** monthly pension if electing **100%** survivor option with buy-in

COMPUTE CLEAR

Print a complete Estimate Summary based on the data input.

Health Insurance

- Eligible to participate in the group health insurance plans offered by the State of Delaware
- An offset to the member's cost of healthcare for retirements effective on or after 7/1/2015
- A member eligible for a vested pension in another plan OR receiving a pension in another plan may be eligible for a portion of the State Share paid by the State

Health Insurance

- All plans are coupled with prescription plan coverage
  - Changes in coverage once a year during open enrollment in May, changes are effective July 1st
  - Medicare–eligible members' open enrollment period occurs in October; changes effective January 1st

- Life Changing Event – changes must be done within 30 days of the event

Medicare Coverage

- Medicare Part A and Part B enrollment is required for all pensioners and their eligible insured dependents when they attain Medicare eligibility either due to disability or age 65.
- Medicare Part A – Federal Hospital insurance
- Medicare Part B – Federal Medical insurance (doctors, supplies, etc.)
- Medicare Part D – Prescriptions
  - An individual can only have one Part D enrollment, Tricare coverage is the exception.

*Contact a Benefit Representative for further details

Medicare Advantage Plan Freedom Blue PPO

- Freedom Blue PPO, a Medicare Advantage Plan (also known as a Medicare Part C plan) administered by Highmark Blue Cross Blue Shield Delaware is the plan offered to pensioners and their eligible dependents.
- The State Open Enrollment Period begins in October for changes effective in January.
- The plan will also include the State of Delaware Medicare Part D prescription drug coverage through SilverScript®, administered by CVS Caremark.
    - For more information, review the Statewide Benefits webpage:
      DHR - Division of Statewide Benefits (delaware.gov)

Dental Insurance

- Available at retirement
- Automatic payroll deduction

Burial Benefits – Active Members Only

Senate Bill 7, passed by the 149th General Assembly and signed by Governor Carney, authorized a $7,000 no-cost burial benefit upon the death of an active employee of the County and Municipal Police/Firefighter Pension Plan.

Active members in this plan are automatically enrolled in the Burial Benefit once hired.

Direct Deposit

- Mandatory for monthly pension
- Deposited on the last business day of each month

Taxes

- Monthly pension is taxable by the Federal Government
- May or may not be taxable in the State where the retiree maintains permanent residence
- Form 1099-R

Payment of First Monthly Pension

- Your first Pension Check will be on a 1 month lag
  - Retire June 1st your will receive your first check July 31st
  - Double Pay
  - Double Deductions

- Monthly pension is calculated after the receipt of your final pay from your Organization

- Online pay advices

- Post Retirement Increase (PRI)
  - A PRI is a pension increase received after retirement
  - Granted upon Legislative approval
  - 1% was given 1/1/2015

Working After Retirement

An individual shall not receive a service or disability pension under this chapter for any month during which the individual is an employee as defined in §8801 of this title, unless:

1) The individual is a police officer who has retired from 1 county or municipal employer and has been appointed by the executive branch and confirmed by the legislative branch of a different county or municipal employer participating in the County Municipal Police/Firefighter Pension Plan; or
2) The individual is a temporary employee whose earnings from such employment do not exceed the maximum allowed by Social Security without affecting Social Security benefits; and
3) The individual's employment under paragraphs (1) and (2) of this section is not pension creditable service time and may not be used to earn any retirement benefits in the Delaware County and Municipal Police/Firefighter Pension Plan.

So…Ready for Retirement?

- Written notification to supervisor or Human Resources four months prior to retirement

- Human Resources
  - Prepares pension application and submits to Office of Pensions for acceptance
  - Schedules appointment with member to complete the pension packet

- Member
  - Gathers required personal documents needed for self, spouse and eligible dependent(s) as applicable
    - Birth Verification
    - Signed Social Security Card
    - Marriage Verification
    - Divorce Verification
    - Medicare Card

After You Retire

- The Office of Pensions maintains pensioner records

- Updates must be in writing with signature
  - Name
  - Address

- Other personal information
  - Please note if you update your information on your Single Sign On account you must still submit your updates in writing

- Available to answer questions or concerns

Contact the Office of Pensions

The Office of Pensions maintains pensioner records

- Website: www.delawarepensions.com

- Email address: Pensionoffice@Delaware.gov
  - Phone: (302) 739-4208
  - Toll free: (800) 722-7300
  - Fax: (302) 739-6129

- Office Address: McArdle Building
  860 Silver Lake Blvd, Ste. 1
  Dover, DE 19904-2402