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

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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 2022 – 16.03%
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.

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

Click = will auto-fill Compensation Amount.
Monthly Estimated Pension

YOUR MONTHLY EARNINGS PENSION INFORMATION

CULTATIONS ARE ESTIMATED

<table>
<thead>
<tr>
<th>Monthly Final Average Earnings</th>
<th>$3182.60</th>
<th>$3118.96</th>
<th>$3087.12</th>
<th>$2991.65</th>
</tr>
</thead>
<tbody>
<tr>
<td>Calculation factor (Average Monthly Compensation x 2.5%) for your first 20 years of credited service</td>
<td>117.87</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Calculation factor (Average Monthly Compensation x 3.5%) for your first years of credited service beyond 20</td>
<td>165.02</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Credited number years of service 20 years or below</td>
<td>20.0000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Credited number years of service above and beyond 20</td>
<td>5.0000</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* 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

<table>
<thead>
<tr>
<th>Monthly Pension Increased by Buy-in Option</th>
<th>165.02</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buy-In Cost</td>
<td>24753.57</td>
</tr>
<tr>
<td>Recoupment Period (No. of Years)</td>
<td>12.5000</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Estimated monthly pension if electing 50% survivor option with buy-in</th>
<th>$3347.63</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated monthly pension if electing 66.67% survivor option with buy-in</td>
<td>$3280.67</td>
</tr>
<tr>
<td>Estimated monthly pension if electing 75% survivor option with buy-in</td>
<td>$3247.20</td>
</tr>
<tr>
<td>Estimated monthly pension if electing 100% survivor option with buy-in</td>
<td>$3146.77</td>
</tr>
</tbody>
</table>

Select Age at Retirement - then click 'COMPUTE'

- 50

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

- Enter Age
- Enter Years of Service

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 (except Special Medicfill non-prescription coverage option)
  • 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
  ▪ The Special Medicfill plan is offered with or without prescription coverage. Prescription coverage includes a qualified and enhanced Part D prescription plan with Express Scripts. An individual can only have one Part D enrollment, Tricare coverage is the exception.

*Contact a Benefit Representative for further details
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
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