Delaware Public Employees' Retirement System
New State Police Pension Plan

Retirement Planning

Presented by the State of Delaware Office of Pensions

Current Statistics *(as of 6/30/22)*

- 38,885 Retirees (including terminated vested) from all nine plans
  - 373 from New State Police Pension Plan (NSP)

- 44,817 Active Members in all nine plans
  - 723 from New State Police Pension Plan (NSP)

- Over $12.3 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 $640.3 million in NSP Pension Plan
  - 90.20% funding ratio for NSP Pension Plan

Pension Contributions

- 7% of compensation
  - Excludes overtime payments and special payments for extra duties
  - Pre-tax

- Employer
  - Fiscal Year 2023 (beginning July 2022):
    - 27.16% pension contributions
    - .36% future retiree health care fund
    - 1.00% post retirement increase fund
    - 3.87% current retiree health care
  - Total employer contributions = 32.39%

Retirement Eligibility – Service Pension

- 20 years of credited service
- 10 years of credited service due to age (Age 55)
- Age plus credited service (but not less than 10 years) equals 75

Retirement Eligibility – Vested Pension

- Must have 10 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 New State Police Plan, provided not collecting a monthly pension from them.

- County & Municipal General Employees’
- State Employees’
- County & Municipal Police & Firefighters

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 or 3 periods of 12 consecutive months of compensation (excluding overtime and special pay for extra duties).

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 = 50% monthly average compensation
- Death of an active member in the line of duty = 75% of 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.

Burial Benefit

- $7,000 benefit
- No cost to pensioner
- Beneficiary(ies) designation
- Payment is taxable

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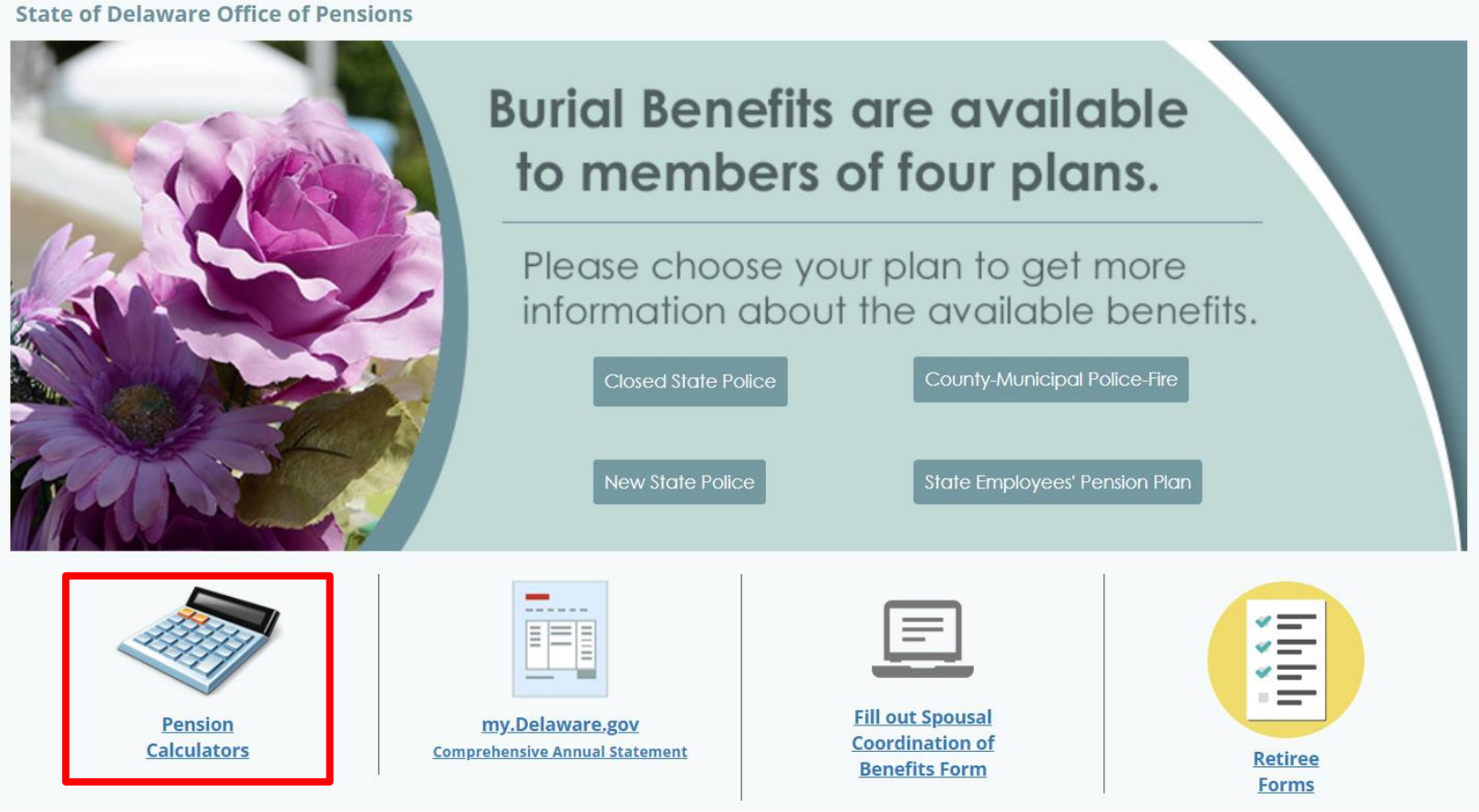
Calculating Your Estimated Monthly Pension
Visit www.delawarepensions.com



Calculating Your Estimated Monthly Pension

Pension Calculators

Select an option below:

State Employees Hired Before 1-1-2012	State Employees Hired After 12-31-2011
Correctional/Specified Peace Officer Hired Before 1-1-2012	Correctional/Specified Peace Officer Hired After 12-31-2011
911 Operator Hired Before 1-1-2012	911 Operator Hired After 12-31-2011
State Police	Judicial
County and Municipal (General)	County and Municipal (Police/Firefighter)
Delaware Volunteer Firemen Pension Calculator	

Estimated Credited Service

How to retrieve your Comprehensive Annual Statement

To access:
Log into my.delaware.gov
Click on Annual Statement
Click on Comprehensive Statement
Click on the most recent year

1. Enter Combined Highest 3 Year Compensation:

464309.90

2. Select Creditable Service up to 20 Years:

20

3. Enter Creditable Service beyond 20 Years:

07.4444

Additional Years of Service:

Years 0 **Months:** 0

Your Age at Retirement:

Years 52 **Months:** 0

For Example Only

COMPUTATION INFORMATION **BLOCK 4**

Pension Estimate Computation Formula

PART 1 - Calculation for years of service up to and including 20.

1. Total Compensation----------> $464,309.90
   Divided by 36
2. Equals Final Average Compensation----------> $12,897.50
   Multiplied by 2.5%
3. Equals Factor 1----------> 322.44
4. Multiplied by Years of Creditable Service (up to 20)----------> 20.0000
5. Equals Estimated Monthly Pension (part 1)----------> $6,448.80

PART 2 - Calculation for years of service above and beyond 20 years.

6. Final Average Compensation----------> $12,897.50
   Multiplied by 3.5%
7. Equals Factor 2 ----------> 451.41
8. Multiplied by Years of Creditable Service (above and beyond 20)> 7.4444
9. Equals Estimated Monthly Pension (part 2)----------> $3,360.48

PART 3 - Total Estimated Monthly Pension Benefit

10. Part 1 + Part 2 equals Total Monthly Pension Benefit----------> $9,809.28

If the increased Survivor Benefit Option is chosen, the computed amount in Item 10 would be reduced.

Block 4 contains a step-by-step calculation of your estimated monthly pension accrued under the Delaware Public Employees' Retirement System based on your service and compensation as of 12/31/2022. This monthly pension does not reflect any reduction for early retirement nor does it indicate your eligibility to collect a monthly pension. Please refer to our website, www.delawarepensions.com, for eligibility requirements.

DISCLAIMER: This statement represents only an estimate of credited service and potential benefits. None of the information in this estimate has been verified and the Office of Pensions of the State of Delaware makes no representation or warranty, express or implied, as to the accuracy or completeness of such information. Actual service credit and benefits will be verified at the time of retirement.

Click "Estimate Pension" to display the Estimated Pension

Estimate Pension

Monthly Estimated Pension

Estimated Monthly Pension Benefit

** * * These are for estimation purposes only * * **

50% survivor option	66% survivor option	75% survivor option	100% survivor option
$9809.25	$9613.07	$9514.97	$9220.69

You have achieved 20 or more years of service and can retire at any age

To see a more detailed description of your Pension Estimate Click Here.

Actuarial Buy In

Actuarial Buy-in Option

Select your age at retirement:

52

Estimate Actuarial Buy-in

Estimated Cost to purchase 1 Year of Time:

Cost to purchase 1 Year of Actuarial Buy-in: 69968.94
Increase in Monthly Pension Payment: 451.41
Total Pension Monthly Payment with Actuarial Buy-in: 10260.66
Years to Recoup Cost of Buy-in: 18.08

Print a complete Estimate Summary based on the data input.

Health Insurance

- All plans coupled with prescription plan coverage
- Changes in coverage once a year during the open enrollment period 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

Health Insurance

- Health benefits are available with the “State Share” paid by the State of Delaware for members:
  - First hired prior to 7/1/1991
  - Disability Pensioners

Health Insurance

- For members first hired on or after 7/1/1991 through 12/31/06, the following portion of the "State Share" will be paid by the State of Delaware:

  - Less than 10 years of credited service 0%
  - 10 years – 14 years 11 months 50%
  - 15 years – 19 years 11 months 75%
  - At least 20 years 100%

Health Insurance

- For members first hired on or after 1/1/07, the following portion of the "State Share" will be paid by the State of Delaware:

  - Less than 15 years of credited service 0%
  - 15 years – 17 years 5 months 50%
  - 17 years 6 months – 19 years 11 months 75%
  - At least 20 years 100%

Health Insurance Example

Health Insurance Sample

Comprhensive PPO Plan for Individual & Spouse Coverage

7/1/2019

Coverage	Total Monthly Rate	State Share	Pensioner Pays
Individual	$793.86	$688.68	$105.18
Individual & Spouse	**$1,647.23**	**$1,429.08**	**$218.26**
Individual& Children	$1,223.46	$1,061.38	$162.08
Family	$2,059.40	$1,786.54	$272.86

- Hired on January 1, 1986 – Retiring with 15 Years of Service
  ($1,429.08 * 0%) $218.26 = $218.26 per month

- Hired January 1, 2003 – Retiring with 15 Years of Service
  ($1,429.08 * 25%) $357.27 + $218.26 = $575.53 per month

- Hired January 1, 2007 – Retiring with 15 Years of Service
  ($1,429.08 * 50%) $714.54 + $218.26 = $932.80 per month

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 Benefits Representative for further details

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
  - $400 one-time supplement November 2018
  - July 2021 based on Effective Date of Retirement
    - 3% - Prior to 7/1/1991
    - 2% - 7/1/1991 – 6/30/2001
    - 1% - 7/1/2001 – 6/30/2016
  - $500 one-time supplement November 2021

After You Retire

- The Office of Pensions maintains pensioner records

- Updates must be in <u>writing</u> 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

Pay Schedules

Year 2019 Pay Check	Year 2020 Pay Check	Year 2021 Pay Check	Year 2022 Pay Check	Year 2023 Pay Check
1/4/2019	**1/3/2020**	1/15/2021	1/14/2022	1/13/2023
1/18/2019	**1/17/2020**	1/29/2021	1/28/2022	1/27/2023
2/1/2019	**1/31/2020**	2/12/2021	2/11/2022	2/10/2023
2/15/2019	2/14/2020	2/26/2021	2/25/2022	2/24/2023
3/1/2019	2/28/2020	3/12/2021	3/11/2022	3/10/2023
3/15/2019	3/13/2020	3/26/2021	3/25/2022	3/24/2023
3/29/2019	3/27/2020	4/9/2021	4/8/2022	4/7/2023
4/12/2019	4/10/2020	4/23/2021	4/22/2022	4/21/2023
4/26/2019	4/24/2020	5/7/2021	5/6/2022	5/5/2023
5/10/2019	5/8/2020	5/21/2021	5/20/2022	5/19/2023
5/24/2019	5/22/2020	6/4/2021	6/3/2022	**6/2/2023**
6/7/2019	6/5/2020	6/18/2021	6/17/2022	**6/16/2023**
6/21/2019	6/19/2020	**7/2/2021**	**7/1/2022**	**6/30/2023**
7/5/2019	**7/3/2020**	**7/16/2021**	**7/15/2022**	7/14/2023
7/19/2019	**7/17/2020**	**7/30/2021**	**7/29/2022**	7/28/2023
8/2/2019	**7/31/2020**	8/13/2021	8/12/2022	8/11/2023
8/16/2019	8/14/2020	8/27/2021	8/26/2022	8/25/2023
8/30/2019	8/28/2020	9/10/2021	9/9/2022	9/8/2023
9/13/2019	9/11/2020	9/24/2021	9/23/2022	9/22/2023
9/27/2019	9/25/2020	10/8/2021	10/1/2022	10/6/2023
10/11/2019	10/9/2020	10/22/2021	10/21/2022	10/20/2023
10/25/2019	10/23/2020	11/5/2021	11/4/2022	11/3/2023
11/8/2019	11/6/2020	11/19/2021	11/18/2022	11/17/2023
11/22/2019	11/20/2020	**12/3/2021**	**12/2/2022**	**12/1/2023**
12/6/2019	**12/4/2020**	**12/17/2021**	**12/16/2022**	**12/15/2023**
12/20/2019	**12/18/2020**	**12/31/2021**	**12/30/2022**	**12/29/2023**
	12/31/2020			