



County and Municipal General Employees' Pension Plan Summary Plan Description

Please Note: This handbook is also available on the Office of Pensions website:

www.delawarepensions.com

Text in **green font** in the online PDF contains live links:

- Clicking on the **green text in the Table of Contents** will automatically redirect you to that page.
- Clicking on the **green headings in the body text** will automatically redirect you to the Table of Contents.
- Clicking on **any other green content** will automatically redirect you to that webpage.

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WELCOME

Welcome to the Delaware Public Employees' Retirement System (DPERS). This booklet will assist Delaware's County and Municipal General Employees' (CMG) Pension Plan employees in becoming familiar with the benefits and features of their pension plan.

The information in this booklet is very important to the security of you and your family! As a member of our County and Municipal General Employees' Pension Plan, we strongly urge you to take the time to read it and familiarize yourself with your rights, privileges, and obligations.

The Pension Plan laws are necessarily written in legal language; therefore, this booklet has been prepared in lay language to help you better understand its provisions. The following pages should be informative to you and, it is hoped, will answer most questions you may have about your Plan.

Our office assists all active and retired members of the Plan. If you have questions or need assistance in any of your retirement plan matters, please contact the Office of Pensions directly or through the business or human resources office of your agency. Useful information about your pension plan benefits is also available on our website, www.delawarepensions.com.

OFFICE OF PENSIONS CONTACT INFORMATION:

Address:	Office of Pensions 860 Silver Lake Blvd, Suite 1 – McArdle Building Dover, DE 19904
Telephone:	(302) 739-4208 Toll-free for Long Distance Calling: (800) 722-7300
Fax:	(302) 739-6129
Email Address:	pensionoffice@delaware.gov

DPERS has been providing retirement benefits to participants, their families, and beneficiaries for over 50 years. We look forward to continuing to serve those who have served the State of Delaware.

NOTE: This booklet is only applicable to employees covered under the County and Municipal General Employees' Pension Plan. Nothing in this booklet is meant to extend or change in any way the provisions expressed in the Plan. If there is any conflict between a provision in this booklet and the Plan ([29 Del. C. Ch. 55A](#)), the Plan will take precedence.

1. MEMBERSHIP

ELIGIBILITY

You are a member of the County and Municipal General Employees' (CMG) Pension Plan if you are:

- A full-time or regular part time employee of any participating County and/or Municipal agency
- An elected or appointed official of a county or municipality including State governmental subdivisions.
- A paid employee of volunteer fire or ambulance company in Delaware

There are a few exceptions. You are not eligible to be a member if:

- You are employed as a "temporary employee"
- Your primary employment function is to be a student

Further information regarding the definition of a full-time, regular part-time, and temporary employee can be found in the CMG Pension Plan – Rules and Regulations.¹

Employees unsure if they are in a pension-creditable position should contact their Human Resources representative.

MEMBERSHIP IDENTIFICATION

The Office of Pensions identification number is your retirement identification. Your Pension ID is assigned upon your initial employment and can be found in Block 1 of your Comprehensive Annual Statement. To ensure proper identification and prompt service, always include your Pension ID in addition to your full name, mailing address, phone number, and signature in all communications concerning your pension status. If you do not know your Pension ID, we are also able to reference your account with your Social Security Number.

CONTRIBUTIONS

Membership in the CMG Pension Plan is mandatory for all employees working in a pension-creditable position. Your employer automatically enrolls you when you are hired. Your first \$6,000 in wages is exempt from employee contributions each year. Afterward, 3% contributions are automatically deducted from your pension-creditable earnings. Effective 1/1/1993, the federal and state income tax on your contributions is deferred under [Section 414\(h\)\(2\) of the U.S. Internal Revenue Code](#).

Pension contributions do not determine pension benefits. As a member, you will receive a Comprehensive Annual Statement (CAS) detailing your contributions towards the pension plan, the interest earned on those contributions, and future benefit amount. Please see [Section 3. Comprehensive Annual Statement](#) for more information on CAS reports.

¹ County and Municipality General Employees' Pension Plan – Rules and Regulations can be found at <https://regulations.delaware.gov/AdminCode/title19/2000/2005.shtml#TopOfPage>.

Contribution Restrictions

- Members cannot contribute additional contributions to their pension plan.
- Active and vested members are **unable** to borrow against or take a loan from pension contributions/ interest earned.

VESTING ELIGIBILITY

To be eligible for a pension you must be vested and meet eligibility requirements (see [Section 4. Benefit Eligibility Requirements](#) for more details). Employees must complete 5 Consecutive Years of Service to meet vesting requirements.

Once you are vested, if you should leave your job for any reason, you are guaranteed to receive a future benefit for the pension-creditable service earned before termination unless you withdraw your accumulated contributions. All vested pensioners are encouraged to keep the Office of Pensions updated on any changes in contact information (e.g., address, phone, email address). Change of address forms can found on the Office of Pension website (<https://delawarepensions.com>) under *Retirees > Retiree Forms*.

If you are not vested, you have the option of either leaving your contributions in if you may return to service or withdrawing your contributions and interest.

TERMINATION OF MEMBERSHIP

Membership ends if the member:

- Terminates from employment without meeting vesting requirement; or
- Terminates employment after meeting vesting requirements and withdraws their accumulated contributions and earned interest, if any.

Upon termination of employment, the Office of Pensions receives notification from your employment entity. Once notification has been received, you will be sent a letter and the following forms if you are not eligible to collect a pension immediately:

- Contribution Retention Notice
- Application for Withdrawal of Benefits

If you do nothing or complete the Contributions Retention Notice form, then all monies will stay in the fund and continue to accrue interest. If you complete the Application for Withdrawal of Benefits, then contributions and interest will be paid out.

WITHDRAWAL OF CONTRIBUTIONS

Upon receipt of the Application for Withdrawal of Benefits, the Office of Pensions will reach out to your human resource representative to verify your termination if documentation has not been received. Once termination has been verified you will receive additional correspondence to determine how you would like to receive your refund of contributions and interest. Monies can be paid out in a check or transferred to a qualifying retirement account. If you choose to get a cash payout, it will be taxed 20% for federal taxes. Refunds cannot be paid out until at least 45 days after your final paycheck.

Withdrawal of your contributions will terminate your membership in the Plan and will void any rights you have to future benefits in the Plan.

2. CREDITABLE SERVICE

GENERAL

As a member of the County and Municipality General Employees' (CMG) Pension Plan, you earn creditable service time towards your retirement benefit each day on the job after the date of affiliation with the Plan by the employer.² Creditable service is used to determine your eligibility for retirement and monthly pension amount.

Creditable service time represents periods of employment that are either earned, claimed, or purchased.³ If you do not agree with your creditable service time, it is recommended that you contact your current human resources office and request a creditable service schedule be completed. A copy should be forwarded to the Office of Pensions so your file can be updated accordingly. The following describes the types of service credit which may be earned, claimed, or purchased.

EARNED SERVICE

You earn creditable service for each day during the year in which you are an active employee who works in a position that is full-time or regular part-time. No more than one year of service is creditable for all employment in one year. A leave of absence does not incur a break in service provided your employer has approved the leave in writing.

Service Purchased by Employer

Employment before the date of affiliation with the Plan as purchased by the employer either upon entering or at any time after joining the Plan is considered earned service and can be used for eligibility (Title 29 5551(4)(g)). For questions regarding your prior service, please contact your human resource department. Please refer to [our website for County & Municipal General Employees Plan Participation](#) for participating entities.

Worker's Compensation (WC)

If you are hurt on the job, you may be eligible for Worker's Compensation through your active employer. No creditable service will be accrued during this leave period; however, it may be purchased at retirement.

For more information regarding Worker's Compensation, please contact your human resource representative.

CLAIMED MILITARY SERVICE (Interrupting Employment)

If you are called into active service or volunteer for active service in the Armed Forces or the National Guard of the State while you are a member of the CMG Pension Plan and you return to employment

² Refer to [Pension Office Website](#) for further information on entry to the Plan.

³ Refer to [Section 7. Options to Purchase Additional Service](#) for further information on buy-in options.

within 90 days after discharge, you will receive full creditable service for such full-time continuous, active military service.⁴

UNIFIED SERVICE

Unifying services gives members with service in two (2) or more plans the option to combine their creditable service time to meet retirement eligibility requirements. Plans eligible to unify with CMG Pension Plan to determine eligibility are as follows:

- New State Police Plan
- State Employee Pension Plan
- County Municipal Police/Firefighters' Plan
- Judicial Plan

To be eligible you do not need to meet vesting rights in each plan independently. Your unified creditable service time can qualify you to retire from both plans. You cannot unify services if you are collecting retirement benefits from one of the plans. If service in one of the plans was refunded, you can repay the refund to restore service time in the plan.

Unified credited service between 2 or more plans cannot overlap for eligibility purposes. If after retiring, you wish to unify your eligible plans, any periods where you are credited service in both plans will not count towards eligibility. The service will be credited at the time of calculation for your monthly benefit. Service amounts are exclusive in each plan.

Unification can only be established at the time of retirement. If you have previous service and want to know if you qualify, please contact the Office of Pensions.

BREAK IN SERVICE

If you leave service with your County or Municipality before you have acquired five (5) consecutive years of creditable service, your service credits will be forfeited. Service time can be restored if:

- Your discontinuance of employment is due to absence on account of military service, disability, or approved leave, and you again become an employee within four (4) months following the completion of such military service, disability, or approved leave; or
- You again become an employee within four (4) months after you leave employment; or
- You subsequently acquire five (5) consecutive years of credited service, if you repay any contributions you have withdrawn plus interest.

If you cease to be an employee after you have acquired five (5) consecutive years of credited service, you are fully vested and qualify for a pension at retirement age, unless you withdraw your accumulated contributions and interest.

Upon termination, a vested pension application, a Contribution Retention Notice Form, or an Application for Withdrawal of Benefits **must be filed by your human resources office**. If you left employment and received a refund of your contributions plus interest, you may re-establish this service upon returning to

⁴ The Office of Pensions maintains compliance with the Uniformed Services Employment and Reemployment Act (USERRA).

active membership and must repay the amount you withdrew plus interest to the date your request is received. Previously withdrawn earned service that is re-established is considered creditable service and can be used to determine minimum service requirements for benefit eligibility.

If you receive a refund of your contributions and subsequently return to service with a participating County or Municipality, you should contact the Office of Pensions for information relative to the options available to you regarding prior service credit.

3. COMPREHENSIVE ANNUAL STATEMENT

OVERVIEW OF YOUR COMPREHENSIVE ANNUAL STATEMENT

As a member of the Delaware Public Employees' Retirement System (DPERS), you will receive a Comprehensive Annual Statement (CAS) yearly. Active and vested member statements are available at My.Delaware.Gov.

The CAS is a four (4) page report designed to give you an overview of your membership status. The statement consists of six (6) blocks:

1. **PERSONAL INFORMATION (Block 1)** – includes your address, Pension ID number, Date of Birth, Gender, Marital Status, and Spouse's Date of Birth.
2. **PENSION INFORMATION (Block 2)** – Specifies the Pension Plan the statement pertains to and total pension-creditable service time as of the statement date.
3. **CONTRIBUTORY INFORMATION (Block 3)** -
 - a. Total pension contributions and total interest accrued by the employee as of the statement date.
 - b. Wages and Contributions Breakdown for your Highest Creditable Compensation Period. *Wages and Contributions Breakdown will only be available once an employee has met vested status.* Please Note: Highest Creditable Compensation Period can be any consecutive 12-month period and is often not a calendar year. Not all wages are pension creditable.⁵
4. **COMPUTATION INFORMATION (Block 4)** – Pension Estimate Computation Formula is the breakdown of how your pension amount is calculated. Part 3 shows your final estimated pension. *This calculation is only available once an employee has met vested status. If you have not met vested status this page will be blank.*
5. **SURVIVOR INFORMATION (Block 5)** – This box is informational and explains who would be considered an eligible survivor.
6. **BENEFICIARY INFORMATION (Block 6)** – This box lists the current designated beneficiary or beneficiaries to receive payment of undistributed Pension Contributions upon your death if there is no survivor. You are limited to six (6) beneficiaries. If any changes need to be made, please update the form, sign, date, and submit it to the Office of Pensions.

Please review your statements yearly for accuracy. If changes are needed, follow the instructions below each block to get the necessary corrections made. Note: Changes to personal information cannot be updated by the Office of Pensions if you are an active employee. You **MUST** work through your Human Resources office for these changes.

⁵ Refer to [Section 11 - Appendix A](#) for further information on pension creditable wages.

SAMPLE COMPREHENSIVE ANNUAL STATEMENT



Delaware Public Employees' Retirement System 2021 Comprehensive Annual Statement

DISCLAIMER: This statement represents an estimate only of potential benefits developed from records available to the Delaware Public Employees' Retirement System. This data must be verified at the time of retirement. As a result, your actual retirement benefits may vary significantly from the amounts reflected here. 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, expressed or implied, as to the accuracy or completeness of such information. Actual service credit and benefits will be verified at the time of retirement. The Office of Pensions encourages all participants who are nearing retirement age to request copies of their records and review them for accuracy.

PERSONAL INFORMATION		BLOCK 1	
Joseph Member 123 Main Street Apt. 5S Dover, DE 19901	Pension ID: 123456 Date of Birth: 02/23/1958 Gender: M Marital Status: M Spouse's Date of Birth: 06/06/1960		
If any information in Block 1 is incorrect, submit changes with verification to your current Human Resources Office.			
PENSION INFORMATION		BLOCK 2	
Pension Plan: COUNTY MUNCPL GENERAL PLAN Total Pension Creditable Service as of 12/31/2021: 19 Years 2 Months (19.1667)			
If any information in Block 2 is incorrect, please contact your current Human Resources Office and have them submit service verification to the Office of Pensions.			
CONTRIBUTORY INFORMATION		BLOCK 3	
Total Pension Contributions as of 12/31/2021: \$21,924.08 1. Pre-Tax Pension Contributions \$21,924.08 2. After-Tax Pension Contributions \$ 0.00 Total Interest Accrued as of 12/31/2021 \$ 12,789.83			
Wage and Contribution Breakdown by Year for your Highest Creditable Compensation Period:			
Period Start	Period End	Pension Creditable Wages	Pension Contributions
12/2020	11/2021	51,268.67	1,368.86
07/2019	06/2020	49,130.27	1,293.82
05/2018	04/2019	47,106.27	1,233.12
02/2017	01/2018	46,406.04	1,161.64
10/2015	09/2016	47,555.32	1,246.67
If any information in Block 3 is incorrect, keep original for your records and submit a photocopy with the errors circled in black ink only with an explanation to this office for investigation.			



Pension ID: 123456
Name: Joseph Member
Pension Plan: COUNTY MUNCPL GENERAL PLAN

**Delaware Public Employees'
Retirement System**
2021 Comprehensive Annual Statement

COMPUTATION INFORMATION

BLOCK 4

Pension Estimate Computation Formula

1. Total Compensation-----→	\$241,826.57
Divided by 60	
2. Equals Final Average Compensation-----→	\$4,030.44
Divided by 60	
3. Equals Factor -----→	67.17
4. Multiplied by Years of Creditable Service-----→	19.1667
5. Equals Estimated Monthly Pension Benefit-----→	\$1,287.43

If the Increased Survivor Benefit Option is chosen, the computed amount in Item 5 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 12/31/2021. 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, expressed or implied, as to the accuracy or completeness of such information. Actual service credit and benefits will be verified at the time of retirement.



Pension ID: 123456
Name: Joseph Member
Pension Plan: COUNTY MUNCPL GENERAL PLAN

**Delaware Public Employees'
Retirement System**
2021 Comprehensive Annual Statement

SURVIVOR INFORMATION

BLOCK 5

This block is an informational block to assist members in understanding the word "survivor" as it relates to a pension. Unless the order of priority is changed by filing a form with the Office of Pensions, the following is the order of eligible survivors:

1. A spouse – OR
2. An unmarried child under age 18 – or an unmarried child between age 18 and 22 and attending school full-time – OR
3. An unmarried child disabled before age 18 – OR
4. A parent who receives at least one-half of his or her support from you.

An eligible survivor receives a monthly pension. If there is no eligible survivor under Items 1, 2, 3, or 4 above, a death benefit is paid out to your beneficiary(ies) (See Block 6). A death benefit equals the amount of unpaid pension contributions plus interest through the date of death.

The Priority of Eligible Survivors form can be found on our website, www.delawarepensions.com. This form requires your signature in the presence of a notary public.

BENEFICIARY INFORMATION

BLOCK 6

Designated Beneficiary(ies) to receive payment of undistributed Pension Contributions upon your death, if no survivor's pension is payable.

NOTE: You are limited to (6) beneficiaries.

Primary/Secondary	Name					
Relationship	Address		Birthdate			Gender
Primary Spouse	Member, Jane	123 Main Street	Apt. 5S	Dover, DE	19901	06/06/1960 F
Primary Child	Member, Tyler	123 Main Street	Apt. 5S	Dover, DE	19901	06/10/1985 M
Primary Child	Member, Brooke	123 Main Street	Apt. 5S	Dover, DE	19901	05/16/1990 F

If the information on this page is accurate, retain for your records. If you have any changes, please complete and return the Designated Beneficiary form. Please use black ink only.

County and Municipal General Employees' Pension Plan Summary Plan Description



Pension ID: 123456
Name: Joseph Member
Pension Plan: COUNTY MUNCL GENERAL PLAN

**Delaware Public Employees'
Retirement System**
2021 Comprehensive Annual Statement

Designated Beneficiary Form

Designated Beneficiary to receive payment of pension contributions plus interest if no survivor's pension is available.
You may designate a maximum of six (6) beneficiaries. (If more than one beneficiary is listed, payment will be divided equally unless otherwise noted by indicating Primary and/or Secondary.)

Check one below to update
beneficiary information.

ADD	DELETE	MODIFY	PRIMARY	SECONDARY	SSN	Name	Relationship	Address	Birthdate	Gender
☐	☐	☐	☐	☐	XXX-XX-3446	Member, Jane	Spouse	123 Main Street Apt. 5S Dover, DE 19901	06/06/1960	F
☐	☐	☐	☐	☐	XXX-XX-5821	Member, Tyler	Child	123 Main Street Apt. 5S Dover, DE 19901	06/10/1985	M
☐	☐	☐	☐	☐	XXX-XX-5288	Member, Brooke	Child	123 Main Street Apt. 5S Dover, DE 19901	05/16/1990	F
☐	☐	☐	☐	☐						
☐	☐	☐	☐	☐						
☐	☐	☐	☐	☐						

If the information is accurate, do not return. If you make changes, please complete all requested information using **BLACK INK** only, sign and return to:

OFFICE OF PENSIONS, McARDLE BUILDING, 860 SILVER LAKE BLVD., SUITE #1, DOVER, DE 19904-2402 (SLC: D570A)

DATE

SIGNATURE

See [Section 6. Benefit Computation](#) for information on utilizing the on-line calculator for future estimates.

A FREQUENTLY ASKED QUESTION:

Why is my previous service not showing on my Comprehensive Annual Statement?

If you left the County/Municipality before completing five consecutive years of service or took out contributions when you left service, then service was forfeited. If your agency did not purchase your prior service when joining the pension plan, that time will not be displayed. Service will show on your CAS once five consecutive years have been completed or contributions and interest has been repaid for service time withdrawn.

4. BENEFIT ELIGIBILITY REQUIREMENTS

RETIREMENT ELIGIBILITY CRITERIA

You are eligible to receive monthly pension payments based on the retirement eligibility criteria below:

Table 1: Pension Benefit Eligibility Requirements

PENSION TYPE	ELIGIBILITY REQUIREMENTS
SERVICE (Active Employees)	- Five (5) consecutive years of credited service and has attained age 62, or - Fifteen (15) years of credited service and has attained age 60, or - Thirty (30) years of credited service at any age
REDUCED (Active Employees)	Fifteen (15) years of credited service and has attained age 55. Reduced pension payable shall be reduced by .4% percent for each month the employee is under age 60;
DISABILITY (Active Employees)	- Five (5) consecutive years of credited service - Disability must be expected to last at least 12 months
VESTED (Terminated Employees)	Five (5) years consecutive credited service and has attained age 62.
SURVIVOR (Active, Vested, or Retired)	- Eligible Survivors: Spouse (married at least 1 year prior to date of death), Child(ren) (blood or adopted child of member), Dependent Parent - Upon the death of an active member who has at least five (5) years of credited service (must have five (5) consecutive), a monthly survivor's pension shall be payable to the survivor or survivors equal to 50% of the service pension the member would have been eligible to receive. The survivor pension payable is actuarially reduced if the surviving spouse is under the age of 50 and does not have a dependent under their care. - If the member is currently in a vested status, a survivor's pension is payable based on the future effective retirement date and 50% of the amount the vested member would have been eligible to receive. - Upon the death of a pensioner, their survivor will be entitled to the percentage of the retiree's pension elected at the time of retirement as a member.

DISABILITY PENSION

In order to be eligible for a disability pension, you must meet all of the following requirements:

- **At least five (5) consecutive years of creditable service.**
 - ✓ This goes into effect the month following the inception of the disability.
 - ✓ Approved Leaves of Absence are NOT considered a break in service.
- **A physical or mental disability that prevents the member from performing the duties of his/her current position.**
- **The disability must be expected to last for at least 12 consecutive months.**
 - ✓ This should be confirmed by a statement from the treating physician. Medical information is reviewed by a medical professional.

Your application is subject to review by a qualified and independent third-party examiner who shall provide a recommendation to the Pension Administrator. The Pension Administrator makes the final determination.

Please note that disability pensions are subject to earnings limits.

SURVIVOR PENSION

In the event of a member's death, the eligible survivor is entitled to a survivor's pension. A survivor's pension is given to an eligible survivor to help make up for the loss of income that the survivor would be receiving if the pensioner was still alive. The following are eligible survivors listed in order of priority:

Table 2: Survivor Definitions by Survivor Type

Survivor Type:	Definition:
Spouse (Lifetime Benefit)	A widow(er) of a member. Must be married at least 1 year prior to date of death
Dependent child or children (Limited Term Benefit)	The child(ren) must be unmarried, have not attained age 18, or have attained age 18 but not age 22, and are attending school on a full-time basis.
Disabled child (Lifetime Benefit)	A child that has attained age 18 and is permanently disabled as the result of a disability that began before the child attained age 18.
Dependent parent or parents (Lifetime Benefit)	Any parent that was deemed to have been receiving at least one-half of their support from such a deceased person at the time of death.

The retiree may change the order of priority by submitting a notarized Survivor Order of Priority (SOP-1) form.

The monthly survivor pension amount can equal 50%, 66.67%, 75%, or 100% of the employee benefit calculation, depending on circumstance and/or member election at the time of retirement.

Criteria are as follows:

1. Upon the death of an active member who has at least five (5) consecutive years of credited service, a monthly survivor's pension shall be payable to the survivor or survivors equal to 50% of the service pension the member would have been eligible to receive.
2. If a member is currently in a vested status, a survivor's pension is payable based on the future effective date and 50% of the amount the vested member would have been eligible to receive.
3. At retirement, a member has the option of electing their survivor option. This election is irrevocable and must be made before the issuance of the first pension direct deposit. The choices are as follows:
 - No reduction to member's pension = 50% survivor's pension
 - 2% reduction to member's pension = 66.67% survivor's pension
 - 3% reduction to member's pension = 75% survivor's pension
 - 6% reduction to member's pension = 100% survivor's pension

If the deceased member does not have a spouse but does have more than one dependent child, the benefit will be divided equally between all dependent children.

Surviving Spouse Under 50

If your spouse is under the age of 50 at the time of your death, the survivor's pension will be actuarially reduced for each month they are under age 50. However, this reduction will not apply for any period during which your surviving spouse is caring for an unmarried child either under age 18 or between age 18 and 22 and attending school on a full-time basis, or over age 18 but permanently disabled before age 18.

DEATH BENEFITS WHEN NO ELIGIBLE SURVIVOR

If you die leaving no eligible survivors, your named beneficiary or beneficiaries will be paid a lump sum equal to the excess, if any, of your accumulated contributions with interest less all pension payments made, including survivor's benefits. You may designate a beneficiary or beneficiaries or change your beneficiary or beneficiaries at any time by completing a Designation/Change of Beneficiary Form. This form should be updated to reflect any name or contact information changes to your named beneficiaries. If there is no designated beneficiary or beneficiaries, the sum will be paid to your estate.

You can see who you have selected as a beneficiary, by reviewing the last page of your Comprehensive Annual Statement.

5. RETIREMENT PLANNING

Along with Social Security and private investment earnings, your pension may be one of your major sources of income at retirement.

While you can count on the stability of the fund, your County and Municipality General Employees' Pension Plan membership is not responsibility-free. Your biggest responsibilities are keeping yourself informed about your benefits and notifying your local human resources office and the Office of Pensions of changes in your life that affect your pension. It is never too early to start planning for retirement. In preparing for retirement there are several steps you can take:

- Each year you will receive a Comprehensive Annual Statement (CAS). Please examine the statement carefully to ensure that your personal information found in Block 1 and years of credited service found in Block 2 are accurate. If there are any issues, please follow the instructions below each box on your CAS report.
- Keep your beneficiary information up to date. This information can be found on page four (4) of your CAS.
- Individual counseling sessions are available through the Office of Pensions and are designed to provide employees with a comprehensive overview of the County and Municipality General Employees' Pension Plan and retirement process. Upon request, you could receive a personalized pension estimate.
- Contact the Social Security Administration regarding social security benefits (including Medicare), if applicable at 1-800-772-1213 or www.ssa.gov.

6. BENEFIT COMPUTATIONS

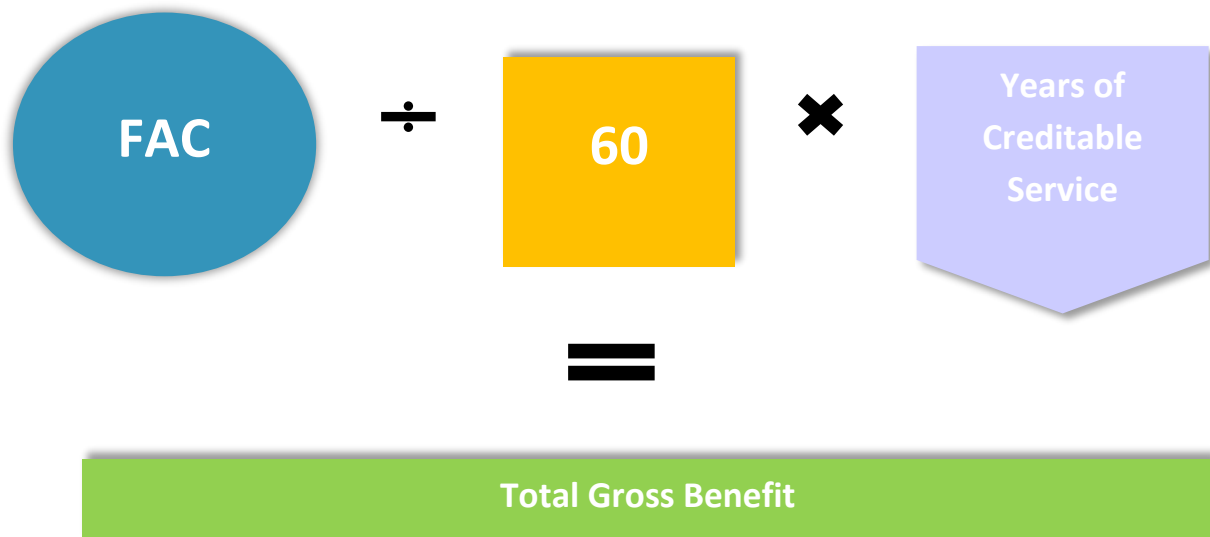
CALCULATING YOUR PENSION

Your pension amount is primarily based on your years of credited service and your Final Average Compensation (FAC). Your FAC is 1/60 of the total compensation paid to you during the five (5) periods of twelve (12) consecutive months during which your compensation was the highest.

You can find the breakdown of your five (5) highest years on page one of the Comprehensive Annual Statement (CAS) under Block 3 Contributory Information. The FAC can be found on page 2 of your CAS.

SERVICE PENSION CALCULATION

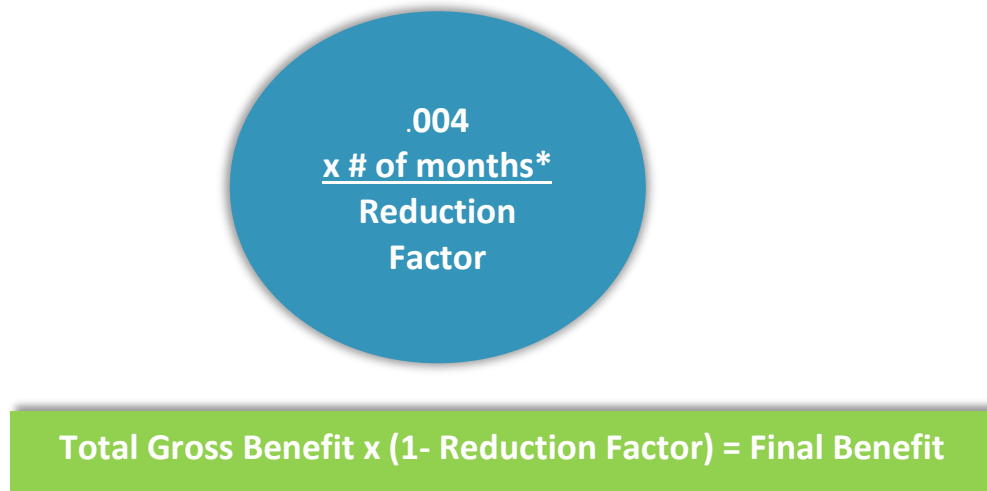
Figure 1: Calculating Your Service Pension



REDUCED PENSION CALCULATION

Early retirement is a reduced retirement benefit available to members who do not meet the normal retirement requirements. The chart below identifies the years of service necessary for early retirement and the retirement factor or factors used to reduce your monthly benefit.

Figure 2: Calculating Your Reduced Pension



*The number of months away from the age of 60.

TIPS ON USING THE ONLINE CALCULATOR

Employees are encouraged to utilize the pension online calculator to calculate future pensions, located under Active Members > County and Municipal Plan - General at <http://www.delawarepensions.com>, which also includes an instructional video on how it works.

All the information needed for the online calculator can be found on page 2 of your recent Comprehensive Annual Statement (CAS).

Our Retirement Counseling page is another great resource for pension information, which is located under Active Members > Retirement Counseling at <http://www.delawarepensions.com>

7. OPTIONS TO PURCHASE ADDITIONAL SERVICE

OVERVIEW OF BUY-IN OPTIONS

Buy-ins are offered at the time of retirement, and, if purchased, will increase the amount of pension creditable service time used to calculate your gross monthly pension. Please see Table 4 for more information on the different kinds of buy-in's that may be available to you.

Table 3: Description of Buy-In Options Available

SERVICE TYPE	DESCRIPTION
ACTUARIAL	You may purchase up to five (5) years of credit for full-time employment performed for other governmental service not being used for any other pension credit. The amount is equal to the actuarial value of the credits purchased. Buy-in cannot be used for eligibility.
MEDICAL LEAVE	You may purchase credit for approved medical leave of absence if you work one (1) year any time following the leave. For this credit, you must pay an amount, which will be determined by the Office of Pensions at the time you retire. Buy-in cannot be used for eligibility.
MILITARY	You may purchase up to five (5) years of credit for full-time active duty in the armed forces, by paying into the plan an amount equal to the actuarial value of the credits purchased as determined by the Board of Trustees. Buy-in cannot be used for eligibility.
OPTION TO EXTEND (OTE)	Accrued vacation and sick leave can be used to extend service when the last working day of the month or when vesting at a later date. The cost to purchase OTE time is calculated using the employee and employer contribution rate at the time of retirement. OTE cannot extend service beyond the effective date of retirement. Buy-in can be used for eligibility.
PRIOR SERVICE NOT PURCHASED BY ENTITY	You may purchase employment prior to the date of affiliation with the Plan as purchased by the employer either upon entering or at any time after joining the Plan. Buy-in can be used for eligibility.
SABBATICAL LEAVE	Approved sabbatical leaves of absence. For this credit, you must pay an amount, which will be determined by the Office of Pensions at the time you retire. Buy-in can be used for eligibility.

*Buy-in options must be approved and verified by the Office of Pensions before retirement. For more information on what documentation is needed for Actuarial or Military Verification, please review Active Members > Active Members Forms on our website at www.delawarepensions.com.

LIMITATIONS

You may not acquire more than ten years of credited service for military service, other governmental service, and professional educational employment.

COST

Payment for the purchase of an approved buy-in is calculated at the time of retirement. Our online benefit calculator for the CMG Pension Plan will assist you in estimating the cost of buy-ins that apply to you. [State of Delaware - County Municipal General Pension Plan Calculator](#)

PAYMENT OPTIONS

Once the buy-in calculation has been completed, a written notification will be mailed directly to the home address the month in which you will receive your first pension benefit. All payments must be paid before issuance of the first monthly benefit.

Payment can be made one of three ways:

- Deducted from the first monthly pension, if sufficient to cover the entire cost
- Personal check; or
- Rollover from a qualified tax-sheltered account (i.e., 401(A), 457(B), 403(B) (under certain circumstances), or an IRA.)

8. APPLYING FOR A PENSION

OVERVIEW OF THE PENSION APPLICATION PROCESS

Congratulations on making it to retirement!

At least four (4) months before you plan to retire, you should contact your human resources office to begin the application process. Once notified, the human resources office of your employment entity begins the process of verifying service by initiating an electronic Pension Application (Pen-App). The Office of Pensions verifies your service and sends a confirmation email back to the human resources department after creditable service is confirmed.

Your employer entity's human resources office then contacts you for an appointment to complete the necessary paperwork. Once the pension application is signed and notarized, the pension application and required documents are forwarded to the Office of Pensions. The signed pension application and required documents should be in our office 45 days before the effective date of pension (e.g., Retirement effective date of 7/1/YY, the signed pension application should be in our office no later than 5/15/YY). Upon receipt of the pension application by the Office of Pensions, the employee receives a letter acknowledging receipt of the pension application, the effective date of retirement, and the payroll processing month.

Since the CMG Employees' Pension Plan is on a lag payroll, the first pension check is deposited on the last business day of the next month following the effective date of pension (e.g., Retire 7/1/YY, first direct deposit received on 8/DD/YY and includes two months of pension).

If you have buy-in options upon retirement, notification regarding the purchase is mailed to your home address the month you are scheduled to receive your first monthly pension payment (e.g. July, using the example above). The buy-in options cannot be calculated until the final payment is made by the entity and the Pension Compensation Calculation (PCC-1) form is submitted to the Office of Pensions.

VESTED PENSIONERS

For vested pensioners, the Office of Pensions will send out correspondence six (6) months before the pensioner's effective date. Once contact information has been verified, a vested packet will be sent out with all necessary paperwork. To avoid delay in receiving a pension, all vested pensioners are encouraged to keep the Office of Pensions updated on any changes in contact information (e.g., address, phone, email address).

NECESSARY DOCUMENTS

The Office of Pensions requires different documents depending on the circumstances of your retirement. You can assist by being ready to provide the personal documentation and forms listed below for your type of pension at retirement. Personal documents should be copies only, please do not send your original birth certificates or social security cards. Even if you don't have everything, don't delay the submission of the requested documents. You can provide some of the missing documents later.

All forms can be found on the Office of Pension website (<https://delawarepensions.com>) under *Retirees > Retiree Forms*.

County and Municipal General Employees' Pension Plan
Summary Plan Description

The following are the documents required to go on pension:

Table 4: Documents Required for Your Pension

Documents Required	Pension Type			
	Service	Vesting	Disability	Survivor
Personal Documents				
1. Copy of both your own and dependents' original birth certificate OR federally-compliant drivers' license – if you do not have either of these, you can substitute: Delayed record of birth 2. Statement of birth as established by the Social Security Administration 3. Vital Statistics Statement of Birth 4. Baptismal Certificate (as an infant)	Y	Y	Y	Y
Copies of all marriage certificates/divorce decrees. The Office of Pensions must be able to track your name from birth to the present. We also need these documents to establish survivor eligibility.	Y	Y	Y	Y
Copies of Social Security cards for yourself and dependents	Y	Y	Y	Y
Copies of Medicare Cards (A and B)	Only if eligible and selecting medical coverage	Only if eligible and selecting medical coverage	Only if eligible and selecting medical coverage	Only if eligible and selecting medical coverage
School verification (For survivors between the age of 18 and 22 who are not permanently disabled before the age of 18.)	N	N	N	Y
Buy-In Documents				
Discharge or DD214 paperwork verifying active military if the military buy-in is requested.	Y	Y	N	N
Certification of service from the former employer verifying purchasable service.	Y	Y	N	N
Pension Office Forms				
Pension Application – signed & notarized after service has been verified	Y	@ Retirement **	@ Retirement **	Y

County and Municipal General Employees' Pension Plan
Summary Plan Description

				Except for Survivors of Retirees
Documents Required	Service	Vesting	Disability	Survivor
Direct Deposit Authorization (DA) Form - Direct deposit of the monthly benefit to a checking, savings, or other account is required. Submit a pensioner's DA form to provide account information.	Y	@ Retirement	@ Retirement	Y
Federal & Delaware Tax Withholding Election Forms - Generally, pension benefits are taxable. Year-end tax forms are mailed before January 31 and report the total amount of pension benefit paid, taxes withheld, and other items. Tax withholding options may be changed by filling out a Federal W-4P or a State of Delaware W-4. State taxes can only be withheld for the State of Delaware. Pensioners living outside of Delaware should seek tax advice to meet their local tax requirements.	Y	@ Retirement	@ Retirement	Y
Joint Survivor Benefit Form (JSB)* – <i>must be notarized</i> The purpose of this form is for the pensioner to choose the amount of pension to be left to your eligible survivor (<i>an eligible survivor is your spouse, dependent children under 18, children 18 to 22 that are full-time students, a child that is permanently disabled as a result of a disability which began before the child attained age 18, or your dependent parents</i>) at the time of your death. There are four choices: 1. No reduction to member's pension = 50% survivor's pension 2. 2% reduction to member's pension = 66.67% survivor's pension 3. 3% reduction to member's pension = 75% survivor's pension 4. 6% reduction to member's pension = 100% survivor's pension	Y	@ Retirement	@ Retirement	N/A
Health, Dental and Vision application/refusal forms and Coordination of Benefits (COB) form (if applicable) (See Section 9. Retiree Benefits)	Y	@ Retirement	Y	Y

*This election is irrevocable and must be made before the issuance of the first pension direct deposit.

County and Municipal General Employees' Pension Plan
Summary Plan Description

****Entity may have employee sign application at the time of termination.**

9. RETIREE BENEFITS

HEALTH INSURANCE (including prescription coverage)

All employees participating in the CMG Plan are eligible to participate in the group plans at the time of retirement. The employee pays the total cost for coverage.

If you are a unified retiree who also has a pension payable immediately or is vested with the State Employee Plan, Legislators Plan, New State Police Plan, or Judicial Plan, the health care rates will be based on the rules associated with that plan once the pension begins.

The same health insurance plans and coverage elections available to active employees are available to a pensioner.

Spousal Coordination of Benefits

If you cover a spouse under your Highmark Delaware or Aetna health plan, you are required to complete a Spousal Coordination of Benefits (COB) Form online to determine your spouse's eligibility status. The online form must be completed within 30 days of enrolling your spouse in a State of Delaware health plan, within 30 days of your spouse losing or gaining employee coverage and every year during Open Enrollment in May. Failure to complete a Spousal COB Form or provide documentation when required will result in a reduction of your spouse's coverage. To complete online please go to: <https://cob.dhr.delaware.gov>.

MEDICARE ELIGIBILITY

Medicare Part B eligibility is met either upon obtaining age 65 or after 24 months of receiving Social Security disability benefits. If a member has Medicare Part A insurance, this means that the member must now enroll in Medicare Part B insurance at the time of retirement or placement on long-term disability benefits.

Medicare-eligible pensioners, spouses or eligible dependents are required to enroll in Medicare Parts A and B as primary. (Part B may not be required if coverage with active employment is available. Contact the Office of Pensions if you have questions regarding Part B's required enrollment.)

For more information on Medicare Frequently Asked Questions (FAQ), please visit our website at www.delawarepensions.com and navigate to Active Members > Retirement Counseling > Medicare FAQ.

DENTAL INSURANCE

Dental insurance is available upon retirement. The pensioner is responsible for the full cost of the monthly premium. The pensioner may select Individual, Individual and Spouse, Individual Child(ren), or Family coverage.

VISION INSURANCE

Vision insurance is available upon retirement. The pensioner is responsible for the full cost of the monthly premium. The pensioner may select Individual, Individual and Spouse, Individual and Child(ren) or Family coverage.

10. RETIREMENT

Once you are retired, the Office of Pensions becomes your Human Resource Department.

MONTHLY PENSION

You utilize [My.Delaware.Gov](https://mydelaware.gov) to review your pay stubs online. To ensure the timely delivery of benefit payments, all pensioners must receive payment of their monthly benefit through direct deposit. Payments are issued on the last business day of each month. The payments are sent electronically so funds post immediately to your bank account.

TAXES

Pensioners may be required to pay both federal and states taxes on pension income. The Office of Pensions cannot withhold another State's tax from the State of Delaware monthly pension. If you intend to move out of Delaware, check with the Division of Revenue in that State to determine if the monthly pension is subject to state income tax. Be sure to consult with an accountant or a tax advisor about your liability or visit the IRS's website at www.irs.gov.

Withholding changes can be made anytime throughout the year by submitting new Federal and Delaware Tax Withholding Election forms to the Office of Pensions.

YEARLY STATEMENTS

Each year pensioners will receive the following statements:

Table 5: Description of Yearly Statements

Form	Description
1099R	Retiree version of a W-2 Form. Form sent out by January 31 st of each year.
1095B	A tax form that reports the type of health insurance coverage you have, any dependents covered by your insurance policy, and the period of coverage for the prior year. This form is used to verify on your tax return that you and your dependents have at least minimum qualifying health insurance coverage.
Retiree Annual Statement	Annual statement with a summary of benefits and burial benefit information.

Pensioners should review the Retiree Annual Statement for accuracy. If any changes need to be made, follow the instructions provided in each block of the statement.

WORK RESTRICTION

You cannot receive a pension from the County and Municipal Employees' (CMG) Pension Plan during any month in which you are an employee as defined under the provisions of that Plan unless you are:

- (1) An official elected by popular vote at a regular or special election; or
- (2) An official appointed by the Governor; or
- (3) A temporary employee whose earnings from such temporary employment do not exceed the maximum allowed by social security without affecting social security benefits; or
- (4) A registration or election official, or a juror.

DISCLAIMER: In the case of conflict between this summary and existing law, the law prevails.

GENERAL QUESTIONS

If you are a retiree, please be sure to contact our office if any of the following changes occur:

Table 6: Pensioner Changes that Require Updates with the Office of Pensions

If I:	I should:
Change my address	Complete and submit a Change of Address Form to our office.
Change my name	Submit updated documentation to the office: • Marriage or Divorce Certificate • Court documentation • Updated Driver's license, Social Security Card, Medicare Card, if applicable
Need to report the death of spouse or pensioner	Call our office to report a death. <i>Please note: An original death certificate will be needed to collect any benefits.</i>
Become re-employed by a CMG participating entity in a pension covered position.	Contact our office and ask to speak with our Return-to-Work Coordinator.
Become employed in a pension covered position in a separate DPERS-administered pension plan.	Call our office and ask for our pension administration section if you have any questions regarding unification or repayment of withdrawn contributions.
Have questions regarding health care	Call our office and ask for our benefits section.
Want to change my tax withholdings	Tax withholdings can be changed at any time. Please complete updated Federal and Delaware Tax Withholding Election Forms and submit them to our office.
Want to change my burial benefit beneficiary or beneficiaries	Complete, notarize and submit a new Burial Benefit Designation/Change of Beneficiary Form to our office.
Want to change my beneficiary or beneficiaries	Complete and submit an updated Designation of Change of Beneficiary Form to our office.

Forms can be found on our website at www.delawarepensions.com under Retirees > Retiree Forms.

11. APPENDIX

APPENDIX A

Table 8: Creditable/Non-Creditable Wages

Creditable (Pension) Wages	Non-Creditable (Non-Pension) Wages
• Regular Salaries • COLA (Cost of Living Allowance) • Entity Supplement Portion of Workers Compensation (Taxable) • Mobilization Supplemental • Overtime & Comp Time Salary • Reimbursement of deductible for Medical Expenses (Obamacare) • Working Out of Class • Retroactive Compensation and Overtime payments • Stand By Pay • License Bonus • Employee Recognition Awards • Cash in lieu of Health Care enrollment • Shift Differential • Longevity/Appreciation Pay	• Meals • Tuition Reimbursement • Lump Sum payout of Sick, Vacation & Compensatory Time at time of separation of employment • PIP Wages (Personal Injury) • Worker's Compensation (Non-Taxable) • Clothing & Maintenance Allowances • Sick Bonus • Imputed Income (Domestic Partner Income) • Severance Pay (unless part of contract)