

# Delaware Public Employees' Retirement System NEWSLETTER

Retiree Edition

July 2014

## POST RETIREMENT BENEFIT INCREASES

Senate Bill 261 passed the second session of the 147th General Assembly, which concluded on June 30, 2014. It provides for enhancements for retirees whose effective date of retirement was prior to July 1, 2013. (Note that the effective date of retirement means the date the pension benefit is effective not the last working day. For example, if the last working day is June 15, 2013, the pension benefit in the State Employees' Pension Plan is effective July 1, 2013).

As of January 1, 2015, there will be a Post Retirement Increase of 1% for retired State Employees, retired Judges, retired New State Police Plan and retired County and Municipal Police/Firefighters Plan members (not the Closed State Police plan) whose effective date of retirement was on or before June 30, 2013. This increase will be reflected in the monthly pension benefit payments beginning January 31, 2015.

The Closed State Police Plan Post Retirement Increase is 1.37% and will be included in the July 31, 2014 benefit payment.

Your retirement plan is a defined benefit pension plan, which means retirement benefits are calculated based on your service time, salary, and other factors. During your employment, there were employee and employer contributions made into the pension fund. These contributions plus investment earnings will fund the pension benefit that you will receive over your lifetime.

However, any post retirement increases that you receive are funded as part of the State's budget process each year. Here are the additional contributions that the State has made on the behalf of retirees over the past five years.

FISCAL YEAR	POST RETIREMENT BENEFIT INCREASES
2015 (EST)	\$33,492,700
2014	\$27,536,000
2013	\$26,584,000
2012	\$8,370,000
2011	\$13,825,000
2010	\$23,380,000

## UPDATE IMPORTANT FORMS IN YOUR PENSION FILE

When you first retired, you filled out what seemed like a mountain of forms. As you continue in retirement, the information in your file is critical to helping us identify the persons who might be entitled to a survivor benefit, a death benefit, or a burial benefit. These benefits are based on which pension plan you participate in.

The Contributory Designation/Change of Beneficiary Form (BEN-1) identifies who should receive a refund if you die early in your retirement and you do not have a survivor who is entitled to a monthly pension benefit. The person(s) you name will receive a payment equal to the amount of pension contributions you paid over your career, with interest, less the total amount of the monthly pension benefits you received.

The Burial Benefit Designation/Change of Beneficiary Form (GL) identifies the person(s) you designate to receive the \$7,000 burial benefit paid on behalf of deceased pensioners in the State Employees, New State Police and Closed State Police pension plans. The Burial Benefit Designation/Change of Beneficiary (GL) form must be completely filled out, properly signed, and notarized in order to be legally valid. This means that you must not sign and date the form until

you are in the presence of a notary public, and that the notary signs, dates, and seals or stamps the form. We cannot accept forms when the form is not properly notarized or the signature dates do not match.

Multiple beneficiaries will share the total benefit. You may designate your beneficiaries as primary or contingent. Primary beneficiaries are paid the benefit upon your death. If the primary beneficiary/beneficiaries die before the retiree, the contingent beneficiary/beneficiaries will receive the benefit.

Equally important is for you to submit a copy of power of attorney or trust documents you may create to direct the distribution of your assets. These documents should be sent to us within six months of the date they are executed.

Your current beneficiaries are listed on the Comprehensive Annual Statement you receive each year. To send us an updated, notarized form, just log on to our website, [www.delawarepensions.com](http://www.delawarepensions.com), and click on the Forms navigation on the left side of the home page. Or, just call or email us, and we will mail you the form.



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# Osher Lifelong Learning Institute at the University of Delaware



One of the first things I did when I retired in November was to join the Osher Lifelong Learning Institute at the University of Delaware. Friends in both Wilmington and Lewes had been telling me for years how much they loved taking (and in some cases, teaching) classes at Osher. So, I was thrilled to see that a program had opened in Dover and now I finally had the time to try it out. I signed up for the January lecture series and then enrolled in two classes for the spring semester. It's been great to have the opportunity to participate in a relaxed, but engaging learning environment – especially one with no tests or grades and where occasional absences are okay. I've always loved art and enjoyed museums and galleries, but I've never had any formal education in the field, so it was a treat to take a class in American art history that has enriched my museum and gallery experiences. A class in great essays of the 20th century focused on a period of time that most of us had lived through and resulted in weekly discussions not only about the writings, but about our own experiences around the issues covered in the essays. We learned as much from each other, as we did from our instructor and the authors. Osher classes have brought a little (but not too much) structure to my days, while affording me the opportunity to keep my mind challenged and engaged by learning new things, encountering new perspectives and making new friends.

-Susan Salkin, Delaware Division of the Arts

The Osher Lifelong Learning Institute at the University of Delaware is a membership organization for adults 50 and over to enjoy classes, teach and exchange ideas. The program is a learning cooperative whose members are its students, planners, instructors, committee members, and facilitators. UD offers Osher lifelong learning programs in Wilmington, Dover and Lewes. For more information about the programs, visit [www.lifelonglearning.udel.edu](http://www.lifelonglearning.udel.edu), call 302-831-7600, or send an email to [continuing-ed@udel.edu](mailto:continuing-ed@udel.edu).

## Open Enrollment for Medicare-Eligible Retirees – October 2014

The annual open enrollment period for retirees, spouses and dependents who are eligible for, or enrolled in, Special Medicfill will be on October 13th – 24th, 2014. Communications will be sent to your home from both the Office of Pensions and from Express Scripts Medicare PDP for the State of Delaware around the beginning of October. No action is needed on your part if you wish to continue your coverage as it currently is. This is your once-a-year opportunity to enroll or dis-enroll with Special Medicfill as well as enroll or dis-enroll with prescription coverage as part of your Special Medicfill package. The Office of Pensions will include instructions with your mailing in the event you wish to make any changes to your coverage.

### WEBSITE IMPROVEMENTS COMING

We will be making changes to the Office of Pensions website in the coming months with the goal to make it more user friendly.

Our new layout will consolidate pensioner information in one section, so you will more easily find:

- Forms to change tax withholding, address, or beneficiaries
- Pay calendar and notice of Office closings for holidays
- An archive of newsletters and announcements
- Updates on coming events such as annual statements, tax form mailing, and keeping your records up to date

We hope you find these changes helpful in keeping you informed, and keeping your records up to date.

### The Pension Office will be closed on the following dates:

<b>Labor Day</b>	Monday, September 1, 2014
<b>Election Day</b>	Tuesday, November 4, 2014
<b>Veteran's Day</b>	Tuesday, November 11, 2014
<b>Thanksgiving Day</b>	Thursday, November 27, 2014
<b>Day after Thanksgiving</b>	Friday, November 28, 2014
<b>Christmas Day</b>	Thursday, December 25, 2014

### Reminder...

If your financial institute routing number or account number changes you must complete a new Direct Deposit form and submit it to the Office of Pensions. The Direct Deposit form can be found on our website [www.delawarepensions.com](http://www.delawarepensions.com); click on the Forms navigation on the left side of the home page. Or just call or email us and we will mail you the form.