

# Delaware Public Employees' Retirement System NEWSLETTER

Retiree Edition

December 2020

## New Employee Assistance Program!

**COMPSYCH**  
GuidanceResources® Worldwide

Effective January 1, 2021, ComPsych® GuidanceResources® will replace Health Advocate as the administrator of the State of Delaware's Employee Assistance/Work Life Program. This FREE program is available to employees and non-Medicare retirees enrolled in a Group Health Insurance Plan as well as family members in their household.

ComPsych® GuidanceResources® program offers someone to talk to confidentially and resources you can consult whenever and wherever you need them. A toll-free number gives you direct, 24/7 access to a GuidanceConsultantSM, who will answer your questions and, if needed, refer you to a counselor or other resources, such as legal and financial support. You will be able to log on to connect directly with a GuidanceConsultantSM about your issue or to consult articles, podcasts, videos and other helpful tools. Additionally, you have access to myStrength®, an online self-care platform that includes support to reduce the symptoms of a wide variety of health issues including anxiety, depression, stress, insomnia, chronic pain, use of drug, alcohol and nicotine and coping during COVID-19.

ComPsych® GuidanceResources® program offers someone to talk to confidentially and resources you can consult whenever and wherever you need them. A toll-free number gives you direct, 24/7 access to a GuidanceConsultantSM, who will answer your questions and, if needed, refer you to a counselor or other resources, such as legal and financial support. You will be able to log on to connect directly with a GuidanceConsultantSM about your issue or to consult articles, podcasts, videos and other helpful tools. Additionally, you have access to myStrength®, an online self-care platform that includes support to reduce the symptoms of a wide variety of health issues including anxiety, depression, stress, insomnia, chronic pain, use of drug, alcohol and nicotine and coping during COVID-19.

Look for information to be mailed to your home address in early January.

## Temporary Changes to Delta Dental and EyeMed Vision Premium Deductions

As a result of reduced claims during COVID-19, Delta Dental and EyeMed Vision are extending premium credits to State of Delaware subscribers. Premium deductions for Delta Dental subscribers were already reduced by 25% in October and November 2020. EyeMed Vision subscribers will see a 2.3% reduction in premiums deductions for the months of October 2020 through March 2021.

## Retiree Mailings

Retiree tax statements will be mailed by January 31, 2021 to pensioners who received a benefit payment from the State of Delaware Office of Pensions during 2020. The type of form you receive depends upon the pension plan you are enrolled in and the type of payment you received.

The Department of Treasury and the IRS issued Notice 2020-76 in early October that reiterated that Congress reduced the ACA's individual shared responsibility penalty to zero effective January 1, 2019. This means that individuals no longer need to receive a Form 1095-B documenting their enrollment in coverage in order to complete their income tax returns.

Form 1095B will no longer be mailed but can be requested by contacting the Office of Pensions at (800) 722-7300 or [pensionoffice@delaware.gov](mailto:pensionoffice@delaware.gov).



## 2020 Pension Administrator's Award

Congratulations to Christy Ulmer for receiving the 2020 Pension Administrator's Award, now known as the Wm. "Ray J" Johnson Award. This is an award chosen by her peers which makes it even more significant. The three areas that are considered are: Work Ethic, Positive Attitude and Achieving Success on the Job.

## Online Defensive Driving Courses Available

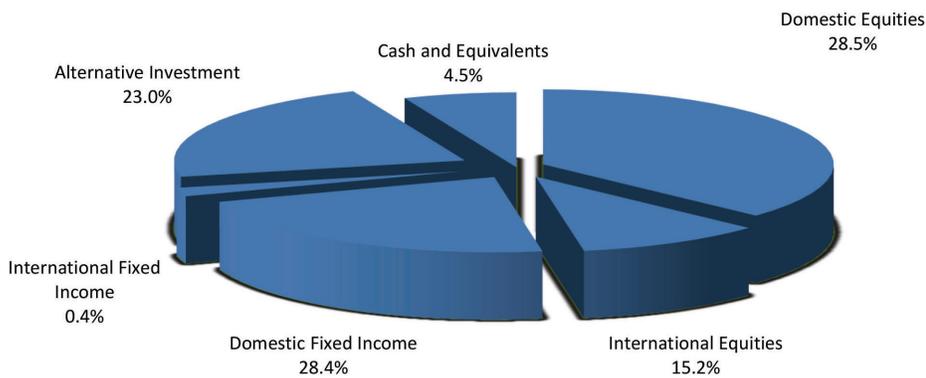
Please visit The Delaware Safety Council at <https://www.delawresafety.org/> to access this online course at a discounted rate of \$12 for retirees. The discount code changes monthly and can be accessed on the home page of our website.

# Annual Financial Reporting

The System's investments had a 10.0% time-weighted rate of return in Fiscal Year 2020. The annualized total returns for the past five, ten, and fifteen years are 7.0%, 9.2%, and 7.6%, respectively. The System's performance, compared to other large pension funds, is in the second quartile for the ten-year period ending June 30, 2020.

In fiscal year 2020, the global economy and investment markets advanced in the first seven months of the fiscal year, only to be dealt an unprecedented shock as the rapid spread of the coronavirus strained health care systems, wreaked havoc on financial market and practically every aspect of everyday life for individuals and business entities. Governments across the world issued lockdown restrictions, limiting the movement of people and forced some businesses to close. Financial markets intensely focused on the ability of countries to "flatten the curve" and ease "stay-at-home orders". However, containment efforts resulted in more severe economic consequences than prior experience. As such, central banks and governments enacted unprecedented stimulus measures. The spread of the virus did slow down in the last quarter of the fiscal year which led to many countries easing restrictions, and global equity markets recouping much of the steep losses experienced at the depth of the crisis. Despite the uncertain economic outlook and expectations of declining corporate earnings, US stocks managed a gain of 6.5% for the fiscal year, as measured by the Russell 3000 index. International stocks lagged for the year as the MSCI All-Country ex-USA index fell 4.8%.

## Asset Allocation as of June 30, 2020



In fixed income markets, high quality bonds outperformed credit-oriented fixed income. Accommodative monetary policies and demand for the relative safety of government bonds helped push Treasury bond yields to all-time lows. For the year, the broad Bloomberg Barclays Universal bond index gained 7.9%, while the Bloomberg Barclays High Yield index was flat. As the new fiscal year begins, the System's investment portfolio is positioned with large exposures to public and private equities and smaller exposures to fixed income. Asset allocation moves through early 2020 focused on trimming equity and credit exposures in favor of higher quality fixed

income in reaction to a combination of strong performance and signs that the economic upturn was in its late stages. Near the markets' depths in March, the Committee acted to trim higher quality fixed income in favor of equity and credit exposures. The outlook for Fiscal Year 2021 is that markets still face many challenges. Central banks and governments have provided massive amounts of stimulus to cushion the economic disruption caused by the coronavirus. While these measures appear to have helped replace lost income and sustain businesses, effective treatments or a vaccine appear to be needed for economies to reach their full potential. Tensions between the US and China, the US Presidential election in November, civil unrest and rising budget deficits are also sources of uncertainty.

While there are threats and challenges, there are also opportunities that benefit from today's record low interest rates and from the post-pandemic recovery that lies ahead. Examples would include the accelerated adoption of cloud-based technologies and advances in medical research. In the face of these uncertainties, the System's Board of Trustees and Investment Committee will continue to rely on the investment principles and risk management guidelines that have served the Pension System well in the past and to do their best to execute a sound investment strategy for the benefit of the System's stakeholders.

More information that is detailed is in the DPERS 49th Comprehensive Annual Report available on our website at <https://open.omb.delaware.gov/FinancialReports/AnnualFinancialReports.shtml>



## OFFICE OF PENSIONS

State of Delaware Office of Pensions  
McArdle Building, Ste #1  
860 Silver Lake Boulevard  
Dover, DE 19904-2402

Toll Free Long Distance: (800) 722-7300  
Telephone: (302) 739-4208  
Fax Number: (302) 739-6129

E-mail Address: [pensionoffice@delaware.gov](mailto:pensionoffice@delaware.gov)  
Web Address: [www.delawarepensions.com](http://www.delawarepensions.com)