

Active Employee NEWSLETTER

DELAWARE PUBLIC EMPLOYEES' RETIREMENT SYSTEM

FEBRUARY 2025



STATE OF DELAWARE OFFICE OF PENSIONS

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Considering Retiring? Here is an outline of each role in the retirement process.

Your role as an employee:

To ensure timely processing of your pension benefits upon retirement, you should notify your supervisor and Human Resources (HR) department at least four months before your intended retirement date. This will allow sufficient time for HR to process all necessary paperwork and benefits.

In preparation for this, begin gathering the following important documents for yourself, your spouse, and any eligible dependents:

- **Birth certificates** (or federally compliant Delaware driver's license or ID card)
- **Social Security cards**
- **Marriage certificate, death certificate, or divorce decree** (if applicable) to establish eligibility
- **Medicare cards**

By gathering these documents early, you'll help ensure a smooth process as you prepare for retirement and access your pension benefits.

If you're curious about your potential pension benefit amount, we recommend reviewing your Comprehensive Annual Statement on **My.Delaware.Gov**. You can also use the **Pension Calculator** on the **Delaware Pensions** website at www.delawarepensions.com. Simply click on the "Pension Calculator" button on the homepage.

While these tools are valuable for estimating your pension, we strongly encourage you to speak directly with a retirement counselor at the **Office of Pensions** for personalized guidance and assistance.

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Get to Know Your Pension Plan

If you're looking for a convenient resource that will help you understand how your pension plan works and which benefits you're entitled to receive, we invite you to visit the following Summary Plan Descriptions at www.delawarepensions.com:

- State Employees' Pension Plan Summary Plan Description
- Judicial Pension Plan Summary Plan Description
- New State Police Pension Plan Summary Plan Description
- Elected Officials of the State Employees' Pension Plan Summary Plan Description.

Additional Summary Plan Descriptions for the remaining pension plans are in progress.

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HR team's role: Your HR team's role is to provide the Pension Office with necessary information, such as retirement effective date and payroll and service documentation. Your HR is also responsible for providing information relating to deferred compensation, sick leave balances, and your annual leave payout amount. If you are Medicare eligible, you will need to complete a Request for Employment Information CMS L-564 form and submit to your HR as the form requires a human resources representative's signature. See the section outlining the L-564 form for more information.

Office of Pension: The Office of Pensions is responsible for verifying your creditable service time, calculating your pension, and enrolling the associated benefits. To ensure accuracy, we use the information provided by your HR department to confirm your creditable service time, calculate your monthly benefit, and assess your eligibility for benefits.

Please note that your first pension payment will be on a lag pay in most cases. For example, if you retire on May 1st, both your May and June pension payments will be issued on the last business day of June.

Once your pension benefit has been calculated, retirees will receive a **buy-in option worksheet** if you are eligible to purchase additional service time due to sick leave, refunded contributions, etc. This worksheet must be signed and returned to us before the first pension payment is processed.

After you retire: The **Office of Pensions** is your primary contact for any benefit-related inquiries, change of address requests, payroll issues, and any other necessary forms. You can find retiree forms on our website under [Retiree Forms](#) or by visiting www.delawarepensions.com and selecting the "Retiree Forms" button in yellow. Please also refer to our website for updated information, including pay dates and office closings.

Important Tax Documents: You will receive your Retiree Annual Statement, as well as your 1099-R forms, which were mailed to you in January. To access these forms, simply visit My.Delaware.Gov or visit the Delaware Office of Pensions website and select the "[Retiree Member Login](#)" button on the right.



Comprehensive Annual Statements

The 2024 Comprehensive Annual Statements were released at the end of January 2025 for certain pension plans. Members of other pension plans will receive their statements in April 2025 as summarized below:

Key Dates:

- **January 2025:** Statements available on my.Delaware.gov for participants in:
 - o State Employees' Pension Plan
 - o New State Police Plan
 - o Revised Judicial Plan
 - o Legislative Plan
- **April 2025:**
 - o County Municipal Pension Plans
 - o Volunteer Fire

Focus for 2024 Statement Review:

We would like to draw your attention to **Block 5: Survivor Information** and **Block 6: Beneficiary Information**. Understanding these terms is vital:

Survivor:

A legally defined individual who may receive a monthly survivor's pension:

- **Surviving spouse**
- **Unmarried children:**
 - o Under 18
 - o Ages 18–22, enrolled full-time in school
 - o Permanently disabled before age 18
- **Dependent parent** receiving at least 50% support from you at your time of death

Beneficiary:

An individual or entity (e.g., charity, trust) designated to receive your contributions as a lump sum payout **if there's no eligible survivor**.

Beneficiaries:

- Do **not** receive a monthly pension
- Must have updated contact details to ensure timely payouts

Important Notes:

1. Survivors vs. Beneficiaries:

- o If you are vested and have an eligible survivor, they receive a pension, and no contributions are paid out.
- o If you are not vested or have no eligible survivor, your beneficiary will receive a lump-sum payout.

2. Designating Beneficiaries:

- o Do not name yourself as a beneficiary.
- o For trusts or estates, include the name and Employer Identification Number instead of personal details.

3. Updating Beneficiaries:

- o Use the Designated Beneficiary Form (attached after Block 6).
- o Ensure the form is manually signed; unsigned forms cannot process updates.
- o Beneficiary updates reflect in the pension file immediately but will only appear in the next annual statement (2025).

For Assistance:

Questions about the statement or updates can be directed to the Office of Pensions via email at pensionoffice@delaware.gov or through www.delawarepensions.com.

Virtual State Employees' Pension Plan Pre-Retirement Workshops Dates and Times

The Office of Pensions is hosting virtual Pre-Retirement Workshops via Microsoft TEAMS to provide information regarding the Delaware State Employees' Pension Plan benefits. There is no cost or pre-registration required to attend. Visit the Retirement Counseling section under the Active Members section of our website, www.delawarepensions.com for registration details.

Virtual SEPP Pre-Retirement Workshop Dates and Times:

February 26th 9:00 AM

April 9th 9:00 AM

June 25th 9:00 AM

An Overview of Delaware Public Employees' Retirement System's (DPERS) Financial Reporting and Investment Performance for Fiscal Year 2024

The Delaware Public Employees' Retirement System (DPERS) provides a defined benefit pension plan, ensuring that your pension benefits are based on your compensation and service history, rather than being directly influenced by individual investment returns. Here are key highlights about the system's performance and security:

Key Points About Your Pension:

1. Fund Stability:

- o The DPERS system remains financially robust, securing your pension benefits for the future.

2. Investment Performance:

- o DPERS has demonstrated **strong investment performance** over both medium- and long-term periods. For the five-year period ending June 30, 2024, DPERS ranks in the **first quartile** within the Investment Metrics large public plan universe, signifying top-tier performance compared to peers. This reflects that DPERS has excelled in recent investment strategies.
- o For the ten-year period ending June 30, 2024, DPERS ranks in the **second quartile**, maintaining solid long-term investment performance among large public funds. This demonstrates consistent strength and reliability in the system's long-term investment approach.

3. Investment Strategy:

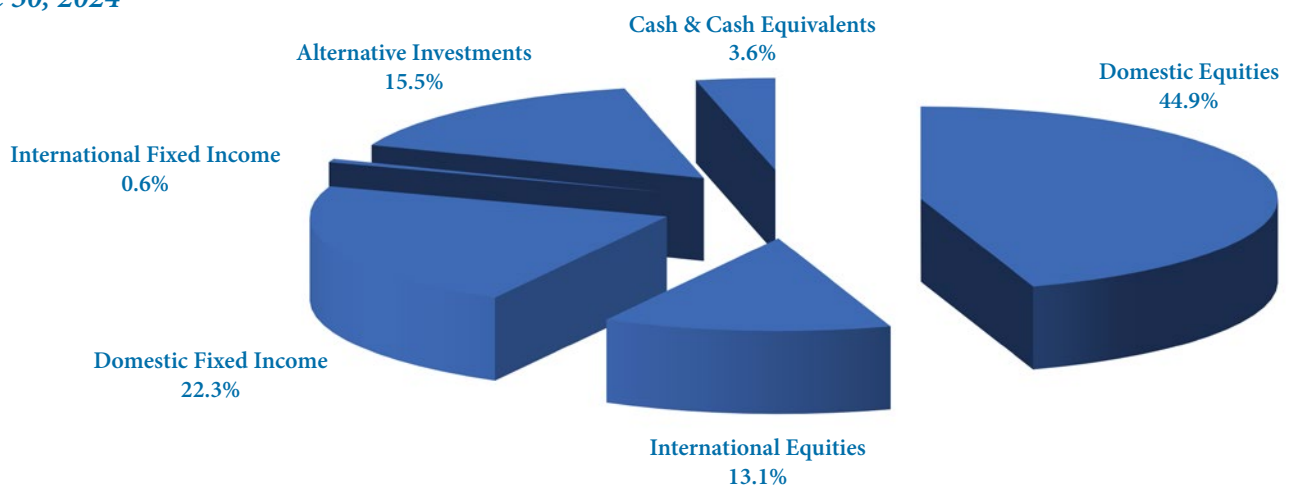
- o DPERS employs well-established investment principles and risk management practices.
- o These strategies prioritize long-term stability and consistent returns to maintain the health of the pension fund.

What This Means for You:

- Your pension benefits are secure, thanks to a sound funding and investment strategy.
- DPERS remains committed to careful management to ensure the long-term sustainability of the system.

Asset Allocation

as of June 30, 2024



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Funding Status

A pension plan is well funded when it has sufficient assets invested to meet all expected future obligations to participants. The funded ratio measures financial health, representing the proportion of assets to net pension liability. Higher funded ratios indicate better funding levels. Seven of the plans/funds included in DPERS – the State Employees', New State Police, Judiciary, County & Municipal Police & Firefighters' Plan, County & Municipal Other Employees' Plan, Closed Diamond State Port Corporation, and Special Fund – have funded ratios greater than or equal to 88% of the net pension liability. The Delaware Volunteer Firemen's plan is making annual contributions at the actuarially determined rate to reach full funding and the Closed State Police Pension Plan remains a pay-as-you-go plan. DPERS' proactive management and strong funding for the majority of its plans reflect a commitment to meeting participant obligations and maintaining system sustainability.

Financial Reporting

The DPERS Annual Comprehensive Financial Report (ACFR) was awarded the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting for the 28th consecutive year. This award is granted to government units with easily read and efficiently organized annual reports. In addition, the Public Pension Coordinating Council (PPCC) granted DPERS the Public Pension Standards Award for the 21st consecutive year.



Over Age 65 and Still Working?

If you are over the age of 65 and still working, it's important to understand how this impacts your Medicare and State of Delaware benefit eligibility. You become eligible for Medicare Part A and Part B on the first day of the month in which you turn 65. Most people are automatically enrolled in Medicare Part A; however, you are not required to enroll in Medicare Part B if you or your spouse are still covered under an employer group health plan. This means that if you or your spouse are still working and covered by employer insurance, you may be able to delay enrollment in Medicare Part B (and avoid the associated premium payments) until you retire or lose the employer's insurance coverage. Please note, health insurance through the Office of Pensions is not employer insurance.

If you or your spouse choose not to enroll in Medicare Part B while working, you will need to have your HR Representative fill out an additional form during your pension paperwork process. This form, called the Request for Employment Information (CMS L564/R297), must be submitted with your Medicare Part B Application (CMS 40B) to the Social Security Administration.

This form is crucial in the retirement process, as it certifies that you were covered under an employer group health plan after age 65 and prevents the Social Security Administration from imposing a **late enrollment penalty** on your Medicare Part B premiums. Failing to complete the form in a timely manner may result in an additional 10% fee for each year you could have enrolled in Medicare Part B, but didn't.

We recommend applying for Medicare Part B three months before your retirement date, as it may take several months to receive your information. Once you are ready to retire, contact your Human Resources department promptly to ensure all necessary forms are completed.

More information on your Medicare and State of Delaware benefit eligibility at age 65 and beyond can be found on [Medicare.gov](https://www.medicare.gov), <https://dhr.delaware.gov/benefits/medicare>, and <https://open.omb.delaware.gov/forms/2024/Medicare-Resource-Guide.pdf>.



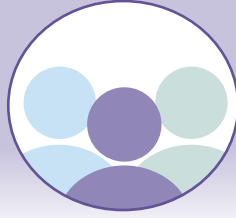
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reports@lighthouse-services.com
(Must include *DPERS*
in Message)

Fax:
(215) 689-3885
(Must include *DPERS*
in fax document)



Community Corner
*Opportunities to get
connected to your community!*

The Office of Pensions occasionally hosts blood drives on behalf of the Blood Bank of Delaware. Please be on the lookout for future drives and consider supporting the Blood Bank of Delaware in the following ways:

**Save lives and make
a difference in your
community**

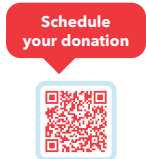


Top 3 ways to give:



Donate blood

There is no substitute for blood, and only eligible donors can meet the need. Every 2 seconds, someone needs blood—from newborn babies to cancer patients to accident victims. Give the right type of donation for your blood type and make an even bigger impact in the lives of hospital patients.



Make a financial gift

Can't give blood? There are other ways to help! Your financial contribution stocks the canteen with snacks, funds extra support for high school blood drives, and puts gas in the tank of the bloodmobile. Make a one-time gift or pledge ongoing support.



Volunteer your time

Volunteers play a crucial role in helping save lives every day. Volunteer in a supportive, friendly environment to meet new people and attend an annual recognition event to thank you for your hard work!



**Get the
DPERS App
and stay
informed!**

Go to Google Play or the Apple Store and get the new DPERS app. There is Plan Information, Notifications, and even a Count Down to Retirement. Scan the QR Code to the right to get the app.



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