Delaware Public Employees' Retirement System
NEWSLETTER
Active Member Edition **February 2011**

Are you ready to retire?

- An employee should notify their supervisor and Human Resources department three months prior to their retirement date to ensure timely processing of pension benefits.
- Once notified, the Human Resources department of the employee's agency or school district will contact the employee for an appointment to complete the necessary paperwork in the pension packet.
- The Human Resources department will require the employee to bring various personal documents for the appointment. They include:
  - *Birth certificate for employee and spouse*
  - *Signed Social Security card for employee and spouse*
  - *Marriage certificate, death certificate, or divorce decree as applicable*
  - *Medicare card showing Part A and B coverage for employee and spouse as applicable.*
- Once the packet is complete, it is forwarded to the Pension Office for assignment. The employee will receive a letter acknowledging receipt of the Pension Application.
- Since all state agencies and school districts (with the exception of the University of Delaware) are on lag payroll, the first pension check will be direct deposited on the last working day of the next month following the effective date of pension (ex., Retire 1/1/11, first check received will be on 2/28/11 and will include two months of pension).
- If the employee has buy-in options upon retirement, notification regarding the purchase will be mailed to the home address in the month that the employee is schedule to receive their first pension check.

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State of Delaware Office of Pensions
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860 Silver Lake Boulevard
Dover, DE 19904-2402

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Fax Number: **(302) 739-6129**

PENSION & RETIREMENT WORKSHOPS 2011

NO PRE-REGISTRATION REQUIRED

New Castle County

Date:	April 5, 2011	Date:	April 12, 2011	Date:	April 20, 2011
Day:	Tuesday	Day:	Tuesday	Day:	Wednesday
Time:	7:00 – 9:00 p.m.	Time:	7:00 – 9:00 p.m.	Time:	7:00 – 9:00 p.m.
Place:	Stanton Middle School 1800 Limestone Rd. Wilmington, DE 19804	Place:	Brandywine High School 1400 Foulk Rd. Wilmington, DE 19803	Place:	Stanton Middle School 1800 Limestone Rd. Wilmington, DE 19804

Kent County

Date: April 19, 2011
Day: Tuesday
Time: 7:00 – 9:00 p.m.
Place: Delaware State Trooper's Assoc.
(Exit onto Messina Hill Rd.
off N. DuPont Hwy)
Cheswold, DE 19936

Sussex County

Date: April 6, 2011
Day: Wednesday
Time: 7:00 – 9:00 p.m.
Place: Del Tech Owens Campus
Arts & Science Center
College Theater
Georgetown, DE 19947

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ON THE PROGRAM: State Pension Office and Social Security Administration

Annual Financial Reporting

With the severe global economic recession drawing to a close in Fiscal Year 2010 and positive responses in the market, the Delaware Public Employees' Retirement System (System or DPERS) showed positive results as well. The System's investment portfolio had a 14.1% return gross of fees in Fiscal Year 2010. The total System's annualized returns for the last 5, 10, and 15 years are 4.3%, 3.9% and 8.0%, respectively. System investments are managed to control the downside risk to which assets are exposed, while maximizing long-term gain potential. This strategy positions the System to limit the impact of adverse market conditions. With the fact that market conditions are constantly changing, the Board, Investment Committee, and consultants are constantly monitoring DPERS' investment portfolio. It is important to remember that DPERS is a long-term investor with a time horizon that lasts over decades and that the investment portfolio is well diversified in many different asset classes.

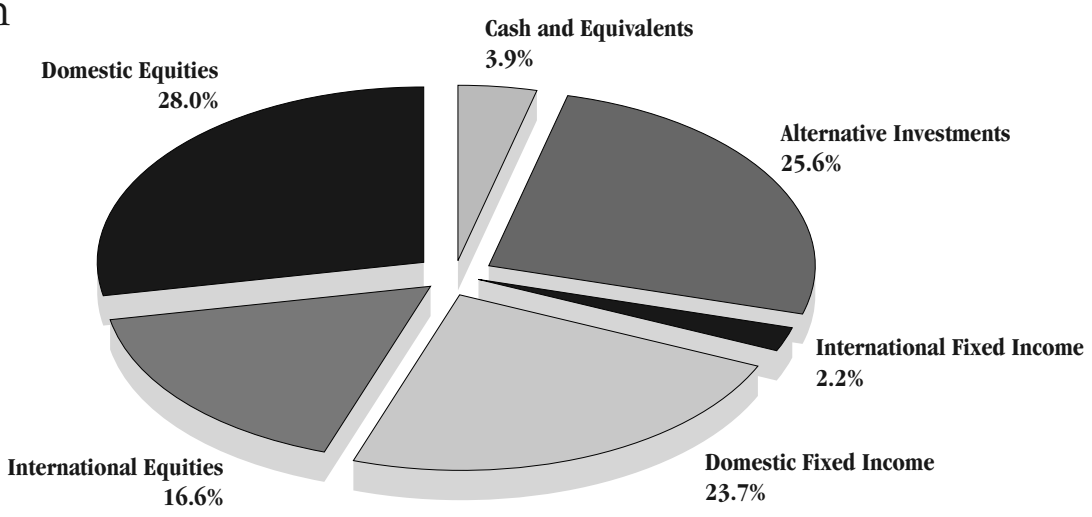
As a member of a DPERS pension plan, you participate in a Defined Benefit Plan, and your retirement benefits are paid out to you regardless of market events. When you retire, DPERS will calculate your monthly pension benefit based on various factors such as years of service and salary, not investment results. DPERS takes responsibility for the management and investment of the trust fund and understands that markets will fluctuate. DPERS' investment policy seeks to minimize risk and provide returns over the long term.

During the past fiscal year, work continued on the implementation of a new financial reporting system. The System completed the installation and implementation of an upgrade to the existing PeopleSoft Human Resources system that houses all beneficiary data and calculations.

Participation in the County & Municipal pension plans continued to grow with the addition of the Town of Laurel, Bowers/Frederica EMS and Talleyville Fire Company.

Asset Allocation

as of June 30, 2010



Annual Financial Reporting

The DPERS Comprehensive Annual Financial Report for the fiscal year ended June 30, 2009 was awarded the Government Finance Officers Association of the United States and Canada (GFOA) Certificate of Achievement for Excellence in Financial Reporting. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. This is the thirteenth consecutive year that DPERS has received a Certificate of Achievement. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Pension Plan/Fund	Ending Market Value as of June 30, 2009 (in thousands)	Funding Status as of June 30, 2008
State Employees'	$ 5,909,159	96.0%
Special Fund	380	137.2%
New State Police	215,665	94.3%
Judiciary	44,977	85.8%
County & Municipal Police & Firefighters'	122,086	95.9%
County & Municipal Other Employees'	16,483	88.7%
Delaware Volunteer Firemen's	12,282	49.9%
Diamond State Port Corporation	13,536	84.0%
Closed State Police	1,396	0.5%

the Closed State Police Plan is a pay-as-you-go plan.

In addition, the Public Pension Coordinating Council (PPCC) granted the System the Public Pension Standards Award for 2009. The major PPCC goal is to promote excellence in plan design and administration among state and local public retirement systems. The Public Pension Standards considered include: comprehensive benefit programs, funding adequacy, receipt of GFOA award in current year, independent actuarial valuation, independent audit review resulting in an unqualified opinion from the auditor, independent investment performance evaluation, adoption of written fiduciary standards by Board and Investment Committee, and communications with membership.

2010 Comprehensive Annual Statements

Employee Comprehensive Annual Statements will be mailed out in late winter. This statement will indicate your estimated pension benefit as of December 31, 2010, along with your beneficiary data as of the printing date.

When you receive your statement, please review it carefully and notify us, following the instructions included with the statement, if any changes are required. E-mail our office (**pensionoffice@state.de.us**) with any comments you have regarding the statement along with your suggestions for future improvements.

The Pension Office will be closed on the following dates:

Good Friday	Friday April 22
Memorial Day	Monday May 30
Independence Day	Monday July 4
Labor Day	Monday September 5
Veterans Day	Friday November 11
Thanksgiving Day	Thursday November 24
Day After Thanksgiving	Friday November 25
Day After Christmas	Monday December 26

Leaving Pension Covered Employment?

When you were initially hired in a pension-covered position, you were automatically enrolled in a pension plan which requires employee contributions to be withheld from your payroll check. Over the years, your contributions have been accumulating, as well as, earning interest on those contributions.

At the time of termination from pension-covered employment, you will need to make a decision concerning your accumulated pension benefits:

- If you are eligible to retire immediately, your Human Resource Office should complete a Pension Application for you, together with all the necessary forms that are required at retirement.

- If you have a vested right to a benefit, your Human Resource Office should complete a "Vested" Pension Application. In this situation, you have earned sufficient years of creditable service to qualify for a pension benefit at a later date.

- If you do not qualify for a pension benefit, you may withdraw your contributions and the interest earned on those contributions. If you feel you may return to a pension-covered position at some later date, you may elect to leave your contributions in the plan. In either case, your Human Resource Office has the necessary forms to complete.

When leaving pension-covered employment, please be sure to see your Human Resource Office or contact the Pension Office for assistance.

Famous Quotation: *A happy person is not a person in a certain set of circumstances but rather a person with a certain set of attitudes –*

Hugh Downs

New Delta Dental policy could save you money on some services

Delta Dental implemented a new policy on February 1, 2011 that could save you money on procedures that are not covered by your dental plan with the State of Delaware. Delta Dental will require dentists, who participate in Delta Dental's networks, to accept Delta Dental's discounted fee for a non-covered service so long as your dental plan provides for an alternative procedure that can address the dental condition being treated.

Example 1: Suppose you want a posterior composite (white) filling applied to a molar. Your dental plan does not provide benefits for posterior composites, but it does provide coverage for amalgam (silver) fillings or restorations.

In this instance, because an alternative treatment is a covered benefit, the participating dentist would be required to accept Delta Dental's discounted fee – rather than his/her usual fee – for the posterior composite. You would be charged the difference between Delta Dental's payment toward the amalgam filling and Delta Dental's discounted fee for a posterior composite rather than the dentist's whole – often higher – fee.

Example 2: You can also save on the cost of a procedure that is subject to frequency limitations. For instance, your dental plan with the State of Delaware provides for two cleanings in a year. If you were to get a third cleaning in a year, your Delta Dental participating dentist could charge you no more than Delta Dental's discounted fee for that third cleaning, rather than the dentist's whole – probably higher – fee.

Example 3: The policy does not apply to cosmetic-only procedures, such as veneers or crowns provided purely for aesthetic purposes, or to large reconstruction cases where the entire bite is changed as a result of crowns and bridges or implants (as itemized in Delta Dental's standard list of limitations and exclusions).

Delta Dental's non-covered services policy is available to Delta Dental enrollees, including their enrolled dependents.

Contact Delta Dental at 1-800-873-4165 for more information on this new policy.