Delaware Public Employees' Retirement System

NEWSLETTER

Active Member Edition February 2012

DPERS Welcomes New Board Chair

Ms. Suzanne Barton Grant was appointed by Governor Markell as Chair of the Board of Pension Trustees, effective January 2012. Ms. Grant was first appointed to the Board of Pension Trustees in 2009. Since her initial appointment she has served as Chair of the Audit Committee as well as a member of the Investment Committee. During her career with Smith Barney, Consulting Group, she was the Senior Vice President/Manager of US Equity Investment Advisor Research. Ms. Grant has a BA in Economics from Brandeis University and an MBA in Finance from the Wharton School of the University of Pennsylvania. DPERS will continue to benefit from her varied professional background and vast knowledge of investments and system administration.

DPERS Welcomes New Board Trustee

Mr. Arturo F. Agra was appointed by Governor Markell as the newest member of the Board of Pension Trustees, effective January 2012. Mr. Agra is Vice President of Strategic Planning for Pepco Holdings, Inc. (PHI) and is responsible for preparing and documenting the company's strategic plans, and leading the thought process to drive forward thinking, innovation and change. Previously, Mr. Agra was Senior Vice President of Finance, and Chief Financial Officer of Conectiv Energy. He also serves on the Board of Energy Systems Northeast, LLC; Millennium Services, LLC; Microcell Corporation; and several PHI subsidiary internal Boards. In addition, he has served on the Board/Executive Committees of Burney Forest Products, Vineland Cogeneration, Inc.; Pedricktown Cogeneration, LLC; and various other companies. Mr. Agra is a Certified Public Accountant and a member of the American Institute of Certified Public Accountants. He brings a wealth of experience and knowledge to the Delaware Public Employees Retirement System.

OFFICE OF PENSIONS

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DO YOU NEED TO CONTACT THE PENSION OFFICE?

In our continuing effort to provide the best service to our customers, the Office of Pensions utilizes a document imaging system to capture and process paper documents. To ensure that all pertinent information is scanned correctly, we ask that you use only **black ink** when making corrections, signing, or making notations on paper items you send to our office. Other color inks and pencil markings are not always recognized by the equipment and may cause delays or errors in processing the document. Thank you for helping us to help you.

Did you know that you can also reach us by visiting our website:
www.delawarepensions.com
OR by sending an email to: Pensionoffice@state.de.us

Annual Financial Reporting

With investment markets responding positively in the past year following the severe global economic recession which began in early 2008 and drew to a close in Fiscal Year 2010, the Delaware Public Employees' Retirement System (System or DPERS) showed positive results as well. The System's investment portfolio had a 24.3% return gross of fees in Fiscal Year 2011. The total System's annualized returns for the last 5, 10, and 15 years are 6.6%, 6.7% and 8.3%, 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.

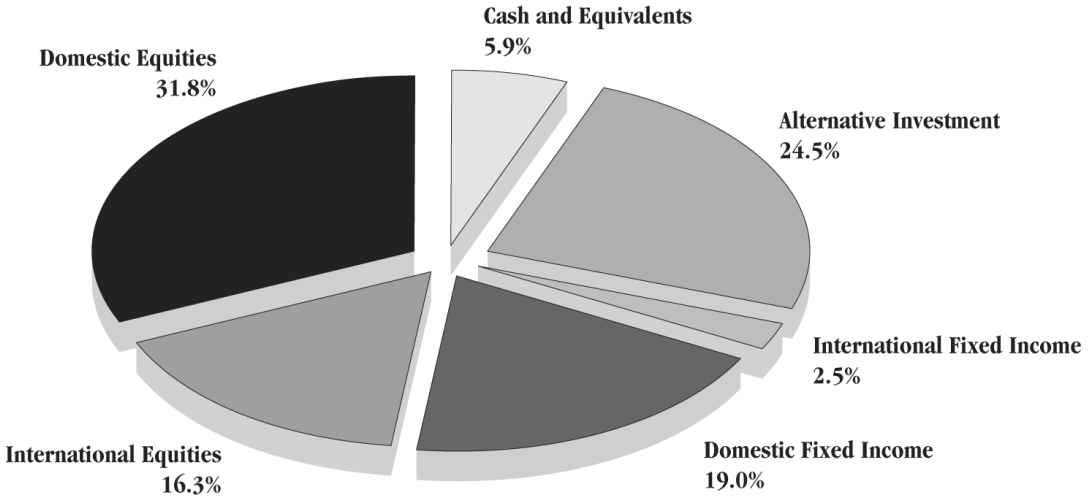
As a member of a DPERS pension plan, you participate in a Defined Benefit Plan, and your retirement benefits are paid out to you regardless of market events. When you retired, DPERS calculated your monthly pension benefit based on various factors such as years of service and salary, not investment results. 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.

Participation in the County & Municipal pension plans continued to grow with the addition of the Town of Greenwood and Town of Blades.

Asset Allocation

as of June 30, 2011



Annual Financial Reporting

The DPERS Comprehensive Annual Financial Report for the fiscal year ended June 30, 2010 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 fifteenth 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, 2011 (in thousands)	Funding Status as of June 30, 2011
State Employees'	$ 7,056,916	94.0%
Special Fund	372	141.5%
New State Police	272,547	94.3%
Judiciary	55,810	88.4%
County & Municipal Police & Firefighters'	161,180	98.3%
County & Municipal Other Employees'	21,615	90.4%
Delaware Volunteer Firemen's	14,270	48.7%
Diamond State Port Corporation	17,295	83.4%
Closed State Police	2,263	0.8%

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 2010. 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.

To view the entire Comprehensive Annual Financial Report please visit our website: www.delawarepensions.com

2011 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, 2011, 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 suggestion for future improvements.

The Pension Office will be closed on the following dates:

Good Friday	Friday, April 6
Memorial Day	Monday, May 28
Independence Day	Wednesday, July 4
Labor Day	Monday, September 3
Election Day	Tuesday, November 6
Veterans Day	Monday, November 12
Thanksgiving Day	Thursday, November 22
Day After Thanksgiving	Friday, November 23
Christmas	Tuesday, December 25

2012 RETIREMENT WORKSHOPS

Sponsored by The State Pension Advisory Council & The State Board of Pensions Trustees

The following evening workshops are being held to provide information regarding the State Employees' Pension Plan benefits. There is no cost or pre-registration required to attend these workshops. Individual retirement estimates will not be distributed at these workshops. Participants will learn how to prepare their own estimated benefit using the Pension Office website.

New Castle County

Date: March 28, 2012
Day: Wednesday
Time: 7:00 – 9:00 p.m.
Place: Brandywine High School
1400 Foulk Road (in Audion)
Wilmington, DE 19803

Date: April 17, 2012
Day: Tuesday
Time: 7:00 – 9:00 p.m.
Place: Stanton Middle School
1800 Limestone Road (in Audion)
Wilmington, DE 19804

Date: April 25, 2012
Day: Wednesday
Time: 7:00 –9:00 p.m.
Place: Stanton Middle School
1800 Limestone Road (in Audion)
Wilmington, DE 19804

Kent County

Date: April 23, 2012
Day: Monday
Time: 7:00 – 9:00 p.m.
Place: Del Tech Terry Campus
100 Campus Dr. (Room 400 A & B)
Dover, DE 19904

Sussex County

Date: May 1, 2012
Day: Tuesday
Time: 7:00 – 9:00 p.m.
Place: Del Tech Owens Campus
Lecture Hall/William A. Carter
Partnership Center
Georgetown, DE

Check it Out!!!

Visit our website: **www.delawarepensions.com**
for retirement information.

Use the Online Calculator to estimate your retirement benefit!!!