

Montgomery County Retired Employees Association

Annual Meeting

June 2023



Presenter



ELI MARTINEZ
Executive Director



Agenda

- Plans Snapshot
- Consolidated Retiree Health Benefits Trust
- Investment Advice and Services
- Social Security
- MCERP Events and Contacts
- Questions





Plans Snapshot


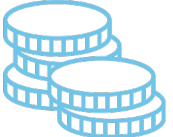



Key takeaways

- 1 ERS continues fully funded
- 2 CRHBT Funding improved over the last five years
- 3 CRHBT responsible funding policy being developed
- 4 You have access to financial advisors
- 5 Social Security seminars continuing virtually
- 6 For MCERP events refer to our home page!



Can you give us a snapshot of the MCERP?

The ERS Plan remains fully funded and the Health Benefits Trust is unchanged

	Assets 	Funded Actuarial 	Funded Market 	Active Membership 	Retiree 
Employees Retirement System (ERS):	\$4.7B	101%	96%	6,424	6,800
Retiree Health Benefits Trust:	\$1.6B	48%*	48%*		
Retirement Savings Plan (RSP):	\$659M			4,451	
Deferred Compensation Plan (DCP):	\$544M			3,466	

* Based on the last actuarial valuation at 6/30/22. Updated actuarial information for 6/30/2023 will be available in later October 2023.

[How about the CRHBT?](#)





Consolidated Retiree Health Benefits Trust

The Consolidated Retiree Health Benefit Trust (CRHBT) helps pay for your health insurance costs

- The CRHBT is an OPEB (other post-employment benefits) Trust that was formed in 2008 to help pay for long-term health insurance costs for retirees
- By “pre-funding” retiree health benefit costs rather than “pay as you go”, the County can better meet long-term liabilities and maintain a strong credit rating
- CRHBT enjoys similar investment strategies, professional management and oversight of the ERS
- Funded status for the County’s portion of the OPEB liability currently stands at 48% as of June 30, 2022
 - 21% funded five years ago
 - Better funded than most peers



What is being done to strengthen the Trust?

CRHBT funding policy update

Who

MCERP Staff, the Board of Trustees, the County Council, and the Executive Branch have been working to formulate a long-term funding policy for the CRHBT

What

Develop a policy to bring long-term clarity around contributions and disbursements, which could allow for the CRHBT to adopt an asset mix with a higher allocation to less-liquid, but higher returning private investments

When

At a recent Government Operations and Fiscal Policy Committee meeting, the Committee unanimously recommended the following provision

- Require the County Executive to submit to the Council, no later than October 1, 2023, a draft OPEB funding policy developed in collaboration with Council staff and the County's actuarial advisors that is based on the following elements:
 1. Closed amortization
 2. 85% funded ratio target
 3. Maximum 15-year timeframe to reach the target funded ratio
 4. A 7.5% investment rate of return assumption
- MCERP Staff will provide further updates to MCREA at the October 2023 meeting

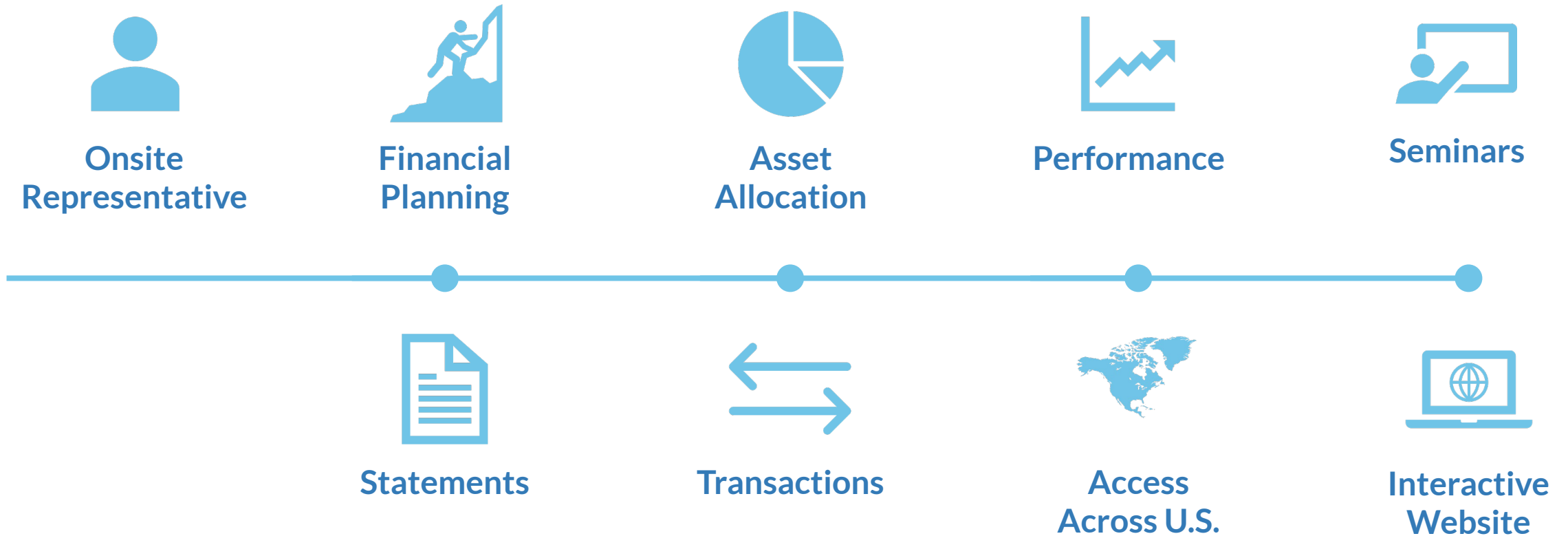
What investment services are available?





Investment Advice & Services

Fidelity is the recordkeeper for the DCP, RSP, and GRIP and offers many services



How do I access these services?





Fidelity Investments (RSP, DCP & GRIP)

1-hour in-person or virtual financial advice sessions with onsite representative Ron Seegers

- Phone: (240) 777-8228
- Email: fidelityonsite@montgomerycountymd.gov
- Update investment elections, discuss asset allocation, or discuss your distribution options
 - Phone: (800) 343-0860
- Website: <https://nb.fidelity.com/public/nb/MCG/home>

Cambridge Investment Research (RSP & DCP only)

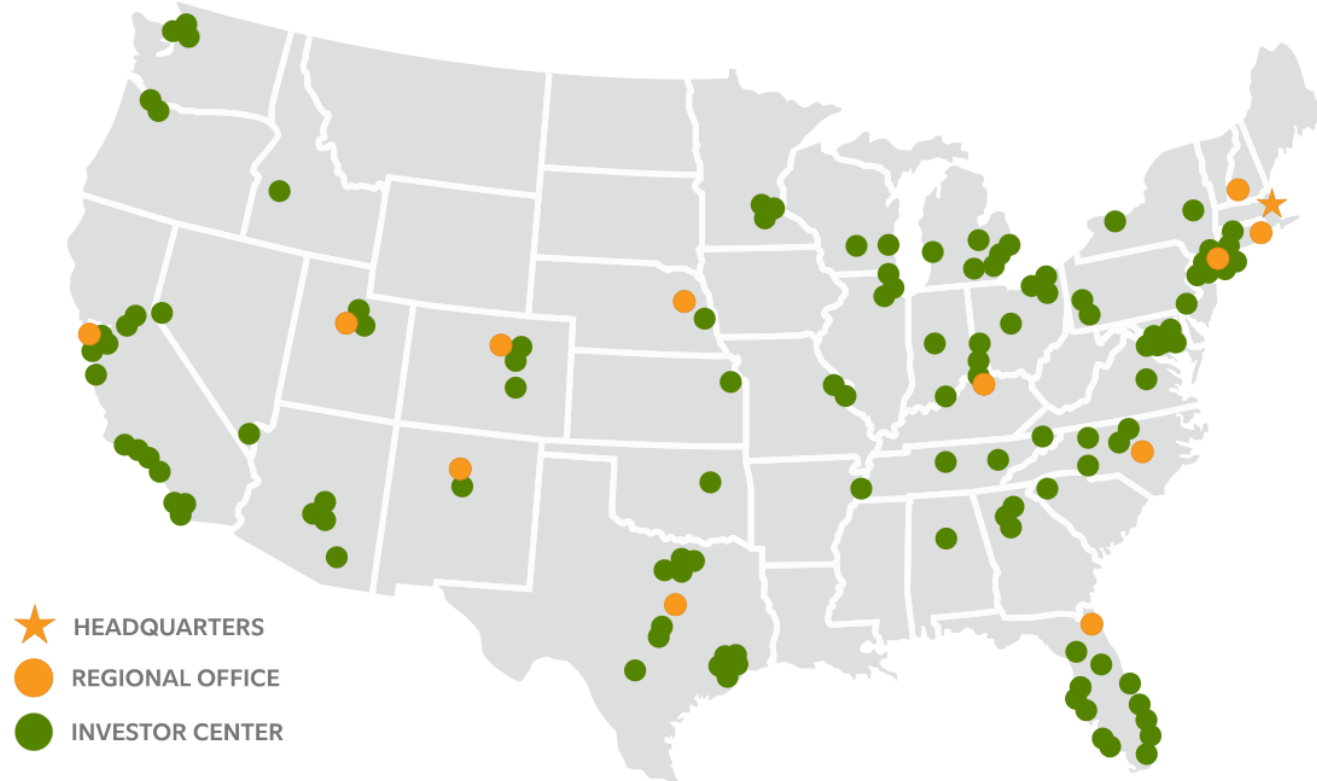
2-hour financial planning sessions to assist you in constructing a diversified portfolio to best meet your financial needs in retirement

- Phone: (410) 557-7300



Where are Fidelity offices located?

Access to Fidelity investor centers across the U.S.



Headquartered in Boston, Fidelity serves its customers through 12 regional sites across the globe and more than 200 Investor Centers.

[FIND AN INVESTOR CENTER](#)

[Is there any information on Social Security?](#)





Social Security

Social Security conducting virtual seminars for retirees—registration required

- The Social Security Administration (SSA) will be conducting virtual seminars for Montgomery County in 2023. SSA representative will provide employees and retirees with information about Social Security, Medicare, their online services and will be available to answer questions virtually.
- The next seminar will be held virtually on Thursday, October 19, 2023, from 2:00pm – 4:00pm.
- To register for the seminar, please use the link below. We will send a reminder email a few days before the event to those who are registered.

<https://www.signupgenius.com/go/5080E4EA4A62AA6F85-2023>

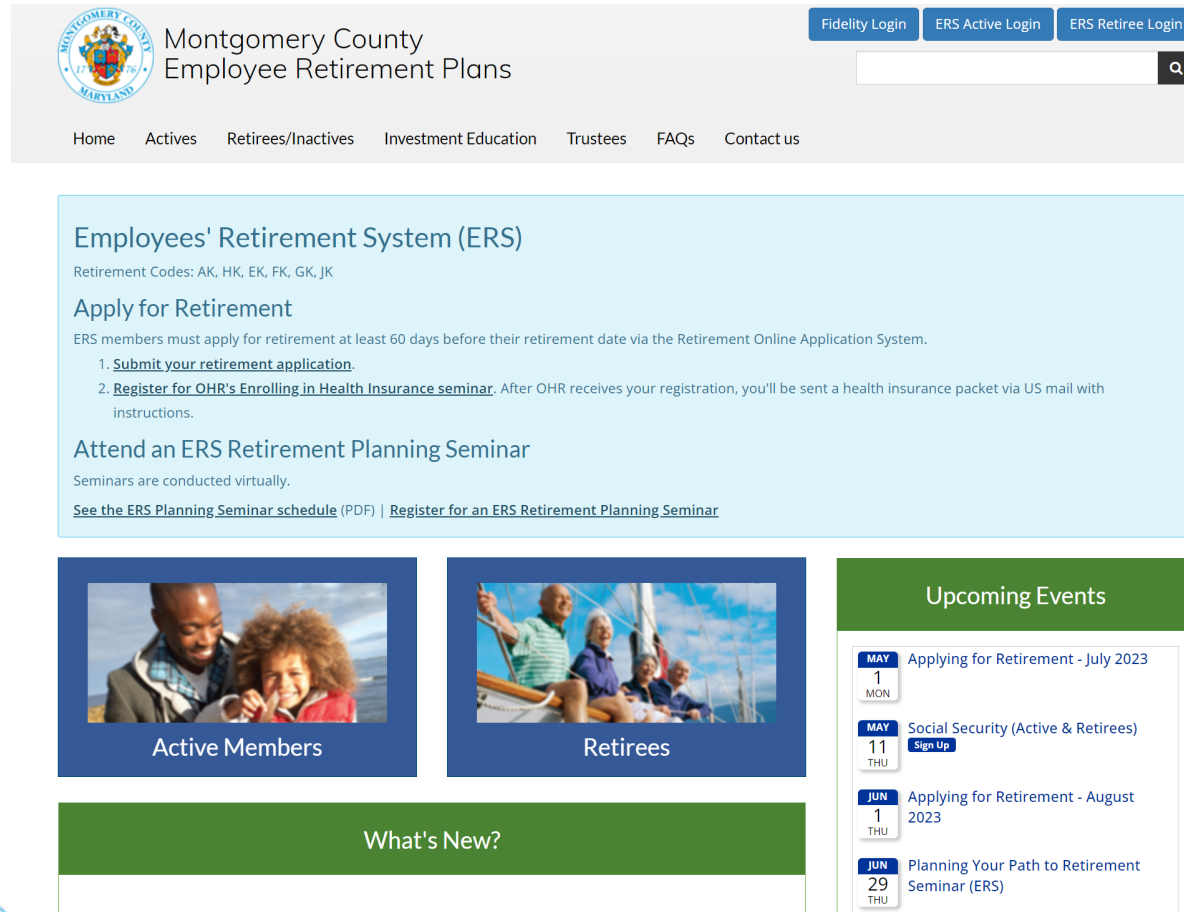


How do we find out about MCERP events?



MCERP Events and Contacts

Find information on upcoming events and seminars on our website!



The screenshot shows the Montgomery County Employee Retirement Plans website. At the top left is the Montgomery County logo. To its right is the text "Montgomery County Employee Retirement Plans". Further right are three login buttons: "Fidelity Login", "ERS Active Login", and "ERS Retiree Login". Below these is a search bar with a magnifying glass icon. A navigation menu includes "Home", "Actives", "Retirees/Inactives", "Investment Education", "Trustees", "FAQs", and "Contact us".

Employees' Retirement System (ERS)
Retirement Codes: AK, HK, EK, FK, GK, JK

Apply for Retirement
ERS members must apply for retirement at least 60 days before their retirement date via the Retirement Online Application System.

1. [Submit your retirement application.](#)
2. [Register for OHR's Enrolling in Health Insurance seminar.](#) After OHR receives your registration, you'll be sent a health insurance packet via US mail with instructions.

Attend an ERS Retirement Planning Seminar
Seminars are conducted virtually.
[See the ERS Planning Seminar schedule \(PDF\)](#) | [Register for an ERS Retirement Planning Seminar](#)

Active Members (with image of a man and a child)

Retirees (with image of people on a boat)

What's New?

Upcoming Events

MAY 1 MON	Applying for Retirement - July 2023
MAY 11 THU	Social Security (Active & Retirees) Sign Up
JUN 1 THU	Applying for Retirement - August 2023
JUN 29 THU	Planning Your Path to Retirement Seminar (ERS)

MCERP Home Page

<https://www.montgomerycountymd.gov/mcerp/>



What if we want to see or change our personal information?

Access and change your information with MCERP

MCERP website address: www.montgomerycountymd.gov/retirement

- Current information on the Plan, changes that may impact you, and upcoming events
- Change your address (impacts both your pension payment and health insurance)
- View your last pay advice or a pay advice since March 2012

Paper Forms – Federal Tax, Maryland State Tax, Direct Deposit

- Forms available online at: http://www.montgomerycountymd.gov/mcerp/ers/forms_retired.html

Award Letters:

- If you're refinancing your home, or purchasing a new home, your mortgage company may require an award letter from the ERS stating your pension amount and that it is payable for life. Please allow at least 48 hours for us to create and send you the letter.



Can you remind us who to contact for help?

Contact information

MCERP

- Website:
<http://www.montgomerycountymd.gov/retirement>
- Phone: 240-777-8230 or MC311
- Email:
retirement@montgomerycountymd.gov

Fidelity

- Website:
<https://nb.fidelity.com/public/nb/MCG/home>
- Onsite Rep: 240-777-8228
- Main line: 800-343-0860
- Email: fidelityonsite@montgomerycountymd.gov

Cambridge Investment Research

- Phone: 410-557-7300



What do we need to remember?

In summary

- 1 ERS continues fully funded
- 2 CRHBT Funding improved over the last five years
- 3 CRHBT responsible funding policy being developed
- 4 You have access to financial advisors
- 5 Social Security seminars continuing virtually
- 6 For MCERP events refer to our home page!



Questions?



Questions

What can I clarify?

