

Montgomery County Retired Employees Association

Annual Meeting
October 2023



Presenter



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Executive Director



Agenda

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





Plans Snapshot


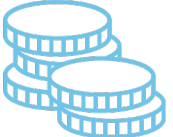



Key takeaways

- 1 ERS funding is strong
- 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 close to fully funded and the Health Benefits Trust improved

	Assets 	Funded Actuarial 	Funded Market 	Active Membership 	Retired 
Employees Retirement System (ERS including GRIP):	\$4.7B	99%*	94%*	6,229	6,986
Retiree Health Benefits Trust:	\$1.6B	51%	51%		
Retirement Savings Plan (RSP):	\$690M			4,573	
Deferred Compensation Plan (DCP):	\$575M			3,592	

* Based on preliminary results as of June 30, 2023, final report to be released in October.

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 51% as of June 30, 2023
 - 21% funded five years ago
 - Better funded than most peers



What is being done to strengthen the Trust?

CRHBT funding policy update

Improve



Funding Policy

- County Council
- Executive Branch



Achieve



Sustainability

- Higher returns
- Payment certainty



New Policy



Goals

- Closed amortization
- 85% funded target ratio
- 15-year time period
- 7.5% return assumption

Updates Expected

End of Fall

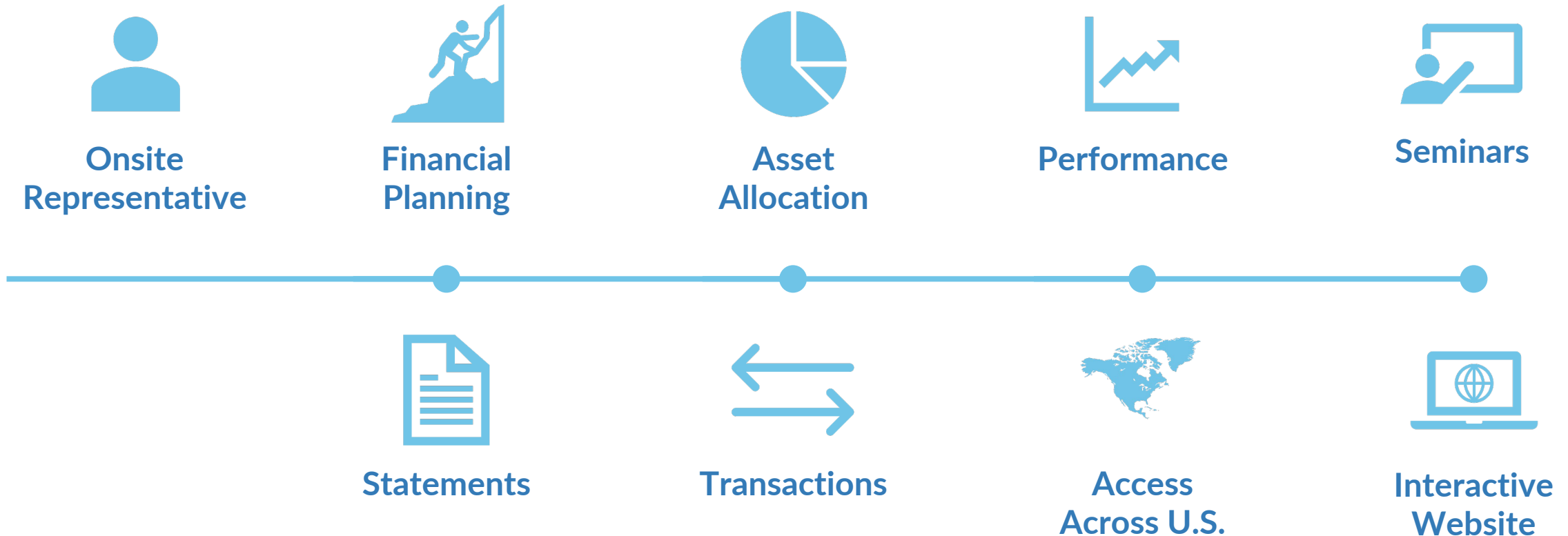


What investment services are available?



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 change your distribution options
 - Phone: (800) 343-0860
- Website: <https://nb.fidelity.com/public/nb/MCG/home>

Cambridge Investment Research (RSP & DCP only)

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

- Phone: (410) 557-7300



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 events, seminars and announcements 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. A navigation menu includes "Home", "Actives", "Retirees/Inactives", "Investment Education", "Trustees", "FAQs", and "Contact us". The main content area has a light blue background and features the heading "Employees' Retirement System (ERS)" with "Retirement Codes: AK, HK, EK, FK, GK, JK" below it. Underneath is the "Apply for Retirement" section, which states that ERS members must apply at least 60 days before their retirement date and provides two steps: 1. Submit your retirement application, and 2. Register for OHR's Enrolling in Health Insurance seminar. Below this is the "Attend an ERS Retirement Planning Seminar" section, noting that seminars are conducted virtually and providing a link to the seminar schedule. At the bottom, there are three sections: "Active Members" with a photo of a family, "Retirees" with a photo of people on a boat, and "Upcoming Events" which lists four events: Applying for Retirement - July 2023 (May 1st), Social Security (Active & Retirees) (May 11th), Applying for Retirement - August 2023 (June 1st), and Planning Your Path to Retirement Seminar (ERS) (June 29th). A "What's New?" section is also visible at the bottom left.

MCERP Home Page

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

MCERP Annual COLA Announcement

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

Cost of Living Adjustment – July 1, 2023 of 3.053%

Based on the change in the CPI-U for Washington-Arlington-Alexandria from May 2022 to May 2023.

The increase is based on the retirement group, birth date, hire date, retirement date and/or disability date. May result in the COLA you receive being lower than 3.053%.

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 funding is strong
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Questions?



Questions

What can I clarify?

