

Montgomery County Retired Employees Association

Annual Meeting
June 2024



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


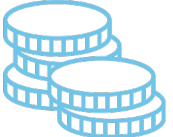



Key takeaways

- 1 ERS 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 well funded, and the Health Benefits Trust improved

	Assets 	Funded Actuarial 	Funded Market 	Active Membership 	Retired 
Employees Retirement System (ERS including GRIP):	\$4.9B	98%	95%	6,874	6,819
Retiree Health Benefits Trust:	\$1.6B	51%*	51%*		
Retirement Savings Plan (RSP):	\$780M			4,517	
Deferred Compensation Plan (DCP):	\$650M			3,533	

Based on preliminary results as of March 31, 2024. *OPEB funded status as of June 30, 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 currently stands at 51% as of June 30, 2023
 - 21% funded six 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 15-year amortization
- 75% funded target ratio over 15-years
- 7.5% return assumption

Adopted

December 5, 2023

Montgomery County Council



What else is on the horizon?

CRHBT governance policy update

Improve



Achieve



New Policy



Governance Policy

- County Council
- Executive Branch
- CRHBT Board and Staff

Sustainability

- Assumptions
- Direction of Resources

Goals

- Fiduciary Alignment
- Risk Management

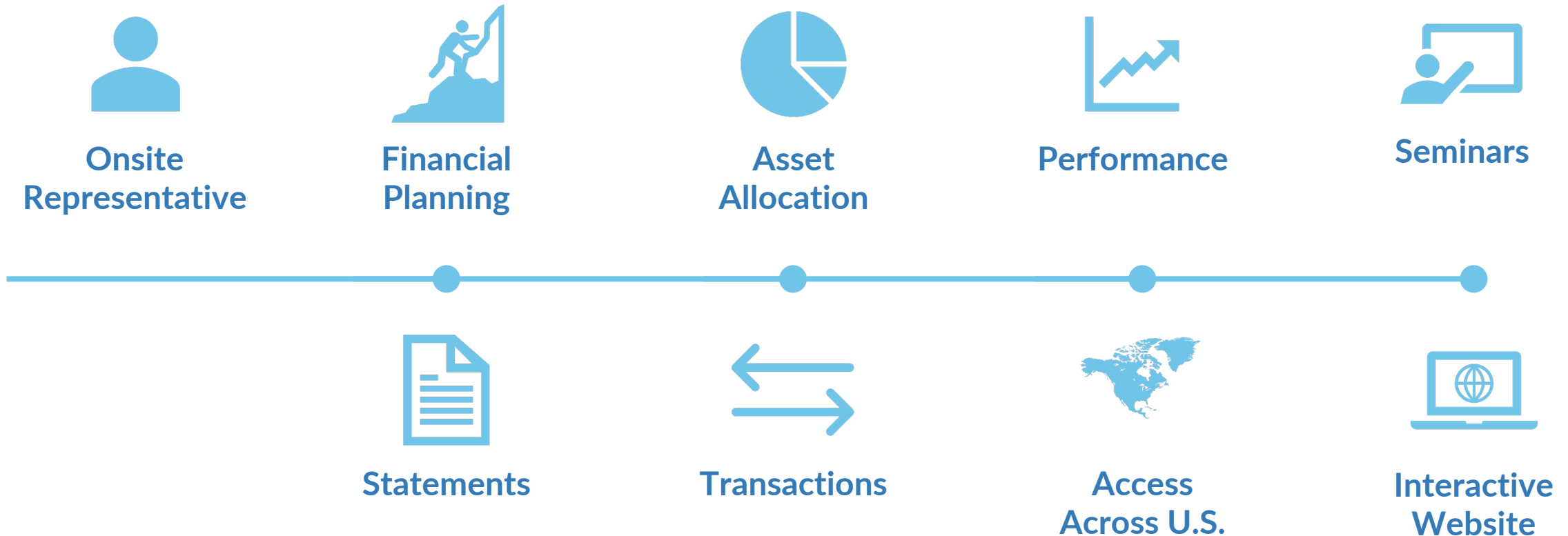


What investment services are available?



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 conduct virtual seminars for Montgomery County in 2024. SSA representative will provide employees and retirees with information about Social Security, Medicare, and their online services and will be available to answer questions virtually.
- The next seminar will be held virtually on **Thursday, August 15th**, and **Tuesday, October 22nd**, from **2:00 p.m. to 4:00 p.m.**
- 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/5080E4EA4A62AA6F85-45626410-2024>



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 is titled "Employees' Retirement System (ERS)" and includes "Retirement Codes: AK, HK, EK, FK, GK, JK", an "Apply for Retirement" section with instructions, and an "Attend an ERS Retirement Planning Seminar" section. At the bottom, there are two image-based sections: "Active Members" and "Retirees", and an "Upcoming Events" calendar listing events for June 1, 20, and 26, 2024.

MCERP Home Page

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

To Be Announced
Retiree Cost of Living Adjustment – July 1, 2024



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
- 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?

