

FEBRUARY LT 2012



FEBRUARY 2012 RETIREES

Best wishes in retirement to Patricia A. Cheatham and Leroy Thomas. They retired from the Commission effective February 1, 2012.

MARCH BOT MEETING



The next ERS Board of Trustees meeting is scheduled for **March 6, 2012, 10 a.m.**, in the **ERS/Merit Board Conference Room**. For more information, please contact the Retirement Office at **301-454-1415** or visit the ERS **website at <http://ers.mncppc.org>**.

DID YOU KNOW?

The ERS is the Commission's primary retirement system for its employees. The ERS was established July 1, 1972, and has been periodically amended. It consists of four Plans: A, B, C and D. Plans A and B are for general employees and Plans C and D are for park police. Each Plan is a **defined benefit plan, qualified** in accordance with the IRS Code, Section 401(a).

As a participant in a qualified plan, you do not have to pay any income tax on your contributions until you receive a benefit. This is called an "Employer Pick-Up" provision. You do not pay taxes on the employer's contributions, nor on interest and investment income earned by the Plan until you receive a benefit, unless you withdraw your contributions.

Upon retirement, the benefit paid from a defined benefit plan is a guaranteed lifetime benefit, based on your salary and your credited service. It does *not* depend on the contributions you have made to the Plan, nor the amount of investment income the Plan has earned. Although your benefit does not depend on your contributions, an amount equivalent to your contributions is typically paid to you by way of your monthly retirement benefit within the first three years of retirement. The accumulated contributions of the ERS and the Commission's contributions fund your remaining monthly payments.

Your ERS benefit accounts for only one leg of the retirement stool. In order for you to achieve a financially comfortable retirement, you should have additional savings. Therefore, it is important to factor in Social Security benefits and your personal savings and investments when you are doing your retirement planning.

SUGGESTED RETIREMENT PLANNING RESOURCES

The following links offer information that can be useful when you are planning, investing and or/saving for retirement. Whether you are new to the workforce, mid-career, ready to retire or already retired, you may find something worthwhile by clicking the links below. Try them out if you have not already:

- <http://www.dol.gov/ebsa/pdf/NewEntrants.pdf> offers an easy to read article about savings tips for newer employees.

- <http://www.ssa.gov/planners/faqs.htm> addresses several questions that are frequently asked about Social Security Benefits. You may find the answer to some of your lingering questions here.
- Confused by all the financial terminology? Try looking up some of those confusing terms on http://investor.gov/glossary/glossary_terms. This link takes you to a glossary of investment related terms.
- <http://www.dol.gov/ebsa/pdf/savingsfitness.pdf> offers a printable financial planning guide published by the U. S. Department of Labor. A few hard copies of this guide are available in the ERS office by request.

The ERS encourages its members to consult with a financial planner or advisor to discuss their general retirement concerns. The ERS staff is available to answer questions about the ERS Plans. Please do not hesitate to contact this office by either of the means listed below:

Employees' Retirement System
6611 Kenilworth Ave., Suite 100, Riverdale, MD 20737
Phone: 301-454-1415
Mail Stop: EOB, Ste. 100
Fax: 301-454-1413
<http://ers.mncppc.org>

Office Hours

Monday – Friday, 8:00 a.m. to 5:00 p.m.

(Some services are by appointment only)