



MARYLAND
STATE RETIREMENT
and PENSION SYSTEM



Board of Trustees elections slated for spring 2023

Nomination period for retired teacher, employee reps now underway

MEMBERS AND RETIREES

of the Maryland State Retirement and Pension System will elect two trustees to the \$66 billion plan's Board of Trustees in an election slated for spring 2023.

Two elections will be conducted. Voters will choose a retired Teachers' Systems representative and a retired Employees' Systems representative to the Board. While only retirees are eligible to vie in these elections, both active members and retirees of the respective plans will be eligible to vote.

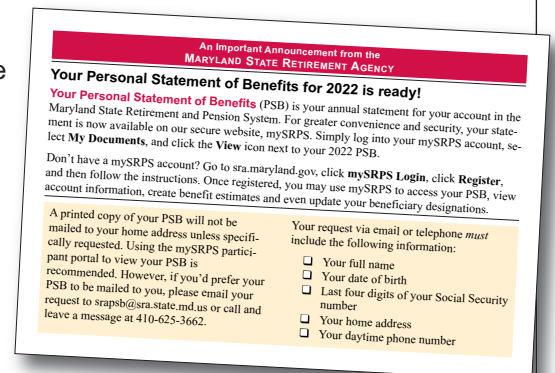
The Teachers' Systems post is open to retirees of the Teachers' Retirement or Pension Systems. The Employees' Systems seat is open to retirees of any other SRPS plan except the State Police Retirement System, which elects its own representative. Current retiree representatives for the Teachers' and Employees' Systems are Trustees Kenneth B. Haines and Sheila Hill, respectively.

See Election, page 2

Your personalized pension account statement for 2022 is available now

THIS POSTCARD'S ARRIVAL in your mailbox signals the release of your Personal Statement of Benefits, an annual update on your retirement account. Your PSB lists your accumulated contributions, years and months of service, designated beneficiaries and estimates of your future retirement benefit. It's a valuable tool for retirement planning.

Turn to page 3 for instructions on how to access your account statement.



Diversified allocation, successful implementation help protect asset values in challenging fiscal year

THE MARYLAND STATE Retirement and Pension System generated a modestly negative return of -2.97%, net of fees, for the fiscal year ending June 30, 2022, beating its policy benchmark of -3.48%. The System's diversified and risk-balanced asset allocation, designed to weather extremes in market volatility, performed significantly better than a traditional 60/40 allocation to publicly traded stocks and bonds, saving more than \$5 billion on its investments for fiscal year 2022.

The year's returns reflect the impact of the ongoing volatility of global financial markets impacted by inflation, rising interest rates, the COVID-19 pandemic, and the war in Ukraine. Recent market activity has been marked by a reversal in the long-term relationship between stocks and bonds. Typically, bond returns have provided a cushion to offset weak stock performance. In fiscal year 2022, stocks and bonds

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Election, from page 1

Nominations sought

Each potential candidate must obtain the signatures and dates of birth of 500 persons who are eligible to vote in the election. Signatures must appear on official nomination petitions provided by the Maryland State Retirement Agency. Potential candidates may request nomination packs through December 1, 2022, by emailing elections@sra.state.md.us. Completed nomination forms must be received at the Retirement Agency

no later than 4:30 pm ET on January 31, 2023.

The successful candidates will serve a term in office from August 1, 2023, through July 31, 2027. More information on the Board of Trustees, including member responsibilities, biographies, photos and committee assignments is available online at sra.maryland.gov/board-trustees.

A Trustee election to select actively-employed representatives for the Employees' and Teachers' Systems is scheduled for 2025.

Get quick service
online with **mySRPS**

DON'T LIKE WAITING ON HOLD? Register for **mySRPS**, the Retirement Agency's secure website, and pension help is just a click away.

Simply steer your internet browser to sra.maryland.gov, click **mySRPS Login**, click **Register**, and then follow the instructions provided. Your registration packet will arrive by mail. Once registered, you may use **mySRPS** to access and update your account information and obtain benefit estimates *instantly!*

Assets, from page 1

were both down more than 10%. The System's asset allocation generated outperformance representing over \$5 billion in savings compared to a 60/40 implementation.

"It was a difficult fiscal year for public markets with both bond and stock prices falling," said Chief Investment Officer Andrew C. Palmer. "The Board's diversified asset allocation policy anticipates unusual markets such as these and includes stabilizing assets classes to protect value. For fiscal year 2022, alternative assets were able to produce positive returns and help the System outperform its benchmark, further preserving value. While the fiscal year did not achieve the assumed actuarial rate of 6.8%, the three-, five- and 10-year returns of 8.4%, 7.9% and 7.8%, respectively, exceeded expectations and, along with consistent contributions from the sponsors, have significantly improved the funded status of the System."

Asset Performance for Fiscal Year 2022

| Asset Class | Asset Allocation* | Return | Benchmark | Excess |
|-----------------|-------------------|---------------|---------------|--------------|
| Private Equity | 21.5% | 24.53% | 24.00% | 0.53% |
| Public Equity | 28.5% | -19.38% | -18.05% | -1.33% |
| Real Assets | 15.2% | 25.70% | 19.88% | 5.82% |
| Absolute Return | 7.6% | 1.40% | 2.99% | -1.59% |
| Credit | 7.9% | -4.54% | -12.57% | 8.03% |
| Rate Sensitive | 17.6% | -15.28% | -13.70% | -1.58% |
| Multi Asset | 0.4% | -19.04% | -3.48% | -15.56% |
| Cash | 1.4% | 0.25% | 0.19% | 0.06% |
| Total | 100.0% | -2.97% | -3.48% | 0.51% |

*June 30, 2022

"As you would expect, given recent market conditions, investment returns are down from last year," said State Comptroller Peter Franchot, Chair of the Maryland State Retirement and Pension System Board of Trustees. "However, the System's as-

sets have held up better than most public plan peers. For the one-year ending June 30, 2022, the System's net return of -2.97% ranked in the 14th percentile among a universe of 64 peer plans, meaning the System outperformed 86% of the group."

Access your benefit statement on mySRPS

Annual PSB includes service earned, pension estimates

WATCH YOUR MAIL in September for an important postcard from the Maryland State Retirement Agency. Then, follow the instructions to access your annual Personal Statement of Benefits. This useful statement includes a wealth of information about your pension account including your:

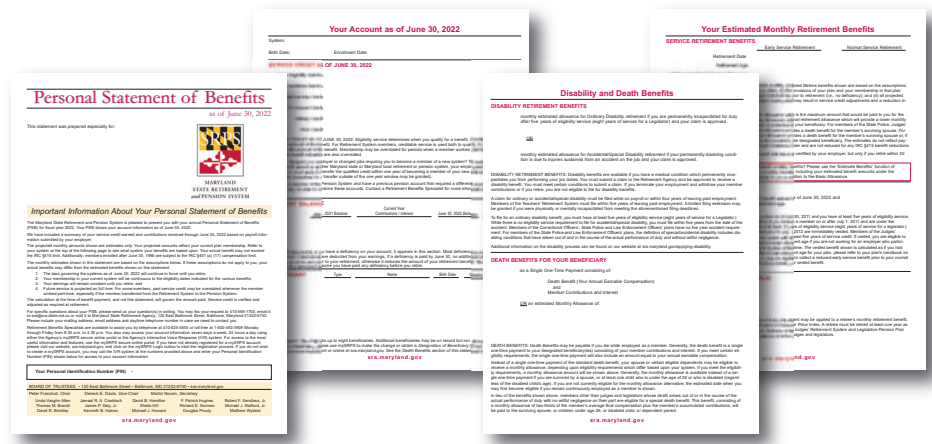
- Earned years and months of service credit,
- Balance of member contributions and interest,
- Current beneficiary designations and, most importantly,
- Your estimated future retirement benefits and estimated retirement eligibility date.

Available on the Maryland State Retirement Agency's secure website, **mySRPS**, your PSB will be accessible only by you. Simply log into your **mySRPS** account, select **My Documents**, and click the **View** icon next to your 2022 PSB.

Don't own a computer?

A paper PSB will not be mailed to your home address unless requested. To receive a paper PSB, email your request to **srapbs@sra.state.md.us** or call and leave a message at 410-625-3662. Requests may be made on or after September 20, 2022, and must include your:

- Full name
- Date of birth
- Social Security number's last four digits
- Home address
- Daytime telephone number



Frequently asked questions

Answers to the questions most frequently asked about the Personal Statement of Benefits are provided here.

Please remember that your PSB shows a snapshot of your account as of June 30, 2022. Any account changes that have occurred or that you requested after June 30, 2022, will not be reflected on your PSB.

Q. Where are my future retirement benefits shown?

A. On page four of your PSB. Remember, the projected amounts shown are estimates only.

Q. Who will be eligible to receive any available benefits at my death?

A. If you die while employed as a member, any available death benefits generally will be payable to your designated beneficiaries. Their names are listed on page two of your PSB. If, after reviewing your PSB, you wish to update your beneficiary designation, there are two ways to make changes: 1) The easiest and fastest way is to

log into your **mySRPS** account, select the **Beneficiary Information** link, click the **Update** button, and then make your changes. 2) You also may complete and submit a *Designation of Beneficiary* (Form 4) to the Retirement Agency. This form must be notarized. Retirement forms are available online at **sra.maryland.gov**. Please note that in some circumstances, a death benefit may become payable to your surviving spouse or eligible dependents instead of your designated beneficiaries.

Q. As I get closer to retirement, is it recommended that I still get an estimate of retirement allowance even though I have the PSB?

A. Yes. The PSB is not intended to serve as a substitute for an estimate. Your PSB does not describe some options for beneficiary coverage that an estimate includes. You can use **mySRPS** to create an esti-

See Statement, page 4

mate with all options. With **mySRPS**, your estimate will appear instantly and you can create an estimate at any point in your career.

If you do not have access to the Internet, and you are within 12 months of retirement, you may submit an *Application for an Estimate of Service Retirement Allowance* (Form 9 for teachers and employees, Form 10 for State Troopers, Form 12 for judges, and Form 97 for members of the Law Enforcement Officers' Pension System) to request an estimate with all the options. Paper applications take four weeks for processing and may be requested only within 12 months of retirement.

Q. Why isn't an early service retirement date and amount shown on page four of my PSB?

A. The space under Early Service Retirement is left blank for members who are projected to reach normal service retirement age *before* earning the years of service credit required for an early service retirement, if applicable. The space under Early Service Retirement also will be blank for correctional officers, State Troopers, judges and law enforcement officers as their systems do not offer early retirement.

Q. Why isn't my military credit listed?

A. Military service is not automatically credited to your account. It's up to each eligible member to apply

to claim military credit. Eligible members should submit *Claim of Retirement Credit for Military Service* (Form 43). Retirement forms are available online at sra.maryland.gov.

Q. Why do I have a "deficiency" under contributions?

A. When, for any reason, regular contributions into an individual's account are not made, the word "deficiency" appears. The deficiency equals the amount of the missing contributions plus interest applied at the end of each fiscal year.

To repay a contribution deficiency, mail a personal check or money order made payable to the Maryland State Retirement and Pension System to the Maryland State Retirement Agency, 120 East Baltimore Street, Baltimore, MD 21202. Please write "Payment of Deficiency" in the memo line of the check or money order.

You also may rollover funds from another qualified retirement plan to pay your deficiency amount. Contact the Retirement Agency for rollover instructions.

Payment of a deficiency before the end of the current fiscal year carries no interest for that year. If a contribution deficiency exists when you retire, the benefit paid will be actuarially reduced.

Q. What is my Personal Identification Number (PIN)?

A. Your PIN is printed at the bottom of page one of your PSB. You can use

your PIN and Social Security number to access your retirement account information any time via the Retirement Agency's automated phone system. Upon retirement your PIN as an active member is no longer valid and is replaced with a retiree PIN.

Members are strongly encouraged to create a **mySRPS** account. The secure **mySRPS** website provides all the information available on the automated phone system plus much more.

Q. What about part-time employment?

A. Service credit may be overstated on the PSB if you worked part time during your membership. This is especially likely if you transferred from a Retirement System to a Pension System. The PSB assumes all future service as full time so, if you are working part time now, the PSB may overstate your benefits.

Q. What if I have other questions about my PSB?

A. If something on your PSB doesn't seem correct, please send us your questions in writing. You may fax your request to 410-468-1700, email it to sra@sra.state.md.us, or mail it to the Maryland State Retirement Agency, 120 East Baltimore Street, Baltimore, MD 21202. Please include your mailing address, email address and daytime telephone number in case we need to contact you.

The Mentor is published by the Maryland State Retirement Agency
120 East Baltimore Street
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sra.maryland.gov

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