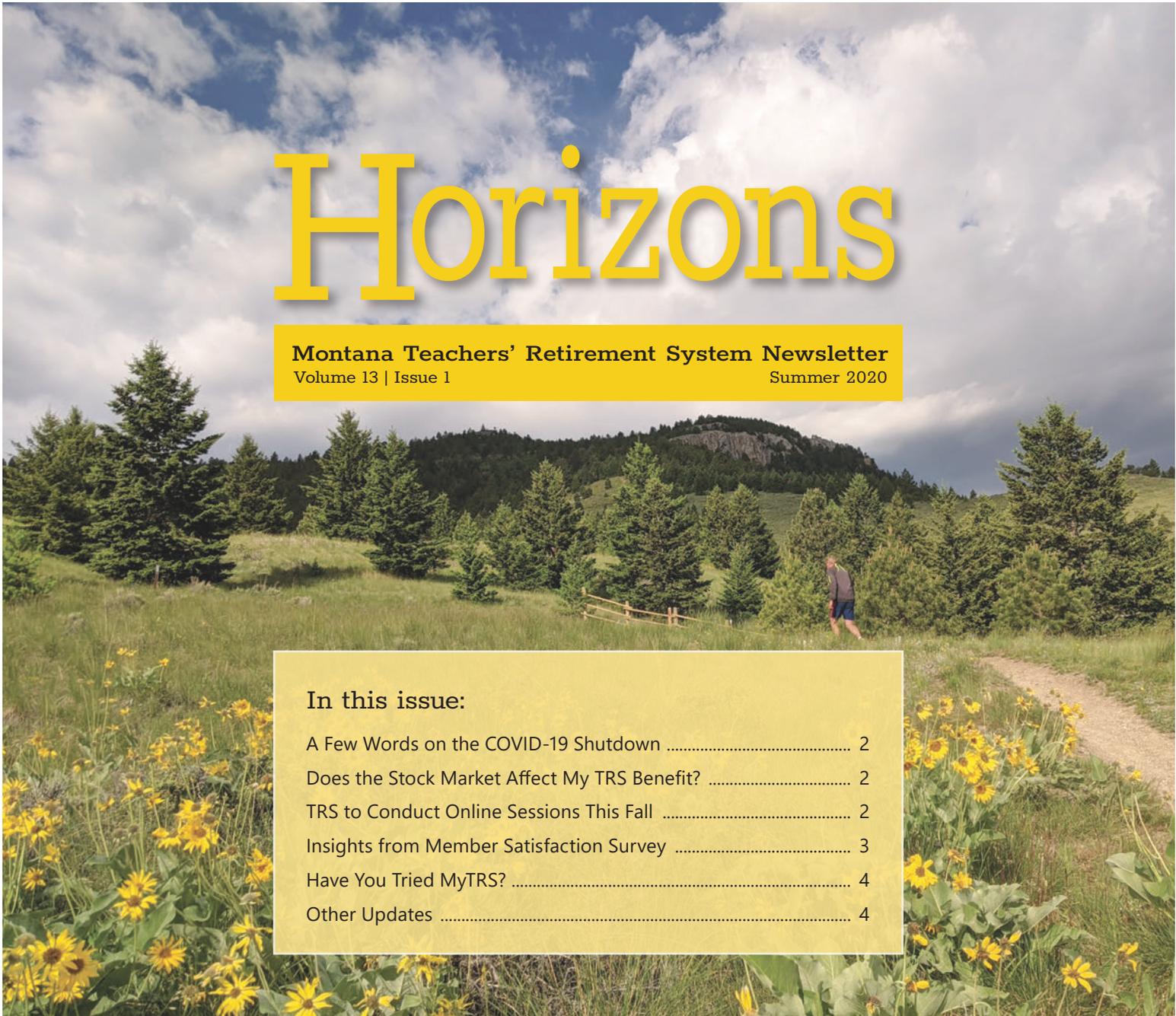


Montana Teachers'
Retirement System

PO Box 200139
Helena, MT 59620-0139



*Want to receive future
issues electronically?
Go to trs.mt.gov
and click the
Subscribe button.*



Horizons

Montana Teachers' Retirement System Newsletter
Volume 13 | Issue 1 Summer 2020

In this issue:

A Few Words on the COVID-19 Shutdown	2
Does the Stock Market Affect My TRS Benefit?	2
TRS to Conduct Online Sessions This Fall	2
Insights from Member Satisfaction Survey	3
Have You Tried MyTRS?	4
Other Updates	4

NEWS and VIEWS

A Few Words on the COVID-19 Shutdown

Like most workplaces, the TRS office in Helena was affected by Governor Bullock's stay-at-home order in late March. As of this writing, most TRS staff continue to work remotely.

Monthly payroll processes, by which retirement benefits are issued, were never affected by the pandemic. Some modification of business processes was required to ensure staff members could process the usual springtime surge of retirement applications in a timely manner.

Our challenges pale in comparison to those faced by teachers, administrators, school staff, students, and parents across Montana, and we are humbled by their perseverance in these difficult times. Members are encouraged to call us anytime with questions or concerns: (406) 444-3134 or (866) 600-4045. We are here for you!

Only by contending with challenges that seem to be beyond your strength can you grow more surely toward the stars.

— BRIAN TRACY

TRS EXECUTIVE STAFF

Executive Director
Shawn Graham

Deputy Executive Director
Tammy Rau

Chief Legal Counsel
Denise Pizzini

Communication Manager
Darla Fitzpatrick

Executive Secretary
Jacie Vonada

ACCOUNTING STAFF

Accounting / Fiscal Manager
Nolan Brilz

Staff
Joyce Love

Christian Ward

Does the Stock Market Affect My TRS Benefit?

Conservative, long-term investment strategy helps TRS weather economic storms

Global economic conditions amid the coronavirus pandemic led to historic declines on Wall Street in early March, and TRS received a few calls from members asking whether their retirement benefit might decrease or disappear. While we understand their concern, the short answer to that question is no.

Some retirement accounts, such as 403(b) or 457 plans, are highly sensitive to short-term fluctuations in the stock market. In those plans, the account balance can grow or shrink unpredictably, and may or may not last the retiree's lifetime. However, TRS is a **defined benefit** (DB) pension plan, in which the benefit is calculated and fixed at the time of retirement. A defined benefit pension guarantees a modest but steady income for the rest of the retiree's life.

If you are an active member, the TRS contributions withheld from your pay are kept safe in your member account, which earns interest each month and is not subject to stock market fluctuations. When you become eligible and apply for retirement, your average final salary and your total years of service – not your member contributions account balance – will determine your monthly benefit. (See Page 4 for tips on using **My TRS** to view your member account and service history.)

The Montana Board of Investments (BOI) takes a conservative approach in managing TRS assets for *long-term* growth and stability. The BOI investment team seeks a prudent level of risk that enables steady growth over many decades while minimizing losses during times of economic crisis. As of June 30, 2020, TRS has \$4.1 billion in assets and remains well positioned to continue paying benefits into the foreseeable future.

TRS to Conduct Online Presentations This Fall

Each fall, TRS participates in pre-retirement workshops hosted by the Montana Federation of Public Employees (MFPE). This year, all events will be held online, including the annual educator's conference in mid-October.

At each event, TRS will offer both its **TRS 101: Retirement System Basics** presentation for early- and mid-career educators and its popular **Ready, Set, Retire** session for those who may be thinking about retirement in the next five years.

The fall schedule and registration details can be found on the Workshops page of our website: trs.mt.gov/trsinfo/workshops. Videos of each presentation will be available for viewing on our YouTube channel (*see page 4*) following the annual conference.

Insights from Member Satisfaction Survey

Earlier this year, 1,297 active and retired TRS members participated in our first-ever online satisfaction survey. Each group answered different questions reflecting their unique perspectives as either current or former educators in Montana. We thank Eric Feaver for encouraging MFPE members in school districts across the state to share their feedback.



Among 711 active members who completed the survey:

68.6% said they are “somewhat satisfied” or “very satisfied” with their salary
 48.1% are somewhat or very satisfied with their employer’s health insurance
 90.7% are somewhat or very satisfied with TRS as a component of their overall compensation package, and 88.9% think a defined benefit pension is a useful recruitment tool.

Only 33.1% participate in optional retirement savings plans at work, such as 403(b) or 457 plans. 40.9% choose not to participate, and 26.0% say such plans are not offered by their employer.

However, the majority (85.1%) said they feel at least somewhat confident they’ll be financially secure in retirement, and 91.1% said the TRS pension makes it more likely they will remain in the teaching profession until they are eligible to retire.

Among 586 retired members who completed the survey:

Over two-thirds (67.7%) say that, back when they began their careers, they didn’t fully understand the value of TRS. (One retiree offered this suggestion: “The long range importance of having retirement taken out of each paycheck, and having employer match, needs to be made clearer to new teachers.”)

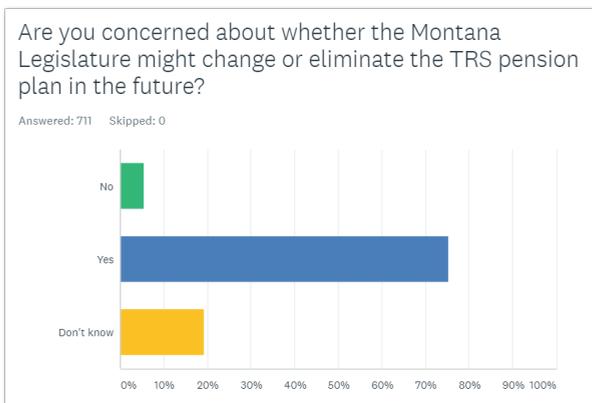


Most retirees said the process of retiring with TRS was fairly easy, giving an average score of 77 on a scale from 0 (*very difficult*) to 100 (*very easy*). When asked about the quality of TRS customer service, their average score was even higher (90 on a 100-point scale).

81.9% said they are doing just fine financially in retirement, although many commented they would be less financially secure without other income (such as Social Security, another job, a spouse’s retirement, or other savings) to supplement their TRS retirement.

77.6% of retirees said they set aside other retirement savings while they were still working.

TRS has a duty to protect the system from harm, whether caused by unfavorable economic conditions or forces unfriendly to public pensions. To gauge members’ concerns about the latter, we included a question in each survey:



75.2% of active members (*above*) answered Yes. Similarly, when asked whether they are concerned that legislative actions could affect *future* retirees, 82.1% of retirees answered Yes.

How can members protect themselves?

Retirees’ survey responses included a treasure trove of advice for active members. Here are just a few of their comments:

“Save early, every month. Save what you can afford, but save. Plan early. Ask questions until you understand. Invest early. Keep abreast of what the legislature does.”

“Work hard to keep this retirement system and appreciate it. It truly is a pot of gold at the end of a sometimes difficult path.”

“It is a great benefit. You deserve it because you contributed to it. It’s not an entitlement. Make sure it’s protected.”

“Stick with it. TRS is a wonderful asset. Save as much as you can on the side. I am so very thankful that I was a teacher.”

“Vote for representatives that support public employees.”

INFORMATION TECHNOLOGY STAFF

IT Manager
John Noble

Staff
Rex Merrick

Jeanie Schmidt

JoLynn Genzlinger

ACTIVE MEMBER STAFF

Supervisor
Johnelle Sedlock

Staff
Jessie Hill

Margaux Lilly

Cathy Leonard

Jessica Stevens

RETIRED PAYROLL STAFF

Supervisor
Natalie Chamberlain

Staff
Chris Fish

Sherry Smith

Shannon Buswell



Montana Teachers' Retirement System

Mailing Address:
PO Box 200139
Helena, MT 59620-0139

Physical Address:
100 N Park Ave, Ste 110
(406) 444-3134
(866) 600-4045

email:
trsoutreach@mt.gov

trs.mt.gov

SUMMER 2020
Volume 13, Issue 1

Horizons is usually published twice per year by TRS

TEACHERS' RETIREMENT BOARD

Chair
Kari Peiffer
Active member,
Kalispell

Vice Chair
Scott Dubbs
Active member,
Lewistown

Janice Muller
Active member,
Billings

Jeff Greenfield
Retired member,
Shepherd

Daniel Trost
Public member,
Helena

Daniel Chamberlin
Public member,
Whitefish

UPDATES and REMINDERS

If you are an active (non-retired) member, TRS will mail an annual statement to your home address in mid-September. (Note: If TRS does not have your current mailing address on file, your annual statement may be sent to your employer for distribution.)

Have You Tried My TRS?

Did you know you can view your annual statements in My TRS? To access it, go to trs.mt.gov, click the "Member Login" link in the Popular Links list, then follow instructions.

What else can you do in My TRS? Here's a partial list of the features available to active and retired members:

If you're an active member, you can:

- View *and update* your beneficiaries
- View *and update* your mailing address and contact information
- Change your delivery preference for this newsletter
- View your member contributions account balance and contribution history
- Check your creditable service balance
- Run an estimate of benefits based on a hypothetical future retirement date
- Check the status of your service purchases, if any

If you're a retiree, you can:

- Review your mailing address and print out a change-of-address form, if needed
- Change your delivery preference for this newsletter
- Review your monthly benefit amount
- See how changing your tax withholding would affect your monthly benefit
- View or print your 1099-R forms
- Print a Verification of Benefits letter
- Confirm your maximum allowable earnings (if you work in a TRS-reportable position as a retiree)

Staff Updates

Joyce Love, who joined TRS as an accountant in 2014, has announced her plans to retire effective September 4, 2020. We know she'll make the most of retired life and we wish her well!

Christian Ward, a TRS employee since December 2018, has worked alongside Joyce for over a year as an accounting technician. He has been selected to fill her role upon her retirement.

Johnelle Sedlock was promoted to Active Team supervisor effective July 1, 2020. She has expertly guided hundreds of members through the retirement process during her 18-year career at TRS and she will continue to do so while taking on additional supervisory duties. Congratulations, Johnelle!



Follow us on Facebook and subscribe to our YouTube channel

Search for "Montana Teachers' Retirement System" at: www.facebook.com or www.youtube.com

If you haven't seen our *Ready, Set, Retire!* or *TRS 101: Retirement System Basics* presentations – or if you'd like to see them again – you'll find them on our YouTube channel. Watch for new versions after the MFPE Educator Conference!

A reminder from the Montana Department of Justice Motor Vehicle Division:

The REAL ID deadline has been extended to October 1, 2021.

To learn more, go to: mtrealid.gov

