

Teachers' Retirement Board

Agency Overview

June 2013

For the State Administration and Veterans' Affairs Interim Committee

Board Members:

The Board consists of 6 members appointed by the governor (3 from teaching profession who, when appointed, are active members of TRS -- at least 1 of the 3 must be actively employed as a public school classroom teacher and shall hold a class 1, 2, or 4 certificate) a retired teacher who was a member of the retirement system at the time of retirement, and 2 representatives of the public. Board members are appointed to 5-year terms.

Executive Director: Dave Senn, 444-3376, dsenn@mt.gov

Responsibilities:

- Constitutionally responsible for administering TRS, including actuarial determinations, as fiduciaries of system participants and their beneficiaries
- Hires its own staff.
- Contracts with Cavanaugh Macdonald Consulting, LLC, for actuarial services.
- Manages membership for about 18,300 active members, 11,000 inactive non-vested members. and 1,500 inactive vested members.
- Receives contributions from about 367 participating employers (353 school districts and coops, 3 community colleges, 2 university system units, and 9 state agencies).
- Determines and pays almost \$260 million in pension benefits to about 13,000 retirees and beneficiaries statewide.
- Provides informational material to members, including retirement planning seminars.

Programs, FTE, and Budgeted Funding - FY 2014:

Programs	FTE FY 2014	General Fund	State Special	Federal Revenue	Proprietary	Other*	Total Funding	% of Total Funds	% Generally Funded
Teachers Retirement System	17.00	\$0	\$0	\$0	\$0	\$2,307,087	\$2,307,087	100.00%	0.00%
* Trust Funds									

Source: Legislative Fiscal Division

Compiled by Sheri Scurr, Research Analyst
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Advisory Councils

- None.

Most Recent Legislative Audits:

- Financial/Compliance Audit for FY 2012, 12-09A

Board Bills Passed During 2013 Session:

- HB 54 - Revise TRS administrative and tax qualification laws
- HB 78 - Clarify break-in-service requirements for postretirement employment

Board Bills that Failed During 2013 Session:

- HB 90 - Increase actuarially-required U-System supplemental contributions to TRS
- HB 112 - Improve actuarial funding for TRS

Committee Areas of Interest Previous Interim:

- Examining options for funding actuarially unsound retirement systems

Hot Topics of 2013 Session:

- Pension plan reform vs. retaining defined benefit (DB) plan structure
- How to provide actuarial funding for unsound systems

Statutorily Required Reports:

- Comprehensive Annual Financial Report
- Annual actuarial reports
- Experience studies
- Special actuarial report required by HB 377, 2013 bill to improve actuarial funding and provide benefit changes for TRS to make system actuarially sound

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