



Montana Teachers' Retirement System

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TRS REMINDERS:

June Reporting Deadline – Term Pay – FY2020 Contribution Rates

– and simplified beneficiary designation procedures for next year

Deadline for June wage and contribution reports is **MONDAY, JULY 15**

Employers must submit June 2019 wages by July 15 so that TRS can close out fiscal year 2019. Late reports hinder the closeout process and affect employers' Net Pension Liability.

- **IMPORTANT:** If you have no wages to report for June, you must create and submit a \$0 Contribution report on or before July 15. Simple instructions are provided within the TRS Wage and Contribution Reporting System; just click the red "Online Manual" link while logged in.
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Submit TRS Form 113 *Retirement Termination Pay* one week in advance

Will your June report include termination pay for an employee who is retiring? Don't forget that TRS needs **Form 113 Retirement Termination Pay at least one week** before you report term pay and final earnings.

- **Why?** TRS staff must set up a transaction in M-Trust (our pension management system) with the expected amount of employer and employee contributions on term pay. If not done, you will receive an error in the Wage and Contribution Reporting System.
- **Good news!** TRS no longer needs you to use clear tape to attach a printout of the employee's termination pay calculation to Form 113. Instead, **attach it with a paper clip or staple**. This is less work for you and it also prevents the tape from jamming our digital imaging equipment.

Looking for more guidance on termination pay?

- TRS conducted a term pay webinar for some MASBO regional workshops this spring. One of those sessions was recorded and you can access the narrated slide show [here](#). (Look for the link under "Employer Workshops.")

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Employer contribution rates increase July 1

Be sure your accounting/payroll system has been updated with the new employer contribution rates:

School districts, education cooperatives, counties, community colleges	
Active TRS members	9.07% of earned compensation
TRS working retirees	11.45% of earned compensation

Montana University System and state agencies	
Active TRS members and TRS working retirees	11.45% of earned compensation

- **Member (employee) contribution rates are unchanged at 8.15%.**
- You can always find TRS contribution rates on the [Rate & Salary Charts](#) page of our website.

Looking ahead to next school year

TRS strongly encourages new TRS members to designate beneficiaries online using "My TRS" **after** their first month's wages have been reported.

- **Recommended procedure:** Employers should **not** provide a copy of TRS Form 123 *Beneficiary Designation for Active Members* to new hires who will be reported to TRS. Instead, TRS will send a welcome letter to each new member's mailing address after wages are reported. The letter will explain the member may designate beneficiaries *either* via the "My TRS" secure member portal *or* by printing, completing and submitting Form 123.
- Our goal is to streamline the beneficiary designation process for new TRS members while reducing the amount of paperwork you must distribute, collect and send to TRS on their behalf.

Do you have questions about Wage and Contribution reporting?

Contact to a member of the TRS Accounting staff:

Joyce Love, Accountant – (406) 444-3323

Nolan Brilz, Accounting & Fiscal Manager – (406) 444-3679