

TEACHERS' RETIREMENT SYSTEM



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Date: April 4, 2023
To: All employers reporting to the Teachers' Retirement System (TRS)
From: Nolan Brilz, Accounting and Fiscal Manager, Teachers' Retirement System
RE: TRS Employer contribution rates and reporting reminders

This memo includes several important reminders. Please read it carefully.

1. TRS Employer contribution rates will increase effective July 1, 2023

The 2013 Montana Legislature raised employer contribution rates for FY 2014 and scheduled an additional 0.1% increase for each of the next ten years. **This year marks the final increase under current law.**

- To view all current and past rates, go to trs.mt.gov and click the "Rate and Salary Charts" link.

Employer Type	% of Active Member Wages	% of Working Retiree Wages
School District, Education Co-op, County, Community College	9.47%	11.85%
Montana University System, State Agency	11.85%	11.85%

- The **employee** contribution rate for active Tier 1 and Tier 2 members is unchanged at 8.15%.

2. Submit your June 2023 monthly report no later than July 15

Monthly TRS wage and contribution reports must be submitted to TRS each month by the 15th of the following month. **TRS must receive your June 2023 report no later than July 15, 2023** to close out the fiscal year and determine your organization's net pension liability.

If no wages were paid for a summer month, remember to submit a "\$0 contribution" report to TRS. You can find simple instructions in the Wage and Contribution Reporting System's online manual.

3. The Importance of "Action Items" in the TRS Wage and Contribution Reporting System

When a current or recent employee terminates employment and applies for withdrawal (refund) from TRS, you will see an **action item** in the TRS Wage and Contribution Reporting System.

The action item collects information that previously would have required you to complete part of the employee's Application for Withdrawal form. Now, when you log into the Wage and

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Contribution Reporting System, you may see one or more action items asking you to (a) certify the employee's last day of work and (b) confirm when contributions were (or will be) remitted on their final pay.

Please check for action items each time you log into the system. TRS cannot refund your employee's member contributions until you have completed both steps.

For more information and step-by-step instructions, see the [memo](#) we distributed in October 2022.

4. Report all wages, hours, and contributions on a "when earned" basis

As a reminder, TRS law requires employers to report all wages, hours, and contributions for ALL employees on a "when earned" rather than a "when paid" basis. For details, refer to [this memo](#) distributed in 2021.

Remember, all TRS memos that have been distributed to employers are available on the "Communication Archive" page of our website (trs.mt.gov).

If you have any questions about this memo, please call TRS at (406) 444-3134.