Outreach coordinator available to speak at your school

Now that the school year is past the mid-point, it’s a good time to familiarize yourself with your benefits. TRA’s outreach coordinator, Sonja Parr, is available for group talks to help you understand what your TRA pension is all about.

Ask your school leadership about having a TRA representative visit during staff development days, benefit fairs, after school or any time that works best. An experienced benefits counselor can visit your school live or via webinar to speak to early- and mid-career educators and those nearing retirement about TRA benefits and how they work.

Questions? Call us at 651-296-7174 or email Outreach@MinnesotaTRA.org.

Winter options for TRA counseling

If the winter weather makes it difficult for you to get to a TRA office safely, we have some other options for you to connect with a retirement counselor. You can go to MinnesotaTRA.org and click on the gold “chat” button in the lower right of your screen. Or you can arrange an appointment with one of our counselors by phone. Call TRA to set it up.

TRA makes more headway toward funding goals

An average investment year and the continuing positive impact of 2018 sustainability legislation combined to make fiscal year 2019 a solid one for TRA’s finances.

The TRA investment portfolio earned a return of 7.3 percent for the 12-month period ending June 30, 2019. The TRA assets at fair value that are used to pay benefits increased during the period from $22.4 billion to $22.9 billion, as of June 30, 2019. More information is available in TRA’s 2019 Comprehensive Annual Financial Report. View it at MinnesotaTRA.org/financial/annual-reports.

Investments: All TRA assets are invested by the Minnesota State Board of Investment (SBI). During fiscal year 2019, domestic stocks returned 8.5 percent and international stocks provided a return of 1.1 percent. The fixed income (bond) portfolio rose 8.2 percent. The private markets class, including real estate and private equity, posted a return of 10.4 percent for the fiscal year.

Revenue: The TRA investment portfolio produced net income for the fiscal year of $1.6 billion. Total employee and employer contributions were $827.5 million. Total net operating revenue was $2.4 billion.
Member outreach efforts for ’20

TRA has some exciting new things in development for members this year. These features will be launched with the hope that they will help make it easier for you to understand your TRA benefits and give you additional ways to connect with us.

One of the goals behind the new features is to offer more options for face time and more educational videos so you can make well-informed decisions.

Staff are hoping to launch eight new high-quality videos for you to access on MinnesotaTRA.org soon. These educational videos will be designed with particular age groups in mind, including younger active teachers and those over 50 who are starting to think about retirement.

The video library update is part of TRA’s continuing effort to add value to the content on MinnesotaTRA.org, which got a redesign a year ago.

The video topics are: pension basics, planning for retirement, TRA’s six annuity plans, whether it makes sense to take a refund of contributions, the facts about early retirement, how to read your online estimate, and what TRA needs to know about your major life changes (job change, moving, marriage, children, divorce).

Whether you are a young teacher, mid-career, nearing retirement or retired, TRA is a quiet partner in your life—and it’s good to know when to touch base with us.

With the creation of an outreach coordinator position (page 1), TRA will be ramping up visits to benefit fairs and staff development events at schools. We’re just getting started, and offering webinars is a flexible way for us to meet you where you are and give informative presentations to you and your peers about TRA benefits.

Naturally, the MyTRA secure online account system will continue to evolve in 2020, offering enhancements big and small to improve your experience when you log in to maintain your records or run retirement estimates.

One important strategic plan goal for TRA is to improve engagement with our members by making sure our materials are clear, accurate, accessible and presented in innovative ways for all age groups.

We want to empower members to be informed and engaged about how the TRA plan is administered and why a defined-benefit plan is such a valuable part of your financial future.

We are excited about all the opportunities that lie ahead this year to better serve our members. Stay informed—bookmark www.MinnesotaTRA.org.

Retiring this summer? What to know

Here’s what you need to do in order to begin your benefit:

- You must submit a TRA Retirement Annuity Application either on paper or by logging in to MyTRA. Your application may be submitted up to 180 days before your last day of employment.
- You must officially end employment with all TRA employers (independent school districts, Minnesota State, charter schools) and submit a Last Day of Employment form, signed by you and your employer.
- Your application must be submitted within six months after your last day of employment in order to receive retroactive payments. Otherwise, your pension benefit becomes effective on the date you submit the application.

There could be an impact to your last day of service and pension payments if you return to work at a TRA-covered school without first having a one-day separation of service and submitting your retirement application to TRA.

You cannot have a written agreement to go back to work at a TRA-covered employer prior to ending your employment and submitting your application. One exception: If you are over 62, you and your employer may submit a return-to-work agreement along with your application. A one-day break in service is required.
TRA makes more headway toward funding goals

(Continued from page 1)

**Expenses:** Benefit payments for the year were $1.9 billion. During the fiscal year, TRA paid refunds of member contributions of $14.1 million to members who left teaching and chose to withdraw their contributions plus interest. Total administrative expenses for the year were $15.2 million.

**Funding Status:** The 2018 legislature enacted significant changes to TRA actuarial assumptions and plan provisions. TRA’s long-term investment return assumption was lowered from 8.5 percent to 7.5 percent. Other economic assumptions were modified. Several plan provisions, such as a reduction in the retiree cost of living adjustment and increased reductions for retiring prior to normal retirement age also were enacted. Employer contribution increases, phased in over six years, began July 1, 2018, and an employee increase will begin in 2023.

On June 30, 2019, the market value of TRA assets was $22.9 billion. Actuarial liabilities were $29.2 billion, producing a funded ratio of 78.2 percent. This was a slight improvement from the prior year funding ratio of 78.1 percent.

The contribution deficiency was calculated at 0.45 percent of active member payroll. However, future contribution rate increases passed by the 2018 legislative are not considered in this calculation until they are implemented. If those contribution rate increases are considered, the contribution deficiency would have reversed and produced a contribution rate sufficiency of 0.63 percent.

At current projections and if all actuarial assumptions are met, TRA will achieve a 100 percent funded ratio in 2042.

**TRA news briefs**

**Do you have a beneficiary?**

As a TRA member, certain benefits are available to your survivor(s) if you die before retiring with TRA. Beneficiary designation options vary for married or single members and vesting status. Call 800-657-3669 or 651-296-2409 to request assistance with your beneficiary designation.

**Protect your data**

TRA takes seriously its responsibility for protecting your personal information. The most important thing you can do to secure your TRA account is to register it online and use a strong password with two-step authentication. For more information about protecting your data, read up on the issue at www.identitytheft.gov.
Counseling road trips 2020: Sessions run through April

There's still time to take advantage of TRA's winter road trips! TRA counseling staff will visit a city near you in the coming months to provide one-on-one retirement counseling. Log in to your MyTRA account or call to register. (Dates and locations subject to change; check MinnesotaTRA.org/members/counseling-services for up-to-date information.)

Can’t make it? You can learn about your pension by going to MinnesotaTRA.org and browsing topics of interest. While there, log in to your MyTRA account to view personal account information and make updates to your address and email.

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Teachers Retirement Association
Jay Stoffel, Executive Director

The TRIB is published three times a year. If differences develop between the information provided and the laws governing TRA, the laws prevail.

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