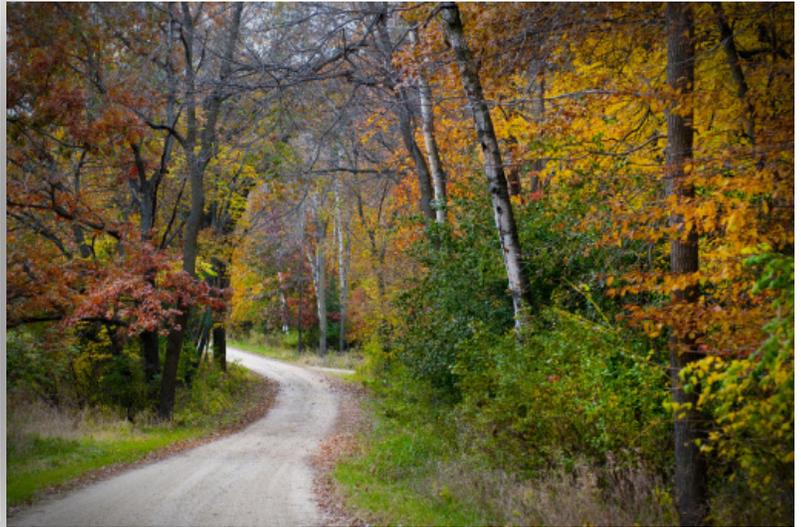


TEACHERS RETIREMENT INFORMATION BULLETIN

Active Edition ■ Fall 2022



New tax requirements in effect

Changes have been made to the IRS and Minnesota Department of Revenue tax withholding requirements.

TRA members must use the new Form W-4P IRS Withholding Certificate for Periodic Pension or Annuity Payments, Form W-4R IRS Withholding Certificate for Nonperiodic Payments and Eligible Rollover Distributions, and Form W-4MNP Minnesota Withholding Certificate for Pension or Annuity Payments to make tax withholding elections for annuities and re-

funds. You must submit the applicable completed form(s) to TRA within 30 days of submitting your retirement or refund application or the applicable federal and state default withholdings will be applied.

To obtain copies of Form W-4P, Form W-4R, and Form W-4MNP, go to www.MinnesotaTRA.org and click on Resources/Forms. Complete and submit forms to TRA by mail, or login to your MyTRA account and use the Document Upload Portal.

REMEMBER

TRA will only accept the new W-4P, W-4R and W-4MNP forms for taxes. To download, go to www.MinnesotaTRA.org and click on Resources/Forms.

PLEASE NOTE

TRA staff are unable to provide tax advice. Consult with a professional tax advisor to assist you in completing your tax withholding form(s).

NOTICE FOR TRA ELECTION

Two active member seats to be elected for Summer 2023

The TRA Board of Trustees is seeking candidates to fill two active member seats on the board.

The two members will be elected to four-year terms. The terms for these positions begin July 1, 2023. There are no term limits on board positions.

ELIGIBILITY

- Must be an active member of the TRA retirement plan
- No special education or experience is required

Applications are available online at MinnesotaTRA.org/board. To request that TRA mail you an application, call 651.296.2409 or 800.657.3669.

The application must be received in the TRA office by 4:30 p.m. on Friday, December 16. Details about voting will be published in the upcoming winter TRIB edition.

(Continued on page 3)

For up to date information, follow us on Facebook and Twitter at MinnesotaTRA



The TRIB is a publication of the Teachers Retirement Association (TRA) of Minnesota.

www.MinnesotaTRA.org

President's c o r n e r

Matthew Lee Jones
TRA Board



Serving as a Trustee

In August, the TRA Board of Trustees had our annual board retreat, and board members heard an in-depth presentation from legal counsel on our role as fiduciaries. There can be misconceptions about the board's role, so I thought it would be helpful to explain to you, the members, what we discussed.

To start, the board is made up of eight members, five elected and three appointed. The elected trustees are made up of four active representatives and one retired. Every other year an election is held and the TRA membership votes to fill the positions on the board whose terms are expiring. The three appointees are designated by the Department of Education, Minnesota Management and Budget, and the Minnesota School Boards Association.

Holding a position on the board has a very specific range of authority. Before we get to what we can do, it's important to note the things we cannot.

There are many things outside of the board's authority. Post-retirement increases, contribution rates, eligibility for membership in the plan, and all components and factors that determine benefits are authorities of the state legislature. The board can offer positions, but cannot directly influence those decisions.

What the board can do, however, is establish rules, policies and procedures for administering the plan. The board has the authority to approve TRA's annual budget, retain an actuary to assess the financial status of the plan, determine member ap-

peals, and appoint the Executive Director.

Over the years there have certainly been plan changes approved by the legislature, and course corrections have been implemented.

It is important to keep in mind that board members are fiduciaries, as specified in state law. It is our job to act impartially and make decisions based on what is in the best interests of members, retirees and beneficiaries as a whole. It is important to note that as fiduciaries, we on the board do not act as elected politicians who advocate directly for their voting bloc. We don't just represent members and retirees but in fact our representation reaches to the State of Minnesota and all taxpayers of the state. The interests of all parties must be given equal weight, not just members.

These fiduciary duties are important to the function of the plan. Decisions made by the board keep TRA running smoothly and ensure that the plan will remain viable not just for one group of members, but for all well into the future.

The TRA board is just one piece of a larger mechanism that keeps our fund sustainable. We can't make the laws, but we can ensure those laws are executed as efficiently and expediently as possible. It is the board's mission to look not only at the current moment but also ahead, and to continue providing reliable, accountable service to you, the member.

The board will continue to be responsible and prudent fiduciaries, as specified in state law, as we work to administer TRA.

COMBINED SERVICE ANNUITY WHAT TO KNOW

If you have service with another Minnesota public pension fund, (Public Employees Retirement Association (PERA), Minnesota State Retirement System (MSRS), or St. Paul Teachers Retirement Fund Association (SPTREFA)), you may be eligible to receive a higher benefit payment overall because of your combined service. Combined service can help you meet vesting requirements, maximize your high-5 average salary, and reach your retirement target date.

To be eligible for a combined service annuity (CSA) payment, you must:

- Have at least six months of allowable service credit with each fund in which you were/are a member.
- Meet each fund's vesting requirements.
- Terminate from all public service
- Submit separate retirement applications to each fund (effective dates of retirement with each fund must be within a one-year period).

Each plan would then use the same high-5 average salary from the highest five successive years of combined service to calculate your benefits. You would receive a separate monthly benefit payment from each fund.

You may decide to draw a benefit from one fund, and continue working in a covered position with another fund. However, you would then be ineligible for a CSA benefit with each fund under this scenario.

Please contact TRA, as well as any fund in which you were/are a member, if you have any questions.

ELECTION

(Continued from page 1)

In early spring, eligible members will receive ballots and candidate biographies. Only active members are eligible to vote for active member board positions. There is no retiree position up for election.

The TRA board meets approximately eight times a year to oversee the administration of the pension fund. Board meetings are open to the public and subject to the Minnesota Open Meeting Law. Some of the major board responsibilities include: establish rules, policies and procedures for administering the plan; approve an annual budget; retain an actuary to assess the financial status of the plan; determine member appeals; and appoint the Executive Director. The TRA Board has no investment responsibility. TRA assets are managed by the State Board of Investment.

Board members are fiduciaries pursuant to Minnesota law and are also subject to state economic interest disclosures. As fiduciaries, board members owe duties to TRA participants and beneficiaries, Minnesota taxpayers, and the State of Minnesota. Therefore, they are required to act solely in the best interests of those groups and the TRA fund in exclusion of all other interests, including personal interests. Fiduciaries must impartially manage the plan for the exclusive purpose of providing authorized benefits and paying plan expenses.

Election results will be certified by the Board of Trustees in June 2023 and published on MinnesotaTRA.org. Results will appear in the 2023 summer TRIB edition.



MN STATE BOARD ANNOUNCES NEW DIRECTOR/CIO

The Minnesota State Board of Investment (SBI) voted Aug. 24 to select Jill Schurtz to serve as the board's Executive Director and Chief Investment Officer.

Schurtz served as the Chief Investment Officer and Executive Director of the St. Paul Teachers' Retirement Fund Association since 2014. In that role, she was responsible for the fund's \$1.2 billion investment program and the administration of \$120 million of annual pension benefits. She was previously the CEO of Robeco-Sage, an asset management firm.

Schurtz is a graduate of the United States Military Academy, West Point, and she served seven years in the United States Army, where she attained the rank of Captain. Following her mil-

itary service, she received her law degree from Columbia Law School.

The board selected Schurtz after she was recommended by a search committee chaired by Gary Martin, Chief Investment Officer at Macalester College. The search committee included representatives of the state's three largest pension funds, the State Board of Investment members, and the board's Investment Advisory Council. The search committee worked with the search firm Korn Ferry to conduct a national search and vet candidates.

The board's decision comes after Mansco Perry III announced his intention to retire from the position in October of this year. Perry has led the SBI since 2013, and has overseen extraordinary gains for the benefit of thousands of Minnesota employees and retirees.

The board thanked Perry for his many years of leadership and service to the state.

The board, which oversees over \$120 billion in state pension and other funds, is comprised of Governor Tim Walz, State Auditor Julie Blaha, Secretary of State of Steve Simon, and Attorney General Keith Ellison.

ABOUT THE SBI

The Minnesota SBI is responsible for managing the assets of the three statewide retirement systems (TRA, PERA and MSRS), various defined contribution plans, non-retirement accounts, and tax-advantaged savings plans.



Teachers Retirement Association

60 Empire Drive Suite 400
St Paul Minnesota 55103-4000

800.657.3669 | 651.296.2409

www.minnesotatra.org

PRSRT STD
U.S. Postage
PAID
Permit No. 171
Twin Cities, MN

For use ONLY if you wish to report a name, address or email address change. Updates can be made online at www.minnesotatra.org. You also may call TRA Member Services at 651.296.2409 or 800.657.3669, or mail the form below to TRA. Be sure to include the above printed mailing address with your mailed request.

Please check all boxes that apply: Name change Address change Email address addition/change

Present Last Name (Please Print)	First Name	Middle Name	Birth Name
Address			TRA Member Number
City, State and Zip Code		Email Address	

Sign up for Winter Webinars!

Planning to retire in the next 5-10 years? Sign up for a winter group webinar by calling TRA at 1.800.657.3669 or logging in to your MyTRA portal. Webinars are available on the following dates at 3:30 P.M.:

Nov. 17 Dec. 22

Jan. 19 Feb. 16



This publication was created and provided to you by the Teachers Retirement Association. It serves as a summary of the applicable state statutes in effect as of the date this publication was issued. In the event that there is a discrepancy between information in this publication and the governing laws and policies, the laws and policies shall apply. Plan provisions are subject to change. No information in this publication should be construed as tax, financial, or legal advice.

This document can be made available in alternative formats to individuals with disabilities by calling 651.296.2409 or 800.657.3669, or through the Minnesota Relay Service at 800.627.3529.

Teachers Retirement Association
Jay Stoffel, Executive Director
jstoffel@minnesotatra.org

Board of Trustees, Statutory Members

Dr. Heather Mueller, Commissioner
Department of Education
Designee: Denise Anderson
denise.anderson@state.mn.us

Jim Schowalter, Commissioner
Minnesota Management & Budget
Designee: Laurena Schlottach-Rateliff
laurena.schlottach-rateliff@state.mn.us

Joel Stencil, Director of Finance
Minnesota School Boards Association
jstencil@minnesotatra.org

Board of Trustees, Elected Members

Martha Lee Zins, President
Retiree Representative
mzins@minnesotatra.org

Luke V. Olson, Vice President
Active Representative
lolson@minnesotatra.org

Julie Reno
Active Representative
jreno@minnesotatra.org

Kevin Lindstrom
Active Representative
klindstrom@minnesotatra.org

Wendy Drugge Wuensch
Active Representative
wdruggewuensch@minnesotatra.org