

A Message from AMRPE President, Melanie Symons

Upon joining AMRPE's Board in January 2022, I certainly didn't expect to become its president the following year. But here I am, honored to be part of a volunteer board dedicated to addressing retirement issues that affect the quality of life of all Montana public service retirees. Many thanks to the previous president, Lyle Manley, as well as Dale Boespflug and Jim Lewis, all of whom left the Board after serving three 3-year terms. We are deeply appreciative of their relentless and dedicated service on behalf of Montana's retired public employees.

I am very pleased to welcome new Board members Tom Livers, Bruce Brensdal, and Barb Martens. Thank you for volunteering your time and energy, even as you enjoy retirement and pursue other professional endeavors. Leo Hudetz serves as AMRPE's vice president, and Patty Mott and James Driggers are secretary and treasurer respectively. Lois Menzies and Geoff Badenoch round out the group. We will have at least two vacancies at the end of 2023. I encourage anyone interested in retiree issues to consider joining our Board. Those of you outside of Helena are welcome to attend meetings on-line. Please see the "In Search of New 2024 Board Members" article elsewhere in this newsletter.

The 2023 legislative session was interesting, to say the least. AMRPE once again engaged the law firm of Browning, Kaleczyc, Berry, & Hoven P.C. to monitor proposed legislation and to represent AMRPE in the halls of the capitol and before legislative committees. We appreciate Brian Thompson and Dave Galt's continued efforts to lobby on behalf of our retirees. No legislation directly impacting current retirees became law but several bills of interest are discussed in the Update on 2023 Legislative Services article in this newsletter.

The legislature once again passed legislation supporting an interim study of retirement funding issues (SJR 4). SJR 4 has been assigned to the State Administration and Veterans' Affairs Interim Committee (SAVA). Information on SAVA's work regarding SJR 4 will be posted on our website, www.AMRPE.org.

I wish you all a very enjoyable and safe summer.

Open, Closed, or Layered Amortization, Oh My!!

by Melanie Symons, AMRPE President

The term "amortization" means the reduction or pay off of an existing debt with regular payments, similar to house payments made to reduce the mortgage on one's home. In the retirement world, amortization is the process of paying off the unfunded liability of a retirement system. The amortization period is the time required to pay off that unfunded liability. There are several amortization policy options available to an actuary when determining a retirement system's amortization period.

Prior to the passage of HB 569 (2023), which will become effective July 1, 2023, all retirement systems administered by the Montana Public Employee Retirement Administration (MPERA) were funded based on an open amortization policy with a 30-year amortization period that was recalculated after every actuarial valuation.

As of July 1, 2023, the amortization policy for the Judges', Highway Patrol Officers', Sheriffs', and Game Wardens' and Peace Officers' Retirement Systems will be what is known as closed multi-layered. The "multi-layers" include the systems' normal costs, their legacy (or existing) unfunded liability, and their contemporary unfunded liability. The legacy unfunded liability must be paid off over a closed period of 25 years while the contemporary unfunded liability for each system must be paid off over a closed period of 10 years.

It is important to note that changing from a 30-year open amortization policy to a multi-layered closed amortization policy is merely a change in how the retirement systems are funded. It does not, standing alone, impact a retiree's benefit payment. It does however, for the time-being, increase employer and state contributions to the retirement systems.

AMRPE
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Legislative Update &
New Board Member
Recruitment Inside!

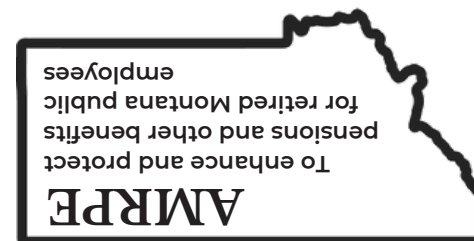
(Photo Courtesy of Steve Barry)

Use your smart phone's
camera to read the QR
Code to the left to visit our
website at:
www.AMRPE.org



- A Message from AMRPE President, Melanie Symons
- Update on 2023 Legislature
- Recruiting AMRPE Board Members
- And other important messages...

Association of Montana Retired Public
Employees 2023 Newsletter



AMRPE Member

Membership Report

by Patty Mott, AMRPE Secretary



New members join in 2023, payment, and other membership updates.

This year when we did our file match for new retirees, we went back to 2021. The number of PERS retirees was larger than our usual one year period. To date, 4% of retirees have joined AMRPE. Current members can help with our new membership campaign by advising friends and family of the essential work that our group does protecting public retiree benefits. We encourage you to share your newsletter with someone who is not a member or direct them to our website at www.AMRPE.org to learn about our organization.

Renewal notices for current members were mailed in February. About 68% of members have renewed their memberships. It is not too late to get your dues in for 2023.

Can you lend a hand?

by Geoff Badenoch, AMRPE Board Member

During your career in public service, you developed skills and experience that will make you a valued volunteer. There are countless non-profit organizations in your community that would benefit from your service as a volunteer. A museum, a literacy program, the Red Cross, a school and any number of organizations would all welcome the help that you can provide. Reach out and stay engaged bettering your community!

The AMRPE Board is always on the look out for members to join our Board in service to Montana's retired public employees so that is another volunteer opportunity to consider!

In Search of New 2024 Board Members

AMRPE Board is searching for new board members to serve 3-year terms beginning January 2024.

AMRPE will have openings for new board members beginning January 2024. If you are interested in becoming an AMRPE Board Member, please send a letter of interest and your resume by July 30, 2023, to the following: inquiry@amrpe.org or call our administrators at 406-442-4934 with any questions that you may have regarding these appointments. These appointments have a three-year term.

Did you Forget to Renew for 2023?

How to check your renewal year:
Look at the address section of this newsletter for your renewal year. If the year is prior to 2023, your membership fee is due!

Submission Instructions:
Cut out the section to the right on the dotted line and send your renewal to: **PO Box 603, Helena, MT 59624.** Or you can submit payment through our website: www.AMRPE.org.
If you have questions about your renewal or submission details please call: (406) 442-4934.

Please select a membership option below:

- New Member Renewing membership

- | | |
|---|--|
| ANNUAL MEMBERSHIP | LIFETIME MEMBERSHIP |
| <input type="checkbox"/> 1 year for \$20 | <input type="checkbox"/> \$225 if 60-70 years of age |
| <input type="checkbox"/> 2 years for \$39 | <input type="checkbox"/> \$175 if 71 or older |
| <input type="checkbox"/> 3 years for \$58 | |

Member Information (please print)

FIRST NAME		MI	LAST NAME	
ADDRESS		CITY	STATE	ZIP
TELEPHONE		*EMAIL (REQUIRED)		
YEAR BORN	YEAR RETIRED	RETIRED FROM		

*Membership updates and Association action requests will be sent through email periodically.
Please make checks payable to AMRPE.

Update on 2023 Legislative Session

The 68th Montana Legislature convened on January 2, 2023, and unexpectedly adjourned on the 87th day, May 2, 2023. More bills were requested and introduced than in any legislative session since 1973. Of the 1,698 bills introduced, 21 were retirement-related and closely monitored, supported, or opposed by AMRPE and our lobbyists. Eight retirement bills, including two related solely to the Teachers' Retirement System (TRS), were eventually enacted into law.

The table below summarizes the most relevant of the 21 retirement-related bills, excluding those solely impacting TRS. You may look up these bills and trace their progress through the session at:

[http://laws.leg.mt.gov/legprd/law0203w\\$.startup?P_SESS=20231](http://laws.leg.mt.gov/legprd/law0203w$.startup?P_SESS=20231)

Notably, many of the funding bills that AMRPE did or would have supported were eventually wrapped into HB 226 and HB 569.

- HB 226 underwent many transformations, including a \$300 million appropriation from the general fund to PERS; a change in the PERS election default for new hires from the defined benefit to the defined contribution plan; a change in amortization policy from an open 30-year amortization period to a closed multi-layered amortization period; and the creation of a special select committee on public retirement systems. A vastly amended bill was awaiting consideration in both the Senate and House when the legislature adjourned. PERS received no additional funding.
- HB 569 was more successful. The Highway Patrol Officers', Sheriffs', and Game Wardens' and Peace Officers' retirement systems were given \$27.6 million, \$26.8 million, and \$41.2 million respectively from the general fund to amortize each system in 25 years. The amortization policy for each of those retirement systems and for the Judges' Retirement System changed from an open 30-year amortization period to a closed multi-layered amortization period. See the "Closed, Open, Layered Amortization, Oh My!" article in this newsletter for more information. And finally, new members of the Sheriffs' and the Highway Patrol Officers' retirement systems must, in addition to serving 20 years, attain age 50 prior to receiving a retirement benefit.

Sponsor	Bill #	Title	Status	AMRPE's Action
Marta Bertoglio	HB 119	Provide funding for public safety pension systems	Died	Supported
Terry Moore	HB 226	Generally revise pension laws	Died	Monitored
Terry Moore	HB 228	Generally revise public investment laws	Signed by Gov.	Monitored
Terry Moore	HB 569	Generally revise pension laws	Signed by Gov.	Monitored
Paul Fielder	HB 526	Repeal state tax on social security income	Died	Monitored
Fred Anderson	HB 608	Revise laws related to boycotts of Israel and state investments	Died	Monitored
Mike Cuffe	SB 18	Add benefit policy statement to pension systems	Signed by Gov.	Supported
Wendy McKamey	SB 29	Increase and extend the PERS supplemental employer contribution	Died	Monitored
Wendy McKamey	SB 74	Revise administrative provisions of MPERA	Signed by Gov.	Supported as Amended
John Fuller	SB 104	Exempt retired military pensions from state income tax	Signed by Gov.	Monitored
Tom McGillvray	SB 348	Revise pension laws to eliminate GABA for new hires	Died	Opposed
Wendy McKamey	SJR 4	Provide for interim study of PERS and TRS	Passed both houses	Supported

AMRPE thanks our lobbyists, Brian Thompson and Dave Galt, for their work on our behalf this session. We also appreciate all our members who reached out to their legislators to voice your concerns regarding legislation of interest. We couldn't do it without you.