



for Retirees

Montana Public Employee Retirement Administration (MPERA)

December 2010

This annual newsletter provides information for retired members of the following retirement systems administered by the Montana Public Employees' Retirement Board (PERB):

- Public Employees' (PERS)
- Judges' (JRS)
- Highway Patrol Officers' (HPORS)
- Sheriffs' (SRS)
- Game Wardens' and Peace Officers' (GWPORS)
- Municipal Police Officers' (MPORS)
- Firefighters' Unified (FURS)
- Volunteer Firefighters' Compensation Act (VFCA)



A Message from the Executive Director

by Roxanne Minnehan

Dear Retiree,

With retirement plans under fire, members are expressing concern about the economic situation and the health of the retirement plans administered by the Public Employees' Retirement Board (PERB). Rest assured, our retired members will continue to receive their monthly benefit.

Defined retirement benefits mean that investment gains or losses do not affect the retirement benefits paid to members. The long-term investment strategy of the Board of Investments anticipates fluctuating markets. By diversifying its holdings, the fund cushions the effects of unfavorable markets. This year, the funds' investment returns were over 12.8%, net of expenses. This is great news; however, the impact of two years of negative returns continues to affect the actuarial funding of the systems. We are working diligently to find solutions to the funding issues.

Only the legislature can make changes to the retirement statutes. The State Administration and Veterans' Affairs (SAVA), a legislative interim committee, is responsible for reviewing legislative requests and making recommendations to the legislative body. SAVA has no proposals to change any of the retirement plans administered by the PERB.

As of today there are 32 retirement bill requests. We don't know what will happen in the legislature, however, MPERA and the

PERB are committed to safeguarding your benefit. We would vigorously oppose any legislation that would change benefits for current retirees. We have maintained that your retirement benefit is a contract right and cannot be changed.

Secure retirement benefits are important for all members of society and you are the best ambassadors of the retirement plans. Please consider lending your voice as an advocate on behalf of all current and future retirees to the legislature. Your retiree benefits help stimulate our economy with your purchasing ability. They are important to all Montana communities.

On a personal note, it is bittersweet to announce the retirement of Donna Coman, Retiree Database Manager. Donna retired at the end of November after serving "her" retirees, MPERA and the state of Montana for over 36 years. Donna has spent all of those years processing retirement benefits from individual ledger cards in the seventies through two automated systems. Her diligence and strong work ethic ensured that each retiree has received an accurate, timely benefit month after month and year after year. We at MPERA and many of the almost 21,000 retirees will miss Donna. We wish her health and happiness as she embarks on her own retirement.

Stepping into Donna's shoes is John Barbagello. Welcome John!

Governor
Brian Schweitzer
Public Employees' Retirement Board
President
John Nielsen
 Glendive
Vice-President
Terrence Smith
 Bozeman
Darcy Halpin
 Belgrade
Scott Moore
 Miles City
Dianna Porter
 Butte
Patrick McKittrick
 Great Falls
Timm Twardoski
 Helena



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Should any information in this newsletter conflict with statute or rule, the statute or rule will apply.

Farwell from Donna

Since our mission statement says, we will efficiently provide quality benefits, education and service to help our plan members and beneficiaries achieve a quality retirement, I've decided to give it a try. Hello, Donna Coman here. It is with mixed emotions I will be retiring the end of November. With over 36 + years here at MPERA, I've decided it was time to relax and let someone else take over. Don't get me wrong, I have loved my job at MPERA. I have said that I have the best job here. I get to make sure all the retirees get their benefits each month. What could be better than that?

I will miss working with this great staff. They are all very efficient and professional and do a great job for our members and retirees. I will also miss talking to my retirees. Some of you have become "phone friends." I hope over the years I have been able to assist you and answer your questions and address your concerns.

It looks like my next job will be cleaning out those overcrowded closets at home, at least that is the gist I've gotten from retirees. So if that is what you have been telling me, I guess it must be true.

My husband & I love to travel, so now I'll be able to go at the drop of a hat. It will be nice to see friends in other countries again. I used to sew some along with just a bit of quilting. I think I will give the quilting a try again. Everyone who knows me knows that I am not in short supply of materials.

I do know that I am leaving with the knowledge that the staff here at MPERA does a great job and are willing to assist you with any questions or concerns. -Donna Coman

Direct Deposit is Fast, Safe and Free!

Would you like a faster way to receive your retirement benefits? Benefit payments are processed the last working day of the month. For example: the January benefit payment is mailed on the last working day of January. If you receive your benefit by paper check, the check will be mailed on January 31, or the last working day of January. Due to mail time, you may not receive your benefit for several days. If you choose to receive your benefit by direct deposit, it will be deposited into your account on the last business day of the month.

By choosing direct deposit you are ahead of the game! ♦

Advantages of direct deposit:

- ✓ it's timely;
- ✓ it's less likely to be delayed;
- ✓ it's safe, no human hands touch it;
- ✓ it's convenient; and
- ✓ it's free.

Is Your Address Going to Change?

Please be sure to keep us updated if your address changes.

This will keep your payment information, 1099s and retirement news from being delayed.

You'll find a Change of Address form on our Web site:

http://mpera.mt.gov/forms/ChngOfAdd-ALL_Form.pdf

Your 1099-Rs will be mailed in January. Be sure your address is up to date with MPERA so you can be assured of receiving them in a timely manner!

John Nielsen - Board President

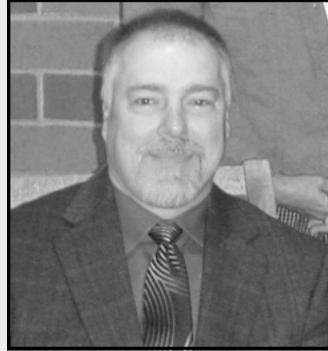
Hello to all of the retired members of MPERA. I am writing this short note to let you know about one of the many issues being addressed by the retirement board and professional staff at MPERA.

The retirement board is proposing legislation to help correct the shortfall in funding. Proposing legislation is the easy part; getting legislation that everyone can agree on passed will be the tough part.

In these economical times, it is going to be very difficult to get funding from the legislature, and sponsoring such a bill may impact one's political career.

However, it is the board's fiduciary responsibility to inform the legislature of the funding shortfalls and propose corrective action.

I would ask that if you get a chance to bend a local Senator or Representative's ear, please inform them of how important your retirement benefit is to you and your local community. ♦



Profile:

The Public Employee Retirement Board's (PERB) president is John Nielsen, who is currently in his 4th year of a 5 year term as a Board member. He was appointed by Governor Schweitzer in 2006.

Mr. Nielsen has been working for the Department of Transportation for 23 years. He is a working shop foreman. He also serves on the board of trustees for the Evangelical Church, and is the president of Dawson County Search and Rescue. He was the State Treasurer for AFSCME Council 9, for several years.

“I enjoy working with the other board members and the staff of MPERA. It has been a privilege to work for the residents of Montana and serving the members and retirees of the MPERA administered plans.”

– John Nielsen

Did You Know?

You Can Opt Out Of Third Party Mailings

Any person receiving a retirement benefit from MPERA can request to be excluded from third party mailings from non-profit retiree organizations. All you have to do is send us an email requesting that your name be removed from the list. It is that easy!

When you send your email, please include your full name, address, and the last four digits of your social security number. Please allow us up to 30 days to ensure you have been removed from the list.

Send your request to John Barbagello at JBarbagello@mt.gov or to Terry Dalton at TDalton@mt.gov. or to mpera@mt.gov.

Or write to us at :

MPERA
PO Box 200131
Helena MT, 59620-0131 ♦

Notify MPERA of a Death

Please remember to notify MPERA of the death of a member, alternate payee, and/or beneficiary receiving benefits. ♦

**All MPERA publications, including this newsletter, can be found at <http://mpera.mt.gov>.
Subscribe for a free electronic version today!**

Tales from Retirees - Mike O'Connor

As the former Executive Director of MPERA, I never gave it much thought about being a retiree. After actually retiring and after the proverbial time it took to realize I was not on vacation; I began to ask myself, what was I going to do to keep me busy? I thought the first thing I should do is answer a simple question. What am I passionate about?

Two areas immediately came to mind: my Irish heritage and being a baker. Now for those of you that know me, the Irish heritage interest is a given but - - the baking interest? Coming from a large family, our mom would bake bread when I was little. Can you just imagine the aroma of the bread coming out of the oven? I can, and my baking passion I have to credit my mom for. So, today I work part-time as a baker in a small bakery in town and love every minute of it.

My passion for my Irish heritage has led me down several paths. First, my family history is important to me. In my extended family I am the keeper of the family history. I joined the local genealogical society and also volunteer part-time at the library helping other people research their family histories. I have met my cousins in Ireland through the knowledge I obtained in researching my family. Secondly, I am very involved in the Ancient Order of Hibernians. The AOH is a Catholic, Irish-American fraternal organization founded 175 years ago. I just returned from the AOH national convention and was elected National Director of the AOH. The last person from Montana to be elected to the national AOH board was over 100 years ago.

The last area that is important to me is the retirement benefit I receive as a retiree. The retirement benefits we receive should be important to all retirees. We are our best spokesmen when it comes to protecting our benefits. Each of us should communicate with our own legislators as to how important our benefits are to us. Another good idea is to join a retiree organization that will advocate on your behalf. There are several retiree organizations available. I have joined the Association of Montana Retired Public Employees (AMRPE) and I am also a board member. AMRPE's mission is to advocate with the legislature, and the PER Board and keep their membership informed about issues that affect our lives and our pensions. Retiree associations will help in the legislative process to protect the benefits we have currently and plan to receive in the future.

As you can see my initial question was answered as to how to keep busy. My passions and interests have kept me very busy. I hope you are enjoying retirement as much as I am. ♦

Mike O'Connor was hired at MPERA in November 1979 as the accountant. He was promoted to Operations Bureau Chief in 1989 and to Executive Director or acting Executive Director from 1993 thru 2005 for a total of 26 years at MPERA.

We Want To Hear Your Story!

MPERA *Directions* has a new feature: Tales from Retirees. This edition of Directions features Mike O'Connor's musings on retirement. And now we want to hear from you! If you have a story to share with us and your fellow retirees, send it to us and we may print your story in a future newsletter.

Email your story to areber@mt.gov. Put **Tales From Retirees** in the subject line. We look forward to hearing from you! ♦

Good Health

One of the best presents you can give yourself is the gift of good health. Paying attention to your physical, mental and emotional health is important for living a long and active retirement.

Good physical health helps reduce the risk of high blood pressure, controls your weight, and decreases feelings of depression. There are many ways to stay healthy and fit. Walking, biking, swimming, and eating fresh fruit and vegetables are just the start.

Take care of your mental health as well. Limiting stress and finding ways to challenge your brain such as taking up new hobbies or learning new skills, can have a positive effect on your mental health.

Check with your physician before beginning any new dietary or exercise programs.

Remember, by staying healthy you can travel, care for loved ones, spend time with family and friends, and remain active within your community. Start giving yourself the gift that keeps on giving: your health! ♦



Changing Your Retirement Benefit Option or Contingent Annuitant

If you are a retired member of PERS, SRS, GWPORS or JRS, you had a choice of benefit Payment Options when you retired. If you chose Option 2 (joint and 100% survivor) or 3 (joint and 50% survivor) there are two circumstances under which you may change your Option or your contingent annuitant. You may make a change if:

- ♦ your original contingent annuitant dies; or
- ♦ you and your contingent annuitant divorce and there is no family law order giving your contingent annuitant the right to receive part of the benefit.

If either of these two scenarios occur, you may:

- ♦ revert to the higher Option 1 retirement benefit available at the time of your retirement, plus any guaranteed annual benefit adjustments (GABA) you had received; or
- ♦ change your Option and name a new contingent annuitant; or
- ♦ keep the same Option and name a new contingent annuitant.

You must designate a new contingent annuitant or payment option, **in writing, within 18 months** of the death of or divorce from the contingent annuitant. Contact MPERA to receive an estimate of the new benefit and an application form. ♦

Changing Your Beneficiary

If circumstances require you to change your beneficiary, contact MPERA and we will send you the correct forms. You can contact us at mpera@mt.gov or call:

Helena area: 444-3154

Toll-free: 1-877-ASK-PERA ♦

Subscribe to MPERA's E-Newsletters!

MPERA is working on ways to save money and the environment. In order to lower costs and save trees, we are asking you to sign up to receive newsletter notifications through email. It's fast, safe and free.

To sign up, simply go to our website at <http://mpera.mt.gov/> and, under on the publications tab, select "Newsletters". Choose the newsletter or newsletters you wish to sign up for and enter your email address and your name. You will receive notification when MPERA publishes a new newsletter on our website. It's that easy!

Please be assured, your email address will not be shared with a third party nor will we send you any solicitations. We greatly appreciate you helping us save money and the environment. ♦

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