

# GREEN SHEETS

**FISCAL YEAR 2025**

A Summary of Benefit, Actuarial, and Investment Data  
of Montana's Public Employee Retirement Systems  
as of June 30, 2025



LEGISLATIVE  
SERVICES  
DIVISION

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# INTRODUCTION

## OVERVIEW

The Green Sheets are designed to provide Legislators and the public with information about the health of the statewide public employee retirement system. The Green Sheets are updated annually by legislative staff and include a summary of the benefit, actuarial, and investment data from the most recent fiscal year.

Data for the Green Sheets are pulled from the annual actuarial valuation reports for the pension systems. Additional information is provided by the Teachers' Retirement System (TRS), the Montana Public Employee Retirement Administration (MPERA), the Montana Board of Investments (BOI), the Office of the Commissioner of Higher Education (OCHE), and the Legislative Fiscal Division (LFD).

For an introduction to Montana's public employee retirement systems and related policy issues, please refer to the 2024 Legislator's Guide to Montana's Public Employee Retirement Systems: <https://committees.legmt.gov/#/nonStandingCommittees/3?tab=Studies+%2F+Topics>.

## MONTANA'S PUBLIC EMPLOYEE RETIREMENT SYSTEMS

There are 11 public employee retirement systems in Montana – nine defined benefit (DB) plans and two defined contribution (DC) plans. There is also a 457(b) Deferred Compensation Plan available for most public employees.

### Statewide Defined Benefit Retirement Systems

- Teachers' Retirement System (TRS)
- Public Employee Retirement System – Defined Benefit Plan (PERS-DB)
- Sheriffs' Retirement System (SRS)
- Municipal Police Officers' Retirement System (MPORS)
- Game Wardens' and Peace Officers' Retirement System (GWPORS)
- Firefighters' Unified Retirement System (FURS)
- Highway Patrol Officers' Retirement System (HPORS)
- Judges' Retirement System (JRS)
- Volunteer Firefighters' Compensation Act (VFCA)

### Other Statewide Retirement Systems

- Public Employee Retirement System – Defined Contribution Plan (PERS-DC)
- 457(b) Deferred Compensation Plan
- Montana University System Retirement Program (MUS-RP)

## IMPACT TO MONTANA

As of June 30, 2025, the actuarial value of trust fund assets in Montana's nine defined benefit public employee retirement systems is \$15.59 billion and the unfunded actuarially accrued liability (UAAL) is \$5.0 billion.

There are 58,071 active members enrolled and 49,819 retirees and benefit recipients – just over 10% of the state's population or 1 out of every 10 Montanans. Across the state, there are 1,275 employers participating in the systems, including local governments, school districts, community colleges, and state agencies.

## **ASSUMPTIONS**

The Teachers' Retirement System Board and the Public Employees' Retirement Board adopt assumptions for investment returns, payroll growth, price inflation, and demographics based on the results of experience studies, which are conducted by the Boards' actuaries every four years. Below are some of the current assumptions. The full sets of assumptions can be found in each actuarial valuation report. The next experience studies are scheduled for Spring 2026.

	TRS	MPERA SYSTEMS
<b>INVESTMENT RETURN</b>	7.30%	7.30%
<b>PAYROLL GROWTH</b>	3.25%	3.25%
<b>PRICE INFLATION</b>	2.75%	2.75%

## **SUMMARY OF VALUATION RESULTS AS OF JUNE 30, 2025**

Below is a summary of the valuation results for the defined benefit systems for fiscal year 2025.

SYSTEM	FUNDED RATIO (ROUNDED)	AMORTIZATION RATE	ACTUARIAL VALUE OF ASSETS	UNFUNDED ACTUARIALLY ACCRUED LIABILITY (UAAL)	MARKET VALUE RATE OF RETURN	ACTIVE MEMBERS	RETIRES & BENEFIT RECIPIENTS
TRS	73%	21 yrs.	\$5,288,716,000	\$1,913,002,000	9.37%	19,556*	18,302
PERS-DB	74%	23 yrs.	\$7,446,489,145	\$2,551,626,554	9.39%	30,811	26,233
SRS	82%	17 yrs.	\$596,566,000	\$131,511,698	9.40%	1,566	960
MPORS	75%	18 yrs.	\$675,298,356	\$229,982,936	9.16%	914	1,017
GWPORS	92%	16 yrs.	\$374,764,636	\$31,112,992	9.39%	1,061	562
FURS	84%	8 yrs.	\$770,478,346	\$144,839,872	9.14%	944	736
HPORS	76%	22 yrs.	\$233,087,953	\$72,357,558	9.42%	222	385
JRS	184%	0 yrs.	\$143,631,565	(\$65,471,518)	9.43%	61	82
VFCA	101%	0 yrs.	\$59,730,427	(\$365,884)	8.49%	2,936	1,542
<b>TOTALS/ AVERAGES</b>	<b>93%</b>	<b>14 Yrs.</b>	<b>\$15.59B</b>	<b>\$5.0B</b>	<b>9.24%</b>	<b>58,071</b>	<b>49,819</b>

\*Excludes 595 part-time members with annual compensation less than \$1,000.

# PART ONE: FY25 DEMOGRAPHIC DATA

**TABLE 1: FY 25 ACTIVE MEMBER DATA**

SYSTEM	ACTIVE MEMBERS	AVERAGE AGE (ROUNDED)	AVERAGE HIRE AGE (ROUNDED)	AVERAGE YEARS OF SERVICE (ROUNDED)	AVERAGE FULL-TIME ANNUAL SALARY	RATIO OF ACTIVE MEMBERS TO RETIREES & BENEFICIARIES
TRS	19,566*	45	35	10 yrs.	\$63,937	1.10
PERS-DB	30,811	46	38	8 yrs.	\$54,041	1.17
SRS	1,566	38	32	7 yrs.	\$75,880	1.63
MPORS	914	38	30	8 yrs.	\$82,053	0.90
GWPORS	1,061	41	33	8 yrs.	\$67,171	1.89
FURS	944	38	29	9 yrs.	\$83,372	1.28
HPORS	222	38	30	9 yrs.	\$83,622	0.58
JRS	61	57	48	9 yrs.	\$146,704	0.74
VFCA	2,936	44	38	6 yrs.	N/A**	1.90
<b>TOTALS/ AVERAGES</b>	<b>58,071</b>	<b>43</b>	<b>35</b>	<b>8 yrs.</b>	<b>\$82,098</b>	<b>1.24</b>

\*Excludes 595 part-time active members with annual compensation less than \$1,000.

\*\*Members of the VFCA are volunteers and therefore do not receive a salary.

**TABLE 2: FY25 RETIREE AND BENEFIT RECIPIENT DATA**

SYSTEM	NUMBER OF BENEFIT RECIPIENTS	AVERAGE CURRENT AGE OF ANNUITANTS (ROUNDED)	AVERAGE AGE AT RETIREMENT (ROUNDED)	AVERAGE YEARS OF SERVICE AT RETIREMENT (ROUNDED)	AVERAGE ANNUAL BENEFIT (SERVICE RETIREMENT)	PERCENT OF INCOME REPLACEMENT PROVIDED UNDER THE BENEFIT FORMULA IF MEMBER ATTAINS FULL SERVICE RETIREMENT*	TOTAL BENEFITS PAID IN FY25
TRS	18,302	74	59	25 yrs.	\$26,004	Tier One** 41.67%  Tier Two** 55.5%	\$458,959,746
PERS-DB	26,233	73	62	22 yrs.	\$22,676	60%	\$594,858,775
SRS	960	66	54	19 yrs.	\$33,528	50%	\$32,186,493
MPORS	1,017	63	50	21 yrs.	\$38,133	50%***	\$38,781,747
GWPORS	562	66	58	19 yrs.	\$26,906	50%	\$15,120,900
FURS	736	65	53	24 yrs.	\$49,605	50%	\$36,509,343
HPORS	385	65	51	21 yrs.	\$42,123	52%	\$16,217,195
JRS	82	75	67	18 yrs.	\$64,550	49.95%	\$5,293,118
VFCA	1,542	74	61	20 yrs.	\$2,310	Set amount of \$200 per month for full service retirement	\$3,561,497
<b>TOTALS/ AVERAGES</b>	<b>49,819</b>	<b>69</b>	<b>57</b>	<b>21 yrs.</b>	<b>\$33,992</b>	--	<b>\$1.2B</b>

\*Highest Average Salary x Retirement Factor x Years of Service = Percent of Income Replacement

\*\*Tier one is calculated with 25 years of service and tier two is calculated with 30 years of service

\*\*\*MPORS formula: Final Average Salary x Retirement Factor x Years of Service = Percent of Income Replacement

# PART TWO: FY25 FUNDING & INVESTMENT DATA

**TABLE 3: FY25 ACTUARIAL FUNDING DATA**

SYSTEM	ACTUARIAL VALUE OF ASSETS	ACTUARIALLY ACCRUED LIABILITY (AAL)	UNFUNDED ACTUARIALLY ACCRUED LIABILITY (UAAL)	NORMAL COST RATE	UAAL RATE	TOTAL CONTRIBUTIONS
TRS	\$5,288,716,000	\$7,201,718,000	\$1,913,002,000	10.80%	9.31%	\$261.21M
PERS-DB	\$7,446,489,145	\$9,998,115,699	\$2,551,626,554	9.29%	7.74%	\$323.21M
SRS	\$596,566,000	\$728,077,698	\$131,511,698	15.13%	8.58%	\$28.66M
MPORS	\$675,298,356	\$905,281,292	\$229,982,936	29.64%	23.14%	\$39.55M
GWPORS	\$374,764,636	\$405,877,628	\$31,112,992	17.40%	3.82%	\$15.31M
FURS	\$770,478,346	\$915,318,218	\$144,839,872	31.43%	26.24%	\$48.35M
HPORS	\$233,087,953	\$305,445,511	\$72,357,558	25.91%	25.57%	\$10.34M
JRS	\$143,631,565	\$78,160,047	(\$65,471,518)	27.46%	(20.46%)	\$783,642
VFCA	\$59,730,427	\$59,364,543	(\$365,884)	\$850,545*	(\$29,327)*	\$3.9M
<b>TOTALS/ AVERAGES</b>	<b>\$15.59B</b>	<b>\$20.60B</b>	<b>\$5.0B</b>	<b>--</b>	<b>--</b>	<b>\$731.32M</b>

\*Percent not included in VFCA valuation, just dollar amount

**TABLE 4: FY25 INVESTMENTS AND RETURNS**

SYSTEM	AMOUNT INVESTED (FAIR VALUE ON JUNE 30, 2025)	FY25 MARKET RATE OF RETURN	FY25 ACTUARIAL RATE OF RETURN (4-YEAR SMOOTHING)	AVERAGE MARKET RATE OF RETURN LAST 10 YRS.	AVERAGE ACTUARIAL RATE OF RETURN LAST 10 YRS.*	LONGEST MEASURABLE RETURN (31 YRS.)
TRS	\$5.38B	9.37%	5.46%	9.0%	7.70%*	7.82%
PERS-DB	\$7.62B	9.39%	5.44%	7.88%	7.91%	7.81%
SRS	\$609.43M	9.40%	5.87%	7.90%	7.92%	7.72%
MPORS	\$668.05M	9.16%	5.62%	7.69%	7.69%	7.70%
GWORS	\$382.59M	9.39%	6.07%	7.87%	7.88%	7.73%
FURS	\$759.25M	9.14%	5.73%	7.69%	7.69%	7.69%
HPORS	\$237.73M	9.42%	5.93%	7.87%	7.90%	7.72%
JRS	\$147.09M	9.43%	5.55%	7.87%	7.88%	7.73%
VFCA	\$60.30M	8.49%	5.07%	7.43%	7.53%	7.56%
<b>TOTALS/ AVERAGES</b>	<b>\$15.87B</b>	<b>9.24%</b>	<b>5.64%</b>	<b>7.91%</b>	<b>7.79%</b>	<b>7.72%</b>

\*The average actuarial rate of return for TRS is based on the last 15 yrs. while the rest are based on the last 10 yrs.

<b>Pension Asset Allocation (6/30/25)</b>	<b>Actual</b>	<b>Range Set in Policy</b>
Domestic Equity	26.5%	22 - 34%
Core Fixed Income	13.3%	9 - 19%
International Equity	15.2%	10 - 20%
Private Investments	17.3%	13 - 21%
Real Estate	12.0%	7 - 15%
Non-Core Fixed Income	7.0%	5 - 9%
Real Assets	6.1%	3 - 9%
Cash Equivalent	2.6%	0 - 5%

**TABLE 5: FY25 CASH FLOW**

<b>SYSTEM</b>	<b>BENEFITS &amp; EXPENSES (INCLUDES WITHDRAWALS)</b>	<b>NET INVESTMENT INCOME</b>	<b>NET CASH NEEDED (CONTRIBUTIONS MINUS BENEFITS &amp; EXPENSES)</b>	<b>NET CASH NEEDED AS PERCENTAGE OF ASSETS INVESTED</b>	<b>NET INCREASE (DECREASE) IN PLAN ASSETS</b>	<b>INCREASE (DECREASE) IN ACTUARIAL ACCRUED LIABILITY (AAL)</b>
<b>TRS</b>	\$472.8M	\$476.65M	(\$211.64M)	(3.78%)	\$265.02M	\$176.09M
<b>PERS-DB</b>	\$615.26M	\$672.99M	(\$292.06M)	(3.83%)	\$380.86M	\$302.56M
<b>SRS</b>	\$33.85M	\$53.03M	(\$5.19M)	(0.84%)	\$47.84M	\$41.93M
<b>MPORS</b>	\$42.7M	\$58.22M	(\$3.14M)	(0.47%)	\$55.08M	\$46.59M
<b>GWPORS</b>	\$16.07M	\$33.19M	(\$0.76M)	(0.20%)	\$32.43M	\$28.82M
<b>FURS</b>	\$36.12M	\$65.55M	\$12.23M	1.61%	\$77.77M	\$70.47M
<b>HPORS</b>	\$17.27M	\$20.94M	(\$6.93M)	(2.92%)	\$14.01M	\$13.36M
<b>JRS</b>	\$5.02M	\$12.92M	(\$4.24M)	(2.86%)	\$8.68M	\$1.92M
<b>VFCA</b>	\$3.56M	\$5.07M	\$0.35M	0.49%	\$5.41M	\$6.86M
<b>TOTALS/ AVERAGES</b>	<b>\$1.24B</b>	<b>\$1.40B</b>	<b>(\$511.38M)</b>	<b>--</b>	<b>\$887.16M</b>	<b>\$688.59B</b>

**TABLE 6: FY25 INVESTMENT DATA**

SYSTEM	TOTAL ASSETS UNDER MANAGEMENT AS OF JUNE 30, 2025	BOI FIXED/ INTERNAL COSTS	BOI FIXED/ INTERNAL COSTS AS PERCENTAGE OF ASSETS	BOI VARIABLE/ EXTERNAL COSTS TOTAL	BOI VARIABLE/ EXTERNAL COSTS AS PERCENTAGE OF ASSETS
TRS	\$5.38B	\$1,684,199	0.033%	\$22,164,394	0.41%
PERS-DB	\$7.62B	\$2,380,317	0.031%	\$31,333,227	0.41%
SRS	\$609.43M	\$187,840	0.031%	\$2,472,333	0.41%
MPORS	\$668.05M	\$206,973	0.031%	\$2,724,877	0.41%
GWPORS	\$382.59M	\$117,600	0.031%	\$1,548,024	0.4%
FURS	\$759.25M	\$233,135	0.031%	\$3,068,989	0.40%
HPORS	\$237.73M	\$74,084	0.031%	\$975,263	0.41%
JRS	\$147.09M	\$45,754	0.031%	\$602,508	0.41%
VFCA	\$60.30M	\$17,966	0.030%	\$236,576	0.39%
<b>TOTALS/ AVERAGES</b>	<b>\$15.87B</b>	<b>\$4,947,869</b>	<b>0.031%</b>	<b>\$65,126,191</b>	<b>0.41%</b>

Each plan has assets allocated to STIP and to CAPP. See Table 4 for general information about asset allocation.

Fixed costs are those associated with internal management by BOI staff.

Variable costs are those associated with management of funds by external entities.

**TABLE 7: SENSITIVITY TO LOWER INVESTMENT RETURN ASSUMPTIONS**

**0.5% Lower Assumption**

- MPERA & TRS – Lowered from 7.30% to 6.80% Investment Return Assumption

SYSTEM	FUNDED RATIO ( <i>ROUNDED</i> )	AMORTIZATION PERIOD	CONTRIBUTION INCREASE NEEDED TO MAINTAIN CURRENT AMORTIZATION PERIOD ( <i>PERCENTAGE</i> )	CONTRIBUTION INCREASE NEEDED TO MAINTAIN CURRENT AMORTIZATION PERIOD ( <i>DOLLAR AMOUNT</i> )
TRS	70%	30 years	2.88%	\$29.8M
PERS-DB	71%	32 years	2.34%	\$38.9M
SRS	77%	42 years	5.04%	\$6.0M
MPORS	70%	33 years	10.0%	\$7.5M
GWPORS	86%	does not amortize	5.19%	\$3.7M
FURS	78%	14 years	13.55%	\$11.3M
HPORS	72%	39 years	9.16%	\$1.7M
JRS	176%	0 years	0%	\$0
VFCA	96%	1 year	0%	(\$0.2M)

**1.0% Lower Assumption**

- MPERA & TRS – Lowered from 7.30% to 6.30% Investment Return Assumption

SYSTEM	FUNDED RATIO ( <i>ROUNDED</i> )	AMORTIZATION PERIOD	CONTRIBUTION INCREASE NEEDED TO MAINTAIN CURRENT AMORTIZATION PERIOD ( <i>PERCENTAGE</i> )	CONTRIBUTION INCREASE NEEDED TO MAINTAIN CURRENT AMORTIZATION PERIOD ( <i>DOLLAR AMOUNT</i> )
TRS	66%	47 years	6.51%	\$65.4M
PERS-DB	67%	53 years	5.28%	\$87.9M
SRS	72%	does not amortize	10.94%	\$13.0M
MPORS	65%	112 years	21.20%	\$15.9M
GWPORS	80%	does not amortize	10.94%	\$7.8M
FURS	73%	30 years	31.55%	\$26.3M
HPORS	67%	105 years	18.85%	\$3.5M
JRS	168%	0 years	0%	\$0
VFCA	91%	3 years	87%	\$3.4M

# PART THREE: FY25 CONTRIBUTIONS

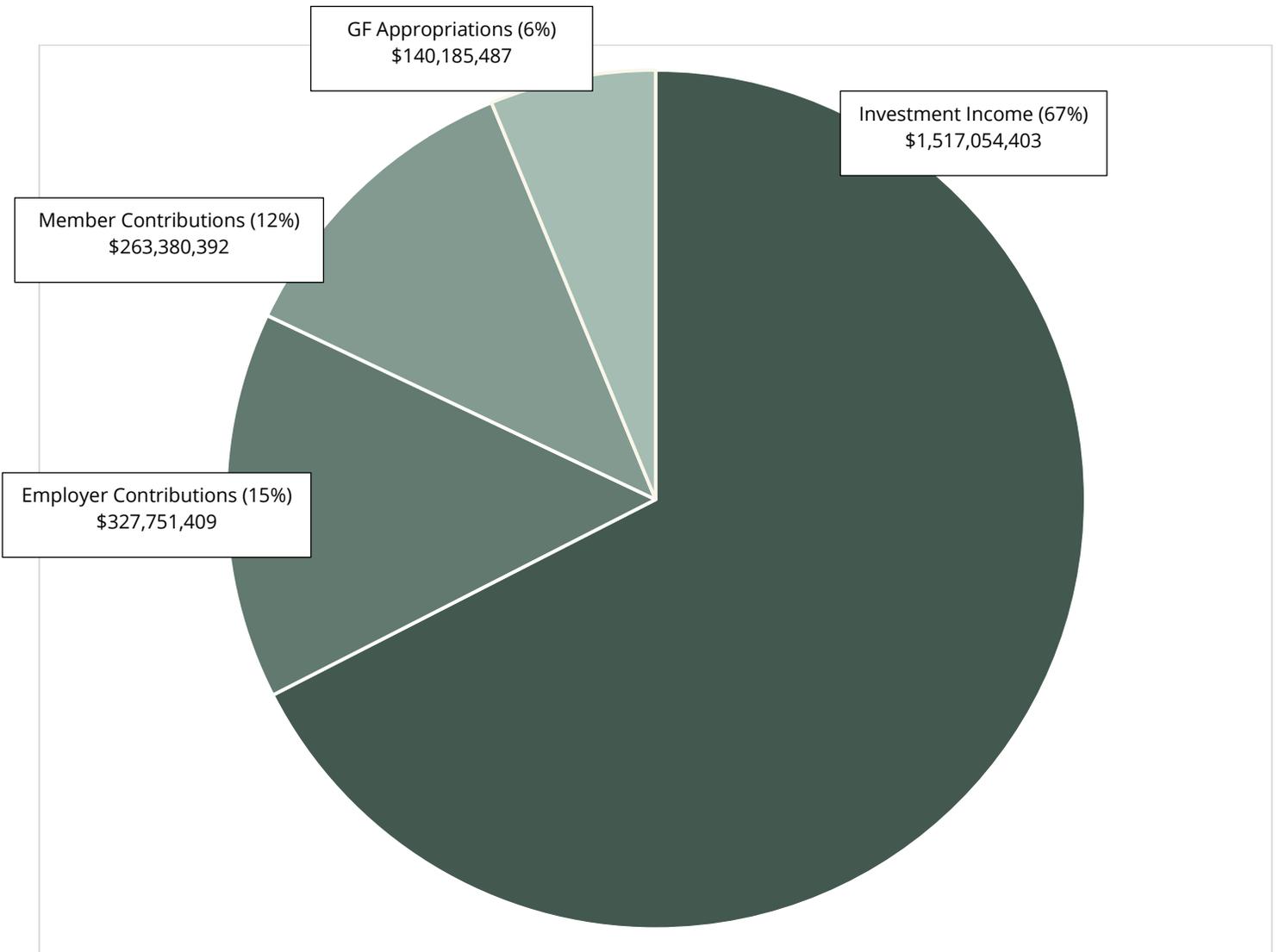
**TABLE 8: FY25 EMPLOYER, EMPLOYEE, AND STATE CONTRIBUTIONS**

SYSTEM	EMPLOYER CONTRIBUTIONS FY 25	MEMBER CONTRIBUTIONS FY25	ADDITIONAL FUNDING FROM STATE GENERAL FUND FY25
TRS	<u>State &amp; MUS</u> 9.85% base + 2.0% supplemental = 11.85%  <u>School Districts &amp; Community Colleges &amp; Local Government</u> 7.47% base + 2.0% supplemental = 9.47%	<u>Tier One (Before 7/1/13)</u> 7.15% plus 1% additional contribution until system is 90% funded = 8.15%  <u>Tier Two (After 7/1/13)</u> 8.15%	<u>State General Fund</u> \$25 million + 2.38% for schools/cc + 0.11% for all = \$49.46M  <u>MUS</u> 4.72% of MUS-RP Payroll = \$15.49M
PERS-DB	<u>State &amp; MUS</u> 6.9% base + 2.27% supplemental = 9.17%  <u>Local Government &amp; School Districts</u> 6.8% base + 2.27% supplemental = 9.07%	7.9%*	<u>State General Fund</u> 0.1% for local govt + 0.27% for schools + 101% of previous year contribution = \$36.99M
SRS	13.115%	10.495%	None
MPORS	14.41%	9.00%	\$21.87M
GWORS	10.56%	10.56%	None
FURS	14.36%	10.70%	\$27.25M
HPORS	38.33%	13.05%	\$704,799
JRS	0%	7.00%	None
VFCA	0%**	0%**	5% of certain fire insurance premiums = \$3,910,471

\*Decreases to 6.9% when amortization period drops below 25 years and remains below 25 years following the termination of the temporary 1% increase and the additional employer contribution rate

\*\*VFCA are volunteers and not paid for their work, so they do not have a member contribution rate; there is no employer contribution rate, rather there is a GF appropriation (19-17-301, MCA)

**Chart 1: FY25 Total Contributions**



**TABLE 9: FY25 EMPLOYER DETAILS AND COVERED PAYROLL**

SYSTEM	TOTAL NUMBER OF PARTICIPATING EMPLOYERS	EMPLOYER TYPES	TOTAL OF EMPLOYERS' COVERED PAYROLL (ANNUAL VALUATION COMPENSATION)	PAYROLL BY TYPE OF EMPLOYER (AS PERCENTAGE OF TOTAL COVERED PAYROLL)
TRS	365	<ul style="list-style-type: none"> <li>▪ School Districts</li> <li>▪ Community Colleges</li> <li>▪ Education Co-ops</li> <li>▪ Counties</li> <li>▪ MUS</li> <li>▪ State Agencies</li> </ul>	\$1,036,320,000	State: 1.17% Local: 97.33% MUS: 1.50%
PERS-DB	550	<ul style="list-style-type: none"> <li>▪ State Agencies</li> <li>▪ MUS</li> <li>▪ Counties</li> <li>▪ Cities</li> <li>▪ Schools &amp; Community Colleges</li> <li>▪ Special Districts</li> <li>▪ Some Smaller Police and Rural Fire Depts</li> </ul>	\$1,665,059,662	State: 42.58% Local: 47.91% MUS: 9.51%
SRS	57	<ul style="list-style-type: none"> <li>▪ Dept of Justice                             <ul style="list-style-type: none"> <li>○ Investigators</li> </ul> </li> <li>▪ Counties                             <ul style="list-style-type: none"> <li>○ Sheriffs</li> <li>○ Deputies</li> <li>○ Detention Officers</li> </ul> </li> </ul>	\$118,828,380	State: 4.95% County: 95.05%
MPORS	36	<ul style="list-style-type: none"> <li>▪ City Police Officers</li> </ul>	\$74,996,541	Cities: 100%
GWORS	7	<ul style="list-style-type: none"> <li>▪ Dept. of FWP                             <ul style="list-style-type: none"> <li>○ Game Wardens</li> </ul> </li> <li>▪ Dept. of Corrections                             <ul style="list-style-type: none"> <li>○ Security Guards</li> <li>○ Probation/Parole</li> </ul> </li> <li>▪ MUS                             <ul style="list-style-type: none"> <li>○ Campus Security</li> </ul> </li> </ul>	\$71,268,654	State: 94.50% MUS: 5.50%
FURS	30	<ul style="list-style-type: none"> <li>▪ City Firefighters</li> <li>▪ Rural Fire District Firefighters</li> </ul>	\$83,371,559	Cities: 100%
HPORS	1	<ul style="list-style-type: none"> <li>▪ Dept. of Justice                             <ul style="list-style-type: none"> <li>○ Highway Patrol Officers</li> <li>○ Supervisors</li> </ul> </li> </ul>	\$18,564,101	State: 100%
JRS	1	<ul style="list-style-type: none"> <li>▪ Judicial Branch                             <ul style="list-style-type: none"> <li>○ Justices/Judges</li> <li>○ Supreme Court</li> <li>○ District Courts</li> <li>○ Water Court</li> </ul> </li> </ul>	\$8,948,962	State: 100%
VFCA	228	<ul style="list-style-type: none"> <li>• Fire Companies as defined in 19-17-109, MCA</li> </ul>	N/A	N/A

# PART FOUR: PLAN DETAILS

**TABLE 10: FY25 BENEFIT FORMULA AND ELIGIBILITY**

SYSTEM	SERVICE AND AGE ELIGIBILITY CRITERIA FOR FULL RETIREMENT	MINIMUM SERVICE FOR VESTING	HIGHEST AVERAGE COMPENSATION (HAC) PERIOD USED IN BENEFIT CALCULATION	SERVICE RETIREMENT BENEFIT MULTIPLIER*	SOCIAL SECURITY COVERAGE
TRS	<p><u>Tier 1 (Before 7/1/13)</u> 5 yrs. &amp; age 60; or 25 years</p> <p><u>Tier 2 (After 7/1/13)</u> 30 yrs. &amp; age 55; or 5 yrs. &amp; age 60</p>	5 yrs.	<p><u>Tier 1 (Before 7/1/13)</u> 3 yrs.</p> <p><u>Tier 2 (After 7/1/13)</u> 5 yrs.</p>	<p><u>Tier 1 (Before 7/1/13)</u> 1.67% per year</p> <p><u>Tier 2 (After 7/1/13)</u> 1.67% per year, then 1.85% per year if attained 30 yrs. service and age 60</p>	Yes (most members)
PERS-DB	<p><u>Before 7/1/11</u> 5 yrs. &amp; age 60; or 30 yrs.; or age 65</p> <p><u>After 7/1/11</u> 5 yrs. &amp; age 65; or age 70</p>	5 yrs.	<p><u>Before 7/1/11</u> 3 yrs.</p> <p><u>After 7/1/11</u> 5 yrs.</p>	<p><u>Before 7/1/11</u> &lt; 25 yrs.: 1.7857% 25 yrs. or more: 2%</p> <p><u>After 7/1/11</u> &lt; 10 yrs.: 1.5% 10-29 yrs.: 1.78571% 30 yrs. or more: 2%</p>	Yes (most members)
SRS	<p><u>Before 7/1/23</u> 20 yrs.</p> <p><u>After 7/1/23</u> 20 yrs. &amp; age 50</p>	5 yrs.	<p><u>Before 7/1/11</u> 3 yrs.</p> <p><u>After 7/1/11</u> 5 yrs.</p>	2.5% per year	Yes
MPORS	20 yrs.; or 5 yrs. & age 50	5 yrs.	3 yrs. (final average, not highest average)	2.5% per year	No
GWPORS	20 yrs. & age 50; or 5 yrs. & age 55	5 yrs.	<p><u>Before 7/1/11</u> 3 yrs.</p> <p><u>After 7/1/11</u> 5 yrs.</p>	2.5% per year	Yes
FURS	20 yrs.; or 5 yrs. & age 50	5 yrs.	3 yrs.	2.5% per year	No
HPORS	<p><u>Before 7/1/23</u> 20 yrs.</p> <p><u>After 7/1/23</u> 20 yrs. &amp; age 50</p>	<p><u>Before 7/1/13</u> 5 yrs.</p> <p><u>After 7/1/11</u> 10 yrs.</p>	3 yrs.	2.6% per year	No
JRS	5 yrs. & age 60	5 yrs.	3 yrs.	<p>Up to 15 yrs.: 3.33%</p> <p>15 yrs. or more: 1.785% for each year more than 15 yrs.</p>	Yes
VFCA	<p>For full benefit: Age 55 and 20 years of service</p> <p>For reduced benefit: Age 60 and 10 years of service</p>	N/A	N/A	N/A	N/A

\*PERS-DB also offers a money purchase option: calculated by taking the greater of the service benefit multiplier equation listed or actuarial equivalent of 2x member's accumulated contributions plus interest set by Board (0.22%)

**TABLE 11: FY25 POST-RETIREMENT BENEFIT INCREASES**

SYSTEM	MINIMUM BENEFIT	GABA	WAITING PERIOD
TRS	N/A	<u>Tier 1 (Before 7/1/13)</u> 1.5%  <u>Tier 2 (After 7/1/13)</u> Equal to or greater than 0.5%, but no more than 1.5%, depending on the status of the plan*	3 yrs.
PERS-DB	N/A	<u>Before 7/1/07</u> 3.0%  <u>7/1/07 – 6/30/13</u> 1.5%  <u>After 7/1/13</u> 1.5%**	1 yr.
SRS	N/A	<u>Before 7/1/07</u> 3.0%  <u>After 7/1/07</u> 1.5%	1 yr.
MPORS	<u>Before 7/1/97</u> 1/2 of monthly salary of new officer	<u>After 7/1/97 or elected GABA</u> 3.0%	1 yr.
GWPORS	N/A	<u>Before 7/1/07</u> 3.0%  <u>After 7/1/07</u> 1.5%	1 yr.
FURS	<u>10+ yrs. service &amp; didn't elect GABA</u> 1/2 of monthly salary of new firefighter	<u>After 7/1/97 or elected GABA</u> 3.0%	1 yr.
HPORS	<u>Before 7/1/97 &amp; didn't elect GABA</u> 2% of base salary of probationary officer	<u>Before 7/1/13</u> 3.0%  <u>After 7/1/13</u> 1.5%	<u>Before 7/1/13</u> 1 yr.  <u>After 7/1/13</u> 3 yrs.
JRS	<u>Before 7/1/97</u> Benefits increased same as salary of sitting judge	<u>After 7/1/97 or elected GABA</u> 3.0%	1 yr.
VFCA	N/A	N/A	N/A

\*If system liabilities are at least 90% funded and the provision of the increase is not projected to cause the system's liabilities to be less than 85% funded, the GABA will be set by the board to an amount that is at least 0.5% but no more than 1.5%. The benefit increase will be effective on January 1.

\*\*Reduced 0.1% for every two years the system is below 90% funded. If the amortization period is 40 years or greater, the applicable GABA increase must be reduced to 0%.

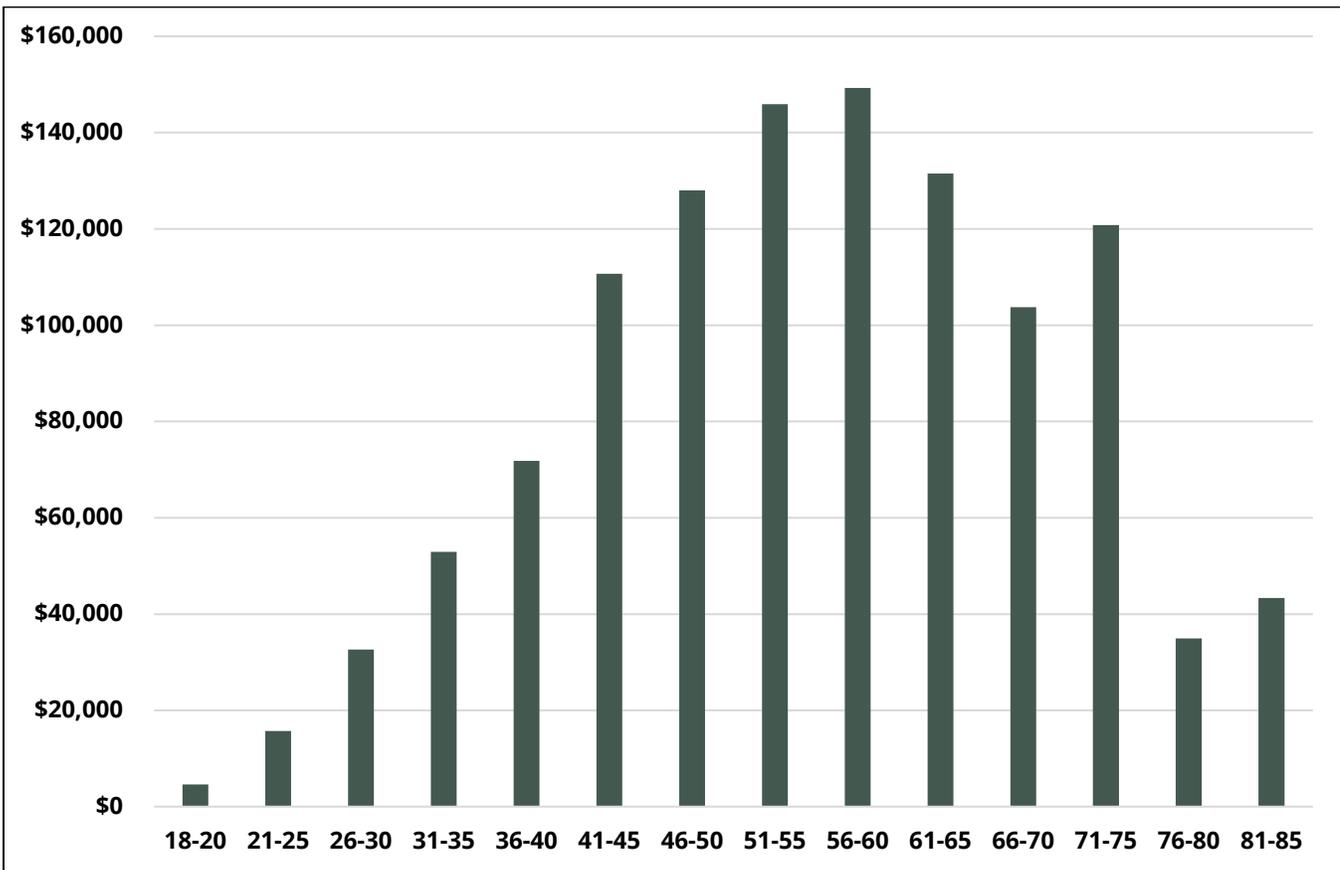
## PART FIVE: OTHER STATEWIDE RETIREMENT SYSTEMS

**TABLE 12: PERS DEFINED CONTRIBUTION (DC) PLAN**

<b>MEMBERSHIP</b>	New hires have 12 months to make a one-time, irrevocable election between DB and DC plans – default plan is DB plan.
<b>CONTRIBUTING MEMBERS</b>	5,689
<b>EMPLOYEE/MEMBER CONTRIBUTIONS FY25</b>	7.9% of salary – all allocated to individual member accounts (reduced to 6.9% when PERS-DB plan amortization period is less than 25 years without supplemental employee and employer contributions)
<b>EMPLOYER AND STATE GENERAL FUND CONTRIBUTIONS FY25</b>	9.17% of salary (reduced to 6.9% when PERS-DB amortization period is less than 25 years)  Contributions allocated as follows: <ul style="list-style-type: none"> <li>• 8.83% to member accounts</li> <li>• 0.04% to educational fund</li> <li>• 0.30% to disability trust fund</li> </ul>
<b>TOTAL MEMBER CONTRIBUTIONS</b>	16.73%
<b>TOTAL AMOUNT INVESTED</b>	\$620 Million
<b>INVESTMENT CHOICES</b>	12 funds (6 main categories) evaluated quarterly. Options range from aggressive to conservative.  Allocations: <ul style="list-style-type: none"> <li>• 38.96% Target Date Funds</li> <li>• 36.28% Passive</li> <li>• 24.73% Active</li> </ul>
<b>VESTING</b>	5 years for employer contributions and investment earnings
<b>BENEFITS</b>	Contributions plus investment earnings, minus administrative expenses; payable at any time after termination, with a possible federal tax penalty for withdrawal before age 59.5.
<b>DISABILITY BENEFIT</b>	A defined disability benefit based on a $1/56 \times \text{HAC} \times \text{years of service}$ formula, same as provided in the PERS-DB plan.
<b>DEATH/SURVIVORSHIP BENEFIT</b>	Member's account balance
<b>PLAN ADMINISTRATION</b>	<ul style="list-style-type: none"> <li>• Public Employees' Retirement Board – Plan's Board of Trustees</li> <li>• Empower Retirement Services – Plan's Record Keeper</li> </ul>

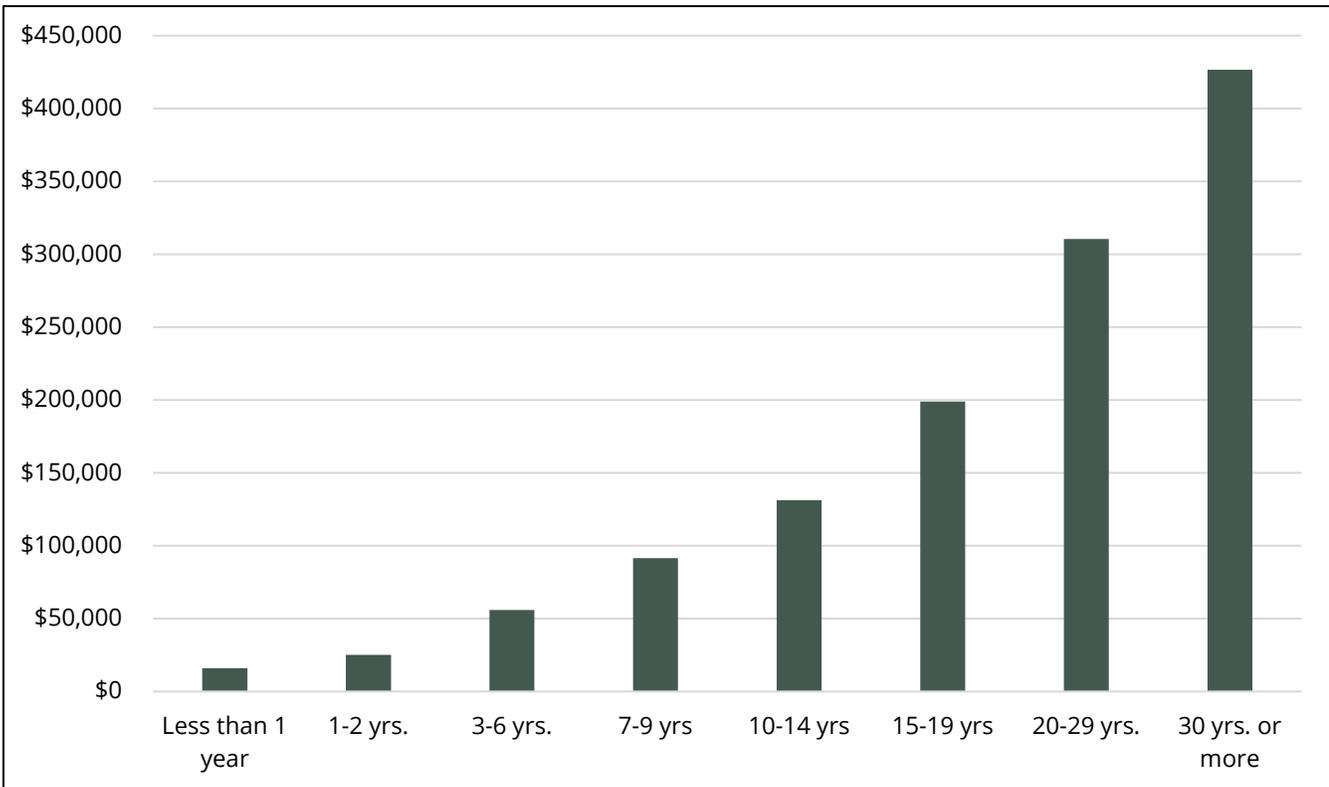
**Table 12A: PERS-DC Average Account Balance by Age**

AGE RANGE	AVERAGE ACCOUNT BALANCE
18-20	\$4,640
21-25	\$15,743
26-30	\$32,641
31-35	\$52,906
36-40	\$71,838
41-45	\$110,701
46-50	\$127,983
51-55	\$145,896
56-60	\$149,269
61-65	\$131,499
66-70	\$103,743
71-75	\$120,825
76-80	\$34,946
81-85	\$43,352



**Table 12B: PERS-DC Average Account Balance by Years of Service**

YEARS OF SERVICE	AVERAGE ACCOUNT BALANCE
Less than 1 year	\$15,945
1-2 yrs.	\$25,139
3-6 yrs.	\$55,879
7-9 yrs	\$91,615
10-14 yrs	\$131,184
15-19 yrs	\$199,030
20-29 yrs.	\$310,520
30 yrs. or more	\$426,539



**TABLE 13: 457(B) DEFERRED COMPENSATION PLAN**

<b>MEMBERSHIP</b>	Voluntary supplemental retirement savings plan available to all employees of the State, Montana University System, and contracting political subdivisions.
<b>CONTRIBUTING MEMBERS</b>	9,519
<b>EMPLOYEE/MEMBER CONTRIBUTIONS</b>	Voluntary, pre-tax deferral or designated ROTH deferral
<b>EMPLOYER CONTRIBUTIONS</b>	None, unless specified in an employer contract.
<b>TOTAL AMOUNT INVESTED</b>	\$736 Million
<b>NUMBER OF INVESTMENT CHOICES</b>	12 (6 main categories) evaluated quarterly. Options range from aggressive to conservative.
<b>VESTING</b>	Participants are fully vested in their accounts immediately.
<b>BENEFIT ELIGIBILITY</b>	Not available to distribute until separation from service, retirement, death, or upon an unforeseeable emergency while still employed, provided IRS-specified criteria are met.
<b>BENEFIT AMOUNT</b>	Lump sum or periodic benefit payment, at the option of the participant. Based on individual account balance and plan provisions. IRS permitted rollovers are also possible.
<b>DEATH/SURVIVORSHIP BENEFIT</b>	Member's account balance
<b>PLAN ADMINISTRATION</b>	<ul style="list-style-type: none"> <li>• Public Employees' Retirement Board – Plan's Board of Trustees</li> <li>• Empower Retirement Services – Plan's Record Keeper</li> </ul>

**TABLE 14: MONTANA UNIVERSITY SYSTEM RETIREMENT PLAN (MUS-RP)**

<b>MEMBERSHIP</b>	<p>All administrative, scientific, and instructional staff of the University System and classified staff that elected MUS-RP rather than a PERS plan.</p> <ul style="list-style-type: none"> <li>Contributing (Active): 4,367</li> <li>Non-Contributing (Inactive, Retired, etc.): 11,020</li> <li>Avg. Age: 51.2 yrs.</li> <li>Avg. Yrs. of Membership: 16.1 yrs.</li> </ul>													
<b>RETIREMENT ELIGIBILITY</b>	<p>A plan member may “retire” (i.e., access the MUS-RP account) once the member has terminated from service and completed the break-in-service requirement. There may be federal tax penalties for withdrawal before age 59½.</p>													
<b>BENEFIT</b>	<p>A MUS-RP member’s benefit depends on total contributions to the member’s individual account, plus investment earnings, minus administrative expenses. The MUS-RP is administered by TIAA (Teachers’ Insurance and Annuity Association).</p> <ul style="list-style-type: none"> <li>Avg. account balance: \$121,780.57</li> </ul>													
<b>DEATH AND SURVIVOR BENEFITS</b>	<p>The full account value in the member’s account is payable to the beneficiary. If the member has annuity investments, the benefit can be paid in a single sum, as an annuity to the beneficiary for life, or as an annuity for a fixed period of years. The annuity may also be deferred as federal law permits.</p>													
<b>TOTAL AMOUNT INVESTED</b>	\$1,590,736,215													
<b>INVESTMENT CHOICES</b>	34 choices (12 target date bands) – 6 asset classes													
<b>NUMBER OF INVESTMENT CHOICES</b>	<p>34 funds (6 categories) evaluated quarterly. Options range from aggressive to conservative and include mutual funds, bond funds, annuity investments, and target date funds.</p> <p style="text-align: center;"><b>Allocations (Totals)</b></p> <table style="margin-left: auto; margin-right: auto;"> <tr> <td>40.84%</td> <td>Equities</td> </tr> <tr> <td>7.55%</td> <td>Fixed Income</td> </tr> <tr> <td>13.01%</td> <td>Guaranteed</td> </tr> <tr> <td>1.89%</td> <td>Money Market</td> </tr> <tr> <td>35.28%</td> <td>Multi-Asset</td> </tr> <tr> <td>1.42%</td> <td>Other (Real Estate)</td> </tr> </table>		40.84%	Equities	7.55%	Fixed Income	13.01%	Guaranteed	1.89%	Money Market	35.28%	Multi-Asset	1.42%	Other (Real Estate)
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1.89%	Money Market													
35.28%	Multi-Asset													
1.42%	Other (Real Estate)													
<b>TOTAL MUS-RP PAYROLL COVERED</b>	\$359,129,102													
<b>CONTRIBUTIONS TO MEMBER ACCOUNTS AS A PERCENTAGE OF PAYROLL</b>	<p><b>Contract and Professional Staff:</b>  Employer: 5.956%  Employee: 7.044%  TOTAL: 13.000%</p>	<p><b>Classified Staff:</b>  Employer: 9.13%  Employee: 7.90%  TOTAL: 17.03%</p>												
<b>STATE GENERAL FUND CONTRIBUTION FY25</b>	\$2.097 Million													
<b>SUPPLEMENTAL EMPLOYER CONTRIBUTIONS TO TRS FOR UNFUNDED LIABILITY</b>	<p><b>Contract and Professional Staff:</b>  to TRS or unfunded liability: 4.72%</p>	<p><b>Classified Staff:</b>  to PERS for education: 0.04%</p>												
<b>INCREASE REQUIRED IN SUPPLEMENTAL CONTRIBUTION RATE TO AMORTIZE UNFUNDED LIABILITY BY 2033 AS REQUIRED UNDER 19-20-621, MCA</b>	<p>9.49% increase needed to the current 4.72% to reach a total supplemental of 14.21%</p> <p><u>Note:</u> As of June 30, 2024, valuation. This increase is needed if the legislature wishes to continue to have the unfunded liability, created in TRS when the MUS-RP was established, paid by the MUS and not subsidized by the TRS pension fund. This would not cover GABA.</p>													
<b>PLAN ADMINISTRATION</b>	Board of Regents & Office of the Commissioner of Higher Education													

# PART SIX: ADDITIONAL RESOURCES

## PENSION ACRONYMS

- **457**: Deferred Compensation (457) Plan
- **AAL**: Actuarially Accrued Liability
- **ADEC**: Actuarially Determined Employer Contribution
- **ARC**: Annual Required Contribution
- **ASOP**: Actuarial Standard of Practice
- **COLA**: Cost of Living Adjustment
- **ERISA**: Employee Retirement Income Security Act of 1974
- **FAC**: Final Average Compensation
- **FURS**: Firefighters' Unified Retirement System
- **GABA**: Guaranteed Annual Benefit Adjustment
- **GASB**: Governmental Accounting Standards Board
- **GWPORS**: Game Wardens' and Peace Officers' Retirement System
- **HAC**: Highest Average Compensation
- **HPORS**: Highway Patrol Officers' Retirement System
- **IRA**: Individual Retirement Account
- **IRC**: Internal Revenue Code
- **JRS**: Judges' Retirement System
- **MBOI/BOI**: Montana Board of Investments or Board of Investments
- **MPERA**: Montana Public Employee Retirement Administration
- **MPORS**: Municipal Police Officers' Retirement System
- **MUS-RP**: Montana University System Retirement Program
- **PERS**: Public Employees' Retirement System
- **PERS-DB**: PERS Defined Benefit Retirement Plan
- **PERS-DC**: PERS Defined Contribution Retirement Plan
- **PER Board/PERB**: Public Employees' Retirement Board
- **SAVA**: State Administration and Veterans' Affairs Interim Committee
- **SRS**: Sheriffs' Retirement System
- **TRS**: Teachers' Retirement System
- **UAAL**: Unfunded Actuarially Accrued Liability
- **VFCA**: Volunteer Firefighters' Compensation Act

## **PENSION TERMS**

- **401(k) Plan:** A defined contribution plan governed by section 401(k) of the Internal Revenue Code (IRC) that is offered to employees in the private sector. Employees voluntarily participate on an individual basis. A 401(k) allows an employee to set aside tax-deferred income for retirement purposes. In some 401(k) plans, the employer will match an employee's contributions dollar-for-dollar.
- **403(b) Plan:** A retirement plan governed by section 403(b) of the IRC that is similar but not identical to a 401(k) plan and is offered by nonprofit organizations, such as schools, universities, and some charitable organizations.
- **457 Plan:** A tax-exempt deferred compensation program governed by section 457 of the IRC that is made available to employees of state and federal governments and agencies. A 457 plan is similar to a 401(k) plan, except there are never employer matching contributions and the IRS does not consider it a qualified retirement plan.
- **Accrued Benefit:** A retirement, pension, or disability benefit that an employee has earned based on years of service. Accrued benefits are often calculated in relation to the employee's salary and years of service.
- **Accumulated Contributions:** The sum of all the regular contributions and any additional contributions made by a member in a defined benefit plan, together with the regular interest on the contributions.
- **Active Member:** A member who is a paid employee making the required contributions and is properly reported for the most current reporting period.
- **Actuarial Assumption:** An assumption applied by an actuary for the purposes of estimating benefit costs. Assumptions are demographic and economic and include variables such as life expectancy, return on investments, interest rates, and compensation.
- **Actuarial Cost:** The cost determined by an actuarial analysis to represent the present value of benefits.
- **Actuarially Accrued Liabilities (AAL):** The portion of liabilities that exceed the present value of all benefits payable under a defined benefit retirement plan compared to the present value of future normal costs.
- **Actuarially Determined Employer Contribution (ADEC):** The amount actuarially calculated each year that is required to be contributed by an employer to a pension plan's pool of assets to ensure there will be enough funds to pay promised pension benefits. The contribution rate can be reported either in dollars or a percent of salary. Actuaries determine annually how much should be paid by employers in a given year in order to properly fund a pension plan. This amount is a combination of the employer's share of normal cost plus the unfunded liability amortization payment.
- **Actuarial Valuation:** An analysis conducted by an actuary that helps estimate future costs or liabilities using economic and demographic assumptions. The assumptions are based on professional actuarial standards and involve a mix of statistical studies and experienced judgment.
- **Actuary:** An accredited professional with expertise in applying statistics, mathematics, and financial theory to quantify risk and uncertainty to determine liabilities and costs.
- **Additional Contributions:** A member's payments to purchase various types of optional service credit.
- **Annual Required Contribution (ARC):** The Annual Required Contribution rate necessary to amortize unfunded liabilities in a DB plan over the number of years set by the retirement board's amortization policy (e.g., 30 years) as determined by the system's actuary.

- **Annuity:** In the case of a defined benefit plan, equal and fixed payments for life that are the actuarial equivalent of a lump-sum payment under a retirement plan and as such are not benefits paid by a retirement plan and are not subject to periodic or one-time increases. In the case of the defined contribution plan, an annuity is a payment of a fixed sum of money at regular intervals, which may or may not be for life.
- **Amortization Period:** The amount of time required to pay off a retirement system's unfunded actuarial accrued liabilities, or UAAL, calculated by the retirement system's actuary based on projected contributions and investment earnings.
- **Benefit Recipient:** A retired member, a joint annuitant, or a beneficiary who is receiving a retirement allowance.
- **Closed Amortization:** Under this approach, the unfunded liability is amortized over a set number of years (e.g., 30 years). Each year the unfunded liability is redetermined, reflecting any gains and losses that have occurred, and amortized in 1 fewer year (e.g., 29 years, 28 years, etc.). Each year the amortization period gets shorter, until it reaches 1 year, at which point the unfunded liability has been paid off and the plan is fully funded.
- **Cost of Living Adjustment (COLA):** Increases in a retirement benefit amount, usually a percentage and based on national economic data (e.g., consumer price index).
- **Deferred Compensation:** An arrangement, subject to IRC conditions and requirements, in which a portion of an employee's income is paid out at a date after that income is actually earned. The primary benefit of most deferred compensation is that any taxes due on the income are deferred until funds are withdrawn under the arrangement. A 457 plan is a deferred compensation plan.
- **Defined Benefit Plan (DB):** A pension plan in which a retired employee is entitled to receive upon retirement a regular, periodic, specific amount based on the retiree's salary history and years of service.
- **Defined Contribution Plan (DC):** A retirement plan in which the employee is required to or elects to contribute some amount of salary into an individual account over which the employee has some control for investing the assets and options when making withdrawals at retirement.
- **Designated Beneficiary:** The person a member names to receive any survivorship benefits or lump-sum payments upon the member's death. Designated beneficiaries are either primary or contingent.
- **Direct Rollover:** A distribution from a qualified pension plan, 401(k) plan, 403(b) plan, and so forth, that is remitted directly to the trustee, custodian, or issuer of the receiving retirement plan or IRA and is reported to the IRS as a rollover.
- **Disability:** Total physical or mental incapacity of a member to do the essential functions of the member's job even with reasonable accommodations required by the American with Disabilities Act of 1990 (ADA), for a permanent or extended and uncertain duration.
- **Early Retirement:** A retirement plan provision that allows an employee to retire before the normal retirement age or required years of service for a full retirement.
- **Employee:** A person employed in any capacity by a PERS employer who pays the person's salary.
- **Employee Retirement Income Security Act (ERISA):** The federal law enacted in 1974 that established legal guidelines for private pension plan administration and investment practices. Public employee retirement plans are generally not subject to ERISA.
- **Employer:** The state, its university system, or political subdivisions that contract with the appropriate board to cover their employees under a public employee retirement system.

- **Experience Study:** A regular study of the economic and demographic experience of a retirement system, typically administered every 5 years. The purpose is to assess the reasonability of the actuarial assumptions of a retirement system in order to make judgments about future experience and assumptions.
- **Fiduciary:** A person or institution legally responsible for the management, investment, and distribution of a fund. The trustees and administrators who are responsible for the oversight of employee benefit trust funds are considered fiduciaries. Fiduciaries are any person who: (1) exercises any discretionary authority or control over the management of a plan or the management or disposition of its assets; (2) renders investment advice for a fee or other compensation with respect to the funds or property of a plan or has the authority to do so; or (3) has any discretionary authority or responsibility in the administration of a plan.
- **Funded Ratio:** The value of a pension plan's assets in proportion to the pension liability. When a plan is 100% funded, it means current assets are sufficient to pay 100% of benefits due now, as well as the benefits that active and inactive members have accrued to date.
- **Government Accounting Standards Board (GASB):** An independent, private-sector organization based in Norwalk, Connecticut, that establishes accounting and financial reporting standards for U.S. state and local governments that follow generally accepted accounting principles.
- **Guaranteed Annual Benefit Adjustment (GABA):** An annual increase in the prior year's benefit amount, usually as a percentage of the benefit, similar to a cost-of-living adjustment.
- **Highest Average Compensation (HAC):** A member's highest average monthly compensation during a set period of consecutive months of membership service.
- **Inactive Member:** A member who terminates service and does not retire or take a refund of the member's accumulated contributions.
- **Individual Retirement Account (IRA):** A tax-deferred retirement account for an individual that permits the individual to set aside money each year, with earnings tax-deferred until withdrawals begin.
- **Internal Revenue Code (IRC):** Title 26 of the United States Code. It is also known as the federal tax code.
- **Layered Amortization:** This approach is considered a hybrid of open and closed amortization approaches. Similar to closed amortization, the initial unfunded liability is amortized over a set amount of time (e.g., 30 years). Any gains or losses that arise in future years will be amortized over new amortization periods, which is similar to the open amortization approach. With each valuation, a new closed layer gets added to the amortization schedule. The amortization of the original unfunded liability and gains and losses from prior years remain unchanged, providing the expectation that the plan will become fully funded over the original amortization period if there are no significant gains or losses.
- **Member:** Any person with contributions and service on account with the PERS. Persons receiving retirement benefits based on previous service credit are also members.
- **Money Purchase Plan:** A type of defined contribution retirement plan in which the annual contribution amount is in proportion to the employee's wages and is mandatory every year.
- **Normal Cost:** An amount calculated under an actuarial cost method that is the estimated cost of the accruing benefits for members of a defined benefit retirement plan. It is determined for each valuation period. Normal cost does not include any portion of the supplemental costs of a retirement plan. The normal cost rate is the contribution amount necessary, when added to investment income, to pay for benefits earned each year.

- **Normal Retirement Age:** The age at which a member is eligible to immediately receive a retirement benefit based on the member's age, length of service, or both, as specified under the member's retirement system, without disability and without an actuarial or similar reduction in the benefit.
- **Open Amortization:** Under this approach, the unfunded liability is amortized over a set amount of years (e.g., 30 years). Each year the unfunded liability is recalculated and amortized over a new set amount of years (e.g., 30 years). This is the approach used in Montana with a 30-year amortization period.
- **Pension:** Steady income given to a person as the result of service (e.g., employee, military) that begins when a specific event (e.g., disability, retirement) occurs. Pensions are typically paid monthly and based on factors such as years of service and prior compensation. The payment may be made by a government, employer, pension fund, or life insurance company.
- **Portability:** The ability of an employee to retain benefits, such as in a pension plan or insurance coverage, when switching employers.
- **Qualified Plan:** A plan that meets the applicable requirements of the Internal Revenue Code and, if applicable, the Employee Retirement Income Security Act. A qualified plan is eligible for favorable tax treatment.
- **Roth IRA:** A type of IRA established under the Taxpayer Relief Act of 1997 that allows taxpayers, subject to certain income limits, to save for retirement while allowing the savings to grow tax-free. Taxes are paid on contributions, but withdrawals, subject to certain rules, are not taxed.
- **Smoothing:** The process of amortizing investment gains and losses over a period of time to help reduce volatility in contribution rates.
- **Stress Testing:** The process of evaluating how pension systems would respond to a variety of potential scenarios, allowing states to gauge the effects of hypothetical adverse market conditions on their retirement systems.
- **Tax Deferred:** The payment of taxes in the future on income earned in the current period.
- **Termination or Termination of Service:** This means the member has left the employment relationship for at least 30 days, has no written or verbal agreement to return, and has been paid all compensation due, including but not limited to payment of accrued annual and sick leave. Upon termination, the member will cease to accrue benefits attributable to that employment.
- **Unfunded Actuarial Accrued Liabilities (UAAL):** The excess of a defined benefit retirement plan's actuarial liabilities at any given point in time over the value of its cash and investments on that same date.
- **Vested:** The status of a plan member who meets the minimum membership service requirement of the system or plan to which the member belongs and who is thus eligible to receive a benefit.

## **FY25 PENSION SYSTEM ACTUARIAL VALUATION REPORTS**

- **TRS:** <https://trs.mt.gov/about-trs/financial-actuarial-reports>
- **PERS-DB:** [https://mpera.mt.gov/docs/actuarial\\_info/2025/2025MTPERS-FINAL.pdf](https://mpera.mt.gov/docs/actuarial_info/2025/2025MTPERS-FINAL.pdf)
- **SRS:** [https://mpera.mt.gov/docs/actuarial\\_info/2025/2025MTSRS-FINAL.pdf](https://mpera.mt.gov/docs/actuarial_info/2025/2025MTSRS-FINAL.pdf)
- **MPORS:** [https://mpera.mt.gov/docs/actuarial\\_info/2025/2025MTMPORS-FINAL.pdf](https://mpera.mt.gov/docs/actuarial_info/2025/2025MTMPORS-FINAL.pdf)
- **GWPORS:** [https://mpera.mt.gov/docs/actuarial\\_info/2025/2025MTGWPORS-FINAL.pdf](https://mpera.mt.gov/docs/actuarial_info/2025/2025MTGWPORS-FINAL.pdf)
- **FURS:** [https://mpera.mt.gov/docs/actuarial\\_info/2025/2025MTFURS-FINAL.pdf](https://mpera.mt.gov/docs/actuarial_info/2025/2025MTFURS-FINAL.pdf)
- **HPORS:** [https://mpera.mt.gov/docs/actuarial\\_info/2025/2025MTHPORS-FINAL.pdf](https://mpera.mt.gov/docs/actuarial_info/2025/2025MTHPORS-FINAL.pdf)
- **JRS:** [https://mpera.mt.gov/docs/actuarial\\_info/2025/2025MTJRS-FINAL.pdf](https://mpera.mt.gov/docs/actuarial_info/2025/2025MTJRS-FINAL.pdf)
- **VFCA:** [https://mpera.mt.gov/docs/actuarial\\_info/2025/2025MTVFCA-FINAL.pdf](https://mpera.mt.gov/docs/actuarial_info/2025/2025MTVFCA-FINAL.pdf)

## **INDIVIDUAL PLAN HANDBOOKS**

- **TRS:** <https://trs.mt.gov/docs/other-publications/Handbook-ActiveMembers-2016.pdf>
- **PERS-DB:** <https://mpera.mt.gov/docs/Handbooks/PERS.pdf>
- **SRS:** <https://mpera.mt.gov/docs/Handbooks/SRS.pdf>
- **MPORS:** <https://mpera.mt.gov/docs/Handbooks/MPORS.pdf>
- **GWPORS:** <https://mpera.mt.gov/docs/Handbooks/GWPORS.pdf>
- **FURS:** <https://mpera.mt.gov/docs/Handbooks/FURS.pdf>
- **HPORS:** <https://mpera.mt.gov/docs/Handbooks/HPORS.pdf>
- **JRS:** <https://mpera.mt.gov/docs/Handbooks/JRS.pdf>
- **VFCA:** <https://mpera.mt.gov/docs/Handbooks/VFCA.pdf>
- **PERS-DC:** <https://mpera.mt.gov/members/PERSdefinedcontribution>
- **Deferred Compensation (457):** <https://mpera.mt.gov/docs/PlanDocuments/457PlanDocument.pdf>
- **MUS-RP:** [https://choices.mus.edu/MUSRP\\_Plan.html](https://choices.mus.edu/MUSRP_Plan.html)

## **MCA CHAPTERS – TITLE 19**

- **TRS – Chapter 20:** [https://archive.legmt.gov/bills/mca/title\\_0190/chapter\\_0200/parts\\_index.html](https://archive.legmt.gov/bills/mca/title_0190/chapter_0200/parts_index.html)
- **PERS-DB – Chapter 3:** [https://archive.legmt.gov/bills/mca/title\\_0190/chapter\\_0030/parts\\_index.html](https://archive.legmt.gov/bills/mca/title_0190/chapter_0030/parts_index.html)
- **SRS – Chapter 7:** [https://archive.legmt.gov/bills/mca/title\\_0190/chapter\\_0070/parts\\_index.html](https://archive.legmt.gov/bills/mca/title_0190/chapter_0070/parts_index.html)
- **MPORS – Chapter 9:** [https://archive.legmt.gov/bills/mca/title\\_0190/chapter\\_0090/parts\\_index.html](https://archive.legmt.gov/bills/mca/title_0190/chapter_0090/parts_index.html)
- **GWPORS – Chapter 8:** [https://archive.legmt.gov/bills/mca/title\\_0190/chapter\\_0080/parts\\_index.html](https://archive.legmt.gov/bills/mca/title_0190/chapter_0080/parts_index.html)
- **FURS – Chapter 13:** [https://archive.legmt.gov/bills/mca/title\\_0190/chapter\\_0130/parts\\_index.html](https://archive.legmt.gov/bills/mca/title_0190/chapter_0130/parts_index.html)
- **HPORS – Chapter 6:** [https://archive.legmt.gov/bills/mca/title\\_0190/chapter\\_0060/parts\\_index.html](https://archive.legmt.gov/bills/mca/title_0190/chapter_0060/parts_index.html)
- **JRS – Chapter 5:** [https://archive.legmt.gov/bills/mca/title\\_0190/chapter\\_0050/parts\\_index.html](https://archive.legmt.gov/bills/mca/title_0190/chapter_0050/parts_index.html)
- **VFCA – Chapter 17:** [https://archive.legmt.gov/bills/mca/title\\_0190/chapter\\_0170/parts\\_index.html](https://archive.legmt.gov/bills/mca/title_0190/chapter_0170/parts_index.html)
- **PERS-DC – Chapter 3, Part 21:**  
[https://archive.legmt.gov/bills/mca/title\\_0190/chapter\\_0030/part\\_0210/sections\\_index.html](https://archive.legmt.gov/bills/mca/title_0190/chapter_0030/part_0210/sections_index.html)
- **Deferred Compensation – Chapter 50:** [https://archive.legmt.gov/bills/mca/title\\_0190/chapter\\_0500/parts\\_index.html](https://archive.legmt.gov/bills/mca/title_0190/chapter_0500/parts_index.html)
- **MUS-RP – Chapter 21:** [https://archive.legmt.gov/bills/mca/title\\_0190/chapter\\_0210/parts\\_index.html](https://archive.legmt.gov/bills/mca/title_0190/chapter_0210/parts_index.html)

# PART SEVEN: SOURCES

## INTRODUCTION

### Assumptions

- TRS: Table A-1
- PERS: Table B-1 (*same assumptions are used for all MPERA systems*)

### Summary of Valuation Results as of June 30, 2025

- All Systems: Summary Table in each actuarial valuation report

## PART ONE – FY25 DEMOGRAPHIC DATA

### Table 1: FY25 Active Member Data

- TRS: Table D-1 in actuarial valuation report; Section 7 – “Historical Member Statistics” Table
- MPERA Systems: Table E-1 of each actuarial valuation report; Section 7 – “Historical Member Statistics Table

### Table 2: FY25 Retiree and Benefit Recipient Data

- TRS: Summary Table, Table 2 and Table D-2 in actuarial valuation report
- MPERA Systems: Summary Table, Table 2 and Table E-2 in each actuarial valuation report
- "Percent of Income Replacement Provided under the Benefit Formula if Member Attains Full Service Retirement" provided by MPERA & TRS

## PART TWO – FY25 FUNDING & INVESTMENT DATA

### Table 3: FY25 Actuarial Funding Data

- TRS: Summary Table, Table 2, and Table D-3 in actuarial valuation report
- MPERA Systems: Summary Table, Table 2, and Table E-3 of each actuarial valuation report

### Table 4: FY25 Investments and Returns

- Market rate of return from Summary Table of each actuarial valuation report
- Actuarial rate of return from Investment Experience table of each actuarial valuation report
- All other information in table provided by the Board of Investments

### Table 5: FY25 Cash Flow

- All Systems: Summary Table & Table 2 in each actuarial valuation report

### Table 6: FY25 Investment Expenses

- All information provided by the Board of Investments

### Table 7: Sensitivity to Lower Investment Return Assumptions

- All Systems – "Sensitivity to Future Experience" charts in each actuarial valuation report
- "Contribution Increase Needed to Maintain Current Amortization (Percentage)" calculated by staff

## PART THREE – FY25 CONTRIBUTIONS

### Table 8: FY25 Employer, Employee, and State Contributions

- TRS: Table 2, Appendix C, and Table D-3 in actuarial valuation report; MUS contribution total provided by TRS
- MPERA Systems: Summary Table, Table 2, Appendix C, and Table E-3 in each actuarial valuation report

### Chart 1: FY25 Total Contributions

- All Systems: Table 2 in each actuarial valuation

**Table 9: FY25 Employer Details and Covered Payroll**

- All Systems: Summary Table in each actuarial valuation report & Table 6 of the 2020 Green Sheets; Montana Code Annotated, Title 19
- Number of participating employers and payroll by type of employer information provided by MPERA & TRS

**PART FOUR – FY25 PLAN DETAILS**

**Table 10: FY25 Benefit Formula and Eligibility**

- All Systems: Montana Code Annotated, Title 19 & Individual Plan Handbooks

**Table 11: FY25 Post-Retirement Benefit Increases**

- All Systems: Montana Code Annotated, Title 19 & Individual Plan Handbooks

**PART FIVE – OTHER STATEWIDE RETIREMENT SYSTEMS**

**Table 12: PERS Defined Contribution (DC) Plan**

- All information provided by MPERA

**Table 12A: PERS-DC Average Account Balance by Age**

- All information provided by MPERA

**Table 12B: PERS-DC Average Account Balance by Years of Service**

- All information provided by MPERA

**Table 13: 457(b) Deferred Compensation Plan**

- All information provided by MPERA

**Table 14: Montana University System Retirement Plan (MUS-RP)**

- All information provided by the Office of the Commissioner of Higher Education
- Supplemental contribution increase information provided by TRS

**APPENDIX A – HISTORICAL DATA (FY15 – FY25)**

- All information pulled from past actuarial valuation reports.
  - TRS: <https://trs.mt.gov/about-trs/financial-actuarial-reports>
  - MPERA: <https://mpera.mt.gov/about/annualreports1/annualreports>