

Worksheet for SAVA discussion on retirement plan design changes (December 11, 2009)

MUNICIPAL POLICE OFFICERS' RETIREMENT SYSTEM (MPORS)

Plan includes: police officers employed by first and second-class cities or other cities that elect to join this system [19-9-207, MCA]

Funded ratio as of June 30, 2009: 62.1%

Years to amortize unfunded liability: 22.1 years

Social Security coverage: No

Plan Element	Current Design	Proposed
Service/Age Requirements for full (unreduced) normal retirement benefit	20 years of service, any age	
Vesting	5 years	
Benefit formula - multiplier	2.5% x FAC x years of service	
Benefit formula - Final average compensation	Final average compensation = average salary over the last 36 consecutive months of service <u>Pre 7/1/77</u> : FAC = monthly compensation of last year	
Early retirement - benefit actuarially reduced	No	

Post-retirement benefit adjustments	<u>Pre-7/1/97 who did not elect GABA: 1/2</u> monthly salary of new officer <u>All post-7/1/97 or who elected GABA: 3.0%</u> after 1 year	
Employee contribution (% of salary)	<u>Non-GABA:</u> 1) Pre-7/1/75: 5.8% 2) Pre-7/1/79: 7.0% 3) Pre-7/1/97: 8.5% <u>With GABA:</u> 9%	
Employer contribution (% of payroll)	14.41%	
Other sources (as % of payroll)	State General Fund: 29.37% \$10,185,974 in FY09 [19-9-702, MCA]	
Other changes SAVA wishes to consider?		

HB 659 requires SAVA to examine changes to elements listed in **bold**