

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

JUDGES RETIREMENT SYSTEM (JRS)

Plan includes: all judges of the district courts, justices of the Supreme Court, and the chief water judge, unless a judge or justice hired on or before October 1, 1985, elected to remain in the PERS. [19-5-301, MCA]

Funded ratio as of June 30, 2009: 147.9% Years to amortize unfunded liability: 0 years

Social Security coverage: Yes

Plan Element	Current Design	Proposed
Service/Age requirements for full (unreduced) normal retirement benefit	5 years service and age 60	
Vesting	5 years	
Benefit formula - multiplier	3.33% of HAC x years of service to 15 years; +1.785% x HAC x years of service over 15 years	
Benefit formula - Highest average compensation (HAC)	<u>Pre-7/1/97:</u> = current salary <u>Post-7/1/97 and those who elected GABA:</u> = highest 36 months	
Early retirement - benefit actuarially reduced	Actuarially reduced benefit at any age with 5 years of service, if involuntarily terminated	

Post-retirement benefit adjustments	<u>Pre-7/1/97</u> : benefits increased the same as salary of sitting judge <u>All post-7/1/97 or who elected GABA</u> : 3% GABA after 1 year	
Employee contribution (% of salary)	7%	
Employer contribution (% of payroll)	25.81%	
Other sources (as % of payroll)	None	
Other changes SAVA wishes to consider?		

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