Montana Public Employee Retirement Administration
Example of Increased Benefits with SB484

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 2
DATE 2-8-05
BILL NO. SB484

Assumption

-Average retiree works 2 additional years of service to get 25 years of service
-Salary assumption based on actuarial experience

Average FURS Retiree		Current Law	SB 484	Difference
Age		51	53	
Yrs Service at Retirement		23	25	
% of Salary per year of service		2.50%	3.00%	
% of Average Salary for retirement		57.50%	75.00%	
Average Salary at Retirement		$39,923	$41,285	
Average Monthly Benefit		$1,913	$2,580	$667
Initial Annual Benefit		$22,956	$30,964	$8,008
Total amount to be paid by FURS over:				
	20 years	$616,836	$832,008	$215,172
	30 years	$1,092,141	$1,473,113	$380,972
	40 years	$1,730,911	$2,334,706	$603,795

Basic Funding Equation

$$B = C + I - E$$

B=Benefits
C=Contributions
I=Income
E=Expenses