Montana's Public Employees' Retirement Plans: Summary Tables

### TABLE 1
**BENEFIT ELIGIBILITY AND BASIC BENEFIT FORMULA**

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</thead>
<tbody>
<tr>
<td>Minimum service and age requirements to receive full (unreduced) normal retirement benefit</td>
<td>25 yrs service, any age or 5 yrs srvc and age 60</td>
<td>&lt;July 1, 2011 30 yrs service, any age or 5 yrs srvc and age 60 or age 65 regardless of service &lt;=July 1, 2011 30 yrs service, any age or 5 yrs srvc and age 65 or age 70 regardless of service</td>
<td>5 yrs service and age 60</td>
<td>20 yrs service, any age</td>
<td>20 yrs service, any age</td>
<td>20 yrs service and age 50 or age 55 with 5 yrs</td>
<td>20 yrs service, any age</td>
<td>20 yrs service, any age, or age 50 with 5 yrs service</td>
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<tr>
<td>Minimum service requirement before being vested</td>
<td>5 years</td>
<td>5 years</td>
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<td></td>
<td>Teachers’ Retirement System (TRS)</td>
<td>PERS DEFINED BENEFIT PLAN</td>
<td>JUDGES’ (JRS)</td>
<td>HIGHWAY PATROL (HPORS)</td>
<td>SHERIFFS’ (SRS)</td>
<td>GAME WARDENS’ AND PEACE OFFICERS’ (GWORS)</td>
<td>MUNICIPAL POLICE (MPORS)</td>
<td>FIREFIGHTERS’ UNIFIED (FURS)</td>
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<tr>
<td><strong>Compensation period used in benefit calculation</strong></td>
<td>HAC = highest average compensation = average compensation of the 3 highest consecutive years of service</td>
<td>HAC = highest average compensation = average compensation of the 3 highest consecutive years of service or &gt;=July 1, 2011 the 5 highest consecutive years of service</td>
<td>HAC = highest average compensation = average compensation of the 3 highest consecutive years of service</td>
<td>HAC = highest average compensation = average compensation of the 3 highest consecutive years of service or &gt;=July 1, 2011 the 5 highest consecutive years of service</td>
<td>HAC = highest average compensation = average compensation of the 3 highest consecutive years of service</td>
<td>HAC = highest average compensation = average compensation of the 3 highest consecutive years of service or &gt;=July 1, 2011 the 5 highest consecutive years of service</td>
<td>FAC = final average compensation = average salary over the last 36 consecutive months of service.</td>
<td>HAC = highest average compensation = average compensation of the 3 highest consecutive years of service</td>
</tr>
<tr>
<td><strong>Service retirement benefit formula</strong></td>
<td>1/60 x AFC x yrs of service</td>
<td>1/56 x HAC x yrs of service</td>
<td>1/56 x HAC x yrs of service over 15 yrs</td>
<td>2.5% x HAC x yrs of service</td>
<td>2.5% x HAC x yrs of service</td>
<td>2.5% x FAC x yrs of service</td>
<td>2.5% x HAC x yrs of service</td>
<td>2.5% x HAC x yrs of service</td>
</tr>
<tr>
<td></td>
<td>(1/60 = 1.666666%)</td>
<td>(1/56 = 1.78571%)</td>
<td>1.785% of HAC</td>
<td>2.5% x HAC x yrs of service</td>
<td>2.5% x HAC x yrs of service</td>
<td>2.5% x FAC x yrs of service</td>
<td>2.5% x HAC x yrs of service</td>
<td>2.5% x HAC x yrs of service</td>
</tr>
<tr>
<td></td>
<td>&lt;July 1, 2011</td>
<td>&gt;=July 1, 2011</td>
<td>&gt;=July 1, 2011</td>
<td>&gt;=July 1, 2011</td>
<td>&gt;=July 1, 2011</td>
<td>10 years or greater but &lt;30 years: 1.785% of HAC 30 years or more: 2% of HAC</td>
<td>3.33% x HAC x yrs of service to 15 yrs + 1.785% x HAC x yrs of service over 15 yrs</td>
<td>Pre-7/1/77: FAC = monthly compensation of last year</td>
</tr>
<tr>
<td></td>
<td>with 25 or more years of membership service: 1/50 X HAC X yrs of service</td>
<td>2% of HAC</td>
<td>3.33% x HAC x yrs of service</td>
<td>HAC = current salary</td>
<td>HAC = highest 36 months</td>
<td>3.33% x HAC x yrs of service to 15 yrs + 1.785% x HAC x yrs of service over 15 yrs</td>
<td>Pre-7/1/77: FAC = monthly compensation of last year</td>
<td>Pre-7/1/81 who did not elect GABA:</td>
</tr>
<tr>
<td></td>
<td>(1/50 = 2.0%)</td>
<td>&gt;=July 1, 2011</td>
<td>HAC = highest 36 months</td>
<td>Post 1/7/97 and those who elected GABA: HAC = highest 36 months</td>
<td></td>
<td>3.33% x HAC x yrs of service to 15 yrs + 1.785% x HAC x yrs of service over 15 yrs</td>
<td>Pre-7/1/77: FAC = monthly compensation of last year</td>
<td>- with less than 20 yrs, greater of: 2.5% x FAC x yrs or 2% x HMC x yrs</td>
</tr>
<tr>
<td></td>
<td>=&gt;July 1, 2011</td>
<td>&lt;30 years: 1.785% of HAC 30 years or more: 2% of HAC</td>
<td>1.785% of HAC</td>
<td>2% of HAC</td>
<td>3.33% x HAC x yrs of service to 15 yrs + 1.785% x HAC x yrs of service over 15 yrs</td>
<td>3.33% x HAC x yrs of service to 15 yrs + 1.785% x HAC x yrs of service over 15 yrs</td>
<td>3.33% x HAC x yrs of service to 15 yrs + 1.785% x HAC x yrs of service over 15 yrs</td>
<td>3.33% x HAC x yrs of service to 15 yrs + 1.785% x HAC x yrs of service over 15 yrs</td>
</tr>
<tr>
<td></td>
<td>&lt;10 years of membership: 1.5% of HAC</td>
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<tr>
<td></td>
<td>10 years or greater but &lt;30 years: 1.785% of HAC 30 years or more: 2% of HAC</td>
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<tr>
<td></td>
<td>1.785% of HAC</td>
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<tr>
<td>Benefit formula is actuarially reduced for early retirement</td>
<td>Teachers' Retirement System (TRS)</td>
<td>PERS DEFINED BENEFIT PLAN</td>
<td>JUDGES' (JRS)</td>
<td>HIGHWAY PATROL (HPORS)</td>
<td>SHERIFFS' (SRS)</td>
<td>GAME WARDENS' AND PEACE OFFICERS' (GWORS)</td>
<td>MUNICIPAL POLICE (MPORS)</td>
<td>FIREFIGHTERS' UNIFIED (FURS)</td>
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</tr>
<tr>
<td>Yes: Actuarially reduced benefit at any age with 5 yrs service, if involuntarily terminated</td>
<td>Yes Actuarially reduced benefit at age 50 with 5 yrs of service</td>
<td>Yes Actuarially reduced benefit at 25 years service any age or</td>
<td>No</td>
<td>No</td>
<td>Yes Actuarially reduced benefit at age 50 with 5 yrs service</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
</tbody>
</table>

Source: Title 19, Montana Code Annotated, 2011

* GABA = Guaranteed Annual Benefit Adjustment.
<table>
<thead>
<tr>
<th>Eligibility criteria for disability benefit</th>
<th>Teachers' Retirement System (TRS)</th>
<th>PERS DEFINED BENEFIT PLAN</th>
<th>JUDGES' RETIREMENT SYSTEM (JRS)</th>
<th>HIGHWAY PATROL (HPORS)</th>
<th>SHERIFFS' AND PEACE OFFICERS' (GWPORS)</th>
<th>GAME WARDENS' AND PEACE OFFICERS' (GWPORS)</th>
<th>MUNICIPAL POLICE (MPORS)</th>
<th>FIREFIGHTERS' UNIFIED (FURS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>- at least 5 yrs of service - totally incapacitated from further performance of duties &amp; permanent or of uncertain duration</td>
<td>- at least 5 yrs of service - totally unable to perform essential tasks of covered position - permanent or of uncertain duration</td>
<td>5 years vesting -disability defn same as PERS</td>
<td>No vesting -disability defn same as PERS</td>
<td>Line of Duty: no vesting Non-duty: 5 years -disability defn same as PERS</td>
<td>5 years vesting -disability defn same as PERS</td>
<td>No vesting -disability defn same as PERS</td>
<td>No vesting -disability defn same as PERS</td>
<td></td>
</tr>
<tr>
<td>Non-duty-related disability benefit</td>
<td>Greater of: - norm formula (1.6667%) or - 25% of AFC</td>
<td>Pre-2/24/91: greater of 90% of normal (1.786%) formula, or 25% of HAC Post-2/24/91 or election: normal retirement formula (based on age 60, no actuarial reduction) &gt;=7/3/2011 Greater than 5 years but less than 10 years: 1.5% of HAC x years of service Greater than or equal to 10 years to less than 30 years: 1/56 x HAC x years of service 30 years or more: 2% x HAC x years of service</td>
<td>Actuarial equivalent of normal retirement formula (3.33% for first 15 yrs service and 1.785% after 15 years)</td>
<td>Actuarial equivalent of normal (2.5%) retirement formula</td>
<td>Actuarial equivalent of normal (2.5%) retirement formula</td>
<td>Actuarial equivalent of normal (2.5%) retirement formula</td>
<td>Pre-7/1/77: Normal (2.5%) retirement formula, but minimum of 50% of FMC Post-7/1/77: 50% FAC for 20 yrs or less and 2.5% FAC for each year over 20</td>
<td>50% HAC for 20 yrs or less and 2.5% HAC for each year over 20</td>
</tr>
<tr>
<td>Teachers' Retirement System TRS</td>
<td>PERS Defined Benefit Plan</td>
<td>Judges' (JRS)</td>
<td>Highway Patrol (HPORS)</td>
<td>Sheriffs' (SRS)</td>
<td>Game Wardens' and Peace Officers' (GWPOIS)</td>
<td>Municipal Police (MPORS)</td>
<td>Firefighters' Unified (FURS)</td>
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<tr>
<td>Duty-related disability benefit</td>
<td>Same as non-duty related</td>
<td>Same as non-duty related</td>
<td>Non-GABA: 50% of current salary of sitting judge</td>
<td>&lt; 20 years = 50% of HAC</td>
<td>&lt; 20 years = 50% of HAC</td>
<td>&lt; 20 years = 50% of HAC</td>
<td>Same as non-duty-related</td>
<td></td>
</tr>
<tr>
<td>Actuarial cost to plan</td>
<td>0.08%</td>
<td>0.34%</td>
<td>0.50%</td>
<td>1.82%</td>
<td>1.58%</td>
<td>1.13%</td>
<td>2.99%</td>
<td>2.52%</td>
</tr>
</tbody>
</table>

(Actuarial cost to plan (reported in June 30, 2011, actuarial valuation))
**TABLE 3**

**RETIREE AND BENEFIT RECIPIENT DATA**

*(Based on June 30, 2011, Actuarial Valuations and TRS and MPERA data)*

<table>
<thead>
<tr>
<th></th>
<th>Teachers' Retirement System (TRS)</th>
<th>PERS DEFINED BENEFIT (DB) PLAN</th>
<th>JUDGES' (JRS)</th>
<th>HIGHWAY PATROL (HPORS)</th>
<th>SHERIFFS' (SRS)</th>
<th>GAME WARDENS' AND PEACE OFFICERS' (GWPORS)</th>
<th>MUNICIPAL POLICE (MPORS)</th>
<th>FIREFIGHTERS' UNIFIED (FURS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of benefit recipients</td>
<td>12,889</td>
<td>18,183</td>
<td>58</td>
<td>302</td>
<td>441</td>
<td>145</td>
<td>676</td>
<td>552</td>
</tr>
<tr>
<td>Average age of current retirees</td>
<td>70.0 yrs</td>
<td>72.0 yrs</td>
<td>76.2 yrs</td>
<td>69.5 yrs</td>
<td>64.0 yrs</td>
<td>68.2 yrs</td>
<td>66.5 yrs</td>
<td>67.9 yrs</td>
</tr>
<tr>
<td>Average retirement age</td>
<td>57.8 yrs</td>
<td>59.2 yrs</td>
<td>63.2 yrs</td>
<td>49.6 yrs</td>
<td>52.9 yrs</td>
<td>55.5 yrs</td>
<td>47.3 yrs</td>
<td>50.5 yrs</td>
</tr>
<tr>
<td>Average years of service at retirement</td>
<td>25.13 yrs</td>
<td>19.8 yrs</td>
<td>15.9 yrs</td>
<td>24.3 yrs</td>
<td>19.9 yrs</td>
<td>21.9 yrs</td>
<td>19.8 yrs</td>
<td>24.2 yrs</td>
</tr>
<tr>
<td>Average monthly benefit</td>
<td>$1,714</td>
<td>$1,135</td>
<td>$3,438</td>
<td>$2,218</td>
<td>$1,916</td>
<td>$1,747</td>
<td>$2,149</td>
<td>$2,462</td>
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<tr>
<td>Service retirement</td>
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<td><strong>Post-retirement benefit</strong></td>
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<td>Adjustments</td>
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<tr>
<td></td>
<td>1.5% GABA*</td>
<td>3.0% GABA*</td>
<td>Pre-7/1/97:</td>
<td>Pre-7/1/97 who did not elect GABA: 2% of base salary of probationary officer</td>
<td>3.0% GABA (after 1 year)</td>
<td>Pre-7/1/97 who did not elect GABA: monthly salary of new officer</td>
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<td></td>
<td>(paid on January 1 of each year after having been retired for at least 36 months, with the average retiree receiving their first adjustment 42 months after they retire)</td>
<td>(after 1 year)</td>
<td>benefits increased same as salary of sitting judge</td>
<td>if hired before 7/1/07</td>
<td>if hired before 7/1/07</td>
<td>All post- 7/1/97 or who elected GABA: 3.0% GABA (after 1 year)</td>
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<tr>
<td><strong>Social security coverage</strong></td>
<td>Yes (most members)</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
</tbody>
</table>

* GABA = Guaranteed Annual Benefit Adjustment
### TABLE 4

**ACTIVE MEMBERSHIP DATA**

*NOT including retirees and other benefit recipients*

(Based on June 30, 2011, Actuarial Valuations)

<table>
<thead>
<tr>
<th></th>
<th>Teachers' Retirement System (TRS)</th>
<th>PERS DEFINED BENEFIT (DB) PLAN</th>
<th>JUDGES' (JRS)</th>
<th>HIGHWAY PATROL (HPORS)</th>
<th>SHERIFFS' (SRS)</th>
<th>GAME WARDENS' AND PEACE OFFICERS' (GWPORS)</th>
<th>MUNICIPAL POLICE (MPORS)</th>
<th>FIREFIGHTERS' UNIFIED (FURS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total active members</td>
<td>18,484</td>
<td>28,659</td>
<td>54</td>
<td>214</td>
<td>1,230</td>
<td>951</td>
<td>702</td>
<td>579</td>
</tr>
<tr>
<td>Average age of actives</td>
<td>46.2 yrs</td>
<td>49.03 yrs</td>
<td>59.2 yrs</td>
<td>41.32 yrs</td>
<td>40.41 yrs</td>
<td>41.84 yrs</td>
<td>38.26 yrs</td>
<td>39.48 yrs</td>
</tr>
<tr>
<td>Average years of service of actives</td>
<td>12.4 yrs</td>
<td>10.0 yrs</td>
<td>11.4 yrs</td>
<td>10.9 yrs</td>
<td>7.1 yrs</td>
<td>6.9 yrs</td>
<td>8.5 yrs</td>
<td>10.6 yrs</td>
</tr>
<tr>
<td>Average annual salary of actives</td>
<td>$50,616</td>
<td>$37,889</td>
<td>$106,745</td>
<td>$56,449</td>
<td>$47,557</td>
<td>$40,801</td>
<td>$53,308</td>
<td>$60,136</td>
</tr>
<tr>
<td>Number of participating employers</td>
<td>368</td>
<td>533</td>
<td>1</td>
<td>1</td>
<td>57</td>
<td>7</td>
<td>31</td>
<td>24</td>
</tr>
<tr>
<td>Employers annualized payroll (2011 Valuation)</td>
<td>$703.9 million</td>
<td>$1.1 billion</td>
<td>$5.9 million</td>
<td>$12.5 million</td>
<td>$60.8 million</td>
<td>$40.3 million</td>
<td>$41.6 million</td>
<td>$36.2 million</td>
</tr>
</tbody>
</table>
## Table 5
### Contributions, Costs, and Actuarial Data
*(Based on June 30, 2011, Actuarial Valuations)*

<table>
<thead>
<tr>
<th></th>
<th>Teachers' Retirement System (TRS)</th>
<th>PERS Defined Benefit (DB) Plan</th>
<th>Judges' (JRS)</th>
<th>Highway Patrol (HPORS)</th>
<th>Sheriffs' (SRS)</th>
<th>Game Wardens' and Peace Officers' (GWPOERS)</th>
<th>Municipal Police (MPORS)</th>
<th>Firefighters' Unified (FURS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employer contribution as percentage of payroll</td>
<td>School Districts: 7.47% State agencies &amp; University System: 9.85% State General Fund: 2.49%</td>
<td>7.17% School Districts: 6.8% State: 0.37% Local Government Employers: 7.07% State: 0.1%</td>
<td>25.81%</td>
<td>26.15%</td>
<td>10.115%</td>
<td>9.0%</td>
<td>14.41%</td>
<td>14.36%</td>
</tr>
<tr>
<td>Employee contribution as percentage of salary</td>
<td>7.15%</td>
<td>&lt;7/1/2011 6.9%</td>
<td>7%</td>
<td>Pre-7/1/97 not electing GABA: 9.0%</td>
<td>Post-7/1/97 or electing GABA: 9.05%</td>
<td>9.245%</td>
<td>10.56%</td>
<td>Non-GABA: Pre-7/1/97: 7.0% Pre-7/1/97: 8.5% With GABA: 9%</td>
</tr>
<tr>
<td>Additional funding from other sources as a percentage of payroll</td>
<td>University System – 4.72% of ORP payroll</td>
<td>None</td>
<td>None</td>
<td>Driver’s license fees: 10.18%</td>
<td>None</td>
<td>None</td>
<td>State General Fund: 29.37%</td>
<td>State General Fund: 32.61%</td>
</tr>
<tr>
<td>Total statutory contributions as percentage of payroll</td>
<td>17.11%</td>
<td>14.070% (0.04% transferred to education fund)</td>
<td>32.81%</td>
<td>45.38%</td>
<td>19.36%</td>
<td>19.56%</td>
<td>52.78%</td>
<td>57.66%</td>
</tr>
<tr>
<td>Normal costs as percentage of payroll</td>
<td>9.64%</td>
<td>12.59%</td>
<td>24.13%</td>
<td>24.14%</td>
<td>18.88%</td>
<td>19.33%</td>
<td>26.26%</td>
<td>26.54%</td>
</tr>
<tr>
<td>Percentage used to fund unfunded liabilities</td>
<td>7.47%</td>
<td>1.48%</td>
<td>8.68%</td>
<td>21.24%</td>
<td>0.48%</td>
<td>0.23%</td>
<td>26.52%</td>
<td>31.12%</td>
</tr>
<tr>
<td></td>
<td>Teachers' Retirement System (TRS)</td>
<td>PERS DEFINED BENEFIT (DB) PLAN</td>
<td>JUDGES' (JRS)</td>
<td>HIGHWAY PATROL (HPORS)</td>
<td>SHERIFFS' (SRS)</td>
<td>GAME WARDENS' AND PEACE OFFICERS' (GWPORS)</td>
<td>MUNICIPAL POLICE (MPORS)</td>
<td>FIREFIGHTERS' UNIFIED (FURS)</td>
</tr>
<tr>
<td>------------------------------</td>
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<td>---------------------------------------------</td>
<td>--------------------------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>Actuarial liabilities (rounded)</td>
<td>$4.7 billion</td>
<td>$5.4 billion</td>
<td>$43 million</td>
<td>$156 million</td>
<td>$267 million</td>
<td>$120 million</td>
<td>$401 million</td>
<td>$355 million</td>
</tr>
<tr>
<td>Actuarial Value Funded ratio (rounded)</td>
<td>61.5%</td>
<td>70.2%</td>
<td>141.1%</td>
<td>61.2%</td>
<td>76.4%</td>
<td>75.4%</td>
<td>55.2%</td>
<td>61.9%</td>
</tr>
<tr>
<td>Unfunded liability (surplus) (rounded)</td>
<td>$1.79 billion</td>
<td>$1.6 billion</td>
<td>($18 million)</td>
<td>$60 million</td>
<td>$63 million</td>
<td>$29 million</td>
<td>$180 million</td>
<td>$135 million</td>
</tr>
<tr>
<td>Years to amortize unfunded liability</td>
<td>71.0 yrs</td>
<td>Does not Amortize</td>
<td>(30) (surplus)</td>
<td>48.2 yrs</td>
<td>Does not Amortize</td>
<td>Does not Amortize</td>
<td>25 yrs</td>
<td>16 yrs</td>
</tr>
<tr>
<td>Market value of assets (rounded)</td>
<td>$2.97 billion</td>
<td>$3.9 billion</td>
<td>$63.6 million</td>
<td>$98.8 million</td>
<td>$211.6 million</td>
<td>$94.2 million</td>
<td>$229.0 million</td>
<td>$227.5 million</td>
</tr>
<tr>
<td>Market Value Funded ratio (rounded)</td>
<td>63.81%</td>
<td>73%</td>
<td>146.6%</td>
<td>63.5%</td>
<td>79.4%</td>
<td>78.6%</td>
<td>57.1%</td>
<td>64.1%</td>
</tr>
</tbody>
</table>

Sources: June 30, 2011, Actuarial Valuations
<table>
<thead>
<tr>
<th>*Actuarial Rate of Return: 7.75%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TABLE 6</strong></td>
</tr>
<tr>
<td><strong>INVESTMENT DATA</strong></td>
</tr>
<tr>
<td><strong>Teachers’ Retirement System</strong></td>
</tr>
<tr>
<td><strong>(TRS)</strong></td>
</tr>
<tr>
<td><strong>PERS DEFINED BENEFIT</strong></td>
</tr>
<tr>
<td><strong>RETIREMENT PLAN</strong></td>
</tr>
<tr>
<td><strong>(DBRP)</strong></td>
</tr>
<tr>
<td><strong>JUDGES’</strong></td>
</tr>
<tr>
<td><strong>(JRS)</strong></td>
</tr>
<tr>
<td><strong>HIGHWAY PATROL</strong></td>
</tr>
<tr>
<td><strong>(HPORS)</strong></td>
</tr>
<tr>
<td><strong>SHERIFFS’</strong></td>
</tr>
<tr>
<td><strong>(SRS)</strong></td>
</tr>
<tr>
<td><strong>GAME WARDENS’</strong></td>
</tr>
<tr>
<td><strong>AND PEACE OFFICERS’</strong></td>
</tr>
<tr>
<td><strong>(GWORS)</strong></td>
</tr>
<tr>
<td><strong>MUNICIPAL</strong></td>
</tr>
<tr>
<td><strong>POLICE</strong></td>
</tr>
<tr>
<td><strong>(MPORS)</strong></td>
</tr>
<tr>
<td><strong>FIREFIGHTERS’</strong></td>
</tr>
<tr>
<td><strong>UNIFIED</strong></td>
</tr>
<tr>
<td><strong>(FURS)</strong></td>
</tr>
<tr>
<td><strong>Amount invested, rounded</strong></td>
</tr>
<tr>
<td><strong>(market value, on 6/30/2011)</strong></td>
</tr>
<tr>
<td><strong>$2.97 billion</strong></td>
</tr>
<tr>
<td><strong>$3.9 billion</strong></td>
</tr>
<tr>
<td><strong>$63.5 million</strong></td>
</tr>
<tr>
<td><strong>$98.5 million</strong></td>
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<tr>
<td><strong>$210.8 million</strong></td>
</tr>
<tr>
<td><strong>$93.9 million</strong></td>
</tr>
<tr>
<td><strong>$217.0 million</strong></td>
</tr>
<tr>
<td><strong>$215.7 million</strong></td>
</tr>
<tr>
<td><strong>Market rate of return for</strong></td>
</tr>
<tr>
<td><strong>composite index, FY 2011</strong></td>
</tr>
<tr>
<td><strong>21.62%</strong></td>
</tr>
<tr>
<td><strong>21.56%</strong></td>
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<td><strong>21.47%</strong></td>
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<td><strong>21.51%</strong></td>
</tr>
<tr>
<td><strong>21.43%</strong></td>
</tr>
<tr>
<td><strong>21.43%</strong></td>
</tr>
<tr>
<td><strong>Market rate of return on the</strong></td>
</tr>
<tr>
<td><strong>fund in 2011, all assets</strong></td>
</tr>
<tr>
<td><strong>21.67%</strong></td>
</tr>
<tr>
<td><strong>21.79%</strong></td>
</tr>
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<td><strong>21.73%</strong></td>
</tr>
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<td><strong>21.80%</strong></td>
</tr>
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<td><strong>21.63%</strong></td>
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<tr>
<td><strong>21.63%</strong></td>
</tr>
<tr>
<td><strong>Market rate of return for</strong></td>
</tr>
<tr>
<td><strong>composite index, 5-year period</strong></td>
</tr>
<tr>
<td><strong>4.22%</strong></td>
</tr>
<tr>
<td><strong>4.31%</strong></td>
</tr>
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<td><strong>4.32%</strong></td>
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<td><strong>4.32%</strong></td>
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<td><strong>4.30%</strong></td>
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<td><strong>4.24%</strong></td>
</tr>
<tr>
<td><strong>4.28%</strong></td>
</tr>
<tr>
<td><strong>Rate of return on the fund, 5-</strong></td>
</tr>
<tr>
<td><strong>year period</strong></td>
</tr>
<tr>
<td><strong>4.12%</strong></td>
</tr>
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<tr>
<td><strong>4.13%</strong></td>
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<tr>
<td><strong>4.11%</strong></td>
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<tr>
<td><strong>4.05%</strong></td>
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<tr>
<td><strong>4.10%</strong></td>
</tr>
<tr>
<td><strong>Asset allocation objectives:</strong></td>
</tr>
<tr>
<td><strong>Fixed Income</strong></td>
</tr>
<tr>
<td><strong>Real Estate</strong></td>
</tr>
<tr>
<td><strong>Equity</strong></td>
</tr>
<tr>
<td><strong>22 - 32%</strong></td>
</tr>
<tr>
<td><strong>0 - 8%</strong></td>
</tr>
<tr>
<td><strong>60 - 70%</strong></td>
</tr>
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<td><strong>22 - 32%</strong></td>
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<tr>
<td><strong>4 - 10%</strong></td>
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<tr>
<td><strong>60 - 70%</strong></td>
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<tr>
<td><strong>22 - 32%</strong></td>
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<tr>
<td><strong>4 - 10%</strong></td>
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<td><strong>60 - 70%</strong></td>
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<td><strong>22 - 32%</strong></td>
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<td><strong>4 - 10%</strong></td>
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<td><strong>60 - 70%</strong></td>
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<tr>
<td><strong>Actual Asset allocation:</strong></td>
</tr>
<tr>
<td><strong>Fixed Income</strong></td>
</tr>
<tr>
<td><strong>Real Estate</strong></td>
</tr>
<tr>
<td><strong>Equity</strong></td>
</tr>
<tr>
<td><strong>28.5%</strong></td>
</tr>
<tr>
<td><strong>5.4%</strong></td>
</tr>
<tr>
<td><strong>63.5%</strong></td>
</tr>
<tr>
<td><strong>24.7%</strong></td>
</tr>
<tr>
<td><strong>6.5%</strong></td>
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<tr>
<td><strong>67.3%</strong></td>
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<tr>
<td><strong>26.5%</strong></td>
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<tr>
<td><strong>6.4%</strong></td>
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<tr>
<td><strong>67.1%</strong></td>
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<tr>
<td><strong>26.2%</strong></td>
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<td><strong>6.4%</strong></td>
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<td><strong>67.4%</strong></td>
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<td><strong>26.6%</strong></td>
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<td><strong>6.4%</strong></td>
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<tr>
<td><strong>67.0%</strong></td>
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<tr>
<td><strong>26.7%</strong></td>
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<td><strong>6.4%</strong></td>
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<tr>
<td><strong>66.9%</strong></td>
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<td><strong>25.9%</strong></td>
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<tr>
<td><strong>6.4%</strong></td>
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<tr>
<td><strong>67.6%</strong></td>
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<tr>
<td><strong>26.0%</strong></td>
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<tr>
<td><strong>6.4%</strong></td>
</tr>
<tr>
<td><strong>67.5%</strong></td>
</tr>
<tr>
<td><strong>Percentage growth in total</strong></td>
</tr>
<tr>
<td><strong>liabilities between 2010</strong></td>
</tr>
<tr>
<td><strong>valuation and 2011 valuation</strong></td>
</tr>
<tr>
<td><strong>3.1%</strong></td>
</tr>
<tr>
<td><strong>3.2%</strong></td>
</tr>
<tr>
<td><strong>2.1%</strong></td>
</tr>
<tr>
<td><strong>3.0%</strong></td>
</tr>
<tr>
<td><strong>8.0%</strong></td>
</tr>
<tr>
<td><strong>5.3%</strong></td>
</tr>
<tr>
<td><strong>5.5%</strong></td>
</tr>
<tr>
<td><strong>5.9%</strong></td>
</tr>
<tr>
<td><strong>Percentage change in total</strong></td>
</tr>
<tr>
<td><strong>assets between 2010 valuation</strong></td>
</tr>
<tr>
<td><strong>and 2011 valuation</strong></td>
</tr>
<tr>
<td><strong>-3.05%</strong></td>
</tr>
<tr>
<td><strong>18.9%</strong></td>
</tr>
<tr>
<td><strong>21.2%</strong></td>
</tr>
<tr>
<td><strong>19.4%</strong></td>
</tr>
<tr>
<td><strong>22.5%</strong></td>
</tr>
<tr>
<td><strong>27.3%</strong></td>
</tr>
<tr>
<td><strong>23.4%</strong></td>
</tr>
<tr>
<td><strong>24.6%</strong></td>
</tr>
</tbody>
</table>

**Sources:** TRS & Public Employees’ Retirement Boards, Financial and Actuarial Reports, and Title 19, Montana Code Annotated, 2011; FY2011 Montana Board of Investments information.
<table>
<thead>
<tr>
<th>PENSION PLAN FEATURES</th>
<th>VOLUNTEER FIREFIGHTERS' PENSION FUND (1965)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum service and age for normal (unreduced) retirement</td>
<td>Age 55 and 20 years of service; or</td>
</tr>
<tr>
<td></td>
<td>Age 60 and 10 years of service</td>
</tr>
<tr>
<td>Vested</td>
<td>10 years</td>
</tr>
<tr>
<td>Basic benefit formula</td>
<td>$7.50 per year of service, up to maximum</td>
</tr>
<tr>
<td></td>
<td>of $225 per month. Members that retire on</td>
</tr>
<tr>
<td></td>
<td>or after 7/1/2011 can increase their</td>
</tr>
<tr>
<td></td>
<td>benefit for over 30 years of service if</td>
</tr>
<tr>
<td></td>
<td>the system is funded in 20 years or less.</td>
</tr>
<tr>
<td>Disability</td>
<td>$7.50 per year of service, with a minimum</td>
</tr>
<tr>
<td></td>
<td>of $75 per month up to a maximum of $225</td>
</tr>
<tr>
<td></td>
<td>per month</td>
</tr>
<tr>
<td>Death benefit</td>
<td>$7.50 per year of service (maximum of 40</td>
</tr>
<tr>
<td></td>
<td>months including any amounts retiree</td>
</tr>
<tr>
<td></td>
<td>received)</td>
</tr>
<tr>
<td>Membership</td>
<td>1,183 retirees and beneficiaries</td>
</tr>
<tr>
<td></td>
<td>2,105 active members</td>
</tr>
<tr>
<td></td>
<td>870 vested inactive (terminated) members</td>
</tr>
<tr>
<td></td>
<td>4,158 total members</td>
</tr>
<tr>
<td>Average age of active members</td>
<td>45.21 years old</td>
</tr>
<tr>
<td>Average years of service of active members</td>
<td>9.5 years</td>
</tr>
<tr>
<td>Average benefit for service retirees</td>
<td>$138 per month</td>
</tr>
<tr>
<td>Contributions</td>
<td>5% of insurance premium taxes collected</td>
</tr>
<tr>
<td></td>
<td>(See Section 19-17-301, MCA)</td>
</tr>
<tr>
<td>Actuarial liabilities</td>
<td>$35.1 million</td>
</tr>
<tr>
<td>Actuarial value of assets</td>
<td>$26.1 million</td>
</tr>
<tr>
<td>Unfunded liability</td>
<td>$9.0 million</td>
</tr>
<tr>
<td>Years to Amortize</td>
<td>8.8 yrs</td>
</tr>
<tr>
<td>Funded ratio</td>
<td>74.4%</td>
</tr>
</tbody>
</table>
### Table 8

**PERS Defined Contribution Retirement Plan (DCRP)**

Operational July 1, 2002.

<table>
<thead>
<tr>
<th>Membership</th>
<th>All active PERS members have 12 months to make a one-time, irrevocable choice between the DBRP and DCRP plans.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Contributions</td>
<td>Before 7/1/2011: 6.9% of salary. On or after 7/1/2011: 7.9% of salary.</td>
</tr>
</tbody>
</table>
| Employer Contributions | 7.17% of salary allocated as follows:  
  -- 0.04% to an educational fund  
  -- 2.37% to PERS DB plan as plan choice rate  
  -- 4.19% to member accounts  
  -- 0.3% to disability trust fund  
  -- 0.27% to the DB plan to reduce the plan choice rate unfunded actuarial liability; then to the long-term disability plan trust fund once the PCR UAL is retired |
| Total contributions to member accounts | 11.09% of salary |
| Investment choices | 15 funds |
| Vesting | 5 years for employer contributions and investment earnings on those contributions, but members have immediate control over how employer and employee contributions are invested |
| Benefits | Contributions plus investment earnings, minus administrative expenses; payable at any time after termination, with a possible federal tax penalty for withdrawal before age 59 1/2. |
| Disability benefit | A defined disability benefit based on a $\frac{1}{56} \times \text{HAC} \times x$ years of service formula, similar to what is provided in the PERS DBRP. |
| Death/survivorship benefit | Member's account balance |
| Plan administration | - PERB is the plan's board of trustees  
 - Great-West Retirement Services is the plan's record keeper |
### UNIVERSITY SYSTEM OPTIONAL RETIREMENT PLAN - TRS ELIGIBLE MEMBERS
(As of June 30, 2011)

<table>
<thead>
<tr>
<th>PLAN FEATURES</th>
<th>OPTIONAL RETIREMENT PROGRAM (ORP) (A Defined Contribution Retirement Plan)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Membership</td>
<td>All administrative, scientific, and instructional staff of the University System that would otherwise be eligible for member in TRS. Active membership: X,XXX</td>
</tr>
<tr>
<td>Retirement eligibility</td>
<td>A plan member may &quot;retire&quot; (i.e., access the ORP account) any time after service is terminated. There are federal tax penalties for withdrawal prior to age 59 1/2.</td>
</tr>
<tr>
<td>Benefit</td>
<td>An ORP member's benefit depends on total contributions to the member's individual account, plus investment earnings, minus administrative expenses. The ORP is administered by TIAA-CREF.</td>
</tr>
<tr>
<td>Disability benefits</td>
<td>All University System employees are covered under a long-term disability insurance plan. The basic plan is entirely employer-paid and provides disability payments up to 60% of monthly earnings, offset against other income, such as pension benefits, social security, workers' compensation insurance, etc.</td>
</tr>
<tr>
<td>Death and survivor benefits</td>
<td>The full current value in a member's annuity account is payable to the beneficiary before retirement. The benefit can be paid in a single sum, as an annuity income to the beneficiary for life, or as an annuity income for a fixed period of years. The annuity may also be deferred as federal law permits.</td>
</tr>
<tr>
<td>Total ORP payroll covered</td>
<td>$173.8 million</td>
</tr>
<tr>
<td>Employer contribution as a percentage of payroll</td>
<td>5.956%</td>
</tr>
<tr>
<td>Employee contribution as a percentage of salary</td>
<td>7.044%</td>
</tr>
<tr>
<td>Total contributions to member accounts</td>
<td>13.0%</td>
</tr>
</tbody>
</table>
| Supplemental employer contribution to TRS for unfunded liability. | 4.503% 7/1/1989 through 6/30/1993  
2.503% 7/1/1993 through 6/30/1998  
2.810% 7/1/1997 through 6/30/1998  
3.120% 7/1/1998 through 6/30/1999  
3.420% 7/1/1999 through 6/30/2000  
3.730% 7/1/2000 through 6/30/2001  
4.040% 7/1/2001 through 6/30/2007  