

PERS Disclosure for the defined contribution plan (GASB 68 ¶126)

The {employer} contributes to the State of Montana Public Employee Retirement System Defined Contribution Retirement Plan (PERS-DCRP) for its employees that have elected the DCRP. The PERS-DCRP is administered by the Montana Public Employees Retirement Board (PERB) and its staff, the Montana Public Employee Retirement Administration (MPERA). The PERS-DCRP is a multiple-employer plan established July 1, 2002, and governed by Title 19, chapters 2 & 3, Montana Code Annotated (MCA).

All new PERS members are initially members of the Public Employee Retirement System Defined Benefit Retirement Plan (PERS-DBRP) and have a 12-month window during which they may choose to remain in the PERS-DBRP or join the PERS-DCRP by filing an irrevocable election. Members may not be members of both the defined benefit and defined contribution retirement plans.

Member rates are established by state law and can only be amended by the Legislature. Benefits depend upon eligibility and individual account balances. Participants are immediately vested in their own contributions and attributable income. Participants are vested after 5 years of membership service for the employer's contributions to individual accounts and the attributable income. Non-vested contributions are forfeited upon termination of employment per 19-3-2117(5), MCA. Such forfeitures are used to cover the administrative expenses of the PERS-DCRP.

At the plan level for the year ended June 30, 2016, the PERS-DCRP plan member contributions were \$9,970,012; employer contributions were \$6,494,143; and employers did not recognize any pension expense for the defined contribution plan. Plan level non-vested forfeitures for the 289 employers that have participants in the PERS-DCRP totaled \$382,656.