



**Fiscal Year End 2009**  
**Payroll Reporting and Informational Update**

TO: All Payroll Clerks  
FROM: MPERA Fiscal Services Bureau  
DATE: April 2009

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With the 2009 fiscal year coming to a close, we are taking this opportunity to emphasize several points for a smooth transition into fiscal year 2010.

**A. FYE PAYROLL REPORTING**

MPERA's fiscal year end processing **requires** that all June 2009 payroll reports and contributions be received in our office and be in a balanced status no later than July 8, which is five working days after June 30. Reports received after July 8 **will not** be reflected on the members' annual statements.

- Agencies **must** report each payroll according to the schedule they initially provide. Changes to this schedule are only allowed for extenuating circumstances.
- Varying from your regular reporting schedule can impact your employees' service credit and membership service. If you have additional paydays in any month, contact Shelly Pardis or Diana Stitt prior to submitting any reports for that month. They will work with you on coordinating the consolidation of paydays within your regular reporting schedule.
- Do not submit extra buyback payments with your June payroll. A buyback contract allows only one full payment per month. Buyback contracts do not require payments in months when no compensation is received.
- Information from amended June payroll reports **may not** be reflected on the members' annual statements.

**B. SUMMER REPORTING**

- Web reporters must submit a 'No File for Report Period' for periods when reports will not be filed. For instructions, refer to the MPERA Reporting Handbook for Employers available on our website or contact our office.
- Paper reporters must notify MPERA of any changes prior to the final report of the fiscal year.

**DO NOT** withhold PERS contributions from lump sum payouts of vacation, sick and compensatory leave paid **without** termination of employment. (See §19-3-108(1)(a)(v), MCA, effective in 2001.)

**C. CONTRIBUTION RATE CHANGES**

Increase in Employee Contribution Rates

There are no FY 2010 employee contribution rate changes for any retirement system.

Increase in Employer Contribution Rates

The increase in employer contribution rates for PERS and SRS begins with your first payroll report filed with MPERA in July 2009. The charts on page two show the employer rate changes and the effective dates.

**Public Employees' Retirement System (PERS)**

	Contribution Rate Prior to July 1, 2007	Phased in as of		Total Contribution Rate
		July 1, 2007	July 1, 2009	
(CP & UN)				
State & Univ Employer Contribution Rate	6.9%	0.135%	0.135%	7.17%
(CI, CO & OA)				
Local Government Employer Contribution Rate	6.8%	0.135%	0.135%	7.07%
STATE Contribution for Local Governments	0.1%	0.0%	0.0%	0.1%
(SD & HS)				
School District* Employer Contribution Rates	6.8%	0.0%	0.0%	6.8%
STATE Contribution for School District Employers	0.1%	0.135%	0.135%	0.37%

\*School Districts are defined as K-12

**Sheriffs' Retirement System (SRS)**

	Contribution Rate Prior to July 1, 2007	Phased in as of		Total Contribution Rate
		July 1, 2007	July 1, 2009	
SRS Employer Contributions	9.535%	0.29%	0.29%	10.115%

**D. PHASE II – EMPLOYERS REPORTING ALL EMPLOYEES (ERAЕ)**

Effective with the first payroll report filed in July 2009, all employers must report required information on non-contributing employees (NCEs). Employers with no NCEs must report that information each pay period.

ERAЕ Phase II requires each NCE to be reported as one of the following: an Optional Member; Excluded Employee; or Working Retiree; and have a valid reason code. Reason codes are available in the NC Value tables on our website at <http://mpera.mt.gov/docs/NCNTRBValues.pdf>.

New reporting screens have been developed to ease the process of payroll reporting. The Contributing Employee report has been separated from the NCE report. This will allow the employer to complete contributing reports and submit payments prior to completing the NCE reports. Both reports are still due within 5 working days of each regularly occurring payday.

Another new feature allows employers to report multiple records (lines) for both contributing and non-contributing employees.

These new screens will be available upon completion of training. Employer training location and dates are posted on our website.

For further information regarding ERAЕ, refer to our website <http://mpera.mt.gov/erae.asp>. Employers who have not had the opportunity to attend a training session should contact our education staff.

**E. MEMBER ADDRESS UPDATES - Do not use Membership Cards for address updates**

MPERA relies on you, the employer, to provide correct mailing addresses for your employees. The Defined Benefit Retirement Plan Annual Statement for all retirement systems will be mailed to the member's home address in July. If MPERA has no member address on file or an incorrect address, the Annual Statement will be mailed to you for forwarding.

Addresses must be updated monthly on MPERA's Employer Web Reporting System. The System will maintain every address you submit until the online record is manually deleted. Excluding an address in your uploaded address file will not result in the deletion of the record. After loading your file, you should get a message "No further action is required". If you do not receive this message, you must check your address report for errors. If there are any errors in the report, any new address changes will not post until the errors have been corrected. **Monthly validation is required of web reporters even if there are no address changes.**

Do **not** include addresses for terminated or non-contributing employees in your WEB address reporting. Terminated employees must submit address changes directly to MPERA.

**F. INTEREST**

Effective July 1, 2009, interest credited to individual accounts in the defined benefit retirement plans will be 1%.

Contact us if you have any questions.

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\*Forms and Handbooks can be found on the MPERA website at <http://mpera.mt.gov>