

**PUBLIC EMPLOYEES' RETIREMENT BOARD**  
**100 North Park Avenue, Room 201**  
**Helena MT 59620**

**LEGISLATIVE COMMITTEE**  
**Thursday, August 14, 2014**

**MINUTES**

*Committee Members*

Sheena Wilson, Committee Chairman  
Scott Moore, Committee Member  
Maggie Peterson, Committee Member

*MPERA Staff*

Dore Schwinden, Executive Director  
Melanie Symons, Chief Legal Counsel  
Barbara Quinn, Fiscal Services Bureau Chief  
Patricia Davis, Member Services Bureau Chief  
Hollie Koehler, Internal Auditor  
Kate Talley, Legal Counsel  
Fallon Stanton, Legal Counsel  
Cynthia Pearson, Executive Assistant

*Public*

Diane Fladmo, MEA-MFT  
Sheryl Wood, MACo  
Mark Murphy, MCAA  
Sheri Scurr, Legislative Services Division

**Call to Order**

Chairwoman Sheena Wilson called the meeting to order at 3:45 p.m.

**Roll Call**

All committee members were present. Vice President Mike McGinley also attended.

**Public/Member Comment**

There was no public/member comment.

**Legislative Committee Minutes**

**Motion:** *Member Scott Moore moved to approve the Legislative Committee's March 13, 2014 minutes, as written.*

**Second:** *Member Maggie Peterson*  
*No public comment.*

**Vote:** 3/0

**Status of Legislative Proposals**

Dore Schwinden, MPERA Executive Director, provided an overview of seven legislative proposals for the 2015 Legislative Session. The proposals—listed in priority order—are as follows:

1. Federal Qualifications Bill – Ensure retirement plans remain tax qualified by adopting requirements related to rollovers, retirement options, 415 limits, and the HEART Act.
2. Sheriff's Retirement System (SRS) Funding – Make SRS actuarially sound for the first time in many years. On June 30, 2004 the shortfall was 2.15% of payroll. On June 30, 2013 the shortfall was 5% or \$3.05 million.
3. Game Wardens' and Peace Officers' Retirement System (GWPORS) Funding – Make GWPORS actuarially sound for the first time in many years. On June 30, 2004 the shortfall was 0.23% of payroll. On June 30, 2013 the shortfall was 2.95% or \$1.15 million.
4. Pay Off the DCRP's Plan Choice Rate-Unfunded Actuarial Liability (PCR-UAL) – The PCR-UAL is the actuarial cost to the PERS DB plan created when the PERS DC plan was adopted. The PCR-UAL has steadily decreased and is now estimated at an amount (approximately \$3.6 million on June 30, 2015) that the State should consider paying off. Employer contributions can then be reallocated.
5. Allocate Additional PERS Employer Contributions in the Montana University System - Retirement Program (MUS-RP) – Additional PERS employer contributions were adopted in 2013. For PERS-DCRP members, the additional contributions were directed to the PERS-DBRP UAL. The Bill inadvertently omitted treatment of the additional contributions for members of the MUS-RP. The Board adopted ARM 2.43.3601 directing the MUS-RP contributions to the PERS –DBRP UAL as well, with the guarantee of legislation to address the issue in 2015.
6. Transfer Dispatchers from PERS to SRS – The Board believes including dispatchers in a 20 year system, similar to other public safety officers, is an issue of fairness and equity.
7. General Revisions – Clarification of statutes related to all MPERA-administered systems. The design of MPERA's new information technology system has unearthed several statutes that require clarification.

Melanie Symons, MPERA Chief Legal Counsel, provided detailed information regarding the proposed General Revisions.

Committee members discussed item #6, Transfer Dispatchers from PERS to SRS. It was agreed that SRS needs to be actuarially sound before the member transfer occurs, and that it would be best if the Board supported—but did not carry—a bill of this nature. Sheri Scurr, Legislative Services Division, recommended that MPERA proceed with making a bill draft request as those requests are due now, and then cancel the bill request later if necessary.

**Motion:** *Member Scott Moore moved to recommend to the full Board that MPERA not carry a legislative bill in the 2015 Legislative Session to transfer dispatchers from PERS to SRS.*

**Second:** *Chairwoman Sheena Wilson*

*No public comment.*

**Vote:** 3/0

### **SAVA Legislation**

At the request of the Legislative Committee, Sheri Scurr of Legislative Services Division outlined the main components of LC#0144 and LC#0332, legislation that will be proposed by the State Administration and Veteran Affairs (SAVA) Interim Committee.

### **Adjournment**

There being no further business before the committee, Chairwoman Sheena Wilson adjourned the meeting at 4:15 p.m. The committee did not schedule a future meeting at this time.