

**RED LODGE RURAL FIRE Dist 7  
BOARD OF TRUSTEES MEETING  
November 11, 2014**

Meeting called to order by President Harris Gabrian at 7:12 pm.

Trustees Present: Tom Kastelitz, Harris Gabrian, Dick DeVille, Billy Oley,

Firefighters Present: Tim Ryan, Lee Hauge

Minutes of last meeting were read and approved.

*Public Comment:* None

*Treasurer's report:* None

*Unfinished Business:* None

*New Business:* Ryan submitted a resolution of intent to join the Montana Public Employee Retirement System. See attached document. The trustees discussed how the name of the Organization should appear on all future documents and declared the official name will now officially be *Red Lodge Rural Fire District 7*. Ryan fielded a few questions concerning MPERS. Kastelitz made motion to sign a resolution of intent to join Public Employee Retirement System. Oley seconded motion. Motion passed.

The group discussed past trustee members and Ryan agreed to research past trustee seats.

Next Ryan presented documents for adoption of amendments to the Inter-Local Agreement for Services for the group to sign. Kastelitz made motion a motion to sign all amendments to the interlocal agreements for fire and EMS protection services with the City of Red Lodge and Red Lodge – Roberts Ambulance District. Motion seconded by Oley. Motion passed.

*Fire Chief's Report:* Ryan brought the fact that all past minutes since 2010 have been signed showing Lee Hauge as secretary which is technically incorrect since Tom Kastelitz is the Secretary-Treasurer of the organization. After some discussion it was agreed to name the person that records and keeps the minutes, Clerk of Red Lodge Rural Fire District 7. A motion was made by Harris Gabrian to appoint Lee Hauge as Clerk of the Red Lodge Rural Fire District 7, seconded by Dick DeVille, with no further discussion the motion was passed unanimously.

*Announcements:* None

Meeting adjourned 7:42 pm.

Signed,

  
\_\_\_\_\_  
Lee Hauge, Clerk

# **Red Lodge Rural Fire District 7**

## **Resolution Number 14-002**

### **A Resolution of Intent to Join the Montana Public Employees' Retirement System**

**WHEREAS:** The Public Employees' Retirement System Act (PERS), in sections 19-3-201 to 19-3-203, MCA, provides for the establishment of a retirement plan for employees of certain public agencies.

**WHEREAS:** Red Lodge Rural Fire District 7 (RFD7) would like to become a covered employer on the same basis as the State of Montana under the Public Employees' Retirement System, as expressed in Montana Code Annotated Title 19, Chapters 2 and 3, and related rules, policies, and plan documents, and as the same may be changed in the future.

**WHEREAS:** RFD7, as a governmental entity, believes it meets the criteria to have sections 19-3-201 to 19-3-203, MCA apply.

#### **NOW THEREFORE, BE IT RESOLVED:**

That RFD7 hereby declares its intention to approve the contract to become a covered employer on the same basis as the State of Montana and to establish the Public Employees' Retirement System as a retirement plan for its employees on the same basis as for State of Montana employees.

#### **BE IT FURTHER RESOLVED:**

That a secret ballot election of all eligible employees shall be held on the 13th day of November, 2014, between the hours of 8:00 a.m. and 5:00 p.m., in the office of the clerk of this agency. All eligible employees shall be requested and allowed to vote on whether this agency should enter into a contract to become a covered employer under the Public Employees' Retirement System (see attached Sample Ballot).

#### **BE IT FURTHER RESOLVED:**

That a summary of the major provisions of PERS follows:

The Montana Public Employees' Retirement System (PERS) provides a retirement for public employees. PERS covers over 520 employers, and has roughly 29,000 active members and 17,500 benefit recipients. Local government employees have the same PERS rights as state employees, pursuant to Montana Code Annotated Title 19, Ch. 2 and 3.

**Contributions** – Effective July 1, 2013 eligible PERS members contribute 7.9% of gross compensation into PERS; this rate will be decreased to 6.9% on January 1 following actuary valuation results showing the amortization period has dropped below and will remain below 25 years following the reduction of both the employer and member contribution rates. The contribution is made pre-tax. The investment earnings on the contributions are tax deferred. Members will pay taxes when the benefits are received. Effective July 1, 2013 the employer and the state contribute a total of 8.17% of payroll to PERS, most of which directly helps fund the member's

benefit. This rate will increase 0.1% every year through fiscal year 2024 but will revert to 6.9% following an actuarial valuation determining that terminating both the member and employer increases which were effective beginning July 1, 2013 would not cause the amortization period to exceed 25 years. The employer contribution is not deducted from the member's paycheck, but is paid directly to PERS by the employer and the state.

**Two Plans** – New PERS members have one year to choose between two distinct retirement plans in PERS – the Defined Benefit Retirement Plan or the Defined Contribution Retirement Plan.

The **Defined Benefit Retirement Plan (DBRP)** deposits contributions into a pension trust fund with all other plan members' contributions. The Montana Board of Investments directs the investment of the pension trust fund. A member's retirement benefit does not depend on gains and losses in the pension trust fund. Instead, a lifetime monthly benefit is calculated by a formula using the member's years of PERS service, age, and highest average compensation.

The **Defined Contribution Retirement Plan (DCRP)** credits each member's individual account with member contributions and a portion of employer contributions. The member invests his or her account in the available investment options. The member realizes all gains and losses from those investments. The balance in the member's account will determine retirement income.

Complete information regarding the two plans is available on the MPERA's website: <http://mpera.mt.gov/>.

**Benefit Eligibility** – A member must terminate PERS-covered employment to be eligible for a benefit from either plan.

A **DBRP** member who terminates covered employment prior to 5 years of service is eligible to receive a lump-sum payment of their contributions plus regular interest. Taxes and IRS penalties may apply.

A **DBRP** member who terminates covered employment after 5 years of service is eligible to receive a monthly benefit or a lump-sum payment of their contributions plus regular interest. Taxes and IRS penalties may apply.

A **DCRP** member who terminates covered employment prior to 5 years of service is eligible to receive their contributions plus investment earnings. Taxes and IRS penalties may apply.

A **DCRP** member who terminates covered employment after 5 years of service is eligible to receive their contributions plus investment earnings, and the allowable portion of employer contributions. Taxes and IRS penalties may apply.

**Disability Benefit** – In either plan, if the Public Employees’ Retirement Board finds a vested member disabled, the member can receive a monthly benefit regardless of the member’s age. The monthly benefit is paid after the member terminates PERS-covered employment.

**Death Benefit** – In either plan, a member’s benefit can be paid to designated beneficiary(ies) after the member dies.

BE IT FURTHER RESOLVED:

That the board of trustees of Red Lodge Rural Fire District 7 will hold a meeting on the 18<sup>th</sup> day of November, 2014, at 7:00 PM for the purpose of canvassing the result of the employee election and adopting a Public Employees’ Retirement System coverage contract, if in accordance with the tabulated votes of the employees of the agency.

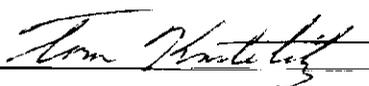
This resolution was duly passed by The Red Lodge Rural Fire District 7 Board of Trustees on the 11<sup>th</sup> day of November 2014.

DATED 11 November, 2014.

Signature of Officer: 

Printed Name: Harris Gabrian  
Title of Officer: Chairman, Red Lodge Rural Fire District 7 Board of Trustees

Certified as a true and accurate statement and proper signature.

Signature of Secretary: 

Printed Name: Tom Kastelitz  
Formal Title: Secretary Treasurer, Red Lodge Rural Fire District 7

# BALLOT

## **PERS Summary for Employees**

Should any information in this Employer Summary conflict with statute or rule, statute or rule will apply.

**Contributions** – Effective July 1, 2013 eligible PERS members contribute 7.9% of gross compensation into PERS; this rate will be decreased to 6.9% on January 1 following actuary valuation results showing the amortization period has dropped below and will remain below 25 years following the reduction of both the employer and member contribution rates. The contribution is made pre-tax. The investment earnings on the contributions are tax deferred. Members will pay taxes when the benefits are received. Effective July 1, 2013 the employer and the state contribute a total of 8.17% of payroll to PERS, most of which directly helps fund the member's benefit. This rate will increase 0.1% every year through fiscal year 2024 but will revert to 6.9% following an actuarial valuation determining that terminating both the member and employer increases which were effective beginning July 1, 2013 would not cause the amortization period to exceed 25 years. The employer contribution is not deducted from the member's paycheck, but is paid directly to PERS by the employer and the state.

**Two Plans** – New PERS members have one year to choose between two distinct retirement plans in PERS – the Defined Benefit Retirement Plan or the Defined Contribution Retirement Plan.

The **Defined Benefit Retirement Plan (DBRP)** deposits contributions into a pension trust fund with all other plan members' contributions. The Montana Board of Investments directs the investment of the pension trust fund. A member's retirement benefit does not depend on gains and losses in the pension trust fund. Instead, a lifetime monthly benefit is calculated by a formula using the member's years of PERS service, age, and highest average compensation.

The **Defined Contribution Retirement Plan (DCRP)** credits each member's individual account with member contributions and a portion of employer contributions. The member invests his or her account in the available investment options. The member realizes all gains and losses from those investments. The balance in the member's account will determine retirement income.

Complete information regarding the two plans is available on the MPERA's website: <http://mpera.mt.gov/>.

**Benefit Eligibility** – A member must terminate PERS-covered employment to be eligible for a benefit from either plan.

A **DBRP** member who terminates covered employment prior to 5 years of service is eligible to receive a lump-sum payment of their contributions plus regular interest. Taxes and IRS penalties may apply.

A **DBRP** member who terminates covered employment after 5 years of service is eligible to receive a monthly benefit or a lump-sum payment of their contributions plus regular interest. Taxes and IRS penalties may apply.

A **DCRP** member who terminates covered employment prior to 5 years of service is eligible to receive their contributions plus investment earnings. Taxes and IRS penalties may apply.

A **DCRP** member who terminates covered employment after 5 years of service is eligible to receive their contributions plus investment earnings, and the allowable portion of employer contributions.

**Disability Benefit** – In either plan, if the Public Employees' Retirement Board finds a vested member disabled, the member can receive a monthly benefit regardless of the member's age. The monthly benefit is paid after the member terminates PERS-covered employment.

**Death Benefit** – In either plan, a member's benefit can be paid to designated beneficiary(ies) after the member dies.

### VOTE

Should Red Lodge Rural Fire District 7 establish the Public Employees' Retirement System as a retirement plan for its employees on the same basis as for State of Montana employees, pursuant to Title 19, Chapters 2 and 3, Montana Code Annotated. The contract for PERS coverage will become effective either with the first regular pay period that begins at least one month after PER Board approval or with the pay period beginning January 5, 2014, whichever is later.

YES

NO

( circle one )

**RED LODGE RURAL FIRE Dist 7  
BOARD OF TRUSTEES MEETING  
November 18, 2014**

Meeting called to order by President Harris Gabrian at 7:12 pm.

Trustees Present: Tom Kastelitz, Harris Gabrian, Dick DeVille, Beth Graham

Firefighters Present: Tom Kuntz, Tim Ryan, Aaron McDowell

Minutes of last meeting were read and approved.

*Public Comment:* None

Report of trustees: Kastelitz welcomed Beth Graham on the board and stated that Beth has been appointed and Harris Gabrian was reappointed for another term by the county commissioners.

*Treasurer's report:* See attached budget report. Kuntz explained the new budget sheet format and went over the budget with everyone. Graham made a motion to approve the expenditures from July 1 thru October 31 in the amount of \$439,616.85. Motion seconded by DeVille. Motion passed.

*Unfinished Business:*

Resolution 14-003 – A Resolution to Adopt Contract to Join the MPERA. Graham made a motion to approve Resolution 14-003 to adopt the contract to join the Montana Public Employees' Retirement System. Deville seconded motion. After some discussion the motion passed.

Resolution 14-004 – A Resolution to Participate in the Firefighter's Unified Retirement System. Deville Made a motion to approve resolution 14-004 to join the Firefighters' Unified Retirement System as presented. Motion seconded by Graham. Motion passed.

*New Business:*

Resolution 14-005 – A Resolution to Adopt Ambulance Service Billing Rates. Graham made a motion to accept resolution 14-005 to adopt the ambulance service billing rates and charges. Deville seconded the motion. And after some discussion the motion passed.

Resolution 14-006 – A Resolution to Adopt Volunteer Stipend Pay Rates. DeVille made motion to accept resolution 14-006 as presented. Motion seconded by Graham. Motion passed.

Resolution 14-007 – A Resolution to Adopt Full and Part Time Employee Pay Matrix. Graham made motion to accept resolution 14-007 as presented. Motion seconded by DeVille. Motion passed.

Kuntz talked about how the volunteer meeting meals are provided every first Monday night and some additional training nights of the month for an annual cost of around \$2000. Graham made motion to authorize \$2500 a year to spend on meals before general membership meetings and training for fire and EMS groups. Discussion ensued. Motion seconded by DeVille. Motion passed.

Kuntz made a proposal to start soliciting bids for the purchase of a new type 3 fire engine. The cost of this vehicle will be approximately \$350,000.00. It would be put out for bid for 30 days and in service time would be about a year for now. DeVille made a motion to put out a bid package for a new type 3 fire truck. Seconded by Graham, motion passed.

Kastelitz expressed a need for vice chair. Graham made motion to appoint DeVille as vice chair. Motion seconded by Kastelitz. Motion passed.

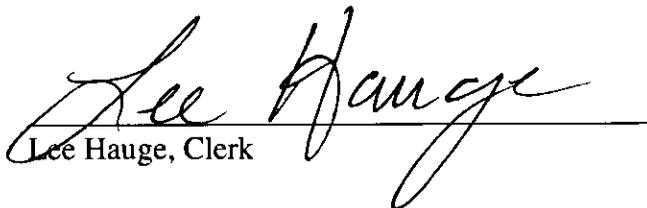
Kuntz asked the group to get former board member John Bueg a plaque for years of service to be presented at the annual firefighter banquet in May. All agreed.

*Fire Chief's Report.* Ryan presented a report on the hazardous fuels program and the wildland fire mobilization program to the group including upcoming grants awarded for work at the 400 Ranch as well as Bill Morian's property that is leased to Red Lodge Mountain. These grants total over \$200,000.00 and should fund the fuels crew for at least three more years. Kuntz reported on upcoming grant opportunities including the SAFER grant which funds the volunteer coordinator position and advised the board the he would be seeking funding to keep that position if grant funding is not available.

*Announcements:* The next meeting is scheduled for some time in the 3<sup>rd</sup> week of February 2015.

Meeting adjourned 8:52 pm.

Signed,

  
Lee Hauge, Clerk

## Red Lodge Rural Fire District 7

### Resolution Number 14-003

#### Motion to Adopt Contract to Join the Montana Public Employees' Retirement System

WHEREAS: The Public Employees' Retirement System Act (PERS), in sections 19-3-201 to 19-3-203, MCA, provides for the establishment of a retirement plan for employees of certain public agencies.

WHEREAS: Red Lodge Rural Fire District 7 (RFD7) would like to become a covered employer on the same basis as the State of Montana under the Public Employees' Retirement System, as expressed in Montana Code Annotated Title 19, Chapters 2 and 3, and related rules, policies, and plan documents, and as the same may be changed in the future.

WHEREAS: RFD7, as a governmental entity, believes it meets the criteria to have sections 19-3-201 to 19-3-203, MCA apply.

WHEREAS: A secret ballot election of all eligible employees was held on the 13<sup>th</sup> day of November, 2014, between the hours of 8:00 a.m. and 5:00 p.m., in the office of the clerk of this agency, at which election all eligible employees were requested and allowed to vote on the ballot prescribed on page three of this motion to adopt contract.

WHEREAS: The result of the employee election has been canvassed and the number of eligible employees voting for participation in the Public Employees' Retirement System was 9, which constitutes 100 percent of the total number of eligible employees.

#### THEREFORE IT IS MOVED:

That this agency adopt the Public Employees' Retirement System coverage contract as it appears on page three of this motion to adopt contract; that the appropriate blank on the contract reflect a requested effective date of the pay period beginning January 1, 2015; that the duplicate originals of the contract be signed and sealed as indicated; and that all necessary documents be sent to the PER Board.

THIS MOTION was duly passed by an affirmative vote of at least two-thirds of the Board of Trustee of the Red Lodge Rural Fire District on this 18<sup>th</sup> day of November, 2014.

Signature of Officer:   
Printed Name: Tom Kastelitz, Secretary-Treasurer

Signature of Clerk:   
Printed Name: Lee Hauge  
Formal Title: Clerk of the Red Lodge Rural Fire District 7

## CLERK'S CERTIFICATION

State of Montana )

County of CARBON )

Agency Name Red Lodge Rural Fire) District 7

I, Lee Hauge, Clerk of Red Lodge Rural Fire District 7,  
(Board or other legislative body)

certify:

That the total number of employees of this agency appearing on the payroll on the date of the employee secret ballot election for Public Employees' Retirement System (PERS) coverage was 9.

That the total number of employees on the date of the employee secret ballot election for PERS coverage who were ineligible for membership in PERS<sup>1</sup> was 0.

That the number of eligible employees voting for participation in the Public Employees' Retirement System was 9, which constitutes 100 percent of the total number of eligible employees.

DATED this 18<sup>th</sup> day of November, 2014.

(SEAL, if applicable)

Signature of Clerk:



Printed Name:

Lee Hauge

Formal Title:

Clerk of Red Lodge Rural Fire District 7

<sup>1</sup> / Section 19-3-403, Montana Code Annotated:

**Red Lodge Rural Fire District 7**  
**Resolution Number 14-004**

**Resolution to participate in the Firefighters' Unified Retirement System (FURS) administered by  
the Montana Public Employee Retirement Administration (MPERA)**

WHEREAS, the Red Lodge Rural Fire District 7 (RFD7) was created by Carbon County provide emergency services, including fire suppression. The RFD7 employs firefighters to assist in fulfilling its fire suppression duties. Those firefighters are currently eligible to be covered by the Public Employees' Retirement System (PERS);

WHEREAS, the 2007 Montana Legislature amended Title 19, Chapter 13, Part 2 of the Montana Code Annotated to give rural fire districts who employ full-paid firefighters the opportunity to elect to participate in the Firefighters' Unified Retirement System rather than in PERS; and

WHEREAS, the Board of Trustees\Directors of the Red Lodge Rural Fire District 7 believes that the interests of the public, the Fire District and the full-paid firefighters employed by the Fire District would best be served by participation in FURS.

NOW THEREFORE, BE IT RESOLVED THAT:

The Red Lodge Rural Fire District 7 of Carbon County, Montana elects to participate in the Montana Firefighters' Unified Retirement System and agrees to be bound by the provisions of that system.

The effective date of this Resolution is January 1, 2015.

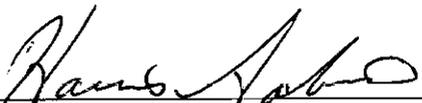
Full-paid firefighters employed by the RFD7 prior to the effective date of this Resolution have 90 days from the effective date to elect to continue participating in PERS or to change their retirement system coverage to FURS.

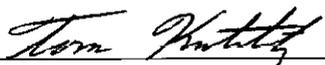
If an existing full-paid firefighter fails to make an election, he/she will default to PERS.

All full-paid firefighters hired on or after the effective date of this Resolution will be members of FURS.

The RFD7 will send a certified copy of this Resolution to the Montana Public Employee Retirement Administration immediately.

Passed and Adopted on the 18<sup>th</sup> day of November, 2014.

  
\_\_\_\_\_  
Harris Gabrian, Chairman of the Board of Trustees

  
\_\_\_\_\_  
Tom Kastelitz, Secretary / Treasurer

**CONTRACT  
FOR PUBLIC EMPLOYEES' RETIREMENT SYSTEM COVERAGE**

THIS AGREEMENT, by and between RED LODGE RURAL FIRE DISTRICT 7<sup>1</sup> (Employer) and the Montana Public Employees' Retirement Board, is made on the date of the latest signature below.

The parties mutually covenant and agree that:

1. The Public Employees' Retirement System (PERS) shall apply to the employees of the employer upon identical terms as for State of Montana employees with regard to rights, benefits, payments, duties, obligations, and in all other respects, effective JANUARY 1, 20 15 or the first regular employer pay period beginning one month after PER Board approval, whichever is later.

2. The employer shall deduct and withhold the member contributions required by Montana Code Annotated Title 19, Chapters 2 and 3 from every salary payment earned by and paid to all eligible, covered employees after the effective date of this contract.

3. The employer shall promptly file employer reports and shall promptly pay to the PERS appropriate member contributions and employer contributions as required by Montana Code Annotated Title 19, Chapters 2 and 3.

4. Any amendments to the PERS, pursuant to Montana law, shall immediately apply to and become a part of this Contract, and shall amend the same accordingly. This Contract cannot otherwise be cancelled, amended or abrogated by any act of the parties.

IN WITNESS WHEREOF, the duly authorized officers of the parties have signed the document on the date indicated.

RED LODGE RURAL FIRE DISTRICT 7<sup>2</sup>

Public Employees' Retirement Board:

by: Tom Kastelitz<sup>3</sup>

by: \_\_\_\_\_

TOM KASTELITZ, SECRETARY<sup>4</sup>

Scott E. Moore, President

Attest: Lee Hauge<sup>5</sup>  
LEE HAUGE, CLERK

Attest: \_\_\_\_\_

Dore D. Schwinden, MPERA Exec. Director

Date: 11/26/14

Date: \_\_\_\_\_

<sup>1/</sup> Insert name of board or other legislative body.

<sup>2/</sup> Insert name of board or other legislative body.

<sup>3/</sup> Signature of chief executive officer.

<sup>4/</sup> Print name and title of chief executive officer.

<sup>5/</sup> Signature of clerk (or other similar employee), printed name and title.

**CONTRACT**  
**FOR PUBLIC EMPLOYEES' RETIREMENT SYSTEM COVERAGE**

*RED LODGE RURAL FIRE*

THIS AGREEMENT, by and between *DISTRICT 7*<sup>1</sup>  
(Employer) and the Montana Public Employees' Retirement Board, is made on the date  
of the latest signature below.

The parties mutually covenant and agree that:

1. The Public Employees' Retirement System (PERS) shall apply to the employees of the employer upon identical terms as for State of Montana employees with regard to rights, benefits, payments, duties, obligations, and in all other respects, effective *JANUARY 1*, 2015 or the first regular employer pay period beginning one month after PER Board approval, whichever is later.

2. The employer shall deduct and withhold the member contributions required by Montana Code Annotated Title 19, Chapters 2 and 3 from every salary payment earned by and paid to all eligible, covered employees after the effective date of this contract.

3. The employer shall promptly file employer reports and shall promptly pay to the PERS appropriate member contributions and employer contributions as required by Montana Code Annotated Title 19, Chapters 2 and 3.

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*RED LODGE RURAL FIRE DISTRICT 7*<sup>2</sup>

Public Employees' Retirement Board:

by: *Tom Kastelitz*<sup>3</sup>

by: \_\_\_\_\_

*TOM KASTELITZ, Secretary*<sup>4</sup>

Scott E. Moore, President

Attest: *Lee Hange*<sup>5</sup>  
*LEE HANGE, CLERK*

Attest: \_\_\_\_\_

Dore D. Schwinden, MPERA Exec. Director

Date: *11/26/14*

Date: \_\_\_\_\_

<sup>1/</sup> Insert name of board or other legislative body.

<sup>2/</sup> Insert name of board or other legislative body.

<sup>3/</sup> Signature of chief executive officer.

<sup>4/</sup> Print name and title of chief executive officer.

<sup>5/</sup> Signature of clerk (or other similar employee), printed name and title.



Montana Public Employee Retirement Administration  
 PO Box 200131 • Helena MT 59620-0131  
 (406) 444-3154 • Toll Free (877) 275-7372

**PAYROLL CYCLE INFORMATION**  
 (RETURN WITH CONTRACT)

Agency Name FED LODGE RURAL FIRE DISTRICT 7  
 Agency Address Po Box 318, FED LODGE, MT 59068  
 Contact Person Tim Ryan Phone No. 406-425-2790  
 E-Mail Address tim@redlodgefire.com

Please check and complete your payroll cycle information.

1. Our employees are paid

Bi-weekly (for example, a payday every other Friday)  
 Next payday is 11/28/2014  
Month/Day  
 For pay period 11/10 to 11/23  
Month/Day Month/Day  
 Semi-monthly (a payday twice a month, such as the 5<sup>th</sup> and 20<sup>th</sup> of each month)  
 1<sup>st</sup> pay date is \_\_\_\_\_  
Month/Day  
 For pay period \_\_\_\_\_ to \_\_\_\_\_  
Month/Day Month/Day  
 2<sup>nd</sup> pay date is \_\_\_\_\_  
 For pay period \_\_\_\_\_ to \_\_\_\_\_  
Month/Day Month/Day  
 Monthly (a payday once a month, such as the 3<sup>rd</sup> Thursday of each month or the 20<sup>th</sup> of each month)  
 Specific monthly pay date is \_\_\_\_\_  
Month/Day  
 For pay period \_\_\_\_\_ to \_\_\_\_\_  
Month/Day Month/Day

Other  
 Please explain Our first pay period under MPERA will run  
Jan 1, 2015 - Jan 4, 2015 to align pay periods, payday on Jan 9, 2015.

2. We process paydays that fall on a weekend or holiday as follows Paydays all will be on  
a Friday, holidays we will pay the day before the holiday.

Signed W.A. Ky

Date 11/26/2014

<b>FOR MPERA USE ONLY</b>
1 <sup>st</sup> pay period following contract approval: to _____
Pay date: _____

# Employer Payment Policy

## I. Section 19-3-505, MCA

### Payment of Employer Contributions and Interest on Previous Service

A Public Employees' Retirement System (PERS) member may purchase (1) all or a portion of the member's employment with an employer prior to the time the employer entered into a contract for PERS coverage and (2) all or a portion of the member's employment for which optional PERS membership was declined (both of which are known as previous service). PERS employers must establish policies regarding payment of employer contributions and employer interest due for the previous service being purchased by an employee. The policy must be applied indiscriminately to all employees and former employees. Thus, it is our policy to:

pay the employer's contributions due on previous service; OR  
 not pay the employer's contributions due on previous service.

and to:

pay the outstanding interest due on the employer's contributions for the previous service; OR  
 not pay the outstanding interest due on the employer's contributions for the previous service.

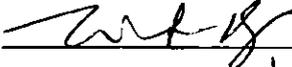
## II. Section 19-3-504, MCA

### Payment of Interest on Employer Contributions for Workers' Compensation Time

A PERS member may purchase time during which the member is absent from service because of an employment-related injury entitling the member to workers' compensation payments. PERS employers are required to pay employer contributions and must establish a policy for the payment of interest on employer contributions due for the workers' compensation time being purchased by an employee. The policy regarding payment of interest must be applied to all employees similarly situated. Thus, it is our policy to:

pay the outstanding interest due on the employer's contributions for the employee's purchase of workers' compensation time; OR  
 not pay the outstanding interest due on the employer's contributions for the employee's purchase of workers' compensation time.

NAME OF EMPLOYER RED LODGE RURAL FIRE DISTRICT # 7

Signature of Officer: 

Printed Name: TIM J. RYAN

Title of Officer: ASSISTANT CHIEF

Dated: 10/2, 2014.