
Decision Log Sheet

Principles and Guidelines for Montana's Public Employee Retirement Systems
State Administration and Veterans' Affairs Interim Committee

April 21, 2006

Principle 1: Pensions should provide financial security in retirement.

Committee Action

- Adopt
- Revise and Adopt
- Reject
- No Action

Comments: _____

Principle 2: Pension funding should be a contemporary obligation.

Committee Action

- Adopt
- Revise and Adopt
- Reject
- No Action

Comments: _____

Principle 3: Pension investments should be governed by the Prudent Person Rule.

Committee Action

- Adopt
- Revise and Adopt
- Reject
- No Action

Comments: _____

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Principle 4: Pension benefits should be equitably allocated among beneficiaries.

Committee Action

- Adopt
- Revise and Adopt
- Reject
- No Action

Comments: _____

Principle 5:

Committee Action

- Adopt
- Revise and Adopt
- Reject
- No Action

Comments: _____

Principle 6:

Committee Action

- Adopt
- Revise and Adopt
- Reject
- No Action

Comments: _____

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Guideline 1: The legislature should approve all changes of benefits.

Committee Action

- Adopt
- Revise and Adopt
- Reject
- No Action

Comments: _____

Guideline 2: The legislature should approve the funding of the state's retirement systems.

Committee Action

- Adopt
- Revise and Adopt
- Reject
- No Action

Comments: _____

Guideline 3: The legislature should regularly review the management of the state's public retirement systems and the investment of the systems' assets.

Committee Action

- Adopt
- Revise and Adopt
- Reject
- No Action

Comments: _____

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Guideline 4: The legislature should establish a permanent pension review body to analyze the problems of the state's public retirement systems on an ongoing basis and to make recommendations for state legislative action.

Committee Action

- Adopt
- Revise and Adopt
- Reject
- No Action

Comments: _____

Guideline 5: The legislature should require advance funding of pension benefits to ensure that pension costs are not shifted to future taxpayers.

Committee Action

- Adopt
- Revise and Adopt
- Reject
- No Action

Comments: _____

Guideline 6: The legislature should require a fiscal note when establishing or amending pension plan benefit provisions.

Committee Action

- Adopt
- Revise and Adopt
- Reject
- No Action

Comments: _____

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Guideline 7: The legislature should ensure that the full, long-term costs of early retirement programs and incentives should be calculated before such a program is adopted in order to allow the legislature to provide for the costs.

Committee Action

- Adopt
- Revise and Adopt
- Reject
- No Action

Comments: _____

Guideline 8: The legislature should ensure that post-retirement adjustments should be independently funded and have a ceiling on the percentage of increase for a single year.

Committee Action

- Adopt
- Revise and Adopt
- Reject
- No Action

Comments: _____

Guideline 9: The legislature should provide strict guidelines for disability coverage and should provide follow-up periodic screenings of disabled retirees.

Committee Action

- Adopt
- Revise and Adopt
- Reject
- No Action

Comments: _____

Guideline 10: The legislature should use extreme care in developing health

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insurance provisions for retired employees and, preferably, should provide for separate accounting and funding from retirement programs.

Committee Action

- Adopt
- Revise and Adopt
- Reject
- No Action

Comments: _____

Guideline 11: The legislature should establish strict fiduciary standards and conflict of interest laws to govern the conduct of trustees as they manage the assets of the retirement system.

Committee Action

- Adopt
- Revise and Adopt
- Reject
- No Action

Comments: _____

Guideline 12: The legislature should move toward requiring annual actuarial reports using uniform actuarial assumptions to evaluate the financial soundness of the state's public retirement systems.

Committee Action

- Adopt
- Revise and Adopt
- Reject
- No Action

Comments: _____

Guideline 13: The legislature should provide for reciprocity of benefits for workers who shift jobs within the state and its political

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**subdivisions and portability for those who shift jobs across
state lines.**

Committee Action

- Adopt
- Revise and Adopt
- Reject
- No Action

Comments: _____

Guideline 14: The legislature should ensure that pension plan participants are fully informed of plan provisions, including benefits, service and vesting requirements, assets and liabilities, investment performance and risk, actuarial assumptions and data, fiduciary requirements and selection of plan trustees.

Committee Action

- Adopt
- Revise and Adopt
- Reject
- No Action

Comments: _____

Guideline 15: The legislature should support coordination of state and local retirement systems.

Committee Action

- Adopt
- Revise and Adopt
- Reject
- No Action

Comments: _____

Guideline 16: The legislature should encourage and support the efforts of state retirement system administrators to comply with the principles of pension system administration established by

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the Public Pension Coordinating Council.

Committee Action

- Adopt
- Revise and Adopt
- Reject
- No Action

Comments: _____

Guideline 17: Postretirement benefit increases should not be indexed.

Committee Action

- Adopt
- Revise and Adopt
- Reject
- No Action

Comments: _____

Guideline 18: An annual postretirement benefit increase should be provided.

Committee Action

- Adopt
- Revise and Adopt
- Reject
- No Action

Comments: _____

Guideline 19: One-time, *ad hoc* benefit increases should not be enacted.

Committee Action

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- Adopt
- Revise and Adopt
- Reject
- No Action

Comments: _____

Guideline 20: Minimum benefit increases should be supported.

Committee Action

- Adopt
- Revise and Adopt
- Reject
- No Action

Comments: _____

Guideline 21: Employees should belong to a retirement plan.

Committee Action

- Adopt
- Revise and Adopt
- Reject
- No Action

Comments: _____

Guideline 22: Local governments should have the option of covering rural firefighters under FURS.

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Committee Action

- Adopt
- Revise and Adopt
- Reject
- No Action

Comments: _____

Guideline 23: Retirement benefit formulas in the public safety retirement plans should be similar.

Committee Action

- Adopt
- Revise and Adopt
- Reject
- No Action

Comments: _____

Guideline 24: Retirement benefit formulas or retirement eligibility criteria should not encourage early retirement.

Committee Action

- Adopt
- Revise and Adopt
- Reject
- No Action

Comments: _____

Guideline 25: If retirees return to work they should be encouraged to return to active retirement plan membership.

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Committee Action

- Adopt
- Revise and Adopt
- Reject
- No Action

Comments: _____

Guideline 26:

Committee Action

- Adopt
- Revise and Adopt
- Reject
- No Action

Comments: _____

Guideline 27:

Committee Action

- Adopt
- Revise and Adopt
- Reject
- No Action

Comments: _____

Guideline 28:

Committee Action

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- Adopt
- Revise and Adopt
- Reject
- No Action

Comments: _____

Guideline 29:

Committee Action

- Adopt
- Revise and Adopt
- Reject
- No Action

Comments: _____

Guideline 30:

Committee Action

- Adopt
- Revise and Adopt
- Reject
- No Action

Comments: _____

