

3Q17 Quarterly Report of Contributions Form

- Enclosed is the Quarterly Report of Contributions Form (PMRB-21) for the Third Quarter of 2017. Please complete, date, sign, and return this form to our office **by October 31**.
- Third quarter contributions to be credited to a member's account are **due by September 30**. Interest will be charged on third quarter contributions received after September 30.
- A Revenue Transmittal Form (PMRB-20) must be completed and included with all checks submitted to PMRS. This form is available under the "Forms" section of our website (www.pmr.state.pa.us) and can be completed online but will need to be printed, signed and mailed with the checks.

2018 Minimum Municipal Obligation (MMO) Worksheets

- The 2018 MMO worksheet used to calculate the plan's financial requirement for 2018 should be completed by the plan's Chief Administrative Officer, approved by the plan's board, and returned to our office **by October 6**.

2017 State Aid

- The Pennsylvania Department of the Auditor General administers the state's General Municipal Pension System State Aid Program and distributes these funds annually to eligible municipalities **by October 1**.
- The Municipal Pension Plan Funding Standard and Recovery Act (Act 205 of 1984) requires municipalities to **deposit state aid funds into the pension plan within 30 days of receipt**.
 - If only one pension plan is maintained by the municipality, then the total amount of the state aid received by the municipality must be allocated to this plan.
 - If more than one pension plan is maintained by the municipality, the municipality must determine how these funds are to be allocated between its pension plans.
- Written confirmation should be provided identifying the total amount of state aid received and how it was allocated between pension plans.
- A Revenue Transmittal Form (PMRB-20) must be included with all checks submitted to PMRS and identify the source of payment as "State Aid – Act 205."
- State aid can be allocated to defined benefit and cash balance plans as follows:

Defined Benefit Plans

- If the 2017 MMO was previously paid to PMRS, these funds can be used to reimburse the municipality's general fund and any excess funds must be deposited into a pension plan within 30 days of receipt.
 - If a municipality has more than one pension plan, it must first meet each plan's MMO and then the excess state aid may be allocated between its plans.

- If the 2017 MMO was not previously paid and the state aid is less than the 2017 MMO, the entire amount must be deposited into a pension plan within 30 days of receipt and the balance of the MMO paid by December 31, 2017.
- If the 2017 MMO was not previously paid and the state aid is more than the 2017 MMO, the entire amount must be deposited into a pension plan within 30 days of receipt.
 - If a municipality has more than one pension plan, it must first meet each plan's MMO and then the excess state aid may be allocated between its plans.

Cash Balance Plans

- These funds can be used to reimburse the municipality's general fund for payments made to PMRS for the 2017 annual bill (administrative fees), municipal for member contributions, and new member enrollment fees.
- If a terminated member's contributions were forfeited to the Municipal Account, these funds must be used first as a credit before any state aid can be used to pay pension costs.
- State aid received in excess of the amount reimbursed to the general fund and total forfeitures must be deposited into a pension plan within 30 days of receipt.
 - **If state aid received exceeds the total annual pension costs for cash balance plans, the excess state aid must be returned to the Pennsylvania Department of Auditor General unless the municipality has a defined benefit plan.**
 - **Note:** *If the municipality has a defined benefit plan, the excess state aid funds can be deposited into a defined benefit plan.*

2017 Annual MMO

- The 2017 Annual MMO is **due by December 31, 2017**.
- Delinquent interest will be assessed against the unpaid plan obligation as of January 1, 2018, and will bear interest charges from January 1, 2017.

2016 GASB 68 Reports

- PMRS anticipates the 2016 GASB 68 Reports will be posted to the "Municipalities/GASB 68 Reports" section of our website **by March 31, 2018**.
- The reports for authorities with an earlier fiscal year-end will be released prior to all other municipalities with a December 31 year-end.

For additional information or assistance, please visit the PMRS website or contact the PMRS Investment and Financial Management Division at (800) 622-7968.