

REQUIRED SUPPLEMENTARY INFORMATION

**YELLOWSTONE COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
FISCAL YEAR ENDING JUNE 30, 2021**

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS

Last 10 Fiscal Years*										
Total OPEB liability	2021	2020	2019	2018						
Service cost	\$ 311,351	\$ 276,654	\$ 268,596	\$ 346,974						
Interest	129,346	119,109	146,971	138,708						
Plan changes	0	0	0	0						
Differences between expected and actual experience	(263,657)	0	(1,196,409)	0						
Assumption changes	(456,119)	0	(6,328)	0						
Benefit payments	(162,699)	(113,700)	(166,742)	(161,881)						
Net change in total OPEB liability	\$ (441,778)	\$ 282,063	\$ (953,912)	\$ 323,801	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total OPEB liability - beginning	3,464,895	3,182,832	4,136,744	3,812,943						
Total OPEB liability - ending	\$ 3,023,117	\$ 3,464,895	\$ 3,182,832	\$ 4,136,744	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered-employee payroll	\$ 22,378,088	\$ 21,694,604	\$ 21,062,722	\$ 20,377,371						
Total OPEB liability as a percentage of covered-employee payroll	13.51%	15.97%	15.11%	20.30%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*Schedule is intended to show information for 10 years. Additional years will be displayed as they become available

Notes to Schedule:

Plan Changes: As of January 1, 2018 the County no longer offers health insurance to retirees who are eligible for Medicare. There were no other plan changes for fiscal year 2021.

Assumption Changes: *The following assumption changes were made for the fiscal year 2021 reporting period:*
The discount rate was changed from 3.50% to 2.40%.
The health care trend rates , mortality tables and salary increase rates were updated.
The percentage of future retirees who are assumed to stay on one of the County's medical plans post-employment was reduced from 75% to 60%.

Method Changes: There were no method changes for fiscal year 2021.

**Public Employees Retirement Plan (PERS)
Required Supplementary Information
Schedule of Proportionate Share of the Net Pension Liability
For the Last Ten Fiscal Years***

As of measurement date:	2020	2019	2018	2017	2016	2015	2014
Reporting date:	2021	2020	2019	2018	2017	2016	2015
Employer's Net Pension Liability (percentage)	0.9184%	0.9021%	0.8940%	1.1512%	1.1556%	1.1130%	1.1236%
Employer's Net Pension Liability (amount)	\$ 24,229,612	\$ 18,857,073	\$ 18,658,935	\$ 22,422,029	\$ 19,683,035	\$ 15,557,794	\$ 13,999,854
State's Net Pension Liability (amount)	\$ 7,632,276	\$ 6,136,187	\$ 6,245,182	\$ 298,536	\$ 240,504	\$ 191,101	\$ 170,960
Total	\$ 31,861,888	\$ 24,993,260	\$ 24,904,117	\$ 22,720,565	\$ 19,923,539	\$ 15,748,895	\$ 14,170,814
Employer's Covered Payroll	\$ 15,409,416	\$ 14,713,099	\$ 14,713,099	\$ 14,281,064	\$ 13,841,480	\$ 12,988,499	\$ 12,820,399
Employer's proportionate share as a percentage of Covered Payroll	157.24%	126.69%	126.82%	157.01%	142.20%	119.78%	111.22%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	68.90%	73.85%	73.47%	73.75%	74.71%	78.40%	79.87%

*The amounts presented for each fiscal year were determined as of June 30. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**Schedule of Contributions
For the Last Ten Fiscal Years***

As of reporting date:	2021	2020	2019	2018	2017	2016	2015
Contractually Required DB Contributions	\$ 1,322,386	\$ 1,335,996	\$ 1,275,629	\$ 1,245,279	\$ 1,195,367	\$ 1,156,947	\$ 1,070,305
Plan Choice Rate Required Contributions	0	0	0	0	0	\$ 33,765	\$ 58,185
Contributions in Relation to the Contractually Required Contributions	\$ 1,322,386	\$ 1,335,996	\$ 1,275,629	\$ 1,245,279	\$ 1,195,367	\$ 1,190,712	\$ 1,128,489
Contribution Deficiency (Excess)	0	0	0	0	0	0	0
Employer's Covered Payroll	\$ 15,078,524	\$ 15,409,416	\$ 14,884,817	\$ 14,713,099	\$ 14,281,064	\$ 13,841,480	\$ 12,988,499
Contributions as a percentage of Covered Payroll	8.77%	8.67%	8.57%	8.46%	8.37%	8.60%	8.69%

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YELLOWSTONE COUNTY
Public Employees Retirement Plan (PERS)
Notes to the Required Supplementary Information
For the Employer's Fiscal Year Ended June 30, 2021

Changes of Benefit Terms

The following changes to the plan provisions were made as identified:

2017:

Working Retiree Limitations – for PERS

Effective July 1, 2017, if a PERS retiree returns as an independent contractor to what would otherwise be PERS-covered employment, general contractor overhead costs are excluded from PERS working retiree limitations.

Refunds

1. Terminating members eligible to retire may, in lieu of receiving a monthly retirement benefit, refund their accumulated contributions in a lump sum.
2. Terminating members with accumulated contributions between \$200 and \$1,000 who wish to rollover their refund must do so within 90 days of termination of service.
3. Trusts, estates, and charitable organizations listed as beneficiaries are entitled to receive only a lump-sum payment.

Interest credited to member accounts

Effective July 1, 2017, the interest rate credited to member accounts increased from 0.25% to 0.77%.

Lump-sum payouts

Effective July 1, 2017, lump-sum payouts in all systems are limited to the member's accumulated contributions rate rather than the present value of the member's benefit.

Disabled PERS Defined Contribution (DC) Members

PERS members hired after July 1, 2011 have a normal retirement age of 65. PERS DC members hired after July 1, 2011 who became disabled were previously only eligible for a disability benefit until age 65. Effective July 1, 2017, these individuals will be eligible for a disability benefit until they reach 70, thus ensuring the same 5-year time period available to PERS DC disabled members hired prior to July 1, 2011 who have a normal retirement age of 60 and are eligible for a disability benefit until age 65.

YELLOWSTONE COUNTY
Public Employees Retirement Plan (PERS)
Notes to the Required Supplementary Information
For the Employer's Fiscal Year Ended June 30, 2021

Changes in Actuarial Assumptions and Methods

Method and assumptions used in calculations of actuarially determined contributions

The following Actuarial Assumptions were adopted from the June 30, 2019 actuarial valuation:

General Wage Growth*	3.50%
Investment Rate of Return*	7.65%
*Includes inflation at	2.75%
Merit salary increases	0% to 8.47%
Asset valuation method	4-year smoothed market
Actuarial cost method	Entry age Normal
Amortization method	Level percentage of payroll, open
Mortality (Healthy members)	For Males and Females: RP 2000 Combined Employee and Annuitant Mortality Table projected to 2020 using Scale BB, males set back 1 year
Mortality (Disabled members)	For Males and Females: RP 2000 Combined Mortality Table, with no projections
Admin Expense as % of Payroll	0.30%

Administrative expenses are recognized by an additional amount added to the normal cost contribution rate for the System. This amount varies from year to year based on the prior year's actual administrative expenses.

Sheriff's Retirement System (SRS)
Required Supplementary Information
Schedule of Proportionate Share of the Net Pension Liability
For the Last Ten Fiscal Years*

As of measurement date:	2020	2019	2018	2017	2016	2015	2014
Reporting date:	2021	2020	2019	2018	2017	2016	2015
Employer's Net Pension Liability (percentage)	9.8856%	9.6310%	9.3066%	9.2678%	9.2763%	9.2021%	9.0219%
Employer's Net Pension Liability (amount)	\$ 12,049,206	\$ 8,032,017	\$ 6,995,916	\$ 7,052,513	\$ 16,296,484	\$ 8,870,691	\$3,754,635
Employer's Covered Payroll	\$ 8,393,682	\$ 7,731,711	\$ 7,220,726	\$ 6,934,156	\$ 6,548,480	\$ 6,261,595	\$5,834,683
Employer's proportionate share as a percentage of Covered Payroll	143.55%	103.88%	96.89%	101.71%	248.86%	141.67%	64.35%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	75.92%	81.89%	82.68%	81.30%	63.00%	75.40%	87.24%

**The amounts presented for each fiscal year were determined as of June 30. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.*

Schedule of Contributions
For the Last Ten Fiscal Years*

As of reporting date:	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contributions	\$ 1,148,712	\$ 1,100,832	\$ 1,014,014	\$ 964,733	\$ 701,390	\$ 678,720	\$ 635,168
Contributions in Relation to the Contractually Required Contributions	\$ 1,148,712	\$ 1,100,832	\$ 1,014,014	\$ 964,733	\$ 701,390	\$ 678,720	\$ 635,168
Contribution Deficiency (Excess)	0	0	0	0	0	0	0
Employer's Covered Payroll	\$ 8,758,757	\$ 8,393,682	\$ 7,731,711	\$ 7,220,726	\$ 6,934,156	\$ 6,548,480	\$ 6,261,595
Contributions as a percentage of Covered Payroll	13.12%	13.12%	13.12%	13.36%	10.11%	10.36%	10.14%

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YELLOWSTONE COUNTY
Sheriffs' Retirement System (SRS)
Notes to the Required Supplementary Information
For the Year ended June 30, 2021

Changes of Benefit Terms

The following changes to the plan provisions were made as identified:

2017:

Increase in SRS Employee and Employer Contributions, effective July 1, 2017:

- SRS employee contributions increase 1.25% from 9.245% to 10.495%;
- SRS employer additional contributions increase 3%, from 0.58% to 3.58%, for a total employer contributions rate of 13.115%.
- SRS employee contributions will return to 9.245% and SRS employer contributions will return to 9.535% when reducing the employee contribution and terminating the additional employer contributions will not cause the amortization period to exceed 25 years.

Second Retirement Benefit – for SRS

- Applies to retirement system members who return on or after July 1, 2017 to active service covered by the system from which they retired.
- If the member works more than 480 hours in a calendar year and accumulates less than 5 years of service credit before terminating again, the member:
 - Is not awarded service credit for the period of reemployment;
 - Is refunded the accumulated contributions associated with the period of reemployment;
 - Starting the first month following termination of service, receives the same retirement benefit previously paid to the member; and
 - Does not accrue post-retirement benefit adjustments during the term of reemployment but receives a Guaranteed Annual Benefit Adjustment (GABA) in January immediately following second retirement.
- If the member works more than 480 hours in a calendar year and accumulates at least 5 years of service credit before terminating again, the member:
 - Is awarded service credit for the period of reemployment;
 - Starting the first month following termination of service, receives:
 - The same retirement benefit previously paid to the member, and
 - A second retirement benefit for the period of reemployment calculated based on the laws in effect as of the member's rehire date; and
 - Does not accrue post-retirement benefit adjustments during the term of reemployment but receives a GABA:
 - On the initial retirement benefit in January immediately following second retirement, and
 - On the second retirement benefit starting in January after receiving that benefit for at least 12 months.
- A member who returns to covered service is not eligible for a disability benefit.

YELLOWSTONE COUNTY
Sheriffs' Retirement System (SRS)
Notes to the Required Supplementary Information
For the Year ended June 30, 2021

Refunds

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- Terminating members with accumulated contributions between \$200 and \$1,000 who wish to rollover their refund must do so within 90 days of termination of service.
- Trusts, estates, and charitable organizations listed as beneficiaries are entitled to receive only a lump-sum payment.

Interest credited to member accounts

- Effective July 1, 2017, the interest rate credited to member accounts increased from 0.25% to 0.77%.

Lump-sum payouts

- Effective July 1, 2017, lump-sum payouts in all systems are limited to the member's accumulated contributions rate than the present value of the member's benefit.

Changes in Actuarial Assumptions and Methods

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General Wage Growth*	3.50%
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Merit salary increase	0% to 6.30%
Asset valuation method	Four-year smoothed market
Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of pay, open
Mortality (Healthy members)	For Males and Females: RP 2000 Combined Employee and Annuitant Mortality Table projected to 2020 using Scale BB, males set back 1 year
Mortality (Disabled members)	For Males and Females: RP 2000 Combined Mortality Table
Admin Expense as % of Payroll	0.16%

Administrative expenses are recognized by an additional amount added to the normal cost contribution rate for the System. This amount varies from year to year based on the prior year's actual administrative expense.