

Yellowstone County, Montana
Notes to the Required Supplementary Information
June 30, 2025
Employee Group Benefits Plan - Other Post Employment Benefits (OPEB)

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS

Last 10 Fiscal Years*										
Total OPEB liability	2025	2024	2023	2022	2021	2020	2019	2018		
Service cost	\$ 207,234	\$ 264,909	\$ 255,951	\$ 322,248	\$ 311,351	\$ 276,654	\$ 268,596	\$ 346,974		
Interest	111,080	104,225	83,540	78,726	129,346	119,109	146,971	138,708		
Plan changes	0	0	0	0	0	0	0	0		
Differences between expected and actual experience	(193,381)	0	(251,155)	0	(263,657)	0	(1,196,409)	0		
Assumption changes	(491,694)	0	(707,118)	0	(456,119)	0	(6,328)	0		
Benefit payments	(142,816)	(119,523)	(137,273)	(130,976)	(162,699)	(113,700)	(166,742)	(161,881)		
Net change in total OPEB liability	\$ (509,577)	\$ 249,611	\$ (756,055)	\$ 269,998	\$ (441,778)	\$ 282,063	\$ (953,912)	\$ 323,801	\$ 0	\$ 0
Total OPEB liability - beginning	2,786,671	2,537,060	3,293,115	3,023,117	3,464,895	3,182,832	4,136,744	3,812,943		
Total OPEB liability - ending	\$ 2,277,094	\$ 2,786,671	\$ 2,537,060	\$ 3,293,115	\$ 3,023,117	\$ 3,464,895	\$ 3,182,832	\$ 4,136,744	\$ 0	\$ 0
Covered-employee payroll	\$ 28,303,630	\$ 24,886,776	\$ 24,045,194	\$ 23,161,321	\$ 22,378,088	\$ 21,694,604	\$ 21,062,722	\$ 20,377,371		
Total OPEB liability as a percentage of covered-employee payroll	8.05%	11.20%	10.55%	14.22%	13.51%	15.97%	15.11%	20.30%	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 2025.

Assumption Changes: *The following assumption changes were made for the fiscal year 2025 reporting period:* The health care trend rates were changed to better anticipate short term and long term medical increases. The withdrawal, retirement, and salary increases were updated. The percentage of future retirees who are expected to stay on one of the County's medical plans post-employment was reduced from 50% to 35%. The discount rate was changed from 3.80% to 4.10%.

Method Changes: There were no method changes for fiscal year 2025.

Yellowstone County, Montana
Notes to the Required Supplementary Information
June 30, 2025
Public Employees Retirement Plan (PERS)

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.

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, Montana
Notes to the Required Supplementary Information
June 30, 2025

Public Employees Retirement Plan (PERS)

Changes in Actuarial Assumptions and Methods

Method and assumptions used in calculations of actuarially determined contributions

Actuarially determined contributions are determined on the valuation date payable in the fiscal year beginning immediately following the valuation date. The following actuarial assumptions and methods were used to determine contribution rates reported for fiscal year ending June 30, 2024, which were based on the results of the June 30, 2023 actuarial valuation:

General wage growth*	3.50%
Investment rate of return*	7.30%, net of pension plan investment and administrative expenses
*Includes inflation at	2.75%
Merit salary increases	0% to 4.80%
Asset valuation method	4-year smoothed market
Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, open
Remaining amortization period	30 years
Mortality	
• Active participants	PUB-2010 General Amount Weighted Employee Mortality projected to 2021 for males and females. Projected generationally using MP-2021.
• Disabled retirees	PUB-2010 General Amount Weighted Disabled Retiree mortality table, projected to 2021, set forward one year for both males and females.
• Contingent survivors	PUB-2010 Amount Weighted Contingent Survivor Mortality projected to 2021 with ages set forward one year for males and females. Projected generationally using MP-2021.
• Healthy retirees	PUB-2010 General Amount Weighted Healthy Retiree Mortality Table projected to 2021, with ages set forward one year and adjusted 104% for males and 103% for females. Projected generationally using MP-2021.

The actuarial assumptions and methods utilized in the June 30, 2023 valuation, were developed in the five-year experience study for the period ending 2021.

Yellowstone County, Montana
Required Supplementary Information
June 30, 2025
Public Employees Retirement Plan (PERS)

**Schedule of Proportionate Share of the Net Pension Liability
For the Last Ten Fiscal Years***

As of measurement date:	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Reporting date:	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Employer's proportion of the Net Pension Liability (percentage)	0.9387%	0.9102%	0.8999%	0.8546%	0.9184%	0.9021%	0.8940%	1.1512%	1.1556%	1.1130%
Employer's Net Pension Liability (amount)	\$22,957,841	\$22,211,605	\$21,397,574	\$15,495,944	\$24,229,612	\$18,857,073	\$18,658,935	\$22,422,029	\$19,683,035	\$15,557,794
State's Net Pension Liability (amount)	\$ 5,974,122	\$ 6,141,430	\$ 6,392,110	\$ 4,567,121	\$ 7,632,276	\$ 6,136,187	\$ 6,245,182	\$ 298,536	\$ 240,504	\$ 191,101
Total	\$28,931,963	\$28,353,035	\$27,789,684	\$20,063,065	\$31,861,888	\$24,993,260	\$24,904,117	\$22,720,565	\$19,923,539	\$15,748,895
Employer's Covered Payroll ¹	\$18,386,474	\$16,921,288	\$15,806,945	\$15,078,524	\$15,409,416	\$14,884,817	\$14,713,099	\$14,281,064	\$13,841,480	\$12,988,499
Employer's Proportionate Share as a percentage of Covered Payroll	124.86%	131.26%	135.37%	102.77%	157.24%	126.69%	126.82%	157.01%	142.20%	119.78%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	74.77%	73.93%	73.66%	79.91%	68.90%	73.85%	73.47%	73.75%	74.71%	78.40%

*The amounts presented for each fiscal year were determined as of June 30, the measurement date.

¹All employer adjustments made in fiscal year 2020 but are adjusting a payroll with a pay date in a prior fiscal year, are considered prior year adjustments and are removed from the covered payroll report before the actuary calculates the employers proportionate share.

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

As of reporting date:	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required DB contributions	\$ 1,762,895	\$ 1,675,810	\$ 1,530,540	\$ 1,406,436	\$ 1,337,763	\$ 1,350,069	\$ 1,280,196	\$ 1,245,279	\$ 1,195,367	\$ 1,156,947
Plan choice rate required contributions	0	0	0	0	0	0	0	0	0	\$ 33,765
Contributions in relation to the contractually required contributions	\$ 1,762,895	\$ 1,675,810	\$ 1,530,540	\$ 1,406,436	\$ 1,337,763	\$ 1,350,069	\$ 1,280,196	\$ 1,245,279	\$ 1,195,367	\$ 1,190,712
Contribution deficiency (excess)	0	0	0	0	0	0	0	0	0	0
Employer's covered payroll ¹	\$19,436,566	\$18,386,474	\$16,921,288	\$15,806,945	\$15,078,524	\$15,409,416	\$14,884,817	\$14,713,099	\$14,281,064	\$13,841,480
Contributions as a percentage of covered payroll	9.07%	9.11%	9.05%	8.90%	8.87%	8.76%	8.60%	8.46%	8.37%	8.60%

*The amounts presented for each fiscal year were determined as of June 30, the most recent fiscal year end.

¹All employer adjustments made in fiscal year 2020 but are adjusting a payroll with a pay date in a prior fiscal year, are considered prior year adjustments and are removed from the covered payroll report before the actuary calculates the employers proportionate share.

Yellowstone County, Montana
Notes to the Required Supplementary Information
June 30, 2025
Sheriffs' Retirement System (SRS)

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 increased 1.25% from 9.245% to 10.495%;
- SRS employer additional contributions increased 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, Montana
Notes to the Required Supplementary Information
June 30, 2025
Sheriffs' Retirement System (SRS)

Refund

- Terminating members eligible to retire may, in lieu of receiving a monthly retirement benefit, refund their accumulated contributions in a lump sum.
- 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.

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.

2023:

Retirement eligibility

- Effective July 1, 2023, the retirement eligibility criteria in SRS for new hires first entering the system changes from 20 years of service at any age to age 50 and 20 years of service. This change had no impact on the TPL.

2024:

Employer contribution rate

- Effective July 1, 2024, contribution rates are actuarially determined based on the funding valuation one year prior.

Changes in Actuarial Assumptions and Methods

Method and assumptions used in calculations of actuarially determined contributions

Actuarially determined contributions are determined on the valuation date payable in the fiscal year beginning immediately following the valuation date. The following actuarial assumptions and methods were used to determine contribution rates reported for fiscal year ending June 30, 2024, which were based on the results of the June 30, 2023 actuarial valuation:

General wage growth*	3.50%
Investment rate of return*	7.30%, net of pension plan investment and administrative expenses
*Includes inflation at	2.75%
Merit salary increase	0% to 6.40%
Asset valuation method	Four-year smoothed market
Actuarial cost method	Entry age normal
Amortization method	Level percentage of pay, open
Mortality	
<ul style="list-style-type: none"> • Active participants 	PUB-2010 Safety Amount Weighted Employee Mortality projected to 2021 for males and females. Projected generationally using MP-2021.

Yellowstone County, Montana
Notes to the Required Supplementary Information
June 30, 2025
Sheriffs' Retirement System (SRS)

<ul style="list-style-type: none"> • Healthy retirees 	PUB-2010 Safety Amount Weighted Healthy Retiree Mortality table projected to 2021, set forward one year and adjusted 105% for males and 100% for females. Projected generationally using MP-2021.
<ul style="list-style-type: none"> • Disabled retirees 	PUB-2010 Safety Amount Weighted Disabled Retiree Mortality table, projected to 2021, set forward one year for males.
<ul style="list-style-type: none"> • Contingent survivor 	PUB-2010 Amount Weighted Contingent Survivor Mortality projected to 2021, set forward one year for males. Projected generationally using MP-2021.

The actuarial assumptions and methods utilized in the June 30, 2023 valuation, were developed in the five-year experience study for the period ending 2021.

Yellowstone County, Montana
Required Supplementary Information
June 30, 2025
Sheriffs' Retirement System (SRS)

**Schedule of Proportionate Share of the Net Pension Liability
For the Last Ten Fiscal Years***

As of measurement date:	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Reporting date:	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Employer's proportion of the Net Pension Liability (percentage)	9.4512%	9.3292%	9.6373%	9.6375%	9.8856%	9.6310%	9.3066%	9.2678%	9.2763%	9.2021%
Employer's Net Pension Liability (amount)	\$11,592,026	\$13,713,241	\$13,195,768	\$ 7,019,944	\$12,049,206	\$ 8,032,017	\$ 6,995,916	\$ 7,052,513	\$16,296,484	\$ 8,870,691
Total	\$11,592,026	\$13,713,241	\$13,195,768	\$ 7,019,944	\$12,049,206	\$ 8,032,017	\$ 6,995,916	\$ 7,052,513	\$16,296,484	\$ 8,870,691

Employer's Covered Payroll ¹	\$10,486,235	\$ 9,557,891	\$ 9,288,469	\$ 8,758,757	\$ 8,393,682	\$ 7,731,711	\$ 7,220,726	\$ 6,934,156	\$ 6,548,480	\$ 6,261,595
Employer's Proportionate Share as a percentage of Covered Payroll	110.55%	143.48%	142.07%	80.15%	143.55%	103.88%	96.89%	101.71%	248.86%	141.67%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	82.12%	77.09%	77.07%	86.94%	75.92%	81.89%	82.68%	81.30%	63.00%	75.40%

*The amounts presented for each fiscal year were determined as of June 30, the measurement date.

¹All employer adjustments made in fiscal year 2020 but are adjusting a payroll with a pay date in a prior fiscal year, are considered prior year adjustments and are removed from the covered payroll report before the actuary calculates the employers proportionate share.

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

As of reporting date:	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contributions	\$ 1,424,013	\$ 1,393,434	\$ 1,257,806	\$ 1,224,268	\$ 1,146,568	\$ 1,104,738	\$ 1,018,240	\$ 964,733	\$ 701,390	\$ 678,720
Contributions in relation to the contractually required contributions	\$ 1,424,013	\$ 3,926,353	\$ 1,257,806	\$ 1,224,268	\$ 1,146,568	\$ 1,104,738	\$ 1,018,240	\$ 964,733	\$ 701,390	\$ 678,720
Contribution deficiency (excess)	0	(2,532,918)	0	0	0	0	0	0	0	0
Employer's covered payroll ¹	\$10,857,917	\$10,486,235	\$ 9,557,891	\$ 9,288,469	\$ 8,758,757	\$ 8,393,682	\$ 7,731,711	\$ 7,220,726	\$ 6,934,156	\$ 6,548,480
Contributions as a percentage of covered payroll	13.11%	37.44%	13.16%	13.18%	13.09%	13.16%	13.17%	13.36%	10.12%	10.36%

*The amounts presented for each fiscal year were determined as of June 30, the most recent fiscal year end.

¹All employer adjustments made in fiscal year 2020 but are adjusting a payroll with a pay date in a prior fiscal year, are considered prior year adjustments and are removed from the covered payroll report before the actuary calculates the employers proportionate share.