Public Employees' Retirement Board

A Component Unit of the State of Montana

Volunteer Firefighters' Compensation Act (VFCA)

for the Year Ended June 30, 2026

GASB 68 Multiple Employer Report
Schedule of Pension Amounts

		Measurement Date 6/30/2025
Total Pension Liability	$	58,879,354
Plan Fiduciary Net Position		60,398,828
Net Pension Liability	$	(1,519,474)
Deferred Outflows	$	-
Deferred Inflows		342,732
Net Impact on Statement of Net Position	$	(1,176,742)
Contributions - Non-Employer	$	3,910,471
Covered Payroll	$	-
State's Pension Expense ($ Amount)	$	5,449,902
State's Pension Expense (% of Covered Payroll)*		N/A
Discount Rate		7.30%

*Covered payroll is not applicable to VFCA because members are unpaid volunteers.

The Notes are an integral part of this schedule

Public Employees' Retirement Board (PERB)

A Component Unit of the State of Montana

Volunteer Firefighters' Compensation Act (VFCA)

Notes to the Non-Employer Contributing Entity

June 30, 2026

The Schedule of Pension Amounts provides the required information under Governmental Accounting Standards Board (GASB) Statement 68 for the VFCA Multiple-Employer, Cost Sharing Plan (the Plan). The State of Montana, as a non-employer, is the only contributor to the Plan and should use this information along with the State's fiscal year (FY) 2026 contribution data to prepare its financial reports in accordance with GASB Statement 68.

GASB Statement 68 allows a measurement date of up to 12 months before the employer's fiscal year-end. The information provided with this report is for the State as a non-employer contributing entity using a June 30, 2025 measurement date for the 2026 reporting. If an employer's fiscal year end is after June 30th, the employer will not use the measurements shown in this report but will need to wait for the measurement date as of June 30, 2026.

The Total Pension Liability (TPL), Fiduciary Net Position (FNP), Net Pension Liability (NPL) and certain sensitivity information in the GASB 68 Plan Reports are based on an actuarial valuation performed by the Plan's actuary as of June 30, 2025.

Under the direction and oversight of the Public Employees' Retirement Board (PERB), CavMac Actuarial Consulting Services prepared the GASB 68 Report and calculated the total pension liability; however, responsibility for the data remains with the Montana Public Employee Retirement Administration (MPERA) management, staff of the PERB. The Schedule of Pension Amounts was extracted from the GASB 68 Report.

The financial statements of the PERB *Annual Comprehensive Financial Report* (ACFR) and the GASB 68 Report disclose the Plan's fiduciary net position. Both reports are available on the MPERA website at: https://mpera.mt.gov/about/annualreports1/annualreports.

Assumptions

The calculations in the GASB 68 Report used the same facts and assumptions found in the FY2025 VFCA Actuary Valuation report. The Summary of Results for the pension plan which includes financial statement information and membership information; Actuarial Procedures and Methods; and Summary of Benefit Provisions are contained in the report. The Actuary Valuation report may be viewed on MPERA's website at: https://mpera.mt.gov/about/annualreports1/valuations.

Contributions

State law defines contributions to the Plan as a proportion of insurance proceeds. The State Auditor makes annual payments from the General fund to the Plan. The State of Montana is the only contributor to VFCA; there are no employer or employee contributions to the plan.

Special Funding

A *special funding* situation exists in which the State, as the non-employer contributing entity, is legally responsible to make contributions directly to the Plan. Due to the *special funding* and in accordance with GASB Statement 68, paragraphs 92 and 98, the employers reported their proportion of the net pension liability as zero percent and the State reported 100% of the net pension liability associated with the non-State volunteer employees.

Schedule of Pension Amounts

The schedule on page 1 provides the total pension liability, the plan fiduciary net position, the net pension liability, and the actual contributions during the measurement period. The State of Montana, as the non-employer contributing entity, is required to record a liability equal to the net pension liability; the deferred outflows and deferred inflows; total pension expense; and employer contributions.

Deferred Outflows and Deferred Inflows are presented in the schedule on page 1. Since the amortization of certain expense items are over closed periods each year, the deferred portions of these items must be tracked annually. If they increased pension expense, they are labeled deferred outflows. If the amounts reduced pension expense, they are labeled deferred inflows. The amortization of amounts is calculated on a level dollar basis, with no interest included in the deferred amounts. The deferred outflows are not inclusive of the non-employer contributions subsequent to the measurement date. The non-employer must obtain and enter this information for FY2026 reporting.

Gains, Losses and Assumption Changes

The experience gains or losses are the portion of current year changes in total pension liability due to actual versus expected experience for the year. The portion to recognize in the current year was determined by spreading the total change, including any assumption change impacts, over the average expected remaining service life of the entire Plan membership. The average expected remaining service life was estimated at one year. Investment gains and losses are recognized over five years.

For FY2026 reporting, there was a total actuarial experience loss. This total loss is a result of the change in the benefits. There have been no contribution, or assumption and method changes since the previous valuation.

The benefit change since the previous valuation:

- Effective July 1, 2025, there was an increase to the full pension benefit multiplier from $8.75 per month per year of service up to 20 years to $10 per month per year of service. Resulting in an increase in the monthly base pension benefit from $175 per month to $200 per month for all eligible members.

The assumptions and methods utilized in the June 30, 2025 valuation, were developed in the five-year experience study for the period ending June 30, 2021.

Employer Notes and Disclosures

As required by GASB Statement 68, the information on page 1 is for the employer's use in their notes and required supplementary information disclosures. The Schedule of Pension Amounts discloses the Total Pension Liability for June 30, 2025; Plan Fiduciary Net Position; Net Pension Liability; Deferred Outflows and Deferred Inflows; and Net Impact on the Statement of Net Position. Other information provided includes the Non-Employer Contributions; the Covered Payroll; Pension Expense; Pension Expense as a Percent of Covered Payroll; and the Discount rate.