

Fiscal Note Request - As Introduced

(continued)

Other	\$0	\$0	\$0	\$0
Revenues				
General Fund (01)	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0
Pension Trust Fund	\$365,237	\$377,107	\$389,363	\$402,017
Net Impact	<u>(\$365,237)</u>	<u>(\$377,107)</u>	<u>(\$389,363)</u>	<u>(\$402,017)</u>
General Fund Balance				

Description of fiscal impact

HB 640 revises participation in the Firefighters' Retirement System to include airport authority public safety employees.

FISCAL ANALYSIS

Assumptions

Public Employees Retirement Board

1. HB 640 adds a "Public safety officer" definition under 19-13-104, MCA, as "a person employed both as a full-paid firefighter and a sworn peace officer position by an airport authority employer."
2. Under 19-13-604, MCA the state shall make contributions from the general fund each fiscal year to the Firefighters Retirement System (FURS) in the amount of 32.61% of compensation paid to members.
3. Based on the most recent FURS valuation dated 6/30/2024 the average annual salary was \$86,155.
4. State contribution of 32.61% of covered payroll would be a cost of \$28,095 per new member ($\$86,155 \times 32.61\% = \$28,095$).
5. Assumptions anticipate only 13 new members would participate. Should more members join the impact to the general fund would increase.
6. Payroll is assumed to grow by 3.25% each year.
7. If all assumptions are met there will be no actuarial impact to the system.
8. The bill is effective July 1, 2025.

Fiscal Analysis Table

Public Employees Retirement Board

	FY 2026 Difference	FY 2027 Difference	FY 2028 Difference	FY 2029 Difference
Fiscal Impact				
Expenditures				
Benefits	\$365,237	\$377,107	\$389,363	\$402,017
TOTAL Expenditures	<u>\$365,237</u>	<u>\$377,107</u>	<u>\$389,363</u>	<u>\$402,017</u>
Funding of Expenditures				
General Fund (01)	\$365,237	\$377,107	\$389,363	\$402,017
TOTAL Funding of Expenditures	<u>\$365,237</u>	<u>\$377,107</u>	<u>\$389,363</u>	<u>\$402,017</u>
Revenues				
Other	\$0	\$0	\$0	\$0
Pension Trust Fund	\$365,237	\$377,107	\$389,363	\$402,017
TOTAL Revenues	<u>\$365,237</u>	<u>\$377,107</u>	<u>\$389,363</u>	<u>\$402,017</u>

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Net Impact to Fund Balance (Revenue minus Funding of Expenditures)

General Fund (01)	(\$365,237)	(\$377,107)	(\$389,363)	(\$402,017)
Other	\$0	\$0	\$0	\$0
Pension Trust Fund	<u>\$365,237</u>	<u>\$377,107</u>	<u>\$389,363</u>	<u>\$402,017</u>



Sponsor's Initials

2-26-25

Date



Budget Director's Initials

2/26/2025

Date