

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1731-01  
Bill No.: Perfected SB 401  
Subject: Retirement Systems and Benefits - General  
Type: Original  
Date: March 31, 2005

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 4 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>
<b>Local Government*</b>	<b>\$0</b>	<b>(Unknown)</b>	<b>(Unknown)</b>

**\* This proposal will increase the St. Louis Police Retirement System's Unfunded Actuarial Accrued Liability (UAAL) and will result in an increase in employer contributions.**

**FISCAL ANALYSIS**

**ASSUMPTION**

The **Joint Committee on Public Employee Retirement (JCPER)** has reviewed this proposal and has determined an actuarial study is not needed under the provisions of section 105.660, subdivision (5).

However, provisions contained in this proposal will increase the St. Louis Police Retirement System's Unfunded Actuarial Accrued Liability (UAAL) and will result in an increase in annual employer contributions.

Officials with the **Kansas City Police Retirement System, St. Louis Metro Police Department, St. Louis Police Retirement System** and **County Employees Retirement System** assume no fiscal impact to their agency.

Officials with the **City of St. Louis** assume this proposal would increase the annual cost to the City however, without an actuarial cost study one cannot properly estimate the cost.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
	\$0	\$0	\$0

<u>FISCAL IMPACT - Local Government*</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
<u>Costs - City of St. Louis</u>	<u>\$0</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

**\* This proposal will increase the St. Louis Police Retirement System's Unfunded Actuarial Accrued Liability (UAAL) and will result in an increase in employer contributions.**

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION


This act removes a provision that limited increased allowances in the computation of a member's average final compensation as to various benefits throughout the system to a total of three children. This act also no longer requires that the ordinary disability retirement allowance not exceed seventy percent of the member's average final compensation. Finally, a benefit paid to the surviving spouse will now consist of an amount equal to the officer's then current benefit for a period of one year and thereafter for forty percent of the deceased member's average final compensation.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

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SOURCES OF INFORMATION

Joint Committee on Public Employee Retirement  
County Employees Retirement System  
Kansas City Police Retirement System  
St. Louis Metro Police Department  
St. Louis Police Retirement System



Mickey Wilson, CPA  
Director  
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