

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4401-01
Bill No.: SB 850
Subject: Courts; Courts, Juvenile; Retirement Systems and Benefits - General
Type: Original
Date: February 3, 2006

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Local Government	\$0	(Unknown)	(Unknown)

***This proposal will increase the County Employees' Retirement Fund Unfunded Actuarial Accrued Liability (UAAL) and will result in an increase in employer contributions.**

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Joint Committee on Public Employee Retirement (JCPER)** indicate that such legislation is a "substantial proposed change" in future plan benefits as defined in Section 105.660(5), Therefore, an actuarial cost statement as defined in Section 105.665 must be provided prior to final action on this legislation by either legislative body or committee thereof.

Pursuant to Section 105.670, this actuarial cost statement must be filed with 1) the Chief Clerk of the Missouri House of Representatives, 2) the Secretary of the Senate and 3) the Joint Committee on Public Employee Retirement (JCPER) as public information for at least (5) legislative days before final passage of the bill.

An actuarial cost statement has not been received by JCPER. It is impossible to accurately to determine the fiscal impact of the proposed legislation.

Officials from the **Missouri State Employees Retirement System** and **Office of State Courts Administrator** assume no fiscal impact to their agency.

ASSUMPTION (continued)

Officials from the **County Employees' Retirement System** assume this proposal will generate additional costs for the actuarially required funding of pensions for approximately 425 juvenile court employees who would enter the system.

<u>FISCAL IMPACT - State Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
<u>Costs - County Employees' Retirement Fund</u>	<u>\$0</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

***This proposal will increase the County Employees' Retirement Fund 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 changes the definition of "employee," for purposes of the county employee's retirement fund, to include any juvenile court employee, employed as such on or after July 1, 1999, located in any judicial circuit comprised of a single county of the first classification without a charter form of government, if the person was employed as such on or after July 1, 1999.

This act also changes the definition of "county retirement plan," as it is defined in the section which governs compensation of juvenile court employees, to include the county employees' retirement system, and eliminates other provisions which exclude juvenile court employees from the fund.

DESCRIPTION (continued)

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

SOURCES OF INFORMATION

Joint Committee on Public Employee Retirement
Office of State Court Administrator
Missouri State Employees Retirement System
County Employees Retirement System



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