

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1396-02
Bill No.: SCS for SB 270
Subject: Education, Elementary and Secondary; Boards, Commissions, Committees, Councils; Kansas City; St. Louis; Retirement - Schools
Type: Original
Date: March 5, 2015

Bill Summary: This proposal adds a charter school teacher or administrator as an additional member on the board of trustees of both the Kansas City and St. Louis Public School Retirement Systems.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
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 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Joint Committee on Public Retirement** state that this legislation would not create a substantial proposed change in future plan benefits as defined in Section 105.660(10).

In response to a previous version of this proposal, officials from the **Public School Retirement System of the City of St. Louis (PSRS-STL)** assumed the proposal mandates that the number of members on the Board of Trustees be increased from eleven members to twelve members by adding a trustee employed as a teacher or administrator at a charter school to be elected for a term of four years by the members of the retirement system.

PSRS-STL state that the current cost to run an election for the five administrator/teacher/non-teacher positions is nearly \$14,000 per election. If a solicitation of nominations does not result in more than one nominee, the PSRS-STL rules require another mailing to go out to attempt to solicit another nominee. The second mailing costs approximately \$3,000. This cost of \$14,000 - \$17,000 per election approximates a yearly benefit for many PSRS-STL beneficiaries.

PSRS-STL believes that the proposal constitutes added costs for the additional election.

Oversight assumes that because PSRS-STL is not a political subdivision there will be no fiscal impact from this proposal.

Officials from the **Public School Retirement System of the City of Kansas City** assume the current proposal would not fiscally impact their agency.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

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

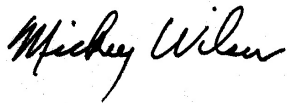
FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

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

Public School Retirement System of the City of St. Louis
Joint Committee on Public Retirement
Public School Retirement System of the City of Kansas City



Mickey Wilson, CPA
Director
March 5, 2015

Ross Strobe
Assistant Director
March 5, 2015