

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5597-01  
Bill No.: SB 902  
Subject: Retirement - Local Government; Retirement Systems and Benefits - General;  
Retirement - State; Saint Louis City; Fire Protection  
Type: Original  
Date: February 6, 2018

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Bill Summary: This proposal allows the Fireman's Retirement System of the City of St. Louis to form agreements with other public retirement systems so that members may transfer creditable service.

**FISCAL SUMMARY**

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
<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 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☐ 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 2019	FY 2020	FY 2021
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## **FISCAL ANALYSIS**

### **ASSUMPTION**

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

Officials from the **Missouri State Employee's Retirement System** assume the provisions of SB 902 (5597-01) would, if enacted, allow the St. Louis Firemen's Retirement System board of trustees to enter into cooperative agreements with other public retirement systems in Missouri to allow members to transfer creditable service between the retirement systems.

It is assumed this proposal would not have a fiscal impact on MOSERS. The permissive nature of the proposal would not require the MOSERS board of trustees to participate in such an agreement. Should the MOSERS board of trustees elect to enter into a cooperative agreement relative to this proposal, it would only do so to the extent that the system would not experience any losses as a result of service transfers.

Officials from the **Public School & Education Employee Retirement System of Missouri (PSRS/PEERS)** assume this legislation allows the Firemen's Retirement System of the City of St. Louis to form cooperative agreements with other public retirement systems in the state to allow members to transfer creditable service between the retirement systems.

The transfer of creditable service shall be in accordance with the provisions of section 105.691, RSMo and the policies and procedures established by the board of trustees. A cooperative transfer agreement between both systems is required. PSRS/PEERS currently have signed transfer agreements with: Kansas City Employees' Retirement System, MPERS, LAGERS, MOSERS, and KC PSRS.

As currently drafted this bill has no substantial fiscal or operational impact on PSRS or PEERS of Missouri.

Officials from the **Kansas City Public School Retirement System (KCPSRS)** assume this proposal would have no known fiscal impact on the Kansas City Public School Retirement System. Should KCPSRS form such agreement with the Fireman's Retirement System of the City of St. Louis, KCPSRS would ensure such agreement stipulated the appropriate actuarial value of any exchange of service.

ASSUMPTION (continued)

Officials from the **MoDOT & Patrol Employees' Retirement System**, the **Missouri Local Government Employees Retirement System**, the **County Employees' Retirement Fund** the **Prosecuting and Circuit Attorney's Retirement System**, the **Sheriffs' Retirement System**, the **Police Retirement System of St. Louis** and the **Office of Administration - Accounting Division** each assume the proposal will have no fiscal impact on their respective organizations.

Officials from the **Department of Transportation** defer to the MoDOT & Patrol Employees' Retirement System to estimate the fiscal impact of the proposed legislation on their organization.

Officials from the **Fireman's Retirement System of the City of St. Louis** and the **Kansas City Police Retirement System** did not respond to **Oversights** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
	<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

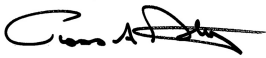
The proposed legislation appears to have no direct fiscal impact.

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

Joint Committee on Public Retirement  
Missouri State Employee's Retirement System  
Public School & Education Employee Retirement System of Missouri  
Kansas City Public School Retirement System  
MoDOT & Patrol Employees' Retirement System  
Missouri Local Government Employees Retirement System  
County Employees' Retirement Fund  
Prosecuting and Circuit Attorney's Retirement System  
Sheriffs' Retirement System  
Police Retirement System of St. Louis  
Office of Administration  
Department of Transportation

Ross Strope



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February 6, 2018