

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 4240-01
BILL NO.: SB 922
SUBJECT: Firemen's Retirement System of St. Louis
TYPE: Original
DATE: February 18, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
City of St. Louis	\$0	(\$600,000)	(\$600,000)

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Joint Committee on Public Employee Retirement** have reviewed this proposal and have determined that it represents a “substantial proposed change” in future plan benefits as defined in section 105.660(5), RSMo. Therefore, an actuarial cost statement must be provided prior to final action on this legislation by either legislative body or committee thereof.

Officials of the **Office of Administration** assume fiscal impact would be determined by the Firemen’s Retirement System of St. Louis.

Officials of the **Firemen’s Retirement System of St. Louis** obtained an actuarial analysis which indicates that the cost of raising the minimum benefit for retirees and widows to 100% and 75% of the federal poverty level, respectively, would increase the system’s unfunded accrued actuarial liabilities and increase the contributions by the City of St. Louis by \$600,000 annually.

	FY 2001 (10 Mo.)	FY 2002	FY 2003
<u>FISCAL IMPACT - State Government</u>	\$0	\$0	\$0
	FY 2001 (10 Mo.)	FY 2002	FY 2003
<u>FISCAL IMPACT - Local Government</u>			

CITY OF ST. LOUIS

<u>Costs</u> - increased contributions to Firemen’s Retirement System	<u>\$0</u>	<u>(\$600,000)</u>	<u>(\$600,000)</u>
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FISCAL IMPACT - Small Business

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

DESCRIPTION

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The proposal would change the minimum benefit for retirees and widows under the Firemen's Retirement System of St. Louis to 100% and 75% of the federal poverty level, respectively.

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 Administration
Firemen's Retirement System of St. Louis



Jeanne Jarrett, CPA
Director
February 18, 2000