

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1209-01  
Bill No.: Perfected SB 274  
Subject: Boards, Commissions, Counties, Councils; Counties; County Government;  
County Officials; Retirement–Local Government; Retirement System and  
Benefits–General  
Type: Original  
Date: February 21, 2001

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None	\$0	\$0	\$0
<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>			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 3 pages.

## FISCAL ANALYSIS

### ASSUMPTION

Officials with the **County Employees Retirement Fund (CERF)** assume the proposal will have no fiscal impact to their system.

Officials with the **Missouri Local Government Employees Retirement System** assume the proposal will not have any fiscal affect on their system.

The **Joint Committee on Public Employee Retirement** indicates that the legislation proposed is not a “substantial proposed change” in future plan benefits, and that no actuarial cost statement is required. The **Office of Administration** assumes there would be no fiscal impact due to the proposal, but note that CERF would determine any possible cost.

**Oversight** notes that the legislation states “a county shall be entitled to make matching contributions to defined contribution accounts”, but no requirement is created. Therefore, no fiscal impact is assumed.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	<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.

### DESCRIPTION

This act allows counties to make matching contributions to the County Employees' Retirement Fund for members employed by such county. Currently, only the Board may make matching contributions.

This act also allows proceeds from a forfeiture acquired from a county's matching contribution to continue to be used toward that county's matching contributions. A forfeiture is the portion of a

DESCRIPTION (continued)

member's contribution account that is forfeited when a member of the County Employees' Retirement Fund has less than five years of creditable service and leaves employment.

This act has an effective date of January 1, 2002. 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

County Employees Retirement Fund  
Missouri Local Government Employees Retirement System  
Office of Administration  
Joint Committee on Public Employee Retirement



Jeanne Jarrett, CPA  
Director  
February 21, 2001