

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. NO.: 3415-01  
BILL NO.: HB 1740  
SUBJECT: Retirement: St. Louis Police  
TYPE: Original  
DATE: February 8, 2000

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
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 2001	FY 2002	FY 2003
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 2001	FY 2002	FY 2003
<b>City of St. Louis</b>	<b>\$0</b>	<b>(\$1,500,000)</b>	<b>(\$1,500,000)</b>

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 any fiscal impact would be determined by the St. Louis Police Retirement System.

According to an actuarial analysis obtained by the **St. Louis Police Retirement System**, the total cost of the proposal would be \$13 million, representing a decrease in the surplus of the system and requiring an increase in the contributions by the City of St. Louis totaling \$1.5 million annually. Costs are reflected for the City beginning in FY 2002.

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

**CITY OF ST. LOUIS**

Costs - increased contributions to St. Louis Police Retirement System

<u>\$0</u>	<u>(\$1,500,000)</u>	<u>(\$1,500,000)</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**

PLH:LR:OD:005 (9-94)

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The proposal would increase certain monthly benefits of retirees in the St. Louis Police Retirement System from \$10 to \$20 multiplied by the number of years the retiree is past age 60.

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  
St. Louis Police Retirement System



Jeanne Jarrett, CPA  
Director  
February 8, 2000