

FISCAL NOTE

Bill #: HB0491

Title: Minimum benefit increase for municipal police officers retirement

Primary Sponsor: Joe Tropila

Status: As Introduced

Sponsor signature Date

Chuck Swysgood, Budget Director Date

Fiscal Summary

	<u>FY2002</u> <u>Difference</u>	<u>FY2003</u> <u>Difference</u>
Expenditures:		
Other (Municipal Police Retirement Trust fund)	\$661,431	\$693,841
Revenues:	0	0
Net Impact on General Fund Balance:	0	0

<u>Yes</u>	<u>No</u> X		<u>Yes</u>	<u>No</u> X	
		Significant Local Gov. Impact			Technical Concerns
	X	Included in the Executive Budget	X		Significant Long-Term Impacts
	X	Dedicated Revenue Form Attached	X		Family Impact Form Attached

Fiscal Analysis

ASSUMPTIONS:

1. This is the only provision being considered. If other provisions are enacted, the cost associated with this provision may be different.
2. Salaries for police officers at 10 years of service increase at a rate of 4.9 percent per year.
3. This legislation will increase the normal cost of the MPORS from 23.52 to 24.07 percent, increase the unfunded liability by 2.48 years, and will require a total of \$9.3 million to pay for this benefit

FISCAL IMPACT:

	<u>FY2002</u> <u>Difference</u>	<u>FY2003</u> <u>Difference</u>
<u>Expenditures:</u>		
Benefits	\$661,431	\$693,841
<u>Funding:</u>		
Other (Municipal Police Retirement Trust fund)	\$661,431	\$693,841
<u>Net Impact to Fund Balance (Revenue minus Expenditure):</u>		
Other (Municipal Police Retirement Trust fund)	(\$661,431)	(\$693,841)

LONG-RANGE IMPACTS:

The cost for this legislation will continue to increase at a rate of about 4.9% for at least the next ten years.