

# FISCAL NOTE

**Bill #:** HB0602

**Title:** Certain employers may participate in Firefighters' Unified Retirement System

**Primary Sponsor:** James Whitaker

**Status:** As Introduced

Sponsor signature	Date	Chuck Swysgood, Budget Director	Date
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## Fiscal Summary

	<b><u>FY2002 Difference</u></b>	<b><u>FY2003 Difference</u></b>
<b>Expenditures:</b>		
General Fund	53,345	109,090
<b>Revenues:</b>	0	0
<b>Net Impact on General Fund Balance:</b>	(\$53,345)	(\$109,090)

<b><u>Yes</u></b>	<b><u>No</u></b>		<b><u>Yes</u></b>	<b><u>No</u></b>	
X		Significant Local Gov. Impact	X		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. Currently, about 64 firefighters work for eligible agencies. This legislation will affect only those firefighters hired after the effective date the agency elects to join the Firefighter's Unified Retirement System (FURS). Assuming a turnover of about 10 percent, this would be six people per year.
3. The average annual salary for a newly hired firefighter is \$27,264 and salaries will increase by 4.5 percent per year.

FISCAL IMPACT:

	<u>FY2002</u> <u>Difference</u>	<u>FY2003</u> <u>Difference</u>
<u>Expenditures:</u>		
Personal services	\$53,345	\$109,090
<u>Funding:</u>		
General Fund (01)	\$53,345	\$109,090
<u>Net Impact to Fund Balance (Revenue minus Expenditure):</u>		
General Fund (01)	(\$53,354)	(\$109,090)

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

Local government contributions will increase from 6.9% of payroll to 14.36% of salary for each firefighter who becomes a member of FURS. Employers currently paying social security for their firefighters will not be exempt from social security if they become members of FURS.

LONG-RANGE IMPACTS:

The state and local government contributions will increase steadily with turnover until the entire department is under FURS.