



**Fiscal Note Request HB0152, As Introduced**  
 (continued)

FISCAL IMPACT:

	<u>FY 2006</u> <u>Difference</u>	<u>FY 2007</u> <u>Difference</u>
<u>Expenditures:</u>		
Benefits (Firefighters' Unified Retirement System)	\$489,600	\$504,288
<u>Funding of Expenditures:</u>		
Other	\$489,600	\$504,288
<u>Revenues:</u>		
Other	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>		
Other (Firefighters' Unified Retirement System)	(\$489,600)	(\$504,288)

LONG-RANGE IMPACTS:

This ad hoc benefit increases the unfunded liability of FURS by \$3,469,000 and extends the number of years to pay off the unfunded liability by 1.1 years or a 6% increase in the number of years of unfunded liability.

Currently the FURS plan has losses from the early part of this decade that have not been included in the actuarial calculations of unfunded liability. These losses will be phased in over the next two years actuarial studies. When these losses are included in the amortization of the plan benefits, it is anticipated that the plan will be out of compliance with the constitutional obligation of the state to maintain these funds in an actuarially sound position.

The actuary for the FURS plan recommends that all new legislative proposals include a provision for funding the entire cost of the proposal. This bill provides no funding to cover the cost of the additional benefits.