

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2014-15</b>		<b>FY 2015-16</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

**Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.**

Beginning November 1, 2014, each governmental subdivision with a defined benefit plan(s) is to submit an annual actuarial report to the Public Employees Retirement Board (PERB) and the Retirement Committee of the Legislature (the Retirement Committee). Currently, governmental subdivisions with a defined benefit plan(s) are to submit a quadrennial actuarial report to PERB.

If the actuarial report of the defined benefit plan(s) shows:

1. Contributions do not equal the actuarial requirements for funding, or
2. The funded ratio is less than 80%

Then, the governmental subdivision is to file a report with the Retirement Committee which includes an analysis of the conditions and a recommendation for the circumstances and timing of any future benefit changes, contribution changes or other corrective action.

To the extent that governmental subdivisions, with defined benefit plans, do not currently prepare annual actuarial reports, there would be an increase in costs. It is estimated that the cost of an actuarial report could range from \$16,000 to \$25,000 based on the cost of an actuarial report of the Judges' and State Patrol Defined Benefit Plans.

Preparation of the report to the Retirement Committee outlining future benefit or contribution changes or other corrective action if the conditions cited above are not met could increase cost. The cost for the preparation of the report should be minimal.

The governmental subdivisions included in LB759 are:

- Natural Resource Districts
- Wyuka Cemetery Board of Trustees
- Omaha – city employees, police officers, firefighters
- Metropolitan Transit Authority
- Metropolitan Utilities District
- Lincoln – city employees, police officers, firefighters
- First class city police officers
- First class city fire fighters
- First class cities, second class cities, and villages
- Counties with a population over 150,000 (Douglas, Lancaster, and Sarpy)
- Medical facilities in counties with a population over 3,600
- Local boards of health