

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2015-16		FY 2016-17	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
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.

LB446 amends the Class V School Employees Retirement Act or the Omaha School Employees' Retirement System (OSERS). LB 446 does the following:

- Changes the definition of compensation for OSERS to mirror the definition of compensation in the School Employees Retirement Act, and
- Adds capping language to the OSERS plan similar to the language included in the School Employees Retirement Plan.

The OSERS plan administrator indicates that the changes to the definition of compensation will have no fiscal impact.

OSERS indicates however, that adding the capping language will increase administrative costs. This is because the proposed changes are not capable of being cost effectively programmed into OSERS benefit calculation software. The changes will require benefit calculations, at the time of retirement, to be manually checked for compliance. OSERS estimates the additional administrative cost to be \$17,500 in FY2016 and \$18,000 in FY2017 based on 500 benefit estimates per year, requiring 250 hours of additional work.

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2015

LB⁽¹⁾ 446

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Omaha School Employees' Retirement System

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Date Prepared: ⁽⁴⁾ 1/22/2015

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ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2015-16</u>		<u>FY 2016-17</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	\$17,500		\$18,000	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Explanation of Estimate:

Section 3 (79-978) will have no fiscal impact.

Section 4 (79-9,100) amendments are not capable of being cost effectively programmed into the benefit calculation software being used by Omaha Public Schools. These amendments will make the annual member statement benefit estimates less reliable and will require benefit calculations at the time of retirement to be manually checked for compliance with these amendments. The above estimates are based on a projection of 500 benefit estimates per year, requiring 250 hours of additional work.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2015-16</u>	<u>2016-17</u>
	<u>15-16</u>	<u>16-17</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				