

**FISCAL NOTE**

**PUBLIC COST**

- I. Department Title: 16-RETIREMENT SYSTEMS**  
**Division Title: 20- Missouri Local Government Employees' Retirement System (LAGERS)**  
**Chapter Title: 4- Actuarial Assumptions**

<b>Rule Number and Name:</b>	16 CSR 20-4.010 Actuarial Assumptions
<b>Type of Rulemaking:</b>	Proposed Amendment

**II. SUMMARY OF FISCAL IMPACT**

Affected Agency or Political Subdivision	Estimated Cost of Compliance in the Aggregate
Political subdivisions participating in the retirement system pursuant to section 70.600-70.755, RSMo.	<p>This proposed rule will not cost state agencies more than five hundred dollars (\$500) in the aggregate.</p> <p>This proposed rule may result in a cost in excess of \$500 to some political subdivisions that participate in the system pursuant to section 70.600-70.755, RSMo. An aggregate estimated cost is indeterminable.</p>

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### III. WORKSHEET

### IV. ASSUMPTIONS

It is assumed that all political subdivisions participating the retirement system remit contributions to the system pursuant to 70.730 RSMo.

It is further assumed that pursuant to 70.730 RSMo, employer contribution rates are recalculated annually based upon financial assumptions adopted by the LAGERS board and the economic and demographic experience of each employer as evaluated by LAGERS' actuary.

It is assumed there are a variety of compounding factors relating to the annual recalculation of employer contribution rates that can produce any number of fiscal impacts to an employer in a valuation cycle.

It is assumed that while *ceteris paribus* the proposed assumptions are expected to produce very slight upward pressure on most employer contribution rates, the proposed assumptions are not the exclusive factors in the calculation of annual cost, and further because experience and subsequently cost is unique to each of the over eight-hundred political subdivision in the system, the estimated aggregate impact is not determinable. Assuming no changes to numerous other factors used to calculate each political subdivision's unique employer contributions rate, the proposed rule may result in no cost, or even a savings, to some political subdivisions in the annual recalculation of each subdivision's contribution rate, while other subdivisions, especially those with larger numbers of employees, may see an increase in excess of \$500 to that subdivision's contribution rate as a result of the proposed rule.