



**OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note**

Fiscal Note On: **HB 163** HLS 21RS 310
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 6, 2021	12:13 PM	Author: BRASS
Dept./Agy.: St. James Parish Sheriff's Office		
Subject: St. James Parish Retired Employees Insurance Fund		Analyst: Brian Nevels

RETIREMENT/SHERIFFS FUND OR INCREASE LF RV See Note Page 1 of 1
 Provides relative to the creation of a retirement fund for retired sheriffs and deputy sheriffs of St. James Parish

Purpose of Bill: This bill creates the St. James Parish Retired Employees Insurance Fund (SJREIF) to pay insurance premiums for eligible retired sheriffs and deputy sheriffs. The SJREIF will be financed by the St. James Parish Sheriff using 1% of the tax revenue received in the Sheriff's general fund each year (or any other monies that the sheriff may contribute). This bill also creates a 5 member investment advisory board to provide general oversight, control, and management of the SJREIF.

EXPENDITURES	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$7,021</u>	<u>\$14,396</u>	<u>\$22,142</u>	<u>\$30,278</u>	<u>\$73,837</u>
Annual Total	\$0	\$7,021	\$14,396	\$22,142	\$30,278	\$73,837

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

An official with the St. James Parish Sheriff's Office indicated that costs for financial and legal advisors should be minimal. Costs for retiree insurance are not expected to change due to this bill because the Sheriff currently pays for retiree insurance. In addition, audit costs are not expected to change nor will board members be compensated for their service. There is no anticipated direct material effect on governmental expenditures as a result of this measure.

REVENUE EXPLANATION

This measure may increase annual local governmental revenue for the St. James Parish Sheriff's Office by \$7,021 starting in 2023, increasing to \$30,278 in 2026.

An official with the St. James Parish Sheriff's Office indicated that the Sheriff's Office plans to deposit 1% of the tax revenue received in the St. James Parish Sheriff's general fund annually (approximately \$140,000). This money, which otherwise would have earned approximately .04% in interest annually in a bank account, will be invested and is expected to grow at 5% annually (an increase of 4.96% in the annual rate of return). This increase in the rate of return is expected to generate an additional \$7,021 annually in investment revenue starting in 2023, increasing to \$30,278 annually by 2026.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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