


**2011 REGULAR SESSION
ACTUARIAL NOTE SB 2**

<p>Senate Bill 2 SLS 11RS-142 Reengrossed with Senate Floor Amendment #1210</p> <p>Author: Senator Elbert L. Guillory Date: May 25, 2011</p> <p>LLA Note SB 2.03</p> <p>Organizations Affected: Registrars of Voters Employees' Retirement System</p> <p>RE NO IMPACT APV</p>	<p>The Note was prepared by the Actuarial Services Department of the Office of the Legislative Auditor.</p> <div style="text-align: center;">  Paul T. Richmond, ASA, MAAA, EA Manager Actuarial Services </div>
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Bill Header: REGISTRAR OF VOTERS RET.: Provides for membership of and election to the board of trustees. (7/1/11)

Cost Summary:

Actuarial Cost/(Savings) to Retirement Systems and OGB	\$0
Total Five Year Fiscal Cost	
Expenditures	\$0
Revenues	\$0

Estimated Actuarial Impact:

The chart below shows the estimated increase/(decrease) in the actuarial value of benefits, if any, attributable to the proposed legislation. Note: it includes the present value cost of fiscal costs associated with benefit changes. It does **not** include present value costs associated with other fiscal concerns.

<u>Actuarial Cost (Savings) to:</u>	<u>Increase (Decrease) in The Actuarial Present Value</u>
All Louisiana public retirement systems	\$0
Other Post Retirement Benefits	\$0
Total	\$0

Estimated Fiscal Impact:

The chart below shows the estimated fiscal impact of the proposed legislation. This represents the effect on cash flows for government entities including the retirement systems and the Office of Group Benefits. Note: it includes the cash flow effect of the benefit changes on the retirement systems, the Office of Group Benefits, as well as other fiscal concerns.

EXPENDITURES	2011-12	2012-13	2013-14	2014-15	2015-16	5 Year Total
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Agy Self Generated	0	0	0	0	0	0
Stat Deds/Other	0	0	0	0	0	0
Federal Funds	0	0	0	0	0	0
Local Funds	0	0	0	0	0	0
Annual Total	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

REVENUES	2011-12	2012-13	2013-14	2014-15	2015-16	5 Year Total
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Agy Self Generated	0	0	0	0	0	0
Stat Deds/Other	0	0	0	0	0	0
Federal Funds	0	0	0	0	0	0
Local Funds	0	0	0	0	0	0
Annual Total	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

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Bill Information:

Current Law

RS 11:2091(B) of current law states that the board for the Registrars of Voters Employees' Retirement System (ROVERS) will consist of (1) the secretary of the Registrars of Voters Association of Louisiana (RVA), ex-officio, (2) the president of RVA, ex-officio, and (3) four active and contributing members of the system elected by the members of RVA. The term of office is four years.

Current law also provides that the chairmen of the House and Senate Committees on Retirement will be trustees, ex-officio.

Proposed Law

Proposed law clarifies in RS 11:2091(B) that the Chairmen of the House and Senate Committees on Retirement are ex-officio members of the ROVERS board of trustees and may designate someone to serve as a board member in their place. Proposed law also provides that the remaining 6 trustees will be active and contributing members of ROVERS elected by the members of ROVERS for a period of four years. However, one elected member whose term begins January 1, 2012, shall serve an initial term of two years, with subsequent four year terms.

Proposed law adds that no elected trustee shall serve for more than two consecutive terms, exclusive of any terms being served on December 31, 2011.

Proposed law provides transition rules, extending the term of office for persons elected and serving on the board of trustees on December 31, 2011 to December 31 of the year in which their terms expire at which time regularly scheduled elections will be held.

Implications of the Proposed Changes

The proposed law permits all members of ROVERS to vote for and serve as trustees, extending those rights to members of the system who are not members of RVA.

Cost Analysis:

Analysis of Actuarial Costs

Retirement Systems

There is no actuarial cost associated with Senate Bill 2.

Other Post Retirement Benefits

There is no actuarial cost associated with Senate Bill 2 for post-retirement benefits.

Analysis of Fiscal Costs

There are no fiscal costs associated with SB 2.

Actuarial Credentials:

Paul T. Richmond is the Manager of Actuarial Services for the Louisiana Legislative Auditor. He is an Enrolled Actuary, a member of the American Academy of Actuaries, a member of the Society of Actuaries and has met the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

Dual Referral:

Senate

- 13.5.1 \geq \$100,000 Annual Fiscal Cost
- 13.5.2 \geq \$500,000 Annual Tax or Fee Change

House

- 6.8(F)(1) \geq \$500,000 Annual Fiscal Cost
- 6.8(F)(2) \geq \$100,000 Annual SGF Fiscal Cost
- 6.8(G) \geq \$500,000 Annual Tax or Fee Change