

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4527-01
Bill No.: HB 1447
Subject: Law Enforcement Officers: Salaries; City of St Louis
Type: Original
Date: March 8, 2004

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2005 | FY 2006 | FY 2007 |
| | | | |
| Total Estimated Net Effect on General Revenue Fund | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON STATE FUNDS | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2005 | FY 2006 | FY 2007 |
| | | | |
| Total Estimated Net Effect on <u>All</u> State Funds | \$0 | \$0 | \$0 |

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

| ESTIMATED NET EFFECT ON FEDERAL FUNDS | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2005 | FY 2006 | FY 2007 |
| | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON LOCAL FUNDS | | | |
|--|-----------------------------|-----------------------------|-----------------------------|
| FUND AFFECTED | FY 2005 | FY 2006 | FY 2007 |
| Local Government | \$0 or (\$2,708,334) | \$0 or (\$3,250,000) | \$0 or (\$3,250,000) |

FISCAL ANALYSIS

ASSUMPTION

In response to identical legislation, fiscal note # 4398-01, officials of the **City of St. Louis** stated this proposed legislation would increase the current Police Officer salary matrix by \$1,500 across-the-board. Per the St. Louis Metropolitan Police Dept. this would increase SLPD salary costs by \$2.3 million. In addition to this cost, Article XVIII, Section 31 of the City Charter requires that uniformed firefighters receive pay in parity with police officers. Therefore, uniformed firefighters will be eligible for the same pay increases as police. Based on a uniformed firefighter force of 631 firefighters the additional cost in pay would amount to approximately \$950,000, bringing the total potential impact of this legislation to \$3.25 million.

Cost estimates are summarized below:

| | FY05 | FY 06 | FY 07 |
|-------------------------------|--------------------|--------------------|-------------------|
| Uniformed Police | | | |
| Base Salary Increase | 2.30 mil. | 2.30 mil. | 2.30 mil. |
| Uniformed Firefighters | | | |
| Base Salary Increase | <u>0.95 mil.</u> | <u>0.95 mil.</u> | <u>0.95 mil.</u> |
| Total Cost | \$3.25 mil. | \$3.25 mil. | \$3.25 mil |

ASSUMPTION (continued)

Officials from the **St. Louis Metropolitan Police Department (St. Louis Police)** state if the Board of Police Commissioners was to pay an additional \$1,500 per year for each officer, the cost would be approximately \$2.3 million dollars annually.

Oversight assumes the additional salary increase is not mandatory as the Board of Police Commissioners may authorize the additional compensation. Therefore, **Oversight** is ranging the cost between \$0 and \$3,250,000 annually.

| <u>FISCAL IMPACT - State Government</u> | FY 2005 (10 Mo.) | FY 2006 | FY 2007 |
|--|---|---|---|
| | \$0 | \$0 | \$0 |
| <u>FISCAL IMPACT - Local Government</u> | FY 2005 (10 Mo.) | FY 2006 | FY 2007 |
| CITY OF ST. LOUIS | | | |
| <u>Costs - St. Louis Police Department</u> | \$0 or (\$1,916,667) | \$0 or (\$2,300,000) | \$0 or (\$2,300,000) |
| Increase in salary | | | |
| <u>Costs - St. Louis Fire Department</u> | <u>\$0 or</u> <u>(\$791,667)</u> | <u>\$0 or</u> <u>(\$950,000)</u> | <u>\$0 or</u> <u>(\$950,000)</u> |
| Increase in salary | | | |
| ESTIMATED NET EFFECT ON CITY OF ST. LOUIS * | <u>\$0 or</u> <u>(\$2,708,334)</u> | <u>\$0 or</u> <u>(\$3,250,000)</u> | <u>\$0 or</u> <u>(\$3,250,000)</u> |

* **Oversight assumes salary increases would be permissive.**

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal increases the maximum amount of compensation payable to St. Louis police officers by \$1,500.

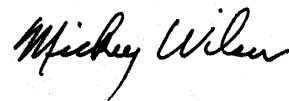
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

City of St. Louis
St. Louis Metropolitan Police Department

NOT RESPONDING

None



Mickey Wilson, CPA
Director
March 8, 2004