



# Ohio Legislative Service Commission

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## Fiscal Note & Local Impact Statement

**Bill:** H.B. 11 of the 131st G.A.

**Date:** September 30, 2015

**Status:** As Passed by the Senate

**Sponsor:** Reps. Brenner and Ruhl

**Local Impact Statement Procedure Required:** Yes

**Contents:** Delaware County Court of Common Pleas judgeship, retired assigned judge payments, declares an emergency

### State Fiscal Highlights

STATE FUND	FY 2016	FY 2017* – FUTURE YEARS
<b>General Revenue Fund (GRF)</b>		
Revenues	- 0 -	- 0 -
Expenditures	Approximate \$150,000 increase	Approximate \$450,000 to \$500,000 annual increase

Note: The state fiscal year is July 1 through June 30. For example, FY 2016 is July 1, 2015 – June 30, 2016.

\*The term of the new judge of the Delaware County Court of Common Pleas will begin January 1, 2017, the second half of FY 2017.

- Starting with calendar year 2017, the annual state share of the new Delaware County Court of Common Pleas judgeship will cost between \$143,000 to \$155,805 (salary and related personal services charges). That amount will increase on January 1, 2018 and again on January 1, 2019 as a result of expected salary adjustments.
- The requirement that the Supreme Court make payments to retired assigned judges under certain specified circumstances will increase its annual GRF expenditures by approximately \$150,000 in FY 2016 and \$300,000 in FY 2017 and beyond.

### Local Fiscal Highlights

LOCAL GOVERNMENT	FY 2016	FY 2017* – FUTURE YEARS
<b>Delaware County</b>		
Revenues	- 0 -	- 0 -
Expenditures	- 0 -	Annual increase of up to \$142,000 to \$155,000 for judge and court personnel

Note: For most local governments, the fiscal year is the calendar year. The school district fiscal year is July 1 through June 30.

\*The new judge of the Delaware County Court of Common Pleas will be elected in 2016 for a term to begin January 1, 2017.

- Delaware County Court of Common Pleas judgeship.** The new judgeship will cost Delaware County up to \$142,000 to \$155,000 annually. This includes the annual salary and related personal services charges for the new judge and up to three clerical staff.

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## Detailed Fiscal Analysis

### Delaware County Court of Common Pleas domestic relations division

The bill creates a domestic relations division for the Delaware County Court of Common Pleas and adds a judge to that division to be elected in 2016, for a term to begin January 1, 2017.

#### Judicial salary (state and local shares)

Amended Substitute House Bill 64 of the 131st General Assembly, which contains the state's main operating budget for the FY 2016-FY 2017 biennium, includes a series of four 5% market adjustments to the judicial compensation schedule. The first adjustment took effect on Sept. 29, 2015. Succeeding adjustments take place on January 1, 2017, January 1, 2018, and January 1, 2019. At those future dates in time, the annual salary of a judge of a court of common pleas is expected to be \$133,850, \$140,050, and \$147,450, respectively.

The state and local shares of that annual salary are determined by statute. The **local share** varies depending on a county's population as determined by the decennial census. The local amount is based on 18 cents per capita in the county, but may not be less than \$3,500 or more than \$14,000. With a population of 174,214, Delaware County will pay the maximum local share, or \$14,000, annually. The **state share** is equal to the annual salary minus the local share, or \$119,850 in calendar year (CY) 2017.

The new judgeship will also generate related personal services charges to be paid by the state and Delaware County. These charges include retirement system benefits, Medicare, workers' compensation, payroll administration services, and health insurance, and generally total an additional 20% to 30% of the annual salary. The annual amount of personal services charges will be \$23,970 to \$39,955 for the state and to \$2,800 to \$4,200 for Delaware County.

The annual state and Delaware County shares of the judge's annual salary and related personal services charges in CY 2017 are summarized in the table below. The state's share of those expenses will be paid by the Supreme Court of Ohio with money appropriated from the General Revenue Fund (GRF).

Annual State and Local Cost Shares of Delaware County Common Pleas Court Judgeship			
Unit of Government	CY 2017 Salary	Personal Services Charges	Total
State	\$119,850	\$23,970 to \$35,955	\$143,820 to \$155,805
Delaware County	\$14,000	\$2,800 to \$4,200	\$16,800 to \$18,200

#### Other Delaware County costs

Up to three additional clerical workers will be hired by Delaware County to assist with the judge's caseload. The cost of a clerical worker, including personal services charges, is \$42,000 to \$45,500 annually. The annual cost of three clerical workers

will total up to \$126,000 to \$136,500. Delaware County will incur no capital improvements costs as there will be sufficient building space to house the judge and related court personnel.

### **Retired assigned judge payments**

The bill: (1) makes a retired assigned judge eligible to a receive a retired assigned judge payment if that judge completes not less than 100 hours of service in the preceding quarter as assigned by the Chief Justice or Acting Chief Justice of the Ohio Supreme Court, (2) requires the payment be \$700 per quarter, (3) requires it be paid from money appropriated from the state treasury for this purpose, and (4) permits the Court to make these payments using money appropriated to GRF line item 005321, Operating Expenses – Judiciary/Supreme Court. The cost of those payments is expected to total approximately \$150,000 in FY 2016, and approximately \$300,000 annually thereafter.