Ohio Legislative Service Commission

Garrett Crane

Fiscal Note & Local Impact Statement

Bill: S.B. 336 of the 130th G.A. **Date**: May 28, 2014

Status: As Reported by Senate Civil Justice **Sponsor**: Sen. Manning

Local Impact Statement Procedure Required: Yes

Contents: Avon Lake Municipal Court judgeship

State Fiscal Highlights

- The additional amount in GRF funding that the Supreme Court of Ohio will disburse as the state share of the full-time judge of the Avon Lake Municipal Court is estimated at $27,136 annually. These costs do not reflect the actual salary and benefits of a full-time municipal court judge, but rather the difference in salary, retirement benefits, and miscellaneous other contributions between a full-time judge and a part-time judge.

Local Fiscal Highlights

- The local share of judicial compensation-related costs will increase by $31,093 annually. Of that increase, 60%, or $18,656, will be paid by the city of Avon Lake, and 40%, or $12,437, will be paid by Lorain County.
- The conversion of the existing part-time judge to full-time will not require the hiring of any additional staff or the undertaking of any capital improvements.

Detailed Fiscal Analysis

The bill changes the sole judgeship of the Avon Lake Municipal Court from a part-time position to a full-time position on the effective date of the bill. The bill further provides that the part-time judge elected in 2011 is to serve as the full-time judge of that court until the end of the judge's term in December 2017, and to receive the salary specified in law for a full-time judge of a municipal court.

Municipal court judge's annual salary

The table below summarizes the difference between the state and local shares of the annual salary of a full-time and part-time municipal court judge. The total annual salaries of a full-time and part-time municipal court judge are $114,100 and $65,650, respectively, a difference of $48,450 which represents the additional per year cost of converting a part-time position to a full-time position.[1] Of that increase, the state and local shares will be $22,200 and $26,250, respectively. Of the increase in the local share, the city of Avon Lake will cover 60%, or $15,750, and Lorain County will cover 40%, or $10,500.

Municipal Court Judge's Annual Salary			
State and Local Shares	**Full-Time**	**Part-Time**	**Additional Cost**
State Share*	**$52,350**	**$30,150**	**$22,200**
Local Share	**$61,750**	**$35,500**	**$26,250**
Avon Lake (60%)	$37,050	$21,300	$15,750
Lorain County (40%)	$24,700	$14,200	$10,500
TOTAL	**$114,100**	**$65,650**	**$48,450**

*The state share is covered by GRF moneys appropriated to the Supreme Court of Ohio.

Payroll-related expenses

Retirement

State and local elected officials are exempt from membership in PERS (Public Employees Retirement System), unless they choose to become members. As most elected officials do accept membership in PERS, this analysis includes PERS payments.

Under the existing PERS contribution formula, the city of Avon Lake will contribute an additional $2,205 annually, while Lorain County will contribute an additional $1,470 annually. The state will contribute an additional $3,108 in retirement costs per year.

[1] Absent a statutory change, the annual salary and related state and local shares will not change in future years.

Other charges

The state, Lorain County, and Avon Lake also pay for other payroll-related charges, as detailed below.

The state pays for 1.45% of gross salary for Medicare for all employees hired after April 1986, 0.07% for workers' compensation, 0.295% for the Department of Administrative Services' payroll administration services, and 6.42% for health insurance. The conversion of the Avon Lake judgeship from part-time to full-time will cost the state an additional $1,828 annually.

Lorain County and the city of Avon Lake pay for 1.45% of gross salary for Medicare and 3.0% for workers' compensation. The increased cost of a full-time judgeship will be an additional $467 and $701 annually for Lorain County and Avon Lake, respectively.

State and local costs summarized

The state's share of additional costs (salary plus other payroll-related expenses) to convert the judgeship from part-time to full-time will total an estimated $27,136 annually. The local share of those additional costs will total an estimated $31,093 annually. Of that increase, 60%, or $18,656, will be paid by the city of Avon Lake, and 40%, or $12,437, will be paid by Lorain County. No other local costs are expected, as no capital improvements will be necessary to accommodate a full-time operation nor will additional personnel need to be hired.

SB0336SR.docx / lb