

Local Fiscal Highlights

LOCAL GOVERNMENT	FY 2000	FY 2001	FUTURE YEARS
Columbiana County			
Revenues	- 0 -	- 0 -	- 0 -
Expenditures	- 0 -	Potential yet to be determined construction costs	Factors increasing and decreasing costs, with net savings
Champaign County			
Revenues	- 0 -	- 0 -	- 0 -
Expenditures	-0-	-0-	\$29,807 annual increase plus potential uncertain effects on related operational expenses

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

- Columbiana County’s annual expenses will increase by \$12,490 in order to cover the local portion of the salary compensation and retirement benefits associated with the abolition of three part-time county court judges and creation of two full-time municipal court judges. This expense will be offset by \$32,683 in annual savings from elimination of rent obligations on three existing county court facilities and the restructuring of bailiff positions and salaries. The new judges will determine a central location within the geographical jurisdiction of the municipal court. This could result in new construction costs, which are still to be determined, as early as FY 2001.
- Champaign County’s annual expenses will increase by \$29,807 in order to cover the local portion of the salary compensation and retirement benefits associated with the abolition of one part-time municipal court judge and creation of one full-time municipal court judge. There are no significant additional fiscal effects or other related operational expenses. The full time court plans no changes to clerk staff, bailiffs or the physical court facility itself.
- In the jurisdictions of both Columbiana and Champaign counties, there may be additional local costs created in relation to court staff, law enforcement, prosecutors, and public defenders. Knowledgeable local authorities acknowledge this possibility, but really do not expect any significant increase in caseload. Their dockets are already overcrowded and the change to full-time status will not likely create much additional court time and will not likely encourage an increase in arrests and prosecutions.

Detailed Fiscal Analysis

The bill creates the Columbiana County Municipal Court effective January 1, 2002 and simultaneously abolishes the existing Columbiana County County Court and its three part-time judgeships. With the creation of the new municipal court, the bill authorizes the election of two full-time municipal court judges in 2001, with terms beginning on January 1 and January 2, 2002, respectively. The proposed changes to the Columbiana County court system are necessitated by the burgeoning caseload, which more than doubled between 1993 and 1998. Additionally, the bill also abolishes a part-time judgeship in the Champaign County Municipal Court effective December 31, 2001, and creates a full-time judgeship in this court.

I. Columbiana County

County Court Judges. The predominate fiscal impact of the bill involves the differences in salary and benefits between three county court judges and two full-time municipal court judges. The salary for a county court judge, as of January 1, 2002, will be \$55,950, unless increased by the General Assembly. In the State of Ohio, a county court judge's salary currently consists of a base fixed amount of \$35,500 paid by the county. The balance, or \$20,450, is paid by the state. Thus, in Columbiana County, the county is responsible for paying the local share of the three judges' salaries. Section 1907.17 of the Revised Code stipulates that county commissioners may provide an additional fixed annual amount to each county court judge, not to exceed \$2,000. This extra amount has no impact upon the statutorily prescribed amounts paid for by the county or the state. The presiding or administrative judge also receives an extra \$1,500 annually. According to the Columbiana County Commissioners' budget office, the county does annually provide each judge with an additional \$2,000, bringing the county portion of each judge's salary to \$37,500. Thus, as of January 1, 2002, Columbiana County is scheduled to be paying a total of \$114,000 annually in salary compensation to its three existing county court judges.

Municipal Court Judges. As of January 1, 2002, unless increased by the action of the General Assembly, full-time municipal court judges are scheduled to receive \$97,250 in annual salary compensation. The local funding authority is required to pay a base fixed amount of \$61,750 for each full-time municipal court judge. The state pays the remainder, or \$35,500. As under the current court structure, the presiding or administrative judge in the proposed Columbiana County Municipal Court will receive an additional \$1,500 in salary from Columbiana County. The two full-time municipal court judges will not qualify for the additional \$2,000, as have the three existing county court judges. The total annual salary cost to Columbiana County for these two new judges, one of whom will be the administrative judge, will be \$125,000. Thus, the switch to a municipal court system will cost the county about \$11,000 more in annual judicial salary compensation, which we've detailed in Table 1 below.

Table 1

<i>Salary Compensation Breakdown as of January 1, 2002</i>	<i>3 County Court Judges</i>	<i>2 Full-time Municipal Court Judges</i>	<i>Compensation Difference</i>
State portion	\$ 61,350	\$ 71,000	+\$ 9,650
County portion*	\$114,000	\$125,000	+\$11,000
Total Salary	\$175,350	\$196,000	+\$20,650

*Includes any local supplemental salary compensation.

An additional component of the costs borne by both the state and county involve retirement benefits and whether the county or state pays for these benefits. State and local elected officials are exempt from membership in the state's Public Employees Retirement System (PERS), but can choose to become members. Most do. The state pays 13.31% of its supplemental amount into PERS and the county pays 13.55% of its base share amount into PERS. Thus, the total annual PERS cost to the State of Ohio, as a result of the bill, will go from \$8,166 to \$9,450, an increase of \$1,284.

As for Columbiana County, the annual 13.55% PERS contribution based on the \$125,000 county portion of the two municipal court judge's total salary compensation equals about \$16,937. In the existing Columbiana County Court, the county pays a total of \$114,000 for three judges, with one being the presiding or administrative judge. The 13.55% paid into PERS will total \$15,447. Accordingly, if Columbiana County switches to a municipal court system with two judges, the annual cost for payments into PERS would increase by about \$1,490.

New location. The current county court system in Columbiana County is decentralized with judges presiding at multiple locations. The bill stipulates that the municipal court judges will determine a new central location for the court. Ultimately, this will involve either construction of a new facility or renovation of an existing structure. To date, there are no detailed plans for a new court facility and no specific cost information available. A fund has been created by the county court and will be used to either build or lease a structure. This fund generates approximately \$8,000 per month from an \$8 to \$10 charge for court costs charged by Columbiana County's existing county court. The fund had an end of fiscal year 1999 balance of approximately \$68,000. The Columbiana Court Restructuring Committee plans to use this fund to pay for any changes to the location of the municipal court, thereby insulating the county general fund from any building or renovation costs. The committee indicated there is a possibility that some construction or renovation could begin as early as FY 2001.

Related Operating Costs. Whether or not the restructuring of the Columbiana County County Court will create additional annual operating burdens for the local justice and corrections system including court staff, law enforcement, prosecutors, and public defenders is unclear at this time.

Offsetting Savings. The current facilities for the county court system in Columbiana County consists of two buildings rented and one owned by the county. When a new municipal court structure is constructed, the county will save the rent expenditure for two of these buildings. If the new municipal court is built and operational by the end of FY 2001, this will mean an annual savings of \$18,000 for the county when the new court opens. Additionally, three part-time bailiff positions in the current county court system will be changed to two full-time bailiffs for the new municipal court. This will entail the

elimination of one part-time bailiff position. Columbiana County sources involved with this court reorganization report that these changes in the bailiff positions, along with the change to PERS and health insurance costs, and calculated according to their hourly wages, will produce an overall annual savings of \$14,683.

There will also be additional, unspecified savings from utilities and custodial fees. With the closing of three county court facilities and the opening of a single municipal court building, custodial and utility costs should be significantly reduced. Estimating the exact differences in the annual costs of custodians and utilities between the three county court buildings and the new municipal court is difficult since the new structure has yet to be built. The county should realize additional savings.

II. Champaign County

The Champaign County Municipal Court currently has one part-time judge. The current caseload processed by this part-time judge is extremely heavy and more similar to the schedule of a full-time judge. As previously noted, as of January 1, 2002, unless increased by the action of the General Assembly, full-time municipal court judges are scheduled to receive \$97,250 in annual salary compensation and part-time judges will receive \$55,950. The local funding authority is required to pay a base fixed amount of \$61,750 for each full-time municipal court judge and \$35,500 for each part-time judge. The state pays the remainder, which is \$35,500 for the full-time municipal court judge and \$20,450 for the part-time judge. Thus, in terms of annual salary compensation, the switch to a full-time municipal court judge is detailed in Table 2 below.

Table 2

<i>Salary Compensation Breakdown as of January 1, 2002</i>	<i>1 Part-time Municipal Court Judge</i>	<i>1 Full-time Municipal Court Judge</i>	<i>Compensation Difference</i>
State portion	\$20,450	\$35,500	+\$15,050
County portion	\$35,500	\$61,750	+\$26,250
Total Salary	\$55,950	\$97,250	+\$41,300

The fiscal effect of changing the current status of the judge of the Champaign County Municipal Court from part-time to full-time is as follows:

- 1) Annual state GRF expenditures will increase by \$17,053 in order to cover the state's portion of the salary compensation and retirement benefits associated with the abolition of one part-time municipal court judge and creation of one full-time municipal court judge in Champaign County.
- 2) Champaign County's annual expenses will increase by \$29,807 in order to cover the local portion of the salary compensation and retirement benefits associated with the abolition of one part-time municipal court judge and creation of one full-time municipal court judge.
- 3) The current sitting judge in the Champaign County Municipal Court does not expect any collateral costs or operational expenses associated with the change in the judgeship

position. The full-time court does not plan to increase clerk staff or bailiffs, and will not make any changes to the physical court facility.

- 4) There is some possibility that the change to a full-time court could encourage increased law enforcement activities thereby increasing the costs of processing new cases through the system. The sitting part-time judge acknowledges this possibility, but does not expect any significant increase in new cases. As the municipal court docket is already very full and the change to a full-time judgeship will not create much additional court time, the change in the bill will not likely encourage an increase in arrests and prosecutions.

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