



## ***Local Fiscal Highlights***

LOCAL GOVERNMENT	FY 2003 – FY 2004*	FY 2005	FUTURE YEARS
<b>Warren County</b>			
Revenues	- 0 -	- 0 -	- 0 -
Expenditures	- 0 -	\$223,727 increase	\$223,727 annual increase
<b>Henry County</b>			
Revenues	- 0 -	- 0 -	- 0 -
Expenditures	\$27,000 increase for one-time courthouse renovations	\$35,063 increase for salaries and fringe benefits	\$35,063 annual increase for salaries and fringe benefits

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 judges will be elected in November 2004 for a term to begin January 2005.

- **Warren County Court of Common Pleas.** The annual salary and benefits for the new judge to be added to the court of common pleas will cost Warren County \$15,897, which is comprised of \$14,000 in annual base salary, plus 13.55%, or \$1,897, in PERS benefits. Additionally, the Warren County Court of Common Pleas expects to hire one bailiff, one courtroom clerk, and one secretary as support staff for the new judge. The salary, benefits, and related operating expenses associated with the three new personnel are currently expected to total \$207,830 annually.
- **Henry County Court of Common Pleas.** The annual salary and benefits for the new judge to be added to the Henry County Court of Common Pleas will cost Henry County \$5,970, which is comprised of \$5,258 in annual base salary, plus 13.55%, or \$712, for PERS benefits. The Henry County Court of Common Pleas also anticipates a secretary for the new judge will need to be hired, with annual salary and benefits expected to total \$29,093. The existing space for the Henry County Court of Common Pleas will also need to be renovated in order to house a new courtroom, judge, and staff, which is expected to total roughly \$27,000 in one-time only expenditures, presumably to take place the year preceding the judge's arrival.

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## ***Detailed Fiscal Analysis***

### **Additional judge for the Warren County Court of Common Pleas**

#### **Judicial salary**

The annual salary of a judge of a court of common pleas consists of a state share and a local share paid by the county as follows:

- The ***local share*** varies slightly 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.
- The ***state share*** is equal to the annual salary minus the local share. Substitute House Bill 712 of the 123rd General Assembly provided annual salary increase each year from 2002 through 2008. The annual salaries of the judges and justices of the court will increase by the lesser of 3% or the percentage increase in the Consumer Price Index (CPI) over the 12-month period ending on September 30 of the previous year. In the case of judges for whom a portion of the salary is paid locally, the entire amount of the increase is added to the state share.

The Supreme Court of Ohio estimates that, when the new judge is added to the Warren County Court of Common Pleas for a term to begin January 2, 2005, the annual salary of a judge of a court of common pleas will be \$116,100. Of that amount, based on the 2000 U.S. census, Warren County would be required to pay the \$14,000 maximum annual local share pursuant to current law. The state will cover the remainder of the annual salary, which in FY 2006 (July 1, 2005 through June 30, 2006), the first full state fiscal year of the new common pleas court judgeship, amounts to \$102,100.

#### **PERS**

State and local elected officials are exempt from membership in PERS (Public Employees Retirement System), unless they choose to become members. Most do. Therefore, this analysis includes PERS payments, which assumes that the new judge added to the Warren County Court of Common Pleas joins PERS. The state and local PERS contributions would work as follows:

- The state contributes at the rate of 13.31% of its supplemental salary amount, while the county pays 13.55% on its base share amount.
- Under that PERS contribution formula, Warren County will pay \$1,897 annually, while the state will contribute \$13,590 in FY 2006, the first full state fiscal year of the new common pleas court judgeship.

**Other state contributions**

In addition to PERS, the state also makes contributions for other purposes, totaling approximately 8.69%, which includes 1.45% of gross salary for Medicare for all employees hired after April 1986, 0.67% for workers' compensation, 0.28% for the administration of the Central Accounting System, and approximately 6.29% in health insurance contributions. It should be noted that the state's share in health insurance contributions has been increasing and is expected to continue increasing in the future. These miscellaneous annual contributions will cost the state \$8,872 (\$102,100 x 8.69%) in FY 2006, the first full state fiscal year of the new common pleas court judgeship.

**Additional local costs**

The Warren County Court of Common Pleas anticipates hiring one bailiff, one courtroom clerk, and one secretary as support staff for the additional judge. Since an existing courtroom is already available, no construction or remodeling costs are anticipated at this time. According to the Warren County Board of Commissioners, the annual operating expenses associated with the three new personnel (salary and fringe benefits, maintenance, and equipment costs detailed in the table below) will total \$207,830.

<b>Annual Court Staff Operating Costs</b>	
Personnel	\$ 108,067
PERS	\$ 14,644
Medicare	\$ 1,567
Health insurance	\$ 33,168
Life insurance	\$ 384
Office supplies/equipment	\$ 50,000
<b>TOTAL</b>	<b>\$ 207,830</b>

**Additional judge for the Henry County Court of Common Pleas**

**Judicial salary**

The annual salary of a judge of a court of common pleas consists of a state share and a local share paid by the county as follows:

- The **local share** varies slightly 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.
- The **state share** is equal to the annual salary minus the local share. Substitute House Bill 712 of the 123rd General Assembly provided annual salary increases each year from 2002 through 2008. The annual salaries of the judges and justices of the court will increase by the lesser of 3% or the percentage increase in the Consumer Price Index (CPI) over the 12-month period ending on September 30 of the previous year. In the case of judges for whom a portion of the salary is paid locally, the entire amount of the increase is added to the state share.

The Supreme Court of Ohio estimates that, when the new judge is added to the Henry County Court of Common Pleas for a term to begin January 1, 2005, the annual salary of a judge

of a court of common pleas will be \$116,100. Of that amount, based on the 2000 U.S. census, Henry County would be required to pay \$5,258, or 18 cents per capita, pursuant to current law. The state will cover the remainder of the annual salary, which in FY 2006 (July 1, 2005 through June 30, 2006), the first full state fiscal year of the new common pleas court judgeship, amounts to \$110,842.

### **PERS**

State and local elected officials are exempt from membership in PERS (Public Employees Retirement System), unless they choose to become members. Most do. Therefore, this analysis includes PERS payments, which assumes that the new judge added to the Henry County Court of Common Pleas joins PERS. The state and local PERS contributions would work as follows:

- The state contributes at the rate of 13.31% of its supplemental salary amount, while the county pays 13.55% on its base share amount.
- Under that PERS contribution formula, Henry County will pay \$712 annually, while the state will contribute \$14,753 in FY 2006, the first full state fiscal year of the new common pleas court judgeship.

### **Other state contributions**

In addition to PERS, the state also makes contributions for other purposes, totaling approximately 8.69%, which includes 1.45% of gross salary for Medicare for all employees hired after April 1986, 0.67% for workers' compensation, 0.28% for the administration of the Central Accounting System, and approximately 6.29% in health insurance contributions. It should be noted that the state's share in health insurance contributions has been increasing and is expected to continue increasing in the future. These miscellaneous annual contributions will cost the state \$9,632 ( $\$110,842 \times 8.69\%$ ) in FY 2006, the first full state fiscal year of the new common pleas court judgeship.

### **Additional local costs**

In addition to the new judge's annual salary and fringe benefits, two additional costs are expected to occur as a result of the bill:

- (1) A secretary for the judge will need to be hired, with annual salary and benefits expected to total \$29,093.
- (2) The existing space for the Henry County Court of Common Pleas will need to be renovated in order to house a new courtroom, judge, and staff. According to the Henry County Board of Commissioners, these renovations will cost a total of roughly \$27,000 in one-time only expenditures, presumably to take place the year preceding the judge's arrival.

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