

# Fiscal Note & Local Impact Statement

## 125<sup>th</sup> General Assembly of Ohio

Ohio Legislative Service Commission  
77 South High Street, 9<sup>th</sup> Floor, Columbus, OH 43215-6136 ✦ Phone: (614) 466-3615  
✦ Internet Web Site: <http://www.lsc.state.oh.us/>

BILL: **Am. Sub. S.B. 71** DATE: **December 8, 2004**

STATUS: **As Enacted – Effective May 18, 2005** SPONSOR: **Sen. Goodman**

LOCAL IMPACT STATEMENT REQUIRED: **Yes**

**CONTENTS:** Changes the penalties for failure to attend as required by a notice for jury service and to serve as a juror, changes the circumstances under and methods by which jury service may be postponed, provides protections for employees and small employers when employees are summoned for jury service, eliminates the cap on juror compensation, shortens the period of jury service after which a juror may be discharged, allows the commissioner of jurors to establish an electronic notification system to allow jurors to be notified electronically that the juror shall attend in person the term or part of the term specified in the notice, makes other changes to the jury selection procedures, permits costs of summoning jurors to be assessed against a defendant in certain nonjury criminal trials, eliminates the four-day maximum on the amount of jury fees that are taxed as costs in a civil action, expands the circumstances in which a municipal court judge may appoint special constables to also include circumstances in which the municipal court has countywide jurisdiction and is a successor court of a county court that previously served the county, adds one judge to the Clermont County Court of Common Pleas to be elected in 2006, modifies the crediting of unused sick leave of public officials returning to public employment, and changes the status of the judge of the Berea Municipal Court from part-time to full-time

### State Fiscal Highlights

STATE FUND	FY 2005 – FY 2006*	FY 2007**	FUTURE YEARS
<b>General Revenue Fund</b>			
Revenues	- 0 -	- 0 -	- 0 -
Expenditures	Estimated increase around \$12,292 in judicial-related expenses in FY 2006	Estimated increase around \$88,968 in judicial-related expenses	Estimated annual increase around \$153,353 or more in judicial-related expenses

Note: The state fiscal year is July 1 through June 30. For example, FY 2006 is July 1, 2005 – June 30, 2006.

\*The full-time judge of the Berea Municipal Court will be elected in November 2005 for a term to begin in January 2006.

\*\*The new Clermont County Court of Common Pleas judge will be elected in 2006 for a term to begin January 3, 2007.

- **Jury service operations.** It appears that the bill's jury-related provisions will not create any noticeable fiscal effects for the state.



- **Clermont County Court of Common Pleas judgeship.** Starting with FY 2008, the annual amount in GRF funding that the Supreme Court of Ohio will disburse in the form of state support for the new judge added to the Clermont County Court of Common Pleas is estimated at \$128,770, which consists of: (1) \$105,550 in salary, (2) \$14,048 in PERS contributions, and (3) \$9,172 in miscellaneous other contributions. As the term of the new judge does not begin until halfway through the state's FY 2007, the amount of state financial support that will be disbursed in that fiscal year is estimated at half the estimated annual cost, or \$64,385. Currently, the state has statutorily prescribed annual pay increases in the state share of the salary of common pleas court judges through calendar year 2008.
- **Conversion of part-time Berea Municipal Court judgeship to full-time.** Since the state is already incurring annual costs related to its support of the existing part-time judge of the Berea Municipal Court, the additional annual state costs generated by the bill represent the difference between that level of financial support and the higher annual costs associated with a full-time municipal court judge. Starting with calendar year (CY) 2006, the additional amount in General Revenue Fund (GRF) funding that the Supreme Court of Ohio will disburse in the form of state support for the full-time judge elected to the Berea Municipal Court is estimated at \$24,583, which consists of net increases of: (1) \$20,150 in salary, (2) \$2,682 in Public Employees Retirement System (PERS) contributions, and (3) \$1,751 in miscellaneous other contributions. As the term of the full-time municipal court judge does not begin until halfway through the state's FY 2007, the amount of state financial support that will be disbursed in that fiscal year is estimated at half the estimated annual cost, or \$12,292. Statutorily prescribed annual pay increases in the state share of the salary of part-time and full-time municipal court judges will increase that annual amount through CY 2008.
- **Crediting of unused sick leave.** As a result of the bill's provision relative to the crediting of unused sick leave, it is possible that certain employees could be credited with more previously accumulated sick leave than might otherwise have been the case under current law. However, as of this writing, LSC fiscal staff does not know the number of employees that could be affected by this change or the number of additional sick leave hours that a public entity would be responsible for crediting to such employees. Thus, the potential fiscal effect for the state is uncertain.

### ***Local Fiscal Highlights***

<b>LOCAL GOVERNMENT</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>FUTURE YEARS</b>
<b>Counties and Municipalities Generally (related to jury service operations)</b>			
Revenues	(1) Potential gain in contempt of court fine revenues, possibly exceeding minimal in some local jurisdictions; (2) Potential gain from collection of summoning juror costs in certain criminal cases	(1) Potential gain in contempt of court fine revenues, possibly exceeding minimal in some local jurisdictions; (2) Potential gain from collection of summoning juror costs in certain criminal cases	(1) Potential gain in annual contempt of court fine revenues, possibly exceeding minimal in some local jurisdictions; (2) Potential annual gain from collection of summoning juror costs in certain criminal cases
Expenditures	(1) One-time increase for training and development of new administrative procedures, likely to be no more than minimal; (2) Potential increase in juror	Potential increase in juror compensation expenses, magnitude dependent upon decision of county commissioners	Potential increase in annual juror compensation expenses, magnitude dependent upon decision of county commissioners

	compensation expenses, magnitude dependent upon decision of county commissioners		
<b>Counties Specifically (related to jury service operations)</b>			
Revenues	Potential gain from elimination of four-day maximum jury fees assessed in civil action	Potential gain from elimination of four-day maximum jury fees assessed in civil action	Potential annual gain from elimination of four-day maximum jury fees assessed in civil action
Expenditures	Potential decrease related to potential gain in collection of jury fees in civil actions	Potential decrease related to potential gain in collection of jury fees in civil actions	Potential annual decrease related to potential gain in collection of jury fees in civil actions
<b>Clermont County* (additional court of common pleas judge)</b>			
Revenues	- 0 -	- 0 -	- 0 -
Expenditures	- 0 -	Expected one-time increase, amount unknown, for purchasing court's furniture and equipment	\$157,209 increase in annual judicial-related expenses beginning in FY 2007
<b>City of Berea** (conversion of part-time municipal court judge to full-time)</b>			
Revenues	- 0 -	- 0 -	- 0 -
Expenditures	- 0 -	Estimated increase around \$17,850 in judicial-related expenses	Estimated annual increase around \$17,850 in judicial- related expenses
<b>Cuyahoga County** (conversion of part-time municipal court judge to full-time)</b>			
Revenues	- 0 -	- 0 -	- 0 -
Expenditures	- 0 -	Estimated increase around \$11,900 in judicial-related expenses	Estimated annual increase around \$11,900 in judicial- related expenses

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 Clermont County Court of Common Pleas judge will be elected in 2006 for a term to begin January 3, 2007.

\*\*The full-time Berea Municipal Court judge will be elected in November 2005 for a term to begin in January 2006.

- **Jury service operations.** Based on conversations with members of Ohio's judicial community, LSC fiscal staff has learned that the bill will require courts to rewrite jury service rules and redesign jury service operations. As a result, commissioners of jurors and their staff would most likely require training, and internal administrative procedures will need to be redeveloped. These additional costs would be incurred one-time only and are expected to be no more than minimal for any given local jurisdiction. For the purpose of this fiscal analysis, "minimal" means an estimated annual cost that does not exceed \$5,000 for any affected county or municipality.
- **Fine revenues.** As a result of the bill, it is possible that some local jurisdictions may experience an increase in fine revenues generated from charges of contempt of court. The bill increases these fines from a range of \$25 to \$250 to a range of \$100 to \$250. However, it is difficult to estimate how much additional revenue might be generated due to a wide array of variables, including, but not limited to: (1) the number of failures to report or attend, and (2) a judge's discretion when charging an individual with contempt of court. Presumably, in some local jurisdictions, particularly in more urban areas of the state where relatively large juror pools are drawn and summoned, the amount

of additional fine revenue generated annually could exceed minimal. For the purposes of this fiscal analysis, “minimal” means an estimated annual gain in revenue of no more than \$5,000 for any affected county or municipality.

- **Juror compensation.** As the bill does not require the board of county commissioners to take any action, it is difficult to predict: (1) whether the juror compensation amount in any given county might be increased, (2) if it is, by what amount, and (3) the resulting magnitude of the annual increase in the total amount of money that any given court in the affected county allocates annually for compensating jurors. As the board of county commissioners sets the compensation amount, any non-county operated municipal court in that county would have to pay its jurors that amount. Whether eliminating the cap, which permits the board of county commissioners to set an amount in excess of \$40 if so desired, will then lead to such a decision and thus mandate in effect an increase in the annual amount that certain municipalities allocate for juror compensation is uncertain. Also uncertain is whether the magnitude of such an increase would exceed minimal annually (in excess of \$5,000) for any affected municipality.
- **Electronic notification system.** The bill permits the commissioner of jurors to establish an electronic notification system to allow jurors to be notified electronically that the juror shall attend in person the term or part of the term specified in the notice. Such a decision would be voluntary in nature and not a requirement of the bill. As of this writing, LSC fiscal staff has no information readily at hand relative to the range of costs associated with establishing and maintaining an electronic juror notification system.
- **Jury fees.** By eliminating the “four-day maximum” jury fees provision, the bill creates the possibility of at least two notable and related local fiscal effects: (1) counties may gain revenues in certain civil actions in which a jury is sworn and the number of days jurors actually serve is more than four days, and (2) counties may reduce expenditures in these same civil actions, as counties presumably could save money that would otherwise go to pay jurors for their actual service in excess of four days. As of this writing, the magnitude of the potential gain in revenues and related reductions in expenditures that a given county might realize annually is uncertain.
- **Costs of summoning jurors in criminal cases.** The bill allows the court in all criminal cases to include the costs of summoning a jury in the costs of prosecution when a jury has been summoned but not yet sworn and the defendant has failed to appear without good cause. Those jury costs may be included in the costs of prosecution and may be assessed against the defendant. As of this writing, the magnitude of the potential gain in revenues and related reductions in expenditures that a given county or municipality might realize annually is uncertain, and will likely be a function of at least two factors: (1) the number of criminal actions in which a jury is summoned, and (2) the financial ability of the defendant to pay the costs of prosecution.
- **Clermont County Court of Common Pleas judgeship.** Starting with FY 2007, the annual salary and benefits for the new judge to be added to the Clermont County Court of Common Pleas will cost the county \$15,897, which is comprised of \$14,000 in annual base salary, plus 13.55%, or \$1,897, for PERS benefits.
- **Other Clermont County costs.** According to the Clermont County Court of Common Pleas, courtroom modifications have already been made in anticipation of the new judge taking the bench in January 2007. Before the judge takes the bench, however, additional furniture and equipment will need to be purchased. At this time, the one-time cost of these purchases is uncertain, but the board of county commissioners is aware of, and anticipating, the need to secure furniture and equipment to support the new judge. In addition, the court expects to hire three additional staff in order to support the judge: (1) a constable secretary (base annual salary estimated at \$40,000), (2) a bailiff (base annual salary estimated at \$30,000), and (3) a staff attorney (base annual salary estimated at

\$30,000). The total staffing costs, including fringe benefits, is estimated at approximately \$141,312 for the first year that the judge takes the bench.

- **Appointment of special constables.** The bill expands the circumstances in which a municipal court judge may appoint special constables. As of this writing, LSC fiscal staff has not had an opportunity to identify the municipal courts whose circumstances would comport with the bill's expansion. That said, the bill simply permits a municipal court judge to make certain appointments; it does not require the judge to do so. Thus, any costs for the municipal court triggered by making such appointments would be a direct result of the judge exercising his or her permissive authority.
- **Crediting of unused sick leave.** As a result of the bill's provision relative to the crediting of unused sick leave, it is possible that certain employees could be credited with more previously accumulated sick leave than might otherwise have been the case under current law. However, as of this writing, LSC fiscal staff does not know the number of employees that could be affected by this change or the number of additional sick leave hours that a public entity would be responsible for crediting to such employees. Thus, the potential fiscal effect for certain local governments is uncertain.
- **City of Berea judicial-related costs.** Starting with FY 2006, the amount that the City of Berea expends annually in support of the Berea Municipal Court will increase by an estimated \$17,850 as a result of the conversion of their part-time municipal court judge to full-time status.
- **Cuyahoga County judicial-related costs.** Starting with FY 2006, the amount that Cuyahoga County expends annually in support of the Berea Municipal Court will increase by an estimated \$11,900 as a result of the conversion of the Court's part-time municipal court judge to full-time status.

---

## ***Detailed Fiscal Analysis***

For the purposes of this fiscal analysis, the bill most notably:

- Changes the penalties for failure to attend as required by a notice for jury service and to serve as a juror.
- Makes various changes regarding the administration and notification of the postponement of jury service.
- Provides the circumstances to which undue or extreme physical or financial hardship apply and requires the prospective juror to provide documentation of such conditions to the judge.
- Provides protections for employees and small employers when employees are summoned for jury service.
- Permits the commissioner of jurors to establish an electronic notification system to allow jurors to be notified electronically that the juror shall attend in person the term or part of the term specified in the notice.
- Eliminates the cap on juror compensation set by the board of county commissioners.
- Eliminates the maximum of four days on the amount of jury fees that may be taxed as costs in a civil action in a court of common pleas.
- Adds one judge to the Clermont County Court of Common Pleas to be elected in 2006 for a term beginning January 3, 2007.
- Permits costs of summoning jurors to be assessed against a defendant in certain nonjury criminal trials.
- Expands the circumstances in which a municipal court judge may appoint special constables to also include circumstances in which the municipal court has countywide jurisdiction and is a successor court of a county court that previously served the county.
- Modifies the crediting of unused sick leave of public officials returning to public employment.
- Changes the status of the judge of the Berea Municipal Court from part-time to full-time.

### **Jury service operations**

#### **State fiscal effects**

It appears that the bill's jury-related provisions will not create any noticeable fiscal effects for the state.

### **Local fiscal effects**

The bill's jury-related provisions will affect in some manner the following two areas of county and municipal governments: (1) jury service operations, and (2) revenues.

**Jury service operations.** Based on conversations with members of Ohio's judicial community, LSC fiscal staff has learned that the bill will require courts to rewrite jury service rules and redesign jury service operations. As a result, local jury service operations will experience a one-time expenditure increase for training and development of new administrative procedures. Although difficult to quantify, it does not appear, as of this writing, that those one-time costs for counties and municipalities would exceed minimal. For the purpose of this fiscal analysis, "minimal" means an estimated annual cost that does not exceed \$5,000 for any affected county or municipality.

**Fine revenues.** Under current law, when a prospective juror fails to report to the commissioner of jurors when notified, or refuses to answer the questions put to him or her by the commissioner, the commissioner can hold that person in contempt of court and may be fined not less than \$25 and no more than \$250. The bill increases the minimum fine from \$25 to \$100. As a result of this \$75 increase in the minimum fine, some courts may realize a gain in annual fine generated revenue. However, it is difficult to estimate how much additional revenue might be generated due to a wide array of variables, including, but not limited to: (1) the number of failures to report or attend, and (2) a judge's discretion when charging an individual with contempt of court. Presumably, in some local jurisdictions, particularly in more urban areas of the state where relatively large juror pools are drawn and summoned, the amount of additional fine revenue generated annually could exceed minimal. For the purposes of this fiscal analysis, "minimal" means an estimated annual gain in revenue of no more than \$5,000 for any affected county or municipality.

**Electronic notification system.** The bill permits the commissioner of jurors to establish an electronic notification system to allow jurors to be notified electronically that the juror shall attend in person the term or part of the term specified in the notice. Such a decision would be voluntary in nature and not a requirement of the bill. As of this writing, LSC fiscal staff has no information readily at hand relative to the range of costs associated with establishing and maintaining an electronic juror notification system.

**Juror compensation.** Under current law, jurors may receive compensation of an amount not to exceed \$40 for each day's attendance, with the actual amount of compensation set by the board of county commissioners. The bill removes this cap, thus permitting the board of county commissioners to potentially set that amount in excess of the existing \$40 cap. That compensation amount is what is paid to the jurors serving in any court in a given county, which would include the court of common pleas and any county court or municipal court.

As the bill does not require the board of county commissioners to take any action, it is difficult to predict: (1) whether the compensation amount in any given county might be increased, (2) if it is, by what amount, and (3) the resulting magnitude of the annual increase in the total amount of money that any given court in the affected county allocates annually for compensating jurors. As the board of county commissioners sets the compensation amount, any non-county operated municipal court in that

county would have to pay its jurors that amount. Whether eliminating the cap, which permits the board of county commissioners to set an amount in excess of \$40 if so desired, will then lead to such a decision and thus mandate in effect an increase in the annual amount that certain municipalities allocate for juror compensation is uncertain. Also uncertain is whether the magnitude of such an increase would exceed minimal annually (in excess of \$5,000) for any affected municipality.

A quick search by LSC fiscal staff of juror compensation information readily available from the Internet indicates that, as of April 2004, the daily compensation rate paid to jurors around Ohio ranged from \$6 to \$30. The sole exception to that range was Delaware County where the daily compensation rate paid is \$40. Thus, as of this writing, only one Ohio county appears to be at the existing \$40 cap.

**Taxing juror fees.** Current law generally requires a court of common pleas, in which a civil action is filed and a jury is sworn, to order the fees of the jurors be taxed as costs (up to a maximum of four days of actual service) to be paid by any party, allocated among the parties, or paid by the county. Upon collection, these fees are deposited in the county treasury, which presumably would be the county general fund.

According to the Judicial Conference of Ohio, most civil actions do not last more than four days in court. Some civil actions, such as contract disputes and malpractice cases, can last much longer. These types of civil actions also usually involve larger sums of money and parties that would typically be able to pay jury fees in excess of four days of actual service without significant financial hardship.

By eliminating the “four-day maximum” jury fees provision, the bill creates the possibility of at least two notable and related local fiscal effects:

- (1) Counties may gain revenues in certain civil actions in which a jury is sworn and the number of days jurors actually serve is more than four days.
- (2) Counties may reduce expenditures in these same civil actions, as counties presumably could save money that would otherwise go to pay jurors for their actual service in excess of four days.

As of this writing, the magnitude of the potential gain in revenues and related reductions in expenditures that a given county might realize annually is uncertain, and will be a function of at least three factors: (1) the number of civil actions in which a jury is sworn and the number of days those jurors actually serve in excess of four days, (2) the financial ability of any party or the parties to pay juror fees, and (3) the amount of daily juror compensation as fixed by the board of county commissioners.

**Costs of summoning jurors in criminal cases.** The bill allows the court in all criminal cases to include the costs of summoning a jury in the costs of prosecution when a jury has been summoned but not yet sworn and the defendant has failed to appear without good cause. Those jury costs may be included in the costs of prosecution and may be assessed against the defendant. As of this writing, the magnitude of the potential gain in revenues and related reductions in expenditures that a given county or municipality might realize annually is uncertain, and will likely be a function of at least two factors: (1) the number of criminal actions in which a jury is summoned, and (2) the financial ability of the defendant to pay the costs of prosecution.

## Clermont County Court of Common Pleas Judge

With regard to the Clermont County Court of Common Pleas, the bill adds one additional judge to the General Division to be elected in 2006 for a term to begin January 3, 2007. The bill will create additional costs for both the state and Clermont County as discussed below.

### Judicial salary

The annual salary of a judge of a court of common pleas consists of a state-paid share and a county-paid local share 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 Clermont County Court of Common Pleas for a term to begin January 3, 2007, the annual salary of a judge of a court of common pleas will be no more than \$119,550. Of that amount, based on the 2000 Census, Clermont County would be required to pay the \$14,000 maximum annual local share pursuant to current law (Clermont County 2000 population: 185,799). The state will cover the remainder of the annual salary, which in FY 2008 (July 1, 2007 through June 30, 2008), the first full state fiscal year of the new common pleas court judgeship, amounts to \$105,550.

### 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 Clermont 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, Clermont County will pay \$1,897 annually, while the state will contribute \$14,048 in FY 2008, the first full state fiscal year of the new common pleas court judgeship.

### Other state costs

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 \$9,172 ( $\$105,550 \times 8.69\%$ ) in FY 2008, the first full state fiscal year of the new common pleas court judgeship.

#### **Other Clermont County costs**

According to the Clermont County Court of Common Pleas, courtroom modifications have already been made in anticipation of the new judge taking the bench in January 2007. Before the judge takes the bench, however, additional furniture and equipment will need to be purchased. At this time, the one-time cost of these purchases is uncertain, but the board of county commissioners is aware of, and anticipating, the need to secure furniture and equipment to support the new judge. In addition, the court expects to hire three additional staff in order to support the judge: (1) a constable secretary (base annual salary estimated at \$40,000), (2) a bailiff (base annual salary estimated at \$30,000), and (3) a staff attorney (base annual salary estimated at \$30,000). The total staffing costs, including fringe benefits, is estimated at approximately \$141,312 for the first year that the judge takes the bench.

#### **Appointment of special constables**

The bill expands the circumstances in which a municipal court judge may appoint special constables. As of this writing, LSC fiscal staff has not had an opportunity to identify the municipal courts whose circumstances would comport with the bill's expansion. That said, the bill simply permits a municipal court judge to make certain appointments; it does not require the judge to do so. Thus, any costs for the municipal court triggered by making such appointments would be a direct result of the judge exercising his or her permissive authority.

#### **Crediting of unused sick leave**

Current law provides that the previously accumulated sick leave of an employee who has been separated from public service be placed to the employee's credit upon re-employment in the public service, provided such re-employment took place within ten years of the date on which the employee was last terminated from public service. Apparently, for the purposes of this ten-year period, any time during which the employee holds elective public office, whether by election or by appointment, is not considered public service. The bill modifies this tolling provision to essentially treat holding an elective public office as public service.

As a result of this change in the crediting of unused sick leave, it is possible that certain employees could be credited with more previously accumulated sick leave than might otherwise have been the case under current law. However, as of this writing, LSC fiscal staff does not know the number of employees that could be affected by this change or the number of additional sick leave hours that a public entity would be responsible for crediting to such employees. Thus, the potential fiscal effect for the state or local governments is uncertain.



## **Berea Municipal Court**

The bill changes the status of the part-time judge of the Berea Municipal Court to that of a full-time judge to be elected in 2005, and provides that the part-time judge elected in 1999 remains in office until the end of the judge's term and that the full-time judge to be elected in 2005 is to be the successor to that part-time judge.

### **Judicial salary**

The annual salary of a judge of a municipal court judge consists of a state share and a local share paid by the county and municipality. The Supreme Court of Ohio estimates that, when the full-time municipal court judge takes office in January 2006, the annual salary of the judge will be at most \$109,129. (The comparable annual salary figure for 2007 is estimated at \$112,402.) This annual cost in 2006 will be split amongst the appropriate local jurisdictions and the state as follows:

- The *local share* of a full-time municipal court judge's salary is fixed at \$61,750 per year, to be split between the City of Berea (60% or \$37,050) and Cuyahoga County (40% or \$24,700).
- The *state share* is equal to the annual salary minus the local share, or \$47,379.

It should also be noted that Sub. H.B. 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.

### **Retirement (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 full-time judge elected to the Berea Municipal Court will join PERS. The state and local PERS contributions are calculated as follows:

- The state contributes at the rate of 13.31% of its supplemental salary amount, while the county and the city each pays 13.55% on its base share amount.
- Under that PERS contribution formula, the City of Berea will pay a total of \$5,020 and Cuyahoga County will pay \$3,347 annually, while the state will contribute a total of \$6,306 in FY 2007, the first full state fiscal year of the newly elected full-time municipal court judge.

### **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 \$4,117 (\$47,379 x 8.69%) in FY 2007 the first full state fiscal year of the newly elected full-time municipal court judge.

**Berea Municipal Court: summary of certain state and local costs**

Since the City of Berea currently has a part-time municipal court judge, the state and local costs outlined above represent a mixture of existing costs plus additional costs associated with the conversion to a full-time municipal court judge. The net increase in annual costs to the state and local jurisdictions is outlined below. As of this writing, LSC fiscal staff has no information suggesting that there will be any associated capital improvements or additional staffing costs.

**State Costs for Municipal Court Judges in Calendar Year 2006\***

<b>Cost Component</b>	<b>Part-time Judge</b>	<b>Full-time Judge</b>	<b>Net Increase</b>
<b>Salary</b>	\$27,229	\$47,379	\$20,150
<b>PERS</b>	\$3,624	\$6,306	\$2,682
<b>Other State Contributions</b>	\$2,366	\$4,117	\$1,751
<b>Total</b>	\$33,219	\$57,802	\$24,583

\*Based on estimated annual salary for part-time and full-time municipal court judges in 2006.

**City of Berea Costs for Municipal Court Judge in Calendar Year 2006\***

<b>Cost Component</b>	<b>Part-time Judge</b>	<b>Full-time Judge</b>	<b>Net Increase</b>
<b>Salary</b>	\$21,330	\$37,050	\$15,720
<b>PERS</b>	\$2,890	\$5,020	\$2,130
<b>Total**</b>	\$24,220	\$42,070	\$17,850

\*Based on estimated annual salary for part-time and full-time municipal court judges in 2006.

\*\*Total does not include other payroll related costs, e.g., Medicare and workers' compensation.

**Cuyahoga County Costs for Municipal Court Judge in Calendar Year 2006\***

<b>Cost Component</b>	<b>Part-time Judge</b>	<b>Full-time Judge</b>	<b>Net Increase</b>
<b>Salary</b>	\$14,220	\$24,700	\$10,480
<b>PERS</b>	\$1,927	\$3,347	\$1,420
<b>Total</b>	\$16,147	\$28,047	\$11,900

\*Based on estimated annual salary for part-time and full-time municipal court judges in 2006.

\*\*Total does not include other payroll related costs, e.g., Medicare and workers' compensation.

*LSC fiscal staff: Jamie L. Doskocil, Budget Analyst*

