

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4895-02  
Bill No.: SB 585  
Subject: Judges; Courts; Courts, Juvenile; Elections; State Employees; Retirement - State  
Type: Original  
Date: January 7, 2016

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Bill Summary: This proposal divides the Thirty-Eighth Judicial Circuit and creates a new Forty-Sixth Judicial Circuit.

**FISCAL SUMMARY**

| <b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>          |                                     |                    |                    |
|--|-------------------------------------|--------------------|--------------------|
| FUND AFFECTED  | FY 2017                             | FY 2018            | FY 2019            |
| General Revenue  | (\$382,312 to<br>\$782,312)         | (\$531,373)        | (\$531,373)        |
| <b>Total Estimated<br/>Net Effect on<br/>General Revenue</b> | <b>(\$382,312 to<br/>\$782,312)</b> | <b>(\$531,373)</b> | <b>(\$531,373)</b> |

| <b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>                      |            |            |            |
|---|------------|------------|------------|
| FUND AFFECTED   | FY 2017    | FY 2018    | FY 2019    |
|   |            |            |            |
|   |            |            |            |
| <b>Total Estimated<br/>Net Effect on <u>Other</u><br/>State Funds</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 6 pages.

| <b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>                  |                |                |                |
|---|----------------|----------------|----------------|
| <b>FUND AFFECTED</b>  | <b>FY 2017</b> | <b>FY 2018</b> | <b>FY 2019</b> |
|   |                |                |                |
|   |                |                |                |
| <b>Total Estimated Net Effect on <u>All</u> Federal Funds</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>     |

| <b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b> |                |                |                |
|---|----------------|----------------|----------------|
| <b>FUND AFFECTED</b>                                      | <b>FY 2017</b> | <b>FY 2018</b> | <b>FY 2019</b> |
| General Revenue   | 5 FTE          | 5 FTE          | 5 FTE          |
|   |                |                |                |
| <b>Total Estimated Net Effect on FTE</b>                  | <b>5 FTE</b>   | <b>5 FTE</b>   | <b>5 FTE</b>   |

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

| <b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b> |                |                |                |
|--|----------------|----------------|----------------|
| <b>FUND AFFECTED</b>                       | <b>FY 2017</b> | <b>FY 2018</b> | <b>FY 2019</b> |
| <b>Local Government</b>                    | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>     |

## FISCAL ANALYSIS

### ASSUMPTION

Officials at the **Office of the State Courts Administrator (OSCA)** assume the proposed legislation divides the thirty-eighth judicial circuit and creates a new forty-sixth judicial circuit. Beginning January 1, 2017, the proposed legislation would divide the 38<sup>th</sup> judicial circuit consisting of Christian and Taney counties into two judicial circuits who shall sit in divisions numbered one and two. The circuit judge who sat as the only circuit judge in the 38<sup>th</sup> judicial circuit shall hold office for the remainder of the term to which he or she was elected or appointed and until his or her successor is elected and qualified. The circuit judge in division two shall be elected in 2016. Taney County would be in a new 46<sup>th</sup> judicial circuit.

For a presiding circuit judge, the cost is as follows:

|                      |   |
|----------------------|---|
| Circuit Court Judge: | Salary - \$148,263, Fringe - \$110,119        |
| Court Reporter:      | Salary - \$ 57,178, Fringe - \$ 29,733        |
| Secretary:           | <u>Salary - \$ 38,928, Fringe - \$ 20,923</u> |
| Totals               | Salary - \$244,369, Fringe - \$160,775        |

In addition, the legislation would create a new single county circuit which would require a chief juvenile officer, paid by the state per statute 211.393. It is assumed juvenile staff will be divided between Christian and Taney counties.

|                    |                                      |
|--------------------|--------------------------------------|
| Juvenile Officer:  | Salary - \$48,100, Fringe - \$25,013 |
| Juvenile Secretary | Salary - \$34,944, Fringe - \$18,172 |

In addition, there would be cost for computer equipment and associated costs for the five new FTE totaling \$16,625.

Also, the separation of county Judiciary Information System information into two databases (if required), would cost from \$100,000 to \$500,000 in contractual services. The total annual cost for this legislation would be \$382,312 to \$782,312 in FY 2017 and \$531,373 for FY 18 and FY 19 with 5 FTE each year.

Officials at the **Missouri State Employees' Retirement System (MOSERS)** assume the proposed legislation would, if enacted, transfer Taney County from the 38<sup>th</sup> judicial circuit to a newly established 46<sup>th</sup> judicial circuit, effective January 1, 2017, and specify that the 38<sup>th</sup> judicial circuit would be comprised solely of Christian County, resulting in both being single county circuits of the first classification. (Presently, the 38<sup>th</sup> judicial circuit is comprised of

ASSUMPTION (continued)

Taney and Christian Counties and is identified as a multi-county circuit.) The proposal also would provide that in a single county circuit that changed from a multi-county circuit on or after August 28, 2016, any juvenile court employee, who receives all salary from the state, would be a state employee. These juvenile employees would be eligible to receive state provided benefits including retirement benefits from MOSERS, while employed in that circuit and not be subject to restrictions set forth in Section 211.393.2, RSMo, that otherwise would prevent juvenile court employees employed in a single county circuit from receiving state provided benefits.

In 1998, legislation was enacted (subsequently codified under section 211.393, RSMo) that created a single county/multi-county structure which defined how juvenile court employees would be treated for purposes of salaries, retirement, health insurance and other fringe benefits. Under that legislation, a single county circuit is defined as a judicial circuit composed of a single county of the first classification and a multi-county circuit is defined as all other judicial circuits not included in the definition of a single county circuit. As a result, juvenile court employees in multi-county circuits are considered state employees and are covered by MOSERS for retirement purposes.

The schedule below illustrates the number, position, annual pay and years of service of juvenile court employees currently working in the 38th judicial (multi-county) circuit who are state employees covered by MOSERS.

| Classification           | Annual Salary | MOSERS-Covered Service |
|--------------------------|---------------|------------------------|
| Juvenile Officer II      | \$36,204      | 0 years, 1 months      |
| Juvenile Officer II      | \$36,888      | 17 years, 5 months     |
| Juvenile Officer II      | \$37,548      | 18 years, 3 months     |
| Juvenile Officer II      | \$36,888      | 10 years, 9 months     |
| Juvenile Officer III     | \$41,172      | Vacant                 |
| Juvenile Officer III     | \$41,940      | 21 years, 8 months     |
| Juvenile Officer IV      | \$44,304      | 6 years, 7 months      |
| Secretary II             | \$27,660      | 15 years, 7 months     |
| Court Program Specialist | \$32,052      | 21 years, 8 months     |

Officials at **Christian County** assume a cost of \$140,000 for an additional judge for Taney County.

Officials at Taney County did not respond to **Oversight's** request for fiscal impact.

ASSUMPTION (continued)

**Oversight** assumes OSCA has standards on the number of cases to be met before hiring additional FTE for any circuit. This cost is OSCA's responsibility and any additional FTE request would need to be issued through the state appropriation process. Therefore, the cost for the additional Judge for Taney County would have no fiscal impact to the state at this time.

**Oversight** assumes from this proposal that FY 2017 would contain cost for one half of the year since the start date would not be until January 1, 2017 and cost would be for a full year in fiscal years 2018 and 2019. Oversight has reflected these costs in the chart.

| <u>FISCAL IMPACT - State Government</u>            | FY 2017                             | FY 2018            | FY 2019            |
|--|-------------------------------------|--------------------|--------------------|
| <b>GENERAL REVENUE</b>                             |                                     |                    |                    |
| <u>Costs - OSCA</u>                                |                                     |                    |                    |
| Personal Service                                   | (\$163,707)                         | (\$327,413)        | (\$327,413)        |
| Fringe   | (\$101,980)                         | (\$203,960)        | (\$203,960)        |
| Equipment and Expense                              | (\$116,625 to<br>\$516,625)         | \$0                | \$0                |
| <u>Total Cost - OSCA</u>                           | <u>\$782,312</u>                    | <u>(\$531,373)</u> | <u>(\$531,373)</u> |
| FTE Change - OSCA                                  | 5 FTE                               | 5 FTE              | 5 FTE              |
| <b>ESTIMATED NET EFFECT ON<br/>GENERAL REVENUE</b> | <b>(\$382,312 to<br/>\$782,312)</b> | <b>(\$531,373)</b> | <b>(\$531,373)</b> |
| Estimated Net FTE Change for General<br>Revenue    | 5 FTE                               | 5 FTE              | 5 FTE              |
| <u>FISCAL IMPACT - Local Government</u>            | FY 2017                             | FY 2018            | FY 2019            |
|  | <u>\$0</u>                          | <u>\$0</u>         | <u>\$0</u>         |

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

### FISCAL DESCRIPTION

Currently, the Thirty-Eighth Judicial Circuit consists of Christian and Taney counties. The act provides that the Thirty-Eighth Judicial Circuit shall consist of only Christian County and creates a new Forty-Sixth Judicial Circuit consisting of Taney County. Currently, the Thirty-Eighth Judicial Circuit has one circuit judge, and the act provides that the circuit shall have two with the new second judge being elected in 2016. The Forty-Sixth Judicial Circuit shall have one circuit judge also elected in 2016.

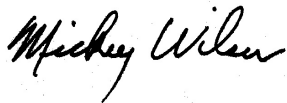
Juvenile officers employed in a multicounty circuit which switches to a first class single county circuit on or after August 28, 2016, are state employees and shall receive state-provided benefits.

This proposal contains an emergency clause.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

### SOURCES OF INFORMATION

Office of the State Courts Administrator  
Missouri State Employee Retirement  
Christian County



Mickey Wilson, CPA  
Director  
January 7, 2016

Ross Strobe  
Assistant Director  
January 7, 2016