

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4238-02  
Bill No.: SB 803  
Subject: County Officials; Estates, Wills and Trusts; Salaries  
Type: Original  
Date: February 17, 2020

---

Bill Summary: This proposal modifies provisions relating to salaries of public administrators.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
<b>Total Estimated Net Effect on <u>Other</u> 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 2021</b>	<b>FY 2022</b>	<b>FY 2023</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 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</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 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>
<b>Local Government</b>	<b>(Could exceed \$948,165)</b>	<b>(Could exceed \$1,896,329)</b>	<b>(Could exceed \$1,896,329)</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials at **Scotland County** assume a cost of \$42,563.80 calculated as follows:

2020 - No fiscal impact	
2021 - Increase in salary from \$15,000 to \$34,000	\$19,000.00
Increase in payroll taxes (assuming 7.65% rate)	\$ 1,453.50
Increase in work comp (assuming 4.36% rate)	<u>\$ 828.40</u>
	\$21,281.90
2022 - Increase in salary form \$15,000 to \$34,000	\$19,000.00
Increase in payroll taxes (assuming 7.65% rate)	\$ 1,453.50
Increase in work comp (assuming 4.36% rate)	<u>\$ 828.40</u>
	\$21,281.90

**Oversight** only reflects the responses that we have received from state agencies and political subdivisions; however, other 2<sup>nd</sup>, 3<sup>rd</sup>, 4<sup>th</sup> class counties and county public administrators were requested to respond to this proposed legislation, but did not. A general listing of political subdivisions included in our database is available upon request.

**Oversight** notes the effective date of the proposal is January 1, 2021. So only 6 months of Scotland County's increase in salary would be effective or \$10,641.

**Oversight** notes each county has a public administrator including the City of St. Louis. Oversight is unclear what their current salaries are based on the number of letters that are opened annually. Oversight assumes this proposal would potentially increase the salaries in 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> class counties based on assessed valuation. Oversight took the highest salary cap at 39 letters opened of \$25,000 and calculated the difference in salary that would be increased based on the assessed valuation in the chart below. Using the Summary of Total Assessed Valuation Report, Oversight also organized the 2<sup>nd</sup>, 3<sup>rd</sup>, and 4<sup>th</sup> class counties into salary classifications based on the assessed valuation. From this chart, Oversight assumes there could be a salary increase that could exceed \$1,693,000 in salary alone. If we add in additional payroll taxes and workers' compensation, then the potential costs could exceed \$1,896,329 and Oversight will reflect this amount in the fiscal note for this proposal.

ASSUMPTION (continued)

<u>Assessed Valuation</u>	<u>County Class</u>	<u>Number</u>	<u>Highest Salary</u>	<u>Assessed Salary</u>	<u>Difference in Salary</u>	<u>Potential Adjusted Salary</u>
\$8,000,000 to \$40,999,999	3	1	\$25,000	\$ 29,000	\$ 4,000	\$ 4,000
\$41,000,000 to \$53,999,999	0	0	\$25,000	\$ 30,000	\$ 5,000	\$ -
\$54,000,000 to \$65,999,999	3	1	\$25,000	\$ 32,000	\$ 7,000	\$ 7,000
\$66,000,000 to \$85,999,999	3	4	\$25,000	\$ 34,000	\$ 9,000	\$ 36,000
\$86,000,000 to \$99,999,999	3	4	\$25,000	\$ 36,000	\$ 11,000	\$ 44,000
\$100,000,000 to \$130,999,999	3	9	\$25,000	\$ 38,000	\$ 13,000	\$ 117,000
\$131,000,000 to \$159,999,999	3	12	\$25,000	\$ 40,000	\$ 15,000	\$ 180,000
\$160,000,000 to \$189,999,999	3	7	\$25,000	\$ 41,000	\$ 16,000	\$ 112,000
\$190,000,000 to \$249,999,999	3	14	\$25,000	\$ 41,500	\$ 16,500	\$ 231,000
\$250,000,000 to \$299,999,999	3	8	\$25,000	\$ 43,000	\$ 18,000	\$ 144,000
\$300,000,000 to \$449,999,999	3, 4	16	\$25,000	\$ 45,000	\$ 20,000	\$ 320,000
\$450,000,000 to \$599,999,999	3, 4	11	\$25,000	\$ 47,000	\$ 22,000	\$ 242,000
\$600,000,000 to \$749,999,999	3, 4	6	\$25,000	\$ 49,000	\$ 24,000	\$ 144,000
\$750,000,000 to \$899,999,999	2	1	\$25,000	\$ 51,000	\$ 26,000	\$ 26,000
\$900,000,000 to \$1,049,999,999	2	2	\$25,000	\$ 53,000	\$ 28,000	\$ 56,000
\$1,050,000,000 to \$1,199,999,999	3	1	\$25,000	\$ 55,000	\$ 30,000	\$ 30,000
\$1,200,000,000 to \$1,349,999,999	0	0	\$25,000	\$ 57,000	\$ 32,000	\$ -
\$1,350,000,000 and over	0	0	\$25,000	\$ 59,000	\$ 34,000	\$ -
		97				\$1,693,000
				Payroll taxes		\$ 129,515
				Work Comp		\$ 73,815
				Grand Total		\$1,896,329

<u>FISCAL IMPACT - State Government</u>	<u>FY 2021</u> <u>(6 Mo.)</u>	<u>FY 2022</u>	<u>FY 2023</u>
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2021 (6 Mo.)	FY 2022	FY 2023
<b>COUNTY FUNDS</b>			
<u>Cost</u> - Potential salary increases for public administrators	(Could exceed <u>\$948,165</u> )	(Could exceed <u>\$1,896,329</u> )	(Could exceed <u>\$1,896,329</u> )
<b>ESTIMATED NET EFFECT ON COUNTY FUNDS</b>	<b>(Could exceed <u>\$948,165</u>)</b>	<b>(Could exceed <u>\$1,896,329</u>)</b>	<b>(Could exceed <u>\$1,896,329</u>)</b>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

This act provides that each public administrator in second, third, or fourth class counties and in the St. Louis City who begins a first term on or after January 1, 2021, shall be deemed to have elected to receive a salary. Currently, if a public administrator elected to be placed on salary, the salary is determined by a schedule based on the average number of open letters in the two years preceding the term in which the salary is elected. This act repeals the schedule based on open letters and only provides that the salary shall be paid according to the assessed valuation schedule. Additionally, this act repeals the provision regarding the determination of initial compensation for public administrators who have elected to be put on salary, the requirements of salary increases or decreases, and the determination of the number of letters.

This act has a delayed effective date of January 1, 2021.

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

Scotland County



Julie Morff  
Director  
February 17, 2020



Ross Strobe  
Assistant Director  
February 17, 2020