

COMMITTEE ON LEGISLATIVE RESEARCH
 OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3763-02
Bill No.: SB 996
Subject: Counties: Circuit Clerks
Type: Original
Date: February 11, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Office of State Courts Administrator** stated that this proposal would authorize County Commissions to pay the salaries of Deputy Circuit Clerks and Division Clerks. Officials stated since the only result of this proposal would be to codify current practice, there would be no cost or savings to the Judiciary.

Officials of the **Office of Administration** assume this proposal would have no cost or savings to the Division of Budget and Planning.

Officials of the **Joint Committee on Public Employee Retirement** stated that this legislation is a “substantial proposed change” in future plan benefits as defined in Section 105.660(5). Therefore, an actuarial cost statement as defined in Section 105.665 must be provided prior to final action on this legislation by either legislative body or committee thereof. An actuarial cost statement has not been filed with the Joint Committee on Public Employee Retirement, and it would be impossible to accurately determine the fiscal impact of this proposed legislation without the actuarial cost statement prepared in accordance with Section 105.665 RSMo.

The **Boone County Clerk** stated that Boone County has for years hired Deputy Circuit Clerks over and above what the state authorizes. The County currently pays the salaries of the employees and they are considered county employees.

Oversight assumes that this proposal would allow County Commissions, at their own discretion, to pay the salaries of Deputy or Division Clerks in the office of Circuit Clerk. Oversight assumes this is enabling legislation, and any fiscal impact to any county, arising from this proposal would be at the direction and action of the governing body. Oversight assumes no state or local fiscal impact.

Officials of the **County Employees' Retirement Fund (CERF)** assume in the first year, SB 996 would require an expenditure of internal staff time and expense for outside advisors and vendors to identify the additional members of the System and establish appropriate records and procedures to administer their benefits. Officials assume there would be additional direct benefit costs. Officials assume that cost for FY 2003 would be \$332,000; in FY 2004 \$335,000; and \$349,000 in FY 2005. The cost are based on an assumption that there are 200 Deputy Clerks who have the same demographic characteristics of the current CERF membership who would be added to CERF membership under SB 996. To the extent there are more or less employees added, the above costs would be affected proportionately. The above estimates assume that these employees would receive credit for their service in their state government employment prior to their addition to CERF. The above figures are derived from the January 1, 2001, actuarial report.

ASSUMPTION (continued)

Oversight for the purposes of this fiscal note assumes that the County Employees' Retirement Fund (CERF) is not a state department or political subdivision of this state. Therefore, fiscal impact to the CERF system will not be a part of this note, however, the comments of the CERF will be shown in the Assumption section of this fiscal note.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u>\$0*</u>	<u>\$0*</u>	<u>\$0*</u>

*** See Assumption Section, County Employees' Retirement Fund statements.**

FISCAL IMPACT - Small Business

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

DESCRIPTION

This act allows County Commissions to vote to pay the salaries of Deputy Circuit Clerks and Division Clerks with county funds. Currently, the salaries of Deputy Circuit Clerks and Division Clerks must be paid by the state.

If a County Commission votes to pay the salary of such a clerk with county funds, then the clerk shall be considered a county employee in all respects.

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 State Courts Administrator

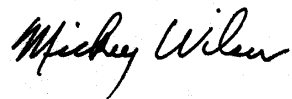
WB:LR:OD (12/01)

Office of Administration- Division of Budget and Planning
Joint Committee on Public Employee Retirement
Boone County Clerk
County Employees' Retirement Fund

NOT RESPONDING

Missouri Employees' Retirement System

The County Commissions of : Callaway, Cass, Greene, Platte, Marion, Cape Girardeau, Newton,
Taney, Lincoln, St. Louis and Jackson Counties.



Mickey Wilson, CPA
Acting Director
February 11, 2002