

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 2312-06
BILL NO.: HS for HCS for SCS for SB 542 with HA #1
SUBJECT: Counties: Public Administrators, Salaries
TYPE: Original
DATE: May 9, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Local Government	(\$0 to Unknown)	(\$0 to Unknown)	(\$0 to Unknown)

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Office of State Courts Administrator** stated there would be no fiscal impact on the courts.

Officials of **Phelps County** assumes this proposal would cost the county an additional \$4,000 annually for personnel.

The **Public Administrator of St. Louis County** assumes no fiscal impact from this proposal.

The **Boone County Public Administrator** assumes no fiscal impact.

The **Greene County Public Administrator** assumes no fiscal impact.

The **Johnson County Public Administrator** stated that this proposal would increase his salary by \$21,000 annually, however, the county would receive his fees which are approximately \$10,000 to \$15,000 annually.

The **Marion County Public Administrator** stated that under this proposal if the salary were determined by the assessed valuation method, the salary would be decreased by approximately \$9,000 to \$10,000.

Oversight assumes that this proposal allows Public Administrator to determine their method compensation. The Public Administrator would be allowed to choose to remain on the fee system of compensation or a salary.

City of St. Louis officials assume that this proposal would add salary and benefit costs to the city ranging between an estimated \$140,000 to \$170,000 per year. This estimate is based on an annual compensation of \$65,000 for the Public Administrator and salary ranges as specified by the Public Administrator for two office employees. The amount of fees offsetting this new and additional salary expense is unknown to the City.

Callaway County officials stated that they currently supplement the salary of the Public Administrator by approximately \$14,000 annually. Officials assume under the proposed legislation that if the Public Administrator would elect to remain on the fee system there would be no fiscal impact, however, officials stated that the current assessed value of the county in approximately \$500,000,000 which would result in a salary of \$47,000 annually. Officials stated that this would be a substantial increase in salary even when fees are considered for offsetting the new salary.

ASSUMPTION (continued)

Cole County officials stated that the Public Administrators current salary is \$49,050. Officials assume if the Public Administrator would elect to stay on the current system of fees there would be no fiscal impact however, if the Public Administrator would elect to receive a salary under this proposal the salary would increase to \$53,000 annually. Officials do not consider this proposal to be permissive.

Oversight assumes that under this proposal that Public Administrators would elect to be compensated by the system which would allow the greatest income. Oversight assumes cost to counties for salaries and in certain counties for staff salaries and fringe benefits.

HA #1 Public Administrators-Retirement

Officials of the **Missouri Local Government Employee's Retirement System** stated that the local government retirement system's current policy is to allow any local government employee to join their system, therefore House Amendment #1 would have no fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	\$0	\$0	\$0

<u>FISCAL IMPACT - Local Government</u>	FY 2001 (6 Mo.)	FY 2002	FY 2003
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COUNTIES

<u>Cost</u>			
Public Administrator and staff salaries	\$0 to <u>(Unknown)</u>	\$0 to <u>(Unknown)</u>	\$0 to <u>(Unknown)</u>

FISCAL IMPACT - Small Business

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

DESCRIPTION

This act allows Public Administrators in second, third and fourth classification counties and the City of St. Louis to choose whether the method of compensation will remain based on fees or

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will go to a salary which is determined by the number of cases handled by the office. In the event the Public Administrator for St. Louis elects to be a salaried employee, the salary will be \$65,000.

The compensation paid to a salaried Public Administrator is determined by the average number of cases handled over a 2 year period up to 39 cases.

A Public Administrator with 40 or more cases is considered a full time employee of the county and is paid a salary based on the assessed valuation of the county. Fees collected by a salaried Public Administrator are deposited in the County Treasury. In St. Louis City such fees are deposited in the City Treasury.

Any full-time staff people in the Office of the Public Administrator are considered county employees after January 1, 2001. The County must provide full time staff to a Public Administrator with 50 or more cases.

House Amendment #1 provides that any Public Administrator in a county of the first classification without a charter form of government and a population less than one hundred thousand inhabitants who elects to receive fees in lieu of a salary would be allowed to join the Missouri Local Government Employee's Retirement System.

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

Missouri Local Government Employee's Retirement System
State Courts Administrator
City of St. Louis
Cole County Clerk
Callaway County Commission
Phelps County Clerk

SOURCES OF INFORMATION(continued)

St. Louis County Public Administration

RWB:OD:005 (9-94)

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Boone County Public Administrator
Greene County Public Administrator
Johnson County Public Administrator
Marion County Public Administrator

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is cursive and somewhat stylized, with the first name "Jeanne" written in a larger, more prominent script than the last name "Jarrett".

Jeanne Jarrett, CPA
Director
May 9, 2000