WASHOE COUNTY

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STAFF REPORT
BOARD MEETING DATE: July 19, 2022

DATE: July 13, 2022

TO: Board of County Commissioners

FROM: James P. Conway, Reno Justice Court Administrator
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SUBJECT: Recommendation to approve a 10% increase to a Reno Justice Court justice-of-the-peace salary (from $79.99 per hour to $87.99 per hour) when a the Court is operating with one fewer justice of the peace than what is authorized by NRS 4.020(1)(b); to approve an additional 10% increase (total increase of 20%) to a Reno Justice Court justice-of-the-peace salary (from $79.99 per hour to $95.99 per hour) when the Court is operating with two or more fewer justices of the peace than what is authorized by NRS 4.020(1)(b); to terminate the temporary salary adjustment for justices of the peace that was approved by the BCC on October 12, 2021; to make such changes retroactive to July 1, 2022; and to authorize Human Resources to make the necessary changes. [Total FY23 net fiscal impact of $2,008 in savings for Reno Justice Court]. (All Commission Districts).

SUMMARY

On October 12, 2021, the BCC approved a special salary adjustment for justices of the peace in Washoe County during any period in which a justice court is operating with fewer than the full complement of judges authorized by NRS 4.020(1)(b). The current temporary salary adjustment is 5% of a judge's base salary for every vacancy in the court, not to exceed a total of 10%.

On July 1, 2022 AB 424 went into effect requiring court hearings 7 days a week, 365 days a year. The judges of the Reno Justice Court have agreed to cover these court hearings with existing judicial resources rather than seek to fill the vacant positions. The current judges will, therefore, be working 40% more weekends and holidays than they would if fully staffed pursuant to NRS 4.020(1)(b). Moreover, and as described in greater detail below, over the past fifteen years, Reno Justice Court has frequently operated with fewer than the full complement of judges authorized by NRS 4.020(1)(b), saving the County millions of dollars in the process, and every time the Court waives the creation of a seventh seat, the County saves hundreds of thousands of dollars per fiscal year.

This item seeks to compensate the judges for the additional work by a 10% increase to a justice-of-the-peace's salary when the Court is operating with one fewer justice of the peace than what is authorized by NRS 4.020(1)(b) and to approve an additional 10% increase (for a total increase of 20%) to a justice-of-the-peace's salary (from $79.99 per hour to $95.99 per hour) when the Court is operating with two or more fewer justices of the peace than what is authorized by NRS 4.020(1)(b). This item will also terminate the temporary salary adjustment for justices of the

peace that was approved by the BCC on October 12, 2021 and makes such changes retroactive to July 1, 2022. This is not a COLA adjustment, as a COLA is expected to be addressed in a subsequent board item.

Washoe County Strategic Objective supported by this item: Fiscal Sustainability. If a justice court is operating with fewer than the full complement of judges authorized by NRS 4.020(1)(b), it results in salary savings and/or cost avoidance as described in further detail below.

PREVIOUS ACTION

On November 13, 2006 the Board of County Commissioners (BCC) and the Washoe County justices of the peace entered into a Memorandum of Understanding (MOU) to conduct through a third-party a biennial judicial salary survey and utilize the survey results to recommend an appropriate salary.

On February 10, 2016 the BCC rescinded the above MOU and agreed to provide COLA increases to the salaries of justices of the peace when the State Legislature authorizes COLA increases to the salaries of the elected officials listed in NRS 245.043.

On October 12, 2021, the Board of County Commissioners approved the recommendation of Reno Justice Court to create the aforementioned salary adjustment.

On at least one occasion the board has decided to not immediately fill judicial vacancies at the Reno Justice Court in response to the court's stated willingness to cover the additional workload. Those are the only previous actions taken on this matter.

BACKGROUND

Pursuant to NRS 4.020(1)(b), the townships of Washoe County are entitled to one justice of the peace for every 50,000 residents unless, pursuant to NRS 4.020(3), a justice court indicates they can effectively manage the workload without the additional judicial position, and the County chooses not to fill the position. According to the most recent data published by the Nevada State Demographer, the population of Reno Township is approximately 312,339 residents, indicating that the population has crossed the threshold to create a seventh justice-of-the-peace position within Reno Township.

The Reno Justice Court judges have repeatedly agreed to postpone filling additional judicial positions. The Court absorbed the caseload of the Verdi Justice Court when it was merged into the Reno Justice Court in 2005. The Court was entitled to a fifth judicial position in 2006 but did not seek to have it filled until 2012. The Court again waived the creation of an additional judicial position when a seventh seat could have been created in 2019, and it continues to do so to this day. Further, when there was a retirement from Department 3 in March of 2014, the Court agreed to cover the absence until the County was required to fill the position in January of 2017. The Court again agreed to cover an absence from a retirement from November 2020 until the County is required to fill the position in January of 2023. The approximate cost, with benefits, for a justice of the peace position has ranged from $160,000 to $240,000 from 2006 to 2022. Taking the average of $200,000 the judges of the Reno Justice Court have saved the County millions of dollars over the past fifteen years. When the additional support staff of judicial assistants, bailiffs and clerks are factored in, this figure likely doubles.

Reno Justice Court is currently operating with five justices of the peace even though, by statute, Reno Township is entitled to seven. This has resulted in each judge of the Reno Justice Court handling 40 percent more cases than they would if the Court was fully staffed pursuant to the statute. The judges have managed this additional caseload while maintaining exceptional service to the community. The Reno Justice Court is open and staffed with judges more hours than any other court in the State and it continues to find new ways to serve the community through new programs including its new self-help center.

The Court has historically operated in a fiscally responsible manner by covering the caseloads of temporarily vacant judicial seats, but there is no doubt that doing so increases the workload of the remaining judges. Additionally, due to the implementation of AB 424, justice court judges are now required to hold hearings on weekends and holidays, but they do not receive any additional compensation such as on-call pay, overtime, shift differential or holiday overtime pay. While other agencies and courts requested additional attorneys and/or judicial positions, the Reno Justice Court is willing to cover these weekends and holidays with existing judicial resources.

Although the salary adjustment approved by the Board on October 12, 2021 provides some additional compensation for the judges' increased workload, the compensation is not PERS compensable and does not reflect the additional workload that will require court every weekend and holiday, seven days a week, all year starting July 1, 2022 which will result in the judges working 40% more weekends and holidays than they would if they were fully staffed. In order to compensate the judges more adequately for their increased workload and to provide a financial incentive to encourage the court to waive the creation of additional judicial positions pursuant to NRS 4.020(3), this item, if approved, would increase the judges' salary during any period in which a justice court is operating with fewer than the full complement of judges authorized by NRS 4.020(1)(b).

The proposed increase to the judges' salary is 10% (from $79.99 per hour to $87.99 per hour) when the justice court is operating with one fewer justice of the peace than what is authorized by NRS 4.020(1)(b) and to approve an additional 10% increase (total increase of 20%) to a justice-of-the-peace's salary (from $79.99 per hour to $95.99 per hour) when the justice court is operating with two or more fewer justices of the peace than what is authorized by NRS 4.020(1)(b). These adjustments are not COLA increases. That matter is expected to be addressed in a subsequent agenda item.

Should the workloads of the Court increase significantly, or the County becomes concerned the Court is not adequately staffed with judicial positions the County can fill a vacancy through the appointment process at any time.

FISCAL IMPACT

As Reno Justice Court has waived the creation of a seventh justice-of-the peace position, its FY23 general fund budget includes only six justice-of-the peace positions, but the sixth position will be vacant until a judge is elected and seated in January of 2023. According to information provided by Budget, the current total cost of six justice-of-the peace positions is $1,309,740 ($218,290 per position-not including Group Insurance, which isn't impacted by salary changes). A 10% increase to the judges' hourly salary (from $79.99 per hour to $87.99 per hour) increases the total annual cost of the six positions to $1,440,727 ($240,121 per position). However, as

summarized in the chart below when comparing the cost of this proposal with the cost of creating a seventh judicial position in Reno Justice Court, this proposal saves $87,299 annually when the Court is operating with six justices of the peace and $218,262 annually when the Court is operating with five justices of the peace, as it is currently operating.

Annual Amounts per Current Proposal							
No. of Seated Judges	Base Pay Hourly	Base Pay Annually	Annual PERS	Annual Medicare	Total Salary, PERS & Medicare (each)	Total Cost	Cost/ (Savings) Variance
7	$ 79.99	166,379	49,498	2,412	218,290	1,528,027	-
6	$ 87.99	183,019	54,448	2,654	240,121	1,440,727	(87,299)
5	$ 95.99	199,659	59,399	2,895	261,953	1,309,764	(218,262)
5 Seated Judges w/ 20% differential saves $218,262/year vs. 7 Seated Judges w/ 0% differential							
6 seated Judges w/ 10% differential saves $87,299 vs. 7 Seated Judges w/ 0% differential							

The FY23 impact is an estimated savings of $2,008. This estimate is based on 6 months with 5 Judges receiving 20% salary increase and 6 months with 6 Judges receiving a 10% salary increase, compared to budget. The estimate also includes the offsetting savings based on termination of the current 5% and 10%, non-PERS compensable, salary adjustment. See information below.

FY23 Fiscal Impact of Request						
6 months w/ 5 Judges (20% Salary Adjustment) and 6 months w/ 6 Judges (10% Salary Adjustment)						
No. of Seated Judges	Base Pay Hourly	Base Pay Annually	Annual PERS	Annual Medicare	Total Salary, PERS & Medicare (each)	Total Cost
5	$ 95.99	99,830	29,699	1,448	130,976	654,882
6	$ 87.99	91,510	27,224	1,327	120,061	720,364
					Subtotal Cost	*1,375,246*
6 months w/ 5 Judges (10% Salary Adjustment) and 6 months w/ 6 Judges (5% Salary Adjustment)						
No. of Seated Judges	Base Pay Hourly	Base Pay Annually	Annual PERS - Current Differential NOT PERS Compensable	Annual Medicare	Total Salary, PERS & Medicare (each)	Total Cost
5	$ 8.00	(8,319)	-	(121)	(8,440)	(42,198)
6	$ 4.00	(4,159)	-	(60)	(4,220)	(25,319)
		FY23 Savings; Elimination of Current Adjustment			*Subtotal Savings*	*(67,517)*
					Total FY23 Cost	**1,307,729**
FY23 Budget						
No. of Seated Judges	Base Pay Hourly	Base Pay Annually	Annual PERS	Annual Medicare	Total Salary, PERS & Medicare (each)	**Total Cost**
6	$ 79.99	166,379	49,498	2,412	218,290	**1,309,737**
FY23 VARIANCE					**Total Cost/ (Savings)**	**(2,008)**

RECOMMENDATION

Recommendation to approve a 10% increase to a Reno Justice Court justice-of-the-peace salary (from $79.99 per hour to $87.99 per hour) when a the Court is operating with one fewer justice of the peace than what is authorized by NRS 4.020(1)(b); to approve an additional 10% increase (total increase of 20%) to a Reno Justice Court justice-of-the-peace salary (from $79.99 per hour to $95.99 per hour) when the Court is operating with two or more fewer justices of the peace than what is authorized by NRS 4.020(1)(b); to terminate the temporary salary adjustment for justices of the peace that was approved by the BCC on October 12, 2021; to make such changes retroactive to July 1, 2022; and to authorize Human Resources to make the necessary changes. [Total FY23 net fiscal impact of $2,008 in savings for Reno Justice Court].

POSSIBLE MOTION

Should the Board agree with staff's recommendation, a possible motion would be:

"*Move to approve a 10% increase to a Reno Justice Court justice-of-the-peace salary (from $79.99 per hour to $87.99 per hour) when a the Court is operating with one fewer justice of the peace than what is authorized by NRS 4.020(1)(b); to approve an additional 10% increase (total increase of 20%) to a Reno Justice Court justice-of-the-peace salary (from $79.99 per hour to $95.99 per hour) when the Court is operating with two or more fewer justices of the peace than what is authorized by NRS 4.020(1)(b); to terminate the temporary salary adjustment for justices of the peace that was approved by the BCC on October 12, 2021; to make such changes retroactive to July 1, 2022; and to authorize Human Resources to make the necessary changes. [Total FY23 net fiscal impact of $2,008 in savings for Reno Justice Court.]"*