

## Actual Costs in Shared Residency

In May, I met with you and discussed some of the concerns myself and other shared custodial parents have regarding the child support adjustment for shared parenting time. Specifically, I mentioned that the shared custody provisions can create an overshoot in child support near 800%. In Table 5, I show how this number was calculated. Every custody case will have slightly different circumstances and finances, but it is clear that actual child support costs versus child support derived from the guidelines are very different. The numbers presented herein are generally applicable to any child attending public schools.

Shared residency is a special situation where both parents share both parenting time and, the very much connected, child support costs. However, some costs are not automatically split simply due to having shared custody. Most of the commonly shared expenses are listed below in Table 1.

**Table 1 Expense Sharing**

<u>Expenses</u>	<u>Sharing Method</u>
Public School Fees	CS
Private School Fees	Optional/Split
School Music Class Fees	CS*
School Sports	CS*
Competitive Sports	CS*
Music Lessons	CS*
Other Private Lessons	Optional/Split
Transportation	Split
Food	Split
Clothing	Split
Housing	Split
Utilities	Split
Insurance Premiums	Add'l/Split
Uninsured Medical Costs	Add'l/Split
Daycare	Add'l/Split
Entertainment	Split

**CS** = basic child support should include this cost

**Optional/Split** = additional, optional cost that both parents shall agree to and split cost 50/50

**Add'l/Split** = this fee is already ordered in addition to child support and is already split by income proportionate share

**Split** = this cost is split 50/50 by default due to shared custody arrangement

**\*** = basic child support should include two sports and one music lesson per year. Additional must be agreed by both parents and then split 50/50

Both parents should be responsible for paying half of child support costs, yet one parent will need to purchase some items. From Table 1, costs listed as “CS” should be, therefore, considered when deciding an appropriate monthly child support amount. Other costs should be either optional or deemed appropriate by the Court or a case manager.

In the tables below, costs for school, extracurricular activities and competitive sports are shown. Each family may have varying combinations of these costs, but most may be incurred at some point.

**Table 2 Basic Public School Fees**

<b>Basic School Fees</b>	<b>Annual Cost (\$)</b>	<b>Notes</b>	<b>Reference</b>
Enrollment Fee	\$75	registration and textbook rental	Max of USD266, USD265, USD259, USD385
School Supplies	\$300	notebooks, pencils, paper, folders, organizers	
Hall Lock Rental	\$2		USD259
Gym Lock Rental	\$2		USD259
Agenda Book	\$6		USD259
Student ID	\$3		USD259
Parking Permit	\$10		USD259
Lab Fee	\$30	CAD/Drafting	USD259 technical education fees
Lunches	\$481	$(\$2.35 + \$0.40) * 175 \text{ days}$	Highschool USD265
<b>Total Annually</b>	<b>\$909</b>		
<b>Total Monthly</b>	<b>\$76</b>		

**Table 3 School Extracurricular Activity Fees**

<b>Extracurricular Act. Fees</b>	<b>Annual Cost (\$)</b>	<b>Notes</b>	<b>Reference</b>
School Sports	\$180	registration, equipment rental, team jersey	USD265 junior football league
Sports Related Equipment	\$150	shoes \$100, gloves \$30, ball \$20	
Music Class	\$60	school instrument rental	USD339
Music Related Equipment	\$100	additional home equipment	
<b>Total Annually</b>	<b>\$490</b>		
<b>Total Monthly</b>	<b>\$41</b>		

**Table 4 Competitive Sports and Camps Fees**

<u>Fee</u>	<u>Annual Cost (\$)</u>	<u>Notes</u>	<u>Reference</u>
Baseball Westurban	\$150	6-10 yrs.-\$145, 11-14 yrs.-\$155	<a href="http://thebestplaywest.com/index.php?option=com_content&amp;view=article&amp;id=65&amp;Itemid=88">http://thebestplaywest.com/index.php?option=com_content&amp;view=article&amp;id=65&amp;Itemid=88</a>
Baseball Equipment	\$250	shoes \$75, bat \$75, glove \$50, other \$50	
Soccer AYSO	\$95	includes uniform, shin guards, socks	<a href="http://www.ayso208.org/registration.html">http://www.ayso208.org/registration.html</a>
Soccer Equipment	\$100	ball \$30, shoes\$50, gloves \$20	
Basketball Funball	\$115	4th \$110, 5th-6th \$120-includes ball	<a href="http://www.ymcawichita.org/UserFiles/File/youthsports/ybl-fall.pdf">http://www.ymcawichita.org/UserFiles/File/youthsports/ybl-fall.pdf</a>
Uniforms	\$90	\$30 per uniform X 3 uniforms	
Summer Camps/Lessons	\$300	golf, art, swimming, baseball, soccer, basketball, space camp, music, etc.	
<b>Total Annually</b>	<b>\$1,100</b>		
<b>Total Monthly</b>	<b>\$92</b>		

For example, please assume a 16 year old is enrolled in a Kansas public school, participates in band, plays football or cheerleads for his/her school, plays competitive baseball/softball, attends camps and lessons through the summer, and participates in all technical classes. For simplicity, we'll just add all the numbers contained in Table 2, Table 3, and Table 4. The sum of these is \$2500 annually. Monthly this figure is \$208. Therefore, the total cost for school, sports, and activities is \$208. Would it not be logical to impute 50% of this value to each parent? Therefore each parent would be responsible for \$104/month.

Further, if we consider two parents who both make \$30,000/yr teaching, live on the same block, drive the same car, and neither have any additional children, we could assume there would be \$5000/mo (before taxes) available for all household expenditures. From the Kansas child support guidelines, Appendix II, the total child support for this child is \$828. Firstly, I would like to point out that the guidelines overshoot the actual cost for this child by 398%. Since both

parents make the same, the income proportionate share is 50/50. One parent shall then pay the other parent  $\$828/2 = \$414$ . But since this is a shared custody arrangement and these parents will share direct expenses, a 20% adjustment is factored. The resulting child support amount is \$331. This overshoots the actual costs by 318%.

Table 5 shows the same calculations, but for different income scenarios. Obviously the worst cases are where one parent makes significantly more than the other, although even the balanced higher income levels show drastic overshoot.

**Table 5 Shared Custody Child Support Overshoot**

	Couple 1	Couple 2	Couple 3	Couple 4	Couple 5
Parent A Income (/yr)	\$30,000	\$30,000	\$80,000	\$15,000	\$10,000
Parent B Income (/yr)	\$30,000	\$80,000	\$80,000	\$15,000	\$80,000
Total Monthly	\$5,000	\$9,167	\$13,333	\$2,500	\$7,500
% \$Share, Parent A	50%	27%	50%	50%	11%
% \$Share, Parent B	50%	73%	50%	50%	89%
Child Support (Appendix II)	\$828	\$1,349	\$1,618	\$466	\$1,147
Actual Required Cost	\$208	\$208	\$208	\$208	\$208
Support Cost Overshoot	398%	649%	778%	224%	551%
Required Child Support Payment*	\$414	\$981	\$809	\$233	\$1,020
Shared Custody Adjustment	\$83	\$196	\$162	\$47	\$204
Final Child Support Amount	\$331	\$785	\$647	\$186	\$816
Support Payment Overshoot	318%	755%	622%	179%	784%

\*assumes the court simply rules that the parent making more should pay the parent making less

The only method that would reliably calculate an accurate child support amount is a cost-shares method. This method could be implemented in a number of ways. The easiest method would be to request the parties submit actual costs or the guidelines list actual averaged data and the parents or Judge select which areas are applicable to that age of child. Personally, I believe the most accurate and fair method is to require parents to provide a listing of costs, supported by references for each cost. Case managers should be allowed to review and decide the values.

Regardless of which parent is ordered to pay child support in a shared custody case, it is currently not fair to the paying parent. The parent who receives support will, thereby, be in charge of supporting the child with regard to school, sports, and activities. The child will grow up assuming one parent provided all the care and the other parent provided little. Emotionally and psychologically, this will teach the child to favor one parent over the other. The way by which the Court determines which parent pays is usually by which parent makes more (or which parent is already paying), which does not treat both parents equally as they are penalized for their income. The guidelines should accurately determine a child support amount which is locked for

2 years. The parents would then alternate paying/receiving support annually. The child support lock deters one parent from becoming intentionally unemployed or underemployed during the year they are required to pay support.

A brief inquiry into private schooling determined a range of costs from \$2,000 to over \$13,000/yr, depending on grade level and school. Therefore, it would be very difficult to enforce a “one size fits all” cost to cover all parents who decide on private schooling. Also, due to the sizable difference in cost, I believe private schooled children should not be placed in the same financial category as those who attend public schools. The guidelines should focus on public schooling and any additional costs for private schools should be calculated by the Court.

Since the determination of an accurate child support amount can be a complex and time consuming task, case managers should be allowed to make recommendations to the Court as to an appropriate amount. At this point child support cannot be put into case management, however, I believe case managers could do a wonderful job determining an appropriate amount. Case managers may have spent many hours with a family and understand which method would work best. Since case managers are well versed to handle complex or trivial issues of all kinds, why not allow a party to request their case manager determine an appropriate amount? It makes sense. If a party is faced with an 800% overpayment, would they not want another party to take a much deeper look into the situation without facing an evidentiary hearing? The option should at the very least be available. Parents should not be required to be in complete agreement in order to share direct expenses. If one party requests it, it should be reviewed by the Court.

An additional issue which is to be discussed further is bonuses/raises. Why are parents who work hard and perform well penalized? The issue of making raises retroactive and including all bonuses simply fuels more litigation. Bonuses are taxed at a higher rate, so funds are available to a party at a lower rate. Most of the time bonuses are not guaranteed because they are based on annual company performance or personal performance. If over 35% of an individual’s documented income over the past 6 months has come from bonuses, then I can understand including a bonus. However treating raises as retroactive will only fuel more litigation by causing the parties to enter the Court room again so they can. The point of the guidelines should be to keep the parties out of the Court room so they can learn to work issues out together not give them reasons to come back to Court.

Thank you for your time and consideration.

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