

**76th OREGON LEGISLATIVE ASSEMBLY – 2011 Regular Session
BUDGET REPORT AND MEASURE SUMMARY**

MEASURE: SB 5554-A

JOINT COMMITTEE ON WAYS AND MEANS

**Carrier – House: Rep. Nolan
Carrier – Senate: Sen. Verger**

Action: Do Pass as Amended and as Printed A-Engrossed

Vote: 21 – 0 – 4

House – Yeas: Beyer, Buckley, Cowan, Garrard, Komp, McLane, Nathanson, Nolan, Richardson, G. Smith, Thatcher, Whisnant
– Nays:
– Exc: Freeman, Kotek

Senate – Yeas: Devlin, Edwards, Girod, Johnson, Monroe, Nelson, Thomsen, Verger, Winters
– Nays:
– Exc: Bates, Whitsett

Prepared By: Linda Gilbert, Department of Administrative Services

Reviewed By: John Borden, Legislative Fiscal Office

Meeting Date: May 20, 2011

Agency
Oregon Judicial Department

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LFO Analysis Page

Biennium
2009-11

Budget Summary*

	2009-11	2011-13	2011-13	2009-11	Committee Change from	
	Legislatively Approved	Current Service Level	Governor's Budget	Committee	2009-11 Leg Approved	
	Budget (1)			Recommendation	\$ change	% change
General Fund	\$ 273,189,189	\$ 0	\$ 0	\$ 0	0	0.0%
General Fund Debt Service	10,662,324			0	0	0.0%
Other Funds	80,639,820	0	0	+4,009,379	+4,009,379	+5.0%
Federal Funds	859,163	0	0	+260,000	+260,000	+30.3%
Total	\$ 365,350,496	\$ 0	\$ 0	\$ +4,269,379	+4,269,379	+1.2%

Position Summary

Authorized Positions	1891	0	0
Full-time Equivalent (FTE) Positions	1833.14	0.00	0.00

(1) Includes adjustments through March 2011.

* Excludes Capital Construction expenditures

Summary of Revenue Changes

This measure amends the Judicial Department's 2009-11 legislatively approved budget. It provides expenditure limitation for revenues associated with its revenue management administrative assessment, House Bill 2287 (2009) temporary court fee revenue, ending balance reserves, and federal grants.

Summary of Public Safety Subcommittee Action

The Subcommittee approved increases to the Oregon Judicial Department's 2009-11 Other Funds and Federal Funds expenditure limitations, with the understanding that there will be a reduction in available cash resources to backfill General Fund reductions during the 2011-13 biennium.

OJD's \$8.8 million Other Funds request can be divided into three categories: (a) \$1.7 million Other Funds expenditure limitation to offset its General Fund reduction plan; (b) \$4.0 million for its general operating budget; and (c) \$3.1 million for unspecified expenditures.

The Subcommittee approved \$1.7 million to fund shift General Fund to Other Funds. This fund shift is part of OJD's General Fund reduction plan adopted by the Legislature and the only part of its request related to that plan. OJD's tentative plan is to move Department of Administrative Services – State Government Service Charges line-item charges from a General Fund expense to an Other Funds expense. The revenue source to support this fund shift is the eight percent revenue management assessment that is charged on most court fee revenue passing through the Department. The General Fund savings from this fund shift has been disappropriated (HB 5050).

The Subcommittee approved \$4.0 million for OJD's general operations. OJD has projected its Other Funds expenditures for the 2009-11 biennium using 18 months of actual expenditures and six months of estimated expenditures. The increases are: unspecific inflationary costs (\$1.1 million); Department of Revenue/private third party collection costs (\$750,000); a variety of intergovernmental agreements (\$704,994); Publications Program (\$406,374); Appellate Mediation Program (\$193,626); health benefit increases (\$520,000); drug courts in two Circuit Courts (\$122,971); court forms (\$113,112); and two State Justice Institute studies (\$63,000). OJD's projections show that its general operating budget Other Funds expenditure limitation of \$39.7 million will be exceeded by \$7.1 million across 11 of 13 programs. On average, these budget projections are +18% over budget.

The Subcommittee approved \$3.1 million in unspecified Other Funds expenditure limitation.

Other Funds are expended in Trial Courts, Appellate/Tax Court, and Administration and Central Support as follows: \$5,051,646 Personal Services and \$3,757,733 Services and Supplies. See attached spreadsheet for details by Summary Cross Reference. No positions or full-time equivalent positions are added. The Personal Services expenditure limitation enables the agency to fund-shift Personal Services from General to Other Funds.

The Department receives Federal Funds from US Health and Human Services for Juvenile State Court Improvement Project grants. In order to expend grant amounts in 2009-11, the Department requires an additional \$260,000 in limitation. Finishing a five-year strategic plan will use \$110,000 and information technology costs to upgrade OJIN will require the remaining \$150,000. The entire \$260,000 is to be spent as Services and Supplies in the Administration and Central Support Division. This is a 30% increase over the Department's 2009-11 legislatively approved Federal Funds expenditure limitation of \$859,163.

OJD subsequently identified \$4.8 million in excess Other Funds expenditure limitation in the Oregon eCourt Program that can be transferred to its Operation Program and used to fund part of the Department's request. This transfer can occur without impacting the development of the Oregon eCourt Program. The Subcommittee approved this transfer.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

SB 5554-A

Oregon Judicial Department
Linda Gilbert -- (503) 378-4588

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2009-11 Legislatively Approved Budget at March 2011 *	\$ 283,851,513	\$ 0	\$ 80,639,820	\$ 0	\$ 859,163	\$ 0	\$ 365,350,496	1,891	1,833.14
<u>SUBCOMMITTEE ADJUSTMENTS (from 2009-11 LAB)</u>									
SCR 100 - Trial Courts									
Personal Services	\$ 0	\$ 0	\$ 3,471,578	\$ 0	\$ 0	\$ 0	\$ 3,471,578	0	0.00
Services and Supplies	\$ 0	\$ 0	\$ 146,112	\$ 0	\$ 0	\$ 0	\$ 146,112		
SCR 101 - Appellate/Tax Courts									
Personal Services	\$ 0	\$ 0	\$ 475,803	\$ 0	\$ 0	\$ 0	\$ 475,803	0	0.00
Services and Supplies	\$ 0	\$ 0	\$ 30,000	\$ 0	\$ 0	\$ 0	\$ 30,000		
SCR 102 - Administration and Central Support									
Personal Services	\$ 0	\$ 0	\$ 1,104,265	\$ 0	\$ 0	\$ 0	\$ 1,104,265	0	0.00
Services and Supplies	\$ 0	\$ 0	\$ 3,581,621	\$ 0	\$ 260,000	\$ 0	\$ 3,841,621		
SCR 500 - eCourt Program									
Services and Supplies	\$ 0	\$ 0	\$ (4,800,000)	\$ 0	\$ 0	\$ 0	\$ (4,800,000)		
TOTAL ADJUSTMENTS	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,009,379</u>	<u>\$ 0</u>	<u>\$ 260,000</u>	<u>\$ 0</u>	<u>\$ 4,269,379</u>	<u>0</u>	<u>0.00</u>
SUBCOMMITTEE RECOMMENDATION *	<u>\$ 283,851,513</u>	<u>\$ 0</u>	<u>\$ 84,649,199</u>	<u>\$ 0</u>	<u>\$ 1,119,163</u>	<u>\$ 0</u>	<u>\$ 369,619,875</u>	<u>1,891</u>	<u>1,833.14</u>
% Change from 2009-11 Leg Approved Budget	0.0%	0.0%	5.0%	0.0%	30.3%	0.0%	1.2%	0.0%	0.0%

*Excludes Capital Construction Expenditures